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# MONTHLY ESTIMATES

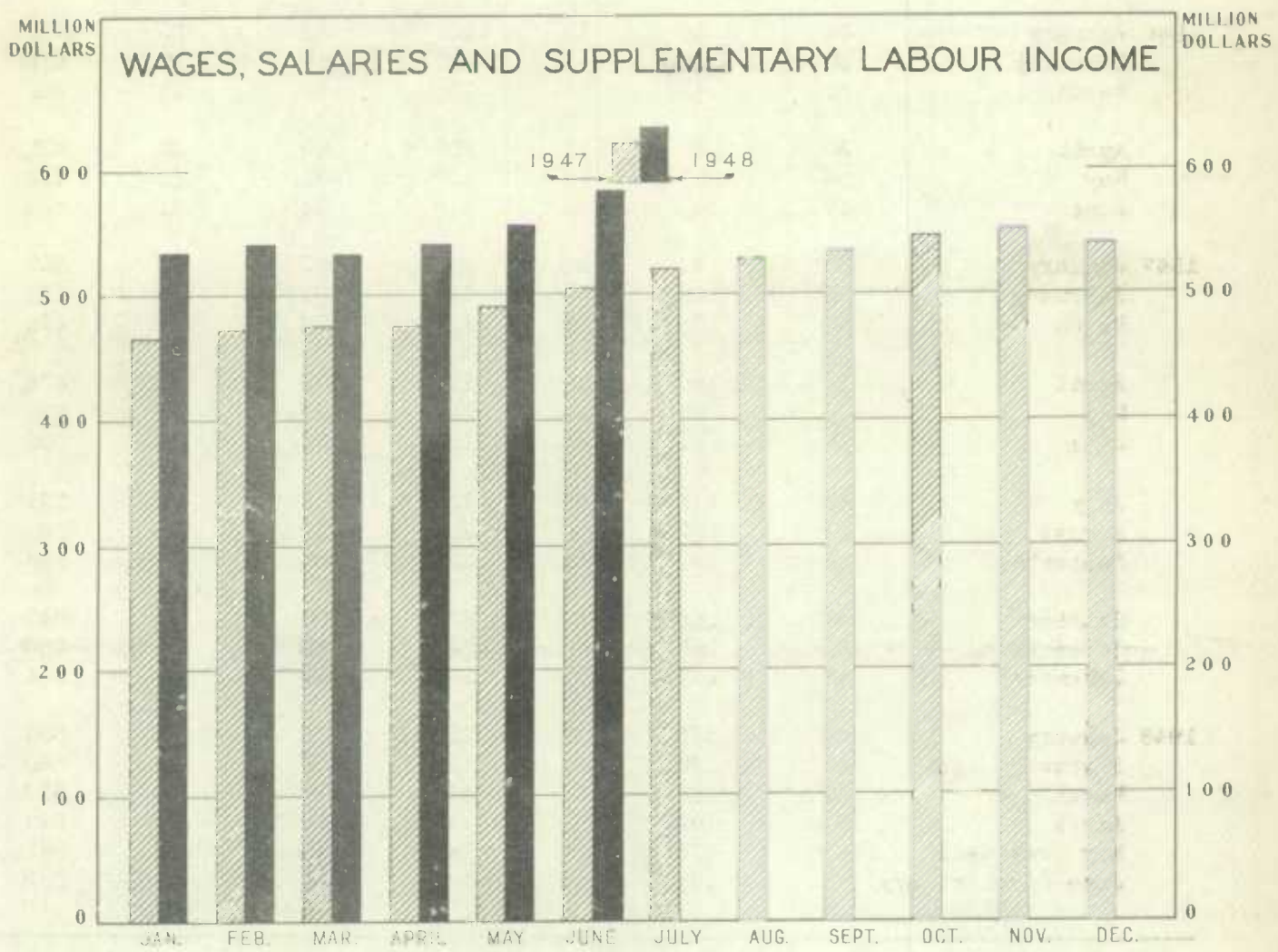
OF

## CANADIAN LABOUR INCOME

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June, 1948



Price - \$1 a year,  
Single copy 10 cents



OTTAWA, CANADA  
September, 1948

MONTHLY ESTIMATES OF CANADIAN LABOUR INCOME  
(\$ Millions)

	Agriculture, Logging, Fishing, Trapping, Mining	Manu- fac- turing	Con- struc- tion	Utilities, Trans- portation, Communi- cation, Storage, Trade	Finance Services (includ- ing Gov- ernment)	Supple- mentary Labour Income	TOTAL
1946 Average	37	144	25	112	94	21	433
1947 Average	42	174	34	131	106	24	509
1946 January	34	139	18	102	85	20	398
February	36	138	18	105	87	19	403
March	35	142	19	106	90	20	412
April	32	140	21	106	89	20	408
May	33	137	24	107	92	20	413
June	36	141	26	110	94	21	428
1947 January	39	161	23	121	100	22	466
February	38	163	25	123	101	22	472
March	37	165	25	124	102	22	475
April	33	166	28	124	102	22	475
May	36	169	31	128	103	23	490
June	40	171	35	131	106	23	506
July	42	175	39	133	108	24	521
August	45	177	40	133	109	25	529
September	45	181	41	135	109	25	536
October	48	185	42	137	109	26	547
November	50	188	40	139	110	26	553
December	48	187	32	140	109	25	541
1948 January	48	185	30	138	108	25	534
February	48	190	30	138	108	26	540
March	43	187	29	139	110	25	533
April	39	192	33	140	110	26	540
May (revised)	43	193	38	145	115	27	561
June (preliminary)	45	199	41	148	121	28	583

All totals are rounded to the nearest million independently. Therefore the final total does not necessarily agree exactly with the sum of the estimates.



Published by Authority of the Rt. Hon. C.D. Howe, M.P.,  
Minister of Trade and Commerce

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MONTHLY ESTIMATES OF CANADIAN LABOUR INCOME

June, 1948

With substantial increases in both employment and earnings, the estimated total of labour income rose to \$583 million in the month of June, 1948. This figure is \$22 million higher than the corresponding total for May and \$77 million or about 15 per cent greater than in June, 1947.

The increases in total payments of wages, salaries and supplementary labour income were general throughout the economy, with the largest increases appearing in the manufacturing and services industries.

Labour income in the first six months of 1948 is estimated at \$3,291 million, a total of \$407 million more than in the same period last year. Of this 14 per cent increase, roughly 10 per cent can be attributed to higher averages of earnings and the rest to larger numbers of workers in the labour force.

Although in the early months of the year, employment appeared to be somewhat sluggish, conditions showed considerable improvement by June. The number of paid workers in the labour force at June 5 was 3,364,000; an increase of 119,000 over February 21. Between the end of January and the end of June, average weekly earnings in the nine leading non-agricultural industries rose between four and five per cent. These two factors combined to raise the estimated monthly total to a level about nine per cent higher in June than in January. The Dominion cost-of-living index rose almost six per cent from January 1 to July 1.

The relative increase in labour income from May to June will not appear to be so large as the increase in the index of aggregate payrolls in nine leading industries from June 1 to July 1, appearing in the bulletin on "The Employment Situation" for July 1. This is because retroactive increases in the pay of railroad employees will not be taken into account in the estimates of total labour income until the month in which payments are made, while the payroll indexes in "The Employment Situation" are adjusted to take account of retroactive pay in the month to which it applies.



### Relation to the National Accounts

Labour income constituted about 56 percent of "Net National Income at Factor Cost", in 1947. The relationship between labour income and other items of the National Accounts can be studied in the bulletin "National Accounts, Income and Expenditure, 1938-1946". Figures for 1947 appear in the April issue of the "Canadian Statistical Review."

### Components of Labour Income

Estimates of Labour Income include all wages, salaries and supplementary remuneration for employees' services. Salaries and Wages include bonuses and commissions and are reckoned before deductions for income tax or any other payments. Supplementary Labour Income consists of all other employers' expenditures in cash or in kind that can be regarded as compensation for the employees' services. Examples of the latter are: employers' contributions to Unemployment Insurance; clothing and living accommodation or cash allowance for these provided by employers and other benefits.

### Methods

The monthly estimates are obtained from the latest annual estimates by projection on indexes of month-to-month changes in salaries and wages in each industry and, where necessary, monthly indexes of supplementary labour income. In the major sectors the monthly indexes used are the indexes of "Aggregate Payrolls" published in the D.B.S. bulletins on Employment and Payrolls. In a number of sectors where no suitable indexes of payrolls are available, data relating to changing numbers of employees from the quarterly Labour Force Survey are used in conjunction with a variety of wage-rate information to provide an index of payrolls. A full description of the concepts, methods and quality of the monthly estimates is set forth in the Bulletin "Wages, Salaries and Supplementary Labour Income in Canada by Months, January, 1946 to April, 1947".