

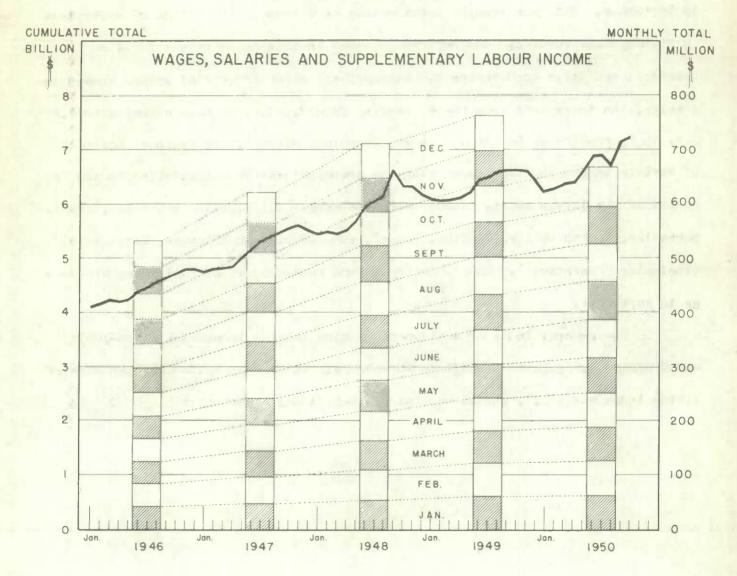
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ESTIMATES OF LABOUR INCOME

OCTOBER 1950



Estimates of Labour Income

October, 1950.

The estimate of total labour income for October is \$723 millions, a 1.0 p.c. increase over last month. The cumulative total for the first ten months of 1950, \$6,678 millions, is 5.5 p.c. higher than for the same period of 1949.

The only decline in October wages and salaries (1.8 p.c.) occurred in the Construction industry, with \$55 millions being reported in October and \$56 millions in September. This was brought about mainly by a drop in the volume of employment in Highway Construction: the employment index in this industry was 222.4 on October 1 and 213.1 on November 1. Although all other industrial groups showed increases, the increments were small, ranging from 0.8 p.c. in Manufacturing to 3.5 p.c. in "Agriculture, Logging, Fishing, Trapping, Mining", the seasonal movement of workers to the logging camps being the principal factor contributing to the increase in the latter group. Other increases were: 1.1 p.c. in "Utilities, Transportation, Communication, Storage, Trade", and 2.0 p.c. in "Finance, Services, (Including Government)". Supplementary Income remained, at \$25 millions, the same as in September.

The general index of employment in nine leading industries (1926=100) moved upward 0.6 points to 209.1 on November 1. On October 2 the Canadian cost of living index was 170.7, and it maintained that figure at November 1.

ESTIMATES OF LABOUR INCOME (\$ Millions)

	:	:	:	Utilities :	:	:	
	Agricul-			Trans-	Finance		
	ture, .			portation,.	Services.		
	Logging,	•		Communi-	(includ-	Supple-	
	Fishing	Manu		cation, .	ing .	mentary.	
I head then the	Trapping,	fac-	struc-	Storage,	Govern- *	Labour	
	Mining :	turing:	tion :	Trade :	ment) :	Income :	Total

1938 - Average		59	9	56	59	5	209
1939 - Average		62	8	57	59	5	215
1940 - Average		77	11	63	62	5	245
1941 - Average		107	16	73	67	8	299
1942 - Average		143	18	80	73	10	354
1943 - Average		169	18	86	78	13	395
1944 - Average		172	13	95	83	13	409
1945 - Average	35	156	15	101	90	13	410
1946 - Average	42	146	24	114	103	14	443
1947 - Average	47	175	33	133	113	17	518
1948 - Average	52	202	40	154	126	20	593
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1948 - October	57	213	48	164	130	21	633
November	56	214	46	166	130	21	632
December	52	211	39	164	129	21	614
1949 - January	49	211	35	159	133	20	607
February		213	34	159	131	20	605
March		214	35	161	134	20	606
April		213	39	163	134	19	610
May		209	42	166	138	20	622
June		216	46	170	141	20	645
July		214	49	172	142	21	649
August		218	51	172	139	23	658
September		220	53	174	138	22	662
October		219	52	175	141	22	663
November		218	50	177	143	23	661
			41	174	141	22	642
December	• * /	217	#1	7/4	T.# T	66	046
1950 - January	43	213	37	166	140	22	620
February		216	37	166	141	21	6 25
March		218	39	168	145	22	633
April		219	41	171	148	22	642
May		221	48	175	148	22	659
June		229	52	180	149	23	683
July		231	54	182	148	24	691
August		231	56	172	148	24	686
September		242	56	186	149	25	716
October		244	55	188	152	25	723
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The Chart

The chart on the front of this publication shows the total of wages, salaries and supplementary labour income by months for 1946, 1947, 1948, 1949 and 1950, as well as the cumulative totals for each of these years. The cumulative totals are shown as vertical bars whose scale is on the left side of the chart. Monthly totals appear as a line chart, with a scale on the right.

Methods

The monthly estimates are obtained from 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 constant number of working days in each month is assumed in the estimation of monthly labour income figures. 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". The method of adjusting the estimates to the annual totals is outlined in "Monthly Estimates of Labour Income in Canada, September, 1949". Minor revision to the 1947, 1948 and 1949 monthly totals were made in August, 1949. Therefore, when dealing with these years bulletins published prior to August, 1949 should not be used. Since the 1946 monthly figures were not revised at that time, the latest figures for that year will be found in 1949 bulletins prior to the June issue.

Relation to the National Accounts

Labour Income constituted about 56 per cent of "Net National Income at Factor Cost" in 1948. The relationship between labour income and other items of the National Accounts can be studied in the bulletin "National Accounts, Income and Expenditures, 1941-48".

Components of Labour Income

Estimates of total labour income include all wages, salaries and supplementary remuneration for employees' services. Gross earnings - before deductions for income tax or other payments - are used in the calculation of wages and salaries, and include bonuses, and commissions as well as allowances for food, clothing and living accommodation where these are provided by the employer. Employers contributions to unemployment insurance, workmen's compensation, pensions and welfare are shown as supplementary labour income.