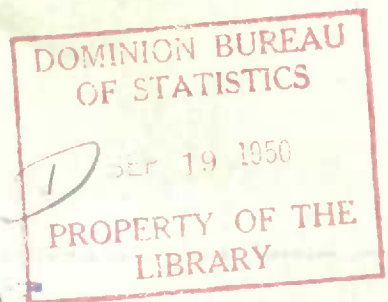


C-1

72 005



DOMINION BUREAU OF STATISTICS
Labour and Prices Division
OTTAWA



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

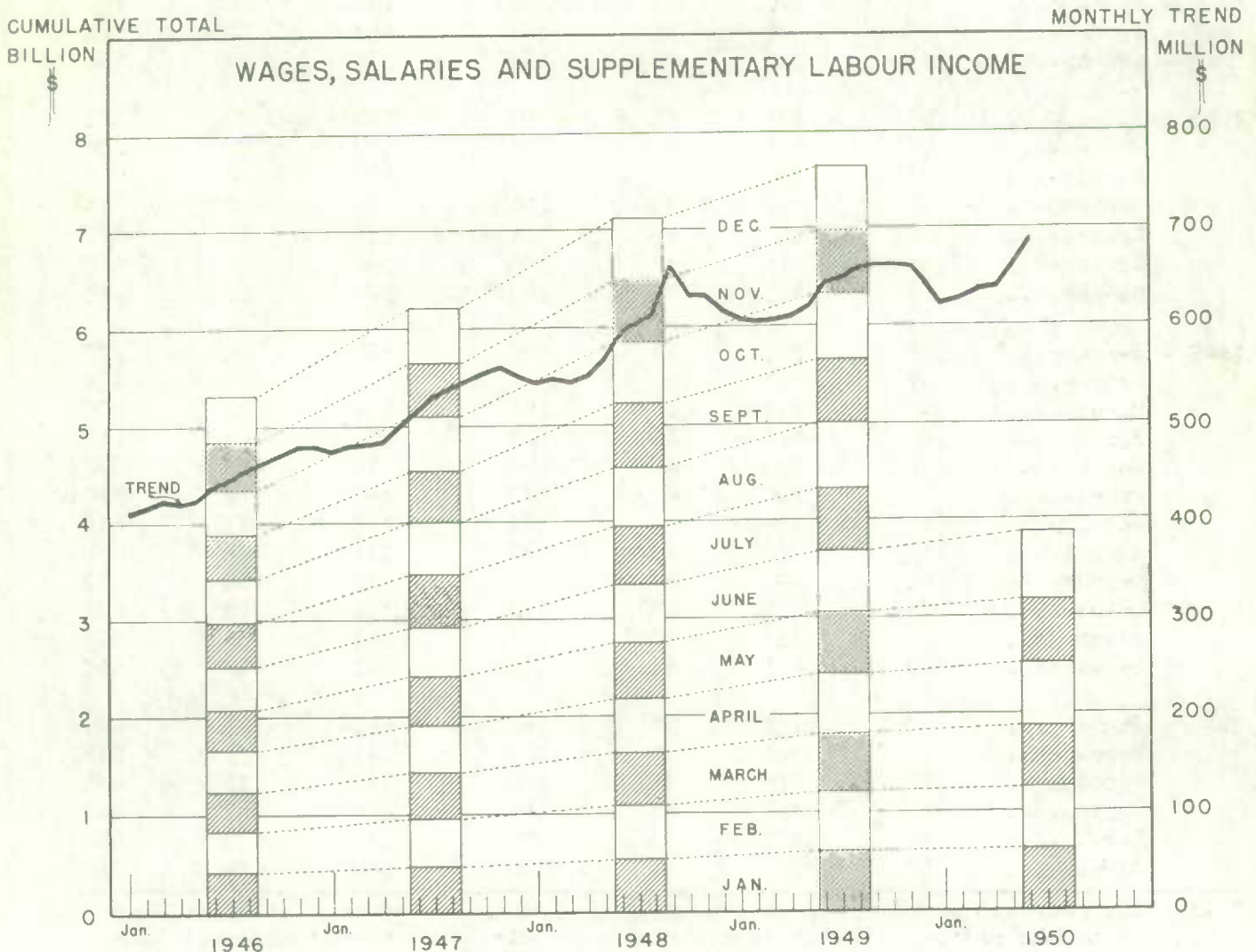
NE PAS PRÊTER

Vol. 4 No. 6

10 cents a copy, \$1.00 per year.

ESTIMATES OF LABOUR INCOME

JUNE 1950



ESTIMATES OF 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 Govern- ment)	Supple- mentary Labour Income	Total
1938 - Average...	22	59	9	56	59	5	209
1939 - Average...	23	62	8	57	59	5	215
1940 - Average...	27	77	11	63	62	5	245
1941 - Average...	29	107	16	73	67	8	299
1942 - Average...	30	143	18	80	73	10	354
1943 - Average...	31	169	18	86	78	13	395
1944 - Average...	33	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
1948 - June.....	51	201	43	150	130	20	595
July.....	53	201	48	153	130	20	606
August....	55	204	48	157	130	20	614
September..	57	220	48	185	130	22	663*
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..	47	213	34	159	131	20	605
March.....	42	214	35	161	134	20	606
April.....	40	213	39	163	134	19	610
May.....	46	209	42	166	138	20	622
June.....	51	216	46	170	141	20	645
July.....	51	214	49	172	142	21	649
August....	55	218	51	172	139	23	658
September..	54	220	53	174	138	22	662
October...	53	219	52	175	141	22	663
November..	51	218	50	177	143	23	661
December..	47	217	41	174	141	22	642
1950 - January...	43	213	37	166	140	22	620
February..	43	216	37	166	141	21	625
March.....	41	218	39	168	145	22	633
April.....	41	219	41	171	148	22	642
May.....	45	221	48	175	148	22	659
June.....	50	229	52	180	149	23	683

* Includes retroactive wage payments to railway system employees. All totals are rounded to the nearest million independently. Therefore, the final total does not necessarily agree with the sum of the individual estimates.

ESTIMATES OF LABOUR INCOME

JUNE, 1950

A further rise in the monthly estimate of labour income occurred in June; at \$683 millions, the latest figure is 3.6 p.c. higher than May and 5.9 p.c. over the same month of 1949.

Although labour income in each of the groups of industries increased in the month under review, the two particularly seasonal groups "Agriculture, Forestry, Fishing, Trapping and Mining", and "Construction" were subject to the greatest percentage increases, being 11.1 p.c. and 8.3 p.c. greater than May, respectively. The same industries rose by 10.9 p.c. and 9.5 p.c. between May and June of last year. "Finance" showed the smallest absolute increase (\$1 million) and the smallest per cent increase (.7 p.c.) over May.

The June estimate marks the end of the half year, during which period the cumulative total was \$3,862 millions compared with \$3,695 millions in the first half in 1949. In 1949 the estimates decreased from January to February but showed a rapid increase thereafter. Although the 1950 estimates increased at a slower rate, in no month was there recorded a decrease from the previous month, with the result that June 1950 showed a 10.2 p.c. increase over January 1950, while June 1949 showed a lower increase of 6.3 p.c. over January of that year. The absolute gain of June, 1950 over January was \$63 millions; that of June, 1949, over January was \$38 millions.

The principal cause of the latest increase in labour income was the upward movement in employment as reflected in the employment index which moved from 129.3 for June to 133.0 at July 1; it was also due, partly, to a slight rise in average weekly earnings. At 167.5, the Dominion cost of living index for July was 2.1 points higher than in June.

The Chart



1010511240

The chart on the front of the publication shows the annual totals of wages, salaries and supplementary labour income by months for 1946, 1947, 1948 and 1949, as well as the cumulative total to date in 1950. The annual totals can be measured against the scale on the left side of the chart. The monthly trend is plotted according to the scale on the right side of the chart and shows the month-to-month changes in the totals over the whole period.

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 Expenditure, 1941-48".

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.