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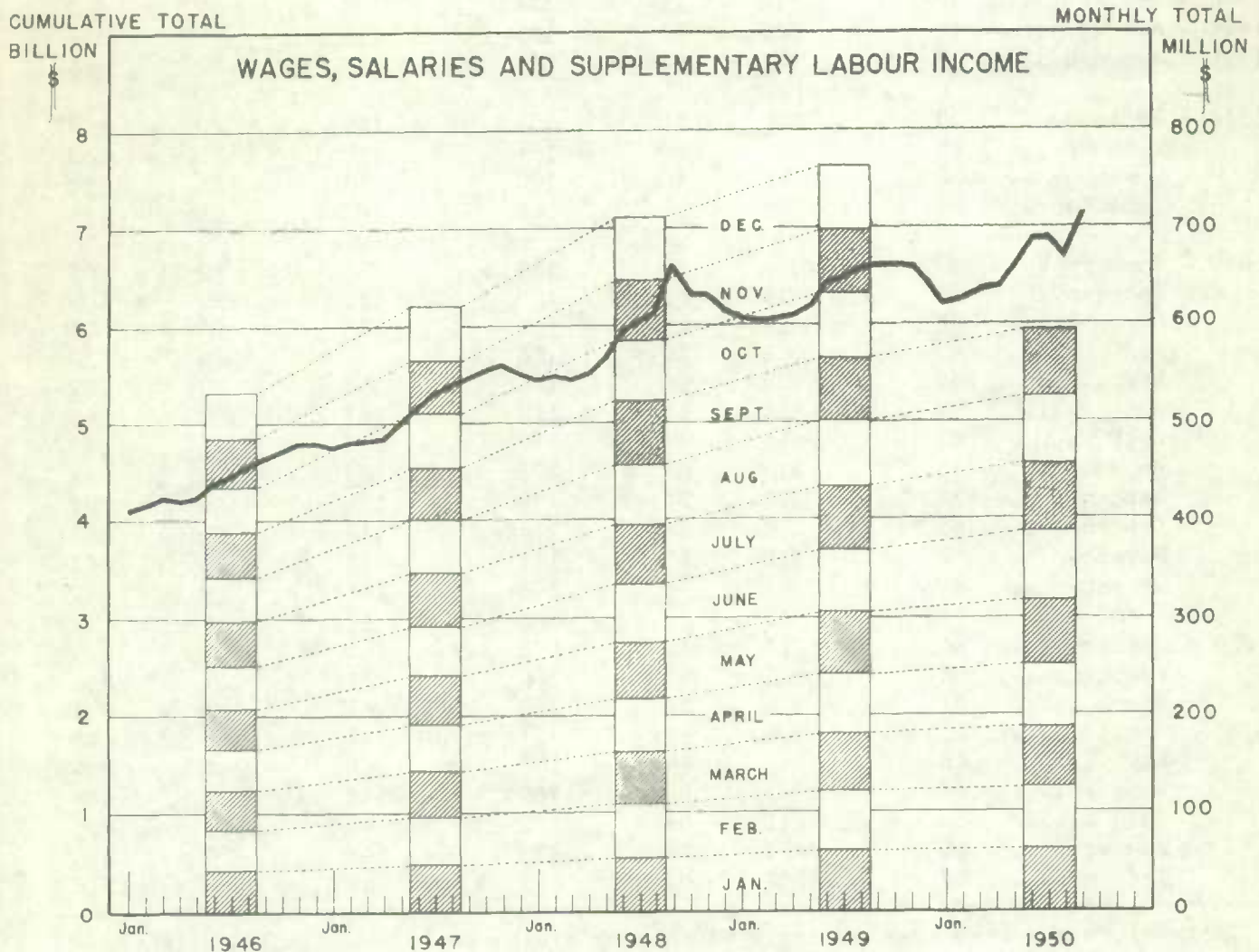
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# ESTIMATES OF LABOUR INCOME

## SEPTEMBER 1950



ESTIMATES OF LABOUR INCOME  
( \$ Millions )

|                  |       | Agriculture,<br>Logging,<br>Fishing,<br>Trapping,<br>Mining | Manu-<br>fac-<br>turing | Con-<br>struc-<br>tion | Utilities,<br>Trans-<br>portation,<br>Communi-<br>cation,<br>Storage,<br>Trade | Finance<br>Services<br>(includ-<br>ing Govern-<br>ment) | Supple-<br>mentary<br>Labour<br>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 - 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                     | 36                     | 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  | 133   | 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   |
| July             | ..... | 52  | 231                     | 54                     | 182  | 148   | 24                                     | 691   |
| August           | ....  | 55  | 231                     | 56                     | 172  | 148   | 24                                     | 686   |
| September        | ..    | 57  | 242                     | 56                     | 186  | 149   | 25                                     | 716   |

\* 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

September, 1950

The monthly estimate of total labour income in September was \$716 millions, a 4.4 p.c. increase over August. This was 8.2 p.c. higher than September 1949, 8.0 p.c. higher than September 1948, and 31.1 p.c. higher than September, 1947.

Industrially, the greatest changes took place in the "Utilities, Transportation, Communication, Storage, Trade" group which showed an increase of \$14 million, or 8.1 p.c. over the preceding month. This group was affected by the railroad strike in August, but comparison of September 1950 with the corresponding month of previous years, shows that the most recent figure was an increase of 6.9 p.c., 0.5 p.c., 35.8 p.c. over 1949, 1948 and 1947, respectively.

A gain of 4.3 p.c., or \$11 million, over August, was recorded in "Manufacturing" and a rise of 3.6 p.c. (\$2 million) in the primary industries of "Agriculture, Logging, Fishing, Trapping, Mining".

Figures for the third quarter of 1950 revealed substantially higher labour income than those of the second quarter, in all industrial groups except "Finance, Services (Including Government)" which remained at \$445 millions in each quarter. The increases ranged from 2.7 p.c. in "Public Utilities, Transportation, Communication, Storage, Trade" to 20.6 p.c. in "Agriculture, Logging, Fishing, Hunting, Trapping, Mining". Other changes were a rise of 5.2 p.c. in "Manufacturing" and 17.7 p.c. in "Construction". The total labour income of all the industries included changed by 5.5 p.c. between the second and third quarter of 1950.

The cumulative total to the end of the third quarter of 1950 was \$5,955 million, an increase of 5.1 p.c. over the same period of 1949, 13.8 p.c. over 1948 and 31.0 p.c. over the first three quarters of 1947.

Other economic indicators related to labour income are the Employment and Payrolls indexes in nine leading industries, which, at October 1, were 137.9 (September 1, 135.8) and 244.4, (September 1, 231.6), respectively. The Canadian cost-of-living index stood at 169.8 in September and 170.7 in October.



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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.