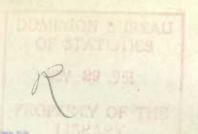
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DOMINION BUREAU OF STATISTICS

Labour and Prices Division
OTTAWA



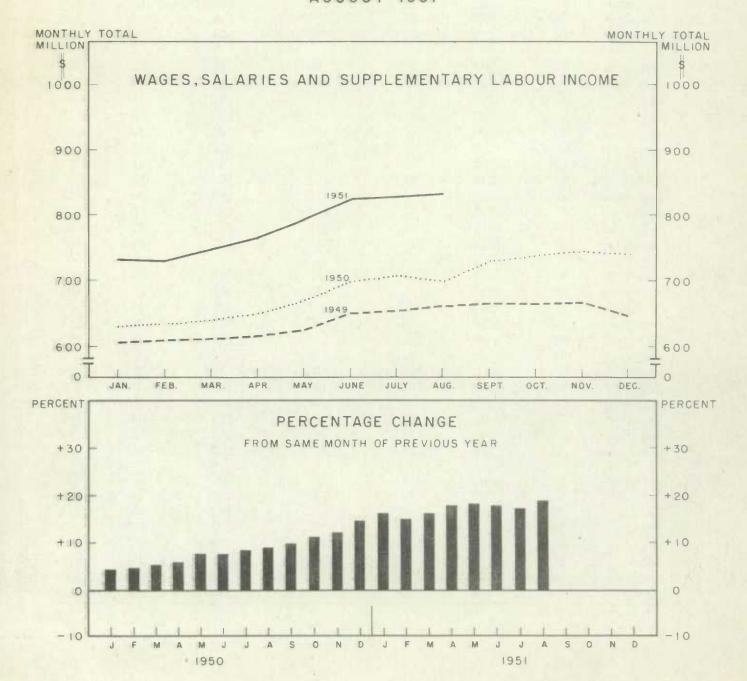
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ESTIMATES OF LABOUR INCOME

AUGUST 1951



ESTIMATES OF LABOUR INCOME # Millions

					Tit : 1: + i = o			
		4:			Utilities Trans-	Finance,		
		Agricul-			portation,	Services		
		ture,			Communi-	(includ-	Supple-	
		Forestry,	Mones	Con-	cation,	ing	mentary	
		Fishing.	Manu-	struc-	Storage,	Govern-	Labour	
		Trapping, Mining	fac- turing	tion	Trade	ment)	Income	Total
		mining	cul Tite	TION				
	Average	26	78	11	63	60	6	244
	Average	29	106	16	73	66	8	298
	Average	30	142	18	80	71	10	353
	Average	32	168	21	86	78	14	399
	Average	33	171	17	95	83	13	412
	Average	35	156	19	100	90	13	413
	Average	41	147	25	114	103	14	444
	Average	42	177	34	134	114	17	518
1948 -	Average	49	203	41	154	131	19	597
1949 -	January	48	208	37	158	133	20	604
	February	46	210	36	158	136	21	607
	March	42	210	36	160	140	21	609
	April	40	210	40	161	141	21	613
	May	45	206	43	165	144	21	6 24
	June	49	212	49	170	149	21	650
	July	50	211	53	170	148	21	653
	August	52	214	54	171	148	22	661
	September		217	54	173	149	22	664
	October	49	216	53	174	149	22	663
	November	48	216	51	176	152	22	665
	December	46	213	46	167	151	22	645
*1950 -	Longoner	45	211	38	165	149	21	629
	February	45	215	39	166	148	21	634
	March	45	217	41	168	148	21	640
	April	44	218	43	172	149	22	648
	-	49	220	50	175	158	22	671
	May	54	228	56	179	159	22	698
	June July	55	230	57	181	160	23	706
	August	57	232	58	171	157	24	699
	September		241	58	186	159	25	7 28
	October	61	244	58	188	160	25	736
	November	62	247	56	193	161	25	744
	December	60	250	51	190	162	25	738
*1951 -			252	47	187	160	25	730
	0	59	254	46	188	157	24	728
	February	59	260	46	191	168	25	745
	March	55	266	53	196	166	27	763
	April	55	269	59	202	174	27	792
	May	61		64	208	179	27	821
	June	67 66	276 276	68	209	178	30	827
	Ju ly			68	211	176	28	830
	August	68 foundland.	279	00	411	110	20	000

ESTIMATES OF LABOUR INCOME

August, 1951

The data presented in the table and charts of this bulletin are the result of a systematic revision carried out to include new information, and incorporate the results of special studies. It will be noted that the net effect of changes is not cumulative. Basic concepts and methods of calculation are unchanged, and the industrial breakdown is the same so that no break in continuity is involved. An outline of concepts and methods, together with charts and tables covering the annual series from 1926 to 1950, and the monthly series from 1946 to 1951 is being prepared for publication.

In August, 1951, the estimate of labour income was \$830 millions, 0.3 per cent higher than in July. The rate of increase over the previous month has been slowing down since May when the figure was 3.8 per cent higher than in April. Wages and salaries in Construction have shown a similar behaviour pattern. In Finance and Services (including government) wages and salaries dropped slightly, while those in construction stabilized at \$68 million. Each of the other groups of industries experienced increases.

The August total is 18.7 per cent higher than the August, 1950 figure.

Totals in each month of 1951 have been from 14.8 per cent (February) to 18.7 per cent (August) higher than in the same month of the previous year, in response to the prevailing very high level of employment (index of employment September 1, 1939=100, 185.0; one year ago, 174.1) and wage and salary boosts (wages and salaries in non-agricultural industry at September 1, 1951, \$50.61, at September 1, 1950, \$44.17, an increases of nearly 14.6 per cent). During the same time interval, the cost-of-living index in Canada has risen 11.8 per cent, from 169.8 on September 1, 1950 to 189.8 on September 1, 1951.

The Chart



The upper portion of the chart on the front of this publication shows labour income (total of wages, salaries and supplementary income) by months for the years 1949, 1950 and 1951. The lower part shows the percentage changes of any month from the same month one year earlier.

Methods

For most of the major industries, the monthly estimates of labour income are obtained from annual estimates by projection on indexes of aggregate payrolls. For other industries, a variety of wage-rate and employment data are used to provide an estimating series. The annual data, on which the monthly estimates are based, are compiled from original sources within the Dominion Bureau of Statistics and from data supplied by several industrial or trade associations. No adjustment is made for different numbers of working days in each month. A more detailed description of concepts and methods is set out in the bulletin "Wages, Salaries and Supplementary Labour Income by Months, January, 1946 to April, 1947", and the method of adjusting the estimates to the annual totals is outlined in "Monthly Estimates of Labour Income in Canada, September, 1949". The figures included in the table of this bulletin supersede those in earlier bulletins, and those for the most recent years are subject to further minor revisions as new source materials become available.

Relation to the National Accounts

Labour Income constituted 58 per cent of "Net National Income at Factor Cost" in 1950. The relationship between labour income and other items of the National Accounts can be studied in the bulletin "National Accounts, Income and Expenditures, Revised Preliminary 1950".

Components of Labour Income

Estimates of total labour income included 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.