



# DOMINION BUREAU OF STATISTICS

Labour and Prices Division

OTTAWA

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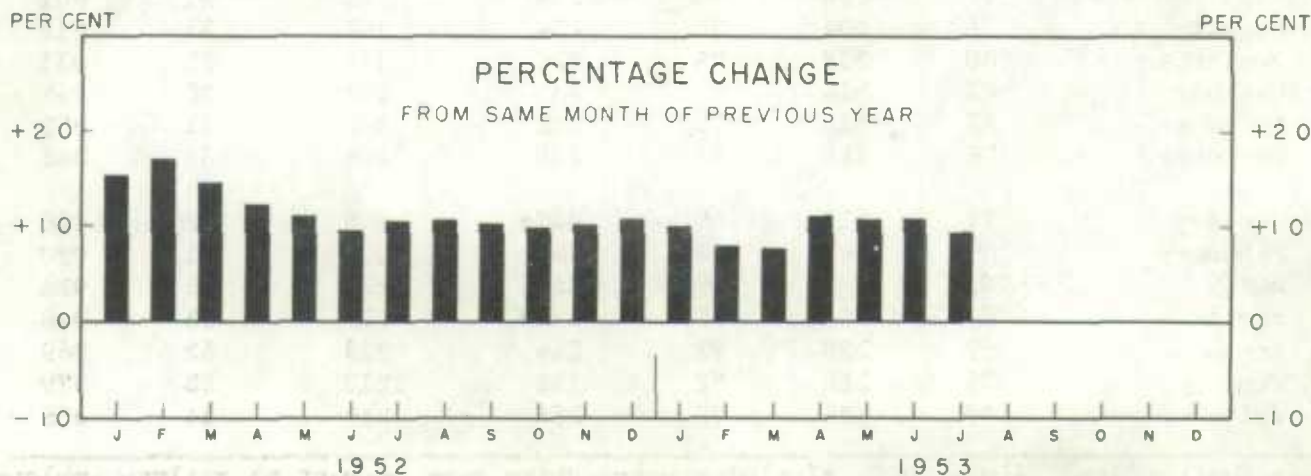
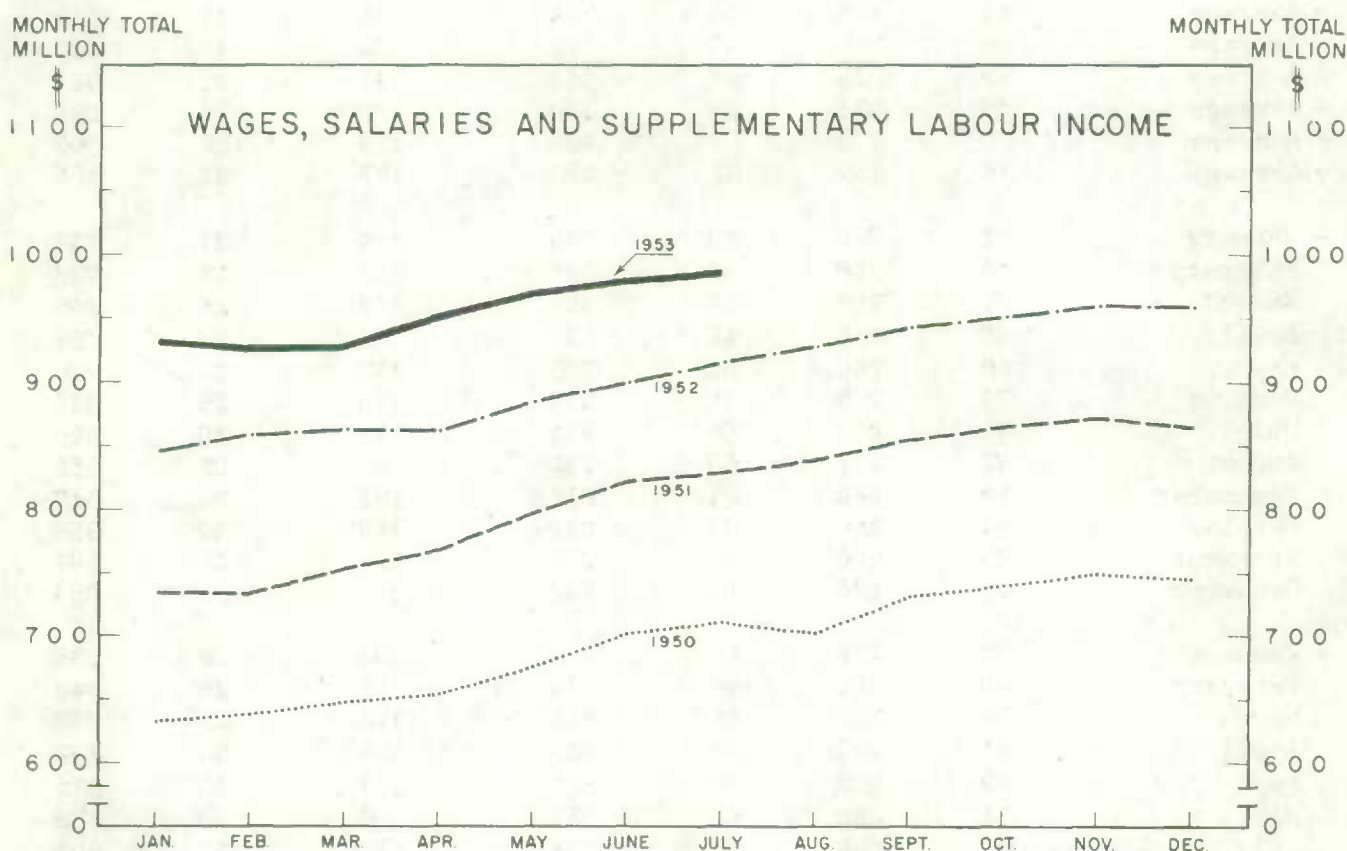


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## ESTIMATES OF LABOUR INCOME

JULY 1953



ESTIMATES OF LABOUR INCOME  
(\$ Millions)

	Agriculture, Forestry, 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
1939 - Average	23	62	8	58	59	5	215
1940 - Average	26	78	11	63	60	6	244
1941 - Average	29	106	16	73	66	8	298
1942 - Average	30	142	18	80	71	10	353
1943 - Average	32	168	21	86	78	14	399
1944 - Average	33	171	17	95	83	13	412
1945 - Average	35	156	19	100	90	13	413
1946 - Average	41	147	25	114	103	14	444
1947 - Average	42	177	34	134	114	17	518
1948 - Average	49	203	41	154	131	19	597
x1949 - Average	49	214	47	169	147	21	647
1950 - Average	55	231	47	180	156	24	693
1951 - Average	70	270	52	208	178	28	806
1952 - Average	76	299	62	230	197	31	895
1951 - January	63	249	42	189	164	27	734
February	63	252	41	190	162	25	733
March	60	257	39	193	175	26	750
April	60	263	45	199	171	27	765
May	66	266	52	205	177	28	794
June	72	273	55	211	179	28	818
July	71	273	55	212	179	30	820
August	72	277	60	214	180	29	832
September	76	282	61	217	182	29	847
October	81	280	60	219	188	30	858
November	83	280	60	223	191	30	867
December	81	286	52	222	188	29	858
1952 - January	79	279	49	215	188	29	839
February	80	284	47	216	193	29	849
March	74	290	48	218	193	29	852
April	63	291	53	222	193	30	852
May	69	292	60	227	197	30	875
June	71	292	61	231	200	30	885
July	71	294	70	234	201	31	901
August	78	304	75	234	197	31	919
September	80	312	74	236	198	31	931
October	82	314	77	239	202	32	946
November	83	318	75	242	202	32	952
December	76	322	62	245	205	32	942
1953 - January	71	317	58	247*	203	32	928
February	69	322	56	235	207	31	920
March	61	325	57	236	213	32	924
April	61	326	63	253*	213	33	949
May	69	328	72	249	219	32	969
June	75	328	72	253	218	33	979
July	77	325	76	255	219	34	986

xIncludes Newfoundland, since 1949. \*Includes retroactive wage payment to railway employees.



## ESTIMATES OF LABOUR INCOME

July 1953

During the month of July, total wages, salaries and supplementary labour income rose by \$7 million to reach a record high of \$986 million. This estimate was \$85 million, or nearly  $9\frac{1}{2}$  per cent, more than a year earlier; and it kept pace with the average percentage change of almost 10 per cent for the seven months of 1953 over the corresponding period of the previous year.

The largest component increase of \$4 million in total wages and salaries was registered for the construction industry, as a result of continuing advances both in residential and non-residential construction. The rise of \$2 million for the primary industry group was due to the expansion of labour income in agriculture, fishing and mining, which more than counterbalanced the loss in forestry. The total for the distributive industries also increased \$2 million, and that for the finance and services group \$1 million.

The manufacturing total recorded a minor decline of \$3 million, but the July total of \$325 million was up  $10\frac{1}{2}$  per cent above a year ago. The June-July decline was affected by the vacation season, with the mid-July survey of the labour force showing 272,000 persons on paid and unpaid vacation in all branches of the economy, as compared with 52,000 persons in the previous month. The earnings of workers receiving vacation pay are included in the wages and salaries total.

A fractional increase in the Consumer Price Index (1949=100) from 115.4 to 115.7 occurred between the beginning of July and August.

From July 1950 to July 1953, labour income rose 39 per cent, with  $\frac{2}{5}$  of the increase taking place during the first year. The following table shows the pattern of relative growth of the components of labour income.

	<u>July 1950</u>	<u>July 1951</u>	<u>July 1952</u>	<u>July 1953</u>
Agriculture, forestry, fishing, trapping and mining	100	125	125	135
Manufacturing	100	118	127	141
Construction	100	106	135	146
Utilities, transportation, com- munication and storage, trade	100	116	128	139
Finance and services (including government)	100	112	126	137
Supplementary labour income	100	125	129	142
Total labour income	100	116	127	139



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## 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 for unemployment insurance and pension contributions--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' contribution to unemployment insurance, workmen's compensation, pensions and welfare are shown as supplementary labour income.

## Methods of Estimation

The monthly estimates of total wages and salaries are projections from annual estimates; these projections are based mainly on the indexes of aggregate payrolls for major industries, published in the monthly bulletin "Employment and Payrolls". For other industries various wage rate and employment data are used to provide estimating series. The annual estimates of labour income are compiled from original sources within the Dominion Bureau of Statistics and from other statements and reports of governments and business. A full description of the concepts, sources and methods covering the annual estimates is found in the reference document "National Accounts, Income and Expenditure 1926-1950" (December 1951).

A constant number of working days in each month is assumed in the estimation of monthly labour income. A detailed account of concepts and methods is set out in the bulletin "Wages, Salaries and Supplementary Labour Income in Canada 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 this bulletin supersede those in earlier issues, 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 59 per cent of "Net National Income at Factor Cost" in 1952. The relationship between labour income and other items of the National Accounts can be studied in the bulletin "National Accounts, Income and Expenditure, 1949-1952" (May 1953).