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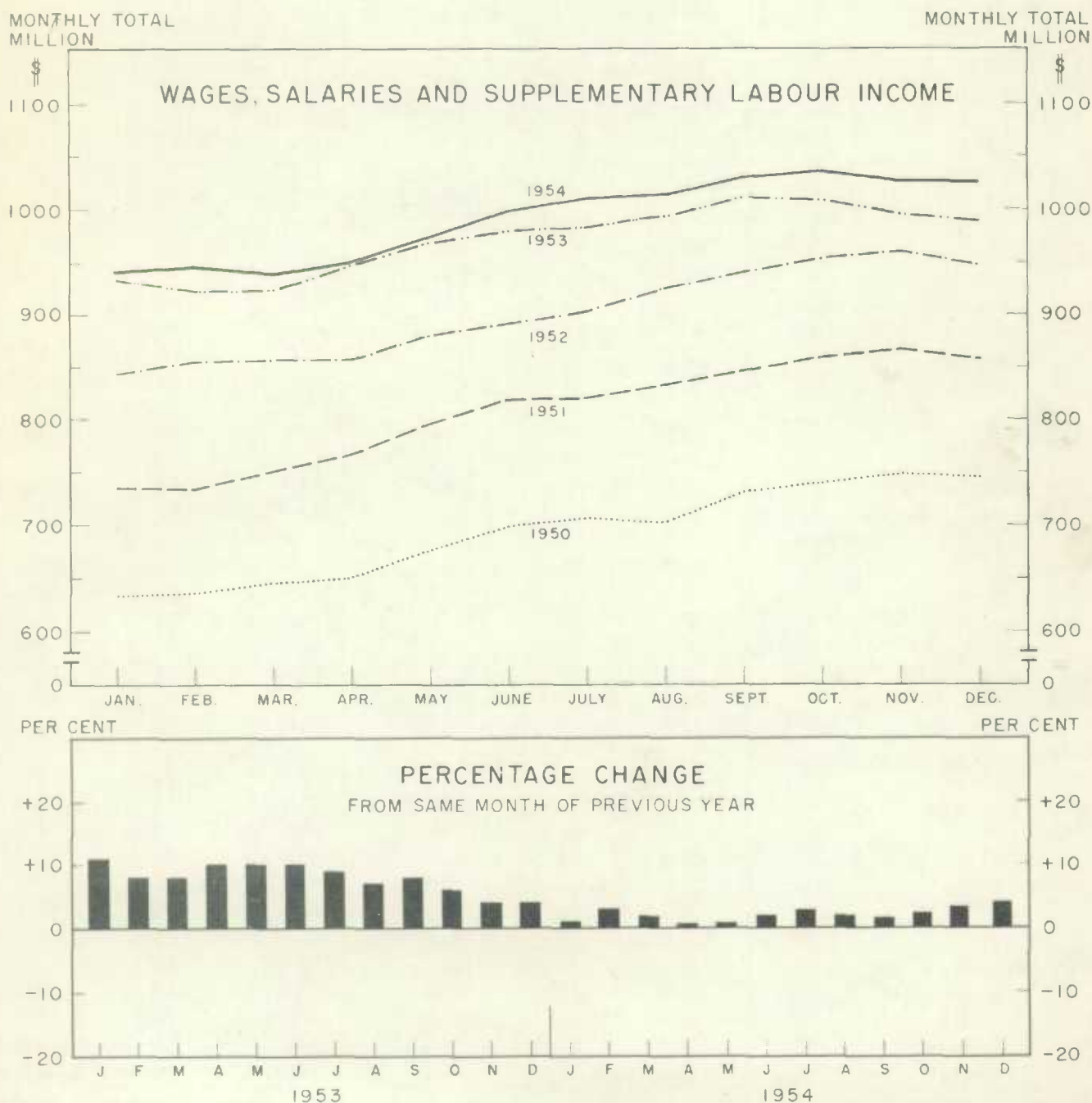
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## ESTIMATES OF LABOUR INCOME

DECEMBER 1954



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	293
1942 - Average	30	142	18	80	72	11	353
1943 - Average	32	158	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	72	272	52	208	178	28	810
1952 - Average	76	302	62	230	199	32	901
1953 - Average	73	330	70	250	215	34	972
1952 - July	72	297	70	234	198	32	903
August	78	308	75	234	198	32	925
September	80	315	74	236	203	33	941
October	83	317	78	238	205	34	955
November	84	321	75	242	206	33	961
December	78	325	62	244	205	34	948
1953 - January	72	321	58	246*	203	34	934
February	70	325	55	234	205	33	923
March	62	328	57	234	210	33	924
April	60	328	63	251*	210	34	946
May	69	331	72	246	214	34	966
June	75	333	72	251	216	34	981
July	77	330	76	253	212	35	983
August	80	334	81	253	212	34	994
September	80	337	82	256	224	35	1,014
October	78	333	83	257	226	35	1,012
November	77	328	76	256	224	35	996
December	71	333	69	255	225	35	983
1954 - January	65	322	56	245	223	34	945
February	66	325	54	247	225	33	950
March	62	323	54	245	226	33	943
April	59	322	59	251	229	34	954
May	69	320	67	253	232	34	975
June	74	325	70	259	237	35	1,000
July	80	323	77	262	233	35	1,010
August	83	323	76	261	235	36	1,015
September	84	326	78	263	244	35	1,030
October	86	323	82	265	244	36	1,036
November	83	321	77	265	246	36	1,028
December	79	325	71	264	250	36	1,025

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



## ESTIMATES OF LABOUR INCOME

December, 1954

The total of wages, salaries and supplementary labour income earned by paid workers in Canada was estimated at \$1,025 million for December, 1954. The usual seasonal change was slightly less than in recent years, and the estimate declined by \$3 million from the previous month, but it was \$37 million or 3.7 per cent higher than the total for December, 1953. The minor decrease in labour income during December was the net result of the losses of \$6 million, \$4 million and \$1 million in total wages and salaries for construction and the primary and the distributive groups of industries, respectively. It was partially offset by increases of \$4 million each for manufacturing and the finance and services group.

The 12 monthly estimates of labour income for 1954 totalled \$11,910 million, up 2 per cent from the 1953 total of \$11,661 million. Increases in total wages and salaries from 1953 to 1954 of 2 per cent occurred in the primary group of industries, of 3 per cent in the distributive industries and of 9 per cent in the finance and services group. Within the primary group, the totals for agriculture, fishing and mining advanced, while that for forestry remained about the same. A 6 per cent to 7 per cent rise in total wages and salaries in public utilities and trade offset by a decline of less than 2 per cent in the total for transportation, storage and communication resulted in a net increase of 3 per cent for the distributive group.

Contract construction and manufacturing were the only two industries which registered losses of some 2 to 3 per cent. Notwithstanding the rather slow start in the first half of 1954 due to unfavourable weather conditions, total wages and salaries for residential building were up 9 per cent over 1953. On the other hand, with the completion of the construction stage of several major resource developments, labour income from non-residential construction declined some 10 per cent during 1954. The earnings of government employees engaged in construction activity are included under government service in the finance and services group.

The 2 per cent decline in 1954 labour income for all manufacturing resulted from sizable losses among important component groups, counter-balanced in part by gains in a number of other smaller components. Iron and steel products, transportation equipment and textile products showed losses of 9 per cent to 10 per cent, while clothing and leather products fell from 6 per cent to 7 per cent. These declines coincided with reductions in expenditures for defence, durable and producers' goods and a switch from accumulation to liquidation of inventories. Gains ranging between 4 per cent and 6 per cent took place in paper products, printing, chemicals, petroleum, coal and non-metallic mineral products.

The 1954 average of \$3,906,000 for monthly estimates of paid workers in all branches of the economy was about 1 per cent under that for the previous year. The per capita average of weekly earnings of \$58.88 for 1954 for wage and salary earners in the major non-agricultural industries was roughly 3 per cent higher than the 1953 average of \$57.30. The average factory work week declined by about half an hour from 41.3 hours in 1953 to 40.6 hours in 1954, while average earnings in manufacturing rose approximately 4 per cent from \$1.36 to \$1.41 per hour.

The general level of retail prices, as measured by the Consumer Price Index with average 1949 as 100, showed monthly fluctuations within a narrow range in 1954, and averaged 116.2 as compared with 115.5 in the previous year. The index stood at 116.4 on January 3, 1955.



## 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, 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, compiled by the Bureau's Employment Section. Federal and provincial government payroll statistics collected by the Public Finance and Transportation Division are incorporated; and various employment and wage rate data are used to compute monthly estimates for other industries. 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 also in the report "National Accounts, Income and Expenditure by Quarters 1947-1952" (November 1953).

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 61 per cent of "Net National Income at Factor Cost" in 1953. The relationship between labour income and other items of the National Accounts can be studied in the bulletin, "National Accounts, Income and Expenditure, 1950-1953" (June 1954).