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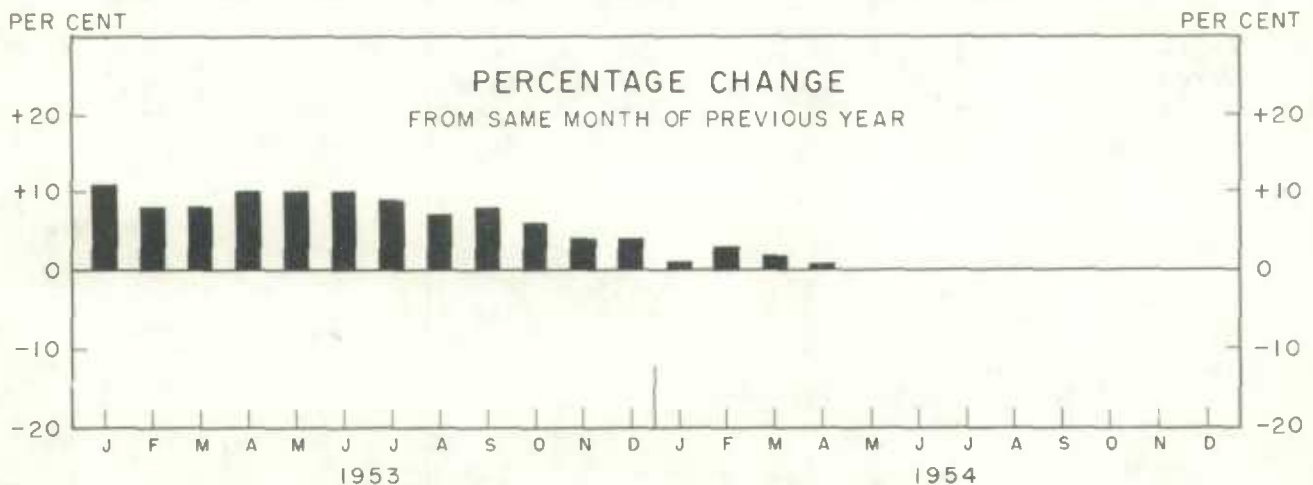
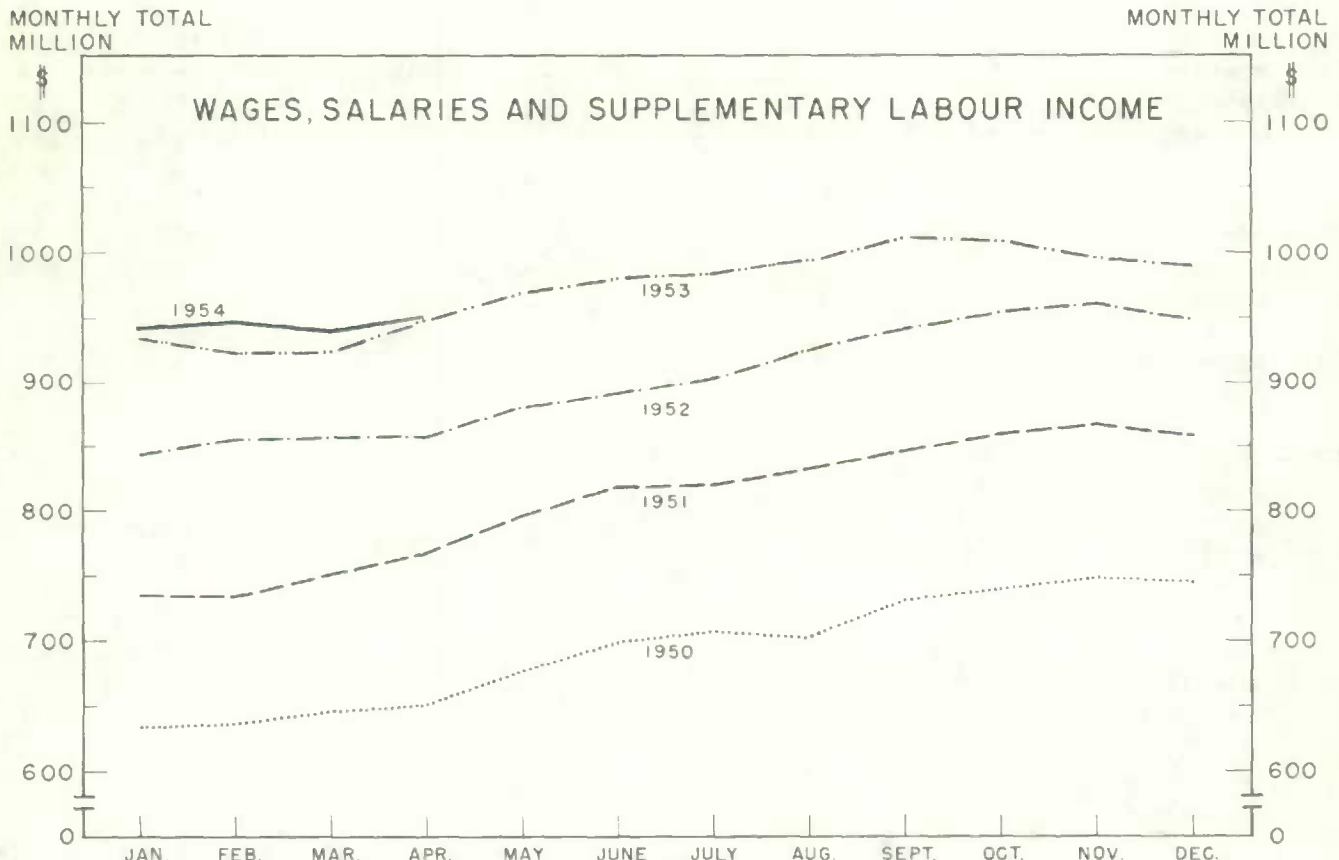
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VOLUME VIII No. 4

ESTIMATES OF LABOUR INCOME

APRIL 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	298
1942 - Average	30	142	18	80	72	11	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	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
1951 - November	85	283	59	223	190	30	870
December	83	289	50	223	188	29	862
1952 - January	80	282	48	215	188	31	844
February	82	287	47	216	193	30	855
March	75	293	48	217	193	31	857
April	64	293	53	222	194	31	857
May	70	295	59	227	198	31	880
June	72	295	61	231	202	31	892
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	326	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	988
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

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

ESTIMATES OF LABOUR INCOME

April 1954

The estimate of labour income received by paid workers in Canada increased during April by \$11 million to \$954 million. This total was slightly higher than that for April 1953 of \$946 million, which included retroactive wage payments to railway employees.

Advances in total wages and salaries were recorded during April in construction (\$5 million) and the distributive industries (\$6 million), accompanying the seasonal revival of activity in building, water transportation and trade; there was also an increase of \$3 million in the finance and services group.

The totals for the primary industries and for manufacturing decreased \$3 million and \$1 million, respectively. The loss in the primary group reflected further reductions in logging operations which outweighed a modest upturn in agriculture. Leather products, clothing, iron and steel products and transportation equipment were some of the groups within the manufacturing industry whose total wages and salaries declined in the provinces of Ontario and Quebec.

Contraction not only in employment but also in the average factory week and premium overtime pay contributed to the decline in manufacturing labour income. The index of employment (1949=100) for manufacturing stood at 107.3 at the end of April, as compared with 113.1 for the corresponding period for 1953. Average hours worked per week declined from 42.1 hours to 40.9 hours over the year. On the other hand, hourly wage rates, according to the Department of Labour wage surveys, increased roughly 3 per cent over the year to April 1954; the gain from October 1953 to April 1954 was slightly over 1 per cent.

The Consumer Price Index slipped fractionally during the month to 115.5 at May 1. It was 114.4 per cent of the 1949 average at May 1, 1953.

The estimates of labour income in this issue have been adjusted to bring them into agreement with the latest annual estimates for 1951, 1952 and 1953, as revised in the publication "National Accounts, Income and Expenditure, 1950-1953".



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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, 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).