

Economic Conditions During Seven Months of 1942

Important factors indicating the trend of economic conditions recorded expansion in the first seven months of this year over the same period of 1941. The index of the physical volume of business rose more than 4 per cent to 136.0. The index of wholesale prices averaged 95.2 against 87.4, an increase of nearly nine per cent. The cost of living at 116.2 was 6.3 per cent greater. The amount of cheques cashed in clearing house centres was \$25.3 billion against \$22.1 billion, an increase of 14.7 per cent. Bond prices averaged higher in the first seven months as indicated by a recession of 4.6 per cent in the index of bond yields. Common stock prices averaged 5 per cent below the same period of last year, the index having been 63.2.

Owing to the reduced grain crop of last year the index of marketings receded to a lower position during the first seven months of 1942. The index of livestock marketings was nearly maintained. An increase of more than 2 per cent was shown in cattle slaughterings, while hog slaughterings were 6 per cent greater. A gain of 10 per cent was shown in the index of cold storage holdings. The favourable weather conditions of the growing season is resulting in the harvest of one of the largest crops in Canada's history.

A slight recession was shown in the index of mineral production, although the output of coal rose 14 per cent to 10.8 million tons. Gold receipts at the Mint declined 6.4 per cent, the total having been 2,801,623 fine ounces against 2,992,063 in the same period of last year. The index of manufacturing production rose from 141.5 to 150.9, a gain of 6.6 per cent.

A marked expansion in industrial activity was indicated by the increase in the indexes of employment. The general index averaged for the first seven reporting dates a level of 168 against 143 in the same period of last year. The gain of 17.4 per cent in the general index compares with an increase of 26.2 per cent in manufacturing plants. The index of employment for manufacturing was 198.7 against 157.4 in the same period of 1941. Employment in the mining industry rose 1.5 per cent while a gain in construction was recorded at 7.5 per cent.

July Employment Situation

Industrial employment at the beginning of July showed its fourth consecutive increase. Since March, some 106,500 employees have been taken on by the co-operating establishments, a number substantially exceeding the gain ordinarily indicated between April and July in the experience of earlier years of the record, although, like the latest advance, it was not equal to that reported in the same period of 1941. The 13,100 establishments furnishing information to the Dominion Bureau of Statistics at July 1 had a combined working force of 1,759,065 men and women as compared with 1,719,082 in their last return. This was a gain of 40,183 or 2.3 per cent.

The crude index number of employment, based on the 1926 average as 100, rose from 171.7 at June 1, 1942, to a new maximum of 175.7 at the beginning of July, when it was 11.6 per cent higher than at the same date of last summer. The seasonally-adjusted index, computed upon the experience of the years 1929-1937, showed a slight gain, rising from 171.7 at June 1 to 172.4 at the beginning of July.

There was an unusually large seasonal increase in manufacturing at the date under review, 18,800 persons being added to the reported working forces. The advance took place mainly in the production of durable goods, which absorbed over 16,200 of the above mentioned number. Construction and transportation also showed considerable improvement, although the expansion was on a scale rather below-average in the experience of other years of the record. Logging was brisker in some of the provinces and slacker in others, showing a slight increase in the Dominion as a whole. Mining afforded rather more employment, particularly in the extraction of coal. In services, there was also a moderate advance which, however, was smaller than that usually indicated at the beginning of July. Trade, on the other hand, reported a contra-seasonal decline.

Within the manufacturing division, the largest gain was in iron and steel, in which approximately 11,500 additional persons were employed by the co-operating plants. The lumber, food, non-ferrous metal and certain other classes also recorded heightened activity, but leather, textile and tobacco factories showed considerable curtailment, chiefly of a seasonal character. The production of electrical apparatus for civilian use also afforded less employment.

A further increase in payrolls accompanied that in the number of employees. The reported weekly payroll was \$50,224,523. This was higher by \$1,747,148, or 3.6 per cent than the total of \$48,477,375 disbursed by the same establishments at the beginning of June. The per capita average earnings of the 1,759,065 employees reported in the eight leading industrial groups rose from \$28.20 paid on or about June 1 to \$28.55 paid on or about July 1. The latter was four cents lower than the average at May 1, but was otherwise the highest in the record, which commenced with June 1, 1941.

Visible Supply of Wheat

The visible supply of Canadian wheat on September 4 totalled 396,923,497 bushels compared with 398,402,526 a week earlier and 470,737,304 on the corresponding date last year. The stocks in elevators and in transit in Canada totalled 376,708,639 bushels, the balance of 20,214,858 bushels being in storage in the United States.

Primary Marketings of Wheat

Wheat receipts in the Prairie Provinces during the week ending September 4 amounted to 1,454,955 bushels compared with 1,609,772 in the previous week and 6,437,995 in the corresponding week last year. By provinces the receipts were as follows, with figures for the like week last year in brackets: Manitoba, 238,975 (1,260,321) bushels; Saskatchewan, 478,146 (4,022,305); Alberta, 737,834 (1,155,369).

Marketings during the five weeks ended September 4 aggregated 3,428,318 bushels compared with 25,497,584 in the corresponding period of the previous crop year. Totals follow by provinces, with 1941 totals in brackets: Manitoba, 764,857 (6,041,049) bushels; Saskatchewan, 950,577 (13,541,758); Alberta, 1,712,884 (5,914,777).

First Estimate of Field Crops

Canada's total wheat production in 1942 is placed at an all-time record level of 615,243,000 bushels, according to the first estimate of the season. The 1942 volume is almost double the 311,825,000 bushels produced in 1941, and exceeds by 48,517,000 bushels the previous record crop of 566,726,000 bushels harvested in 1928. This year's unprecedented outturn is being realized despite the fact that the 1942 wheat acreage has been held slightly under that of 1941, and substantially below the acreage levels of the preceding fifteen years. Notwithstanding, the exceptionally favourable weather conditions during the growing season in the Prairie Provinces, where more summer-fallowed land was available for wheat growing than in any previous year, have resulted in the harvesting of new high per acre yields.

Feed grain supplies for Canada as a whole are now the best in history with a record production of oats and barley accompanying Canada's largest wheat crop. Not only were the acreages sown to oats and barley considerably expanded this year in the Prairie Provinces, but new high average yields for both grains in the three provinces were established. For all Canada the 1942 production of oats is estimated at 660,716,000 bushels, which is more than double last year's production of 305,575,000 bushels. The 1942 production of barley in Canada is placed at 272,910,000 bushels, almost two and a half times the 1941 production of 110,566,000 bushels. Fall rye estimated at 19,381,000 bushels, and spring rye at 7,113,000 bushels, making a total rye production of 26,494,000 bushels, as compared with the 1941 crop of 11,659,000 bushels. Both the acreages and yields per acre of rye were higher in 1942 than in 1941. Flaxseed production for all Canada is estimated at 16,981,000 bushels for 1942, as compared with 6,566,000 bushels for 1941. Flaxseed acreages and yields in 1942 were both substantially higher than in 1941.

The production of hay and clover in 1942 at 15,498,000 tons, shows an increase of 2,866,000 tons over the 1941 production of 12,632,000 tons. Except in Prince Edward Island and in Manitoba larger crops of hay and clover were obtained in 1942 than in 1941.

Production of Cheese and Butter in August

Continuing the heavier production noted in recent months, Canada's cheese production in August advanced to 28,076,322 pounds compared with 23,949,120 in the corresponding month last year, a gain of 17.2 per cent. The total for the first eight months of this year aggregated 141,494,637 pounds compared with 99,643,147 in the corresponding period of 1941, an increase of 42 per cent.

Butter production was also heavier in August, advancing 1.8 per cent to 36,164,745 pounds from last year's figure of 35,528,807. The total for the first eight months of this year was 3 per cent lower at 195,777,637 pounds compared with 201,729,921 in the corresponding period of 1941.

Cost of Living Index for August

The Dominion Bureau of Statistics cost of living index on the base 1935-1939=100 declined from 117.9 on July 2 to 117.7 on August 1. This index has increased 16.8 per cent between August 1939 and August, 1942. The decline in the August index was due mainly to lower prices for beef and potatoes. These decreases more than offset advances for eggs, lemons and oranges, and the food index dropped from 130.3 for July to 129.6 for August. The clothing index rose fractionally from 120.0 to 120.1, while house-furnishings and services recorded a slight decline from 117.9 to 117.3.

Stocks of Raw Hides and Skins in July

Stocks of raw cattle hides held by tanners, packers and dealers in Canada amounted to 444,032 at the end of July as compared with 387,455 on the corresponding date last year. Calf and kip skins on hand totalled 887,973 compared with 830,659, while other types at the end of July included 70,073 dozen sheep and lamb skins, 155,636 goat and kid skins and 15,447 horse hides.

Racial Origin of the Population of Prince Edward Island in 1941

The total population of the province of Prince Edward Island at date of the 1941 Dominion Census was 95,047 as compared with 88,038 on the same date in 1931. The racial origins of the inhabitants follow, with figures for 1931 in brackets: English, 27,383 (23,398); Scottish, 32,669 (32,489); Irish, 18,459 (17,698); French, 14,799 (12,962); German, 172 (282); Netherlands, 494 (300); Scandinavian, 152 (162); Indian and Eskimo, 258 (233).

Sales of New Motor Vehicles in July

Sales of 712 new passenger cars with a retail value of \$990,433 were recorded in July, declining 89 per cent in number and 88 per cent in value below the 6,305 new cars sold for \$8,248,314 in the same month a year ago. Cumulative totals for the first seven months revealed declines of 77 per cent in number and 76 per cent in dollar volume in 1942 compared with 1941. There were 14,756 new passenger cars sold for \$20,351,550 to the end of July this year as compared with 64,388 sold for \$83,130,850 in the like period of last year.

There was a further sharp reduction in commercial vehicle sales which were down 90 per cent in number and 85 per cent in value from July, 1941. Sales during the month amounted to 290 units valued at \$543,387, whereas 2,997 trucks and buses were sold for \$3,730,253 in July, 1941. Sales during the seven months of this year were approximately half the total for the similar period of last year.

Production of Salt in 1941

The quantity and value of Canadian salt produced in 1941 are the greatest ever recorded, amounting to 560,845 short tons valued at \$3,196,165 compared with 464,714 short tons at \$2,823,269 in 1940. To the total output the province of Ontario contributed 477,170 short tons or 92 per cent. Of the total salt sold or used by producers in 1941, 258,711 short tons or 46.1 per cent was consumed directly by the producers themselves in the manufacture of caustic soda and other chemicals.

Leather Industry in 1941

The output of the Canadian leather industry in 1941 had a total value of \$33,943,394, an increase over the preceding year of \$5,469,007 or 19 per cent. The quantity of leather as sold by weight had a total of 33,558,651 pounds valued at \$12,238,201 compared with 30,599,886 pounds valued at \$10,224,841, while that sold by area had a total of 93,824,483 square feet valued at \$18,686,072 compared with 88,081,130 square feet valued at \$16,427,076.

Births, Deaths and Marriages in July

Births registered in cities, towns and villages with a population of 10,000 and over numbered 10,722 in July, deaths 4,201 and marriages 6,518 as compared with 9,543 births, 4,330 deaths and 6,110 marriages in July last year, showing increases of 12 per cent in births, 7 per cent in marriages and a decrease of 3 per cent in deaths.

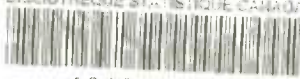
Production of Leather Footwear in July

The July production of leather footwear amounted to 2,597,862 pairs compared with 2,883,741 in the corresponding month last year, a drop of almost 10 per cent. The cumulative output for the seven months ended July was 19,091,132 pairs compared with 17,840,663 in the corresponding period of 1941.

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