

Business Movements in December

Productive operations recorded a further increase in December, the index of the physical volume of business rising somewhat over the standing of the preceding month at 207.8. A considerable advance was shown over December, 1941, when the index was 193.9. The factors indicating the trend of mineral production were uneven in December. Gold receipts at the Mint rose from 317,013 fine ounces to 349,459. The index, after seasonal adjustment, advanced about five points to 99.8. Flour production was heavier in the last month for which statistics are available, the index rising about four points to 117.8.

Operations in the meat-packing industry were accelerated in December, advances having been shown in cattle and hog slaughterings. The general index moved up from 149.3 to 155.6. Cattle slaughterings were 121,517 against 161,207, but after seasonal adjustment the index was about six points higher at 130.7. Hog slaughterings were 681,000 head against 640,000, the increase in the index having been about 9 points to 201.8. Dairy production was somewhat greater after seasonal adjustment. The index of the output of cheese was 284 against 203 and that of creamery butter advanced from 125 to 140. The boot and shoe production in the latest month for which statistics are available was 2,350,000 pairs against 2,417,000 in the preceding month. The recession was less than normal for the season, a considerable increase having been shown in the index which rose about 50 points to 194.4.

The cotton used by the textile industry was 15,798,000 pounds against 16,388,000. Some recession was shown in the index after the usual adjustment. The forestry industry showed minor advance in December. The recession in newsprint production was less than normal for the season, the index advancing about 5 points to 100.5. Woodpulp indicators recorded an advance while some recession was shown in the lumber movement.

The new business obtained by the construction industry was \$9.6 million against \$22.1 million in November. A minor increase was shown in building permits. The decline in carloadings was less than normal for the season, the index advancing from 126.5 to 145.2. The index of livestock marketings was 121.2 against 117.0 in November gains were shown in cattle and hogs while the sales of calves and sheep were at a lower position.

Business Indicators for December Compared with November last and same month of 1941

	December 1942	December 1941	November 1942
Physical Volume of Business ..... 1935-39=100	*	193.9	207.8
Cost of Living ..... 1935-39=100	118.8	115.8	118.6
Factory Cheese Production ..... pounds	3,718,604	6,123,317	9,476,989
Creamery Butter Production ..... pounds	14,535,430	12,103,602	16,899,823
Newsprint Production ..... tons	244,183	300,823	251,147
Gold Receipts at Mint ..... Fine ounces	349,459	401,716	317,013
Contracts Awarded ..... \$	9,608,900	19,109,900	22,086,500
Carloadings ..... no	272,891	260,945	290,634
Raw Cotton Consumption ..... lb.	15,797,619	16,150,612	16,388,439
Slaughterings -			
Cattle and Calves ..... no.	121,517	122,295	161,207
Sheep and Lambs ..... no.	57,933	60,619	135,221
Hogs ..... no.	681,236	687,299	640,174
Building Permits ..... \$	6,358,265	8,391,308	7,828,184
Bank Debits ..... \$000	4,194,613	3,686,546	4,966,558

(\*) The index of the physical volume of business according to preliminary calculations showed an increase over the preceding month.



## World Wheat Situation

Much of the agricultural news from Europe and from Asia in recent weeks has dwelt on the subject of short supplies of bread grain, and in many European countries this means inadequate supplies of rye as well as wheat. Nazi-occupied countries and those of the junior partners of Germany and Italy in the Balkans appear to be the worst off, but an unfavourable bread situation prevails also in neutral Turkey and in large cities in India. Such is the other half of the now familiar story of plentiful wheat supplies in the new world; of granaries filled to overflowing in North and South America and in Australia.

Of the Nazi-conquered countries, Norway, the Low Countries and France seem to be in the worst plight, while of Germany herself and her Balkan collaborators the British Ministry of Information reports that production of wheat and rye in 1942 was only 70 per cent of the pre-war level or nearly 300 million bushels less than the average of the five years 1935-39. This deficiency in the Nazi territories themselves is doubtless being overcome to some extent by seizure of crops in occupied countries as witness the reported confiscation of 29 million bushels of wheat from a sub-normal wheat crop produced in France. And this was taken before the entire country was overrun by the German army.

In Norway the shortage of wheat to meet current needs is estimated at seven million bushels and although Germany promised to supply this amount in order to maintain the present scale of bread rationing there is no evidence that this has been done. The wheat crop in France in 1942 totalled only 236 million bushels compared with pre-war production of more than 300 million plus imports from North Africa and from Canada. The 1943 crops in French North Africa will not be available to the Mother Country and the outlook for the people of France, who, before the war, showed the world's largest per capita consumption of bread, is not very bright. Conditions in Belgium are believed to be equally bad, while in the Netherlands and in Denmark, strict rationing is in force.

It is difficult to measure the position in Poland and in occupied Russian territory because news is not easily obtained from these areas, but in spite of the higher production of bread grains in Poland in 1942 it is probably safe to assume that neither Poles nor Russians benefited. The position of Greece is well known, but a measure of relief is reaching the Greek people through the shipment each month of 500,000 bushels of Canadian wheat, which is a gift from the Dominion and is guaranteed safe passage by the belligerent nations.

Three neutral countries, Turkey, Spain and Eire also have a bread grain problem on their hands. The British Government gave considerable aid to Turkey last year and a new Anglo-American arrangement recently reported will give Turkey access to 3 3-4 million bushels of Egyptian wheat which will be replaced by shipments from the United States. It appears that high fixed prices and a decree making mandatory the delivery of a proportion of the 1942 wheat crop to the Turkish Government has not brought forward the amount of wheat anticipated and importation of supplies is again necessary.

The deficiency in Spain has been fairly well met by shipments from Argentina which in the calendar year 1942 amounted to more than 16 million bushels, and in all probability Argentina will fill any demand from Spain during 1943. In Eire it was hoped that a state of self-sufficiency in wheat had been reached through increased acreage, but yields proved disappointing and imports will be necessary before the next crop is harvested. Likewise in South Africa a wheat crop of 16 million bushels just harvested is about two million bushels below requirements and it is expected that Canada will supply the wheat or flour to meet this deficiency.

Advices from the United Kingdom indicate that the wheat acreage objective for 1943 was not reached in fall sowings and this will mean a larger area in spring wheat if the goal is to be attained. Evidence of the large wheat crop produced in 1942 is to be found in the sharp increase in deliveries from farms. These amounted to almost 15 million bushels during the five months August-December compared with just over 10 million bushels in the same period last year. Stocks of imported and native wheat on hand are believed to be quite substantial and bread is still an unrationed commodity in the United Kingdom.

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### Visible Supply of Wheat

Stocks of Canadian wheat in store or in transit in North America on January 21 totalled 467,163,330 bushels compared with 468,535,902 on January 14 and 494,145,928 on the corresponding date last year. Stocks on the latest date included 448,860,482 bushels in Canadian positions and 18,302,848 in United States positions.

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### Farmers' Marketings of Wheat

Deliveries of wheat from farms in western Canada during the week ending January 21 totalled 3,366,781 bushels compared with 4,610,670 in the previous week. During the elapsed portion of the present crop year deliveries amounted to 157,046,062 bushels as compared with 155,729,819 in the corresponding period of the previous crop year.

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### Production of Concentrated Milk

The production of all items of concentrated whole milk and by-products in 1942 amounted to 265,263,039 pounds compared with 240,638,043 in 1941. The output of evaporated whole milk increased 12 per cent during the year, but condensed and skim milk powder showed decline. The combined output of all items in December totalled 14,059,283 pounds compared with 12,056,455 in December, 1941.

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### Occupied Farms in Quebec in 1941

According to figures made public by the Dominion Bureau of Statistics there were 154,804 occupied farms in the Province of Quebec in 1941 as compared with 135,957 in 1931, an increase of 18,847. Of the 1941 total, slightly more than eight per cent were fruit and vegetable farms. It should be pointed out that a farm for census purposes is all the land located in one municipality which is directly farmed by one person conducting agricultural operations, either by his own labour or with the assistance of members of his household or of hired employees. It may consist of a single tract of land, or of a number of separate tracts held under different tenures. In order to be reported as a farm such land must be of one acre or more in extent and have produced in 1940 agricultural products to the value of \$50 or more, or be under crops or employed for pasture in 1941.

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### Production of Canned Foods in 1940

Canned foods were produced in Canada in 1940 to the value of \$74,464,485 as compared with \$69,466,998 in 1939, an increase of \$4,997,487. Leading items produced during the year were as follows, figures for 1939 being in brackets: canned fish, \$17,873,376 (\$15,478,961); canned fruits, \$5,740,876 (\$7,769,005); canned vegetables, \$16,812,119 (\$18,972,699); canned meats, \$1,818,757 (\$1,743,227); canned soups, \$6,912,546 (\$9,259,222); concentrated milk products, \$14,478,543 (\$11,575,971); other canned foods, \$9,828,268 (\$9,113,941).

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### Bank Debits to Individual Accounts

The amount of cheques cashed by the branch banks in the clearing centres was \$45,526,000,000 in 1942 against \$39,243,000,000 in 1941, an increase of \$6,283,000,000 or 16 per cent. During the month of December debits totalled \$4,195,000,000 as against \$4,967,000,000 in November and \$3,687,000,000 in December, 1941.

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Gains were shown in each of the five economic areas in 1942, the greatest percentage increase having been recorded in Ontario. Totals follow by areas with figures for 1941 in brackets: Maritime Provinces, \$1,075,736,890 (\$940,712,152); Quebec, \$12,751,093,627 (\$11,068,666,580); Ontario, \$22,136,164,250 (\$18,214,788,841); Prairie Provinces, \$6,722,376,622 (\$6,591,645,027); British Columbia, \$2,840,382,813 (\$2,427,144,584).

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### Financing of Motor Vehicle Sales

The preliminary summary on financing of motor vehicle sales during 1942 reveals that there were 65,702 new and used vehicles financed for a total of \$24,380,724, representing a reduction of 64 per cent in number and 71 per cent in dollar volume below 1941, when 182,419 units were financed to the extent of \$84,716,783.

There were 2,546 vehicles financed for \$810,858 in December, down 64 per cent in number and 74 per cent in financed value from the 7,140 vehicles financed for \$3,140,135 in December, 1941. The decline in financing of sales of new vehicles was more substantial than that of used vehicles.

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### Production of Gold in November

The Canadian production of gold was recorded at 362,652 fine ounces in November 1942 as compared with 381,843 in the previous month and 442,837 in the corresponding month of 1941. Output during the eleven months ended November aggregated 4,440,327 fine ounces as compared with 4,909,210 in the like period of 1941.

The November output was as follows by provinces, figures for November 1941 being in brackets: Ontario, 208,685 (253,582) fine ounces; Quebec, 89,069 (93,957); British Columbia, 28,727 (53,278); Manitoba, 20,883 (25,110); Yukon, 6,800 (6,879); Northwest Territories, 7,675 (7,086); Nova Scotia, 811 (1,494).

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