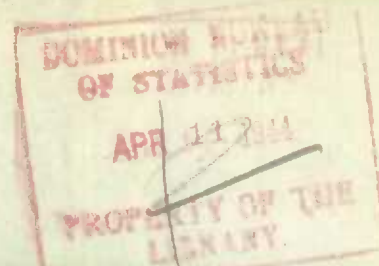


## WEEKLY BULLETIN

Dominion Bureau of Statistics  
Department of Trade and Commerce



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Business Operations in February

Productive operations recorded recession in February from the high point of the first month of the year. The physical volume of business was 241.6 against 247.0. Three of the five main components of the business index recorded gains in the month under review after seasonal adjustment. The index of mineral production rose from 249.7 to 255.5. Gold receipts at the Mint and coal production were at higher levels.

The index of manufacturing production rose one point to 304.5. While the components were uneven, expansion was indicated for the meat packing, forestry and blast furnaces. The index of the production of creamery butter rose from 118 to 130 while a considerable decline was shown in the output of factory cheese. The increase in cigar releases was of considerable proportions, while the index of cigarettes made available dropped from 229 to 223. The operations of the textile industry were at a lower position. The increase in the index of forestry operations was from 114 to 124.6. The output of pig iron was 141,878 short tons against 132,128.

New business obtained by the construction industry showed a considerable expansion in the second month of the year, the index rising to 113.3 from 69.6. The amount of contracts awarded was \$16.2 million against \$8.8 million.

The output of electric power was 3,298 million kilowatt hours against 3,529 million, the index after seasonal adjustment dropping 2.5 points to 153.8. The index of distribution receded from 188 to 163. A considerable reduction was shown in wholesale trade after seasonal adjustment in the last month for which statistics are available. The index of merchandise imports rose from 185.5 to 199.8 while exports recorded a recession from the preceding month, the total having been \$229.3 million against nearly \$246 million.

Economic Activity in February compared with the Preceding Month  
1935 - 1939=100

	February 1944	January
Physical Volume of Business .....	241.6	247.0
Industrial Production .....	279.5	275.4
Mineral Production .....	255.5	249.7
Gold Receipts .....	72.9	67.1
Coal Production .....	117.4	109.5
Manufacturing .....	304.5	303.5
Flour Production .....	-	199.9
Rolled Oats Production .....	-	57.7
Inspected Slaughterings .....	233.1	210.8
Cattle .....	132.4	115.7
Sheep .....	147.5	154.6
Hogs .....	315.5	287.5
Creamery Butter .....	130.2	117.7
Factory Cheese .....	147.7	191.9
Tobacco .....	223.9	228.4
Cigar Releases .....	234.9	217.5
Cigarette Releases .....	222.9	229.2
Boots and Shoes Production* .....	183.8	204.0
Textiles .....	137.7	143.3
Cotton Consumption .....	130.6	138.0
Forestry .....	124.6	114.2
Newsprint .....	110.0	101.5
Iron and Steel .....	599.6	606.3
Pig Iron Production .....	210.4	175.9
Steel Production .....	199.8	203.6
Construction .....	113.3	69.6
Contracts Awarded .....	131.5	73.1
Building Permits .....	93.9	136.0
Cost of Construction .....	135.3	135.1
Electric Power .....	153.8	156.3
Distribution .....	163.1	188.0

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Economic Activity in February compared with the Preceding Month  
1935-1939=100

	February 1944	January
Marketings -		
Grain and Live Stock Marketings .....	237.2	245.5
Grain Marketings - Country Elevators .....	257.3	277.3
Wheat .....	403.8	393.8
Oats .....	155.9	391.7
Live Stock Marketings .....	149.9	107.4
Cattle .....	154.9	103.1
Calves .....	81.0	73.8
Hogs .....	168.7	128.6
Sheep .....	125.5	146.8
Cold Storage Holdings, 1st of following month .....	217.9	182.5
Eggs .....	790.5	360.8
Butter .....	110.2	120.8
Cheese .....	134.9	132.2
Beef .....	227.4	185.5
Pork .....	240.7	254.2
Mutton .....	154.5	143.2
Poultry .....	194.4	201.9
Lard .....	547.4	363.4
Veal .....	166.1	185.0
* Preceding Month		

Wartime Review of Wholesale Price Movements

By the outbreak of war in 1939, wholesale price levels had lost almost two-thirds of gains recorded between 1933 and 1937. The August 1939 general wholesale index of 72.3 compared with a July 1937 high of 87.6 and a February 1933 low of 63.5. It was not surprising, therefore, that commodity markets should react strongly to the initial stimulus of war.

Led by sharp advances in vegetable and animal products, the general wholesale price index jumped more than eight per cent to 78.4 in September, 1939. This rise continued at a slower rate until the invasion of Belgium and Holland in the spring of 1940, and was followed by a minor reaction which continued until the fall of France in June.

The trend from that time to the end of 1943 was steadily upward, first at a gradual rate until the spring of 1941, then more rapidly until the imposition of the price ceiling in December of that year. Since then the rise again has been gradual and without indication of appreciable acceleration. Not until July 1943 was the 1926 average of 100.0 exceeded. By December, 1943, the wartime rise had amounted to 41.8 per cent, of which 11.9 per cent was accumulated in the two years after the price ceiling was established.

The eight sub-groups included in the general wholesale price index have recorded the following percentage increases from the outbreak of the war to the end of 1943: vegetable products, 61.7; animal products, 57.2; fibres, textiles and textile products, 38.2; wood, wood products and paper, 47.7; iron and its products, 19.5; non-ferrous metals, 14; non-metallic minerals, 21.8; and chemicals and allied products, 29.1. The index for Canadian farm product prices has risen 79.1 per cent since August, 1939.

The prices used in the compilation of these indexes continue to be market quotations without regard to bonus or subsidy payments. In the case of items for export markets, many of which have diverged widely from domestic markets, export prices are used; wood product exports provide an example of such items. Prices used in the farm products indexes calculated separately from the general wholesale indexes are treated differently, because the return to farmers is considered to be the fundamental consideration in this series. Bonus and subsidy payments, therefore, are added to market prices in calculating wholesale price index numbers of farm products.

Wartime Changes in Living Costs

Living costs showed a sluggish response to rising commodity markets following the depression years from 1929 to 1933. Thus, the August 1939 cost-of-living index of 100.8 was only 7.5 points above the June 1933 depression low, and almost 21 points below the 1929 average. The December 1943 index of 119.3 was still more than two points below the 1929 average.



The wartime rise in living costs followed the same general pattern as that for wholesale prices. There was a brief sharp rise during September 1939 followed by a gradual rise until April, 1941. This accelerated rapidly until the Maximum Price Regulations were imposed on December 1, 1941. The general movement in 1942 and 1943 continued to be upward, but it was checked temporarily at the end of 1942 by consumer subsidies on milk, tea, coffee, oranges and butter. In 1943, the index moved upward steadily from February to September before levelling off under the influence of fall seasonal declines in foods.

The wartime increase in the cost-of-living index to December 1943 was 18.4 per cent. It had reached 15.4 per cent by November 1941 before the price ceiling was established.

The contribution of various budget groups to the cost-of-living increase between August 1939 and the end of 1943 was of widely different proportions. The increase in foods, for example, amounted to nearly double the rise in living costs as a whole. However, rents and miscellaneous items recorded comparatively small increases which retarded considerably the advance in total living costs. The other groups, clothing, homefurnishings and services, and fuel and lighting, increased by percentages approximating that for the total cost-of-living index.

#### March Cost of Living Index

The Dominion Bureau of Statistics cost-of-living index on the base 1935-1939=100 advanced from 118.9 for February 1 to 119.0 for March 1, for a wartime increase of 18.1 per cent. The food group index moved up 0.2 points from February 1, while the miscellaneous items index declined 0.1.

The rise in the food index from 130.9 for February to 131.1 for March was due to increases for fresh vegetables which overbalanced minor declines for eggs, oranges, lemons and cheese. Miscellaneous items fell from 109.1 to 109.0, following a reduction in aspirin prices.

Other group indexes remained unchanged, rentals at 111.9, fuel and light at 113.0, clothing at 121.3, and homefurnishings and services at 118.4.

#### Indexes of Wholesale Prices in March

The wholesale price index of Canadian farm products, on the base 1926=100, advanced fractionally from 104.4 for the week of February 25 to 104.5 for the week of March 31. This was due to a rise in field products, in which higher prices for potatoes, onions and rye outweighed a decline for timothy hay, to advance the group index 0.2 to 92.7. Animal products at an index level of 124.2 for the week of March 31 recorded no net change, higher egg prices offsetting lower quotations for livestock.

The composite weekly index for 30 industrial materials rose 0.1 to 99.6 between February 25 and March 31, reflecting continued firmness for manufacturing material prices. A substantial increase in the price of rosin was responsible for a gain of 0.4 to 83.8 in this latter series. An index for five food materials after touching a mid-month peak of 100.5 declined to 100.0 for net loss of 0.3 due to lower prices for steers. The stable series of 12 commodities remained at 120.1.

#### Visible Supply of Canadian Wheat

Stocks of Canadian wheat in store or in transit in North America at midnight on March 30 totalled 331,435,284 bushels, including 317,434,175 in Canadian positions and 14,001,109 in United States positions. On the corresponding date last year the visible supply amounted to 429,820,237 bushels.

#### Marketings of Wheat and Coarse Grains

Farmers in the Prairie Provinces marketed 7,396,748 bushels of wheat during the week ending March 30 as compared with 6,145,755 in the previous week. During the elapsed portion of the crop year which commenced August 1, 1943, deliveries from the farms totalled 198,775,153 bushels compared with 177,058,244 in the similar period of the previous crop year.



Marketings of coarse grains in the Prairie Provinces during the week ending March 30 were as follows, totals for the previous week being in brackets: oats, 3,778,559 (1,210,895) bushels; barley, 1,520,267 (609,750); rye, 82,525 (73,395); flaxseed, 40,452 (16,081).

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#### Butter, Cheese and Eggs in Store

Stocks of creamery butter in nine of the principal cities of Canada as of the opening of business on April 1 amounted to 5,036,659 pounds as compared with 11,390,749 on March 1 and 3,615,391 on the corresponding date last year. Stocks of cheese totalled 15,095,361 pounds compared with 22,388,045 on March 1 and 11,148,501 a year ago.

Cold storage eggs amounted to 940,340 dozen compared with 1,054,140 a month ago and 691,455 on April 1, 1943. Fresh eggs in store amounted to 1,670,647 dozen compared with 2,523,654 last month. Frozen eggs increased, the total having been 9,002,120 pounds compared with 5,268,435 on March 1 and 2,534,282 a year ago.

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#### Production of Crude Petroleum

The Canadian output of crude petroleum and natural gasoline in January totalled 777,552 barrels as compared with 779,854 in the previous month, exclusive of production in the Northwest Territories. Alberta's output was recorded at 764,913 barrels, 737,177 barrels of which came from the Turner Valley Field.

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#### Production of Natural Gas

Natural gas production in Canada in January amounted to 5,136,573,000 cubic feet as compared with 4,844,503,000 in the previous month and 5,476,191,000 in the corresponding month of last year.

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#### Retail Sales of Gasoline

Retail sales of motor, tractor and aviation grades of gasoline in Canada in November 1943, amounted to 77,438,000 gallons as compared with 88,205,000 in the preceding month and 69,918,000 in the corresponding month of 1942. During the eleven months ended November 1943, sales totalled 835,138,000 gallons compared with 838,251,000 in the similar period of 1942.

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#### Canada's Imports in February

Canada's merchandise imports in February were valued at \$138,370,000 as compared with \$114,419,000 in the corresponding month of last year, while the total for the first two months of this year was \$264,739,000 compared with \$241,718,000 in the similar period of 1943. The United States was the chief source in February, the total from that country being \$115,789,000 as compared with \$94,175,000 a year ago. The United Kingdom was next with \$6,698,000 compared with \$9,589,000, British India \$2,458,000 compared with \$912,000, New Zealand \$1,482,000 compared with \$776,000.

Commodity imports from other leading countries in February were as follows, totals for the corresponding month of last year being in brackets: Jamaica, \$1,327,000 (\$544,000); Argentina, \$1,125,000 (\$242,000); Brazil, \$944,000 (\$275,000); Cuba, \$698,000 (\$991,000); Mexico, \$1,012,000 (\$862,000); Venezuela, \$903,000 (\$1,039,000); Australia, \$632,000 (\$578,000); British Guiana, \$583,000 (\$390,000); Barbados, \$509,000 (\$71,000); Ceylon, \$465,000 (\$206,000); Colombia, \$437,000 (\$10,000); Guatemala, \$496,000 (\$34,000).

February imports of agricultural products were valued at \$18,047,000 compared with \$10,667,000 in the corresponding month of last year, animal products \$3,289,000 compared with \$3,057,000, fibres and textiles \$13,548,000 compared with \$13,299,000, wood and paper \$3,473,000 compared with \$3,078,000, iron and products \$39,018,000 compared with \$18,779,000, non-ferrous metals \$8,151,000 compared with \$6,223,000, non-metallic minerals \$18,331,000 compared with \$14,225,000, chemicals \$6,148,000 compared with \$4,759,000, miscellaneous commodities, including certain military stores \$28,365,000 compared with \$40,332,000.

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### Department Store Sales in February

The dollar value of retail sales in Canadian department stores in February was five per cent higher than in the corresponding month of last year and recorded an increase of 12 per cent over the immediately preceding month. Unadjusted indexes of sales on the base 1935-1939=100 stood at 122.3 in February, 109.5 in January and 116.2 in February, 1943. There was one extra business day in February this year and when adjusted to an average daily sales basis, the increase over February 1943 is reduced to one per cent.

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### Building Permits Issued in Canada During 1943

Building permits issued by the 204 municipalities making monthly returns to the Dominion Bureau of Statistics were valued at \$80,190,123 in 1943. Of this total \$58,731,977 covered new construction and \$21,458,146 covered additions, alterations and repairs. Residential construction totalled \$49,972,009, commercial \$9,091,433, industrial \$10,364,134, institutional \$3,211,329, and other construction \$7,551,218.

Compared with the previous year there was a decrease of \$24,046,155 or 23.1 per cent in the total value of building permits issued. Residential permits decreased by \$3,175,449, industrial permits by \$13,484,219, commercial by \$8,274,588 and institutional by \$3,632,197. Other construction permits gained \$4,520,298. The greatest percentage decrease was reported by Saskatchewan and Manitoba, while Alberta and New Brunswick each reported a gain.

Municipalities in Ontario reported the highest value of building permits, amounting to \$35,199,510. Quebec was in second place with \$20,845,245, while British Columbia was in fourth place with \$7,698,140. Permits issued in the Prairie Provinces were valued at \$13,336,152 and in the Maritime Provinces \$3,111,076.

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### Canadian Milling Statistics in February

Production of wheat flour in Canadian mills during February amounted to 2,087,705 barrels compared with 1,990,732 for the same month of last year. This brought the total for the seven months of the crop year to 14,498,856 barrels against 13,398,743 in the first seven months of 1942-43.

Wheat ground during February was 9,194,576 bushels compared with 8,864,552 in the same month a year ago. The cumulative total for the seven months amounted to 64,008,983 bushels compared with 59,822,472 for the same period in the previous crop year. Oats, barley and buckwheat were higher than in February, 1943.

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### Reports Issued During the Week

1. Clay Products Industry, January (10 cents).
  2. Price Movements, March (10 cents).
  3. Advance Preliminary Statement of Stocks of Canadian Butter, Cheese and Eggs in the Principal Cities of Canada, April 1 (10 cents).
  4. Petroleum and Natural Gas Production, January (10 cents).
  5. Price Movements, August 1939 - December, 1942 (25 cents).
  6. Miscellaneous Food Industry, 1942 (25 cents).
  7. Preliminary Report on Department Store Sales, February (10 cents).
  8. Car Loadings on Canadian Railways (10 cents).
  9. Summary of Canada's Imports, February (10 cents).
  10. Building Permits Issued in Canada, 1943 (25 cents).
  11. Canadian Milling Statistics, February (10 cents).
  12. Weekly Grain Statistics (10 cents).
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