



### Economic Conditions During First Eleven Months of 1943

Prominent factors indicating the trend of economic conditions averaged higher in the first eleven months of 1943 than in any other similar period. A marked gain was recorded over the high levels of 1942, the index of the physical volume of business on the five-year pre-war base rising from 200.5 in 1942 to 234.8, an increase of 17.1 per cent.

The index of mineral production rose somewhat although declines were shown in gold receipts and in coal production. The index of manufacturing production averaged 292.6 against 240.8, an increase of 21.5 per cent. Marked advances were recorded in the operations of the flour milling, meat packing and tobacco industries, while recession was shown in the output of newsprint and of steel and iron. The consumption of firm power, indicating the trend of operations in the electric power industry, rose 10 per cent to 32.5 billion kilowatt hours.

Exports were valued at \$2,700,000,000 compared with \$2,100,000,000 in the first eleven months of 1942. Commodity imports recorded a gain from \$1,507,000,000 to \$1,600,000,000. The commodity trade balance in 1943 was favourable to the extent of \$1,093,000,000 compared with active balance of \$608,000,000. In addition to the balance of commodity trade, exports of non-monetary gold was \$129,800,000 compared with \$170,500,000.

Combined gross operating revenue of the Canadian Pacific and Canadian National Railways during the eleven months of 1943 reached the unprecedented level of \$671,400,000, being about 2½ times the pre-war standing in 1938. Industrial employment generally in the Dominion during the ten months of 1943 showed a continuance of the expansion in progress since the outbreak of war. The index of wholesale prices averaged 99.7 compared with 95.6, an increase of 4.3 per cent.

Cheques cashed by the chartered banks against individual accounts aggregated \$48,948,000,000 against \$41,332,000,000, an increase of 18.4 per cent, the gains by each of the economic areas being of major proportions. Deposit liabilities of the banks reached a new high point during 1943, the four main classes of deposits averaging \$3,969,000,000 against \$3,303,000,000, an increase of more than 20 per cent.

The revenues of the Dominion Government during the period from April to November rose 20.4 per cent over the same period of the preceding year, the totals having been \$1,752,000,000 compared with \$1,455,000,000. Payments under the United Kingdom War Financing Act of 1942 were \$908,900,000 in the eight months, while payments under the United Nations Mutual Aid Act amounted to \$450,500,000.

### Estimate of the National Income

The national income was estimated at \$751,520,000 in November compared with \$737,146,000 in the preceding month. The tentative computation for the eleven months of 1943 was \$8,072,000,000 compared with \$6,818,000,000 in the similar period of 1942, an increase of 18.4 per cent.

The production and transport of munitions and war supplies was the main generator of income in 1943. The continued rise in war expenditures enlarged the total income stream directly by a large amount. These expenditures also greatly accelerated the purchase and consumption of the necessities of life. The resulting economic activity raised the national income to the highest level in Canadian history.

### Employment Situation at November 1

Further important increases in employment and payrolls were indicated at the beginning of November when the 14,099 firms co-operating with the Dominion Bureau of Statistics in its monthly survey reported the addition of 11,853 persons to their staffs, which aggregated 1,897,661. The weekly salaries and wages disbursed at November 1 by these establishments amounted to \$59,950,027 as compared with \$59,456,274 on or about October 1, an increase of 0.8 per cent. The contents of the average

pay envelope of those in recorded employment rose from \$31.53 to a new maximum of \$31.59.

The expansion in employment took place in the non-manufacturing industries, there being a slight falling-off in manufacturing, mainly in the vegetable foods and lumber divisions. Among the non-manufacturing industries, logging showed considerably greater seasonal activity, some 11,000 men having been taken on by the co-operating camps. This increase was on a scale somewhat below the average for the time of year.

Coal mining, services and trade also afforded more employment. The most pronounced gain was in trade, in which it was considerably greater than usual for November 1; this was no doubt partly due to the employment of unusually large numbers of part-time workers. Communications, transportation and construction and maintenance reported reduced activity, the losses being seasonal.

Based on the 1925 average as 100, the general index number of employment at the beginning of November was 188.7, the highest to date. The October 1 figure was 187.6, while that for November 1942 was 183.3. The seasonally-adjusted index rose from 178.5 in the preceding month to 180.6.

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#### Stocks of Canadian Wheat

Stocks of Canadian wheat in store or in transit in North America at midnight on January 6 amounted to 354,814,388 bushels, a reduction of 113,694,649 bushels from last year's corresponding total of 468,509,037 bushels. This year's visible supply included 321,882,853 bushels held in Canadian positions and 32,931,535 in United States positions.

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#### Marketings of Wheat and Coarse Grain

Farmers in western Canada marketed 5,249,755 bushels of wheat during the week ending January 6 as compared with 4,085,365 in the previous week. During the elapsed portion of the crop year which commenced August 1, deliveries aggregated 122,850,606 bushels compared with 147,777,245 in the similar period of the previous crop year.

The following quantities of coarse grains were delivered from western farms during the week ending January 6, figures for the previous week being in brackets: oats, 2,031,018 (2,726,149) bushels; barley, 1,506,768 (1,808,929); rye, 240,703 (218,496); flaxseed, 81,858 (82,264).

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#### Monthly Storage Stocks

Total stocks of creamery butter on Jan. 1, 1944, were 46,878,102 lb., of which 840,000 lb. were in transit on railways. This quantity compares with 23,075,873 lb. on Jan. 1, last year but is a reduction of 12.7 million pounds from last month's holdings.

Holdings of cheese were 39,263,767 lb. as compared with 56,477,634 one year ago. In addition there were 4,256,000 lb. of cheese in transit. In transit stocks of cheese are now shown for the first time, thanks to the co-operation of the railway companies.

Evaporated whole milk stocks were 6,940,664 lb., 1.4 million pounds less than the holdings on Jan. 1, 1943. Skim milk powder totalled 1,137,637 lb. as compared with 1,421,133 lb. last month and 1,981,682 lb. last year.

The quantity of shell eggs in storage was 1,796,449 doz. with an additional 216,000 doz. in transit. Frozen egg meats totalled 6,546,690 lbs. as compared with 5,342,598 lbs. last year, and a reduction of 3 million pounds from last month.

Stocks of all dressed poultry were 23,509,540 lbs. as compared with 14,443,885 lbs. a year ago. Of this year's stocks, 9.7 million pounds were chickens, 6.5 million fowl and 3.3 million pounds turkeys. In addition there were 425,000 lbs. in transit on Jan. 1, 1944.

Meat stocks were high, but much of it is held for overseas and for the armed forces. Pork totalled 83,231,011 lbs., beef 35,639,828 lbs., veal, 5,444,981 lbs., and mutton and lamb, 9,344,709 lbs. Lard stocks were 5,175,870 lbs.

Total frozen fresh fish stocks were 31,298,165 lbs., being 5.2 million lbs. more than last year at the same date. There were also 1,892,808 frozen smoked fish stocks.

In fruit, apple holdings were 4,171,706 bus. being 500,000 bus. less than the stocks a year ago. Frozen fruit totalled 10,903,159 lbs., including 769,542 lbs. in frozen consumer packages. There were also 20,077,811 lbs. fruit in sulphur dioxide or in benzoate of soda.

Frozen vegetables amounted to 1,915,421 lbs. of which 1,341,576 lbs. were in consumer packages. In addition, 1,768,876 lbs. were held in brine.

#### Production of Butter and Cheese

Canada's production of creamery butter in December amounted to 12,370,059 pounds compared with 14,672,510 in the corresponding month of 1942, a reduction of 15.7 per cent, according to a special advance statement issued by the Dominion Bureau of Statistics. All provinces except Saskatchewan recorded declines during the month, the increase in that province amounting to 1.8 per cent.

Cheddar cheese production in December increased to 5,016,923 pounds from 3,750,-520 in the same month of 1942, an increase of 33.8 per cent. An outstanding feature of the month was the sharp increase in Quebec's production, output in that province increasing to 2,276,126 pounds from 784,964 or by 190 per cent. British Columbia's output was increased to 62,685 pounds from 51,294 or by 22.2 per cent. Other provinces registered declines.

December production of ice cream increased to 661,232 pounds from 609,546 pounds or by 8.5 per cent, increases having been recorded in all provinces except Manitoba and Alberta.

#### Retail Merchandise Trade in Nova Scotia

The value of the retail merchandise trade of the Province of Nova Scotia was \$165,033,700 in 1941 as compared with \$99,519,900 in 1930, an increase of 65.8 per cent, according to the census of merchandising and service establishments conducted by the Dominion Bureau of Statistics. The number of retail outlets increased to 6,790 in 1941 from 6,464 in 1930. These stores required the services of 17,293 paid employees in 1941, including 13,357 engaged on a full-time basis and 3,936 on a part-time basis.

Sales by kind of business in 1941 were as follows, figures for 1930 being in brackets: food stores, \$40,925,500 (\$24,809,500); country general, \$12,146,300 (\$14,513,500); general merchandise, \$25,479,100 (\$11,438,300); automotive, \$28,972,600 (\$16,254,400); apparel, \$13,821,000 (\$9,141,500); building materials, \$7,260,100 (\$4,513,000); furniture, \$3,885,200 (\$3,380,600); restaurants, \$4,919,100 (\$1,474,500); other retail, \$27,257,000 (\$13,807,400); second hand, \$368,900 (\$187,200).

#### Retail Merchandise Trade in British Columbia

The retail merchandise trade of British Columbia was valued at \$309,572,600 in 1941 as compared with \$248,597,500 in 1930, an increase of 24.5 per cent, according to the census of merchandising and service establishments. There were 11,253 retail stores operated in 1941 as compared with 9,501 in 1930. These stores employed 33,569 persons during 1941, including 25,649 on a full-time basis and 7,920 on a part-time basis. Salaries and wages paid to employees during the year totalled \$30,964,000.

Sales by type of business were as follows, figures for 1930 being in brackets: food, \$69,472,200 (\$48,692,000); country general, \$16,057,400 (\$15,348,500); general merchandise, \$53,545,800 (\$48,167,100); automotive, \$53,939,600 (\$33,923,400); apparel, \$25,254,700 (\$17,409,400); building materials, \$13,969,500 (\$12,434,900); furniture, \$11,501,600 (\$8,121,100); restaurants, \$15,000,300 (\$10,135,000); other retail, \$49,451,000 (\$52,959,700); second hand, \$1,380,500 (\$1,406,400).

#### Drug Store Chain Companies in 1941

The number of drug store chain companies in Canada in 1941 was 39 compared with 31 in 1930, according to the census of merchandising and service establishments. These chains operated 361 stores in 1941 as compared with 292 in 1930. The volume of business transacted was \$18,849,500 in 1941, or 18.7 per cent of the total sales of all drug stores, including both chains and independents. Sales in 1930 totalled \$13,971,300, representing 18.2 per cent of total drug store sales.

Corporate chains accounted for a higher proportion of the total drug store trade in British Columbia than in any other province. There were three chain organizations in this province in 1941 which operated 49 stores with \$2,575,900 sales or 31.1 per cent of the total business of all drug stores. In 1930 the chain ratio was practically the same, standing at 31.3 per cent.

Ontario was second in the proportion of total drug store business transacted by chains, 17 companies with 198 stores having sales of \$10,332,400 or 21 per cent of the total. In 1930 the Ontario ratio was 19.9 per cent. There were eight drug chain companies in Quebec in 1941 with 55 stores and \$3,106,100 sales or 17.2 per cent of the total. In 1930 the percentage was 15.9.

Chains transacted 12.2 per cent of the total drug store business in the Maritime Provinces in 1941 and 13.9 per cent in 1930. A decrease in chain ratio from 12.2 per cent in 1930 to 10.7 was also recorded in the Prairie Provinces.

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#### Wholesale Sales in November

November sales of wholesale merchants in Canada were 11 per cent above the dollar volume of business transacted in November, 1942, the unadjusted index number on the base 1935-1939=100 rising to 169.9 from 152.9. Sales for the first eleven months of 1943 averaged seven per cent higher than in the corresponding period of 1942.

The november again of 11 per cent reflects increased trading activities in all regions of the country. Sales in the Maritime Provinces were up 19 per cent above the dollar value of business transacted in November, 1942; an increase of 13 per cent was recorded in Quebec and in the Prairie Provinces, while gains of 10 per cent and four per cent were reported in Ontario and British Columbia, respectively.

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#### Operating Revenues of Railways in October

Operating revenues of Canadian railways in October amounted to \$66,913,350 as compared with \$61,281,447 in October 1942, freight revenues increasing by \$1,983,066 or 4.2 per cent, and passenger revenues by \$2,771,935 or 36.8 per cent. During the ten months ended October, operating revenues amounted to \$635,976,577 in 1943 as compared with \$535,484,767 in the similar period of 1942, an increase of \$100,491,810.

Freight traffic in October increased by 12.5 per cent and revenue passenger miles by 34.5 per cent, although the number of passengers carried rose by only 11.5 per cent. The average load per car, weighted by miles, increased from 30.5 to 32.3 tons, and the average haul increased from 370 to 375 miles. The average passenger journey increased from 108 to 130 miles, and excluding commuter traffic increased from 143 to 155 miles.

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#### Production of Lime in 1942

The steadily increasing demand for lime by the war industries raised Canada's production above all previous records in 1942, the output amounting to 884,830 net tons compared with 860,885 in 1941. Production in 1942 included 749,282 net tons of quicklime and 135,548 net tons of hydrated lime. Lime producers used 712,307 net tons for chemical manufacture during 1942, while the balance of 83,271 net tons was sold or used for building, agricultural and other purposes.

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#### Production of Leather Footwear in November

The production of leather footwear in November amounted to 2,925,870 pairs as compared with 2,884,992 in the corresponding month of 1942, an increase of two per cent. Cumulative production for the 11 months ending November was 31,577,536 pairs compared with 30,549,537 in the similar period of 1942, an increase of three per cent. Production during 1943 included the following size classifications: footwear for men, 9,840,053 pairs; boys and youths, 1,358,912; for women, 14,690,166; for misses and children, 3,773,358; and for babies and infants, 1,931,047 pairs.

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#### Canadian Corn in Store

Stocks of Canadian corn in store on January 6 amounted to 292,578 bushels, including 70,503 bushels of western corn and 222,075 bushels of eastern corn. Stocks

in elevators in eastern Canada totalled 224,085 bushels and in western Canada, 68,492 bushels.

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#### Car Loadings on Canadian Railways

Car loadings for the week ended January 1, 1944, amounted to 48,598 cars as against 45,187 for the corresponding week last year and 51,898 in the previous week. In the eastern division total loadings increased from 28,781 cars in 1943 to 32,511 cars and in the western division there was a decrease from 16,406 to 16,087 cars.

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#### Reports issued during the week

1. Car Loadings on Canadian Railways (10 cents).
  2. Monthly Indexes of Wholesale Sales, November (10 cents).
  3. Operating Revenues, Expenses & Statistics of Railways, October (10 cents).
  4. Miscellaneous Paper Goods, 1942 (10 cents).
  5. Canadian Grain Statistics (10 cents).
  6. Retail Merchandise Trade in British Columbia, 1941 (25 cents).
  7. Retail Merchandise Trade in Nova Scotia, 1941 (25 cents).
  8. The Employment Situation, November (10 cents).
  9. The Broom, Brush and Mop Industry, 1942 (15 cents).
  10. Economic Conditions during First Eleven Months of 1943 (10 cents).
  11. Stocks of Canadian Fruit and Vegetables, January 1 (10 cents).
  12. Cold Storage Holdings of Fish, January 1 (10 cents).
  13. Cold Storage Holdings of Meat and Lard, January 1 (10 cents).
  14. Stocks of Dairy and Poultry Products, January 1 (10 cents).
  15. December Dairy Production, Preliminary (10 cents).
  16. The Lime Industry, 1942 (25 cents).
  17. Drug Store Chains, 1941 (25 cents).
  18. Production of Leather Footwear, November (10 cents).
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