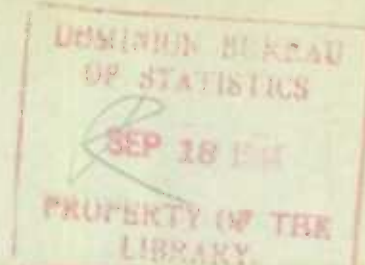


WEEKLY BULLETIN

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Economic Conditions During First Seven Months of 1944

The six major factors indicating the trend of economic conditions averaged higher in the first seven months of the present year than in the same period of 1943. The index of the physical volume of business recorded a gain of 4.1 per cent, the standing in the first seven months of the present year having been 241.2. The historical maximum was reached in the last month of 1943 and a downward trend has since been recorded. The standing in July was 232.2, a moderate decline having been shown from July of last year when the index was 236.3. The index of wholesale prices which had averaged 98.7 in the first seven months of last year rose to 102.6 in the period under review, an increase of 4 per cent.

The deposit liabilities of the banks rose to a new high position in the first six months of the present year. The average was \$4,508,000,000 against \$3,847,000,000, a gain of no less than 17 per cent. The amount of cheques cashed recorded an advance of \$4,786,000,000 or 16 per cent, the total in the period under review having been \$34,660,000,000. Employment showed a slight gain as measured by the returns received from employers. The index averaged 181.9 against 181.4 in the same period of last year.

Each of the five components of the index of the physical volume of business recorded gains over the high level of 1943. The index of mineral production showed a gain of 1 per cent to 243.6 as against 241.2. Declines, however, were shown in the amount of gold mint receipts and in coal production. The index of manufacturing production on a five-year pre-war base rose nearly 3 per cent to 296.7. The meat packing industry was more active according to the record of inspected slaughterings. The cattle division showed an increase of 20.3 per cent while hogs were 50.8 per cent greater. Factory cheese production rose from nearly 81,000,000 pounds to 94,600,000, a gain of 16.7 per cent. A decline, on the other hand, was shown in the output of creamery butter. The decline amounted to about 10,000,000 pounds or 5.5 per cent.

The raw cotton consumed by textile mills receded 13 per cent to 96,200,000 pounds. The gain in newsprint production was of moderate proportions. The output was 1,724,845 tons against 1,705,993, a gain of 1.1 per cent. Steel production was practically maintained while a gain of 9.5 per cent was shown in pig iron. The output of coke was one quarter greater than in the first seven months of 1943. The new business obtained by the construction industry was far greater in the first seven months of the present year, construction contracts awarded having been \$185,000,000 against \$118,000,000, a gain of 56.4 per cent. Building permits in 58 municipalities showed an increase of about 63 per cent. The consumption of firm power, indicating the output of the central electric stations, rose nearly 3 per cent, to 20,847,000,000 kilowatt hours.

A considerable increase was shown in the index of distribution of commodities through wholesale and retail outlets, increases of 12 per cent and 7.4 per cent being recorded respectively. External trade was at a higher level, the exports recording a considerable advance over the same period of last year. The total was \$2,050,000,000 against \$1,595,000,000, a gain of 28.6 per cent. As the increase in imports was of minor proportions, the active balance of trade showed an advance of 21.8 per cent. The net exports of non-monetary gold excluded from the statistics of merchandise exports amounted to \$66,600,000, a decline of about 24 per cent from the same period of the preceding year. Carloadings in the seven months numbered 2,088,000 against 1,928,000. A somewhat greater percentage increase was shown in the number of tons carried per mile on the two principal railways during the six months. The total was 29,000,000,000 against 26,400,000,000, a gain of 9.8 per cent.

Employment Situation at Beginning of July

In conformity with the movement invariably indicated at July 1 in the years since 1920, there was considerable expansion in industrial employment at the beginning of July, when the 14,668 co-operating employers increased their working forces to 1,853,618 from 1,822,413 at June 1, or by 31,205. This increase of 1.7 per cent exceeds that reported at the same date last summer, but is otherwise the smallest advance at July 1 in the war period.

The expansion in industrial employment at the first of July was accompanied by a rise in the weekly salaries and wages distributed in the eight leading industries; these advanced from \$57,960,556 in the last report to \$58,783,879, or by 1.4 per cent. Various circumstances combined to produce the relatively smaller increase in the payrolls than in employment, notably the general observance of the Dominion Day holiday. The weekly average per employee was \$31.71, being nine cents lower than at the beginning of June, but 74 cents higher than at July 1, 1943.

The latest increase in employment raised the index number, based on the 1926 average as 100, from 180.5 at June 1 to 183.5 at July 1; it was then fractionally lower than that of 183.7 reported at the same date of last year, the maximum for July 1. After adjustment for seasonal variation, the index number showed a slight decline, falling from 180.5 at June 1 to 180.0 at July 1.

The manufacturing and the non-manufacturing industries shared in the expansion indicated at July 1, as compared with June 1. The increase of 13,939 persons, or 1.2 per cent in manufacturing was above-normal for the beginning of July in the experience of the years since 1920. There were also considerable additions to the staffs in construction and transportation, together with smaller gains in mining, communications, services and trade. Except in communications, the percentage advances in the non-manufacturing industries were somewhat smaller than usual for July 1.

A comparison with the figures for the beginning of July of last year shows little general change in manufacturing. Mining was somewhat quieter, and there was a considerable decline in construction. On the other hand, greater activity was indicated in the remaining non-manufacturing industries - logging, communications, transportation, services and trade. In the last two, it is probable that the increase is partly due to the employment of larger numbers of part-time workers.

Attention is drawn to the fact that with the publication of the figures for July 1, statistics of employment and payrolls are now available for the first time for cities with populations ranging from 35,000 to 100,000. These will supplement those prepared monthly for many years for the eight largest industrial centres in the Dominion, whose populations exceed 100,000.

Production of Butter and Cheese in August

Creamery butter production in August fell almost five per cent from the August 1943 output, the total being 37,061,000 pounds compared with 38,932,000. A fractional increase was recorded in Alberta, and a substantial increase in British Columbia; otherwise all provinces shared in the decline. During the eight months ended August the production totalled 213,719,000 pounds compared with 225,851,000 in the similar period of 1943, a decline of 5.4 per cent.

August cheese production was almost equal to that of August 1943, the amount being 25,762,734 pounds, a reduction of only 2,000 pounds. An increase of nearly 15 per cent occurred in Quebec, but the Ontario production fell nine per cent, while all of the western provinces showed substantial increases. Output during the eight months ended August totalled 120,325,000 pounds compared with 106,764,000 a year ago, an increase of 12.7 per cent.

Ice cream production in August amounted to approximately 2,480,000 gallons, an increase of six per cent. Manitoba is the only province in the Dominion to show a decline. During the first eight months of this year production of ice cream amounted to 13,767,000 gallons compared with 13,282,000 in the similar period of 1943, an increase of 3.7 per cent.

The dry weather which swept across the eastern part of the continent during July and in the first two weeks of August had a devastating effect on pastures. Farmers in the eastern provinces of Canada have been forced to feed corn, hay and grain to milch cows on pasture; and with the water level running lower than usual, some districts have reported a shortage of water for dairy stock. In western Canada, however, moisture supplies have been quite adequate, and pastures are fair to excellent.

Despite these conditions, milk production in July declined less than three per cent. It is expected, however, that a greater decline will be shown in August when complete information becomes available.

Storage Stocks of Food on September 1

Creamery butter stocks in cold storages, in dairy factories and in transit on the railways on September 1 totalled 63,846,970 pounds compared with 54,105,829 on August 1 and 75,322,559 pounds on the corresponding date of last year. Cheese holdings on September 1 amounted to 61,247,038 pounds compared with 60,403,450 on August 1 and 49,544,048 a year ago.

Evaporated whole milk holdings by or for manufacturers totalled 35,711,237 pounds on September 1 this year, being a sharp increase over the September 1, 1943, stocks which were only 13,271,879 pounds. All eggs, including frozen egg meats converted to case basis, amounted to 1,681,140 cases compared with 1,719,370 on August 1 and 630,707 cases 12 months ago.

Stocks of dressed poultry on hand on September 1 amounted to 10,132,833 pounds, being a decided increase over last year when the stocks were only 2,536,492 pounds. Stocks of chicken were reported at 2,300,635 pounds, fowl 3,188,838 pounds and turkeys 1,834,130 pounds.

The total of all meat stocks dropped nearly 20 million pounds during August, the September 1 holdings being 69,749,764 pounds compared with 89,281,596 on August 1. They were still 4.7 million pounds greater than last year's holdings of 65,017,628 pounds. Actually, the decline from August 1 holdings was mainly in pork which was reduced by slightly more than 20 million pounds or from 60,156,722 pounds to 40,149,080 pounds. There was also a small reduction in veal and in mutton and lamb. Beef holdings increased almost a million pounds, September 1 stocks amounting to 21,250,627 pounds compared with 20,326,686 on August 1. On September 1, 1943, stocks of beef amounted to 15,324,434 pounds.

Holdings of frozen fish held by fish, wholesale and cold storage firms on September 1 amounted to 38,274,293 pounds compared with 35,085,588 on August 1 and 36,493,234 on September 1, 1943. Frozen cod stocks were 7,696,113 pounds, haddock 876,987, frozen smoked fillets 1,065,321, frozen salmon 3,653,807, and sea herring 9,561,785 pounds.

Apple stocks, at distributing centres only, on September 1 were 27,740 bushels compared with 23,518 a year ago. There were also 17,183 bushels of pears on hand, of which 4,100 bushels were imported. Fruit, frozen and in preservatives, totalled 29,887,230 pounds, a slight increase over last month when the stocks were 29,493,915 pounds.

Frozen vegetables and vegetables in brine aggregated 3,189,113 pounds compared with 2,221,289 pounds a month ago. Fresh vegetable stocks were low. Carrots on hand were 2,487 tons compared with 2,176 a year ago and 1,454 last month. Potato stocks were reduced to 1,323 tons.

First Estimate of Canada's 1944 Grain Crops

The wheat crop in Canada in 1944 is placed at 447,656,000 bushels in the first estimate of production of principal grain crops issued by the Dominion Bureau of Statistics. Compared with the third estimate of the 1943 wheat crop, production in 1944 is 154,000,000 bushels greater. The crop this year is the third largest produced during the five years of war. The 1942 wheat crop totalled 557,000,000 bushels and that of 1940, 540,000,000 bushels.

Production of wheat in the three Prairie Provinces this year is estimated at 423,000,000 bushels compared with 277,000,000 bushels in 1943. The 1944 crop includes 11,000,000 bushels of amber durum wheat divided equally between Manitoba and Saskatchewan compared with less than 7,000,000 bushels produced by these two provinces in 1943. The average yield of wheat in western Canada this year is estimated to be 18.3 bushels per acre compared with 16.6 bushels in 1943.

Ontario accounts for most of the wheat produced outside of the three Prairie Provinces. Production of winter wheat there this year is estimated at 20,708,000 bushels and spring wheat at 771,000 bushels, making a total wheat crop of 21,479,000 bushels. Some winter wheat is produced in Alberta but the quantity is relatively small and is included in the spring wheat total for that province.

Production of oats in Canada this year is estimated at 526,138,000 bushels compared with 482,022,000 bushels in 1943, an increase of approximately 44,000,000 bushels. This increase is due largely to the better crop in Ontario where production is placed at 65,000,000 bushels compared with about 35,000,000 bushels last year. The oats crop in western Canada is only slightly above that of last year but acreage in 1944 was 1,324,000 acres smaller than in 1943.

Barley production in 1944 is smaller than a year ago despite a fairly substantial increase in the size of the Ontario crop. The new crop is estimated at 203,776,000 bushels for the Dominion compared with 215,562,000 bushels produced in 1943. Acreage seeded to barley in western Canada in 1944 was about 1,000,000 acres less than a year ago and this more than offset the better yields per acre in the Prairie Provinces.

A larger rye crop is indicated for 1944, production in Canada of both spring and fall rye being estimated at 10,581,000 bushels compared with 7,143,000 bushels in 1943. The flaxseed crop this year promises higher yields per acre but the acreage in the Prairie Provinces was sharply reduced this spring and the western crop is little better than half of the 1943 production. The total flaxseed crop in 1944 is estimated to be 10,082,000 bushels compared with 17,911,000 bushels produced a year ago.

Visible Supply of Canadian Wheat

Stocks of Canadian wheat in store or in transit in North America at midnight on September 7 amounted to 288,726,331 bushels, a decrease of 94,946,941 bushels from last year's corresponding total of 383,673,272 bushels. Stocks this year included 265,081,435 bushels in Canadian positions and 23,644,896 bushels in United States positions.

Deliveries of Wheat and Coarse Grains

Deliveries of wheat from farms in the three Prairie Provinces during the week ending September 7 amounted to 6,350,909 bushels compared with 7,328,883 in the previous week. During the elapsed portion of the crop year, 22,453,704 bushels of wheat were marketed compared with 20,077,794 in the similar period of the previous crop year.

The following quantities of coarse grains were marketed in the Prairie Provinces during the week ending September 7, totals for the previous week being in brackets: oats, 1,275,134 (1,833,890) bushels; barley, 2,439,780 (2,572,397); rye, 139,227 (211,747); flaxseed, 193,171 (123,920).

Food Consumption in Canada

Preliminary estimates of food supplies available for civilian consumption in Canada for 1944 indicate that in general the situation has improved over 1943. The present level of consumption is materially higher for most items than before the war and with full employment it is highly probable that a substantial percentage of the population is now obtaining more food than before the war. An over-all increase in agricultural production in Canada since 1939 has made it possible to increase civilian supplies of food during a period when exports to the United Kingdom and other United Nations have been at high levels. Supplies of dairy products, excluding butter, have increased substantially since 1939 and a further increase is indicated for 1944. Fluid milk consumption continues to increase despite the greater use of milk for the manufacture of butter, cheese and other dairy products.

Supplies of all meats, with the exception of mutton and lamb and canned meat, are expected to average higher for 1944 than for 1943. Exports of pork products and beef have been particularly heavy but marketings were sharply higher in the first six months of 1944 and, while a similar increase is unlikely for the last half of the year, supplies will probably be adequate unless there is a sharp upturn in the demand from Europe.

A continuation of the expansion of poultry production in 1944 has made greater quantities of poultry meat and eggs available to consumers. Exports of eggs in powdered form will be substantially greater in 1944 than was the case in 1943 but increased production has more than offset this requirement. Supplies of fish, both fresh and canned, are expected to average lower in 1944 than in 1943.

Butter production has not increased sufficiently to maintain the high level of pre-war consumption but the decline has not been great, and, under rationing, the product has been well distributed among consumers. The level of consumption in 1944 is expected to average slightly lower than that of 1943. Not much change is indicated for the consumption of other fats and oils including lard, shortening and edible oils.

Canada's reliance on off-shore supplies of sugar made it necessary to ration this commodity at an early date following the outbreak of war. Since that time consumption has been stabilized at approximately 80 per cent of the prewar level and no significant change is indicated for 1944 as compared with 1943.

With relatively good crops of most fruits and vegetables, together with greater imports of citrus fruits and dried fruits, supplies of these products are for the most part expected to be higher in 1944 than in 1943. Consumption of potatoes in 1944 may not average as high as that of 1943 but estimates of production this year are still in the preliminary stage. With abundant supplies of grain products available it is not expected that any material change will take place in the consumption of these products as between 1943 and 1944. The current level of consumption is about 10 per cent higher than that of prewar.

Greater imports of tea and coffee have made it possible to increase the ration of these products and consumption will be somewhat higher this year than in 1943. Not much change is expected in the supplies of cocoa between the two years.

Estimates of Manufacturing Production in 1943

The gross value of manufacturing production in Canada in 1943 has been placed at \$8,393,163,000 in a preliminary estimate compiled by the Dominion Bureau of Statistics on the basis of reports received up to July 1, 1944. This represents an increase of 11 per cent over the final 1942 valuation of \$7,553,795,000 and an advance of no less than 140 per cent over the 1939 production value of \$3,474,784,000.

The increase in the number of employees and in the salary and wage disbursements has been no less striking. The estimated number of employees in 1943 was 1,262,000, an advance of 10 per cent over 1942 and 92 per cent over 1939. The estimated total of salary and wage payments in 1943 was \$1,918,519,000, constituting an increase of 14 per cent over the total paid out in 1942 and an increase of 160 per cent over the 1939 aggregate.

Among the industrial groups, those engaged in the manufacture of equipment and supplies needed for war purposes continued to expand at a rapid rate, while those engaged in the production of consumers' goods expanded their operations moderately to meet the increasing demands of the civilian population.

The estimated gross value of production in the iron and steel group of industries rose to \$2,319,533,000 in 1943 from \$2,112,322,000 in 1942. Chemicals and chemical products advanced to \$761,433,000 from \$501,656,000, non-ferrous metal products to \$1,016,522,000 from \$901,569,000, and non-metallic mineral products to \$378,691,000 compared with \$358,075,000.

The gross value of products manufactured in the vegetable products group in 1943 was estimated at \$1,050,677,000 compared with \$965,896,000 in 1942, animal products \$965,689,000 compared with \$861,191,000, textile products \$781,887,000 compared with \$793,305,000, wood and paper products \$979,582,000 compared with \$961,343,000 and the miscellaneous industries \$139,149,000 compared with \$97,438,000.

Production of Copper and Nickel in July

The Canadian production of copper in July amounted to 45,585,045 pounds compared with 47,747,056 in the preceding month and 47,354,190 in the corresponding month of last year. During the first seven months of the current year, production aggregated 332,304,806 pounds compared with 342,319,959 in the comparable period of 1943.

Nickel production in July was recorded at 23,410,619 pounds compared with 20,373,599 in the previous month and 23,585,993 in July of last year. Production during the first seven months of 1944 totalled 162,184,531 pounds compared with 174,056,382 in the similar period of 1943, a reduction of 6.8 per cent.

Revenues and Expenses of Railways in June

Canadian railways earned \$67,010,004 in June compared with \$66,681,694 in June of last year, an increase of 0.5 per cent. Operating expenses increased by \$3,931,981, reducing the operating income from \$16,100,181 to \$12,577,194. The pay roll increased by \$1,055,493 or by 4.1 per cent for an increase in the number of employees from 166,223 to 167,048, or by 0.5 per cent. For the six months ended June, operating revenues rose from \$362,901,251 in 1943 to \$383,017,174, and operating expenses increased from \$265,141,291 to \$294,435,890. The operating income was thus reduced to \$62,153,759 from \$69,705,133 in the first half of 1943.

Car Loadings on Canadian Railways

Car loadings on Canadian railways during the week ended September 2 increased to 73,136 cars, the highest weekly total reached this year, compared with 72,595 in the previous week and 69,796 in the corresponding week of last year. In the eastern division loadings increased from 44,509 cars last year to 47,414, and in the western division from 25,287 to 25,722 cars.

Production of Leather Footwear in July

The production of leather footwear in Canada in July was 2,475,536 pairs compared with 3,037,239 in the preceding month and 2,833,000 in the corresponding month of last year. During the seven months of this year production aggregated 20,630,839 pairs compared with 20,177,805 in the similar period of 1943.

Births, Deaths and Marriages in July

Births registered in cities, towns and villages having a population of 10,000 and over numbered 12,051 in July, deaths 4,484 and marriages 5,777 compared with 11,759 births, 4,629 deaths and 6,038 marriages in July of last year, showing an increase of two per cent in births, and decreases of three per cent in deaths and four per cent in marriages.

Reports Issued During the Week

1. Production of Leather Footwear, July (10 cents).
2. Preliminary Estimate of Manufacturing Production, 1943 (25 cents).
3. Monthly Report on Clay Products, July (10 cents).
4. Gross and Net Reproduction Rates, Canada and Provinces, 1920-1942 (10 cents).
5. Gainfully Occupied by Industry, Sex, Age, Etc., Quebec, 1941 (10 cents).
6. Stocks of Raw Hides and Skins, July (10 cents).
7. Registrations of Births, Deaths and Marriages, July (10 cents).
8. Copper and Nickel Production, July (10 cents).
9. First Estimate of Production of Fall Wheat, Fall Rye and Alfalfa. Condition of Field Crops at July 31 (10 cents).
10. Preliminary Report on Births, Deaths and Marriages in Fourth Quarter of 1943 (25 cents).
11. Monthly Dairy Review, August (10 cents).
12. Car Loadings on Canadian Railways (10 cents).
13. Operating Revenues, Expenses & Statistics of Railways, June (10 cents).
14. Monthly Traffic Report of Railways, May (10 cents).
15. Current Trends in Food Distribution, July (10 cents).
16. Economic Conditions in Canada during First Seven Months, 1944 (10 cents).
17. The Employment Situation at Beginning of July (10 cents).
18. Canadian Grain Statistics (10 cents).
19. Gainfully Occupied by Industry, Sex, Age, Etc., Alberta, 1941 (10 cents).
20. Food Consumption in Canada (10 cents).
21. Manufacturing Industries of the Prairie Provinces, 1942 (25 cents).
22. Gainfully Occupied by Industry, Sex, Age, Etc., Saskatchewan, 1941 (10 cents).
23. Use of Electric Power in Manufacturing and Mining Industries, 1942 (25 cents).
24. Cold Storage Holdings of Meat and Lard, September 1 (10 cents).
25. Cold Storage Holdings of Fish, September 1 (10 cents).
26. Stocks of Dairy and Poultry Products, September 1 (10 cents).
27. Stocks of Fruit and Vegetables, September 1 (10 cents).



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