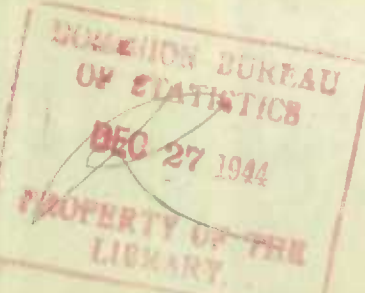


WEEKLY BULLETIN

Dominion Bureau of Statistics

Department of Trade and Commerce



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Business Conditions in October

Productive operations recorded a recession in October compared with the preceding month. The index of the physical volume of business dropped from 231 to 228. Three of the five main components recorded increases. The index of mineral production, construction and the volume of manufacturing showed minor advances in this connection. The indexes of electric power and distribution, on the other hand, were at a lower position in the month under review.

Grain and livestock marketings showed marked betterment in October, the general index moving up from 81.5 to 110.7. Livestock marketings on stock yards rose more than seven points to 108.9, while the index of grain marketings at country elevators was 111.1 against 76.9 in September.

The gain in coal production was less than normal for the season. The index of gold receipts at the Mint dropped five points to about 63. The advance in the index of manufacturing was slightly more than one point to 285.8. The index of factory cheese production showed considerable increase after seasonal adjustment. Adjusted tobacco releases were slightly higher. The release of cigarettes amounted to 1,018 million against 1,067 million in September.

The adjusted indexes of livestock slaughterings and dairy production recorded an increase in October. The textile industry recorded betterment, the index rising from 121 to 133. Despite the recession in the production of newsprint after seasonal adjustment, the forestry index rose from 116 to 128.5. The primary iron and steel industry was considerably more active in October than in the preceding month.

Contraseasonal increase was shown in the award of construction contracts. The index of electric power receded one point to 152.4.

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

	1944	
	October	September
Physical Volume of Business	228.0	231.0
Industrial Production	259.7	260.4
Mineral Production	208.9	205.5
Gold Receipts	63.2	68.0
Coal Production	91.3	109.6
Manufacturing	285.8	284.5
Flour Production (x)	143.6	158.3
Rolled Oats Production (x)	110.0	125.5
Inspected Slaughterings	169.4	166.9
Cattle	125.7	135.7
Sheep	77.4	112.1
Hogs	207.7	193.7
Creamery Butter	112.8	114.9
Factory Cheese	151.5	135.8
Tobacco	188.7	185.0
Cigar Releases	123.7	129.8
Cigarette Releases	194.0	189.4
Boots and Shoes Production (x)	126.1	124.6
Textiles	133.0	121.0
Cotton Consumption	132.0	112.3
Forestry	128.5	116.4
Newsprint	96.6	99.7
Iron and Steel	573.3	574.3
Pig Iron Production	271.7	218.7
Steel Production	259.3	238.5
Construction	113.4	104.1
Contracts Awarded	106.2	94.1
Building Permits	141.8	143.6
Cost of Construction	135.7	135.7

Continued on page two

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

	1944	
	October	September
Electric Power	152.4	153.4
Distribution	162.4	170.3
Marketings -		
Grain and Live Stock Marketings	110.7	81.5
Grain Marketings - Country Elevators	111.1	76.9
Wheat	122.3	83.2
Oats	251.7	302.5
Live Stock Marketings	108.9	101.6
Cattle	101.6	94.9
Calves	96.2	77.1
Hogs	144.1	136.4
Sheep	109.4	105.9
Cold Storage Holdings, 1st of following month	181.5	172.9
Butter	105.0	102.1
Cheese	137.5	143.9
Beef	181.1	161.5
Pork	173.4	154.2
Mutton	75.1	162.0
Poultry	466.7	437.5
Lard	246.5	355.2
Veal	164.3	178.7

(x) Preceding Month

World Wheat Situation

Few significant developments have taken place during the month of November in the production or supply pictures of the four principal wheat exporting countries. The Australian crop which was being estimated prior to the beginning of harvesting operations at about 50,000,000 bushels has proved to be the smallest crop in 28 years. Wheat stocks at the end of October were down to 89,000,000 bushels with the estimated requirements for stock feed increasing as pastures suffered further deterioration. The only exports being made are against old contracts for the British Ministry of Food and no other export business is contemplated until wheat from the new crop becomes available.

Excellent rains in Argentina during the latter part of October greatly improved crop prospects in that country. Private estimates of the new crop have been in the neighbourhood of 200,000,000 bushels. Since domestic requirements in the coming crop year will likely be somewhere between 100,000,000 and 110,000,000 bushels this new crop promises to add from 90,000,000 to 100,000,000 bushels to Argentina's exportable surplus.

The Government of Argentina estimated the wheat "surplus" at mid-November at 159,000,000 bushels. This estimate excluded the unshipped portion of wheat sold to Spain or earmarked for relief. With shipments during recent months averaging around 7,000,000 bushels it appears likely that the carry-over at December 31, excluding wheat for which contracts have now been made, will be between 140,000,000 and 150,000,000 bushels. The prospects are, therefore, that Argentina may in the calendar year 1945 have up to 250,000,000 bushels of wheat available for export or carry-over. However, this paper "surplus" may be over estimated since some old wheat has been stored on the ground under canvas and may have deteriorated. Owing to the short crop in Brazil this neighbouring South American country, together with Spain, will likely continue as Argentina's best wheat customer in the coming year unless the shipping situation is altered.

The reduction in export supplies occasioned by Australia's probable departure from the export market during the coming year will likely be offset by the re-entrance of the United States as a wheat exporter. This large North American producer has added a record crop to an above-average carry-over and although her prospective disappearance is also high it may be possible to export up to 100,000,000 bushels of wheat in 1944-45 without materially reducing the carry-over of 315,000,000 bushels held at June 30, 1944.

The United States announced an acreage objective of 67,600,000 acres for 1945-46, but has recently revised this objective downwards to 66,600,000 and raised the goal for flaxseed from 5,000,000 to 6,000,000 acres. If this recommended acreage is seeded and average yields are realized the United States will harvest around 830,000,000 bushels of wheat. With a crop of this size it is anticipated that the American carry-over may, by

July 1, 1946, be reduced to between 230,000,000 and 280,000,000 bushels. Such a stockpile is, however, considered to be an adequate safeguard against a year of small yields.

Canada's surplus over and above domestic requirements is considerably larger than that of any of the other three principal wheat exporting countries. The geographical position of this country confers upon her an advantage over the wheat-producing countries of the southern hemisphere in supplying the northern European wheat importers. This is especially true during the present wartime scarcity of shipping.

In addition to supplying a large proportion of the cereals required in liberated Europe, Canada is shipping wheat to India and other points in the Middle and Far East normally supplied by Australia. Because of these demands every effort has been made during the fall months to move as large a volume of wheat as possible into export positions.

Total available supplies of wheat in Canada, after probable domestic requirements have been deducted, exceed 648,000,000 bushels for the current crop year. Assuming that Canadian exports during 1944-45 are limited only by the ability to move wheat into export positions we will still have a sizeable carry-over at July 31, 1945.

Stocks and Marketings of Wheat

Stocks of Canadian wheat in store or in transit in North America on November 30 amounted to 365,819,088 bushels compared with 362,683,023 on the corresponding date of last year. This year's total included 330,633,445 bushels in Canadian positions and 35,185,643 bushels in United States positions.

Deliveries of wheat from farms in the Prairie Provinces during the week ending November 30 amounted to 9,677,480 bushels compared with 11,730,856 in the preceding week. During the elapsed portion of the present crop year, 190,267,960 bushels were marketed compared with 95,360,713 in the corresponding period of 1943-44.

The following quantities of coarse grains were also delivered from Prairie farms during the week ending November 30, totals for the preceding week being in brackets: oats, 1,021,347 (1,038,015) bushels; barley, 962,322 (935,316); rye, 57,217 (71,989); flaxseed, 73,697 (70,279).

Stocks of Butter, Cheese and Eggs on December 1

Stocks of creamery butter in nine of the principal cities of Canada as at the opening of business on December 1 amounted to 34,629,773 pounds as compared with 43,009,568 on November 1 and 39,511,122 on the corresponding date of last year. Cheese stocks on December 1 were recorded at 31,211,389 pounds as compared with 38,054,251 on November 1 and 39,542,352 on December 1, 1943. Cold storage eggs on hand on December 1 this year totalled 301,950 dozen compared with 1,376,800 on November 1 and 36,100 a year ago. Fresh eggs in store amounted to 877,287 dozen compared with 1,039,114 on November 1, while frozen eggs in storage totalled 28,393,562 pounds compared with 32,831,534 on November 1 and 7,713,755 on December 1, 1943.

Vegetable Products Group of Industries

The production of commodities based on vegetable products as a raw material constitutes an important branch of Canadian manufacturing production, the gross value of which amounted to \$965,896,035 in 1942 as compared with \$897,978,448 in 1941. This group also contributes materially to the foreign trade of Canada. Wheat flour, distilled liquors, rubber tires, rubber footwear, cereal foods, oatmeal and rolled oats, bran, shorts and middlings, canned fruits and vegetables, rubber clothing, and macaroni, are normally among the main products exported.

The gross value of products manufactured by the leading industries included in the vegetable products group in 1942 was as follows, in millions of dollars, corresponding totals for 1941 being in brackets: flour mills, \$125.6 (\$114.2); rubber goods, including rubber footwear, \$122.2 (\$119.1); bread and other bakery products, \$104.1 (\$92.1); biscuits, confectionery, cocoa, \$76.9 (\$74.5); breweries, \$74.0 (\$63.3); tobacco, cigars and cigarettes, \$59.4 (\$53.7); sugar refineries, \$46.0 (\$62.4); aerated and mineral waters, \$41.0 (\$41.1); fruit and vegetable preparations, \$73.6 (\$75.3); miscellaneous foods, \$71.4 (\$69.5).

Stocks of Raw Hides and Skins

Stocks of raw cattle hides held by tanners, packers and dealers in Canada at the end of October amounted to 465,493 as compared with 464,418 on the corresponding date of last year. Calf and kip skins on hand declined to 356,420 from 539,218, horse hides to 17,041 from 26,616, while goat and kid skins advanced to 339,428 from 190,463. Sheep and lamb skins increased to 126,591 dozen from 74,366 dozen.

Cost of Living Index for November 1

The Dominion Bureau of Statistics cost of living index number, on the base 1935-1939=100, advanced from 118.6 for October 2 to 118.9 for November 1, 1944. A sharp seasonal rise in egg prices overbalanced further declines in the index for domestic electricity costs. An increase in the food index from 130.8 for October to 131.6 for November was due almost entirely to higher egg prices, with further small declines in prices of fresh vegetables providing the only other change of any consequence.

The fuel index dropped from 108.7 in October 2 to 108.1, as the electricity series declined from 93.2 to 91.4. Reductions in electricity rates during the last year have provided a stabilizing influence upon the general cost of living index. Other group indexes remained unchanged for November, as follows: rentals, 112.0; clothing, 121.6; homefurnishings and services, 118.4; and miscellaneous items, 108.9.

Commercial Failures in Third Quarter of 1944

Further decline was shown in the number of commercial failures in the third quarter of 1944 from the level of the preceding quarter. The standing at 51 compared with 61 revealed a greater decline than normal as measured by the experience of the last 23 years. The change from the third quarter of 1943 was insignificant, the assignments in that period numbering 49.

The record in the last two years has been more favourable than at any other time since the statistics were first collected in 1922. Assignments in the first nine months recorded a betterment over any other year in the period of observation. The number was reduced to 181 compared with 232 in the same period of the preceding year. The minimum previous to last year was recorded in 1942 when the total for the nine months was 572.

The defaulted liabilities were less in the first nine months than in any similar period subsequent to 1922 when the survey was initiated. The total was \$3,307,593 this year compared with \$3,693,807 in the first nine months of 1943. Liabilities of the third quarter showed an increase of about \$100,000 over the second quarter of 1944 and also over the third quarter of 1943. The total was \$686,934 against \$584,795 in the second quarter and \$584,352 in the third quarter of last year.

Production of Leading Minerals During Nine Months Ended September

The output of Canada's leading minerals during the nine months ending September 1944 was as follows, corresponding totals for 1943 being in brackets: asbestos, 311,267 (357,767) tons; cement, 5,664,777 (5,773,181) barrels; clay products, \$4,890,970 (\$4,870,093); coal, 12,330,350 (13,187,574) tons; copper, 417,706,264 (431,083,755) pounds; feldspar, 17,796 (17,587) tons; gold, 2,231,690 (2,840,774) fine ounces; gypsum, 453,882 (298,093) tons; lead, 213,986,074 (342,399,749) pounds; lime, 654,570 (666,843) tons; natural gas, 34,281,980,000 (31,592,743,000) cubic feet; nickel, 208,740,268 (217,914,864) pounds; petroleum, 7,539,746 (7,570,611) barrels; commercial salt, 245,603 (253,264) tons; silver, 10,072,473 (13,422,504) ounces; zinc, 396,154,906 (465,265,682) pounds.

Production of Copper in September

The Canadian production of copper in September amounted to 43,345,982 pounds compared with 44,992,550 in the preceding month and 42,540,896 in the corresponding month of last year. Output during the first nine months of the current year totalled 417,706,264 pounds compared with 431,083,755 in the similar period of 1943.

Nickel Production in September

Nickel production in Canada in September was recorded at 22,708,997 pounds compared with 23,846,740 in the preceding month and 22,524,474 in September, 1943. During the first nine months of the present year, output totalled 208,740,268 pounds compared with 217,914,864 in the comparable period of 1943, a decrease of 4.3 per cent.

Earnings of Canadian Railways in September

Canadian railways earned \$68,252,594 in September as compared with \$66,619,736 in the corresponding month of last year, an increase of \$1,632,858, or 2.5 per cent. On a daily basis this year's September earnings created a new high record.

Operating expenses increased from \$47,847,071 to \$56,029,640. Part of this increase was due to charges for back pay of approximately \$4,800,000. Freight traffic showed a decrease from September 1943 of 1.9 per cent in revenue ton miles although freight revenues increased by 2.8 per cent. Passenger traffic increased by 3.2 per cent and passenger revenue by 2.9 per cent.

For the nine months, January to September, operating revenues increased from \$569,062,927 in 1943 to \$589,195,587, operating expenses advancing from \$409,598,697 to \$465,851,264 and the operating income declining from \$113,153,732 to \$85,922,311.

Car Loadings on Canadian Railways

Car loadings for the week ended November 25 increased to 77,547 cars from 77,447 in the preceding week and 75,968 in the corresponding week of last year. In the eastern division, loadings increased from 46,867 cars in 1943 to 48,184 cars, and in the western division from 29,101 to 29,363 cars.

Grain loadings increased from 11,600 cars in 1943 to 12,275 cars, live stock from 2,989 to 3,457 cars, fresh fruits from 298 to 680 cars, implements, tractors and machinery from 266 to 525 cars, and merchandise from 14,275 to 15,651 cars. Coal declined from 7,401 to 6,436 cars, petroleum, oils and gasoline from 2,690 to 2,409 cars and automobiles and parts from 2,078 to 1,559 cars.

Indexes of Wholesale Sales in October

Wholesale sales in October increased 15 per cent over the dollar volume of business transacted in the corresponding month of last year. The general unadjusted index of sales, on the base 1935-1939=100, stands at 202.4 as compared with 176.5. Cumulative sales for the first 10 months of the current year advanced 11 per cent above the similar period of 1943.

Production of Asphalt Roofing in October

The production of asphalt roofing materials in Canada in October included 324,591 squares of shingles, siding and roofing and 3,917 tons of felts and sheathing as compared with 278,253 squares of the former and 3,464 tons of the latter in October of last year.

Silver Production in September

The Canadian output of silver in September amounted to 905,410 ounces compared with 830,189 in the preceding month and 1,172,710 in the corresponding month of last year. During the first nine months of 1944 silver production totalled 10,072,473 ounces compared with 13,422,504 in the similar period of 1943, a decrease of 24.9 per cent.

Zinc Production in September

Output of primary zinc in all forms in Canada in September amounted to 45,124,020 pounds compared with 43,094,382 in the preceding month and 48,129,596 in September 1943. Production during the first nine months of the current year aggregated 396,154,906 pounds compared with 465,265,682 in the similar period of 1943, a decline of 14.9 per cent.

Lead Production in September

Primary unrefined lead production in all forms in Canada during September increased to 18,908,755 pounds from the preceding month's output of 18,319,445 pounds, and declined 42.5 per cent from the September 1943 total of 32,884,233 pounds. During the first nine months of 1944, Canada produced 213,986,074 pounds of lead compared with 342,399,749 pounds in the same period of 1943.

Canadian Leather Industry in 1943

The value of output of the Canadian leather industry in 1943 established an all-time high record of \$44,773,000. The increase over the preceding year was \$2,566,000, or six per cent. The principal kinds of leather produced were oak-tanned sole leather, cattle and horse hide upper leathers, calf skin upper leather, and glove leather. The value of these four items accounted for 71 per cent of the total for the industry.

The Canadian tanning industry is centred in Ontario where the value of production of \$39,132,892 represented 87 per cent of the total for all plants in 1943. The value of output for the province of Quebec was \$4,725,857, or 11 per cent of the total, while the production in Nova Scotia, New Brunswick, the Prairie Provinces and British Columbia accounted for the remaining two per cent.

Trends in Food Distribution in October

Reports received by the Dominion Bureau of Statistics from 77 of the larger wholesale grocery establishments in Canada revealed that October sales were 20 per cent higher than the volume of business transacted in October 1943, but were three per cent below dollar sales realized in September.

Sales of 907 chain store units operated by 26 chain companies in the food retailing field averaged seven per cent higher in October than sales of 919 units operated in October of 1943. October sales of independent food retail stores were maintained or slightly exceeded the volume for October 1943 in most regions of the country.

Fisheries of New Brunswick in 1943

The value of production of the fisheries of New Brunswick in 1943 amounted to \$11,202,489 compared with \$7,132,420 in the preceding year. These figures represent the value of the fish as marketed, whether sold for consumption fresh or canned, cured, etc. The sardine fishery was of first importance with a value of \$2,990,490, an increase over 1942 of \$851,700 or 40 per cent.

The 1943 pack of sardines was 545,510 cases valued at \$2,115,908 compared with 407,424 cases valued at \$1,474,462 in 1942. The remainder of the catch of sardines was marketed as fresh and salted. The lobster fishery came second with a marketed value of \$2,813,387 and the herring fishery third with a marketed value of \$1,892,257. Increases in marketed values were shown for all the principal kinds of fish and quantities landed also increased, except in the cases of lobster, smelts, hake and haddock.

The quantity of fish of all kinds, including shell fish, taken by New Brunswick fishermen during the year totalled 1,815,208 cwt. with a landed value of \$5,191,728 compared with a catch of 1,613,073 cwt. and a landed value of \$3,649,340 in 1942. Average prices received by the fishermen for the three principal kinds of fish were: sardines, \$3.26 per barrel compared with \$3.01; lobsters, \$20.74 per cwt. compared with \$14.07; and herring, 90 cents per cwt. compared with 76 cents in 1942.

Stocks of United States Grain in Canada

Stocks of United States grain in Canada on November 30 advanced to 621,027 bushels from last year's corresponding total of 351,084 bushels. Corn in store increased to 402,719 bushels from 85,000 and soybeans to 158,465 bushels from 30,832, while wheat decreased to 59,843 bushels from 235,252.

Reports Issued During the Week

1. Indexes of Wholesale Sales, October (10 cents).
2. Commercial Failures, Third Quarter, 1944 (10 cents).
3. The Grain Situation in Argentina (10 cents).
4. Monthly Review of the Wheat Situation (10 cents).
5. Price Movements, November (10 cents).
6. The Inks Industry, 1943 (15 cents).
7. Car Loading on Canadian Railways (10 cents).
8. Output of Leading Minerals, September (10 cents).
9. Production of Asphalt Roofing, October (10 cents).
10. Sales of Asphalt Roofing, October (10 cents).
11. Population of Ontario by Age, Sex, Conjugal Condition, Etc. 1941 (10 cents).
12. Copper and Nickel Production, September (10 cents).
13. Current Trends in Food Distribution, October (10 cents).
14. The Corset Industry, 1943 (15 cents).
15. The Leather Industry, 1943 (25 cents).
16. Silver, Lead and Zinc Production, September (10 cents).
17. Canadian Grain Statistics (10 cents).
18. Advance Report on the Fisheries of New Brunswick, 1943 (10 cents).
19. Quarterly Bulletin of Agricultural Statistics, July-September (25 cents).

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