

Canadian Balance of International Payments

Canada's international accounts in 1944 are summarized in statements of the Canadian balance of international payments released by the Dominion Bureau of Statistics. The international economic aspects of Canada's war effort are indicated by the great expansion in the volume of current international transactions which aggregated more than \$8 billion in 1944 compared with less than \$3 billion in 1939. The net credit balance on current account with all countries in 1944 was \$997 million compared with \$126 million in 1939. Current credits from exports of goods and services, including Mutual Aid, totalled \$4,536 million in 1944 compared with \$4,064 million in 1943 and \$1,457 million in 1939. Current expenditures totalled \$3,539 million in 1944 compared with \$2,858 million in 1943, and \$1,331 million in 1939.

Canadian war production was at its peak in 1944 and this is reflected in the balance of payments in various ways. In the balance of payments between Canada and the sterling area the effects of maximum production were to increase gross expenditures of the sterling area in Canada, including the expenditure of Mutual Aid funds on sterling area account as well as the disbursement of the greatly augmented amount of funds actually received by the sterling area from payments by the Canadian Government of overseas war expenditures.

Food and munitions shipped to the British were at record levels. Exports of lumber and other wood products were also heavier than in the previous year but there was some recession in shipments of non-ferrous metals and miscellaneous commodities to the United Kingdom, arising mainly from reduced requirements for aluminum. One of the greatest relative increases in the expenditures of the sterling area in Canada was in the value of exports on other sterling area account. This was partly a result of the development of Mutual Aid to Australia with the consequent direct financing of some commodities to that country which formerly had been financed through United Kingdom channels. But exports of civilian commodities to the other sterling area countries were much heavier in 1944 as well, with the result that the requirements of the other sterling area countries added a considerable amount to the direct requirements of the United Kingdom itself.

Sterling area expenditures on war services and freight and other current transactions showed some varying trends during the year. Expenditures for war services were about the same in total in 1944 as in 1943, but their composition was considerably different. Payments to Canada for freight were higher, mainly reflecting the increased movement of commodities from Canada. Increased earnings by the growing fleet of Canadian operated merchant vessels were a factor in this increase. As a result of the trends described above, total current expenditures of the sterling area in Canada increased from \$2,066 million in 1943 to \$2,307 million in 1944. This is between four and five times the size of Empire purchases of Canadian commodities and services in 1939.

The more normal sources of Canadian dollars which the sterling area has to meet the above liabilities did not vary much in total in 1944. The value of imports from the sterling area into Canada showed little change during the year as a whole. Likewise Canadian payments to the United Kingdom for freight, interest and dividends and other normal current services were only slightly higher in 1944.

The most important change in the sterling area's supply of Canadian dollars, of course, came through the great increase in the payments by the Canadian Government to the United Kingdom for the expenses of the Canadian forces overseas. These increased from \$499 million in 1943 to \$1,085 million in 1944. The great increase in overseas expenditures was principally the result of liabilities incurred by the Army and Air Force. The campaign in Italy throughout the year and the operations in Western Europe in the last seven months of the year created much heavier liabilities for equipment and stores. There were also payments for costs incurred by the Army in early years. With the Air Force some of the increase arose from the high degree of operations throughout the year but a considerable portion originated in the assumption of the costs of a larger number of Canadian squadrons overseas than in earlier years and in payments for advanced air training overseas.

As a result of transactions described above the sterling area had net current deficits of \$879 million in 1944 compared with \$1,216 million in 1943. The principal reason for the reduction was, of course, the effect of the much heavier Canadian overseas expenditures during the year. Mutual Aid provided a means of financing \$834 million of the deficit in 1944, whereas in 1943 total expenditures by the Canadian Mutual Aid



Board for Empire countries amounted to \$503 million. Mutual Aid to the United Kingdom in 1944 accounted for about \$775 million of the total. Most of the remainder was for Australia with smaller amounts for the British West Indies, India and New Zealand. These goods provided under Mutual Aid have been included with other exports in the balance of payments statements and consequently are reflected in the current account balances shown. Their inclusion among the credits is offset by debits of similar size which have been entered in the special "Mutual Aid" item representing the expenditures by the Canadian Mutual Aid Board. This new form of aid to Britain and other Allied nations is in physical terms, whereas the Billion Dollar Contribution in 1942 was aid expressed in financial terms although in effect a contribution of goods and services. Under Mutual Aid the actual war supplies and services are provided the Allied nations requesting the aid directly by Canada. Among other methods of financing the deficit was the special receipt of U.S. dollars from the United Kingdom, equivalent to \$55 million Canadian. There were also debits on balance on capital account and other special official payments which were mainly for the purpose of adjusting inter-governmental transactions, and various currency settlements adjusting special transactions.

In the balance of payments with the United States a combination of unusual developments created the unique conditions in which there was a credit balance on current account in 1944. Various abnormal wartime sources of dollars provided a surplus over and above Canada's current expenditures in the United States during the year. Receipts from the sale of munitions to the United States Government under the Hyde Park Agreements, and from the sale in the United States of over \$300 million of grain to meet wartime feed and other shortages, heavy exports of a great variety of other commodities for which scarcities and wartime incomes created swollen demands, and continued expenditures by the United States Government on defence activities in Northern Canada all contributed to the extraordinary volume of current receipts. The United States Government expenditures were still substantial in the first half of 1944 although much less than in the peak year 1943.

There was some improvement in the level of American tourist and travel expenditures in Canada accompanying the easing of American restrictions on pleasure travel by car but at the same time there was a further contraction in the net exports of non-monetary gold resulting from continued reductions in production. The consequent increase in total current receipts was considerably greater than the level of current expenditures in the United States. The latter were slightly less than in 1943 if the special payments to the United States Treasury in connection with the termination of the financial aspects of the Hyde Park Agreements already referred to above are excluded.

The principal reason for the moderate contraction in the level of imports was the greater use of Canadian sources of supply of materials and the virtual completion of the program of capital expansion in Canadian industry which entailed such large purchases of Canadian equipment in the United States in the early years. To some extent the reduced imports for war purposes were offset by the greater purchases of American commodities for civilian purposes, because of a slight easing in the supply of some civilian commodities and a greater reliance upon American sources of supply for other commodities. There was an appreciable increase in tourist and travel expenditures in the United States by Canadians accompanying some relaxation in travel restrictions in the month of May, 1944. Although payments of interest were slightly higher because of the increased American holdings of Canadian bonds, there was a decline in dividend payments.

Inflows of capital continued to be extraordinarily heavy in 1944 with transactions in securities still representing the major part of the movements. While the volume of security transactions was less in 1944 than in 1943, the net inflow from the United States from security transactions was not widely different in the two years. Gross sales of Canadian securities to the United States were less but so also was the total of redemptions, there having been in 1943 a substantial total of Dominion issues called for redemption. While sales of Canadian bond issues payable in foreign currency were less in 1944 than in 1943, there was an increase in purchases of Canadian domestic bonds. In 1944 there was more capital transferred to Canada for the establishment and developments of direct investment by American businesses than was the case in the earlier years of the war.

Capital payments continued to be for the most part for the redemption of securities or other debts, exports of capital being subject to the restrictions imposed by exchange control. Although certain other exports of capital were permitted in 1944, mainly in connection with the direct investments abroad of Canadian businesses, the total of such transfers was small.



A substantial part of the credit balance on current account with non-Empire countries in 1944 is represented by war supplies and services provided as Mutual Aid by the Canadian Government to China, France and the USSR. The total of Mutual Aid to this group of countries amounted to \$102 million. The gift of wheat to Greece by the Canadian Government is also part of the credit balance being offset by a debit entry in the capital account.

#### Economic Activity in October

Productive activity showed further decline in October in continuance of the downward trend in evidence since the early months of 1944. The index of the physical volume of business was 194.5 against 205.3 in the preceding month. The standing in the month under review was lower than at any time since February, 1942. The level of employment showed further recession in October, the index on the base of 1926 having been 168.7 compared with 172.8 one month before. The index was lower than in any other month since May 1942.

Manufacturing production, due to the cessation of work on war contracts, was at a lower position in the month under review. The decline in the index from the same month of last year was about 54 points, the standing in October having been 231.9. The operations of the mining industry showed further reduction in October, the index dropping from 150.4 in the preceding month to 132.9. Gold receipts at the Mint have recently shown an advance, indicating a revival in gold production.

The forestry industry was more active in October. The output of newsprint rose from 269,963 tons to 310,975. Increases were also shown in the exports of woodpulp, planks, boards and shingles. The exports of planks and boards in October totalled 224.7 million feet against about 158 million in September. The timber scaled in British Columbia was 325 million feet against 264 million.

Contracts awarded to the construction industry amounted to \$29.4 million, a considerable decline from the preceding month but somewhat greater than in October last year. Building permits in 58 cities rose considerably over September and over the same month of last year.

Employment in manufacturing plants engaged in the production of durable goods recorded a marked decline on October 1 as compared with the same date of 1944. The index on the base of 1926 was 108.1 against 146.7, representing a considerable decline in the activity in plants producing munitions and producers' durable goods. The index of retail sales was 186.1 during September compared with 189.8 in the preceding month. The standing in the same month of last year was 170.9. Exports amounted to \$232.9 million against nearly \$225 million in the preceding month, the increase being much less than normal for the season. Outward shipments in October last year were \$318.4 million.

#### Employment Situation at October 1

Further important recessions were recorded in industrial activity at the beginning of October, according to the latest survey of employment and payrolls made by the Dominion Bureau of Statistics. The curtailment took place almost entirely in manufacturing; the trend in the non-manufacturing industries as a whole was upward, in spite of some reductions in employment in mining, services and transportation as compared with September 1. However, the expansion in the remaining non-manufacturing industries did not suffice to offset the shrinkage in manufacturing, and in the month, there was a decline of 42,437 persons, or 2.4 per cent, in the staffs of the 15,541 firms making returns; their employees at October 1 numbered 1,724,549, of whom 417,677 were women, a ratio of 242 per thousand.

The salaries and wages disbursed at October 1 by the co-operating establishments in the eight leading industries aggregated \$55,323,692, as compared with \$56,644,714 at September 1. The difference amounted to 2.3 per cent, while the loss in employment was 2.4 per cent. There was accordingly a slight gain in the average earnings per employee, which rose from \$32.06 at September 1, to \$32.08 at the beginning of October, as compared with \$32.36 at October 1, 1944; in preceding years for which data are available, the October 1 per capita figures were as follows: 1943, \$31.53; 1942, \$29.51; and 1941, \$26.37. Curtailment in overtime work and changes in the industrial distribution of the persons in recorded employment in the last 12 months are the factors mainly responsible for the reduction in the average at the date under review as compared with October 1, 1944.



The unadjusted index number of employment in the eight leading industries, calculated on the 1926 average as 100, fell from 172.8 at September 1 to 168.7 at October 1, 1945, as compared with 183.3 at October 1 of last autumn, and 187.5 at October 1, 1943. In the 12 months, there has thus been a falling-off of eight per cent in the number of persons in recorded employment. The general contraction at the date under review was contrary to the usual movement at the beginning of October in the experience of pre-war years, so that the seasonally-corrected index also declined, falling from 166.1 at September 1 to 160.5 at the date under review.

In manufacturing, the workers released by the co-operating establishments totalled 53,281; this loss of 5.1 per cent from September 1 was the greatest indicated in any autumn in the last 25 years, having rarely been exceeded in any month in this period. The few occasions on which the recessions were on a larger scale were at January 1 in several years. The general trend had also been unfavourable at the first of October of 1944, when the reduction was on a decidedly smaller scale; the index of employment in manufacturing then exceeded the latest figure of 188.4 by 15.8 per cent.

Employment in iron and steel showed particularly marked curtailment, some 52,900 persons being laid off since September 1 by the firms furnishing information. This decline of 15.3 per cent, which was much the greatest ever indicated, reduced activity to its lowest level since the early autumn of 1941. The shrinkage in employment in these industries resulting from the cancellation of war contracts was augmented by that due, directly and indirectly, to strikes in the automotive division. The lumber, electrical apparatus, non-ferrous metal, chemical, miscellaneous manufactured products, and some other groups also afforded considerably less employment than at September 1, the most noteworthy of these losses being that of 3,200 in chemical manufacturing. On the other hand, several industries showed improvement, partly seasonal in character. The largest increases were those of more than 8,700 employees in vegetable foods and some 2,450 in textiles; in both cases, the advances were above-average for the time of year.

The commencement of seasonal operations in logging resulted in substantial expansion in employment in that industry, in which, however, the number added to the payrolls was somewhat smaller than at October 1, 1944; the percentage gain was also less-than-normal. There were rather moderate advances in communications and construction, together with a decided seasonal increase in trade, notably in retail establishments. On the other hand, metallic ore mining released some employees, and the trend was also unfavourable in services and transportation. The most pronounced of these declines was that of 1,346, or 0.8 per cent in the last-named.

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#### Claims for Unemployment Insurance Benefit in October

The number of claims for unemployment insurance benefit filed in local offices across Canada declined slightly in October from the September total, the numbers being 36,717 and 40,473, respectively. At the same time the number of persons who signed the live unemployment register was 61,565, including 43,638 males and 17,927 females, during the last six working days of October as against 48,352, including 32,772 males and 15,580 females, in the last week of September.

The number of persons who received one or more benefit cheques increased to 43,775 during October from 25,952 in September. This would indicate that, whereas the first rush of claims after the cessation of hostilities has abated somewhat, those who claim benefit are not being placed in employment as promptly as they were during the war. A total of 40,120 claims were adjudicated at insurance offices during October -- 33,384 being considered entitled to benefit and 6,736 not entitled to benefit.

The 43,775 persons who received benefit payments in October were paid a total of \$1,709,164 for 840,327 compensated unemployed days. During September, 25,952 persons were paid \$882,634 for 452,433 days and in October of last year 5,735 persons were paid \$132,467 for 70,552 days. Thus, the average duration of the unemployment compensated was 19.2 days in October, 17.4 days in September and 12.3 days in October, 1944. The average amount of benefit paid per beneficiary was \$39.04 in October, \$34.01 in September and \$23.10 in October 1944. The average amount of benefit paid per compensated day of unemployment was \$2.03 in October, \$1.95 in September and \$1.88 in October last year.

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### External Trade of Canada in October

The external trade of Canada in October, excluding new gold, was valued at \$367,300,000 as compared with \$478,500,000 in the corresponding month of last year, a decline of 23.2 per cent. The aggregate for the first 10 months of the current year was \$4,111,936,000 as compared with \$4,385,541,000 in the similar period of the preceding year, a reduction of 6.2 per cent.

Merchandise imports in October were valued at \$134,404,000 as compared with \$160,050,000 a year ago, the decline amounting to 16 per cent. For the first 10 months of this year the aggregate value of commodity imports was \$1,322,174,000 as compared with \$1,490,065,000 a year ago, a decrease of 11.3 per cent.

Commodity exports in October were valued at \$227,901,000 as compared with \$313,962,000 in October 1944, recording a decrease of 27.4 per cent. For the first 10 months of the present year the value was \$2,744,867,000 as compared with \$2,860,583,000 in the similar period of 1944, a decline of four per cent.

Foreign commodities were re-exported in October to the value of \$4,994,000 as compared with \$4,487,000 in October 1944, the 10-month total standing at \$44,891,000 as compared with \$34,893,000 in the like period of 1944.

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### Cost-of-Living Index for November 1

The Dominion Bureau of Statistics cost-of-living index, on the base 1935-1939=100, advanced from 119.7 on October 1 to 119.9 on November 1, 1945. This change was due almost entirely to an increase in the food index from 133.3 to 134.0, produced mainly by higher prices for eggs and butter. Fuel and light declined fractionally from 106.7 to 106.6, while clothing advanced 0.1 to 122.5. Other group indexes remained unchanged, as follows: rentals, 112.3; homefurnishings and services, 119.4; and miscellaneous items, 109.6.

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### Sales and Purchases of Securities Between Canada and Other Countries in September

Net sales of securities by Canada to other countries were lower in September than in any earlier month during the year. Net sales of \$6,600,000 for September compared with \$20,400,000 in August and \$21,700,000 in July. Sharply reduced sales of Dominion issues accompanied by an increase in purchases account for most of the decline in net sales during September. Sales of United States stocks made up \$3,600,000 of the inflow of capital and Canadian bonds accounted for most of the remaining \$3,000,000. In the nine months ending September 1945, net sales of securities to all countries were \$147,800,000 compared with \$81,300,000 in the corresponding period of 1944.

Sales of securities to all countries in September were valued at \$19,600,000 as compared with \$29,300,000 in the preceding month and \$11,600,000 in the corresponding month of last year. During the first nine months of the current year, sales aggregated \$278,700,000 as compared with \$164,300,000 in the similar period of 1944. Purchases of securities from other countries in September totalled \$13,000,000 as compared with \$8,900,000 in August and \$8,200,000 a year ago, and the total for the nine months ended September was \$130,900,000 as compared with \$83,000,000 in the same period of 1944.

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### Stocks and Marketings of Wheat and Coarse Grains

Stocks of Canadian wheat in store or in transit in North America at midnight on November 29 totalled 204,785,510 bushels as compared with 365,819,088 bushels on the corresponding date of last year, a decrease of 44 per cent. Visible stocks in Canadian positions on the latest date amounted to 175,256,533 bushels as compared with 330,633,455 a year ago, while the total in United States positions was 29,528,977 bushels as compared with 35,185,643 bushels.

Deliveries of wheat from farms in the Prairie Provinces during the week ending November 29 totalled 4,456,435 bushels as compared with 4,740,836 in the preceding week. During the elapsed portion of the present crop year, marketings of wheat aggregated 155,540,912 bushels as compared with 190,329,178 in the corresponding period of the preceding crop year.



The following quantities of coarse grains were also delivered from farms in the Prairie Provinces during the week ending November 29, totals for the preceding week being in brackets: oats, 1,043,308 (1,074,568) bushels; barley, 1,024,901 (1,180,587); rye, 43,063 (51,691); flaxseed, 53,264 (63,822) bushels.

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#### Production of Wheat Flour in October

The upward seasonal trend in wheat flour production in Canadian mills was noticeable in October when the output totalled 2,227,182 barrels, the highest monthly output for this crop year. In the corresponding month of last year the total was 2,048,508 barrels. Flour produced in the first quarter of the present crop year amounted to 6,293,879 barrels compared with 6,036,995 barrels in the same period of last year.

Wheat used in the production of flour in October amounted to 9,925,524 bushels as compared with 9,104,936 bushels for the same month of last year. The following quantities of coarse grains were also ground in October, totals for the same month of last year being in brackets: oats, 2,226,150 (1,992,229) bushels; corn, 124,852 (90,094); barley, 743,704 (766,772); buckwheat, 3,056 (11,476); mixed grain, 2,504,867 (2,361,475).

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#### Production of Iron and Steel in October

Production of steel ingots and steel castings during October totalled 205,846 net tons as compared with 275,524 in the corresponding month of last year. Output in the latest month included 198,185 tons of ingots and 7,661 tons of castings. During the first 10 months of the current year, production of steel ingots and castings aggregated 2,454,061 net tons as compared with 2,517,005 in the similar period of 1944.

October production of pig iron amounted to 140,693 net tons as compared with 154,119 in the corresponding month of last year, the total for October this year including 106,467 tons of basic iron, 19,203 tons of foundry iron, and 15,023 tons of malleable iron. During the first 10 months of this year, pig iron production totalled 1,508,082 net tons as compared with 1,566,504 in the same period of 1944.

Output of ferro-alloys in October amounted to 14,555 net tons as compared with 13,517 in the preceding month and 15,631 tons in October, 1944. For the first 10 months of this year, 158,162 tons were produced as compared with 154,757 in the like period of 1944.

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#### Production of Gold in September

Gold production in Canada in September was recorded at 211,529 fine ounces as compared with 211,754 in the preceding month and 237,151 in the corresponding month of last year. The value of this year's September output was \$8,143,866. During the first nine months of the current year, 1,961,196 fine ounces of gold were produced as compared with 2,238,732 in the similar period of 1944.

Production of gold in September was as follows, by areas, totals for the corresponding month of last year being in brackets: Nova Scotia, 340 (471) fine ounces; Quebec, 49,648 (57,849); Ontario, 125,455 (139,408); Manitoba and Saskatchewan, 15,737 (13,800); British Columbia, 14,421 (16,950); Yukon, 3,886 (3,842); Northwest Territories, 2,042 (4,831).

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#### Sales of Clay Products in September

Sales by producers of clay products made from domestic clays during September were valued at \$829,324 compared with \$814,502 in the preceding month and \$720,000 in the corresponding month of last year. Sales in September this year included the following: building brick, \$436,678; structural tile, \$102,000; drain tile, \$56,283; sewer pipe, \$96,639; fireclay blocks and shapes, \$25,500; pottery, \$62,276; and other clay products, \$49,948.

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### Country General Store Sales in October

Country general store sales in Canada increased 11 per cent in October 1945 compared with October 1944, and were nine per cent above September, 1945. The margin of increase over October 1944 is somewhat greater than the six per cent advance which occurred during the first 10 months of this year over last, a result attributable in part to the occurrence of an extra business day in October of this year. Unadjusted indexes of sales, on the base 1935-1939=100, stood at 192.6 for October 1945, 173.2 for October 1944, and 176.5 for September, 1945.

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### Index Numbers of Wholesale Sales in October

Wholesale trading increased 17 per cent in October this year over the corresponding month of last year, representing the largest monthly increase recorded so far this year. The advance over the September level was nine per cent. The general unadjusted index of sales on the base, 1935-1939=100, stands at 237.4 for October this year, 217.9 for September, and 202.6 for October, 1944. Aggregate sales for the year to date were 10 per cent greater than the volume of trading realized in the same period of 1944.

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### Indexes of Retail Sales in October

Continued high volume of consumer purchasing through retail stores is reflected in retail trade statistics for October, when dollar sales exceeded by 12 per cent the volume of business transacted in the corresponding month of 1944. This is the average experience as measured by the general index number of sales in which representation is given to 14 different trades, three of which deal in general lines of merchandise, while the other 11 are specialty shops dealing in foods, clothing, personal or household requirements.

The general index of sales, on the base 1935-1939=100, stands at 203.8 for October, 187.2 for September, and at 182.3 for October a year ago. With the exception of the Decembers of 1942, 1943 and 1944, October 1945 is the only month on record in which the general index has reached or passed the 200 mark, or when retail sales exceeded by as much as 100 per cent the average monthly sales during the five year base period from 1935 to 1939, inclusive. Sales during the first 10 months of the current year averaged 8.1 per cent higher than in the similar period of 1944.

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### Output of Central Electric Stations in October

Central electric stations produced 3,309,021,000 kilowatt hours in October as compared with 3,482,045,000 in October, 1944. This decrease was all in primary power which declined from 3,107,635,000 to 2,762,459,000 kilowatt hours, whereas power sold on a secondary power basis increased from 374,410,000 to 546,562,000 kilowatt hours. During the first 10 months of the current year, total production amounted to 33,574,912,000 kilowatt hours as compared with 33,669,980,000 in the similar period of 1944.

Exports to the United States in October increased from 223,253,000 to 227,379,000 kilowatt hours, and 2,578,000 kilowatt hours were imported, making the net export 224,801,000 kilowatt hours. Power exports to the United States during the first 10 months of the present year aggregated 2,198,166,000 kilowatt hours as compared with 2,196,308,000 kilowatt hours in the corresponding period of 1944.

Primary power is electricity sold to consumers on a firm or demand basis, i.e., delivered when the consumer demands it. Secondary power is electricity delivered to the consumer when the producer or distributor can deliver it. It might be delivered continuously as the consumer requires it or it might be interrupted to suit the convenience of the producer, or because the demands for primary power require the total capacity of the producer. The principal use for secondary power is in electric boilers in pulp and paper mills where short interruptions in power deliveries can be tolerated. It is sold at relatively low rates and such sales tend to increase the load factor and might even increase total output with a declining market for primary power.

The secondary sales in these summaries represent sales only to consumers and to stations in the United States and do not include sales from one Canadian producer to another Canadian producer or distributor. Thus, the statistics are for the industry as a whole.

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### Civil Aviation in August

Revenue passengers transported by air carriers in August totalled 56,083 as compared with 43,827 in the corresponding month of last year. Freight carried also increased, advancing from 996,662 to 1,550,777 pounds, and mail from 539,301 to 546,793 pounds. Passenger miles flown showed a greater increase than the number of passengers carried, due to a longer average journey, which for domestic traffic increased from 347 to 354 miles. Mail ton miles increased by 21 per cent as against 14 per cent in poundage, but freight ton miles showed a considerably smaller increase than pounds carried. Revenues of Canadian carriers increased from \$1,487,105 in August last year to \$1,588,702, and operating expenses were reduced from \$1,540,031 to \$1,453,722, increasing the net operating revenue from a debit of \$52,926 to a credit of \$134,980.

### Consumption of Alcoholic Beverages

The apparent consumption in Canada of alcoholic beverages was higher during the fiscal year ended March 1945 than in the preceding year, according to an estimate made by the Dominion Bureau of Statistics. Consumption of spirituous liquor during the 12 months ended March this year was approximately 3,720,000 proof gallons as compared with 3,444,000 in the preceding year, of beer 110,224,000 gallons as compared with 90,710,000, and of native and imported wine, 3,712,000 gallons as compared with 3,594,000.

Proof spirits produced in Canada during the fiscal year ended March 1945 moved up to 35,555,000 gallons from 27,203,000 in the preceding 12 months, while the output of beer advanced to 122,530,000 gallons from 104,062,000. In 1943 -- the latest year for which statistics are available -- wine produced but placed in storage for maturing totalled 3,450,000 gallons as compared with 4,352,000 in 1942, while the amount bottled or sold in bulk was 3,501,000 gallons as compared with 4,613,000.

Canada imported 1,044,000 proof gallons of spirits during the fiscal year ended March 1945 as compared with 823,000 in 1944. Beer imports totalled 76,000 gallons as compared with 62,000, and wine 303,000 gallons as compared with 291,000. Exports of Canadian-made spirits advanced to 3,130,000 proof gallons in 1945 from 2,183,000 in 1944; exports of beer fell from 6,605,000 gallons to 5,969,000, and wine exports rose from 42,000 gallons to 51,000 in the same period.

Excise and import duty revenues and licence fees on spirits collected by the Dominion Government during the year ended March 1945 were \$44,607,000 as compared with \$41,047,000 in the preceding year, the increase of \$2,698,000 in import duty revenues being mainly responsible for the rise. Excise and import duty revenues and licence fees on malt and malt products rose to \$42,507,000 from \$35,707,000. On wines, excise taxes and import duty revenues moved up to \$2,012,000 from \$1,930,000 in 1944.

### Revenues and Expenses of Railways in September

Gross operating revenues of Canadian railways for September declined to \$62,768,530 from \$68,252,594 in the corresponding month of last year. Freight revenues showed a decrease from 1944 of 10.9 per cent, and passenger revenues were down by 2.2 per cent. Operating expenses declined by \$3,348,760 or six per cent and the operating income was reduced from \$8,984,029 to \$7,828,026. For the nine months ended September, operating revenues declined from \$589,305,337 in 1944 to \$580,599,963, operating expenses increased from \$466,175,151 to \$466,227,384, and the operating income was reduced from \$85,710,332 to \$81,419,695.

### Car Loadings on Canadian Railways

Car loadings on Canadian railways for the week ended November 24 declined to 72,644 cars from 74,092 cars in the preceding week and 77,771 cars in the corresponding week of last year. Loadings in the eastern division fell from 48,377 cars in 1944 to 44,040 cars, the large decreases being in logs, piling and cordwood from 1,477 to 1,082 cars, automobiles, trucks and parts from 1,474 to 479 cars, and merchandise from 11,600 to 10,812 cars. Smaller declines were shown by ores and concentrates and other mine products, pulpwood and lumber. In the western division, total loadings declined from 29,394 to 28,604 cars, due mainly to a decrease in grain from 9,620 to 7,719 cars. Coal advanced from 3,138 to 3,904 cars, live stock from 2,253 to 2,753 cars, and merchandise from 4,240 to 4,487 cars.



### Coal Tar Distillation Industry in 1944

The coal tar distillation industry in Canada had an output in 1944 valued at \$5,697,144 compared with \$6,540,285 in the preceding year, a decrease of 12.9 per cent. Chief products of firms included in this industry were creosote and other oils, pitch, refined tar, tarred felts and sheathings, pitch coke, protective paints, phenol, cresol and cresylic acid.

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### Canadian Peat Industry

The Canadian peat industry comprises both firms producing peat as fuel and peat moss and humus for various other purposes. During 1944, production of peat fuel totalled 644 short tons valued at \$5,397 compared with 782 tons worth \$7,000 in 1943. Commercial production of peat moss in 1944 totalled 80,446 short tons valued at \$1,869,553 compared with an output of 64,360 short tons worth \$1,461,422 in 1943.

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### 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 724,354 as compared with 690,202 at the end of September, and 465,493 at the end of October, 1944. Calf and kip skins on hand decreased from 535,037 at the end of September to 532,816 at the end of October. Stocks of other types at the end of October included the following: 89,531 dozen sheep and lamb skins; 326,670 goat and kid skins; and 15,841 horse hides.

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### Reports Issued Today

1. Trade of Canada, October (10 cents).
  2. Imports into Canada for Consumption, by Countries, October (10 cents).
  3. Summary of Canada's Imports for Consumption, October (10 cents).
  4. Gold Production, September (10 cents).
  5. Price Movements, November 1 (10 cents).
  6. Control and Sale of Alcoholic Beverages in Canada (50 cents).
  7. Monthly Indexes of Country General Store Sales, October (10 cents).
  8. Civil Aviation, August (10 cents).
  9. Production of Iron and Steel, October (10 cents).
  10. Central Electric Stations, October (10 cents).
  11. Traffic Report of Railways, August (10 cents).
  12. Peat Industry, 1944 (25 cents).
  13. Indexes of Wholesale Sales, October (10 cents).
  14. Operating Revenues, Expenses & Statistics of Railways, September (10 cents).
  15. Sales of Clay Products Made from Canadian Clays, September (10 cents).
  16. Coal Tar Distillation Industry, 1944 (15 cents).
  17. Canadian Balance of International Payments, 1926-1944 (25 cents).
  18. Car Loadings on Canadian Railways - Weekly (10 cents).
  19. Statistical Report on the Operation of the Unemployment Insurance Act, October (10 cents).
  20. Employment Situation, October 1 (10 cents).
  21. Monthly Review of the Wheat Situation (10 cents).
  22. Stocks of Raw Hides and Skins, October (10 cents).
  23. Monthly Indexes of Retail Sales, October (10 cents).
  24. Man-Hours and Hourly Earnings of Wage-Earners, October (10 cents).
  25. Sales and Purchases of Securities Between Canada and Other Countries, September (10 cents).
  26. Canadian Grain Statistics - Weekly (10 cents).
  27. Cement Manufacturing Industry, 1944 (25 cents).
  28. Current Trends in Food Distribution, October (10 cents).
  29. Monthly Milling Statistics, October (10 cents).
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