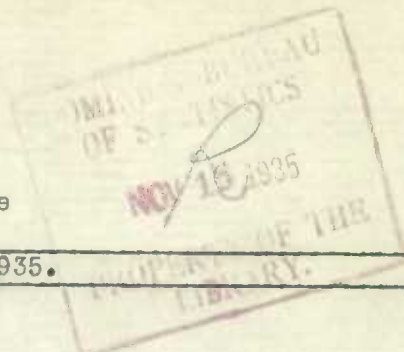


WEEKLY BULLETIN

Dominion Bureau of Statistics

Department of Trade and Commerce



Vol. IV - No. 45. Ottawa, Saturday, November 16, 1935.

Weekly Review of Economic Statistics - The  
Economic Index Gained 0.8 p.c. over Preceding  
Week and 5.6 p.c. over Same Week of Last Year

The economic index recorded a gain of nearly one p.c. during the first week of November. The only important decline among the six components was recorded in carloadings. A slight recession was shown in wholesale prices, while the four other indexes used in this connection registered substantial gains.

The economic index, which had fluctuated about the 100 p.c. line from December 1934 to August last, showed a decline in September. During the last five weeks a considerable part of that decline has been counterbalanced. The index in the week of November 9 was 97.5 compared with 96.7 in the preceding week. A temporary decline in the index was shown from September to November 1934. The index in the first week of November of this year was consequently at a considerably higher level than obtained in the same week of last year. As the index of the same week of last year was 92.3, the gain shown in this comparison was 5.6 p.c. Each of the six components recorded increases over the week of November 10 of last year. The index of inverted bond prices showed a gain of 5.2 p.c. A much better showing has been recorded in speculation, the index of common stocks being up 22.5 p.c. Trading on the Canadian exchanges has been very much more active in the current period.

Owing mainly to a decline in the Western division, the index of carloadings dropped off in the forty-fourth week from 70.9 to 65.9. The railway traffic in the first forty-four weeks of 1935 amounted to nearly 1,995,000 cars against 1,968,000 cars in the same period of last year. The indicated gain of 26,800 cars represented increases in pulp wood, pulp and paper and ore, but mainly in miscellaneous commodities. A considerable decline was shown in the movement of grain, coal, coke and lumber.

The index of wholesale prices receded from 72.4 in the week of November 1 to 72.3 in the week under review. A decline was shown in No. 1 Manitoba Northern wheat, the average price having been 84.7 cents per bushel against 85.8 in the preceding week. The price of oats averaged the same, whereas barley, flax and rye were at higher levels. Copper, lead and silver were steady at New York, gains being recorded in tin and zinc. The gain in the index of wholesale prices over the same week of 1934 was 1.4 p.c.

The index of inverted bond yields showed a gain of 1.2 p.c. in the week under review. The bid quotation for the 1943 5 p.c. Dominion Government bond was 110 5/8 on November 9 against 109 3/4 on November 2. The 4 1/2 p.c. 1944 and 1946 bonds were bid at 108 1/2 as against 107 3/4. The decline in bond prices during September has been partly counterbalanced by the recovery in the last five weeks.

Continuing the advance of the preceding four weeks, common stock prices recorded a considerable gain in the week ended November 7. The official index of 112 stocks advanced from 103.5 to 106.7, a gain of slightly more than 3 p.c. Each of the sub-indexes recorded advances except the iron and steel group for which the index was unchanged. Owing to the steep advance of the last five weeks, common stock prices are at a higher point than at any time since April 18, 1930.

The gain in bank clearings, after seasonal adjustment, was 8.3 p.c. and speculative trading was very much more active than in the preceding week.

Weekly Economic Index with the Six Components  
1926-100

Week Ended	Car loadings <sup>1</sup>	Wholesale Prices	Index of Inverted Bond Yields <sup>2</sup>	Bank Clearings	Prices of Common Stocks	Shares Traded	Economic Index
Nov. 10, 1934	65.7	71.3	127.1	80.6	87.1	92.1	92.3
Nov. 2, 1935	70.9	72.4	132.1	75.0	103.5	227.4	96.7
Nov. 9, 1935	65.9	72.3	133.7	81.2	106.7	281.2	97.5

1. The index of carloadings is projected forward one week to correspond with the practice in computing the economic index. 2. Price of a fixed net income from Dominion bonds.

### The Selection and Weighting of the Six Components of the Economic Index

Economic conditions may be considered as dependent on developments in three distinct but closely related divisions. These consist of speculation, general business and financial operations. It is desirable to obtain measures of changes in price and volume in each of the three fields. An economic index consequently should be based upon six factors, representing price and volume in these divisions.

The construction of a weekly economic index was made possible by the availability of six factors suitable for the purpose in hand. The field of speculation was represented by the index of prices of common stocks and by an index of the number of stocks traded on the Toronto and Montreal stock exchanges.

General business is measured by the index of commodity prices and the seasonally adjusted index of carloadings. It is hoped that in time the record of carloadings may be supplemented by other weekly indicators of the volume of business such as electric power production, steel production, raw cotton consumption and the like. For the present, however, the record of the railway freight movement is regarded as an adequate short-term measure of business volume.

The yield on Dominion government bonds is the best indicator in Canada of long-term interest rates. The importance of the trend of bond yields is established by the considerable amount and the wide distribution of the funded debt. The basic interest rate, determined in this case by the day-to-day sale of long-term bonds, is one of the most important generating influences affecting economic fluctuations.

A low interest rate is a most constructive factor tending to accelerate the social economy, while conversely a high interest rate is a reactionary factor retarding business and speculation. The index of inverted bond yields based on the prices of long-term Dominion government issues is accordingly included.

The seasonally adjusted index of bank clearings is used as a measure of financial transactions.

Owing to the varied nature of the factors included in the preparation of the economic index, the weighting is practically limited to an attempt to place the fluctuations on a common footing. In other words, factors which normally have a wide fluctuation are given a relatively small weight, while factors having normally a narrow fluctuation are given a relatively large weight.

---

### Industrial Production in Canada Compared with Other Countries

The chart on page 4 shows the economic progress of 18 countries in 1935 compared with the preceding year. The percentage changes are shown in the indexes of industrial production in the months of 1935 for which statistics are available over the same period of 1934. The gains in seven countries were greater than in Canada but the Canadian index recorded greater revival than in ten of the other countries considered in this connection.

The countries showing a greater gain in the index of industrial production than Canada included: Italy, Chile, Germany, Japan, Greece, Denmark and Sweden. The eight countries showing a gain less than that of Canada were: United States, Austria, Finland, United Kingdom, Poland, Norway, Belgium and Czechoslovakia.

Declines in industrial production from 1934 were shown in France and the Netherlands.

The preponderance of gains in industrial operations in sixteen countries out of the eighteen for which statistics are available indicates the widespread nature of economic recovery. It is also significant that of the two countries showing a decline, France and the Netherlands are prominent members of the gold bloc.

Indexes of Industrial Production in 18 countries in the available period of 1935 compared with the same months of 1934, (1928=100)

(Table on next page)

Indexes of Industrial Production in 18 countries in the available period of 1935 compared with the same months of 1934, (1928=100)

Country	Available 1934	Period 1935	Increase / Decrease -
Italy .....	84.4	100.5	/ 19.1
Chile .....	123.4	145.3	/ 17.7
Germany .....	79.0	92.3	/ 16.8
Japan .....	137.5	153.8	/ 11.9
Greece .....	124.6	138.9	/ 11.5
Sweden .....	102.9	113.7	/ 10.5
Denmark .....	119.0	129.8	/ 9.1
Canada .....	79.2	85.9	/ 8.5
United States .....	72.8	78.5	/ 7.8
Austria .....	71.4	76.9	/ 7.7
Finland .....	105.8	113.0	/ 6.8
United Kingdom .....	103.9	110.8	/ 6.6
Poland .....	61.8	64.8	/ 4.9
Norway .....	109.3	113.4	/ 3.8
Belgium .....	68.0	69.5	/ 2.2
Czechoslovakia .....	69.1	69.2	/ 0.1
Netherlands .....	74.5	68.8	- 7.7
France .....	80.0	73.1	- 8.6

Source: The Monthly Bulletin of League of Nations

Wheat and Flour Export to the United Kingdom in October

The United Kingdom as usual was the chief purchaser of Canadian wheat in October. Out of a total export of 28,919,421 bushels Great Britain took 23,365,472 bushels, which was about six million bushels more than a year ago. The quantity to the United States was 3,111,389 bushels. The value of the October export to the United Kingdom was \$20,-662,197 and to the United States \$2,651,720. The duty on wheat going into the United States is 42 cents per bushel and on wheat unfit for human consumption 10 per cent ad valorem.

Wheatflour exported to the United Kingdom in October was 278,112 barrels valued at \$1,115,762 out of a total export of 501,442 barrels at \$2,009,200. The export to the United States was 30,936 barrels at \$101,338, which was about six times greater than a year ago. The consignment to the United Kingdom was a 22 per cent increase.

Lumber Situation

Good demand for Canadian hardwoods continues to be reported in the United Kingdom in spite of severe competition from European sources, but prices are low. In British Columbia, production is rising to pre-depression levels and the outlook has improved as far as volume is concerned. Official figures from Victoria give a 15 p.c. increase in the log scale for the first eight months of this year over that of the same period of 1934.

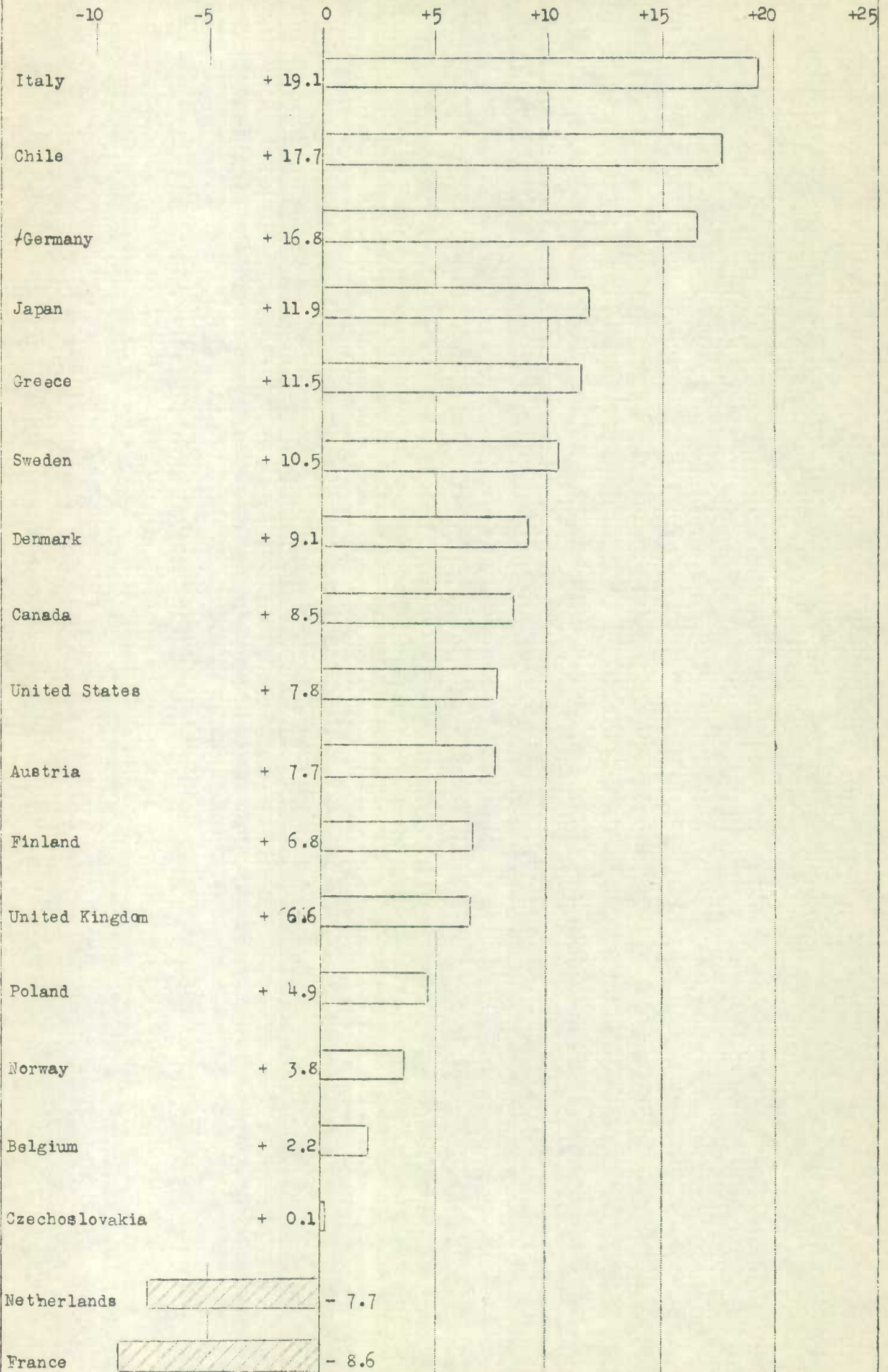
Egg Production Low in October

Reflecting the approach of a period of inadequate supplies, price advances have been general over most of the country. Production continued at a low level in October in all provinces with the exception of British Columbia. There is an active demand in the East for this available surplus of fresh eggs. The movement of storage eggs into trade channels has decidedly increased. Storage egg stocks on October 1 amounted to 9,430,451 dozen, a decrease of 9 p.c. from those reported for September 1.

October Copper Market

During the early part of October unusually heavy buying was a feature in the United States market and on October 8 the price of copper was advanced  $\frac{1}{4}$  to  $9\frac{1}{4}$  per pound Connecticut Valley basis. With the new price in effect the volume of sales decreased and interest became centred in European developments. Due to unsettled political conditions on the continent uneasiness was apparent in the London market and prices softened on freer offerings of the metal from speculative sources. The New York market remained firm, however, and the undertone was steady in the latter part of the month despite the lightness of volume.

Percentage Change in the Average of the Index of Industrial Production for eighteen Countries in the Months of 1935 for which Statistics are Available over the Same Period of 1934.



\* Since March 1935 includes Saar.

### Iron and Steel Outlook

The estimated business ahead of Canadian steel mills is reported to be sufficient to maintain operations at 60 p.c. for several months to come. Some mills are said to be a month behind on deliveries although running at capacity. Both export and domestic shipments are greater than for some time and, as the outlook for automobile and farm implement firms is encouraging, favorable conditions are expected to continue. A gradual increase is taking place in the pig iron melt with indications of improvement in the near future.

---

### Cost of Living in October Highest in Three Years

The index number of retail prices, rents and costs of services, on the base 1926=100, rose from 79.6 in September to 80.4 in October, the highest point recorded in three years. Foods, fuel, and rentals were higher, while miscellaneous items showed a slight decline. An index for retail prices alone, including foods, coal, coke, clothing, household requirements, etc., advanced from 74.8 to 75.6. When foods were removed from this index it was 78.6 in October as compared with 78.5 in September.

Easier prices were noted for onions, sugar, tea, and most meats, while eggs, butter, milk, bread, flour and potatoes showed higher quotations. The fuel index moved up from 85.4 to 86.5, principally owing to advances in coal, although coke and wood contributed to some extent. Rentals for dwellings occupied by workmen were up 1.9 per cent, while middle grade dwellings advanced only 0.8 per cent.

---

### Non-Ferrous Metals Manufactures

Final statistics for 1934 show that the manufactures from non-ferrous metals amounted in value to \$237,233,670 at the works. This total was 44 per cent above the corresponding value of \$164,765,604 for 1933 and was higher than in any preceding year except 1929 when the peak of \$283,545,666 was attained and 1930, the second-best year on record, when output was valued at \$250,458,721. There were 487 factories at work.

---

### Iron Oxides in 1934

Mine shipments of ochreous iron oxide, crude and refined, during 1934 totalled 4,959 tons valued at \$66,166 compared with 4,357 at \$53,450 in 1933 and 5,240 at \$46,161 in 1932, according to finally revised statistics. This material during 1934, as in 1933, came entirely from the provinces of Quebec and British Columbia; deposits in the former province contributed 96 per cent of the total output in both 1933 and 1934. The mineral in 1934 was shipped in the province of Quebec from deposits in Marchand township, Labelle county, at La Pointe du Lac and at Red Mill in Champlain county. British Columbia shipments during the year were made from a property situated near Mona.

---

### Consumption of Supplies by Mining Industry

Data compiled from a statistical survey by the Dominion Bureau of Statistics show that the total value of the purchases by the Mining Industry in 1934 was \$76,083,000. They reveal a great diversity in the purchases, the value of which is of ever growing importance to the economic welfare of Canadian industry as a whole.

The magnitude of certain particular expenditures is reflected in such items as \$9,139,000 for electric power, \$11,787,000 for freight, \$8,671,000 for coal, oil and other fuel, \$5,311,000 for explosives, \$4,154,000 for lumber and timber, \$2,301,000 for flotation reagents, cyanide and other chemicals, and \$1,050,000 for rock drills and parts. Other interesting items include \$1,665,000 for pipe and fittings, plumbing supplies and valves, \$2,343,000 for electrical equipment and supplies, \$385,000 for stationery, office equipment, etc., and \$58,400 for hospital equipment.

---

### Canned Fruits and Vegetables in 1935

Canned fruits in 1935 were as follows, with the 1934 figures in brackets: Strawberries 1,343,435 (851,183) pounds, raspberries 2,249,434 (1,381,247), loganberries 1,187,435 (2,483,247), rhubarb 405,176 (326,207).

Canned vegetables in 1935 were as follows: peas 60,554,281 (41,257,327) pounds, asparagus 2,010,959 (1,439,097), spinach 802,633 (1,216,515).

---

### Engraving and Stereotyping

The output of the engraving, stereotyping and electrotyping industry in 1934 was valued at \$5,833,223 compared with \$5,172,251 in 1933.

### Imported Corn in Canada

Stocks of imported corn in Canada on November 1 were as follows, with last year's figures in brackets: United States 1,500 (6,296,532) bushels, Argentine 510,185 (276,926), South African 2,020,092 (846,221).

### Production of Electrical Apparatus

Production by firms in the electrical apparatus and supplies industry was valued at \$50,234,811 in 1934 compared with \$37,012,509 in 1933, an improvement of 36 per cent. In 1934 there were 174 factories in this group, 130 in Ontario, 24 in Quebec, 6 in British Columbia, 9 in Manitoba, 4 in Alberta, and one in Nova Scotia. These plants represented fixed and working capital of \$77,980,366 and employed a monthly average of 13,657 people throughout the year. A total of \$15,220,022 was expended in salaries and wages.

### Gold Production

Production of gold in Canada during September amounted to 280,362 ounces compared with 294,361 in August and 244,777 in September, 1934. Production by provinces follow, with August figures in brackets: Ontario 181,592 (193,266) ounces, Quebec 42,221, one per cent higher than August, British Columbia 34,677 (38,439), Manitoba and Saskatchewan 13,583 (12,965), Yukon 7,599 (7,208), Nova Scotia 668 (660). Jewellery and scrap receipts at the Royal Canadian Mint during the month contained 3,149 ounces of gold. Quotations on the New York market in Canadian funds averaged \$35.28 per ounce in September, giving the month's output a value of \$9,891,171.

### Production of Crude Petroleum

The Canadian production of crude petroleum in September reached a total of 123,918 barrels compared with 117,652 in August and in September, last year, 115,011. Alberta's output totalled 109,143 barrels during September. During the nine months ending September production amounted to 1,074,723 barrels as against 1,070,517 in the same period of 1934.

### Decreased Railway Mileage in 1934

There was a net decrease during 1934 of 65 miles of steam railway operated in Canada. The C.P.R. decreased 30½ miles, the Canadian National 13.9, the Maritime Coal, Railway and power Co. 4.2 and the Temiskaming and Northern Ontario 17.

### Production of Canada's Leading Minerals

Production of Canada's leading minerals during the first eight months of the year follow, with comparative figures for last year in brackets: Asbestos 121,263 (93,494) tons, cement 2,246,086 (2,494,120) barrels, clay products \$1,672,278 (\$1,762,367), coal 8,251,332 (8,223,648) tons, copper 278,579,178 (238,750,456) lb., feldspar 9,364 (10,338) tons, gold 2,097,910 (1,949,054) fine oz., gypsum 344,309 (283,599) tons, lead 216,139,580 (220,926,042) lb., lime 258,044 (245,292) tons, natural gas 14,526,568,000 (15,789,121,000) cu. ft., nickel 84,690,789 (88,178,370) lb., petroleum 950,805 (955,506) barrels, commercial salt 135,809 (124,918) tons, silver 10,420,897 (10,900,270) fine oz., zinc 207,963,885 (189,590,066) lb.

### Wheat Stocks and Movement

Canadian wheat stocks on November 8 totalled 269,139,064 bushels compared with 270,749,447 the week before and 255,503,245 a year ago. Canadian wheat in the United States amounted to 31,891,400 bushels, a small decrease from the previous week. A year ago the amount was 19,243,903.

Overseas export clearances totalled 3,110,873 bushels during the week ending November 8 compared with 4,578,470 in the previous week and 3,000,546 a year ago. Crop year exports totalled 35,460,960 as against 43,932,783 in the same period last year. Montreal's clearances last week were 1,489,657 and Vancouver's 984,190.

Wheat marketings in the Prairie Provinces during the week ending November 2 amounted to 7,822,271 bushels compared with 11,657,843 in the previous week and 8,073,798 a year ago.

#### Yields of the Principal Grain Crops

The total yields of the principal grain crops in Canada are now estimated, in bushels, as follows, with the 1934 figures within brackets: Wheat 273,971,000 (275,849,000); oats 416,369,000 (321,120,000); barley 87,512,000 (63,742,000); rye 10,610,000 (5,423,000); peas 1,581,000 (1,588,000); beans 1,117,000 (813,600); buckwheat 7,972,000 (8,635,000); mixed grains 39,567,000 (37,926,000); flaxseed 1,433,000 (910,400); corn for husking 7,765,000 (6,798,000). The average yields per acre in bushels are as follows, with the averages for 1934 within brackets: Wheat 11.4 (11.5); oats 29.5 (23.4); barley 22.5 (17.6); rye 13.8 (7.4); peas 16.9 (16.7); beans 17.3 (14.3); buckwheat 21.0 (21.2); mixed grains 34.3 (32.7); flaxseed 6.7 (4.0); corn for husking 46.3 (42.2).

The 1935 season is similar to that of 1934 in that threshing returns did not fully substantiate the first estimates of grain production made in September. The second estimates of all the principal grain crops are lower than those of September 11. The wheat estimate is reduced from 290,541,000 bushels to 273,971,000 bushels and is now below the 1934 production of 275,849,000 bushels. Oats were lowered nearly 33 million bushels or 7.3 per cent to 416,369,000 bushels, but still remain well above the 1934 production. Most of the reduction was due to frost damage in Saskatchewan and Alberta. The barley estimate is lowered by 7 million bushels to 87,512,000 bushels. Rye and flaxseed are also reduced significantly as threshing returns failed to support the pre-harvest estimates.

#### Traffic in August

Revenue freight carried by Canadian railways during August amounted to 5,308,528 tons, a decrease of 45,649, or 0.8 per cent, from the August 1934 traffic. Wheat was heavier than last year but other grains showed large declines, the agricultural group decreasing by 5.2 per cent. Animal products showed few increases and several decreases which reduced the total by 12.5 per cent. Anthracite and bituminous coal were lighter by 29,505 and 105,156 tons, respectively, other ores and concentrates by 21,110 tons and stone (crushed, ground, broken) by 53,550 tons, or 42 per cent. Practically all this last decrease was in Ontario and quite probably was largely due to less highway construction. The total of mine products was down by 70,091 tons, or 3.6 per cent.

Forest products increased from 553,054 tons to 594,776 tons, logs and lumber showing the largest increases. Manufactures and miscellaneous showed a net increase of 67,396 tons. Iron and steel (bar, sheet, structural, pipe) increased by 22,767 tons, or 53 per cent, brick and artificial stone by 6,003 tons, or 33 per cent, newsprint by 9,966 tons, or 8 per cent, and wood pulp by 9,661 tons, or 16 per cent.

#### Reference Service by Libraries

In a study of reference service in three American public libraries whose book collections varied from 25,000 to 150,000 volumes and whose annual circulation was from 375,000 to 750,000 it was discovered that certain subjects which are dealt with very freely in the daily press are investigated least of all by those asking for reference aid.

Miss Helen Darsie of Seattle, who made this study, has concluded from her investigation that the following subjects are dealt with fully enough in the large dailies: War and peace, Problems of the home, Crime, Sex, Psychology, and stories of human interest.

The September Bulletin of the American Library Association gives an abridgement of her paper which says: "The libraries play a very minor role in the shaping of opinion on these issues, if judged on the basis of service records. Only 3 to 4 per cent of the total questions analyzed ... had any bearing on these subjects."

Miss Darsie continues: "The demand for descriptive material about foreign peoples and places, ranging from 11 per cent to 13 per cent of the total number of questions asked ... while only 2 per cent or less of the total questions are on the controversial

subjects dealing with foreign relations and politics when similar issues are dominant in the world news".

She does suggest that "it is possible that records of book circulation would offset this evidence".

---

Reports Issued During the Week

- ✓ 1. Prices and Price Indexes, October.
- ✓ 2. Report on the Consumption of Supplies by the Canadian Mining Industry, 1934.
- ✓ 3. Weekly Index Numbers of Wholesale Prices.
- ✓ 4. Summary of Exports of Canadian Grains and Flour, October.
- ✓ 5. The Lithographing Industry, 1934.
- ✓ 6. Iron Oxides (Ochre) - 1934.
- ✓ 7. Final Summary Statistics, Manufactures of Non-Ferrous Metals, 1934.
- ✓ 8. Provisional Estimate of Yield of Grain Crops, Canada.
- ✓ 9. Car Loadings on Canadian Railways.
- ✓ 10. Canadian Grain Statistics.
- ✓ 11. The Electrical Apparatus and Supplies Industry, 1934.
- ✓ 12. The Engraving, Stereotyping and Electrotyping Industry, 1934.
- ✓ 13. Preliminary Report on the Pack of Certain Canned Fruits and Vegetables, 1935.
- ✓ 14. Index Numbers of Security Prices.
- ✓ 15. Gold Production in September.
- ✓ 16. Food in Cold Storage on November 1.
- ✓ 17. Production of Crude Petroleum and Natural Gas in September. Gasoline Sales in August.
- ✓ 18. Monthly Report on Canada's Leading Mineral Products.
- ✓ 19. Changes in Single Track Mileage Operated by Steam Railways in Canada, 1934.
- ✓ 20. Laths, Posts and Wooden Shovel Findings, 1934.
- ✓ 21. Index Numbers of 23 Mining Stocks.
- ✓ 22. Cement, Clay Products and Lime Production, August.
- ✓ 23. Traffic on Railways in Canada, August.
- ✓ 24. Summary of the Trade of Canada, September.

o o o

OR  
MB



STATISTICS CANADA LIBRARY /  
BIBLIOTHÈQUE STATISTIQUE CANADA



1010730234