

WEEKLY BULLETIN

Dominion Bureau of Statistics

Department of Trade and Commerce

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Ottawa, Saturday, May 30, 1936.

The Economic Index rose 1.4 p.c.
over the preceding week and 5.1 p.c.
over the same week of 1935

The economic index rallied in the week of May 23, offsetting a greater part of the recession of the preceding week. A gain in bank clearings and in speculative factors more than offset the minor declines in carloadings, wholesale and bond prices. The adjusted index of bank clearings moved up from 94.4 to 107.7, an increase of more than 14 per cent. The gain in the index of common stock prices was about one per cent. Shares traded on the Montreal and Toronto stock exchanges showed a considerable gain. The net result was that the economic index was 107.0 in the week of May 23 against 105.5 in the preceding week, a gain of 1.4 per cent.

During March, the economic index showed a receding trend, but in April and May, the level was fairly well maintained. Owing to the marked increase in the first two months of the year, a considerable lead has been shown consistently over the same period of 1935. The index in the week under review was 107.0 against 101.8 in the corresponding week of last year, a gain of more than 5 per cent.

The adjusted index of carloadings receded slightly in the twentieth week of the year. A relatively high level has been shown in the latter part of April, while declines were recorded in the early weeks of May. The index was 73.2 in the nineteenth week, the decline was due to less active conditions in the Western division, a slight gain being shown in the Eastern division. The railway freight movement during the first twenty weeks of 1936 showed a gain of 7,418 cars over the same period of last year. Only three of the eleven commodity groups are now recording deficits. Considerable gains have occurred in grains, coal, paper and live stock. The gain in the index of carloadings over the same week of last year was about three per cent.

Wholesale prices have receded slightly for several weeks, the index having been 71.8 in the week of May 22 against 71.9 in the preceding week. The decline from the same week of 1935 was 0.8 per cent. Cattle prices were stronger on the stockyards at Toronto, while bacon hogs showed recession. Declines were shown in tin and silver on New York markets, while copper, lead and zinc were steady. The Canadian index of non-ferrous metals dropped from 68.2 to 68.0 on general weakness throughout the list. High-grade bond prices did not average quite so high in the week under review as in the preceding week. Quotations on May 22, however, were higher in some issues than on May 15. The bid quotation for the 4½ per cent 1947-57 Dominion government bond was 110 against 109¾ and the 3 per cent 1950-55 bond advanced from 98½ to 98¾ in the same comparison. The index of invetted bond yields indicates that a new high point was reached in recent weeks for the period of observation.

The trend of common stock prices has been upward for the last three weeks. The high point on the recovery was shown in the latter part of February. Since that time, two recessions of three or four week's duration have been shown. The lowest point of the last four months was reached in the week of April 30. A rally occurred during the first three weeks of May. The index in the week of May 21 was 119.2 compared with 108.0 in the preceding week. Each of the groups in the industrial division of the official classification except iron and steel and food products advanced in the third week of May. The index of 19 power and traction stocks was 66.5 against 64.3 in the week of May 14.

Weekly Economic Index with the Six Components
1926=100

Week Ended	Car loadings ¹	Whole-sale Prices	Inverted Index of Bond Yields ²	Bank Clearings ³	Prices of Common Stocks	Shares Traded	Economic Index
May 25, 1935	70.9	72.4	140.3	93.8	100.7	221.6	101.8
May 16, 1936	74.4	71.9	145.8	94.4	118.0	149.9	105.5
May 23, 1936	73.2	71.8	144.9	107.7	119.2	197.6	107.0

1. The index of carloadings is projected forward one week to correspond with the practice in computing the economic index. 2. Cost of a fixed net income in perpetuity from Dominion long-term bonds derived by taking the reciprocal of the Bureau's index of bond yields. 3. Bank clearings were smoothed by taking a three weeks moving average for the purpose of eliminating irregular fluctuations. Totals for Ottawa were eliminated for all weeks shown, owing to incomparability introduced by the operations of the Bank of Canada.

Indexes of Business Operations in April 1936
compared with the same month
of the preceding year
1926=100

	April 1935	April 1936	Increase + Decrease - per cent
Physical volume of business	98.7	103.8	+10.2
Copper exports	298.5	537.3	+80.0
Nickel exports	451.5	416.2	- 7.8
Zinc exports	217.8	175.1	-19.6
Gold shipments	170.7	243.1	+42.4
Rubber imports	64.5	65.3	+ 1.2
Raw cotton imports	94.3	76.1	-19.3
Wool imports	134.8	120.7	-10.5
Newsprint production	140.3	163.4	+16.5
Planks and boards exported	51.9	87.6	+68.8
Shingles exported	122.5	109.9	-10.3
Steel production	99.5	155.6	+56.4
Pig iron production	67.1	83.6	+24.6
Crude petroleum imports	135.3	181.1	+33.9
Contracts awarded	33.5	29.0	-13.4
Electric power production	195.9	225.4	+15.1
Manufacturing employment (May 1) .	95.1	102.2	+ 7.5

Betterment over April 1935

The marked betterment in Canadian economic conditions during the present year is indicated by the trend of major factors. Important indexes for April, compared with similar figures for the same month of last year, are an excellent measure of the progress effected in the last twelve months. The index of the physical volume of business was about 109 in April against 98.7, a gain of 10.2 p.c.

Eleven of the seventeen factors considered in this connection showed increases. The index of copper exports advanced 80 per cent and gold shipments were 42.4 per cent greater.

The production of newsprint continued to expand, the gain having been 16.5 per cent. Exports of planks and boards were up nearly 68 per cent. Steel and pig iron production showed gains of 56.4 per cent and 24.6 per cent, respectively.

The imports of crude petroleum, indicating conditions in the oil industry were 34 per cent greater than in the fourth month of 1935. The gain in electric power production was 15.1 per cent, a new high point being reached in April last.

A considerable number of declines were shown but, according to general indexes, constructive factors had a preponderant influence. Zinc exports were 19.6 per cent less than in April last year. Raw cotton imports were down 19.3 per cent, while a decline of 10.5 per cent was shown in wool imports for further manufacture. The present low level of construction operations was indicated by a decline of 13.4 per cent in contracts awarded.

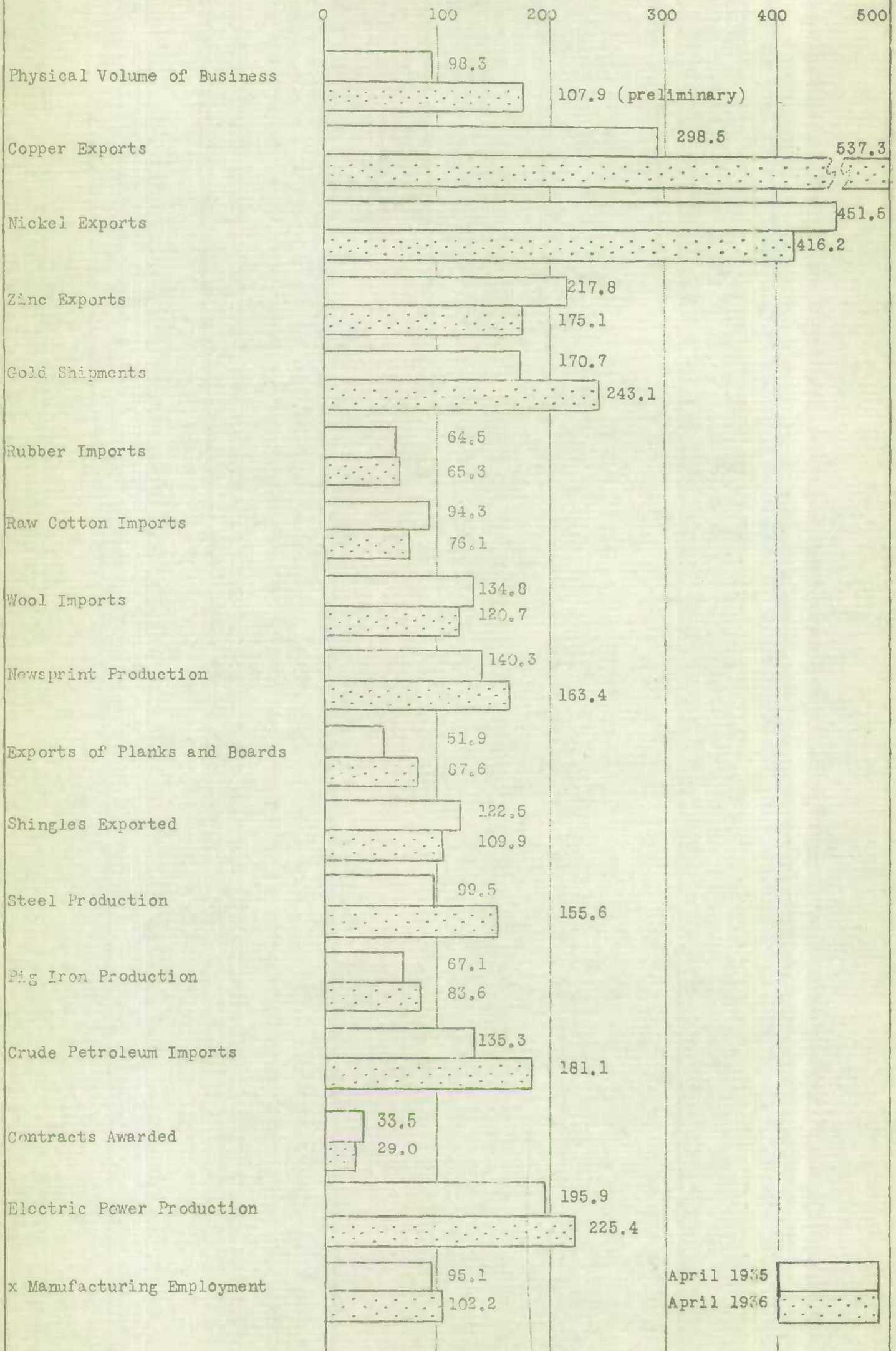
The gain in employment in manufacturing plants, a most significant indicator, was no less than 7.5 per cent.

Production of Iron and Steel

Production of pig iron during April amounted to 54,045 long tons, including 48,634 tons of basic iron and 5,411 of foundry iron. The total for March was 54,009 tons and for April 1935, 43,388 tons. During the first four months of 1936 the output of pig iron totalled 225,141 long tons compared with 169,790 and 82,332 in the same periods of 1935 and 1934, respectively.

Production of steel in April amounted to 107,220 long tons, a gain of six per cent over the March total of 101,092 tons and 57 per cent over April, 1935. The cumulative total for the first four months of this year was 401,902 tons compared with 241,902 in the same period of 1935 and 262,072 in 1934.

Indexes of Business Operations in April 1936
compared with the same month
of the preceding year
1926 = 100



x First of May

Exports to Empire Countries in April

	1935	1936	Inc. or Dec.	Per Cent
British Empire	\$17,019,185	\$20,018,170	+ 2,998,985	+ 17.6
Australia	777,139	1,623,611	+ 846,472	+ 108.9
British Guiana	65,738	52,528	- 13,210	- 20.1
British India	392,005	159,007	- 232,998	- 59.4
British S. Africa	1,011,571	957,531	- 54,040	- 5.3
British W. Indies	395,150	304,250	- 90,900	- 23.0
Irish F. Stato	73,067	163,662	+ 90,595	+ 124.0
Newfoundland	255,063	425,513	+ 170,450	+ 66.8
New Zealand	946,952	282,613	- 664,339	- 70.2
United Kingdom	12,412,910	15,306,000	+ 2,893,090	+ 23.3

Exports to Foreign Countries in April

	1935	1936	Inc. or Dec.	Per Cent
All Foreign Countries	30,294,677	37,405,660	+ 7,110,983	+ 23.5
Argentina	217,659	87,223	- 130,436	- 59.9
Belgium	381,163	940,048	+ 558,885	+ 146.6
Brazil	203,246	215,372	+ 12,126	+ 6.0
China	356,795	344,309	- 12,486	- 3.5
Colombia	62,872	72,808	+ 9,936	+ 15.8
Cuba	43,946	42,696	- 1,250	- 2.8
France	287,393	544,871	+ 267,478	+ 93.1
Germany	29,214	366,182	+ 336,968	+ 1,153.4
Italy	26,107	167,918	+ 141,811	+ 543.2
Japan	809,962	1,171,626	+ 361,664	+ 44.7
Mexico	110,842	165,936	+ 55,094	+ 49.7
Netherlands	804,785	416,099	- 388,686	- 48.3
Norway	254,027	107,358	- 146,669	- 57.7
Spain	277,691	62,691	- 215,000	- 77.4
Sweden	128,251	150,416	+ 22,165	+ 17.3
United States	25,455,395	31,533,985	+ 6,098,590	+ 24.0

United Kingdom Trade with Certain Countries

According to a Board of Trade statement the following was the trade between the United Kingdom and certain other countries during the first three months of 1934, 1935 and 1936:

	1934	1935	1936
South Africa - Imports	£4,157,268	£3,396,639	£3,955,596
Exports	6,833,385	8,170,388	9,273,934
Re-exports	145,083	146,669	182,057
British India - Imports	11,333,884	10,029,089	12,554,257
Exports	8,727,621	10,052,913	9,074,244
Re-exports	151,262	209,275	147,265
Australia - Imports	15,322,901	14,605,767	16,436,752
Exports	5,620,621	6,984,475	7,297,073
Re-exports	160,981	158,736	173,311
New Zealand - Imports	12,536,070	10,873,964	11,266,249
Exports	2,508,894	3,192,080	3,560,240
Re-Exports	62,004	62,204	51,332
Canada - Imports	10,672,293	11,226,950	15,177,572
Exports	3,967,541	3,962,440	4,727,790
Re-Exports	475,904	208,101	202,279
United States Imports	21,726,667	20,542,033	23,317,671
Exports	4,366,594	5,052,099	6,334,579
Re-Exports	1,765,332	1,766,066	2,571,240.

April Export of Paper

The April export of paper and manufactures of paper was valued at \$7,153,000, compared with \$5,703,000 a year ago. The amount to the United States was \$5,941,000. The largest item was newsprint paper at \$6,653,000, which went to 28 countries, the chief being: United States \$5,845,000, Australia \$329,000, Japan \$214,000, China \$59,000, Argentina \$43,000, Mexico \$34,000, Uruguay \$23,000, British South Africa \$21,000, Irish Free State \$17,000.

Farm Implements and Machinery

The export of farm implements and machinery in April totalled \$519,000 compared with \$501,000 a year ago. The amount to the United States was \$230,000, United Kingdom \$149,000, British South Africa \$46,000, Australia \$9,000, New Zealand \$6,900.

April Export of Lumber

The April export of planks and boards was to the value of \$2,165,000 as against \$1,198,000 a year ago. There was a very large export to United States at \$956,000 and to United Kingdom at \$753,000. The largest item was Douglas fir planks and boards at \$989,000, almost half of which went to the United Kingdom, with large quantities also to the United States, British South Africa, China, Peru, Portuguese Africa, Australia and Belgium.

Export of Meats

The export of meats in April was valued at \$8,143,000, which was about \$282,000 in advance of last year. The amount sent to United Kingdom was \$1,583,000. Bacon and hams were the outstanding items at \$1,571,000, of which \$1,519,000 went to Great Britain.

Bank Debits in April

Financial transfers in the form of bank debits were 17 p.c. greater in April than in the same month last year. Higher levels in business operations and in speculative activities accounted for the marked increase in the cashing of cheques. The gain the Maritime Provinces was 12.7 per cent, Montreal 44 per cent, Quebec province 41, Toronto 5, Ontario 8.7, Winnipeg almost 7, Prairie Provinces 2.4 per cent. Marked gains were shown in British Columbia, the total for the province being nearly 20 per cent greater and the gain in Vancouver was 23.2 per cent.

The Vegetable Situation

Cool backward weather during the early spring has retarded the operations of vegetable growers in the provinces of Ontario and British Columbia where most of the early crops are grown. Preparation of the land was delayed and crop planting held up accordingly. Abnormally high temperatures which prevailed during the early part of May forced growth along at a rapid rate and at the present time in most districts, crop development is normal.

Generally speaking, spring moisture conditions have been favorable for growth. From the middle of April onward, frequent showers coupled with warm weather have brought on crops in British Columbia and at this date the growth is only slightly behind last year at the same period. Little or no frost damage has been experienced by the vegetable growers of that province to date. In Quebec the season is later.

May Employment Situation

There was a pronounced increase in employment in Canada at the beginning of May of 20,426 more persons than at the beginning of April. Data received by the Dominion Bureau of Statistics from 9,544 firms show that their staffs aggregated 939,409 persons, as against 9,203 firms employing 892,506 a year ago. The increase over last year was 46,903.

Manufacturing improved, mainly in food, lumber, pulp and paper, clay, glass, stone, and iron and steel divisions. Transportation, construction and maintenance, services and trades also recorded considerably heightened activity. The gain in each of these groups,

except construction exceeded the average increase indicated at the beginning of May in the last fifteen years. On the other hand, large numbers of workers were released from logging camps, coal mines and tobacco and non-ferrous metal factories, the losses being mainly of a seasonal character.

An increase in employment is usual at this time of the year but the increases a year ago were not so large as those indicated at the beginning of May in the present year. The situation in each of the economic areas was better than a year ago and also more favorable than at the same date in 1934, 1933 or 1932.

New Record Auto Sales

New motor vehicle sales in Canada for April reached a record high since the inception of these statistics in 1932. There were 20,658 vehicles sold, a gain of 2,491 or 13 per cent over April, 1935. As compared with March, 1936, there was an increase of 9,053, or 78 per cent. Sales for the year to date were 43,214 vehicles at \$44,077,732 as compared with 39,831 at \$39,666,415 for the same period of 1935 and 26,967 at \$27,524,418 for the first four months of 1934.

New passenger cars sales for April numbered 17,264 units as against 9,451 for March, 1936, and 15,401 for April, 1935. Increases over April, 1935, were registered in all provinces except Ontario and Manitoba. The Maritime Provinces reported an increase of 55 per cent in number of vehicles sold; Quebec 45 per cent; British Columbia 19; Alberta 19; and Saskatchewan 11 per cent.

The four-month total for new passenger cars was 35,744, a gain of 2,264 over a year ago. Of this number, 16,758 cars or 46 per cent went to Ontario while 8,637 cars or 24 per cent of the total were sold in Quebec. The remainder, amounting to 10,349 cars or 29 per cent of the Dominion total, were disposed of as follows: Maritimes 2,760, Manitoba 1,348, Saskatchewan 1,099, Alberta 2,097, and British Columbia 3,045.

Wheat Stocks and Movement

Wheat marketings in the Prairie Provinces for the week ending May 15 amounted to 702,176 bushels, compared with 1,040,371 in the previous week and 1,079,304 in the same week last year. Total marketings in the three provinces from August 1 to May 15 were 199,934,821 bushels compared with 203,788,566 in the same period of the previous year.

Canadian wheat in store on May 22 amounted to 166,623,115 bushels as compared with the revised total of 175,877,037 a week ago and 204,187,477 on May 24, 1935. Canadian wheat in the United States amounted to 13,138,330 bushels as compared with 11,790,898 last week and 10,195,025 a year ago. Wheat in transit on the Lakes totalled 4,707,801 bushels as against 7,966,413 and 781,501.

Overseas export clearances of wheat during the week ending May 22 amounted to 5,855,042 bushels and imports of Canadian wheat into the United States for consumption and milling in bond totalled 764,000 bushels. In the corresponding week of 1935 the overseas export clearances amounted to 3,420,695 bushels and United States imports 376,000 bushels.

Total overseas export clearances during the period August 1 to May 22 amounted to 126,720,167 bushels and United States imports of Canadian wheat for consumption or milling in bond for re-export 39,375,709 bushels, as against clearances of 101,193,782 bushels and United States imports of 22,279,668 in the same period of 1934-35.

Births, Deaths and Marriages in April

Births registered in 67 cities and towns of Canada having 10,000 population and over in April numbered 6,634, deaths 4,564 and marriages 2,503 as compared with 6,739 births, 4,290 deaths and 2,395 marriages in the same month last year, showing a decrease of $1\frac{1}{2}$ per cent in births and increases of 6 per cent in deaths and 5 per cent in marriages.

Births registered during the four months - January-April of this year totalled 26,803, deaths 18,177 and marriages 8,567 as against 26,153 births, 17,095 deaths and 8,210 marriages during the corresponding four months of last year. This comparison shows increases of $2\frac{1}{2}$ per cent in births, 6 per cent in deaths and 4 per cent in marriages.

Employment in Great Britain

Employment in Great Britain showed a further substantial improvement in March extending to the great majority of the principal industries, according to the Ministry of Labour Gazette. Among the approximately 13,050,000 workers insured against unemployment in Great Britain and Northern Ireland, the percentage unemployed in all industries was 14.4 at March 23, 1936, as compared with 15.4 at February 24, 1936, and 16.4 at March 25, 1935. Recent press reports state that the registered unemployed in Great Britain numbered 1,831,230 at April 27, 1936, as compared with 1,381,531 at March 23, 1936, and 2,044,460 at April 15, 1935. The number of insured persons estimated in employment at April 27, 1936, was 10,712,000; this was larger by 82,000 than in the preceding month.

Reports Issued During the Week

1. Fur Farms of Canada, 1934.
2. Index Numbers of 23 Mining Stocks.
3. Telegraphic Crop Report, Prairie Provinces.
4. Registrations of Births, Deaths and Marriages, April.
5. Weekly Index Numbers of Wholesale Prices.
6. Canadian Grain Statistics.
7. New Motor Vehicle Sales, April.
8. The May Employment Situation, 1936.
9. Bank Debits to Individual Accounts, April.
10. Asphalt Roofing Industry, April.
11. Exports of Meats, Lard and Sausage Casings, April.
12. Exports of Canadian Lumber, April.
13. Exports of Farm Implements and Machinery, April.
14. Exports of Pulp Wood, Wood Pulp and Paper, April.
15. Domestic Exports to Empire and Foreign Countries, April.
16. Index Numbers of Security Prices.
17. Car Loadings on Canadian Railways.
18. Production of Iron and Steel, April.
19. Output of Central Electric Stations, April.
20. Vegetable Crop Report.

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