

## WEEKLY BULLETIN

Dominion Bureau of Statistics

Department of Trade and Commerce

Vol. IV - No. 28.

Ottawa, Saturday, July 11, 1936.

The Economic Index Showed a Gain of  $8\frac{1}{2}$  p.c.  
Over the Same Week of Last Year and a Recession  
Of 0.6 p.c. from the Preceding Week.

The economic index maintained by the Dominion Bureau of Statistics showed a fractional decline in the week of July 4. The railway freight movement was heavier, the index advancing  $2\frac{1}{2}$  p.c. Minor increases were shown in wholesale prices and in the inverted index of bond yields. The decline of 7.7 p.c. in bank clearings was the main influence in depressing the general index. A slight recession was shown in common stock prices, the index being down one-half point. The net result was that the economic index receded from 108.4 to 107.7, a decline of 0.6 p.c. from the week of June 27.

While a minor recession occurred in the economic index in the week of July 4, the standing was still high in comparison with most other weeks in the period under observation. A high level had been shown near the end of February. Recovery in June resulted in a standing almost as favourable as at the end of the second month. A considerable lead has been persistently shown since the first week of the year over the corresponding period of 1935.

The economic index, owing to the general gain in each of the six major factors, showed a gain of  $8\frac{1}{2}$  p.c. over the same week of last year. The standing in the week under review was 107.7 against 99.3 in the week of July 6 last year. A gain of 3.2 p.c. was shown in the index of carloadings and wholesale prices recorded an advance of 2 p.c. An increase of no less than 11 p.c. was shown in the index of inverted bond yields which in the week of July 3 reached a new high point during the period of observation. Although bank clearings showed a decline from the preceding week, there was a gain of nearly 2 p.c. over the same period of 1935. The gain in common stock prices was nearly 26 p.c. while speculative trading was much more active.

The railway freight movement made an excellent showing in the twenty-sixth week, the index moving up from 72.7 to 74.6. The level of the same week for the last three years was exceeded in the week under review. During the first half of the year the freight movement was 1,125,826 cars, a gain of 11,841 over the same period of 1935. A gain of 18,319 cars in grain and grain products was the main factor in raising the total over the first six months of last year. Owing to high temperatures and lack of rain in the western grain areas, prices advanced appreciably on the Winnipeg grain exchange. No. 1 Manitoba northern wheat averaged  $84\frac{1}{2}$  cents per bushel against  $83\frac{1}{2}$  in the preceding week, and gains were general in the coarse grains. Minor declines were shown in livestock prices on the Toronto stockyards. Tin showed a gain on the New York metal market, while other base metals and silver were steady. The index of non-ferrous metals in Canada remained at 67.6 as a reduction in zinc offset advances in lead and silver.

The high grade bond market continued strong in the week under review, slight advances being recorded in several issues. The inverted index of Dominion bond yields was 151.3 against 151.1 in the preceding week. The 3 p.c. 1950-55 Dominion Government bond was at  $100\frac{1}{4}$  on July 3 against  $99\frac{3}{4}$  on June 26. Minor increases were shown in the stocks of public utilities listed on the Canadian exchanges. Each of the industrial groups except milling showed declines, the net result being that the index of 112 stocks receded from 119.7 to 119.2.

Weekly Economic Index with the Six Components  
1926=100

| Week Ended    | Car loadings <sup>1</sup> | Wholesale Prices | Inverted Index of Bond Yields <sup>2</sup> | Bank Clearings <sup>3</sup> | Prices of Common Stocks | Shares Traded | Economic Index |
|---------------|---------------------------|------------------|--|-----------------------------|-------------------------|---------------|----------------|
| July 6, 1935  | 72.2                      | 71.2             | 136.4                                      | 92.8                        | 94.8                    | 99.7          | 99.3           |
| June 27, 1936 | 72.7                      | 72.6             | 151.1                                      | 102.4                       | 119.7                   | 156.9         | 108.4          |
| July 4, 1936  | 74.6                      | 72.7             | 151.3                                      | 94.5                        | 119.2                   | 136.2         | 107.7          |

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.



## Industrial Production in Important Countries

General gains in the indexes of industrial production in the leading countries presents evidence of world-wide economic recovery. The indexes of each of the 18 countries considered in this connection showed gains in the latest available month over the same month of 1935.

The increase in the Canadian index compiled by the Dominion Bureau of Statistics was 11.7 p.c. In this respect Canada stood fifth among the 18 countries. The advance in the index of Canada was fairly continuous since the first quarter of 1933 when the low point of the depression was reached. The standing in the latest comparable month was 85.7 p.c. of that of 1929 when industrial production was at a maximum in the history of the Dominion. Activity in May was 10.6 p.c. greater than the monthly average in 1926 regarded by many as a normal level for the post-war period.

The United States led the list in regard to percentage gains over the same month of a year ago. The index on the base of 1929 moved up from 72.3 to 84.0. The gain of 16.2 p.c. represents the rapid progress toward recovery in the last twelve months.

While the gain in the United Kingdom was only about 9 p.c., the index for the latest available period was 14.7 p.c. greater than the average for 1929. The index is now ruling higher than at any time during the period of observation.

The widespread nature of industrial expansion indicates a trend in the direction of "world economy", in which all the members prosper or suffer together. The recent major depression was well-nigh worldwide in its scope, and the emergence from the worst phases of that condition has now become an accomplished fact.

### Indexes of Industrial Production in 18 Countries for the Latest Month Available Compared with the Same Month of the Preceding Year 1929=100

|                | Latest Month<br>Available | Same Month of<br>Preceding Year | Increase (+)<br>Decrease (-) |
|----------------|---------------------------|---------------------------------|------------------------------|
|                |                           |                                 | Per Cent                     |
| United States  | 84.0                      | 72.3                            | + 16.2                       |
| Czechoslovakia | 75.2                      | 64.9                            | + 15.9                       |
| Estonia        | 120.3                     | 105.1                           | + 14.6                       |
| Austria        | 82.9                      | 73.0                            | + 13.6                       |
| Canada         | 85.7                      | 76.7                            | + 11.7                       |
| Belgium        | 80.0                      | 71.8                            | + 11.4                       |
| Hungary        | 117.7                     | 106.1                           | + 10.9                       |
| United Kingdom | 114.7                     | 105.3                           | + 8.9                        |
| France         | 72.4                      | 66.7                            | + 8.6                        |
| Chile          | 125.1                     | 115.9                           | + 7.9                        |
| Germany        | 97.8                      | 90.7                            | + 7.8                        |
| Poland         | 71.6                      | 66.6                            | + 7.5                        |
| Netherlands    | 74.1                      | 69.1                            | + 7.2                        |
| Finland        | 130.0                     | 122.5                           | + 6.1                        |
| Denmark        | 127.0                     | 120.0                           | + 5.8                        |
| Japan          | 150.5                     | 142.7                           | + 5.6                        |
| Norway         | 108.4                     | 103.4                           | + 4.8                        |
| Spain          | 87.4                      | 86.7                            | + 0.8                        |

Source: Monthly Bulletin of League of Nations, June 1936.

## Coal Trade in May

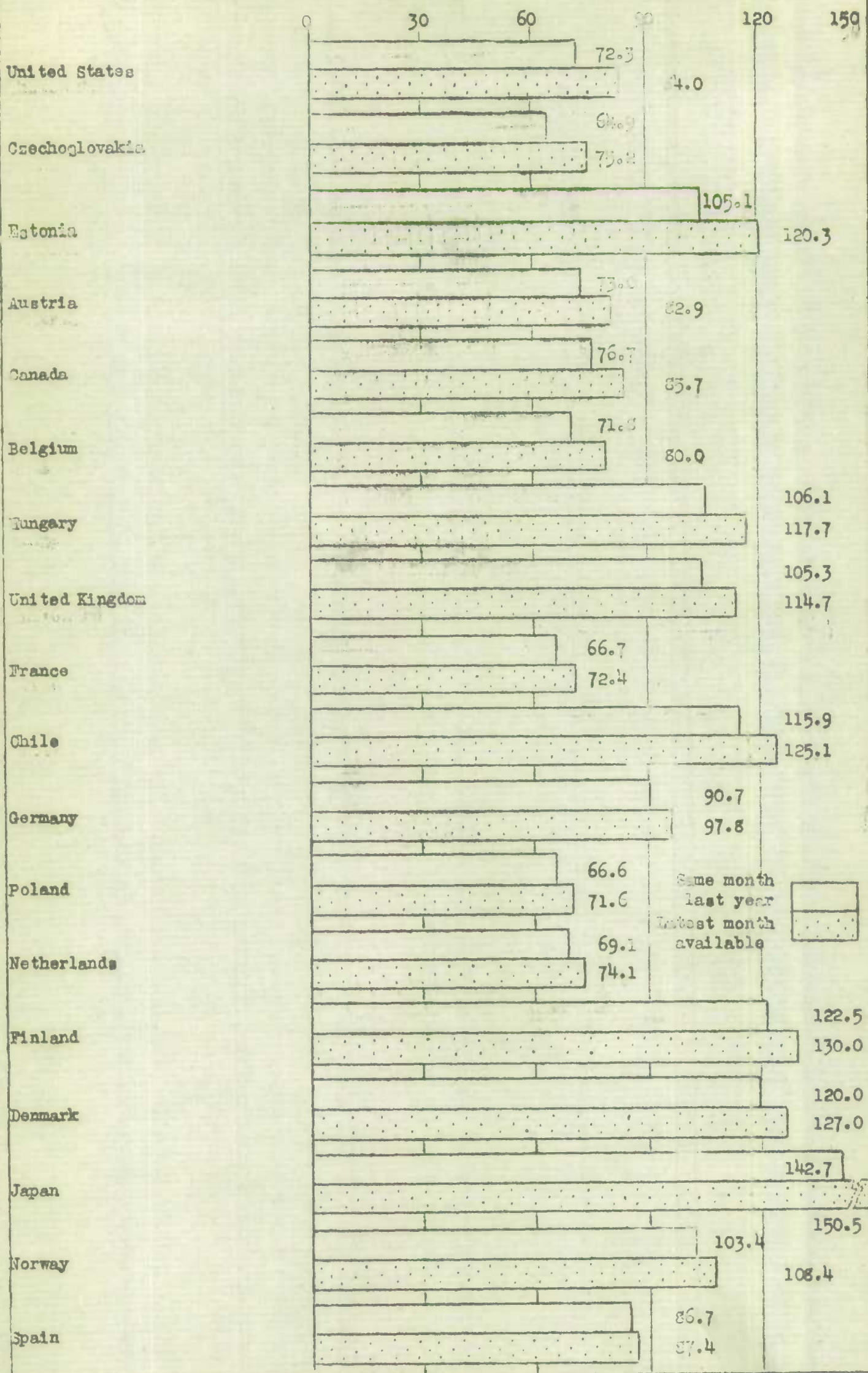
Coal production in May amounted to 997,109 tons compared with 936,441 in April and 924,960 a year ago. This is much above the average output for May during the past five years, which was 843,628 tons. Nova Scotia mines produced 571,122 tons, Alberta 255,055, British Columbia 116,977, Saskatchewan 28,380, New Brunswick 25,325, and the Yukon 250.

Imports of coal in May amounted to 1,360,026 tons compared with 1,485,060 tons a year ago, a decline of 8 per cent. Receipts of anthracite coal consisted of 204,375 tons from Great Britain, 179,253 from the United States and 16,474 from Germany. Exports of Canadian coal amounted to 23,664 tons or 13 per cent above the average for the month.



Indexes of Industrial Production in 16 Countries for the latest month available compared with the same month of the preceding year.

1929 = 100





## Survey of Production in 1934

After showing declines for five years, the net value of production recorded a substantial gain in 1934 over the preceding year. The net value of commodities produced, as estimated by the Dominion Bureau of Statistics, was \$2,381,000,000 against \$1,996,000,000 in 1933. The gain of 19 per cent represents the marked betterment in productive operations and commodity prices. Owing to depressed price levels and low scale operations the total for 1933 was less than in any other year in the post war period. Owing to the marked rebound in 1934 the total was greater than in 1933 or 1932. The gain in the output of electric power was less than in other lines, yet an increase of nearly six per cent was shown. The greatest absolute gains were recorded in manufacturing and agriculture but the largest percentage increases were in construction and mineral production. In respect to percentage gains the fisheries followed closely in third place.

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### Imports of Lumber

Imports of lumber and timber in May were valued at \$317,036 compared with \$211,763 a year ago. Most of the imports came from the United States. The largest item was oak at \$83,207, followed by Douglas fir at \$50,616, pine at \$49,695 and gumwood at \$25,538.

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### Asbestos

Exports of asbestos in May were valued at \$561,470 compared with \$469,924 last year. The amount to the United States was \$305,542, Japan \$85,758, Germany \$78,714, France \$34,980, United Kingdom \$32,867, Belgium \$16,924. The asbestos sand and waste export was \$178,133 as against \$137,876.

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### Asbestos Production in April

Production of asbestos in April amounted to 19,605 tons compared with 16,225 in March and 14,702 in April, 1935. Shipments during the four months ending April aggregated 69,884 tons as against 48,868 a year ago.

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### Petroleum Production in April

Canadian production of crude petroleum in April amounted to 107,748 barrels compared with 117,824 in March and 113,685 in April 1935. Production during the first four months of 1936 totalled 454,731 compared with 470,421 in 1935.

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### Natural Gas Production

Natural gas production during April totalled 2,297,181,000 cu. ft. as against 2,838,636,000 in March and 2,281,805,000 in April 1935. During the four months ending April the Canadian output was 12,646,781,000 cu. ft. as against 11,094,746,000 last year.

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### Sales of Gasoline

Sales of gasoline in April were as follows, with the 1935 figures in brackets: Prince Edward Island 177,000 (68,000) gallons; Nova Scotia 1,854,000 (1,168,000); New Brunswick 1,071,000 (616,000); Ontario 20,898,000 (20,697,000); Saskatchewan 1,969,000 (1,920,000); Alberta 3,178,000 (2,953,000); British Columbia 3,569,000 (3,471,000). The April sales of Quebec and Manitoba have not yet been received.

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### Food Chains in Canada

There were 86 different food chain companies in Canada in 1935, operating 2,309 stores with \$105,624,100 sales. In 1934 the same number of chains operated 2,395 stores with \$104,912,800 sales. Increases of almost 10 per cent were recorded for Saskatchewan, Alberta and British Columbia.

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### Railway Revenues in April

Canadian railways earned \$26,049,673 during April as against \$24,492,254 a year ago. Operating expenses were heavier by \$1,728,759, reducing net revenues by \$171,340 and the operating income dealined from \$2,904,507 to \$2,585,845. During the first four months of 1936 gross revenues were \$96,415,802 compared with \$90,928,419 in 1935 and the operating income was \$4,633,741 in 1936 and \$5,292,766 in 1935.

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### International Bridge, Ferry and Tunnel Companies

International bridge, ferry and tunnel companies operating between Canada and the United States, all across the Ontario boundary, reported 5,681,113 motor vehicles, 167 horse drawn vehicles and 18,338,663 pedestrians and passengers of vehicles, other than drivers, or a total of 24,027,943 persons crossing the border in 1935 as against 21,878,322 in 1934. Revenues were reported at \$2,918,864, or a gain of \$448,035 over the 1934 revenues. The net operating revenues increased from \$330,876 to \$526,704. The re-opening of a large amusement park was a big factor in these increases.

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### Imports of Automobiles

Imports of Automobiles in May were valued at \$951,997 as against \$383,067 a year ago. The value of those received from the United States was \$861,640 and from the United Kingdom \$56,326. There were 1,269 from the United States and 93 from Great Britain. Automobile parts from the United States amounted to \$2,666,075 and from the United Kingdom \$10,347.

There were 1,575 bicycles from the United Kingdom and 99 from the United States, 61 motorcycles from the United States, 61 from the United Kingdom and five from Germany. There were 52 traction engines from the United States at \$98,878 and three at \$603 from Great Britain.

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### Manufacturing in the Maritime Provinces

Manufacturing production in the Maritime Provinces was materially stimulated in 1934, amounting to a value of \$118,205,014, an increase of \$17,898,913 or more than 17 per cent over 1933. There were 29,656 employees who were paid \$24,369,166 in salaries and wages, as against 26,319 persons and \$21,176,859 in salaries and wages in 1933. The only decline was in the capital investment which fell from \$249,162,629 to \$246,058,149, this decrease being in part due to current charges for depreciation.

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### June Export of Wheat

Canada's export of wheat in June amounted to 25,763,565 bushels valued at \$19,682,585, on an average export price of 76.4 cents per bushel. A year ago the export was 6,494,622 bushels at \$5,148,692, the average price being 79.3 cents. The previous largest export of wheat in the month of June was in the year 1926 when it was 27,791,702 bushels. In June 1929 the export was 25,587,000 bushels.

During the first three months of the present fiscal year the export was 59,652,912 bushels valued at \$46,446,175 compared with 23,511,916 bushels at \$19,517,590 in the corresponding period last year. In the twelve months ending June the amount was 215,265,176 bushels valued at \$175,505,560 as against 148,196,106 at \$121,639,590 in the previous year.

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### June Export of Wheat Flour

The June export of wheat flour was 430,171 barrels valued at \$1,663,424, the average export price being \$3.87 per barrel. A year ago the export was 429,561 barrels at \$1,664,482, the average price being \$3.87.

During the first three months of the present fiscal year the export was 1,159,986 barrels valued at \$4,592,001 compared with 1,089,689 at \$4,201,806 in the same period last year. For the twelve months ending June the amount was 4,929,244 barrels at \$19,772,812 as compared with 4,763,106 at \$18,253,929.

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### Fresh Vegetables in May

Fresh vegetable imports during May were of the value of \$862,161 compared with \$803,405 in May last year. More than two-thirds of the import came from the United States, the value being \$631,218. The import from Australia was worth \$22,481, Egypt \$20,472 and Bermuda \$16,258. Exports of fresh vegetables were valued at \$155,827 compared with \$45,619 in May last year. The value of the export to the United States was worth \$112,100.

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### Imports of Fresh Fruits

The value of the import of fresh fruits in May was \$1,484,359 as compared with \$1,330,463 in May last year. The United States was the main source of supply, the import from that country being valued at \$1,125,185, Jamaica \$134,232, Cuba \$106,507. Domestic exports of fresh fruits were worth \$3,542.

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### Green Coffee Imports

There were 5,218,392 lb. of green coffee imported in May as compared with 3,424,513 in May last year. It came from the following countries: British East Africa 1,666,876 lb., Jamaica 1,631,523, Colombia 636,625, Brazil 568,413, United Kingdom 173,040, Trinidad and Tobago 170,004, Mexico 113,554, Costa Rica 78,221, British South Africa 47,124, Hawaii 46,460, Salvador 38,130, British Guiana 20,560, Venezuela 17,173, Brazil 9,689 lb.

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### Imports of Tea

The import of 7,023,421 lb. of tea of the value of \$1,662,297 in May, was a considerable increase over the import of May, 1935, when it was 3,189,305 lb. at \$679,902. Included in the total import were 6,687,876 lb. of black tea and 335,545 of green.

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### Imports of Paper

May imports of paper amounted to a value of \$551,782 as compared with \$488,833 a year ago. The value of the import from the United States was \$385,745 and from the United Kingdom \$86,292.

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### Import of Farm Implements and Machinery

Imports of farm implements and machinery were of the value of \$1,231,174 in May compared with \$662,064 in May, 1935. The import from the United States was worth \$1,180,292. There were 844 internal combustion traction engines valued at \$708,609 from the United States. Other leading items were: 1,822 cream separators at \$49,251, coming mainly from Sweden, 149 harvesters and parts at \$41,821 from United States, ploughs and parts \$18,805, and parts for internal combustion traction engines at \$190,800.

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### Fertilizers in May

Fertilizer imports amounted to 617,404 cwt. at \$399,874 in May, compared with 476,114 at \$294,851 in May last year. The amount from the United States was 463,500 cwt., Netherlands 113,755, Norway 11,304, Belgium 23,524.

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### Imports of Crude Petroleum

Imports of crude petroleum amounted to 104,786,491 gallons valued at \$2,274,260 in May compared with 116,714,164 at \$3,491,229 in May last year. The United States was the leading supplier, with smaller amounts from Colombia, Peru and Venezuela.

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### Vegetable Oils

Vegetable oil imports in May were valued at \$824,025 compared with \$1,926,922 last year. Almost half of the import last month came from the United Kingdom. The largest item was peanut oil at \$216,223. The export of vegetable oils was \$4,239 compared with \$21,651.

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### Wheat Stocks and Movement

Wheat marketings in the Prairie Provinces for the week ending June 26 amounted to 1,654,909 bushels compared with 1,662,894 in the previous week and 2,470,370 bushels in the corresponding week a year ago. Marketings for the crop year to June 26 amounted to 211,414,383 bushels compared with 215,981,877 in the same period of the previous year.

Overseas export clearances of wheat during the week ending July 3 amounted to 3,192,222 bushels compared with 1,442,503 in the same week last year. Imports of Canadian wheat into the United States for consumption or milling in bond for re-export in the same two weeks were 830,000 and 175,000 bushels, respectively.

Overseas export clearances from August 1 to July 3 totalled 154,803,983 bushels compared with 111,462,027 in the same period of the previous crop year. United States imports during the same periods were 44,523,554 and 24,560,818 bushels, respectively.

Canadian wheat in store on July 3 amounted to 135,525,171 bushels, compared with 141,344,956 the week before and 196,875,677 a year ago. Canadian wheat in the United States amounted to 15,287,480 bushels. Wheat in transit on the Lakes amounted to 875,296 bushels compared with 2,069,347 the week before and 1,118,689 a year ago.

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### Leather Footwear Production

Leather footwear production in May totalled 1,795,518 pairs, a decrease from the preceding month of 270,069, or 13 per cent, and a decrease from May, 1935, of 237,233 pairs, or 11 per cent. May is the first month of the present year to record a decrease from the corresponding month of last year. Production in the first five months of 1936 amounted to 9,320,902 pairs compared with 8,907,936 in 1935.

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### Gold Production in May

Gold production in May amounted to 308,492 ounces compared with 299,269 in April and 269,238 in May, 1935. Output during the five months ending May totalled 1,450,829 ounces, an advance of 17 per cent over the production last year. The following was the production in May by provinces, with the April figures in brackets: Ontario 192,441 (196,415); Quebec 59,176 (56,798); British Columbia 35,345 (30,903); Manitoba and Saskatchewan 18,474 (14,046); Nova Scotia 880 (963); Yukon 2,176 (544).

Gold averaged \$35 per ounce in Canadian funds in May. At this price the Canadian output for the month was worth \$10,797,220. The April average price was \$35.15 per ounce and the estimated value of the output, \$10,519,305.

Jewellery and scrap receipts at the Royal Canadian Mint contained 2,627 ounces of gold in May as compared with 3,424 ounces in April.

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### World Production of Gold

World production of gold in May rose to 2,742,000 ounces from the April total of 2,697,000. South Africa produced 938,000 ounces, or 2½ per cent above the April production. The United States output, including the Philippines, totalled 339,821 ounces.

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### Commodity Prices in June

The index number of commodity wholesale prices advanced from 71.8 for the week of May 29 to 72.7 for the week ending June 26. Recovery in wheat prices contributed substantially to this change of trend. Flour was affected by this movement and quotations advanced. Hogs were firmer, although cattle showed little net change. There was a sharp rally in American cotton prices, carrying them to the highest levels of the year. Raw silk staged a strong advance and copper prices stiffened. Tin quotations moved downward to the lowest levels in three years and uncertainty existed regarding the outlook for continued production control.

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### Cost of Living in June

Seasonal reductions in coal and coke prices caused the Canadian cost of living index to decline from 80.1 in May to 80.0 in June. The food index was unchanged at 71.3, firmer prices for eggs, onions and potatoes being offset by decreases in butter, canned salmon, corn syrup and most meats. A year ago the index was 78.8.

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## Securities in June

Industrial stocks in June attempted a second recovery subsequent to their sharp break in April. It was of very modest proportions, however, and limited mainly to a few groups, including pulp and paper, milling, foods, and the miscellaneous section lead by International Nickel. Textiles and oils averaged lower. Utilities advanced slightly. The gold index fell from 136.2 for the week ended June 11 to 132.9 for the week of July 2. A good reception to three new Dominion of Canada bond issues stimulated the bond market and prices advanced as indicated by Dominion bond price indexes of 115.9 for May and 117.0 for June. This represented the highest level of prices since Dominion issues became prominent in the domestic markets during the war years.

## Securities Abroad

Canada's international trade in securities remained light in May, being slightly less than in April. While the sales in May were less than in April, the purchases were larger. There was a balance of purchases of over \$4,500,000 instead of the small balance of sales in the previous month.

Sales to the United States were \$12,054,786 in May compared with \$16,853,198 in April while purchases were \$15,240,986 and \$15,371,360 in these respective months. Both sales and purchases between Canada and Great Britain increased. Sales were \$4,446,213 in May as compared with \$2,685,742 in April and purchases \$5,721,795 as compared with \$3,353,340.

## Reports Issued During the Week

1. Sales and Purchases of Securities Between Canada and Other Countries, May.
2. Gold Production in Canada, May.
3. Leather Footwear Production, May.
4. Price Movements, June.
5. Index Numbers of Wholesale Prices.
6. Operating Revenues, Expenses and Statistics of Railways in Canada, April.
7. International Bridge, Ferry and Tunnel Companies, 1935.
8. The Roofing Paper Industry, 1935.
9. Asbestos Production, April.
10. Petroleum and Natural Gas Production and Gasoline Sales, April.
11. Current Trends in Wholesale Trade, May.
12. Food Chains in Canada, 1935.
13. Index Numbers of Security Prices.
14. Survey of Production in Canada, 1934.
15. Canadian Milling Statistics, May.
16. Coal and Coke Statistics, May.
17. Canada's Monthly Trade Trends with Empire Countries, June - May, 1933 to 1936.
18. Canada's Monthly Trade Trends with Foreign Countries, " " " " .
19. Imports of Non-Ferrous Ores and Smelter Products, May.
20. Imports and Exports of Wire, May.
21. Imports and Exports of Vegetable Oils, May.
22. The Footwear Trade of Canada, May.
23. Imports and Exports of Pipes, Tubes and Fittings, May.
24. The Asbestos Trade of Canada, May.
25. Imports of Lumber, May.
26. Car Loadings on Canadian Railways.
27. Canadian Grain Statistics.
28. Condition of Field Crops at June 30 and Preliminary Estimate of Areas of Late Sown Crops, Canada.
29. Imports of Petroleum and Its Products, May.
30. Imports and Exports of Fertilizers, May.
31. Imports of Paints and Varnishes, May.
32. Imports of Farm Implements and Machinery, May.
33. Imports of Pulp Wood, Wood Pulp and Paper, May.
34. Manufacturing Industries of the Maritime Provinces, 1934.
35. Index Numbers of 23 Mining Stocks.
36. Imports of Coffee and Tea, May.
37. Imports and Exports of Fresh Fruits, May.
38. Imports of Stoves, Sheet Metal Products, Refrigerators, May.
39. Imports and Exports of Pickles and Preserved Vegetables, May.
40. Imports and Exports of Fresh Vegetables, May.
41. Imports and Exports of Soap, May.
42. Imports of Vehicles of Iron, May.
43. Imports and Exports of Toilet Preparations, May.
44. Telegraphic Crop Report, Prairie Provinces.
45. Imports of Coffee and Tea, May.





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