

WEEKLY BULLETIN

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Weekly Review of Economic Statistics - Economic
Index was 106 in the Week Ended January 11, a
Considerable gain being due Mainly to Advances
In Carloadings and Bank Clearings

Owing mainly to considerable gains in carloadings and bank clearings the economic index moved up to 106 in the week ended January 11. Gains were shown in each of the six major factors used in the compilation of the index, the increase over the same week of last year having been 4.6 p.c.

Each of the six components except inverted bond yield showed a gain over the same week of 1935. After fluctuating during last year about the 100 p.c. line, a clear cut gain was effected in the week under review. The advance in the last week for which statistics are available resulted in a relatively high level for the period of observation since the beginning of 1933. The railway freight movement commenced the year with a sharp gain, the index of carloadings having been 74.6 against 68.1 in the preceding week, a gain of $9\frac{1}{2}$ p.c. The increase over the revised index of the same week of last year was slightly less than 2 p.c.

Wholesale prices were slightly stronger in the week under review, the index being 72.9 against 72.8 in the preceding week. The gain over the same week of 1935 was 2.1 p.c. The price of wheat was practically maintained while oats and flax recorded advances. The price of barley averaged the same as in the preceding week while rye was slightly lower. Declines in livestock prices were shown in Toronto. Base metal prices were practically unaltered at New York, a slight recession having been shown in tin. Recessions in copper, tin and antimony lowered the Canadian index for non-ferrous metals from 68.7 to 68.6.

Bond prices strengthened slightly in the week ended January 11 but were still below the same week of 1935. The bid quotation for the 5 p.c. 1943 Dominion Government bond was $111\frac{3}{4}$ on January 10 while the 4 p.c. 1952 bond was $104\frac{3}{4}$.

The advance in common stock prices was general among groups of the official classification except for the nine beverage stocks. The index expressed as a percentage of the 1926 average of 112 common stocks was 112.8 in the week ended January 9 against 111.4 in the preceding week. The gain over the same week of 1935 was 23.5 p.c. Bank clearings were exceptionally heavy in the latest week for which statistics are available and marked gains were shown in both the usual comparisons.

Weekly Economic Index with the Six Components
1926=100

Week Ended	Car load-ings ¹	Whole-sale Prices	Inverted Index of Bond Yields ²	Bank Clear-ings	Common Stocks	Shares Traded	Economic Index
Jan. 12, 1935	73.5	71.4	141.8	89.2	91.3	234.5	101.4
Jan. 4, 1936	68.1	72.8	136.4	85.3	111.4	104.8	99.1
Jan. 11, 1936	74.6	72.9	136.8	125.4	112.8	-	106.0

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 not income in perpetuity from long term Dominion bonds.

This index is designed to measure the trend and outlook of general business from week to week. It is made up of six factors representing respectively the three fields of business, money and speculation. For the first, carloadings and the trend of commodity prices are the only suitable weekly indexes as yet available; bank clearings and inverted bond yields (the latter as a measure of the degree of "easiness" prevailing in the long-term capital market) are included as representing money; while security prices and stock market transactions are representative of the speculative element. As these factors are not corrected for secular trend, the reader is directed to the Bureau's Monthly Review of Business Statistics for a more pervasive review over extended periods, the present index being primarily for short-term comparisons of the current tone of business.

Employment Conditions More More Favourable in 1935

The improvement of the economic situation in 1935 was indicated by the decline in the percentage of unemployment in trade unions. The percentage averaged 15.7 in the first ten months of 1935 against 18.3 per cent in the preceding year.

While the monthly average of applications at employment offices declined from 61,842 in the first ten months of 1934 to 53,941 in the same period of last year, vacancies and placements showed similar percentage declines. Measured by the statistics of strikes and lockouts, the relations of capital and labour were on a better basis than in the preceding year.

A table showing the ten-month averages for 1934 and 1935 for seven factors relating to labour conditions follows:

	Ten Month 1934	Average 1935	Increase + Decrease -	(%) (%)
Labour Factors				
Percentage unemployment in trade unions	18.3	15.7	- 14.2	
Employment Offices				
Applications, number	61,842	53,941	- 12.8	
Vacancies, number	35,982	31,467	- 12.5	
Placements, number	34,139	29,482	- 13.6	
Strikes and lockouts				
Disputes in existence, number	25	16	- 36.0	
Number of employees	6,563	4,694	- 28.5	
Time loss in working days	58,646	35,487	- 39.5	

The Gain in the Production of Consumers' Goods in nine out Of ten countries during 1935 was a Significant Omen.

A practically general gain in the production of consumers' goods in the ten countries for which statistics are available, was a sign of returning prosperity in the last twelve months. Indexes for the last available month show increases over the same month of the preceding year in nine out of the ten countries, the only exception being Germany.

In most countries the gains were of a modest character. Owing to the relatively moderate decline during the first part of the depression, the speed of the recovery tends also to be less pronounced than in producers' goods. Fluctuation in times of prosperity as well as in depression are normally less violent than in the other division.

Eight of the ten countries considered in this connection, showed greater percentage gains in the production of investment goods than in consumers' goods during the period under observation. The greatest percentage increase in the production of consumers' goods occurred in Norway. Canada and the United States recorded excellent gains in this respect.

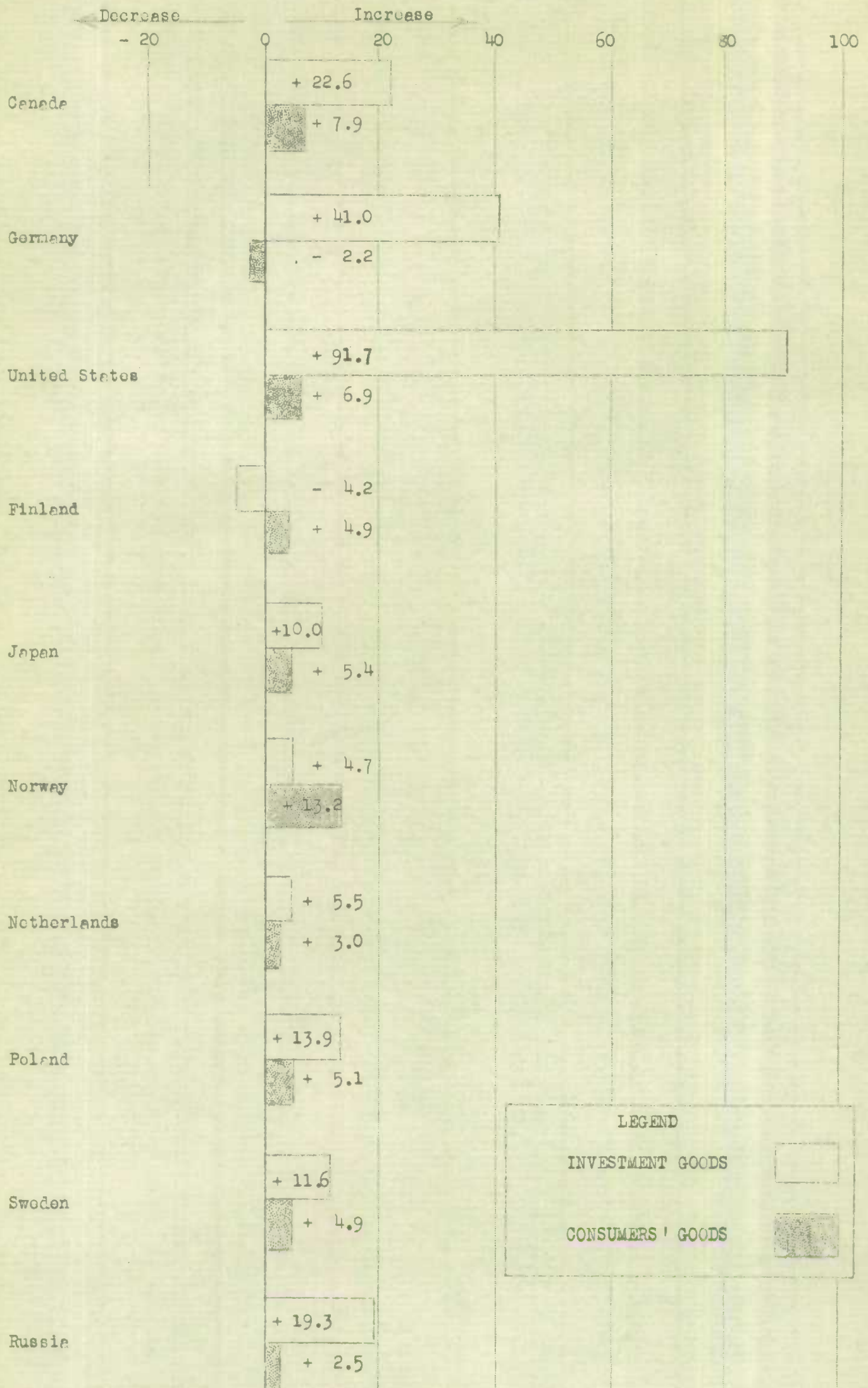
The production of consumers' goods declined in Germany and investment goods were produced in greater volume in each of the ten countries except Finland. A table showing the progress in the production of investment goods was given in the last number of the Weekly Bulletin. The following table gives comparisons in the output of consumers' goods. Progress in both classes is shown in the chart appearing on page 3.

Indexes of the Production of Consumers' Goods 1929=100*

	Latest 1934	Month 1935	Increase + (per cent) Decrease - (" ")
Canada	97.8	105.5	+ 7.9
Germany	93.0	91.0	- 2.2
United States	84.4	90.2	+ 6.9
Finland	119.9	125.8	+ 4.9
Japan	134.4	141.7	+ 5.4
Norway	100.4	113.7	+13.2
Netherlands	77.0	79.3	+ 3.0
Poland	70.5	74.1	+ 5.1
Sweden	116.4	122.1	+ 4.9
Russia	110.7	113.5	+ 2.5

* Source: Monthly Bulletin of League of Nations.

Percentage Change in the Indexes of the Production of Investment Goods and Consumers' goods for ten countries in the latest available month of 1935 from the same month of the preceding year.



Canada's Trade in December

Domestic exports in December amounted in value to \$68,419,000 compared with \$61,275,000 in December, 1934, a gain of \$7,144,000 or 11.7 per cent, and compared with \$50,929,000 in December, 1933, a gain of \$17,490,000 or 34.3 per cent.

Imports in December amounted to \$38,569,000 compared with \$39,107,000 in 1934, a decrease of \$538,000 or 1.4 per cent and compared with \$36,368,000 in 1933, an increase of \$2,201,000 or 9.1 per cent.

The Dominion's total trade for December amounted to \$109,134,000 compared with \$100,927,000 in 1934, an increase of \$8,207,000 or 8.1 per cent and compared with \$86,993,000 in 1933, an increase of \$22,141,000 or 25.5 per cent.

Canada's Trade in 1935

Canada's domestic exports during the calendar year 1935 amounted to \$729,294,000 compared with \$653,312,000 in 1934, an increase of \$75,982,000 or 11.6 per cent, and compared with \$531,749,000 in 1933, an increase of \$197,545,000 or 37.2 per cent.

Imports in 1935 amounted to \$550,315,000 compared with \$513,469,000 in 1934, an increase of \$36,846,000 or 7.2 per cent, and compared with \$401,214,000 in 1933, an increase of \$149,101,000 or 37.2 per cent.

Total Canadian trade in 1935 amounted to \$1,292,667,000 compared with \$1,173,797,000 in 1934, an increase of \$118,870,000 or 10 per cent and compared with \$938,998,000 in 1933, a gain of \$353,669,000 or 37.7 per cent.

Duty Collected in December

The amount of duty collected on imports into Canada in December amounted to \$5,938,000 compared with \$6,331,000 in December 1934, a decrease of \$393,000 or 6.2 per cent and compared with \$5,986,000 in December 1933, a decrease of \$48,000 or 0.8 per cent.

Duty Collected in 1935

The amount of duty collected on imports into Canada in the calendar year 1935 amounted to \$83,995,000 compared with \$82,891,000 in 1934, a gain of \$104,000 or 0.1 per cent and compared with \$69,676,000 in 1933, an increase of \$14,319,000 or 20.6 per cent.

Building Permits for December

The building permits issued by 58 cities in December, represented construction work valued at \$2,390,014, as compared with \$3,315,001 in November, 1935, and \$2,521,820 in December, 1934. There was, therefore, a decrease of \$924,987 or 27.9 p.c. in December as compared with the preceding month, and of \$131,806 or 5.2 p.c. as compared with the same month of 1934.

The total for the year 1935 was higher than in any of the last three years, standing at \$46,236,702, as compared with \$27,457,524, in 1934, \$21,776,496 in 1933 and \$42,319,397 in 1932; the 1935 figures are unrevised, while those for previous years are revised.

Food Chains in Canada

There were 86 food chain companies in Canada in 1934 operating 2,395 stores with sales of \$104,912,800. In 1933 there were 91 food chain companies with 2,398 stores and \$103,638,000 sales while in 1930, the earliest year for which data are available, there were 87 food chains with 2,352 stores and \$127,582,500 sales. Thus while the value of chain sales for 1934 was still 17.8 per cent below the 1930 level, it was 1.2 per cent higher than the amount reported for 1933.

Employment in 1935

An important improvement was shown in the employment situation of Canada during the year just ended, when widely distributed recovery was indicated. The percentage gain was not so pronounced as that indicated in 1934 over 1933, in which was recorded the low point of the depression as affecting industrial activity, the gains were consolidated and extended, with the result that in the last quarter of 1935 employment was more satisfactory than at any other time since the end of 1930. It is worthy of note that public employment of one sort or another was a factor of lessened importance in the general situation during 1935 than it had been in 1934, when a substantially larger number of persons were provided with work of that nature. The improvement indicated by employers during the year under review may therefore be regarded as affording sound evidence of a revival in business resulting from increased public demand for commodities and services rather than from governmental stimulation to industry.

The index on the base of 1926 was averaged 99.4 in 1935 against 96.0 in the preceding year, the standing at the first of December having been 104.6 compared with 98.6 on the same date of 1934.

In no other year for which statistics have been collected, except one, has the trend been so consistently favourable. The improvement on the whole continues to be quite widely distributed, both geographically and industrially, but the outstanding feature of the year was the recovery in manufacturing, which was both extensive and prolonged; the chief exception to the generally upward movement was construction, employment in the highway division showing a marked decline.

Especially pronounced gains were made in manufacturing, which, with approximately 52 p.c. of the average employees of all firms, reported a much larger proportion of the total increase during 1935; this presented a striking contrast with the 1934 situation, when factories employed about half of the total number covered in the monthly surveys, but contributed only 39.2 p.c. of the general increase over 1933. Mining and trade also showed disproportionately large increases in 1935 as compared with 1934 while in logging, communications, transportation and services the rate of improvement was lower than in the three industrial divisions first-named.

Building and railway construction reported greater activity than in the preceding year, the increase in the former being marked; however, the gains were not sufficiently large to offset the losses in highway construction and maintenance, so that employment in the construction group as a whole declined by 10.5 p.c. as compared with 1934. This was partly due to the reabsorption of former highway workers into other industries as the general situation improved, while changes in the employment relief policies of the various governments also influenced considerably the situation in this line of work.

Central Electric Station Industry

Central electric stations in Canada continued to increase their production with a total for 1934 of 21,197,124,000 kilowatt hours, as against 17,338,990,000 kilowatt hours in 1933 and 18,093,802,000 kilowatt hours in 1930, the previous peak. The low point was reached in July, 1932, and from then till May, 1934, there was an almost continuous and rapid improvement in the monthly index numbers. Declines were recorded for June, July, August and September, 1934, but the loss was regained in the next two months and to the end of 1935 there was a fairly continuous improvement. The peak was reached in October, 1935 when the output of 2,162,569,000 kilowatt hours was an increase of 37 per cent over the October 1930 output.

Production of Leading Minerals

Production figures of Canada's leading mineral products during the ten months ending October, 1935, with corresponding figures for the previous year in brackets, follow: Asbestos, 168,712 (125,883) tons, Cement 3,235,374 (3,476,511) barrels, Clay products \$2,322,666 (\$2,312,421), Coal 10,910,963 (11,092,363) tons, Copper 347,955,175 (299,191,278) lb., Feldspar 11,923 (14,694) tons, Gold 2,679,984 (2,459,540) fine oz., Gypsum 451,624 (365,908) tons, Lead 275,181,107 (282,437,478) lb., Lime 330,778 (303,048) tons, Natural Gas 17,263,846,000 (18,558,579,000) cu.ft., Nickel 110,945,307 (105,836,341) lb., Petroleum 1,197,248 (1,192,540) barrels, Commercial Salt 174,251 (165,394) tons, Silver 13,032,657 (13,525,047) fine oz., Zinc 262,489,017 (243,695,386) lb.

Traffic on Sault Ste Marie Canals

The Canadian lock of the Sault Ste Marie Canal was closed for the season on December 14 and the United States locks on December 16. The total freight passed through the locks during the season of navigation amounted to 48,293,956 tons, or an increase over the 1934 traffic of 6,046,400. This was the third successive year in which increases were recorded over the low point of 20,484,169 tons recorded in 1932. The big increase has been in iron ore which grew from 3,607,284 tons in 1932 and 22,945,299 in 1934 to 29,283,943 tons in 1935. Wheat was also heavier than in 1934 by 6,566,430 bushels, but other grains declined by 3,549,178 bushels and upbound soft coal by 1,194,805 tons.

Welland Ship Canal

The freight traffic using the Welland Ship Canal decreased from 9,280,452 tons in 1934 to 8,950,879 tons for the 1935 season of navigation, due mainly to light movement of fuels, grains other than wheat, and pulpwood. Barley decreased by 26,081 tons, corn by 84,231, rye by 71,826, pulpwood by 130,731 tons, anthracite coal by 7,536 tons, bituminous coal by 174,683 and coke by 212,472. Wheat was heavier by 92,221 tons, other grains (soya beans) by 44,359, petroleum and oils by 29,538, and wood pulp by 179,734 tons. The number of vessels using the canal decreased from 5,160 in 1934 to 5,091 and the registered net tonnage was less by 416,919 tons.

St. Lawrence Canals

Total traffic using the St. Lawrence canals during 1935 amounted to 6,873,655 tons as against 6,660,052 in 1934. A few commodities recorded large declines, but these were more than offset by increases in other commodities. Corn increased by 132,771 tons, practically all up-bound, oats increased by 21,253 tons, other grains (soya beans) by 44,094, flour by 18,775, gasoline by 91,799, wood pulp by 102,790, anthracite coal (mostly up-bound Welsh and Indo-China coal) by 92,459, iron ore by 54,846 tons, all up-bound, and sand, gravel and stone by 68,114. The large decreases included 69,959 tons of rye, 118,241 of wheat, 135,337 of petroleum and oils, 87,281 of pulpwood and 48,579 tons of bituminous coal. The total number of vessels using the canals increased from 9,345 in 1934 to 10,163 and the registered net tonnage of vessels from 5,840,634 tons to 6,050,806 tons, but the number of passengers carried decreased from 7,622 to 2,324.

Export of Oats and Barley

Canadian barley exports fell to 486,319 bushels at \$206,970 during December from 2,467,918 bushels at \$1,927,790 in December, 1934. The export of oats was also lower, falling to 1,183,569 bushels, worth \$382,002, from 1,769,269 at \$705,566.

Gold Production in November

The Canadian production of gold in November amounted to 293,160 ounces as compared with 301,712 in October and 250,596 in November, 1934. During the eleven months ending November, production amounted to 2,973,144 ounces or 9.7 per cent above the output in the same period of 1934.

Production from Ontario sources in November with corresponding figures for the preceding month in brackets, follow: 189,335 (194,924) ounces; Quebec 47,383 (50,579); British Columbia 36,128 (37,408); Manitoba and Saskatchewan 13,939 (12,641); Placer gold in the Yukon 5,202 (5,371) ounces. Shipments from Nova Scotia to the Royal Canadian Mint in November reached a total of 1,147 ounces as against 744 in October.

Receipts of jewellery and scrap at the Royal Canadian Mint in November contained 2,873 ounces of gold, thus raising the total gold content of these receipts to 41,969 ounces for the eleven months ending November, 1935.

The November average price on the New York market, in Canadian funds was \$35.37 per ounce as compared with \$35.49 in October. Valued at these prices the November output was worth \$10,369,069 and the October, \$10,707,759.

Index Numbers of Retail Prices, Rents and Costs of Services

The index number of retail prices, rents and costs of services, on the base 1926=100, rose from 80.6 in November to 80.8 in December, owing to slightly higher prices for foods and coke and coal.

Production of Creamery Butter

Production of creamery butter in Canada during December 1935 amounted to 10,326,672 pounds, compared with 13,479,391 in the preceding month and 9,031,654 in December, 1934. Production for the 12 months ending December 31, 1935, amounted to 239,348,785 pounds compared with a production of 233,557,804 pounds in 1934, an increase of 2.5 per cent.

Cheese Production

Cheese production as estimated for the year 1935 amounted to 100,398,282 pounds compared with 99,346,617 pounds in 1934, an increase of 1.1 per cent. A 2.8 per cent increase in the Ontario output was the principal factor in the situation. Production figures for the provinces of Quebec, Alberta and British Columbia show decreases as compared with the same month last year. Ontario's output for December was 1,083,927 lb.

World Trade in Barley

Canada is the leading barley exporting country in the British Empire and Roumania the chief exporter of the foreign countries. The exports from these countries show large decreases in the last three years as compared with the previous five years (1927-31). Argentina is the one country showing consistently increased exports during the last three years. In 1934 barley exports from Canada amounted to 11,413,000 bushels.

The chief importer of British Empire countries is the United Kingdom, averaging 33,601,828 bushels for 1927 to 1931. A large decrease is noted for 1932 in comparison with the previous year, but increases are shown for the years 1933 and 1934.

Explosives, Ammunition and Fireworks

There were nine factories engaged in the manufacture of explosives, ammunition and fireworks in Canada during 1934. Production amounted to \$9,037,738 as compared with \$7,378,732 in 1933 and \$7,184,574 in 1932. The number of employees was 1,277 and wages totalled \$1,417,824.

Production of high explosives and black powders in 1934 was approximately 23,283 tons, an increase of almost 30 per cent over the 1933 tonnage. Four plants were in operation, all owned by Canadian Industries Limited; the new plant at East Selkirk, Manitoba, commenced operations in December, 1934.

Asbestos Products Industry

Manufactures of asbestos products by 11 firms included in the Asbestos Products Industry in Canada were valued at \$910,982 in 1934 compared with \$757,626 in 1933. Capital employed in manufacturing operations amounted to \$1,391,873, the number of workers 228 and salaries and wages \$233,379.

Traffic of Railways of Canada

Revenue freight originated by Canadian railways and received from foreign connections during October increased from 6,563,206 tons in September and from 7,130,213 tons in October 1934, to 7,853,895 tons. Compared with October 1934 traffic, the large increases were in Ontario, Manitoba and Saskatchewan.

Fertilizer Manufacturing Industry

Production from 20 plants in Canada engaged primarily in the manufacture of fertilizers was valued at \$5,467,154 in 1934 compared with \$4,286,051 in 1933. In addition to this, fertilizer materials such as calcium cyanamid, ammonium sulphate, animal tankage, fish fertilizers, etc., were made in establishments classified under other industries; in 1934 the production of such commodities totalled 155,511 tons at \$3,018,148 at the works.

The capital employed in the 20 plants declined slightly to \$15,452,733 in 1933 from \$15,918,787 but the number of employees increased to 776 from 667 in 1933. Salaries and wages paid advanced to \$946,178 from \$776,647.

Brush, Broom and Mop Industry

The gross value of production of the broom, brush and mop industry during 1934 amounted to \$3,120,481 as against \$2,713,776 in 1933 and \$2,950,076 in 1932. There were seventy-seven factories with a capital investment of \$3,713,438, employing 1,350 persons who received \$1,033,660 in salaries and wages. The principal items of production, factory selling value, were as follows: Corn brooms \$965,729, paint brushes \$627,708, mops of all kinds \$276,187, brushes for household use \$239,969, tooth brushes \$155,259, and hair brushes \$131,721.

Wheat Stocks and Movement

Overseas export clearances of wheat during the week ending January 10 amounted to 2,579,299 bushels as compared with 1,637,395 a year ago. From August 1 to January 10 clearances totalled 59,325,562 bushels compared with 60,812,628 in the same period last year.

Wheat marketings in the Prairie Provinces for the week ended January 3 amounted to 1,142,188 bushels, an increase of 312,098 over the same week last year. From the commencement of the crop year to January 3 the totals were 181,463,350 and 174,615,473.

Canadian wheat in store on January 10 amounted to 256,927,907 bushels as against 256,712,233 on the same date in 1935. The amount of Canadian wheat in the United States totalled 32,410,139 bushels as against 26,838,989 last year.

Reports Issued During the Week

1. The Brush, Broom and Mop Industry, Canada, 1934. ✓
2. Weekly Index Numbers of Wholesale Prices.
3. Asphalt Roofing Industry, December.
4. Fertilizer Manufacturing Industry, 1934. ✓
5. The Asbestos Products Industry, 1934. ✓
6. Bridge Building and Structural Steel Work Industry, 1934. ✓
7. Railway Traffic Report, October, 1935.
8. Car Loadings on Canadian Railways.
9. Canadian Grain Statistics.
10. Food in Cold Storage on January 1, 1936.
- ✓ 11. Annual Review of the Employment Situation in Canada, 1935. ✓
12. Canada's Leading Mineral Products, October.
13. Exports of Canadian Grains and Flour, December.
14. Index Numbers of 23 Mining Stocks.
- ✓ 15. Summary of Canal Traffic in December and Season of Navigation, 1935.
16. The Argentine Wheat Situation. ✓
- ✓ 17. Central Electric Station Industry, 1934. ✓
18. Cement, Clay Products and Lime Production, October.
19. Feldspar and Salt Production, October.
20. Index Numbers of Security Prices.
21. The Explosives, Ammunition and Fireworks Industry, 1934. ✓
22. World Trade in Barley, Calendar Years, 1927-1934. ✓
23. Prices and Price Indexes, December.
24. Gold Production in November.
25. Building Permits for December, 1935.
26. Food Chains in Canada, 1934. ✓
27. Production of Creamery Butter, December.

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