

WEEKLY BULLETIN

Dominion Bureau of Statistics

Department of Trade and Commerce



Vol. IV. - No. 35.

Ottawa, Saturday, August 29, 1936.

The economic index reached a new high point showing a gain of 1.5 p.c. over the preceding week. Carloadings and bank clearings showed important gains.

The economic index maintained by the Dominion Bureau of Statistics advanced $1\frac{1}{2}$ p.c. in the third week of August. Gains over the preceding week were shown in three out of the six major factors considered in this connection. The rise in the index reflected mainly the influence of gains in carloadings and bank clearings. High-grade bond and common stock prices showed minor recessions, while commodity prices were maintained.

A striking gain was shown in the railway freight movement during the 33rd week of the year, the index at 82.4 against 80.3 in the preceding week reaching a new high point on the recovery. The grain movement, especially in the western division, was outstanding. The total carloadings of grain were 9,752 cars against 5,147 cars in the same week of last year.

The level of wholesale prices remained unchanged during the week ended August 21, the index standing at 76.1. No. 1 Manitoba northern wheat remained unchanged at 102 1-8 cents per bushel. Oats and rye advanced further, while barley and flax recorded recessions. Metal prices remained steady in New York. The Canadian index of non-ferrous metals remained at 69.1 when an advance in tin was offset by a decrease in copper.

The yield of Dominion Government bonds averaged slightly higher in the week of August 21. The change was very slight from the preceding week, when a new high point in Dominion bond prices was reached. The inverted index of bond yields showed a decline of only one-tenth of one per cent in the week under review. The bid quotation for the $4\frac{1}{2}$ p.c. 1947-57 bond was $112\frac{1}{2}$ on August 21 against $112\frac{3}{4}$ on August 14. Common stock prices averaged slightly lower in the week ended August 20, the index receding about one-half of one per cent from the preceding week. Slight advances were shown in the milling, textile, beverage and telephone-telegraph stocks. The index of 19 power and traction stocks was nearly maintained at 66.5 against 66.6 in the preceding week. The net result was that the economic index in the week of August 22 was 114.9 against 113.1 in the preceding week.

The marked advance in the economic index from the first week of June has contributed to the pronounced lead over the corresponding week of 1935. The increase in the index was 12.6 p.c., each of the six components except the number of shares traded showing increases in this connection. The gain in carloadings was nearly 17 p.c. The freight movement in the first 33 weeks of the year was nearly 1,450,000 cars, recording a gain of 35,323 cars over the same period of 1935. Wholesale prices have advanced substantially since the first of June, the first important change since the beginning of 1934. The weekly index number of wholesale prices was 76.1 against 71.8 in the same week of last year, a gain of 6 p.c. The inverted index of bond yields recorded a gain of 13 p.c. over the same week of 1935. The level of high-grade bond prices in the same week of last year was at that time considered relatively high but the marked advance during the first eight months of the present year has widened the gap over the corresponding period of 1935. In the week under review the index of common stock prices was 119.9 against 99.5 in the same week of last year. The gain of 20.5 p.c. over the same week of 1935 was mainly occasioned by the marked advance in the last quarter of that year. Each of the sub-groups in the official classification recorded advances in this comparison. (See page 2)

Economic Conditions compared with July 1935.

Canadian economic conditions showed marked improvement in July over the same month of last year. The index of the physical volume of business moved up about 7 p.c. in this comparison. Owing mainly to the gain in the price of crop products, the level of commodity prices advanced 4.2 p.c. The inverted index of Dominion bond yields averaged nearly 11 p.c. greater than in July last year, and financial transfers in the form of bank debits recorded an increase of nearly 14 p.c.

The index of mineral production in July was 147.2 recording a gain of 8.8 p.c. over the same month of last year. The gain in the exports of asbestos was outstanding, and the imports of bauxite for the manufacture of aluminium also reached a much higher level. The exports of base metals continued in heavy volume, the outward movement of nickel recording a gain of 12.4 p.c., copper and zinc exports, on the other hand, showed recessions from the high levels of 1935.

A considerable acceleration was shown in manufacturing operations. The production of foodstuffs was more than 14 p.c. greater. The imports of raw cotton for future manufacture declined 41.3 p.c., and decline was shown in the output of the primary iron and steel industry. Automobile production affected by the early introduction of new models in the last quarter of 1935 showed a decline of nearly 20 p.c. The preparation of the tire industry for future operations showed betterment by the gain of 72.4 p.c. in the imports of crude rubber. Newsprint production was 17 p.c. greater, reaching a new high level in history. Woodpulp exports showed an increase of 45 p.c. and the index of the exports of planks and boards declined from 79.4 to 71.6. The railway freight movement showed a gain of 4 p.c., the index of carloadings advancing from 75.0 to 78.0.

Weekly Economic Index with the Six Components
1926=100

Week Ended	Car loadings ¹	Wholesale Prices	Inverted Index of Bond Yields ²	Bank Clearings ³	Prices of Common Stocks	Shares Traded	Economic Index ⁴
Aug. 24, 1935	70.5	71.8	140.3	98.3	99.5	208.7	102.0
Aug. 15, 1936	80.3	76.1	158.7	100.7	120.4	124.2	113.1
Aug. 22, 1936	82.4	76.1	158.5	109.6	119.9	175.7	114.9

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. 4. The economic index is based on the six major factors shown above, weighted inversely as the standard deviation from the long-term trend of each. The index is designed to measure fluctuations, the weighted trends of the six factors neutralizing each other.

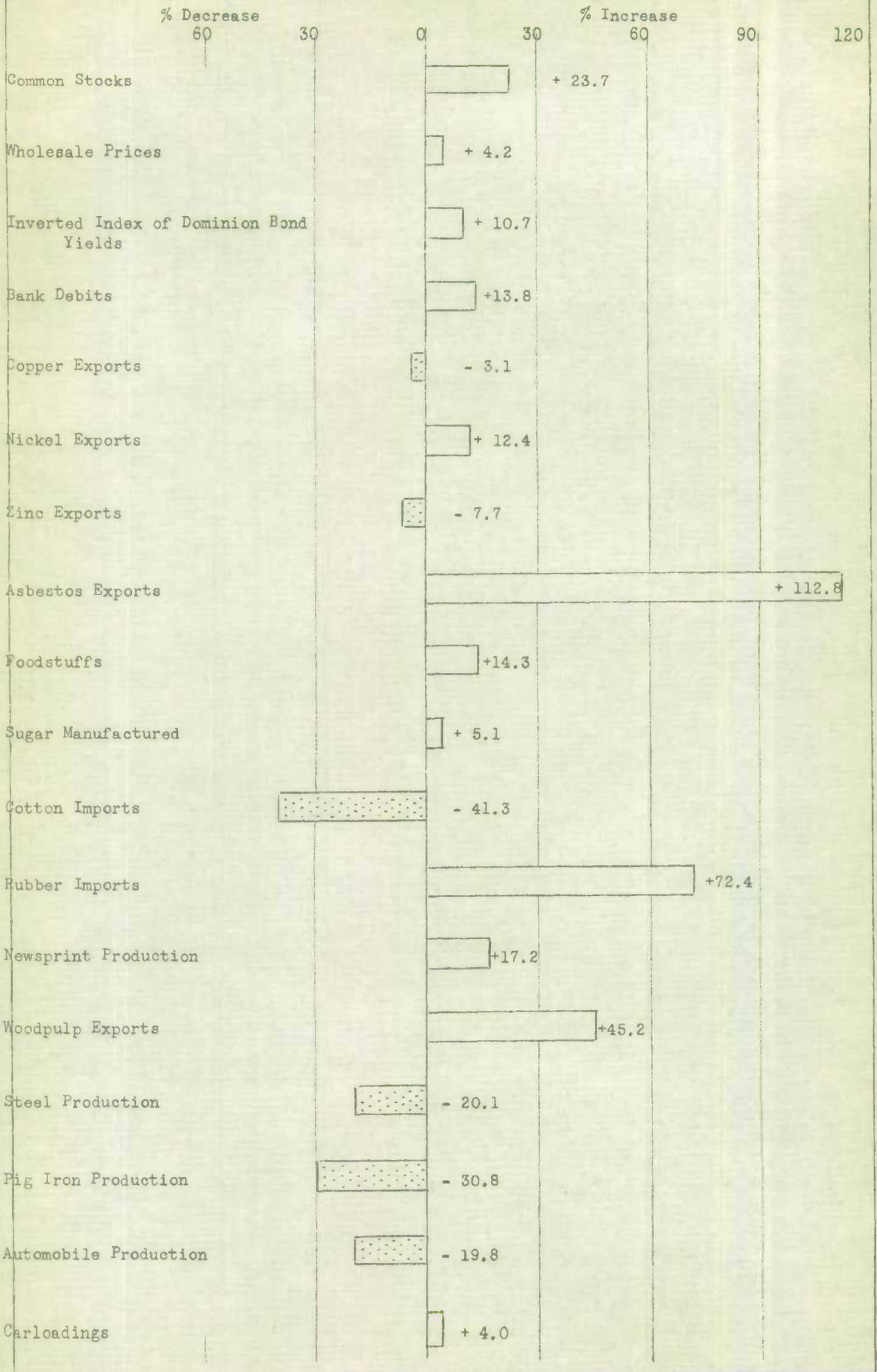
Indexes of Business Operations in July 1936
compared with July 1935
1926=100

	July 1935	July 1936	Increase + Decrease - Per Cent
Common stocks	92.4	114.3	+ 23.7
Wholesale prices	71.4	74.4	+ 4.2
Inverted index of Dominion bond yields	138.7	153.6	+ 10.7
Bank debits	105.3	119.8	+ 13.8
Copper exports	339.9	329.3	- 3.1
Nickel exports	176.0	197.9	+ 12.4
Zinc exports	139.3	128.6	- 7.7
Asbestos exports	53.0	112.8	+112.8
Foodstuffs	89.6	102.4	+ 14.3
Sugar manufactured	81.8	86.0	+ 5.1
Raw cotton imports	115.2	67.6	- 41.3
Crude rubber imports	77.3	133.3	+ 72.4
Newsprint production	147.2	172.5	+ 17.2
Woodpulp exports	58.9	85.4	+ 45.2
Steel production	142.8	114.1	- 20.1
Pig iron production	81.3	56.3	- 30.8
Automobile production	82.2	65.9	- 19.8
Carloadings	75.0	78.0	+ 4.0

Canada's Leading Mineral Products in May

The following was the production of leading minerals in Canada during the first five months of 1936, with the 1935 figures in brackets: asbestos 97,245 (67,430) tons, cement 1,070,620 (886,860) barrels, clay products \$916,700 (756,476), coal 5,846,178 (5,396,474) tons, copper 174,216,241 (179,396,641) lb., feldspar 4,770 (3,579) tons, gold 1,450,839 (1,232,405) fine oz., gypsum 129,734 (96,072) tons, lead 152,267,991 (133,210,692) lb., lime 166,803 (159,870) tons, natural gas 14,431,382,000 (12,760,713,000) cu.ft., nickel 68,704,668 (51,966,374) lb., petroleum 569,028 (594,222) barrels, salt 79,166 (79,938) tons, silver 6,789,696 (6,168,025) fine oz., zinc 127,459,990 (123,394,744).

Indexes of Business Operations in July 1936 compared with July 1935.
1926 = 100.



Assessment Valuations

There is no uniformity of system as between municipalities in the basis of assessment, nor is there any comparability as between provinces in the presentation of their several reports on assessments. The Bureau, however, has consulted with provincial authorities and present the latest and most reliable information which it is possible to obtain under existing conditions.

Total taxable valuations in 1934 were found to be \$8,432,832,975 as compared with \$8,629,004,402 in 1933, \$7,949,806,250 in 1926 and \$6,351,703,960 in 1919. Taxable land and buildings were valued at \$7,934,245,783, personal property \$53,217,561, income \$87,294,883 and other taxable valuations \$357,886,394. Property exempted from taxation, which comprises mainly government property as well as that of education, charitable and religious institutions was valued at \$1,689,937,902, as compared with \$1,678,947,765 in 1933, \$1,301,289,196 in 1926 and \$811,935,964 in 1919.

Total taxable valuations by provinces follow, with 1933 figures in brackets: Prince Edward Island \$40,385,822 (\$40,220,965), Nova Scotia \$171,701,982 (\$174,180,885), New Brunswick \$145,699,588 (\$149,215,416), Quebec \$2,233,093,702 (\$2,240,825,176), Ontario \$3,023,011,441 (\$3,163,733,491), Manitoba \$509,753,890 (\$517,628,197), Saskatchewan \$1,106,016,437 (\$1,116,773,824), Alberta \$577,407,878 (\$586,965,175), British Columbia \$625,762,235 (\$640,461,800).

World Wheat Situation

The 1935-36 crop year has passed into record as one of low import demand for wheat, offset by a reduction in world stocks, and an improvement in prices due to decreased supplies. World net imports of wheat and wheat flour amounted to 498½ million bushels in 1935-36 compared with 524,600,000 bushels in the preceding crop year, bringing the world trade in wheat to its lowest level in the post-war period. The world carry-over of wheat and wheat flour is estimated at 607 million bushels, about 300 million less than in 1935. Of this reduction in the world carry-over, Canada's participation was significant, this country's carry-over being reduced to 108.7 million bushels on July 31, 1936, a reduction of 94½ million bushels from the same date in 1935. Canada's exports of wheat and wheat flour were correspondingly large, amounting to 254,424,775 bushels including the movement to United States ports. Canadian exports to overseas destinations plus United States withdrawals of Canadian wheat for consumption accounted for approximately one-half of the total world shipments.

The reduction in the world carry-over, and, in particular, the North American drought have carried wheat prices on all markets to new highs for the past six years. Winnipeg prices rose from a low of 73 5-8 cents on May 26 to 110 1-4 cents on August 5. The dollar level was attained July 30, and for the past three weeks the average has been above that level. Now that the harvest is general in the Canadian west, prairie weather reports are ceding their place as a prime market factor affecting current price fluctuations to United Kingdom and continental purchases, and the weather conditions in the Southern Hemisphere. Export sales at Winnipeg have varied widely from day to day, but their average during the past two weeks has been ample to maintain the current heavy movement from Canadian and United States Atlantic seaboard ports.

Canal Traffic in July

Despite decreases in wheat of 101,099 tons or 3,369,966 bushels, in oats of 21,424 tons, and smaller decreases in ten other commodities, total traffic through the Welland Ship Canal in July increased from 1,128,036 tons in 1935 to 1,321,582. Iron ore increased by 89,714 tons, soft coal by 78,480, wood pulp by 22,340 and gasoline by 18,327.

Total traffic using the St. Lawrence canals decreased from 1,007,428 tons in July, 1935, to 997,153, due principally to decreases of 49,883 tons in wheat shipments, 44,112 in corn, and 11,214 in rye. Iron ore, pulpwood, wood pulp, oils, flour, and other grains all showed substantial increases.

Iron ore shipments down the Sault Ste. Marie Canals, Canadian and United States Locks continued heavy, increasing from 4,836,613 tons in July last year to 7,591,085. Wheat decreased by one-half, but other grains and coal increased and total freight increased from 7,503,013 tons to 10,950,758.

Wheat Stocks and Movement

Wheat marketings in the Prairie Provinces for the week ending August 14 amounted to 6,188,208 bushels as compared with 1,713,506 in the previous week and 1,621,021 in the same week last year. The total from August 1 to 14 was 7,901,714 bushels as compared with 3,065,704 a year ago.

Overseas export clearances of wheat amounted to 3,195,396 bushels and imports into the United States for consumption and milling in bond were 1,332,000 bushels. This compares with an overseas export of 2,235,851 bushels and United States import of 823,000 in the same week last year. Clearances from August 1 to 21 amounted to 11,525,368 bushels compared with 5,874,076 in the same period of 1935. United States imports of Canadian wheat totalled 4,044,000 compared with 1,399,000.

Canadian wheat in store on August 21 amounted to 123,294,661 bushels compared with 117,120,316 a week ago and 193,488,379 last year. The visible supply in the latest week includes 10,677,416 bushels in rail transit. Wheat in rail transit was not included in the figures for the previous week nor last year. Canadian wheat in the United States totalled 19,544,757 bushels compared with 19,458,905 in the previous week and 17,716,985 a year ago.

Concentrated Milk Production

The total production of concentrated milk in July amounted to 12,296,410 pounds, a decrease of 1,691,106 from the preceding month, but an increase of 737,868 over the same month last year. Evaporated milk is the principal item amounting to 8,376,393 pounds. This was an increase of more than a million pounds over last year.

Production of all items combined for the seven months ended July was 64,070,792 pounds compared with 63,355,255 a year ago. Evaporated milk, condensed milk and skim milk powder recorded decreases from 1935.

July Cattle Exports

Exports of Canadian cattle in July recorded an increase of considerable proportion over the same month last year. There were 31,062 head valued at \$1,121,191 in the latest month as compared with 7,127 head at \$292,963. The United States took 24,102 head valued at \$575,901 and the United Kingdom 6,282 at \$519,937 in July this year.

A pronounced increase is also shown in the seven month comparison. In the seven months ending July 1936 there were 201,436 head exported, worth \$8,741,626 as compared with 87,718 head at \$4,924,860. Shipments sent to the United States and the United Kingdom both showed considerable improvement in this comparison. The total to the United States was 179,062 head valued at \$7,170,064 compared with 79,659 head at \$4,480,372; the amount to the United Kingdom was 19,716 head at \$1,473,906 compared with 6,235 at \$391,728.

July Bank Debits

Financial transfers in the form of bank debits, while showing a seasonal decline from the preceding month, recorded a gain of 13.7 over July, 1935, reflecting the accelerated business conditions and a higher price level. The grand total for Canada was \$2,893,657,924 as compared with \$3,135,569,349 in June and \$2,545,101,869 in July last year. Increases were shown in each of the five economic areas over last year. Debits in the Maritime Provinces were \$54,122,732, Quebec \$856,836,336, Ontario \$1,222,822,470, Prairie Provinces \$574,413,709 and British Columbia \$185,462,677. Bank debits in the first seven months of 1936 amounted to \$20,141,000,000 against \$17,761,000,000, a gain of \$2,379,000,000.

July Export of Meats

The July export of meats amounted in value to \$2,823,004 of which \$2,424,824 went to the United Kingdom and \$264,291 to the United States. The largest item was bacon and hams at \$2,300,769, of which \$2,212,319 went to the United Kingdom and \$65,645 to the United States. The July export was over \$700,000 more than a year ago.

Rigid Insulating Board

Shipments of rigid insulating board in July amounted to 3,667,203 s.f. compared with 3,847,624 in June and 2,575,123 in July, 1935.

Butter and Cheese

The export of cheese in July was valued at \$1,551,791 compared with \$581,723 a year ago. The amount to the United Kingdom was \$1,276,058, to the United States \$246,700, Trinidad \$7,500, Newfoundland \$4,848, and Jamaica \$4,735. The export of butter also showed a large increase, the total being \$609,097 compared with \$9,288 last year. As usual the United Kingdom was the largest purchaser at \$578,579, Newfoundland \$8,001, Jamaica \$5,685, China \$4,704, Bermuda \$3,814.

Farm Implements and Machinery

The export of farm implements and machinery in July amounted to \$621,778 compared with \$2,448,321 a year ago. The largest item was ploughs and parts at \$121,063, followed by harvestors and binders at \$79,889. British South Africa was the heavy purchaser.

Newsprint Paper

The export of newsprint paper in July was valued at \$8,046,237 compared with \$7,446,820 a year ago. The leading purchasers were United States \$6,192,086, United Kingdom \$452,125, Australia \$410,416, Japan \$212,837, Argentina \$209,499.

Production by Central Electric Stations

Central electric stations in Canada produced 2,020,855,000 kilowatt hours during July as against 2,028,695,000 in June and 1,791,543,000 in July last year. This was an increase of 12.8 per cent over the 1935 output. The index number, adjusted for seasonal variations, rose from 213.09 for June to 213.16, being second only to the April index number.

Exports to the United States amounted to 157,541,000 kilowatt hours, or 69 per cent more than in July last year.

Production of Iron and Steel

Production of 34,988 long tons of pig iron in Canada during July was 38 per cent below the production of the previous month and 31 per cent less than in July last year. A decline from the previous month was shown in all grades. For the seven months ending July 31 the cumulative production amounted to 375,323 tons, an improvement of 21 per cent over the corresponding period of 1935 and 93 per cent over 1934.

Ferro-alloy production during July totalled 10,962 tons as compared with 5,307 in June and 7,269 in July, 1935. The month's output was mostly spiegeleisen. Production of steel ingots and castings at 68,793 tons compares with an output of 82,196 in June and 86,101 in July 1935. The output in the latest month included 66,055 tons of ingots and 2,738 of castings. The seven month production of steel ingots and castings amounted to 647,493 tons compared with 474,264 a year ago and 464,169 two years ago.

New Motor Vehicle Sales

Sales of new motor vehicles during July, while reflecting the usual seasonal decline from the immediately preceding months show substantial gains over the same month of last year. There were 8,238 units sold for \$8,448,360 in July, increases of 12 per cent and 13 per cent over the 7,384 units which sold for \$7,501,679 a year ago. July figures include 6,592 new passenger cars valued at \$6,721,562 and 1,646 trucks and buses valued at \$1,726,798.

Cumulative figures for the first seven months of the year show that 83,081 new vehicles sold for \$84,924,591, increases of 10 per cent in number and 13 per cent in value over the 75,530 units at \$75,088,275 in the same period of 1935. Percentage increases for July were therefore slightly higher than the average for the seven month period.

Births, Deaths and Marriages in July

Births registered in 67 cities and towns in July having a population of 10,000 and over numbered 7,001, deaths 4,624 and marriages 3,522, as compared with 7,174 births, 3,667 deaths and 3,570 marriages in July, 1935, showing a decline of $2\frac{1}{2}$ per cent in births, an increase of 26 per cent in deaths and a decrease of $1\frac{1}{2}$ per cent in marriages.

Births registered during the seven months, January-July of this year totalled 47,291, deaths 31,314 and marriages 19,320, as against 47,313 births, 29,021 deaths and 18,493 marriages during the corresponding seven months of last year. This comparison shows practically no change in births, and increases of 8 per cent in deaths and $4\frac{1}{2}$ per cent in marriages.

Reports Issued During the Week

- ✓ 1. Car Loadings on Canadian Railways.
- ✓ 2. Monthly Review of the Wheat Situation.
- ✓ 3. Canada's Leading Mineral Products, May.
- ✓ 4. Census Press Bulletin No. V.
- ✓ 5. Feldspar and Salt Production, May.
- ✓ 6. Canada's Domestic Exports to Empire and Foreign Countries.
- ✓ 7. Summary of Canal Traffic, July.
- ✓ 8. Exports of Canadian Paints and Varnishes, July.
- ✓ 9. Exports of Pulp Wood, Wood Pulp and Paper, July.
- ✓ 10. Exports of Farm Implements and Machinery, July.
- ✓ 11. Exports of Canadian Milk, Milk Products and Eggs, July.
- ✓ 12. Exports of Meats, Lard and Sausage Casings, July.
- ✓ 13. Exports of Canadian Animals, Living, July.
- ✓ 14. Exports of Petroleum and Its Products, July.
- ✓ 15. Index Numbers of Security Prices .
- ✓ 16. Output of Central Electric Stations, July.
- ✓ 17. New Motor Vehicle Sales, July.
- ✓ 18. Index Numbers of 23 Mining Stocks.
- ✓ 19. Quinquennial Census Bulletin.
- ✓ 20. Production of Iron and Steel, July.
- ✓ 21. Bank Debits to Individual Accounts, July.
- ✓ 22. Asphalt Roofing Industry, July.
- ✓ 23. Production of Concentrated Milk, July.
- ✓ 24. Telegraphic Crop Report, Canada.
- ✓ 25. Weekly Index Numbers of Wholesale Prices.
- ✓ 26. Assessment Valuations by Provinces, 1934.
- ✓ 27. Census Press Bulletin No. VII.
- ✓ 28. Canadian Grain Statistics .
- ✓ 29. Registrations of Births, Deaths and Marriages, July.

*checked from Daily bulletins
m. B.*

Daily bulletins previously checked by A.J.

STATISTICS CANADA LIBRARY
BIBLIOTHÈQUE STATISTIQUE CANADA



1010730172