

WEEKLY BULLETIN

Dominion Bureau of Statistics

Department of Trade and Commerce

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The Economic Index Declined 1 p.c. from the Preceding Week and Showed a Gain of nearly 23 p.c. over the same week of 1935.

The economic index, owing to the decline in three major factors, showed a drop of one per cent in the week of October 3. The decline in the index of carloadings was 1.2 p.c. High-grade bonds were somewhat easier and a decline of more than 4 p.c. was shown in the adjusted index of bank clearings. The constructive factors included wholesale prices, common stock prices and the number of shares traded on the stock exchanges. The gain in wholesale prices was of minor proportions, while the advance in common stock prices amounted to one-half p.c. A marked gain was shown in the index of shares traded. The net result was that the economic index receded from 116.0 in the week of September 26 to 114.9 in the week of October 3.

The railway freight movement amounted to 59,835 cars, a new high for the year. The increase of 174 cars over the preceding week was less than normal for the season, and the index consequently dropped from 79.2 to 78.3. The grain movement was less than in the preceding week or in the same week of 1935. The early harvest in the western division resulted in an abnormal movement of grain during <sup>the first part of</sup> September accounting for the recession of recent weeks. The index of wholesale prices advanced from 76.6 to 76.7. Recessions were shown on the Winnipeg grain exchange, No. 1 Northern wheat declining from 109 6/8 to 108 1/4. Coarse grains also receded, No. 2 C.W. <sup>oats</sup> being down from 45 7/8 cents per bushel to 45 1/8. Cattle prices were higher on the Toronto stockyards, while further recession was shown in bacon hogs. On the New York metal market, tin and silver showed advances, while copper, lead and zinc were maintained. Declines in copper, tin and zinc lowered the Canadian index of non-ferrous metals from 70.3 to 70.2.

The devaluation of the French franc caused a mild disturbance on the high-grade bond market. Prices softened somewhat, but later a firmer tone was apparent due, in part, to the buoyancy on the London market. The average yield of the issues used in this index was 3.04 p.c. as compared with 2.99 for the preceding week. The advance in common stock prices was continued in the week of October 1, but the percentage gain was of more moderate proportions. The index on the base of 1926 was 127.1 against 126.5. Recessions were shown in beverage, miscellaneous and transportation stocks, while other groups were either maintained or showed advances. The index of 19 power and traction stocks advanced from 68.9 to 71.2. The increase in bank clearings was less than normal for the season; and after taking the three weeks moving average for smoothing purposes, the index receded from 117.4 to 112.6. Trading was active on the stock exchanges and a sharp gain was shown in the index. As the weight of this factor is limited to 1/2 p.c., the gain had a very small influence on the economic index.

Comparison with the same week of 1935

The economic index was 114.9 in the week under review against 93.4 in the same week of 1935, a gain of nearly 23 p.c. Each of the six major factors recorded substantial increases in this comparison. The gain in carloadings was 7.3 p.c., while wholesale prices recorded an advance of more than 5 p.c. The gain in the inverted index of bond yields reflects the marked advance of the last 12 months. The weekly index of common stock prices moved up to a new high point on the recovery, being slightly greater than in the week of March 5, the preceding high point. The gain over the same week of 1935 was no less than 34.2 p.c. Bank clearings and shares traded also recorded marked gains over the same week of last year.

Weekly Economic Index with the Six Components  
1926=100

Week Ended	Car load- ings <sup>1</sup>	Whole- sale Prices	Inverted Index of Bond Yields <sup>2</sup>	Bank Clear- ings <sup>3</sup>	Prices of Common Stocks	Shares Traded	Economic Index <sup>4</sup>
Oct. 5, 1935	73.0	73.0	119.3	88.9	94.7	95.6	93.4
Sept. 26, 1936	79.2	76.6	158.5	117.4	126.5	230.9	116.0
Oct. 3, 1936	78.3	76.7	155.5	112.6	127.1	362.5	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 weighting of the six major factors was recently revised, being now determined from the monthly data for the period from 1919 to August 1936. The inversion of the standard deviations from the long-term trend with adjustment to provide against duplication between trading and bank clearings resulted in the following weights: Carloadings 19.719; Wholesale prices 25.574; Inverted bond yields 30.588; Bank Clearings 15.162; Common stock prices 8.457; Trading .500. The long-term trend determined from half-yearly data in the post-war period was eliminated from the composite and the resulting index expressed as a percentage of the average during 1926.

#### Advance in Common Stock Prices

The weekly index of common stock prices reached a higher point in the week of October 1 than at any other time since September, 1930. The preceding maximum on the recovery was touched in the week of March 5, when the index was 127.0 against 127.1 in the week under review. The index of 112 common stocks was 34 p.c. higher than in the same week of 1935.

Each of the groups in the official classification showed marked gains in this comparison. Industrials averaged 42.4 p.c. higher, the widest percentage increases being shown in pulp and paper, milling and miscellaneous industrials. The average gain in 20 miscellaneous stocks was practically 90 p.c.

The advance in public utility stocks was of a more moderate character being limited to 24.6 p.c. The index of 19 power and traction stocks advanced from 56.9 to 71.2, the gain being slightly more than 25 p.c.

The higher level of industrial operations and the relative stability of the prices of manufactured goods favoured the revenue prospects of Canadian corporations in the last twelve months. Despite the diversity of interest among the buyers and sellers of stocks, the present and prospective profits of corporations are by far the most important consideration in determining the prices of their stocks. Hence stock market trends are significant of the business community's appraisal of the future as well as of the actual tendencies of the present.

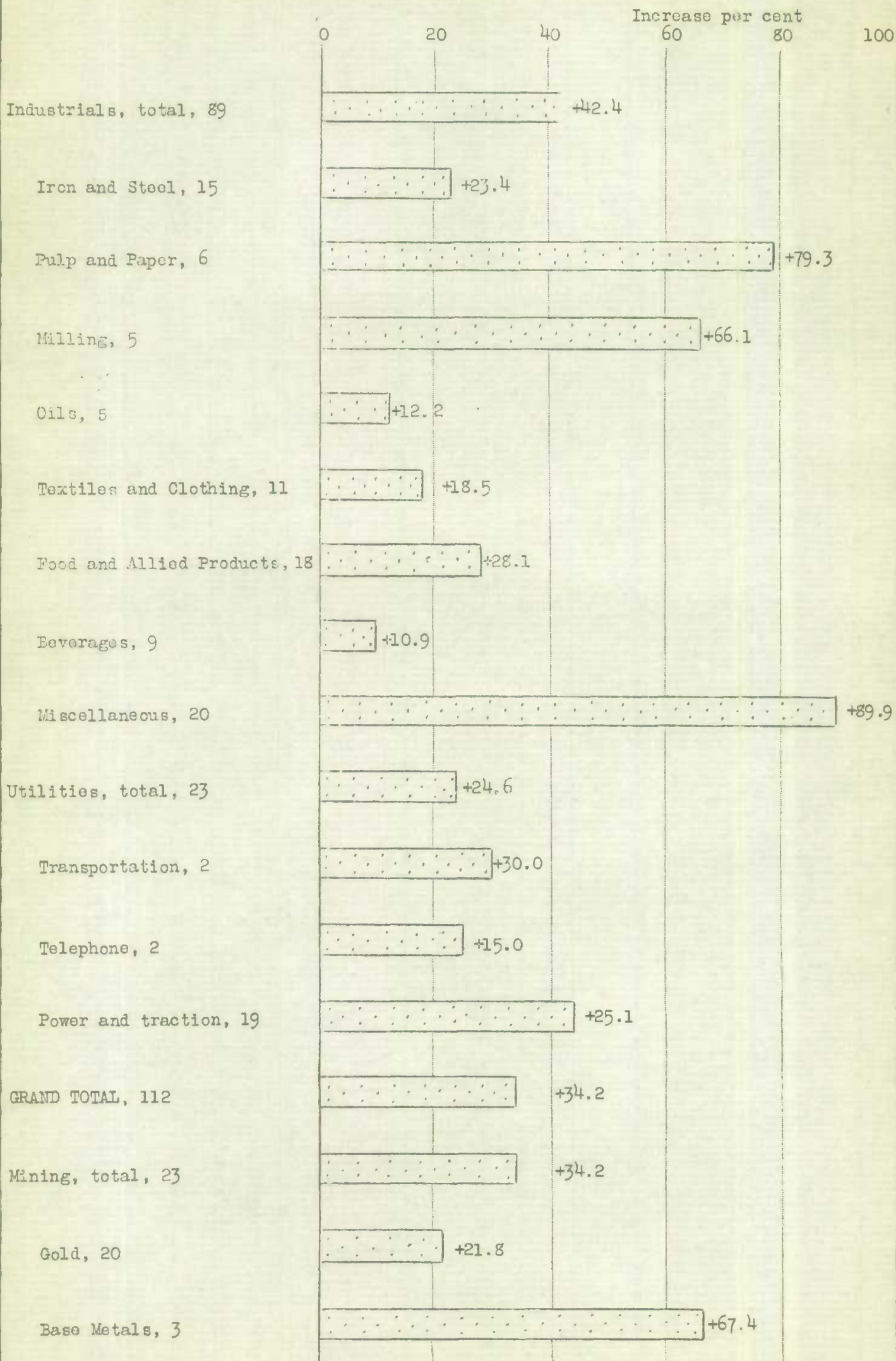
Index Numbers of Security Prices for the week of Oct. 1, 1936  
compared with the corresponding week of 1935

	1926=100		
	Oct. 3, 1935	Oct. 1 1936	Inc. or Dec. Per Cent.
Industrials, total 89	144.1	205.2	+ 42.4
Iron and steel, 15	114.1	141.0	+ 23.6
Pulp and paper, 6	12.1	21.7	+ 79.3
Milling, 5	59.6	99.0	+ 66.1
Oils, 5	201.2	225.7	+ 12.2
Textiles and clothing, 11	60.1	71.2	+ 18.5
Food and allied products, 18	130.0	166.5	+ 28.1
Beverages, 9	119.1	132.1	+ 10.9
Miscellaneous, 20	208.2	395.3	+ 89.9
Utilities, total, 23	44.3	55.2	+ 24.6
Transportation, 2	23.3	30.3	+ 30.0
Telephone, 2	99.4	114.3	+ 15.0
Power and traction, 19	56.9	71.2	+ 25.1
Grand total, 112	94.7	127.1	+ 34.2
Mining, total, 23	117.5	157.7	+ 34.2
Gold, 20	106.2	129.3	+ 21.8
Base metals, 3	164.5	275.4	+ 67.4

#### Changes in the Value of Retail Sales

Retail sales in Canada revealed a strong upward tendency during August. The general index, adjusted for number of business days and for seasonal variations, was 75.1 on the 1930 base equalling 100. This figure is the high point for the year to date, and, with the single exception of December, 1935, it is the highest recorded by the Bureau of Statistics for any month since February, 1932. Comparable index numbers for the same month of previous years follow: August 1935, 69.6; August 1934, 69.9; August 1933, 68.2; 1932, 69.6; and 1931, 85.0.

Percentage Change in Indexes of Security Prices  
 for the week of Oct. 1, 1936  
 compared with the corresponding week of 1935.  
 1926 = 100



### Cost of Living

Moderate advances in food and fuel prices were responsible for a rise in the Dominion Bureau of Statistics cost of living index from 81.0 in August to 81.9 in September, the highest point recorded since April, 1932. The September food index was 75.1 as compared with 74.7 in the month preceding, and 70.9 a year ago. Higher quotations were noted for eggs, butter, milk, flour, bread, canned vegetables, and dry beans, while potatoes and onions recorded substantial decreases. The fuel group rose from 85.8 to 86.1 as a result of seasonal increases in coal prices.

### August Gold Production

Gold production in Canada set up a new high monthly record in August when 328,697 ounces were produced, as compared with 319,505 in the previous month and 295,896 a year ago. August production follows by provinces, with 1935 figures in brackets: Ontario 199,830 (194,374) ounces, Quebec 61,402 (41,370), British Columbia 42,524 (39,306), Manitoba and Saskatchewan 16,011 (12,965), Yukon alluvial 8,408 (7,208), Nova Scotia 507 (660), Alberta 15 (13). The average price of gold on the London market was \$35.00 per ounce in August; based on this price the Canadian output was worth \$11,504,395. Jewellery and scrap receipts at the Royal Canadian Mint in August contained 2,167 ounces of gold as compared with 4,121.

The world output of gold in August was estimated at 2,847,000 ounces as compared with 2,904,000 in July and 2,542,000 in August a year ago. The South African output amounted to 965,000 ounces as against 933,000 last year. In the United States, including the Philippines, 387,873 ounces were produced as compared with 309,000.

### Explosives, Ammunition and Fireworks

Production from eight factories engaged in the manufacture of explosives, ammunition and fireworks during 1935 amounted in value to \$8,537,514 compared with \$9,037,738 in 1934 and \$7,378,732 in 1933. Production of high explosives and black powders was approximately 24,300 tons, an increase of 4.5 per cent over 1934.

### Sand-Lime Brick Industry

Output of sand-lime brick during 1935 was reported at 10,522 M valued at \$120,307 at factory prices, a decline of 17 per cent in quantity and 11 per cent in value from 1934. There were six factories engaged in this industry during the year, of which two were in Quebec and four in Ontario.

### Production of Leather Footwear in August

The total quantity of leather footwear produced in Canadian factories during August was 2,002,895 pairs, an increase over July of 336,317 pairs, but a decrease from August, 1935, of 151,060 pairs. Footwear made in sizes for women constitutes 54 per cent of the total, while that made in sizes for men represents 26 per cent.

### Sharp Advances in September Wheat Export

The September export of wheat amounted to 20,720,316 bushels valued at \$20,582,258 on an average export price per bushel of 99 cents. A year ago the export was 17,272,672 bushels at \$14,669,993, the average price per bushel being slightly under 85 cents.

During the six months ending September the export was 127,443,004 bushels at \$109,766,902 compared with 71,640,907 at \$59,005,180 in the corresponding six months last year.

### Export of Flour in September

The export of wheat flour in September was 378,318 barrels valued at \$1,599,748 compared with 395,640 barrels at \$1,489,257 a year ago. The average export price per barrel in September was \$4.22, as against \$3.76 last year. During the six months ending September the export was 2,370,937 barrels at \$9,495,657 compared with 2,257,123 barrels at \$8,556,324 in the corresponding six months last year.

## Hardwood Flooring Industry

There were 22 establishments in the hardwood flooring industry in 1935, or one less than in the previous year. The gross value of products was \$2,346,973 in 1935 compared with \$2,385,857 last year. Hardwood flooring produced was valued at \$1,697,148 and other products at \$649,825.

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## Sales and Purchases of Securities Between Canada and Other Countries

The international trade in securities between Canada and other countries was somewhat heavier in August than in the previous month. Since the increase was in both purchases and sales the balance of purchases of over \$8,000,000 was only slightly higher than in July, and continued to be present in the trade with Great Britain and the United States. The volume of transactions between Canada and the United States was larger while transactions with the United Kingdom declined.

In August sales to the United States were \$21,481,658 compared with \$18,811,327 in July, while purchases from that country increased from \$25,417,735 to \$29,535,101, an amount which has not been exceeded since August, 1934. Sales to Great Britain continued to decline, being \$1,573,986 in August as contrasted with \$1,869,735 in July, and purchases from Great Britain declined from \$3,492,336 to \$2,253,952 or a smaller volume than in any previous month of the year.

During the first eight months of 1936 the total value of sales to all countries was \$231,400,303, compared with \$178,385,365 in the same period of 1935 and \$228,810,520 in the corresponding part of 1934. Purchases during this period were \$214,876,409 in 1936, \$146,412,148 in 1935 and \$203,945,436 in 1934.

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## Canadian Milling

Grains ground in August are as follows in bushels with figures for the same month last year in brackets: Wheat 6,226,419 (5,230,795); Oats 1,076,262 (733,282); Corn 305,902 (229,976); Barley 82,099 (59,523); Buckwheat 4,299 (4,384); and Mixed Grain 976,864 (913,719).

Flour production in August amounted to 1,362,679 barrels compared with 1,161,389 for the same month last year. Exports of flour in August amounted to 387,728 barrels compared with 376,562.

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## Vegetable Products

The vegetable products group of industries ranked first in importance in 1934 with a gross value of \$480,315,000 compared with \$421,850,000 in 1933, a gain of \$58,465,000 or 13.9 per cent. There were 77,464 employees in 1934, a gain of 4,369 over the previous year and salaries and wages increased from \$66,137,487 in 1933 to \$71,389,376 in 1934.

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## Census Press Bulletin

The following are the population figures for the electoral districts of the Prairie Provinces, 1936, with the 1931 figures in brackets: Churchill 33,752 (32,133), Fortage la Prairie 27,630 (25,569), Selkirk 55,692 (52,222), Winnipeg North 71,884 (74,762), Winnipeg North Centre 58,026 (59,004), Winnipeg South 52,691 (51,518), Winnipeg South Centre 63,016 (64,090), Assiniboia 36,552 (41,036), Melfort 51,292 (40,687), North Battleford 55,357 (41,513), Prince Albert 45,699 (39,869), Yorkton 52,352 (50,405), Aoadia 29,965 (37,423), Athabaska 47,966 (39,102), Calgary East 44,415 (44,745), Calgary West 41,310 (41,418), Medicine Hat 40,936 (40,986), Peace River 48,747 (43,761).

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## Nickel Production

The Canadian output of nickel in July amounted to 12,569,576 pounds as compared with 14,070,491 in June and 10,220,876 in July last year. Production during the first seven months of 1936 reached a total of 95,344,735 pounds of 28.8 per cent above last year.

### Births, Deaths and Marriages in the First Quarter of 1936

Live births in Canada during the first quarter of 1936 numbered 54,380 (preliminary figures) giving an equivalent annual rate of 19.7 per 1,000 population as compared with 54,312 births and a rate of 20.1 for the first quarter of 1935. There were 2,283 illegitimate births forming 4.2 per cent of all live births as compared with 2,369 or 4.4 per cent for the corresponding period of 1935. Stillbirths amounted to 1,636 or 2.9 per cent of all births as against 1,747 and a rate of 3.1 per cent.

Deaths totalled 28,204 with a rate of 10.2 per 1,000 population as compared with 28,825 and a rate of 10.7. There were 11,746 marriages, giving a rate of 4.2 as against 11,839 or a rate of 4.4 in the first quarter of 1935.

Deaths under one year of age totalled 3,791 and the rate was 70 per 1,000 live births. These figures compared with 4,509 deaths and a rate of 83 in the corresponding period of 1935. Deaths under one month of age numbered 1,929 giving a rate of 35 per 1,000 live births, as against 2,205 and a rate of 41. There were 336 maternal deaths as compared with 318 and the rate was 6.2 as against 5.9 per 1,000 live births.

The number of deaths assigned to certain causes in the first quarter of 1936 was as follows (in each case the figures for the corresponding period of 1935 are given in parentheses): Typhoid and paratyphoid fever 61 (47); Smallpox 2 (3); Measles 136 (176); Scarlet fever 80 (91); Whooping-cough 170 (310); Diphtheria 64 (57); Influenza 1,345 (1,651); Infantile paralysis 14 (13); Tuberculosis 1,698 (1,711); Cancer 2,912 (2,705); Diseases of the heart 4,413 (4,490); Diseases of the arteries 2,433 (2,095); Pneumonia 2,353 (2,553); Diarrhoea and enteritis 453 (455); Nephritis 1,733 (1,619); Suicide 225 (235); Homicide 43 (30); Automobile accidents 147 (179); Other violence 891 (1,041).

### Trends of Wholesale Trade in August

The value of wholesale sales in Canada for August was 6.4 per cent higher than in August, 1935, according to reports submitted by almost 200 wholesale houses operating in nine different lines of business. While increases in combined sales were recorded for all economic divisions of the Dominion, the greatest improvement was shown in the Prairie Provinces with a gain of 11.2 per cent.

### Railways in July

Gross revenues of Canadian railways for July increased from \$26,186,073 last year to \$27,301,258, or by \$1,115,185; but operating expenses increased by \$2,537,351, reducing net operating revenues from \$3,388,221 to \$1,966,055 and the operating income from \$2,331,402 to \$889,843. Freight traffic showed a decrease of 4.9 per cent but passenger traffic measured in passenger miles increased by 23.8 per cent. For the seven months, January -- July, gross revenues were \$176,787,950 in 1936 and \$165,714,620 in 1935 and the operating income was \$8,308,885 as against \$10,002,825 in 1935.

### Creamery Butter Production

Production of creamery butter in 1935 maintained the advances shown each year since 1932. The amount made during the year was 240,892,472 pounds valued at \$52,222,604 as compared with 234,852,961 pounds at \$48,168,592 in 1934. Production by provinces follow, with 1934 figures in brackets: Ontario 84,403,946 (81,630,231) pounds, Quebec 73,397,096 (69,325,144), Alberta 23,094,707 (25,601,447), Saskatchewan 22,851,198 (20,871,603), Manitoba 21,531,855 (20,674,148), British Columbia 6,059,368 (5,962,883), Nova Scotia 4,907,624 (5,732,666), New Brunswick 2,973,856 (3,220,003), Prince Edward Island 1,672,822 (1,834,836).

### Factory Cheese Production

The production of factory cheese during 1935 amounted to 100,427,390 pounds valued at \$10,570,309 compared with 99,346,617 at \$9,797,588 in 1934. The average price per pound increased to 10.53 cents as against 9.86. Production by provinces, with 1934 figures in brackets: Ontario 75,516,846 (73,301,029) pounds, Quebec 20,265,992 (21,676,736), Manitoba 1,457,000 (1,011,468), Alberta 1,364,520 (1,370,425), British Columbia 752,558 (635,313), Saskatchewan 584,224 (664,259), New Brunswick 274,133 (347,355), Prince Edward Island 212,111 (340,032).

## Copper Production

The Canadian copper production in July was recorded at 28,579,506 pounds as compared with 31,421,070 in the preceding month and 30,966,804 in July last year. During the seven months ending July, production amounted to 234,216,817 pounds compared with 245,989,162 a year ago. The average price on the London market was 9.25237 cents in Canadian funds; Valued at this price the Canadian output in the latest month was worth \$2,644,282. Refined copper production of the world was estimated at 119,450 tons or 11.5 per cent below the output in the previous month.

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## Wheat Stocks and Movement

Wheat marketings in the Prairie Provinces for the week ending September 25 amounted to 9,166,632 bushels as compared with 15,542,786 in the previous week and 18,048,483 a year ago. Total marketings from August 1 to September 25 were 93,878,687 bushels as against 78,946,110 a year ago.

Overseas export clearances for the week of October 2 amounted to 4,039,240 bushels as against 3,294,851 a year ago. Imports of Canadian wheat into the United States for consumption and milling in bond for re-export were 1,552,000 bushels as compared with 1,066,000 a year ago. Total clearances from August 1 to October 2 amounted to 33,507,174 bushels compared with 20,971,058 in the same period last year. Imports of Canadian wheat into United States totalled 12,070,000 bushels compared with 7,957,762 last year.

Canadian wheat in Store on October 2 amounted to 162,710,340 bushels, including 10,354,693 in rail transit. Wheat stocks in the previous week were 161,833,953 bushels and in the week of October 4 last year the total was 246,108,638. The last two amounts do not include in rail transit wheat. Canadian wheat in the United States amounted to 19,009,952 bushels compared with 19,007,458 a week ago and 21,560,625 last year. Wheat in transit on the lakes aggregated 5,582,360 bushels compared with 4,412,723 a week ago and 5,575,785 in 1935.

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## Reports Issued During the Week

1. Price Movements, September.
  2. Explosives, Ammunition and Fireworks Industry, 1935.
  3. Sand-Lime Brick Industry, 1935.
  4. Gold Production, August.
  5. Weekly Index Numbers of Wholesale Prices.
  6. Sales and Purchases of Securities Between Canada and Other Countries, August.
  7. Production of Leather Footwear, August.
  8. Hardwood Flooring Industry, 1935.
  9. Canadian Grain Statistics.
  10. Census Bulletin No. XII.
  11. Vegetable Products, 1933-34.
  12. Canadian Milling Statistics.
  13. Rigid Insulating Board Industry.
  14. Car Loadings on Canadian Railways.
  15. Copper and Nickel Production, July.
  16. Changes in the Value of Retail Sales.
  17. Index Numbers of 23 Mining Stocks.
  18. Current Trends of Wholesale Sales.
  19. Births, Deaths and Marriages, First Quarter, 1936.
  20. Biscuit, Confectionery, Cocoa and Chocolate Industries, 1935.
  21. Advance Report of the Production of Dairy Factories, 1935.
  22. Railway Statistics, July.
  23. Index Numbers of Security Prices.
  24. Engraving, Stereotyping and Electrotyping Industry, 1935.
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