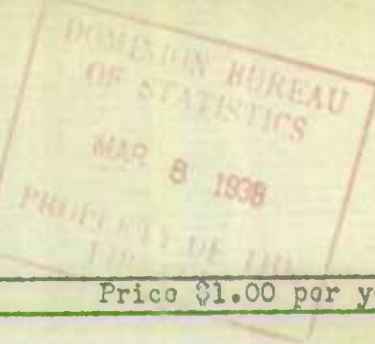


WEEKLY BULLETIN

Dominion Bureau of Statistics
Department of Trade and Commerce



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The Economic Index showed a Gain of about one p.c.
Over the Preceding Week and Over the Same Week of 1936

Owing to advances in three of the six major factors, the economic index rose from 108.3 in the week of July 3, to 109.6 in the week under review. Wholesale prices advanced to a new high point on the recovery. Gains were recorded in bank clearings and common stock prices. The index of capitalized bond yields was unchanged from the preceding week, declines consequently were confined to carloadings and speculative trading. The net result was that the economic index was 1.2 p.c. higher in the week of July 10 than in the preceding week.

Owing partly to the marked advance in the economic index in June 1936, the standing during the last four weeks has been only very slightly above that of last year. The economic index advanced markedly during last year, the upward movement being maintained in the first month of 1937. Subsequently, a downward trend has been in evidence. Fluctuations of the last four weeks have been of a minor character but some evidence of further advance was shown in the week under review. Business factors, including carloadings, wholesale prices as well as common stock prices, continued to show a lead over the same week of 1936. The remaining factors including capitalized bond yields, bank clearings and speculative trading are now ruling below last year's levels. The economic index was 109.6 in the week of July 10 against 108.5 in the same week of last year, a gain of exactly one p.c.

Carloadings were not far from maintained from the preceding week, the decline in the index having been from 78.5 to 78.0. The effect of the holiday, however, makes direct comparisons with the preceding week somewhat difficult. Loadings during the first 26 weeks were 1,234,700 cars against 1,125,800 in the same period of last year. The gain of 9.7 p.c. represents a marked advance in the Eastern division, eight of the eleven commodity classes recording gains for the Dominion as a whole.

The gain of the preceding week in wholesale prices was continued in the week under review, the index of 567 commodities advancing from 86.2 to 87.0. As the levels of last April were exceeded, the current level is higher than at any time since June, 1930. The advance in the week under review was due mainly to further increases in crop products and metals. The average price for No. 1 Northern wheat was 145 $\frac{7}{8}$ against 142 $\frac{5}{8}$. Oats advanced from 62 $\frac{7}{8}$ to 65 $\frac{1}{8}$, while important gains were also shown in barley, flax and rye.

Medium steers declined on the Toronto stockyards, while bacon hogs advanced further from 9.67 to 10.11. Metal prices were steady on the New York commodity markets, an exception being tin which rose from 57.50 to 59.25. Gains were recorded in raw cotton and print cloths and spot prices of raw silk and cocoa showed advances.

Metal prices were strong on the London exchange although electrolytic copper remained steady at £62 on July 12, from the same day of last week. Advances were shown in tin, lead and zinc, the increase in lead was from £24 2s 6d to £24 17s 6d, while zinc advanced from £22 2s 6d to £22 15s. The price of non-ferrous metals rallied in Canada, the index moving up 1 p.c. 85.9 with higher quotations obtaining for copper, lead, tin and zinc.

The index of crop products was 94.1 against 91.5 in the preceding week and 72.0 in the same week of last year. The index of Canadian farm products has recently advanced to a higher position than that of commodities generally. An intermediate advance in wholesale prices commenced about the first of June last year, but the lead over the week of July 10, 1936, was no less than 17.7 p.c.

High-grade bond prices after moving up rather sharply in May, have remained steady for about 6 weeks. The average yield of the issues used in this index was 3.31 as compared with 3.11 for a year ago. British Consols strengthened in the latter part of the week and high grade United States bonds recorded advances. The 4's of 1947-52 advanced from 105 $\frac{3}{4}$ on July 5, to 105 $\frac{7}{8}$ on July 12. A minor recession was shown in the 4 $\frac{1}{2}$'s of 1946, the bid quotation for which was 109 $\frac{3}{4}$ on July 12. High-grade bond prices advanced throughout the greater part of 1936 while a decline during the first quarter of 1937 has resulted in unfavourable comparisons with the same weeks of last year. In the week under review, the index of capitalized bond yields was nearly 5 p.c. below the week of July 11, 1936. Constructive developments in other countries had a favourable influence on common stock prices during the week of July 8, the index moved up nearly 3 p.c. Each

of the groups in the industrial classification participated in the advance. The index of 15 power and traction stocks moved up from 83.4 to 85.6. A marked gain was shown on the mining market, the index of 24 stocks advancing from 134 to 139.3.

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 ³	Prices of Common Stocks	Shares Traded	Economic Index ⁴
July 11, 1936	74.6	73.9	152.2	97.3	114.6	100.7	108.5
July 3, 1937	78.5	86.2	144.7	90.6	127.7	73.2	108.3
July 10, 1937	78.0	87.0	144.7	96.1	131.4	71.7	109.6

1. The index of carloadings is projected forward one week to correspond with the practice in computing the economic index. 2. Present value of a fixed net income in perpetuity from Dominion long-term bonds. 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 is determined from the standard deviation from the long-term trend of each, based on data for the period from January 1919 to August 1936. 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.

Progress in the Textile Industry

The production of textiles and textile products constitutes an important branch of Canadian manufactures. In gross value of products the textile group ranks fourth, supplying nearly 13 per cent of the production of all industries surpassed only by the vegetable products, wood and paper and iron industries. In the number of employees it is a close second to the wood and paper group, with over 121,000 depending on the industry for their livelihood. Over 48 per cent of female employees engaged in the manufacturing industries of Canada are found in the textile group. There are now some 2,250 establishments engaged in the processing of textiles in Canada with a capital investment in fixed and current assets of over a third of a billion dollars.

The outstanding feature of the textile situation in Canada during the period under review was the spectacular expansion of the silk and rayon industry, particularly in the face of a general decline in practically all other industries. While other industries have been attempting to regain the levels of 1928-29 this industry has grown from year to year. Undoubtedly the growth has been due to the wider acceptance of rayon for the manufacture of clothing. There are presently 33 firms with 11,000 employees in this group of industries. The woollen textile industries after suffering a serious setback in the years from 1930 to 1933, resumed an upward trend in 1934 and measured by the indexes of employment and imports of raw wool and yarns seem to have more than regained the levels of 1928-29. There has been considerable expansion in the last three and a half years, the industry comprising 150 establishments employing nearly 12,000 operators.

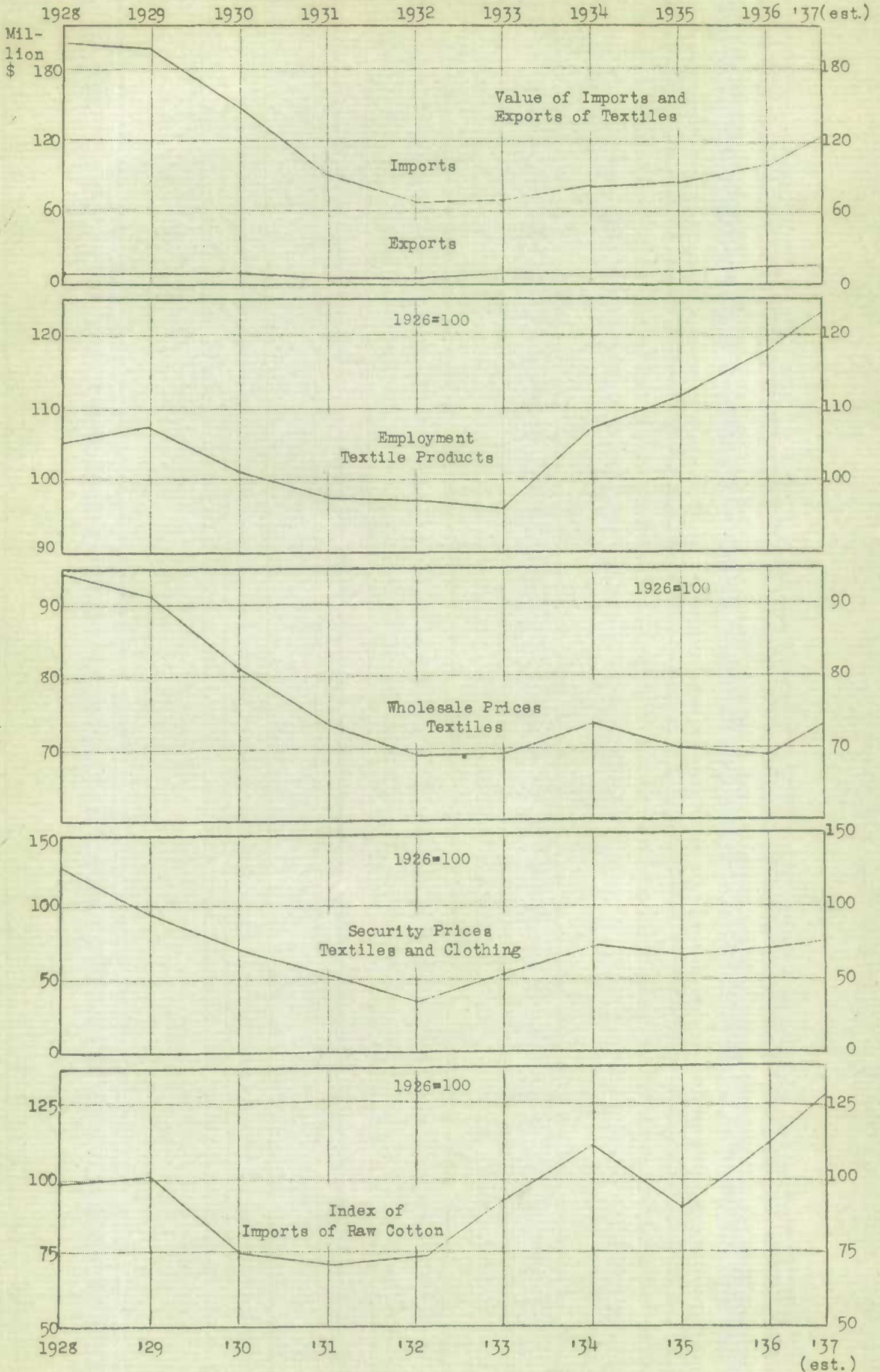
The cotton textile group has been less spectacular in its recovery than either the silk or woollen groups, but this may be due in part to the substitution of rayon for cotton in the manufacture of many articles of clothing. There are now about 21,000 employees in over 100 establishments turning out textiles with an annual gross value in excess of 71 million dollars.

As shown in the accompanying chart, imports of textiles into Canada are far in excess of exports and thus there remains quite a deficit on trading account charged to the textile classification. Imports have recovered from the low point of \$68,900,000 in 1932 and are now on a basis of about \$120 million. Exports, on the other hand, have registered improvement advancing to a new record based on statistics for the half year.

Employment in textiles has shown spectacular growth and is now at a new peak in the post-war period. The seasonally adjusted average for the first six months of this year was no less than 123.3 on the 1926 base of 100. A better return for textile products is indicated by the advance in wholesale prices. Security prices of 10 textile and clothing stocks have registered only moderate gain in the past eighteen months.

The Canadian textile industry continues to advance during 1937, in step with general business. Measured by the index of imports of textiles, activity in the first five months of the current year was more than 10½ per cent greater than in the same months of 1936. Raw cotton imported for processing in Canada at nearly 67 million pounds showed a gain of 7.3 per cent in quantity over 1936. Cotton yarn imports were up 5.4 per cent while imports of wool, raw and yarns advanced 17.1 per cent in the same comparison.

The Textile Industry in Canada, 1928 - 1937.



May Imports

Substantially higher imports of iron products, fibres and textiles, agricultural and vegetable products, excepting tea and sugar, certain non-metallic mineral products and to a lesser extent in non-ferrous metal products, were mainly responsible for the increase in Canada's imports in May to \$76,707,000 from the corresponding figure for 1936 of \$59,121,000.

Amongst the iron products, machinery rose to \$4,213,000 from \$2,579,000, automobiles to \$2,112,000 from \$976,000, plates and sheets to \$3,587,000 from \$2,760,000, auto parts to \$3,212,000 from \$2,681,000, farm implements to \$2,099,000 from \$1,231,000, engines and boilers \$1,223,000 from \$955,000 and castings and forgings \$307,000 from \$162,000.

Cotton and manufactures of cotton were valued at \$4,010,000 against \$2,744,000; wool and manufactures of, \$2,904,000 (\$2,369,000); silk and manufactures, \$593,000 (\$466,000); artificial silk, \$363,000 (\$153,000); flax, hemp and jute, \$917,000 (\$737,000); manila and sisal grass, \$290,000 (\$141,000). Fruits were worth \$2,415,000 (\$2,196,000); raw rubber, \$2,357,000 (\$1,034,000); sugar, \$1,863,000 (\$2,633,000); tea, \$684,000 (\$1,662,000); vegetable oils, \$1,695,000 (\$824,000); alcoholic beverages, \$606,000 (\$536,000); cocoa and chocolate, \$534,000 (\$356,000); vegetables, \$1,024,000 (\$913,000); grains and products, \$992,000 (\$539,000) and coffee and chicory \$495,000 (\$497,000).

Aluminium amounted to \$482,000 against \$483,000; brass, \$354,000 (\$262,000); copper, \$129,000 (\$70,000); manganese oxide, \$104,000 (\$198,000); precious metals, \$332,000 (\$638,000); tin, \$343,000 (\$144,000), and electric apparatus, \$1,494,000 (\$972,000). Clay and products totalled \$787,000 compared with \$678,000; coal, \$3,521,000 (\$3,452,000); coke, \$82,000 (\$170,000); glass and glassware, \$852,000 (\$649,000); crude petroleum, \$4,445,000 (\$3,274,000); gasoline, \$322,000 (\$443,000); stone products, \$607,000 (\$347,000) and sulphur, \$395,000 (\$245,000). Chemicals and allied products as a group increased to \$3,659,000 from \$3,201,000 and miscellaneous commodities to \$4,227,000 from \$3,117,000.

The value of goods imported from British Empire countries was 15.9 per cent in advance of May, 1936, the amount being \$22,449,407 as compared with \$19,371,932. The total from the United Kingdom was worth \$14,483,550 as against \$12,032,375, an advance of 20.4 per cent. Straits Settlements were in second place among Empire countries with \$2,079,411 in comparison with \$594,152; Jamaica, \$847,609 against \$509,046; British India, \$706,938 (\$1,122,988); Australia, \$695,221 (\$675,385); New Zealand, \$620,629 (\$627,005); British East Africa, \$571,461 (\$320,587); Ceylon, \$553,270 (\$407,524); Barbados, \$394,415 (\$722,630); Southern Rhodesia, \$257,815 (nil); Fiji, \$223,009 (\$192,427); British Guiana \$192,887 (\$841,749) and Newfoundland \$133,904 (\$101,839).

The increase in imports from countries outside of the British Empire was nearly 37 per cent, the totals being \$53,258,047 as against \$39,748,908. The total from the United States was 36.6 per cent more, advancing to \$45,839,426 from \$33,563,680. Germany was the second largest source among foreign countries with \$988,459, declining from \$1,010,054; Belgium was next with \$789,227 against \$553,636 and Argentina with \$717,237 against \$150,185. Other leading foreign countries follow, with May 1936 figures in brackets: France, \$708,306 (\$511,682); Colombia, \$689,983 (\$382,105); Peru, \$615,418 (\$614,637); Japan, \$470,746 (\$312,658); China, \$439,261 (\$239,228); Italy, \$381,921 (\$7,019); Netherlands, \$373,106 (\$546,501); Venezuela, \$321,034 (\$186,802); Sweden, \$281,696 (\$187,160); Czechoslovakia, \$260,659 (\$233,614); Switzerland, \$252,403 (\$174,886).

Revenues, Expenses and Statistics of Railways

Gross revenues of Canadian railways for April amounted to \$29,458,432, or 13.1 per cent above the total of \$26,049,673 for April, 1936. Increased operating expenses took \$2,159,372 of this, leaving an increase in net operating revenues of \$1,249,386. The operating income increased from \$5,585,845 in 1936 to \$3,856,580, or by \$1,270,735. Freight traffic was heavier by 13.5 per cent and freight revenues increased by \$3,082,222, or 15.4 per cent. Although passenger miles increased by 5.3 per cent passenger revenues were down by \$1,196. The number of employees was increased from 116,737 to 121,583, or by 4.2 per cent, and the total pay roll was increased 8.1 per cent, or by \$1,122,513.

Sales of Electric Storage Batteries

Sales of electric storage batteries and parts by Canadian producers were valued at \$941,207 during the first quarter of 1937 compared with \$738,697 in the first three months of 1936.

Conference on Municipal Statistics

A Dominion-Provincial Conference on Municipal statistics, called by the Hon. W.D. Euler, Minister of Trade and Commerce, will begin on Monday, July 19. The sessions will be held in the Parliament Buildings, Ottawa, and are expected to continue for several days.

Representatives will be present from the municipal departments of every province. In most cases the provincial deputy ministers will be here. The Bank of Canada, the Departments of Finance and Labour and the Unemployment Commission will be represented. Mayor Stanley Lewis of Ottawa, will represent the Federation of Canadian Mayors, and G. P. Gordon, the Municipal Finance Officers Association. Other prominent municipal finance authorities will include Alderman Biggar and H. C. Gottenberg of Montreal.

The objective of the discussion is to lay down a plan or method whereby there can be secured annually all over the Dominion a body of municipal statistics that will be adequate; that will hang together; that will enable comparisons to be made between municipalities and between provinces; and that can be added up and fitted into the general picture of Public Finance, which of course includes Federal and Provincial as well as Municipal Finance. This is perhaps the most pressing problem not only of Canada but of the world today.

The Conference is being held in response to many official provincial and municipal appeals, and although it is gathered at the moment under Dominion auspices, in that what is immediately required is a Dominion-wide scheme of statistical treatment, it is none the less a provincial and municipal interest, and the method to be discussed is cooperation. The meeting concerns first the municipalities themselves; second the provincial authorities, as the bodies which create and regulate the 4,300 municipal units; and thirdly the federal authority as responsible for the supervision of the whole as distinguished from its parts.

As the Dominion has grown new problems have arisen, not the least being that 53 per cent of the people now live in urban communities. The budget of the City of Montreal is greater than that of the Province of Quebec, and in some other cases, such as Toronto, Winnipeg and Vancouver, there have been years in which the same thing has occurred.

The organization of the Conference has been in the hands of Col. J. R. Munro, Chief of the Finance Statistics Branch of the Dominion Bureau of Statistics, to whom communications should be addressed.

Raw Rubber Imports

The imports of raw rubber recorded a heavy increase during May as compared with May, 1936, the total being 9,379,296 lb. of the value of \$1,955,690 as compared with 4,974,572 at \$763,605. The bulk came from the Straits Settlements, amounting to 6,995,941 lb., followed by the United States with 1,283,807 lb., Ceylon 952,160, Dutch East Indies 89,520 and the United Kingdom 57,868. Rubber and manufactures had a total value of \$2,357,821 against \$1,033,604 in May, 1936.

Argentine Grain Situation

The second official estimate of the volume of the 1936-37 maize crop in the Argentine sets the total production at 360,017,000 bushels, a reduction of 11,619,000 from the first estimate, according to a report received by the Dominion Bureau of Statistics from its correspondent in Buenos Aires. The abandoned acreage is now placed at 3,982,000 acres as against the first estimate of 4,112,000. On the other hand, the average yield on the areas harvested is lower, being 30 bushels per acre against 31. Exports of maize during June were 39,577,000 bushels as compared with 34,549,000 in May.

The report also states that the June exports of wheat and flour totalled 6,779,000 bushels, of which 208,000 were flour in terms of wheat. The May export movement was 6,778,000 bushels. The balance still available for export stands at 19,963,000 bushels. Linseed shipped out of the country during June amounted to 5,435,000 bushels as against 3,568,000 the month before, leaving a balance for the export market of 19,203,000 bushels. The balance of oats for export purposes stands at 5,298,000 bushels, June exports having been 2,632,000 bushels as against 1,111,000 in May.

Butter and Cheese Production

Creamery butter production decreased three per cent in June as compared with June, 1936, but increased 54 per cent over the previous month; the total in the latest month was 37,832,241 lb. against 24,511,895 the month before and 39,003,644 in the corresponding month of 1936. There were decreases in Quebec, Ontario and British Columbia as compared with 1936, while the remaining provinces showed increases ranging from 2.8 per cent in Saskatchewan to 11.1 per cent in Prince Edward Island. During the six months ending June, creamery butter output reached 103,284,717 lb., a decline of 1.9 per cent from the corresponding period of 1936.

The June output of cheese increased in both comparisons, showing a striking advance over the preceding month; the gain over the corresponding month of 1936 was 16 per cent, while the gain over the previous month was 116 per cent. The total for the latest month was 24,246,383 lb. against 11,216,617 in May and 20,892,070 in June, 1936. The only provinces to show declines from 1936 were Saskatchewan and British Columbia, while the remaining areas recorded increases ranging from 10.7 per cent for Ontario to 113.4 in Prince Edward Island. Cheese production during the six months ended June totalled 40,896,307 lb. compared with 35,468,818 a year ago.

Butter and Cheese Imports

Butter imports in May amounted to 1,158 lb. as compared with 56,289 in the corresponding month of 1936. The cheese imports were much in advance of those of a year ago, the total being 157,401 lb. as compared with 54,365, of which 51,809 lb. came from Italy, 32,395 from New Zealand, 32,101 from France, 16,220 from Denmark and 12,925 from Switzerland.

Wheat and Flour Exports

The volume of the June export of wheat was approximately half that of the corresponding month of 1936, the amount being 12,180,068 bushels of the value of \$15,441,883, as compared with 25,763,565 worth \$19,682,585. The average price per bushel was \$1.26 as compared with 76 cents a year ago. Domestic exports of wheat flour amounted to 389,995 barrels of the value of \$2,329,245 as compared with 430,171 at \$1,663,424, on an average export price of \$5.97 as compared with \$3.86.

Deaths Due to Motor Vehicle Accidents

According to a preliminary statement issued by the Dominion Bureau of Statistics, deaths from motor vehicle accidents in Canada during the year 1936 numbered 1,309 as against 1,224 in 1935 and 1,115 in 1934. The death rate from this cause was 11.9 per 100,000 population as compared with 11.2 in 1935 and 10.3 in 1934. Over the period 1926-1936 the highest death rate from motor vehicle accidents was 13.0 in 1929.

The deaths from motor vehicle accidents by provinces were as follows, with the figures for 1935 in parentheses: Canada, 1,309 (1,224); Prince Edward Island, 7 (2); Nova Scotia, 55 (57); New Brunswick, 41 (40); Quebec, 371 (314); Ontario, 562 (571); Manitoba, 53 (53); Saskatchewan, 47 (40); Alberta, 72 (45); British Columbia, 101 (102). Thus, five provinces showed a greater number of deaths in 1936 than in the preceding year, one province the same and four provinces a smaller number.

Saskatchewan showed the lowest provincial death rate from motor vehicle accidents in 1936, namely, 5.0 per 100,000 population and Manitoba stood next with a rate of 7.5. The highest provincial rate was 15.2 in Ontario, followed by British Columbia with 13.5.

Excelsior Industry

There were 12 establishments engaged wholly or principally in the manufacture of excelsior and oxcelsior products such as pads, mats, and wrappers in Canada during 1936, with a value of products of \$227,996 as compared with \$171,904 in 1935. The capital investment was \$329,281 as against \$307,586. Employees numbered 126 with salaries and wages of \$73,599 compared with 99 employees who were paid a total of \$56,058.

Wheat Stocks and Movement

Canadian wheat in store on July 9 amounted to 40,600,186 bushels compared with 43,010,234 the week before and 140,703,679 a year ago. The amount in the United States was 5,006,614 bushels as against 5,314,614 the previous week and 16,715,511 last year. Wheat in rail transit was 3,275,884 bushels and by vessel on the lakes 646,226.

Wheat marketings in the Prairie Provinces during the week ended July 2 amounted to 510,865 bushels as compared with 722,270 in the previous week and 1,751,642 in the same week of 1936. Marketings during the 48 weeks ended July 2 were 162,435,351 bushels as compared with 213,166,025 during the same period of the previous crop year.

Overseas export clearances during the week ended July 9 amounted to 1,547,789 bushels compared with 3,326,558 in the corresponding week last year; imports of Canadian wheat into the United States for consumption and milling in bond for re-export totalled 262,000 bushels compared with 1,726,000 a year ago. Aggregate clearances from August 1 to July 9 were 139,835,648 bushels compared with 161,152,406 during the same period of the previous crop year; the imports into the United States were 42,210,803 bushels and 47,520,000, respectively.

Leather Footwear Production

Canada's production of leather footwear in May amounted to 2,239,211 pairs, an increase of 19,914 pairs over the previous month and 443,693 pairs over the corresponding month last year. Output during the five months of the current year totalled 10,257,149 pairs, compared with 9,320,902 during the same period of 1936.

Reports Issued During the Week

1. Sugar Refining Industry in Canada, 1936.
 2. Output of Leather Footwear, May.
 3. Canadian Grain Statistics.
 4. Grain Situation in the Argentine.
 5. Cold Storage Holdings of Meat and Fish, July 2.
 6. Cold Storage Holdings of Dairy and Poultry Produce, July 2.
 7. Stocks of Apples, Pears, Small Fruits and Vegetables, July 2.
 8. Telegraphic Crop Report, Canada.
 9. Weekly Index Numbers of Wholesale Prices.
 10. Operating Revenues, Expenses and Statistics of Railways, April.
 11. Factory Sales of Electric Storage Batteries, First Quarter, 1937.
 12. Imports of Rubber, May.
 13. Business Conditions in Canada during the First Five Months, 1937.
 14. Summary of Canada's Imports, May.
 15. Car Loadings on Canadian Railways.
 16. Deaths Due to Motor Vehicle Accidents, 1936.
 17. Excelsior, 1936.
 18. Condition of Field Crops at June 30 and First Estimate of Areas of Late-sown Crops, Canada.
 19. Security Prices and Foreign Exchange.
 20. Imports of Milk and Its Products and Eggs, May.
 21. Monthly Review of Dairy Production in Canada, June.
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