

WEEKLY BULLETIN

Dominion Bureau of Statistics

Department of Trade and Commerce



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Economic Index Showed a Gain of 2.7 p.c. over the First week of January resulting in a new high point

Owing to important gains in four of the six major factors, the economic index rose from 117.3 in the first week of the year to 120.5 in the week of January 16. Capitalized bond yields and bank clearings showed slight recessions from the preceding week but these were counterbalanced by the advances in business and speculative factors. The gain in carloadings in the week ended January 9 was spectacular, the total freight movement having been more than 45,000 cars. The comparison with the preceding week was affected by holidays but miscellaneous freight, consisting mostly of manufactured goods, showed a particularly heavy movement.

The index of wholesale prices continued the advance in progress for more than six months resulting in a new high point since October, 1930. The standing on the base of 1926 equalling 100 was 81.7 against 80.9. Speculative commodities were decidedly strong in the week of January 15. No. 1 Northern wheat was practically maintained on the Winnipeg grain exchange, while course grains, except rye, recorded considerable advances. Oats No. 2 C.W. moved up from 53 7/8 to 55 5/8, while barley averaged 86 5/8 against 84 1/4. Live stock prices were considerably higher on the Toronto stockyards. The advances in copper and zinc were continued on the New York metal exchange. Copper was quoted at 13 cents against 12 cents in the preceding week and zinc advanced from 5.60 to 6.00. A rally was shown in tin, while lead remained unchanged at 6.03. Advances in antimony, copper and zinc raised the Canadian index of non-ferrous metals from 81.4 to 83.1. Copper advanced 3.2 points during the week and zinc made the unusually large gain of 6.3 points. Copper prices showed some reaction in London and New York in the early part of the present week.

Capitalized bond yields receded for the second consecutive week showing a decline of 0.6 p.c. The bid quotation for the 4 1/2 p.c. 1947-57 Dominion Government bond was 111 1/2 on January 15, against 112 on January 7. The 3 p.c. 1950-55 bond advanced from 100 3/4 to 101 1/8, while the 4 1/2 p.c. 1946 bond receded from 113 to 112 1/2.

Common stock prices advanced in the second week of January to a point nearly as high as at any time since 1930. The gain in the week under review was 1.2 p.c., the index standing at 139.1. Gains were general in each of the groups of the official classification, the index of 15 power and traction stocks moving up from 89.6 to 91.8. A marked increase was shown in the price of nine bank stocks, the index having been 94.1 against 91.4. The gain in the index of 68 industrials was 1.7 points to 226.2.

The adjusted index of bank clearings in the second week of the year showed a decline of 1.4 p.c., while the number of shares traded on the Montreal and Toronto stock exchanges rose sharply in the week under review.

Comparison with the same week of 1936

The economic index was 120.5 in the week of January 16 against 104.5 in the same week of last year. Each of the six major factors, except bank clearings, recorded advances in this comparison, the net result being that the economic index showed a lead of 15.3 p.c. The business factors recorded a marked improvement in the 12 months' period. The index of car loadings was up 21.7 p.c., while wholesale prices, owing to the marked advance of the last six months, were 12.1 p.c. higher. The index of wholesale prices in the week under review was 81.7 against 72.9 in the same week of last year.

In spite of the high level of capitalized bond yields in 1936, the index stood about 14 p.c. higher in the week under review than in the second week of last year. Speculative factors also showed a marked betterment, the index of common stock prices having been 139.1 against 112.5, a gain of 23.6 p.c. Speculative trading on the Canadian exchanges has been particularly heavy since the first of the year, the number of shares traded having been greater in the second week of January than at any other time since mid-summer, 1933.

Weekly Economic Index with the Six Components  
1926=100

| Week Ended    | Car loadings | Wholesale Prices | Inverted Index of Bond Yields | Bank Clearings | Prices of Common Stocks | Shares Traded | Economic Index |
|---------------|--------------|------------------|-------------------------------|----------------|-------------------------|---------------|----------------|
| Jan. 18, 1936 | 74.6         | 72.9             | 136.4                         | 105.3          | 112.5                   | 327.9         | 104.5          |
| Jan. 9 1937   | 84.0         | 80.9             | 156.5                         | 102.6          | 137.5                   | 460.6         | 117.3          |
| Jan. 16, 1937 | 90.8         | 81.7             | 155.5                         | 101.2          | 139.1                   | 839.0         | 120.5          |



## Economic Betterment in 1936

Measured by comprehensive records, economic recovery in Canada marked the year of 1936, the betterment of 1935 being unmistakably extended in the year under review. Most of the major factors advanced in the year to new high levels since the minima were reached during the worst phases of the depression in 1932 and the first quarter of 1933.

The index of business operations is the most significant factor considered in this connection, reflecting the actual volume of production in a wide variety of industries. The business index expressed as a percentage of the base year of 1926 averaged 111.1 in 1936, compared with 102.4 in the preceding year. The gain of 8.5 per cent represents a satisfactory advance over the levels of 1935, especially in view of the considerable betterment which took place in the latter year over the low point of the depression. After the recession of the first quarter, the trend continued upward during the year, the gain in the index from that time being practically continuous from month to month. The level has recently been 20 p.c. above the base year of 1926, chosen as being the best representative of average conditions in the post-war period.

From the beginning of 1934, to June last, steadiness characterized the commodity price level, narrow fluctuations being shown about the 72 p.c. line, with 1926 being regarded as the base equalling 100. Owing to crop shortages and improved demand in world markets, considerable increase was shown in commodity prices during the latter half of 1936. Dominated in large measure by the speculative element, the sharpest advances were shown in crop products and non-ferrous metals in which gains were 28 p.c. and 17.8 p.c., respectively. The wood and paper group advanced 5.8 p.c. while iron and its products were up 4.9 p.c.

### Business Operations

During the year under review, a marked advance took place in business operations, the standing in November being more favourable than at any time since January, 1930. The marked betterment of the last four years was due mainly to recovery in the industries which participated so fully in the prosperous period from 1922 to 1929. These include mining, newsprint, electric power and the automobile and allied industries.

The index of mineral production averaged 11.2 per cent higher in 1936 than in 1935. Zinc exports during the year showed a gain of 10 per cent, while copper and nickel exports were up 2.4 per cent and 21.4 per cent, respectively. Gold shipments from Canadian mines recorded a gain of 15.3 per cent while silver marketings were down 11.1 per cent. The output of coal was 13,700,000 tons in the first eleven months of 1936, a gain of 9.1 per cent.

### Manufacturing

The increase in the index of manufacturing production over 1935 was 10 p.c. The output of newsprint at about 3,180,000 tons showed a gain of 15.5 per cent. External demand for Canadian lumber showed marked expansion, the increase in the export of planks and boards having been nearly 31 per cent. The primary iron and steel industry reflecting the revival in the domestic demand for industrial equipment and durable goods, showed further gain over the levels of 1935. The output of pig iron recorded a gain of 13.2 per cent, while the production of steel ingots was 19.1 per cent greater.

### Construction

The new business obtained by the construction industry showed a slight percentage gain over the preceding year, the level remaining low relative to that of the prosperous period culminating in 1929. The gain in contract awards to \$162,588,000 compared with \$160,305,000 amounted to 1.4 per cent while building permits in 58 cities declined 14.5 per cent.

### Electric Power

The production of electric power showed gains not only over the preceding year but also over any other year in the history of the industry. Total output in 1936 was 25,493,000,000 kilowatt hours compared with 23,404,000,000 in 1935. The gain of 8.9 per cent represents a considerable expansion due to greater industrial and domestic demand. The output in 1930, the high point of the last prosperity cycle was 18,094,000,000 kilowatt hours, the gain in the reported production of 1936 over this total being nearly 40 per cent.

### External Trade

The revival in external trade was a phase in the betterment of Canadian economic conditions during 1936. Imports showed a gain of 15.4 per cent over 1935, and exports



were up 22.6 per cent. Gold, mainly exported in the form of bullion, was included in merchandise exports and balance of trade. The latter at nearly \$393,000,000 showed a gain of 36.4 per cent over 1935.

Security Prices

The close interconnection of various economic functions was shown in the recovery of common stock prices subsequent to the early months of 1933. A marked advance has been shown in recent months reflecting the improved prospects for corporate revenues. The official common stock index averaged 119.2 in 1936 compared with 93.7 in 1935, a gain of 27.2 per cent. The index of mining stocks averaged 24.8 per cent higher in the same comparison.

Another development of fundamental importance during the first nine months of the year was the extraordinary high level in government bond prices. The prices advanced during the greater part of 1936 and were at a maximum for the period of observation from 1904 to the present. The average yield on Ontario Government bonds during 1936 was 3.59 per cent compared with 3.88 per cent in 1935. The average yield on Dominion Government bonds was 3.26 per cent as against 3.58 per cent during the preceding year.

Statistics Illustrating the Economic Situation of Canada in Twelve Months of 1936 compared with the same period of 1935

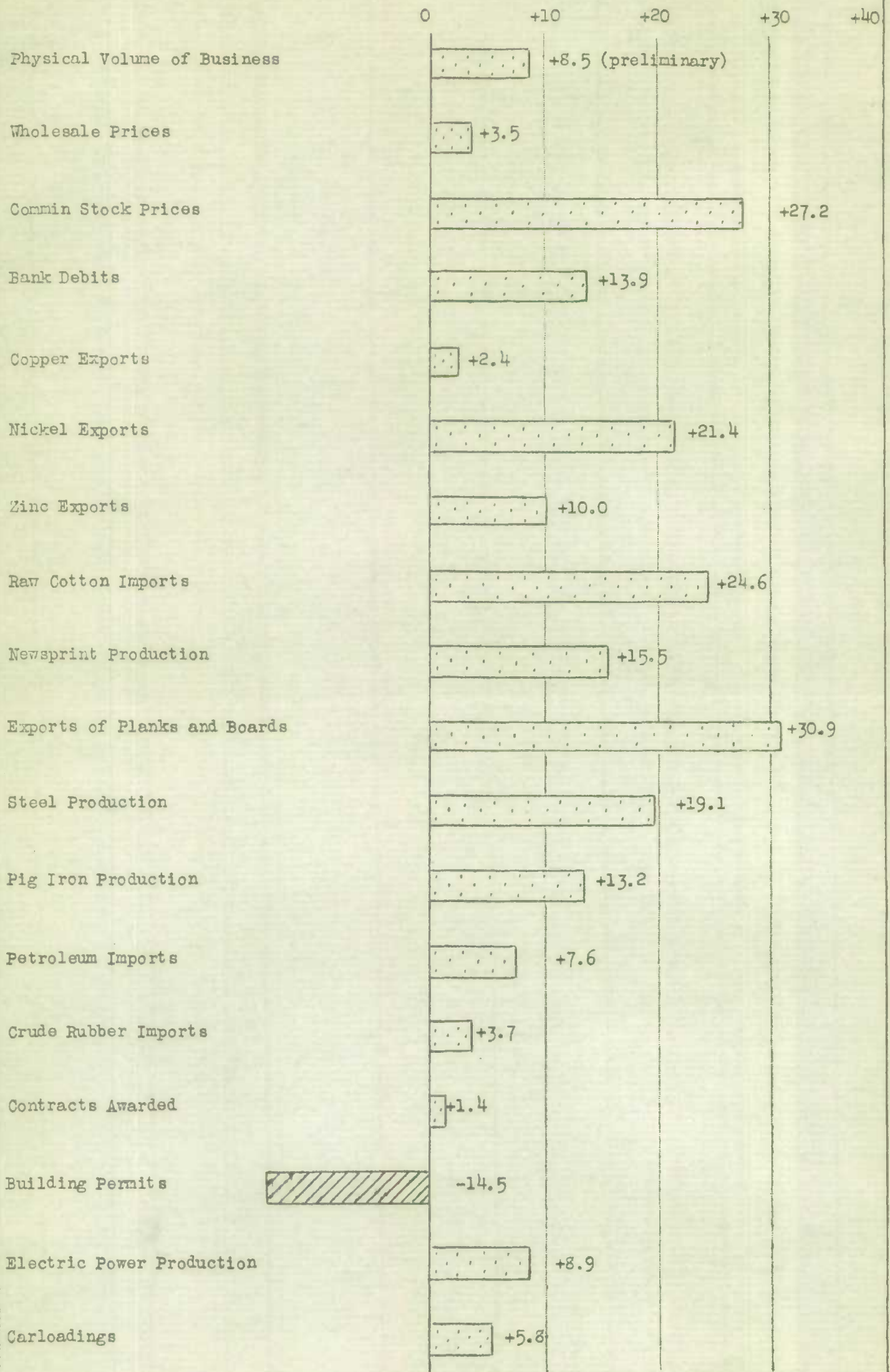
|   | 1935                  | 1936           | Increase +<br>Decrease -<br>Per Cent |
|---|-----------------------|----------------|--------------------------------------|
| <u>General Economic Situation</u>       |                       |                |                                      |
| Index of Physical Volume of Business    | 102.4                 | 111.1*         | + 8.5                                |
| Wholesale Prices                        | 72.1                  | 74.6           | + 3.5                                |
| Index of Common Stock Prices            | 93.7                  | 119.2          | +27.2                                |
| Inverted Bond Yields, Dominion          | 135.8                 | 149.3          | + 9.9                                |
| Mining Stock prices                     | 123.9                 | 154.6          | +24.8                                |
| Bank Debits                             | \$ 31,546,066,341     | 35,928,606,743 | +13.9                                |
| <u>Production and General Business</u>  |                       |                |                                      |
| Copper Exports                          | Pounds 392,110,300    | 401,694,700    | + 2.4                                |
| Nickel Exports                          | Pounds 143,057,400    | 173,637,500    | +21.4                                |
| Zinc Exports                            | Pounds 290,519,000    | 319,554,900    | +10.0                                |
| Gold Shipments                          | Fine oz. 3,232,614    | 3,728,229      | +15.3                                |
| Silver Shipments                        | Fine oz. 18,727,043   | 16,643,869     | -11.1                                |
| Manufacturing Production, 1926=100      | 100.5                 | 110.6          | +10.0                                |
| Flour Production (11 Months)            | Barrels 13,251,583    | 13,867,483     | + 4.6                                |
| Cattle Slaughtering                     | Number 1,370,562      | 1,522,845      | +11.1                                |
| Hog Slaughtering                        | Number 2,805,825      | 3,562,534      | +27.0                                |
| Leather Boots and Shoes (11 Months)     | Pairs 17,585,176      | 17,546,999     | - 0.2                                |
| Raw Cotton Imports                      | Pounds 120,620,760    | 150,288,295    | +24.6                                |
| <u>Paper and Lumber -</u>               |                       |                |                                      |
| Newsprint Production                    | Tons 2,753,289        | 3,179,914      | +15.5                                |
| Exports of Planks and Boards            | Feet 1,337,041,000    | 1,749,860,000  | +30.9                                |
| <u>Iron and Steel -</u>                 |                       |                |                                      |
| Steel Ingot Production                  | Long Tons 935,682     | 1,114,550      | +19.1                                |
| Pig Iron Production                     | Long Tons 599,794     | 678,672        | +13.2                                |
| <u>Automobile and Allied Industries</u> |                       |                |                                      |
| Automobile and Truck Production         | Number 172,934        | 162,322        | - 6.1                                |
| Petroleum Imports                       | Gallons 1,156,788,480 | 1,244,662,673  | + 7.6                                |
| Crude Rubber Imports                    | Pounds 60,188,210     | 62,421,709     | + 3.7                                |
| <u>Construction -</u>                   |                       |                |                                      |
| Contracts Awarded                       | \$ 160,305,000        | 162,588,000    | + 1.4                                |
| Building Permits                        | \$ 46,560,623         | 39,809,442     | -14.5                                |
| Electric Power Production               | 000 K.W.H. 23,404,412 | 25,492,810     | + 8.9                                |
| <u>Railways -</u>                       |                       |                |                                      |
| Car Loadings                            | Number 2,358,393      | 2,494,369      | + 5.8                                |
| <u>External Trade -</u>                 |                       |                |                                      |
| Exports                                 | \$ 838,343,059        | 1,027,901,964  | +22.6                                |
| Imports                                 | \$ 550,314,551        | 635,190,844    | +15.4                                |
| Excess of Exports over Imports          | \$ 288,028,508        | 392,711,110    | +36.4                                |

\* Preliminary

The Economic Situation in 1936 Compared with 1935.

Decrease per cent

Increase per cent





## Canada's Trade in 1936

The total trade of Canada in 1936 amounted to \$1,663,092,798, of which imports accounted for \$630,190,844, domestic exports \$1,015,205,435 and the re-exports of imports \$12,696,519. The aggregate trade in 1936 was the largest since 1930 when the total was \$1,913,939,832; in 1935 it was \$1,388,657,610. The imports were also the highest since 1930 when the total was \$1,008,479,479; in 1935 it was \$550,314,551. Domestic exports were the highest since 1929 when the total was \$1,184,825,844; in 1935 it was \$825,284,114. The lowest export was in 1932 at \$546,209,245, and the highest in the last 17 years was in 1928 at \$1,356,550,063.

### December Trade

Canada's trade in December amounted to \$152,403,159 which was the highest for many years in that month. A year ago it was \$117,813,684. Imports amounted to \$52,996,494 as against \$38,569,182 in December, 1935. Domestic exports totalled \$98,074,320 compared with \$77,099,223 the year before and \$53,745,813 in December 1933. The re-export of imports was \$1,322,345. The balance of trade in December was favourable to the extent of \$46,410,171 and for the twelve months \$392,711,110, which was much in excess of previous years.

### Domestic Exports in 1936

Canadian domestic exports to all countries during the calendar year 1936 amounted to \$1,015,205,000 against \$825,284,000 in 1935, an increase of 23 per cent. Exports to Foreign countries amounted to \$531,080,000 compared with \$444,244,000, a gain of 19.5 per cent, while exports to Empire countries aggregated \$484,125,000 compared with \$381,040,000, an increase of 27 per cent.

Domestic exports to the United States in 1936 totalled \$406,665,000 against \$358,570,000, an increase of 13.4 per cent, while exports to the United Kingdom totalled \$399,831,000 compared with \$306,897,000, an increase of 30.3 per cent.

The third largest market for Canadian goods in 1936 was Australia, the amount being \$26,211,000 compared with \$22,800,000 in 1935, an advance of 15 per cent. Belgium was fourth, the total being \$23,013,000 compared with \$9,326,000, an advance of 146.8 per cent. Japan was fifth at \$19,750,000 compared with \$14,916,000, an increase of 32.4 per cent. Exports to British South Africa amounted to \$14,674,000 compared with \$12,498,000, the increase being 17.4 per cent. Exports to New Zealand were \$12,486,000 against \$8,493,000, the advance being 47 per cent, while exports to the Netherlands amounted to \$11,871,000 compared with \$8,293,000, an increase of 43 per cent, and exports to France were \$10,815,000 against \$7,525,000, the increase being 43.7 per cent.

Other leading countries were as follows during 1936 with 1935 figures in brackets: Newfoundland \$7,446,000 (6,760,000), Germany \$6,760,000 (\$3,600,000), Norway \$6,631,000 (\$4,622,000), Italy \$4,110,000 (\$3,088,000), China \$4,736,000 (\$4,637,000), Brazil \$3,628,000 (\$3,300,000), Greece \$3,504,000 (\$6,000), Irish Free State \$3,671,000 (\$3,172,000), Sweden \$3,356,000 (\$1,932,000), Argentina \$3,426,000 (\$3,968,000), Jamaica \$3,261,000 (\$3,306,000), Trinidad and Tobago \$2,797,000 (\$2,243,000), Mexico \$2,589,000 (\$1,801,000), British India \$2,473,000 (\$3,505,000), Denmark \$1,646,000 (\$1,349,000), Morocco \$1,867,000 (\$80,000), Portuguese Africa \$1,536,000 (\$1,709,000), Philippine Islands \$1,405,000 (\$1,044,000), Cuba \$1,344,000 (\$1,196,000), Bermuda \$1,345,000 (\$1,227,000), Hawaii \$1,313,000 (\$584,000), Barbados \$1,115,000 (\$1,022,000), Hong Kong \$1,150,000 (\$1,566,000), Colombia \$1,065,000 (\$920,000), Chile \$894,000 (\$856,000), Venezuela \$871,000 (\$546,000), Southern Rhodesia \$791,000 (\$687,000), British East Africa \$704,000 (\$777,000), Dutch East Indies \$652,000 (\$670,000), Finland \$638,000 (\$704,000), Spain \$469,000 (\$1,688,000), Switzerland \$411,000 (\$1,126,000), Egypt \$435,000 (\$402,000), Poland and Danzig \$407,000 (\$431,000), Uruguay \$405,000 (\$359,000), Fiji \$355,000 (\$240,000), St. Pierre \$346,000 (\$373,000), Panama \$342,000 (\$295,000), Malta \$319,000 (\$414,000), Palestine \$288,000 (\$284,000), Gold Coast \$237,000 (\$235,000), British Honduras \$230,000 (\$256,000), Sierra Leone \$213,000 (\$170,000).

### Carloadings on Canadian Railways

Carloadings for the week ended January 16 amounted to 47,289 cars as against 45,005 in the previous week and 40,221 in the second week of 1935. This was the highest attained since 1930. The index was 86.45 which was several points above the index number for any week in the years 1932 to 1936, inclusive. All commodities except coke showed substantial increases over last year's loadings. Miscellaneous was up 2,448 cars, pulp and paper was heavier by 1,000 cars, merchandise by 896, lumber by 668, coal by 652 and livestock by 577.



## World Wheat Situation

Argentine shipments from the new crop which have been increasing in volume since the end of December are now exerting a depressing influence on world markets. Whereas it was estimated that approximately forty million bushels of the new crop had been contracted for by European buyers, and it was therefore supposed that Argentine shippers would put relatively small quantities afloat for "orders", the records indicate that the bulk of the Argentine shipments to date have been on this latter basis. Undoubtedly part of the shipments to "orders" will ultimately fill January-February contracts previously negotiated, but with premiums prevailing for nearby shipments, there is an incentive to exporters to hold their shipments open for sale. United Kingdom buyers, however, have welcomed the more liberal supplies, and are inclined to let the sellers meet their bids.

Behind the heavy shipments from Argentina which amounted to 5.7 million bushels in the week ending January 16, there is the pressure from a crop which is officially estimated at 249.8 million bushels. Trade opinion holds that this estimate is probably too low by as much as 10 million bushels. A crop in the neighbourhood of 260 million bushels would stand as the fourth largest on record for the southern country, having been exceeded only in the years 1927, 1928 and 1933. Due partly to frost damage in the south, and partly to rains during much of the harvesting season, considerable quantities of wheat from the new crop will be pickled and below the usual quality. Consequently millers may find that more than the usual amount of strong wheat used in blending will be necessary, and this is a factor in the outlook for Canadian wheat exports.

In any event, the Canadian export movement will probably decline during the next two or three months in the face of strong Argentine competition. Premiums of Canadian wheat over Argentine wheat for current shipment in the Liverpool c.i.f. market are too high to permit sales in volume from Canada. For this reason there is little confidence in the maintenance of the current price level during the next few months although no drastic decline is expected. Future price levels will inevitably hinge around the progress of the United States winter wheat crop and European political and financial conditions. Moreover, greater fluctuations in prices on the North American markets may be expected during the next six months since available market supplies are low, rendering greater than ordinary dependence upon the prospects for the new crops.

The United States winter wheat are officially estimated at 57,187,000 acres establishes a record by a considerable margin for the seeded area. Private estimates which preceded the official estimate averaged 5 million acres lower than the official figure, and there is a prevalent feeling that the official estimate is too high. The December 1 condition of the crop was placed at 75.8 per cent of normal, but the year-end rains in the winter wheat territory were particularly timely, plentiful and well distributed, making high yields possible over a wide area. This improvement in condition affected both Chicago and Winnipeg futures, and accounts in part for the weakness in the Winnipeg October future relative to the earlier months.

Italy has continued to purchase Argentine wheat on an intermittent scale although not nearly so heavily as during the early weeks of December. Admitting a deficit of 25 per cent in the current year's supplies, Premier Mussolini on January 9 inaugurated an extensive campaign for increased wheat seeding in order to avoid a repetition of the shortage. At the same time, Germany was reported to be negotiating an Anglo-French loan which has not been concluded to date, for the purpose of financing food purchases. In the meantime, Germany's wheat purchases have been fairly negligible in view of the estimated shortage, due to the low gold reserves and lack of foreign exchange. Effective from January 1 to August 1, this year, the German import duty on wheat was reduced from an equivalent of 93.08 cents to 10.95 cents a bushel, applicable to wheat imported under government authorization. The prohibitive general rate of \$3.83 per bushel remains against unauthorized imports.

On January 12, it was reported that the new Food (Defence) Plans Department in the United Kingdom would submit early to Parliament a programme for building up reserves of wheat and other foodstuffs. On the following day, a Broomhall advice doubted that the plan would be put into effect although it intimated that the government is encouraging millers to increase flour production and to carry larger stocks.

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### Production of Electricity

The output of electricity during 1936 reached a new high level at 25,493,474,000 kilowatt hours. This was 2,089,062,000 kilowatt hours or 8.9 per cent above the 1935 output and 61 per cent over 1932. The low point after the 1929-30 slump was reached in July, 1932. Exports to the United States rose from 1,364,587,000 kilowatt hours in 1935 to 1,578,107,000 kilowatt hours. Secondary power delivered to electric boilers also reached a new high point at 6,922,840,000 kilowatt hours, which was 27 per cent of the total output and 10.9 per cent above the 1935 output of secondary power. Consumption of firm power in Canada or total output less exports and secondary power amounted to 16,992,515,000 kilowatt hours, an increase of 1,197,339,000 or 7.6 per cent over the 1935 firm power consumption and the highest yet recorded.

### Employment during 1936

Industrial employment in Canada showed further moderate improvement during 1936, a continuation of the favourable trend which with few interruptions, has been in evidence during the last four years. On the whole, the fluctuations during 1936 were not so pronounced as those in the preceding year, the increase in the number of persons at work being accompanied by an increase in the regularity of their employment. The general improvement during the year just passed as compared with 1935 was rather greater than that in 1935 over 1934. The consolidation of the gains made in the last few years, and their extension to lines which had been slower in responding to the upward movement originating in 1933, resulted in a generally higher level of industrial employment in 1936 than in any other year since 1930. At the 1936 peak at Nov. 1, the index stood at 111.0, which was the maximum in 72 months.

In 1936, as in 1935, public work undertaken primarily for the relief of unemployment was a factor of diminishing importance in the general situation; the number of persons provided with such employment was smaller than in 1935, when it in turn had not been so large as in 1934 and 1935. The more favourable situation which existed therefore gave encouraging evidence of a natural revival in business resulting from a greater public demand for commodities and services, rather than from artificially stimulated activity.

The Dominion Bureau of Statistics tabulated an aggregate of 116,606 individual employment reports during 1936, a monthly average of 9,717 returns. The employees of the co-operating firms varied from the minimum of 918,716 at April 1 to the maximum of 1,052,985 at the beginning of November, averaging 979,741 in the twelve months. The index, based on the 1926 average as 100, rose from 97.4 at the former date to 111.0 at the latter, when it was at its highest point since November of 1930. The unusually small, seasonal decline recorded at Dec. 1 reduced the index to 110.1, but the situation was then more favourable than in any month in the preceding five years.

The average change in the index from Jan. 1 to Dec. 1 in the period 1921 to 1935 has been an increase of just over eight per cent. Between those dates in 1936, the index advanced by rather more than 11 per cent, showing that the upward movement is gaining momentum as it proceeds. The 1936 mean index was 103.7, as compared with 99.4 in the preceding year. This represents a very considerable increase over the low average of 83.4 in 1933, but it is still substantially below the sixteen-year maximum of 119.0 in 1929.

### Canal Traffic during 1936

Freight traffic on the Welland Ship Canal in 1936 was a new high record, amounting to 10,438,000 tons against 8,953,000 in 1935 and 9,280,000 in 1934, the previous record. Navigation opened two weeks later than in 1935. The large gains over 1935 were in wheat, soft coal, iron ore, other ore, pulp wood, gasoline, barley, and iron and steel. The only large decreases were in rye, oats, and other milled products. The number of vessels using the canal increased from 5,092 to 6,399 in 1936, and the number of passengers from 1,354 to 2,054. Prior to the construction of the new canal practically no passengers were carried.

Freight using the St. Lawrence canals amounted to 8,288,000 tons, almost reaching the record made in 1928 of 8,412,000 tons and was 1,415,000 greater than in 1935. Increases were shown in wheat, soft coal, pulpwood, paper, gasoline, petroleum and other oils, coke, iron ore and other ores. There were decreases in rye, oats, wood pulp and hard coal. The number of vessels using the canals increased from 10,326 in 1935 to 10,405 in 1936, and the number of passengers declined from 2,324 to 2,197.



The Chambly, St. Peter, Trent and St. Andrews Canals also showed greater freight tonnage than in 1935, and the Murray, Ottawa, and Rideau canals showed decreased tonnage. The total for all Canadian canals was 21,468,000 tons against 18,206,000 in 1935. These totals include considerable duplications, where cargoes used two or more canals from origin to destination.

Total freight through the Canadian and United States locks at Sault Ste. Marie increased from 48,293,000 tons in 1935 to 69,529,000 in 1936, which was by far the greatest tonnage since 1930 and was over three times the tonnage through the locks in 1932. This improvement was due largely to a revival of east-bound iron ore shipments, which increased from 29,278,000 tons to 47,070,000, or by 61 per cent. Up-bound soft coal increased by 36 per cent, but wheat shipments were lighter by 9.5 per cent, other grains increased by 16 per cent. The number of vessel passengers through the locks was 16,614 against 12,959 in 1935. Of these, 3,235 used the Canadian lock and they carried 2,278,000 tons of freight and 22,668 passengers in 1936; in 1935 the tonnage was 2,952,000 and the number of passengers, 19,558, with 2,896 vessels.

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#### Building Permits in December

Building permits issued by 68 cities in December, represented construction work valued at \$3,225,274 compared with \$3,030,425 in November and \$2,401,856 in December, 1935, an increase of 34 per cent over the amount a year ago. The amount for the year 1936 was \$39,809,000 against \$46,561,000 in 1935, \$27,458,000 in 1934 and \$21,776,000 in 1933, the lowest amount for a great many years. In 1929 the amount of these permits was \$234,945,000.

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#### Public Debt of Canada

The aggregate public debt of Canada, direct and guaranteed, on March 31, 1935, was \$6,786,869,473. The net debt of the Dominion Government was \$2,846,110,958. The net direct liabilities of the Provincial Governments, with sinking funds and available capital, current and trust account assets deducted, was \$999,440,241, and the direct liabilities of all Canadian municipalities, less sinking funds and investments on Dec. 31, 1934, was \$1,469,142,077. This makes a total net direct debt of \$5,314,693,-276.

The guaranteed or indirect debt was \$1,472,176,197, made up as follows: Principal and interest guaranteed on railway and other securities \$771,119,457; interest only guaranteed on railway securities \$216,207,142; guarantees under relief acts \$104,525,860, including bank advances re wheat marketing of \$39,274,661, against which grain held and margin moneys amounted to \$36,896,440, leaving a net liability of \$2,378,221 at the valuation then made on the current prices for grains; Bank of Canada, reserve of chartered banks on deposit \$149,028,902. The indirect debt of the provincial governments was \$231,294,836.

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#### Retail Prices, Rents and Costs of Services

The Dominion Bureau of Statistics index number of retail prices, rents and costs of services on the base 1926=100, rose slightly from 81.7 in November to 81.8 in December, reflecting a moderate advance in the food group. An index for retail prices alone including foods, coal, coke, clothing, household requirements, etc., showed a slight advance from 77.2 to 77.3. When foods were removed from this index it remained unchanged at 79.2.

For 46 food items an index rose from 75.0 to 75.3, declines in meat prices being more than offset by gains for eggs, butter, milk, beans, onions and potatoes. Foods during 1936 were highest in December at 75.3 and lowest in April at 71.0.

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#### Coke and Gas Industry

The value of coke, gas and by-products made in coke and gas plants during 1935 was \$38,475,000 compared with \$38,272,000 in 1934 and \$29,937,000 in 1933. Output of gas-house, by-product and beehive coke during the year totalled 15,861,159 tons compared with 15,861,757 in the preceding year and 12,466,195 tons in 1933. Production of gas from coke and gas plants amounted to 39,721,010,000 cubic feet compared with 40,125,201,000 in 1934.



## Domestic Exports in December

Canada's domestic exports in December were valued at \$98,074,000 compared with \$77,099,000 a year ago, an increase of \$20,975,000 or over 27 per cent. The total to Empire countries, valued at \$44,733,282 was up \$11,442,000, or 34.4 per cent, while the amount to Foreign countries increased \$8,533,000 to \$53,341,000 or by 21.8 per cent. The United Kingdom, although second to the United States in the total value showed a larger increase during the month, the gain being 40 per cent, while that to the United States was up slightly over 10 per cent. Exports to other countries to show notable increases were to the Netherlands, New Zealand, Belgium, France, Germany, Japan, Norway, Hawaii, Venezuela and Morocco.

Leading countries follow, with December 1935 figures in brackets: United States \$39,671,895 (\$36,027,889), United Kingdom \$37,319,890 (\$26,658,667), Belgium \$2,878,268 (\$972,455), Australia \$2,575,405 (\$2,496,644), Japan \$2,004,137 (\$1,560,530), New Zealand \$1,379,323 (\$748,189), France \$1,359,475 (\$799,433), Germany \$1,150,586 (\$582,715), Netherlands \$1,034,464 (\$1,018,042), British South Africa \$941,927 (\$762,702), Norway \$820,990 (\$220,333), Italy \$747,838 (\$76,151), Newfoundland \$624,024 (\$645,325), Morocco \$605,809 (\$4,846), China \$406,707 (\$332,085), Hawaii \$394,048 (\$16,998), Irish Free State \$351,644 (\$433,815), Mexico \$332,251 (\$159,060), Trinidad and Tobago \$255,601 (\$264,613), Jamaica \$216,602 (\$276,645), Brazil \$256,863 (\$283,954), Sweden \$191,665 (\$112,308), Denmark \$188,398 (\$133,145), Philippine Islands \$190,474 (\$109,301), Portuguese Africa \$176,284 (\$170,177), British India \$145,258 (\$194,295).

## Trend of Canada's Exports in December

Canada's exports in December amounting to \$98,074,000 showed a sharp increase of almost \$21,000,000, and the advances were very general over the whole list of leading Canadian commodities. There was a very large increase of over \$9,000,000 in the export of wheat. The amount was \$22,893,000, of which \$15,036,000 went to the United Kingdom. Barley increased from \$207,000 to \$2,175,000, the chief purchaser being the United States. Alcoholic beverages at \$3,684,000 more than doubled, practically all of it going to the United States. There was an increase of about half a million dollars in wheat flour at \$2,363,000, more than half of which went to the United Kingdom.

Export of fish rose to \$2,046,000 and furs to \$3,276,000, while meats at \$3,918,000 considerably more than doubled. Of that latter amount the United Kingdom purchases were \$3,403,000. Newsprint sales abroad rose to \$10,593,000 and planks and boards to \$4,001,000. Most of the former went to the United States and most of the latter to the United Kingdom. The wood pulp export was \$2,604,000.

There was a small increase in the export of automobiles at \$1,626,000, but the sales of parts at \$165,000 were down. Farm implements at \$365,000 were also slightly lower, but machinery rose from \$492,000 to \$723,000. The export of copper made a sharp advance to \$3,349,000, the chief purchaser being the United Kingdom with \$2,123,000. Nickel also rose sharply from \$2,621,000 to \$4,070,000, almost half of which went to the United States. The sale of asbestos was \$1,306,000. The export of electrical energy to the United States rose from \$297,000 to \$304,000.

## Canada 1937

The Dominion Bureau of Statistics announces the publication of the 1937 edition of the Official Handbook of Canada.

The Handbook covers the present situation in the Dominion from Atlantic to Pacific, the weight of emphasis being placed on those aspects which are currently of most importance. All phases of the country's economic organization are dealt with, and statistics are brought up to the latest possible moment. The text is accompanied by a wealth of pertinent illustrative matter, which adds to the interest of the subjects treated.

The text and page illustrations are printed in tone and there are two photogravure inserts one of which, the frontispiece, is a reproduction of an official photograph of King George VI together with the texts of the Proclamation of his accession to the Throne and the Prime Minister's Message on behalf of the people of Canada; the other insert is illustrative of Canada's export trade, a branch of our economy which has shown such splendid progress during the past year.



The price of the publication is 25 cents per copy, which charge covers merely the cost of paper and actual press work. A special price concession has been authorized in the case of teachers bona fide students, and ministers of religion, since past experience has shown that considerable use has been made of this publication for educational purpose, and it is the policy of the Minister to encourage such use. To such individuals, therefore, the price is set at 10 cents for one copy. Postage stamps are not acceptable, and applications must be accompanied by a postal note or by the appropriate coin enclosed between two squares of thin cardboard gummed together at the edges. Applications should be addressed to the King's Printer, Government Printing Bureau, Ottawa, Canada, and since the supply is strictly limited for both the 25-cent and 10-cent classes, early application is suggested.

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#### Lead Production

Lead production in Canada amounted to 28,260,126 pounds in October compared with 29,128,356 in September and 32,986,982 in October, 1935. Output during the ten months ending October totalled 304,491,458 pounds or 10 per cent above the total for the same period of 1935. Lead quotations on the London market averaged 4.03276 cents per pound in October, at which price the Canadian output was worth \$1,139,663.

Refined lead production in the United States advanced to 39,318 tons in October from the total for the preceding month of 29,788 tons. The Australian refined lead production, including lead refined in Great Britain, amounted to 19,487 tons, or 16 per cent above the September output. Mexico produced 16,979 tons against 18,675, while the German output was 66 tons higher at 13,911 tons.

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#### Output of Zinc

Canadian producers reported an output of 31,688,437 pounds of zinc in October against 31,133,738 pounds in the preceding month and 27,575,751 in October, 1935. Production during the ten months ending October advanced 9.7 per cent to 288,755,567 pounds from last year. A slight advance in the price of lead has been recorded on the London market during the past three months, rising from 3.03565 cents in August to 3.18187 in October. The October output was worth \$1,008,285.

The world output of zinc reached a total of 142,697 tons in October, against 134,083 in the preceding month. The United States production amounted to 46,297 tons against 42,283. Output from German and Australian sources showed little change from the September figures; the totals were 12,493 tons and 12,600, respectively.

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#### Silver Production in October

The Canadian output of silver in October advanced to 1,580,405 ounces from the total for the preceding month of 1,328,661 ounces and the October, 1935, production of 1,323,659 ounces. Output during the first ten months of the year totalled 14,690,732 ounces compared with 13,280,422 in the same period of 1935. The average price of silver on the New York market during October was 44.7366 cents per ounce, at which price the Canadian production was worth \$707,019.

The United States production of silver during the month advanced to 6,391,000 ounces from the preceding month's total of 5,524,000 ounces. Peru produced 1,495,000 ounces against 1,525,000 in September.

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#### Exports during Nine Months

There was an aggregate gain of 25.6 per cent in Canadian domestic exports during the nine months ending December in comparison with the same period of 1935. There were increased exports to 73 countries or groups of countries. Exports to British Empire countries showed a 28 per cent gain, while those to Foreign countries were 23.5 per cent in advance of last year.

Grand total exports were valued at \$815,822,000 compared with \$649,647,000. The amount to British Empire countries was \$388,251,000 against \$303,438,000, while to other countries the amount was \$427,570,000 compared with \$346,209,000. The value of the export to the United States was \$326,391,000 against \$280,029,000, an advance of 16.6 per cent. Exports to the United Kingdom at \$324,127,000 were 31.8 per cent higher than the \$245,853,000 of the previous year.

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Canada's Exports to the United States during 1936

Canada's domestic exports to the United States in 1936 totalled in value \$406,664,567 as against \$358,569,736 in 1935, an increase of \$48,094,831 or over 13 per cent. However, the export of commodities affected by the Canada-United States agreement, which was in operation during 1936, amounted to \$216,808,892 as against \$169,018,633, an increase of \$47,790,259 or 28 per cent.

Medicinals and Pharmaceuticals

The total Canadian output of medicinals, pharmaceuticals and biologicals amounted in value to \$15,360,980 in 1935 compared with \$14,316,005 in 1934 and \$13,912,045 in 1933. The manufacture is carried on mainly in Ontario and Quebec. Imports into Canada during 1935 were worth \$2,824,034, of which \$1,262,132 came from the United States, \$853,394 from the United Kingdom and \$244,327 from France. Exports were appraised at \$938,026 in 1935 and \$796,787 in 1934.

Reports Issued During the Week

1. World Wheat Situation.
2. Canadian Grain Statistics.
3. Fruit and Vegetable Preparations Industry, 1935.
4. Traffic on Railways of Canada, October.
5. Output of Central Electric Stations, December.
6. Third Estimate of Area, Yield and Value of Field Crops, Canada.
7. Cement, Clay and Lime Production, October.
8. Building Permits, December.
9. Summary of Canal Traffic, Season of Navigation, 1936.
10. Annual Review of Employment, 1936.
11. Car Loadings on Canadian Railways.
12. Prices and Price Indexes, December.
13. The Wire and Wire Goods Industry, 1935.
14. The Coke and Gas Industry, 1935.
15. The Public Debt of Canada, Dominion, Provincial and Municipal, 1935.
16. Index Numbers of Security Prices and Foreign Exchange.
17. The Printing and Bookbinding Industry, 1935.
18. Preliminary Report on the Pack of Certain Canned Fruits and Vegetables, 1936.
19. Asphalt Roofing Production, December.
20. Asphalt Roofing Sales, December.
21. Summary of Canada's Domestic Exports, December.
22. Canada, 1937.
23. Macaroni and Kindred Products Industry, 1935.
24. Silver, Lead and Zinc Production, October.
25. Feldspar and Salt Production, October.
26. Canada's Leading Mineral Products, October.
27. Rigid Insulating Board Industry, December.
28. Weekly Index Numbers of Wholesale Prices.
29. The Sash, Door and Planing Mill Industry, 1935.
30. The Medicinal and Pharmaceutical Preparations Industry, 1935.



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