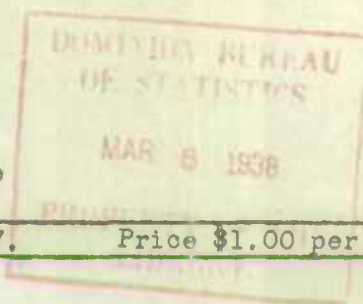


## WEEKLY BULLETIN

Dominion Bureau of Statistics

Department of Trade and Commerce



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Weekly Review of Economic Conditions

Five of the six major factors indicating economic conditions on a weekly basis showed decline from the preceding week. The high-grade bond market was comparatively strong and the index of capitalized yields rose 1.7 p.c. over the week of November 4. Wholesale prices were nearly maintained, the recession in the index <sup>being</sup> limited to 0.1 p.c. The decline in carloadings was extended, the scanty movement of grain in the Western division accounting for much of the decline in the seasonally adjusted index of carloadings since the first of September. The decline in bank clearings, after usual adjustment was about 12 p.c. Common stock prices showed reaction offsetting part of the gain of the two preceding weeks, and speculative trading was less active.

Five of the six major factors were lower in the second week of November than in the same week of last year. The exception was wholesale prices, the index rising 8.7 p.c. over the position of 1936. The adjusted index of carloadings was 1.7 p.c. lower than in the same week one year ago. Although a rebound was shown in bond prices at this time last year, the deficit from that time in the index of capitalized yields was only 4.8 p.c. Common stock prices receded to a point lower than at the same time of either 1935 or 1936. The deficit from the same week of last year was 21.8 p.c. Bank clearings and speculative trading were considerably below the levels of the same period twelve months ago.

Declines in the movement of coal and grain were mainly accountable for the drop in the railway traffic movement. The adjusted index receded to 72.3 from 74.6 in the preceding week. During the first 44 weeks of the year, the total traffic movement was 2,245,600 cars, against 2,082,600 in the same period of 1936. Deficits of 75,000 cars and 16,000 were shown in grain and coal, respectively. A minor reduction was also shown in coke, while the remaining eight commodity classes recorded pronounced gains.

The moderate recession in wholesale prices in evidence since the latter part of July was continued in the week of November 12. A moderate rally was shown in the sub-index of non-ferrous metals while each of the other seven groups either recorded declines or remained unchanged. The net result was that the general index receded from 83.6 to 83.5

As wholesale prices staged a considerable gain during the last half of 1936, the gap between the two years has recently been greatly narrowed. The lead over the same period of last year now stands at 8.7 p.c. Prices were uneven on the Winnipeg grain exchange, wheat No. 1 Northern advancing from  $135\frac{3}{4}$  to  $137\frac{5}{8}$ . Oats showed a recession of nearly 2 cents per bushel while gains were recorded in barley and flax. Livestock prices on the Toronto stockyards rallied from the relatively low prices of the preceding week. The price of electrolytic copper on the London exchange was £44 per ton on November 16, against £43 10s on November 9. Advances were also recorded in lead and zinc. The price of electrolytic copper in New York remained at 11 cents. Lead and zinc were unchanged at 5-5.05 and 5.75, respectively.

An encouraging development was the rally in high-grade bond prices, the index of capitalized bond yields showing a gain of 1.7 p.c. The 3's of 1950-53 advanced from  $95\frac{1}{2}$  on November 9, to  $95\frac{5}{8}$  on the 16th.

Common stock prices reacted in the week of November 11, the average index for the week was 104.8 against 108.0 in the week of November 4. Each of the groups in the official classification except milling and beverages recorded declines. The index of 15 power and traction stocks dropped off from 72.9 to 71.0. Gold stocks showed an advance from 111.9 to 115.6 while a considerable recession was shown in base metals. On a daily basis, an advance occurred on November 10, most of the sub-groups showing a gain over the standing of November 5. Owing to the marked declines during the 10 weeks subsequent to the middle of August, the level of common stock prices is now greatly below the standing of 1936. During the last quarter of that year, a marked advance took place, while the recent deflation has carried the index much below the levels of last year.

The economic index, based on the above mentioned factors, has now shown a declining trend for 10 weeks. The recession in the second week of November was nearly 2 p.c., the standing having been 103.3 against 105.2 in the week of November 6. Each of the six major factors, except capitalized bond yields, recorded a decline in the week under review. The drop in the economic index from the same week of last year was 7.6 p.c., the standing



at that time having been 111.8. Each of the six major factors, except wholesale prices, have recorded a decline in this comparison.

Weekly Economic Index with the Six Components  
1926=100.

Week ended	Car loadings <sup>1</sup>	Wholesale Prices	Capitalized Bond Yields <sup>2</sup>	Bank Clearings <sup>3</sup>	Prices of Common Stocks	Shares Traded	Economic Index <sup>4</sup>
Nov. 14, 1936	73.5	76.8	152.9	90.4	134.1	568.1	111.8
Nov. 6, 1937	74.6	83.6	143.1	92.4	108.0	134.6	105.2
Nov. 13, 1937	72.3	83.5	145.6	81.4	104.8	107.3	103.3

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 1936.

Wheat Stocks in Store

Canadian wheat in store for the week ending November 12 amounted to 72,867,969 bushels as compared with 74,244,392 in the previous week and 142,489,972 in the corresponding week last year. The total in the latest week included 16,904,839 bushels of Durum wheat. Stocks of Canadian wheat in the United States amounted to 2,449,902 bushels compared with 2,487,902 in the previous week and 23,878,349 a year ago. United States wheat in Canada was reported at 2,286,824 bushels, whereas last year there was none. Canadian wheat in rail transit totalled 5,685,473 bushels compared with 8,399,502 a year ago; wheat in transit on the Lakes was 3,127,140 bushels compared with 3,530,766.

Stocks of wheat in the elevators in Canada in the latest week were 70,418,067 bushels compared with 71,756,490 in the previous week and 118,611,623 in the corresponding week last year. The location was as follows on the latest date; Western country elevators, 19,228,000 bushels; interior terminals, 6,134,606; Vancouver-New Westminster, 2,444,976; Prince Rupert, 911,340; Churchill, 11,820; Fort William and Port Arthur, 18,588,501; Eastern Elevators Lake and Seaboard Ports, 9,029,414 and 4,587,564, respectively.

Overseas Export Clearances of Wheat

Overseas export clearances of wheat during the week ending November 12 amounted to 3,084,965 bushels as compared with 4,833,799 a year ago, while imports of Canadian wheat into the United States for consumption and milling in bond for re-export totalled 63,000 bushels compared with 740,000. Aggregate clearances from August 1 to November 12 were 28,349,604 bushels compared with 58,043,145 in the same period of the previous year; imports into the United States were 1,826,069 bushels compared with 20,245,751.

Production of Crude Petroleum

Crude petroleum and natural gasoline production in Canada advanced to 288,934 barrels in August from the July total of 241,737 and the total for August, 1936, of 142,572. Alberta produced 271,898 barrels, of which 269,145 was produced in the Turner Valley field, 1,239 from the Red Coulee, and 1,514 from the Wainwright-Ribstone field. The Canadian production during the eight months ended August totalled 1,592,352 barrels compared with 966,363 in the same period of 1936.

Natural Gas Production

Production of natural gas during August amounted to 1,235,733,000 cubic feet as compared with 1,223,331,000 in July and 1,184,327,000 in August, 1936. Output during the eight months ended August totalled 17,595,351,000 cubic feet as compared with 18,651,777,000 in the same period of 1936.



## October Domestic Exports

Canada's domestic exports were down 7.4 per cent in October from the same month last year but were 9.1 per cent in advance of the September total. The total in October this year was \$102,747,226 compared with \$110,998,708 in October, 1936, and \$94,151,927 in September.

In comparison with the corresponding month last year, exports to Empire countries were 10.3 per cent lower at \$49,969,257 compared with \$55,712,493, and to foreign countries 4.5 per cent lower at \$52,777,969 against \$55,286,215. Exports to the United Kingdom were worth \$40,377,915 compared with \$47,767,913, a decrease of 15.5 per cent, the decline being accounted for mainly by smaller shipments of wheat. Exports to the United States were valued at \$40,970,302 compared with \$44,582,810, a decrease of 8.1 per cent. Lower exports of barley, wheat and gold other than monetary were largely responsible for the decrease to the United States.

Exports to Japan were up to \$2,403,707 from \$1,073,660; the total to British South Africa stood at \$1,617,240 against \$912,314; Belgium, \$1,386,385 against \$1,727,449; New Zealand, \$1,278,248 against \$965,327; Argentina, \$1,189,385 against \$612,609; Newfoundland, \$1,153,212 against \$872,036, and to Germany \$1,076,826 against \$744,131.

The decline in total value of exports from the corresponding month last year was mainly accounted for by the falling-off in exports of grain, principally wheat, which fell to \$13,273,000 from \$28,950,000 and barley to \$1,275,000 from \$3,855,000. Agricultural products as a group fell to \$26,764,000 from \$45,235,000.

All other main groups were higher than last year with the exception of chemicals. Wood, wood products and paper stood at \$24,490,000 compared with \$20,816,000. Newsprint paper increased to \$12,029,000 from \$10,593,000 and wood pulp to \$4,520,000 from \$2,879,000; planks and boards decreased to \$3,935,000 from \$4,019,000.

Non-ferrous metal products aggregated \$26,583,000 as compared with \$23,304,000. Gold bullion, other than monetary totalled \$8,737,000 (\$10,322,000); copper, \$5,041,000 (\$4,034,000); nickel, \$4,476,000 (\$3,629,000); lead, \$1,250,000 (\$1,034,000); silver, \$1,040,000 (\$702,000), and raw gold \$743,000 (\$615,000).

Cattle, except for stock were worth \$1,259,000 compared with \$656,000; cheese, \$2,275,000 (\$2,224,000); fish, \$2,561,000 (\$2,186,000); and meats, \$3,110,000 (\$3,052,000). Automobiles were of the value of \$1,412,000 (\$1,215,000); farm implements, \$672,000 (\$504,000); machinery, \$963,000 (\$717,000); pigs and ingots, \$576,000 (\$378,000).

Asbestos exports amounted in value to \$1,461,000 against \$1,107,000; stone and products, \$800,000 (\$670,000); coal, \$137,000 (\$156,000); petroleum, \$136,000 (\$241,000); fertilizers, \$366,000 (\$553,000); soda and compounds, \$428,000 (\$363,000); electrical energy, \$334,000 (\$311,000).

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## Mica Production

The production of mica in Canada during 1936 totalled 1,601,357 pounds of the value of \$74,556, an increase of 27.5 per cent in quantity but a decrease of slightly more than nine per cent in value in comparison with 1935. Commercial shipments of mica during the year under review were reported only from Ontario and Quebec and of the tonnage sold, 66 per cent came from Ontario properties.

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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 from 83.7 in September to 84.2 in October, owing to advances in foods, fuel and rentals. An index including foods, clothing, coal, coke, household requirements, etc., moved up from 79.2 to 79.6. When foods were removed from this index it was 80.2 in October as compared with 80.0 in September.

An index for 46 food items rose from 78.3 to 78.9, gains for eggs, milk, tea, salt pork, bacon, finnan haddie and dairy butter, influencing the index more than recessions for potatoes, beans, onions, canned tomatoes and a number of meats. Further seasonal advances in the prices of coal, coke and wood resulted in a rise in the fuel index from 84.5 to 85.3.

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### Building Permits

The estimated value of the building authorized during the first ten months of 1937 was \$47,135,318, exceeding the reported ten month totals for any year since 1931. However, the cumulative total in each of these years has been very much lower than in preceding years for which data are available; while the wholesale prices of building materials have recently advanced, the index for the elapsed months of 1937 was below the average for the years since 1919.

### Domestic Exports to the United States

Canada's domestic exports to the United States amounted to \$400,212,676 during the ten months ended October as compared with \$320,455,806 during the same period of 1936. The export of commodities affected by the Canada-United States trade agreement during this period totalled \$216,819,802 compared with \$173,771,830. During October, total domestic exports were worth \$40,970,302 as compared with \$44,582,810 a year ago. The export of commodities under the agreement during the latest month were valued at \$23,181,142 compared with \$20,029,164.

Newsprint paper led the commodities under the agreement during the ten months with a value of \$86,203,002 compared with \$66,990,620; wood pulp, \$28,378,898 (\$21,820,419); cattle, \$13,184,597 (\$8,274,174); whiskey, \$15,818,703 (\$15,921,150); soft wood planks and boards, \$11,785,915 (\$9,406,795); pulp wood, \$9,572,316 (\$6,841,859); artificial crude abrasives, \$4,525,620 (\$3,253,177); asbestos, \$4,377,423 (\$3,257,684); shingles, \$5,582,939 (\$4,775,963); asbestos sand and waste, \$2,555,947 (\$1,879,574); nickel in matte or speiss, \$2,244,706 (\$1,895,877); hard wood planks and boards, \$1,884,309 (\$1,103,997); acetic acid, \$1,619,613 (\$1,335,767); logs, \$1,139,902 (\$608,629); bran, shorts and middlings, \$2,167,888 (\$2,749,968); horses, \$1,225,807 (\$1,921,822); whitefish, \$1,310,938 (\$1,165,620); cyanamid, \$2,567,164 (\$2,080,933).

### Export of Cheese and Butter

The export of cheese in October was of the value of \$2,275,080 as compared with \$2,224,474 a year ago, of which the United Kingdom took \$2,116,125. There were 19 additional markets, led by the United States with \$112,873, Newfoundland \$8,969 and Germany \$8,776. Butter shipments recorded a large increase during the month to \$453,398 from \$15,422, the United Kingdom taking \$440,406.

### September Imports of Paper

September imports of paper at \$622,856 were approximately at the same level as in the preceding month, but recorded a gain of \$66,000 over the corresponding month last year. The chief source of supply was the United States with \$428,796, followed by the United Kingdom with \$108,160.

### Seeded Areas in the Argentine

The second official estimate of the areas seeded to wheat/indicates an increase of 10 per cent in comparison with the first estimate, according to a report received by the Dominion Bureau of Statistics from Buenos Aires. The first estimate placed the area sown to wheat at 17,586,400 acres and the second at 19,266,000 acres. All other principal grain crops were revised upwards as follows: linseed, 7,335,900 (6,298,500) acres; oats, 3,235,700 (3,112,200); barley, 1,926,600 (1,914,250); rye, 2,124,200 (2,099,500). The total area seeded was 33,888,400 compared with the first estimate of 31,010,850 acres.

in Argentina

### Sulphuric Acid Production

Production of sulphuric acid during 1936 totalled 235,338 short tons, which was the highest reported for any year and exceeded the 224,410 tons of 1935 by five per cent and the 205,325 tons of 1934 by 15 per cent.



### Production of Automobiles

A large increase was recorded in the production of automobiles in October in comparison with both the preceding month and the corresponding month last year. The total was 8,102 units compared with 4,417 in the previous month and 5,361 a year ago. Production during the ten months was 30 per cent in advance of the same period of 1936, the total being 169,774 units compared with 131,099.

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### Production of Iron and Steel

The October production of pig iron was the greatest for any month since January, 1930, the total being 80,922 tons. In January, 1930, the total was 87,079. During the ten months ended October there were 735,360 tons of pig iron produced as compared with 535,836 in the same period of 1936 and 464,585 in the ten months of 1935.

Production of steel ingots and castings during October amounted to 114,527 tons compared with 114,622 in the previous month and 98,330 in October, 1936. During the first ten months of the year, 1,191,989 tons of steel ingots and castings were produced compared with 912,064 in the same period of 1936 and 742,720 in the 10 months of 1935.

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### Wheat Marketings

Wheat marketings in the Prairie Provinces for the week ending November 12 amounted to 2,694,077 bushels compared with 4,331,575 in the previous week and 2,013,540 a year ago. Total marketings during the fifteen weeks ending November 12 were 88,507,521 bushels compared with 125,530,819 in the same period of 1936.

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### Salt Industry

The quantity of salt produced in Canada during 1936 totalled 391,316 short tons valued at \$1,773,144 as compared with 360,343 worth \$1,880,978 in 1935. The tonnage produced last year was the greatest ever recorded in Canada and increases over 1935 on the quantity shipped was realized for each particular grade.

In 1936 salt was produced in Nova Scotia, Ontario and Manitoba, with the tonnage originating in Ontario comprising 89.5 per cent of the total for Canada. Salt consumed in the manufacture of chemicals during 1936 totalled 165,882 short tons, or approximately 42 per cent of the entire Canadian production.

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### Potable Spirits Production

Whiskies and other potable spirits produced in 1936 and put in bond for maturing totalled 5,772,258 proof gallons with an inventory value of \$1,924,603, while whiskies and other potable spirits bottled or shipped in bulk totalled 6,756,772 proof gallons valued at \$24,009,160. Other important products were: denatured alcohol 2,405,371 proof gallons valued at \$1,069,853 and non-potable alcohol 1,693,078 proof gallons valued at \$768,350.

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### Asbestos Mining

Canadian asbestos production totalled 301,287 short tons valued at \$9,958,183 in 1936. The output during the last calendar year represents an increase of 43.2 per cent in quantity and 41.1 per cent in value over the 210,467 short tons worth \$7,054,614 as produced in 1935. The tonnage of shipments in 1936 was only surpassed, in the history of Canadian asbestos mining, by that of 1929 and the total value of sales was the highest recorded during the past seven years.

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### Exports of Coarse Grains

October exports of barley, oats and rye were all lower than in the corresponding month last year. The outward shipments of barley totalled 1,886,917 bushels of the value of \$1,274,956 compared with 4,105,758 valued at \$3,854,588 a year ago. Oats totalled 146,508 bushels worth \$80,984 compared with 813,362 valued at \$357,321, and rye 52,847 bushels valued at \$46,370 compared with 357,263 worth \$237,605.

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Primary Iron and Steel

Factory sales of pig iron, steel and ferro-alloys and rolled products were nearly 20 per cent higher in 1936 than in 1935, the values being \$46,636,892 and \$38,700,961, respectively. The 25 works in Ontario reported sales of \$30,019,258 or 64 per cent of the total for Canada; six divisions in Nova Scotia accounted for \$10,108,447 or 21 per cent, and 15 works in Quebec had total sales worth \$5,074,845 or almost 11 per cent of the total. There were also four operating plants in Manitoba, one in Alberta and five in British Columbia.

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Reports Issued during the Week

1. Carloadings on Canadian Railways.
  2. Second Estimate of Yield of Grain Crops, Canada.
  3. Imports of Lumber, September.
  4. Imports and Exports of Hides and Skins, September.
  5. Imports and Exports of Fertilizers, September.
  6. Imports and Exports of Fresh Vegetables, September.
  7. Imports and Exports of Pickles and Preserved Vegetables, September.
  8. Imports of Stoves, Sheet Metal Products, Refrigerators, September.
  9. Imports and Exports of Fresh Fruits, September.
  10. Imports and Exports of Canned and Preserved Fruits, September.
  11. Summary of Exports of Grains and Flour, October.
  12. Imports of Vehicles of Iron, September.
  13. Security Prices and Foreign Exchange.
  14. Retail Merchandise Trade, Prairie Provinces, 1936.
  15. Acids, Alkalies and Salts Industry, 1936.
  16. Distilled Liquor Industry, 1936.
  17. Asbestos Industry, 1936.
  18. Primary Iron and Steel Industry, 1936.
  19. Salt Industry in 1936.
  20. Grain Situation in Argentina.
  21. Retail Merchandise Trade in British Columbia, 1936.
  22. Prices and Price Indexes, October.
  23. Broom, Brush and Mop Industry, 1936.
  24. Weekly Index Numbers of Wholesale Prices.
  25. Exports of Canadian Milk, Milk Products and Eggs, October.
  26. Imports of Wood Pulp, Pulp Wood and Paper, September.
  27. Building Permits, October.
  28. Canadian Grain Statistics.
  29. Retail Merchandise Trade in Quebec, 1936.
  30. Production of Iron and Steel, October.
  31. Production of Automobiles, October.
  32. Mica Industry in Canada, 1936.
  33. Petroleum and Natural Gas Production and Gasoline Sales, August.
  34. Summary of Domestic Exports, October.
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