

WEEKLY BULLETIN

Dominion Bureau of Statistics

Department of Trade and Commerce

Vol. VI - No. 41

Ottawa, Saturday, October 8, 1938

Price \$1.00 per year

Weekly Review of Economic Conditions

The factors indicating the trend of economic conditions averaged lower in the last week of September. Advances were recorded in carloadings and wholesale prices, while the other factors moved to a lower position. Common stocks averaged 2.6 p.c. below the level of the preceding week and the index of capitalized bond yields dropped slightly more than 4 p.c. Bank clearings and capitalized bond yields averaged slightly higher than in the same week of 1937, while the other factors considered in this connection were at a considerably lower point.

Acceleration in the movement of grain was the main influence in raising the adjusted index of carloadings in the thirty-eighth week of the year ended September 24. The index for the Western division rose from 92.2 to 100.7. During the elapsed portion of the present year the movement of grain was 25,741 cars greater than in the corresponding period of 1937.

A slight gain was shown in the index of wholesale prices, only minor fluctuations in the general level having been shown for the last five weeks. The index was 74.5 in the week of September 30 against 74.4 in the preceding week. Gains were recorded in crop products and non-ferrous metals, while animal products and non-metallics showed recession. Grain prices rallied on the Winnipeg exchange, No. 1 Northern wheat having been  $65\frac{1}{4}$  against  $63\frac{7}{8}$ . Metals were well maintained on the London exchange, electrolytic copper being unchanged at £47 15s. An increase was shown in tin, while zinc recorded reaction. Export copper was 10.33 on the New York commodity exchange against 10.15-10.29 on September 27. Lead and zinc were maintained while reaction was shown in tin.

Owing to the threat of a European war, Dominion bonds showed a marked reaction in the week ended September 29. The lowest prices were shown on September 27 and a sharp rally followed as hope appeared for the successful conclusion of a four power agreement. The 3's of 1950-55 were  $97\frac{5}{8}$  on October 4 against  $94\frac{1}{4}$  on September 27. The index of capitalized bond yields was still 1.4 p.c. higher than in the same week of 1937 although the drop from the preceding week was 4.1 p.c.

Common stock prices averaged lower than at any time since the end of June, the index receding from 98.6 to 96.0. Each of the groups of the official classification recorded decline except pulp and paper. The index of stock prices was 15.6 p.c. below the same week of 1937, when a marked reaction was in progress. More recently, the Canadian stock markets have been strong, erasing much of the reaction of preceding weeks.

The weekly index based on the six above-mentioned factors was 106.3 in the week of October 1 against 108.3 in the preceding week. The decline of nearly 2 p.c. reflected the influence of reaction in four of the six major factors. The standing one year ago was 110.6, a decline of 4 p.c. having been indicated. The index of capitalized bond yields and bank clearings recorded minor gain over last year, while important declines were shown in wholesale and common stock prices.

Weekly 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	Weekly Index <sup>4</sup>
Oct. 2, 1937	84.4	85.2	144.5	103.8	113.7	172.8	110.6
Sept. 24, 1938	78.7	74.4	152.9	105.1	98.6	214.9	108.3
Oct. 1, 1938	80.7	74.5	146.6	104.2	96.0	153.7	106.3

1. The index of carloadings is projected forward one week to correspond with the practice in computing the weekly 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 weighting therefore represents, not an attempt to give the relative importance of the factors, but to place them on an equal footing by

Very faint, illegible text at the top of the page, possibly a header or title.

Second section of very faint, illegible text, appearing to be a paragraph or two.

Third section of very faint, illegible text, continuing the narrative or list.

Fourth section of very faint, illegible text, possibly a shorter paragraph.

Fifth section of very faint, illegible text.

Sixth section of very faint, illegible text.

Bottom section of very faint, illegible text, possibly including a signature or footer.



equating the tendency toward fluctuation. 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.

---

### Business Conditions in Canada

Measured by an average of significant factors, economic conditions were well maintained month by month in Canada during the first eight months of 1938. Conditions were particularly favourable during the first quarter of 1937 and the levels of the present year have consequently been at a lower position. The persistent resistance to economic reaction during the elapsed portion of the current year presents a contrast with the record of 1937, when a downward trend was in evidence during the greater part of the year.

Business operations have been well maintained following the sharp reaction of the first quarter. The mining industry was active during the first eight months of 1938, the index based on volume factors showing an increase of 3 p.c. over the same period of 1937. General manufactures, however, recorded a considerable drop in this comparison. Most of the thirty factors on which the index was based recorded declines from the first eight months of 1937. The output of newsprint, for example, was 30 p.c. less than one year ago and the movement of lumber to external markets recorded a decline of 11 p.c. The primary iron and steel industry showed a decline in operations of about 13 p.c., the reaction being far less than for the same industry in the United States.

The new business obtained by the construction industry was at a considerably lower level than last year, contracts awarded having shown a drop of 21 p.c. The demand for electric power was affected by the slackening in a number of industries, especially the paper group. The output of power showed a decline of 7.5 p.c. despite the marked upward secular trend. The principal indicators of the distribution group recorded decline with the exception of employment in wholesale and retail trade. The index for the latter averaged 131.3 against 130.6 in the same period of 1937. The decline in carloadings was nearly 9 p.c. while considerable decreases were shown in the value of external trade. The index of the physical volume of business averaged 109.8 in the first eight months of 1938 against 121.6 in the same period of last year. During the last five months the index has averaged slightly above the early part of 1936.

The reaction in wholesale prices was pronounced from the latter part of April to the present time. During the early weeks of the year a steady tendency was shown in the index of commodity prices, the heavy crops of the present season having an important influence in depressing the price level in recent months. The weekly index for the week of September 23 was  $12\frac{1}{2}$  p.c. below the same week of 1937. The highest point of recent years was reached in July, 1937, and a downward trend has been recorded since that time. The index of wholesale prices averaged 81 during the first eight months of 1938 against 84.8 in the same period of 1937, a decline of  $4\frac{1}{2}$  p.c.

Common stock prices have been fairly well maintained since the latter part of 1937. A marked decline was shown from March to October of last year. The net result is that common stock prices have averaged considerably below the first eight months of 1937. The index was 103 against 136.6 one year ago, a decline of 24.6 p.c. The recent unsettlement in Europe has resulted in marked fluctuations.

A strong financial background was in evidence during the first eight months of 1938. High-grade bond prices showed an upward trend following the first quarter of 1937. During the second quarter of this year a new high point was reached in post-war history. The index of capitalized bond yields, based on Dominion issues, averaged 157 during the first eight months of 1938 against 144 last year, a gain of 9.2 p.c. Bank deposits have been well maintained since the beginning of 1937. The depression low point was encountered in 1933. A marked advance commencing in the latter part of that year continued until the first part of 1937. The sum of the notice and demand deposits averaged 1.2 p.c. greater in the first eight months of 1938 than in the same period of 1937. The deposit liabilities of the chartered banks during the last twenty months have been at a new high level. The increase in current loans continued during the present year, averaging nearly 7 p.c. greater than in the same period of 1937. Security holdings have also shown a slight gain over the high level of last year while call loans, both in Canada and elsewhere, were at a much lower position.

---





### Footwear Trade

Leather footwear imports in August amounted in value to \$150,914 compared with \$59,753 in the previous month and \$137,460 in August, 1937. Exports totalled \$67,025 compared with \$83,965 in July and \$125,263 in 1937. Imported leather footwear came chiefly from the United States and the United Kingdom. Exports were consigned largely to the United Kingdom, New Zealand, Jamaica, the United States and Australia.

---

### Raw Rubber Imports

Imports of raw rubber amounted to 4,104,744 pounds valued at \$500,794 in August, 6,015,119 at \$753,016 in July and 7,852,589 at \$1,511,022 in August, 1937. Imports during the five months ended August totalled 25,323,491 pounds appraised at \$3,444,872 compared with 33,244,875 at \$6,848,937 in the corresponding period of the previous fiscal year. The bulk of the August import came from the Straits Settlements, amounting to 3,454,835 pounds; the United States supplied 411,735 pounds and Ceylon 238,174 pounds.

---

### Imported Meats

Meats were imported to the value of \$155,671 in August compared with \$202,930 in July and \$91,016 in August, 1937. Canned beef, valued at \$54,928 was the leading item, of which \$25,359 came from Uruguay, \$19,168 from Brazil and \$10,401 from Argentina. Barreled pork in brine worth \$11,852 and dry salted pork valued at \$16,385 came from the United States.

---

### Alumina Imports

August imports of alumina, including bauxite ore, amounted to 716,858 pounds valued at \$191,926 compared with 1,304,794 at \$323,270 in July and 509,356 valued at \$447,558 in August, 1937. British Guiana supplied 660,694 pounds and the United States 56,164.

---

### Imported Automobiles

There were 621 automobiles imported during August, appraised at \$464,000 compared with 751 valued at \$701,000 in the previous month and 904 worth \$936,000 in August, 1937. Parts for automobiles were imported to the value of \$971,000 compared with \$1,013,000 in July and \$1,261,000 in August last year. The United States accounted for 550 of the imported automobiles in August.

---

### Imported Lumber

The August imports of lumber totalled 7,711,000 feet of the value of \$314,535 against 7,729,000 feet valued at \$297,529 in July and 8,665,000 at \$358,264 in August, 1937. The United States supplied the bulk. Imports during the five months ended August aggregated 33,788,000 feet worth \$1,346,168 compared with 44,172,000 at \$1,915,422 in the corresponding period of the previous fiscal year. Leading imports in August were as follows: white pine, 1,789,000 feet; oak, 1,584,000; gumwood, 712,000; Douglas fir, 726,000; cedar, 406,000; walnut, 376,000; poplar, 269,000; mahogany, 126,000; hemlock, 112,000; redwood, 107,000.

---

### Farm Implements and Machinery

A large increase was recorded in the value of imported farm implements and machinery in August, the value being \$3,299,963 compared with \$2,027,293 in July and \$1,745,008 in August, 1937. The value of the imports from the United States was \$3,184,555. Internal combustion traction engines for farm purposes were valued at \$1,624,015, harvesters in combination with threshing machine separators and parts \$479,678, and cream separators and parts \$64,230. Imports of farm implements and machinery during the five months ended August totalled in value \$11,579,221 compared with \$9,060,426 in the corresponding period of the previous fiscal year.

---





### August Imports of Tea and Coffee

August imports of tea amounted to 2,558,648 pounds valued at \$656,778 compared with 2,297,833 appraised at \$599,703 in July and 3,044,018 at \$793,830 in August, 1937. During the five months of the current fiscal year imports totalled 14,869,357 valued at \$3,917,955 compared with 15,019,466 at \$3,711,624 a year ago.

Imports of chicory and coffee totalled 2,870,311 pounds valued at \$269,319 compared with 3,430,706 at \$274,078 in July and 2,340,006 at \$254,039 in August last year. In the five months so far this fiscal year the imports aggregated 18,200,350 pounds worth \$1,585,654 compared with 15,465,881 at \$1,707,329 a year ago.

---

### Imports of Crude Petroleum

August imports of crude petroleum totalled 132,536,152 gallons valued at \$4,634,237 compared with 142,592,041 worth \$5,064,486 in the previous month and 158,567,747 at \$5,767,668 in August, 1937. The United States supplied 96,899,478 gallons, Colombia 19,006,000, Venezuela 9,076,000 and Peru 7,555,000 gallons.

---

### Vegetable Oils

Canada's exports of vegetable oils in August were valued at \$4,896 compared with \$10,216 in July and \$13,317 in August, 1937. The amount to the United States was \$4,822. Imports of vegetable oils amounted to \$1,022,025 as against \$665,132 in July and \$1,234,580 a year ago. The value of the import from the United Kingdom was \$406,090 and from the United States \$166,830.

---

### Toilet Preparations

Imports of toilet preparations, including alcoholic perfumes, bay rum, lotions, pomades and perfumery were valued at \$35,700 in August compared with \$41,518 in July and \$38,557 in August, 1937. Approximately equal quantities came from the United States and the United Kingdom, France sending the next largest supply.

---

### Fresh Fruits

Exports of fresh fruits were of the value of \$159,350 compared with \$134,175 in July and \$154,750 in August last year. The largest item was blueberries at \$77,160 to the United States. The total exports to the United States amounted to \$87,351, and to the United Kingdom \$69,795.

Imports of fresh fruits totalled \$1,275,870 as against \$1,431,612 in July and \$1,647,504 a year ago. The bulk of the import at \$1,104,653 came from the United States. There was some fresh fruit from Australia, Ecuador, Fiji, and the British West Indies. The largest item from the United States was oranges at \$402,072, fresh peaches at \$54,684, grapes \$116,963, lemons \$101,669 and pears \$139,301.

---

### Soap

Exports of soap in August had a value of \$104,071 against \$82,276 in July and \$135,258 a year ago. The largest purchaser was the United Kingdom at \$91,675. Imports of soap were \$41,653 compared with \$24,067 and \$57,718. Most of the imports came from the United States.

---

### Fertilizers

The August exports of fertilizers were \$381,610 compared with \$342,202 in July and \$206,512 in August last year. The amount to the United States was \$165,203, Hawaii \$163,691, Dutch East Indies \$36,365 and Portuguese Africa \$9,375. The imports of fertilizers aggregated \$276,938 compared with \$152,135 and \$313,213. Imports from the United States amounted to \$178,524.

---





### Canned and Preserved Fruits

Domestic exports of canned and preserved fruits in August were valued at \$172,529 compared with \$173,915 in the previous month and \$132,437 in the corresponding month last year. The total to the United Kingdom was \$162,255. Imports of canned and preserved fruits were appraised at \$172,303 compared with \$137,203 in July and \$211,252 in August, 1937. The Straits Settlements accounted for a total of \$69,686, largely canned pineapples.

---

### Animals for Exhibition

The value of animals imported for exhibition purposes was \$86,985 in August, all from the United States, compared with \$77,555 in July and \$18,792 in August, 1937. Total imports during the five months ended August amounted to \$265,610 compared with \$164,088 in the corresponding period of the previous fiscal year.

---

### Wheat Stocks in Store

The visible supply of Canadian wheat for the week ending September 30 totalled 153,470,967 bushels compared with 131,586,568 in the previous week and 74,809,661 in the corresponding week last year. Canadian wheat in the United States amounted to 2,836,000 bushels against 1,426,000 the week before and 2,086,314 a year ago. Stocks of United States wheat in Canada totalled 162,110 bushels against 220,311 in the previous week and 1,743,704 in 1937. Wheat in rail transit amounted to 23,755,493 bushels and the amount in lake transit was 8,639,572 for the week ending September 30, compared with 2,845,113 and 7,471,143 bushels, respectively for the same week last year.

---

### Primary Movement of Wheat

Wheat receipts in the Prairie Provinces during the week ended September 30 totalled 28,698,617 bushels compared with 31,789,923 in the previous week and 6,544,558 in the corresponding week last year. The totals follow by provinces, with those for the previous week in brackets: Manitoba, 530,011 (1,599,869) bushels; Saskatchewan, 12,185,920 (1,360,901); Alberta, 15,982,686 (3,583,788).

Marketings in the three provinces for the nine weeks ended September 30 aggregated 158,052,247 bushels compared with 65,577,758 in the corresponding period of the previous crop year. The totals follow by provinces: Manitoba, 36,107,857 (28,025,937) bushels; Saskatchewan, 62,542,591 (13,729,809); Alberta, 59,401,799 (23,822,012).

---

### Overseas Export Clearances of Wheat

Overseas export clearances of wheat during the week ended September 30 totalled 4,614,231 bushels compared with 3,029,254 in the previous week and 2,716,123 in the same week last year. Imports into the United States for consumption and milling in bond amounted to 328,000 bushels compared with 236,000 the week before and 75,000 a year ago. Clearances follow by ports, with figures for 1937 in brackets: Montreal, 2,225,562 (1,601,408) bushels; Sorel, 774,155 (570,000); Three Rivers, 654,700 (nil); Vancouver-New Westminster, 330,337 (229,870); Churchill, 303,191 (nil); United States Ports, 270,286 (314,845); Fort William and Port Arthur, 56,000 (nil).

Total overseas export clearances during the period August 1 to September 30 were 19,922,217 bushels compared with 13,558,128 in the corresponding period of the previous crop year, while imports into the United States for consumption and milling in bond totalled 984,000 bushels compared with 1,316,690. Clearances follow by ports: Montreal, 12,323,811 (9,140,360) bushels; United States Ports, 2,666,309 (2,401,858); Three Rivers, 1,953,081 (41,078); Vancouver-New Westminster, 1,562,229 (600,850); Sorel, 1,057,596 (770,000); Churchill, 303,191 (603,982); Fort William and Port Arthur, 56,000 (nil).

---

### Roofing Paper Industry

Production by the roofing paper industry in 1937 was valued at \$6,884,032 compared with \$4,908,640 in 1936.





### Production of Silver, Lead and Zinc

Canadian producers of silver reported an output of 2,584,296 ounces in July compared with 2,821,218 in the previous month and 2,806,580 in the corresponding month last year. Computed on the basis of average prices on the New York market during July, the output was worth \$1,110,524 compared with \$1,219,133 in June. Total output during the first seven months of 1938 was 13,283,789 ounces compared with 12,493,813 in the corresponding months of 1937.

Lead production in July advanced to 38,724,783 pounds from the June total of 37,934,740, and the July, 1937, output of 31,267,580 pounds. Based on London average prices during July the month's output was valued at \$1,274,045 compared with \$1,185,461 in June. An increase of 6.1 per cent was recorded in the output during the first seven months of the year, the total being 243,960,426 pounds compared with 229,997,040.

The July output of zinc totalled 28,367,785 pounds compared with 31,549,136 in June and 36,433,162 in July, 1937. The July production was valued at \$884,791, based on London average prices reported during the month. In the previous month the value was \$908,931. Aggregate output for the first seven months of the year was 226,210,883 pounds compared with 205,224,844 in the corresponding period last year.

---

### Production of Coal in August

Canadian coal mines produced 992,668 tons of coal in August, 814,910 in July and 1,241,948 in August, 1937. The production of bituminous coal in August amounted to 816,956 tons, sub-bituminous 15,635 and lignite 160,077. Imports of coal during the month totalled 1,463,919 tons compared with 1,776,998 in August, 1937. Receipts of anthracite totalled 333,444 tons, and of bituminous 1,130,462. Exports of Canadian coal amounted to 34,522 tons compared with 32,105 a year ago. Canada's coal supply was computed at 2,422,065 tons compared with 2,986,841 last year.

Total output of coal during the eight months ended August was 8,714,787 tons compared with 9,425,507 in the corresponding period last year. The production this year included 6,817,598 tons of bituminous, 1,611,808 of lignite and 285,381 tons of sub-bituminous.

---

### Sales of Electric Storage Batteries

Sales of electric storage batteries and parts by Canadian producers were valued at \$785,940 in the second quarter of 1938 compared with \$1,056,356 in the corresponding period of 1937. Output during the three months under review included 129,532 batteries at \$534,734 for internal combustion engine starting and ignition, 964 batteries at \$3,832 for motor cycle starting, 3,019 cells at \$17,507 for farm lighting plants, 811 cells at \$14,717 for railway car and signal service and batteries for other purposes at \$135,348. In addition, \$79,802 worth of parts and supplies were produced.

---

### Indexes of Wholesale Sales in August

Wholesale sales in August recovered most of the loss recorded in July, the dollar value being approximately 9 per cent greater. For the first time this year wholesale sales were equal to those of the corresponding month in 1937. This is noteworthy in view of the fact that the decline of over 7 per cent in July from the corresponding month last year was greater than that shown for any month since the commencement of this monthly survey three years ago. The index of wholesale sales, calculated on the basis of 1930=100, stood at 98.2 for August, 90.0 for July and 98.2 for August last year.

---

### August Indexes of Retail Sales

Composite sales figures for twelve separate lines of retail business indicate that the dollar value of consumer purchasing averaged one per cent lower in August this year than last and was down by a similar percentage from the July level. The decline from August 1937 presents a slight narrowing of the spread which has characterized the corresponding month comparisons for 1937 and 1938 thus far, cumulative figures for the first eight months of the current year averaging two per cent below the corresponding eight-month period in 1937. The unadjusted general index of sales, on the base average monthly sales in 1930 equals 100, stands at 68.4 for August, 69.3 for July and 69.4 for August, 1937.

---





### Occupations in Relation to School Life

For the first time in the Canadian Census, an inquiry on the number of years at school appeared on the Population Schedule of the 1936 Census of the Prairie Provinces. Interest in the educational status of the gainfully occupied population has resulted in the publication of a census bulletin giving the occupations of the people in the provinces according to the number of years at school, by sex and broad age groups.

The figures show that persons with less than a high school education are found chiefly in agricultural pursuits and in semi-skilled and unskilled occupations. Clerical and kindred workers and skilled artisans represent a larger proportion of persons having attended school from 9 to 12 years, or roughly with a high school education. Those with 13 years or more of schooling, or, in the main, a college education, are engaged largely in professional, commercial and clerical pursuits, though the numbers in agricultural and in semi-skilled and unskilled occupations are appreciable.

For males almost two-thirds reported less than 9 years' schooling or generally less than a high school education. Only about two-fifths of the females fell in the same educational class. The chief reason for this difference is the large number of males in primary occupations, especially agricultural, with short periods of school life. Age seems to be also a factor, the length of school life being longer for both sexes in the younger age groups than in the older.

---

### Reports Issued During the Week

1. Car Loadings (10 cents).
  2. Report on the Button Industry, 1937 (15 cents).
  3. Footwear Trade of Canada, August (10 cents).
  4. Imports of Petroleum and Its Products, August (10 cents).
  5. Imports and Exports of Hides and Skins, August (10 cents).
  6. Imports and Exports of Pipes, Tubes and Fittings, August (10 cents).
  7. Imports of Coffee and Tea, August (10 cents).
  8. Imports of Farm Implements and Machinery, August (10 cents).
  9. Imports of Lumber, August (10 cents).
  10. Imports of Vehicles of Iron, August (10 cents).
  11. Imports of Non-Ferrous Ores and Smelter Products, August (10 cents).
  12. Imports of Meats, Lard and Sausage Casings, August (10 cents).
  13. Imports of Rubber and Insulated Wire and Cable, August (10 cents).
  14. Security Prices and Foreign Exchange (10 cents).
  15. The Roofing Paper Industry, 1937 (10 cents).
  16. Monthly Indexes of Retail Sales, August (10 cents).
  17. Imports of Paints and Varnishes, August (10 cents).
  18. Imports and Exports of Fertilizers, August (10 cents).
  19. Imports and Exports of Wire, August (10 cents).
  20. Imports and Exports of Soap, August (10 cents).
  21. Imports and Exports of Fresh Fruits, August (10 cents).
  22. Imports and Exports of Toilet Preparations, August (10 cents).
  23. Imports and Exports of Vegetable Oils, August (10 cents).
  24. Canadian Grain Statistics (10 cents).
  25. Milling Statistics, August (10 cents).
  26. Imports of Living Animals, August (10 cents).
  27. Imports and Exports of Canned and Preserved Fruits, August (10 cents).
  28. Occupations in Relation to Length of School Life for the Provinces of Manitoba, Saskatchewan and Alberta, Census, 1936 (25 cents).
  29. Business Conditions in Canada during first eight months, 1938 (10 cents).
  30. Coal and Coke Statistics, August (10 cents).
  31. The Musical Instrument Industry, 1937 (15 cents).
  32. Silver, Lead and Zinc Production, July (10 cents).
  33. Advance Preliminary Statement of Butter, Cheese and Eggs in Cold Storage in Principal Cities at October 1 (10 cents).
  34. Weekly Index Numbers of Wholesale Prices (10 cents).
  35. Monthly Indexes of Wholesale Sales, August (10 cents).
  36. Factory Sales of Electric Storage Batteries, Second Quarter, 1938 (15 cents).
  37. Quarterly Report of the Trade of Canada, June, 1938 (50 cents).
  38. Monthly Review of Business Statistics, September (10 cents).
-

STATISTICS CANADA LIBRARY  
BIBLIOTHÈQUE STATISTIQUE CANADA



1010730073