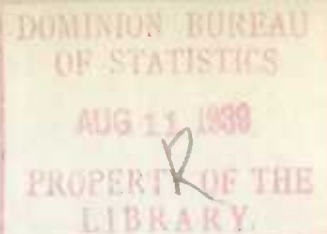


## WEEKLY BULLETIN

Dominion Bureau of Statistics

Department of Trade and Commerce



Vol. VII - No. 32

Ottawa, Saturday, August 12, 1939

Price \$1.00 per year

Weekly Review of Economic Conditions

Minor increase was recorded during the first week of August in the average of six major factors showing the trend of economic conditions. Gains of 0.3 per cent were shown both over the preceding week and over the same week of 1938. Three of the six factors including bank clearings and commodity and common stock prices recorded advances over the preceding week. Gains in carloadings and bond prices were shown over the same week of last year.

The railway freight movement showed reaction in the 30th week of the year. Recessions were shown both in eastern and western divisions, the general index receding from 78.7 to 76.9. Traffic was heavier than in the same week of 1938 and the recession in the cumulative total from the same period of 1938 is now of minor proportions. The total traffic in the first 30 weeks of the year was 1,299,000 cars against 1,315,000 in the same period of last year. Gains were shown in grain, coal, coke, lumber, pulp and paper and other forest products, while declines were shown in the other five commodity groups.

Increases in grain and non-ferrous metals were the main influences in raising the index of commodity prices from 72.1 in the week of July 28 to 72.3 in the week of August 4. Animal products was the only main group recording a decline during the week. Owing to the recent unfavourable weather conditions, grain prices were strong on the Winnipeg Exchange, the price of No. 1 Northern wheat rising from  $52\frac{1}{4}$  to  $53\frac{7}{8}$ . Gains were shown in coarse grains except flax. The price of electrolytic copper in London rose from £49 9s on August 1 to £50 5s on August 8. Gains were also shown in lead and zinc, while the price of tin was maintained. The price of export copper in New York rose from 10.45 cents to 10.70 cents. Gains were also recorded in tin, lead and zinc.

Bond prices receded slightly during the week under review. Price changes occurred mostly in the early part of the week and the average yield of the issues included in the index increased from 2.92 to 2.93. The bid quotation for the 4's of 1947-52 receded  $\frac{1}{4}$  to  $107\frac{1}{2}$ . Common stock prices were slightly more than maintained in the week of August 3, the index advancing from 98.5 to 98.6. Five of the nine industrial groups averaged higher. The index of 15 power and traction stocks was 59.6 against 59.8 in the preceding week.

The weekly index was 108.3 in the week of August 5 against 108.0 in the preceding week and in the same week of last year. During the last 18 months or more the weekly index has fluctuated within relatively narrow limits without any definite trend either in an upward or downward direction.

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>
Aug. 6, 1938	73.7	77.2	157.7	94.5	106.7	126.5	108.0
July 29, 1939	78.7	72.1	166.1	84.4	98.5	121.9	108.0
Aug. 5, 1939	76.9	72.3	165.6	90.7	98.6	76.8	108.3

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 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.



### Wheat Stocks in Store

Canadian wheat in store for the week ending August 4 totalled 95,000,144 bushels compared with 95,849,521 in the previous week and 18,514,053 in the corresponding week last year. The amount of Canadian wheat in store in the United States was 6,907,000 bushels compared with 6,567,000 the week before and 1,111,000 a year ago. Wheat in rail transit amounted to 3,099,216 bushels compared with 838,762 in 1938, and that in transit on the lakes was 3,581,799 bushels compared with 2,721,699.

---

### Primary Movement of Wheat

Wheat receipts in the Prairie Provinces for the week ending July 31 totalled 1,279,609 bushels compared with 1,981,306 in the previous week and 620,420 in the corresponding week last year. The amounts follow by provinces, with 1938 totals in brackets: Manitoba, 201,969 (218,768) bushels; Saskatchewan, 461,317 (176,108); Alberta, 616,323 (225,526).

Marketings during the crop year 1939 aggregated 290,442,906 bushels in comparison with 125,441,238 in the previous crop year. The totals were as follows by provinces: Manitoba, 44,308,424 (38,347,664) bushels; Saskatchewan, 117,640,160 (27,789,746); Alberta, 128,494,322 (59,303,828).

Receipts for the week ending August 4 amounted to 478,196 bushels compared with 608,014 in the same period last year. By provinces the receipts were: Manitoba, 228,119 (256,184) bushels; Saskatchewan, 121,665 (162,204); Alberta, 128,412 (189,626).

---

### Overseas Export Clearances of Wheat

The overseas export clearances of wheat in the week ended August 4 amounted to 1,561,010 bushels compared with 406,135 a year ago, and the imports into the United States for consumption and milling in bond for re-export totalled 160,000 bushels compared with 2,000.

The clearances were as follows by ports, with figures for 1938 in brackets: Montreal, 810,104 (308,831) bushels; Sevel, 313,500 (nil); Vancouver-New Westminster, 270,610 (nil); United States ports, 166,796 (97,304).

---

### Production of Fall Wheat, Fall Rye and Alfalfa

The first estimate places the production of fall wheat in Canada in 1939 at 22,418,000 bushels from 735,000 acres, a yield per acre of 30.5 bushels as compared with 19,814,000 bushels from 742,100 acres in 1938, a yield per acre of 26.7 bushels.

Fall rye in Canada is estimated to have yielded 13,211,000 bushels from 890,800 acres, as compared with 8,363,000 bushels from 553,500 acres in 1938, yields per acre of 14.8 bushels and 15.1 bushels, respectively.

The first cutting of alfalfa yielded 1,381,000 tons from 849,600 acres, a yield per acre of 1.63 tons as compared with 1,469,000 tons from 859,000 acres in 1938, a yield per acre of 1.71 tons.

---

### Production of Butter and Cheese

Production of creamery butter in July at 38,100,982 pounds was two per cent lower than in July 1938, and seven per cent below the output for the preceding month. The July 1938 make totalled 38,782,003 pounds and in June, 41,186,717 pounds. New Brunswick, Quebec and British Columbia were the only provinces to record increases over July last year. Total Canadian output for the seven months ended July was 152,007,762 pounds compared with 152,083,195 in the same period of 1938.

Canada's output of factory cheese was higher in July, totalling 22,420,898 pounds compared with 22,177,287 in June and 21,200,573 in July, 1937. Each of the producing areas excepting Manitoba, Saskatchewan and Alberta recorded increased production when compared with July, 1938. An advance of seven per cent was shown in the Canadian production during the seven months ended July, the total being 62,694,985 pounds compared with 58,571,682 a year ago.

---



### Index Numbers of Wholesale Sales

The dollar value of wholesale sales decreased two per cent in June compared with May and was one per cent lower than the amount recorded for June a year ago. The composite index for the nine lines of business was 99.1 compared with 101.4 in May and 100.1 for June, 1938. The average index for the first six months of 1939 for all lines of trade combined was less than one per cent greater than for the corresponding six-month period last year.

---

### Index Numbers of Retail Sales

Dollar volume of consumer purchasing averaged four per cent higher in June this year than last and was two per cent above the May level. The unadjusted index was 86.7 compared with 83.3 for June last year and 84.7 for May this year. The average index for the first six months of 1939 was 0.4 per cent lower than in the same period of last year.

---

### Cost of Living in July

Increases in prices of a few of the more important foods, partially offset by further recessions in coal and coke prices, resulted in an advance in the general cost of living for Canada from 82.9 in June to 83.1 in July. The comparative figures for July of the previous year was 84.2. The food group rose from 74.3 to 75.1, gains for eggs, butter, potatoes and pepper being of more consequence than declines for milk, tea, lard and most meats. A reduction in the coal sub-group from 85.5 to 85.0 and in that for coke from 81.7 to 81.0, brought about a decline in the fuel index from 84.3 to 83.9. There were no changes of any importance recorded for other budgetary groups.

---

### Manufacturing Industries of Ontario

Ontario is the most important manufacturing province of the Dominion. This favourable position is not of recent growth, having been maintained over a long period of years. In spite of the rapid industrial development in recent years in other provinces, such as Quebec, British Columbia and Manitoba, Ontario is maintaining a manufacturing production equal to that of the remainder of the Dominion. Ontario also has the greatest diversification of manufacturing production of any province. Outstanding among the industries in which the province is pre-eminent is that of automobile manufacturing which is carried on in this province practically alone.

Other important industries in which Ontario leads with the percentage which the production of each bears to that of the Dominion total in 1937 follow: Agricultural implements, 96 per cent; leather tanneries, 88; rubber goods, including footwear, 82; furniture, 59; fruit and vegetable preparations, 69; electrical apparatus and supplies, 75; castings and forgings, 67; primary iron and steel, 62; flour and food mills, 53; and hosiery and knitted goods, 62 per cent.

The gross value of manufactured products in 1937 totalled \$1,878,088,000 and reached the highest point since 1929 when the aggregate was \$2,019,092,000, and was 21.4 per cent in advance of the 1936 valuation. Reports were received from 9,796 manufacturing establishments with a capital investment in fixed and current assets at \$1,674,306,000. The number of persons employed was 321,743 and the salaries and wages \$373,018,000, while the cost of materials used and value added by manufacture were \$1,025,872,000 and \$802,403,000, respectively.

---

### Manufacturing in Quebec

The province of Quebec with about 29 per cent of the Dominion output is the second largest manufacturing province, the value in 1937 totalling \$1,046,471,000, a gain of 21.2 per cent over 1936. This was the highest value recorded since 1929 when it was \$1,106,475,000.

The production of pulp and paper is the dominant industry. In addition to supplying about 10 per cent of the gross value of Quebec manufactures, it furnishes about 47 per cent of the Dominion total for this industry. The value of cotton yarn and cloth forms approximately 69 per cent, railway rolling stock 48, tobacco products 85, women's factory clothing 66, and leather boots and shoes 61 per cent.



This province is thus an outstanding manufacturing province rather on account of her large individual industries than because of the diversification of her industrial activities. The number of persons employed totalled 219,033 and the salaries and wages paid \$216,971,000, while the cost of materials used and the value added by manufacture were \$562,889,000 and \$445,886,000, respectively.

---

#### Manufacturing in British Columbia and the Yukon

The upward climb in manufacturing production begun in the summer of 1933 was greatly accelerated in 1937. Compared with the previous year, there was an increase in 1937 of 7.0 per cent in employment, and an increase of 13.3 per cent in the salaries and wages paid. An increase of 16.5 per cent was also recorded in the gross value of production, 19.0 per cent in the cost of materials used and 13.2 per cent in the value added by manufacture.

In 1937 reports were received from 1,713 establishments operating in British Columbia and the Yukon Territory. The combined output of these establishments was valued at \$251,924,258. Employment was furnished to 42,576 persons who were paid \$51,979,393 in salaries and wages. The cost of materials used was \$144,466,346, while the value added by manufacture amounted to \$99,359,051. The manufacturing activities of the Yukon Territory consisted of one bakery, one shipbuilding, one novelties and two printing and publishing plants.

In comparison with 1936 the industries of British Columbia and the Yukon Territory showed the following variations in their manufacturing activities. The number of establishments reporting increased by 18, with an increase in the capital invested of \$5,324,690. Current assets were down \$1,991,834 while fixed assets were \$7,316,524 higher. The number of persons employed increased by 2,780 with a gain in the payroll of \$6,125,019. The amount spent on materials was \$23,104,228 higher, while the rise in the gross value of production was even greater, viz., \$35,788,180.

---

#### Reports Issued During the Week

1. Security Prices and Foreign Exchange (10 cents).
  2. Price Movements, July (preliminary)(10 cents).
  3. Manufacturing Industries of British Columbia, Including Yukon, 1937 (25 cents).
  4. Stocks of Fruit and Vegetables, August 1 (10 cents).
  5. Storage Holdings of Fish, August 1 (10 cents).
  6. Stocks of Dairy and Poultry Products, August 1 (10 cents).
  7. Cold Storage Holdings of Meat and Lard, August 1 (10 cents).
  8. Monthly Review of Dairy Production, July (10 cents).
  9. Monthly Bulletin of Agricultural Statistics, June (10 cents).
  10. Car Loadings (10 cents).
  11. Family Income Per Person -- Relation to Urban Wage-Earner Family Living Expenditure (15 cents).
  12. Indexes of Retail Sales, June (10 cents).
  13. Indexes of Wholesale Sales, June (10 cents).
  14. Monthly Review of Business Statistics, July (10 cents).
  15. Weekly Index Numbers of Wholesale Prices (10 cents).
  16. The Pulp and Paper Industry, 1937 (25 cents).
  17. Telegraphic Crop Report, Prairie Provinces (10 cents).
  18. First Estimate of Yield of Fall Wheat, Fall Rye and Alfalfa. Condition of Field Crops at July 31, Canada (10 cents).
  19. Manufacturing Industries of Ontario, 1937 (25 cents).
-



1010730013