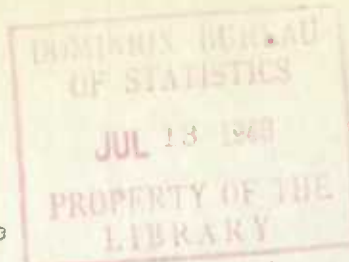


## WEEKLY BULLETIN

Dominion Bureau of Statistics  
Department of Trade and Commerce



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Weekly Indexes

There are six indexes available on a weekly basis in Canada that reflect the general economic trend. These cover respectively:  
Business - carloadings and wholesale prices,  
Finance - bank clearings and bond yields, and  
Speculation - common stock prices and shares traded.  
Notes on the indexes follow:

The railway traffic recovered in the first week of July, the index of carloadings rising from 93.1 to 95.6. Recession was shown in the western division while the index for the eastern division advanced from 80.8 to 88.5. The gain in the index over the same week of last year was 24.2 per cent. A marked expansion in traffic occurred from the end of March until the third week of June, while the recession in the last week of that month was only partially counterbalanced by the increase in the week under review.

Wholesale prices showed appreciable advance in the week of July 5. The index which had been 81.6 in the preceding week advanced to 82.2. Advances were shown in farm products wood and paper and chemicals. The standing was 0.7 per cent above the preceding week and 12.3 per cent above the same week of 1939. No. 1 Northern wheat averaged 71 3-8 in the week of July 6, against 71 1-8 in the preceding week. Each of the coarse grains, except flax, also recorded gains. Export copper on the New York market receded from 10.90 on June 27 to 10.35 on July 11, while lead and zinc remained steady.

High-grade bond prices showed minor recession, an index of capitalized yields receding 0.1 per cent. The decline from the same week of 1939, in this index, was nearly 8 p.c. Common stock prices were steady during the first week of July, the index remaining at 70.2. The standing one year ago was 94.0, a decline of 25.3 per cent having been indicated. Speculative trading on the Canadian exchanges was at a relatively low level. The adjusted index of bank clearings receded from 97 to 88.4, a slight gain, however, being shown over the same week of last year when the reading was 86.3.

The general index computed by eliminating the long-term trend and weighting inversely the six indexes on the basis of their tendency to fluctuation was 103.4 in the week of July 6, against 104.2 in the preceding week, a decline of 0.8 per cent. The increase over the same week of last year was 1.1 per cent, the standing at that time having been 102.3.

Weekly Index with the Six Components  
1926-100

Week Ended	Car loadings	Wholesale Prices	Capitalized Bond Yields 1	Bank Clearings 2	Prices of Common Stocks	Shares Traded	Weekly Index 3
July 8, 1939	77.0	73.2	148.6	86.3	94.0	55.7	102.3
June 29, 1940	93.1	81.6	137.0	97.0	70.2	38.9	104.2
July 6, 1940	95.6	82.2	136.8	88.4	70.2	34.3	103.4

1. Present value of a fixed net income in perpetuity from Dominion long-term bonds.
2. 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.
3. 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.

Business Conditions in Canada during First Five Months of 1940

Economic activity recorded expansion during the first five months of this year, business operations, as measured by the official index being nearly 19 per cent greater than in the early part of 1939. The index of the physical volume of business was 136.9 on the





1926 base as 100, as compared with 115.2 in the first five months of 1939. The general index of employment rose nearly 8 points to 121 on June 1. The considerable advance in these indexes is a measure of business expansion due, in part to the acceleration of war operations.

The index of mineral production rose from 203 to 230, a gain of 13 p.c. Gold shipments to the Mint and to external points were 2 p.c. greater, while silver shipments rose from 7.5 million ounces to 8.3 million, a gain of 11 p.c. Greater demand for fuel, mostly from industrial consumers, led to greater activity in coal-mining districts. The output of coal was nearly 7 million tons against 5.7 million in the first five months of 1939, an increase of 23.4 p.c.

The index of manufacturing production based on 29 factors rose 28 points to 137.3, a gain of 25.6 p.c. Flour production in the first four months rose 15 p.c. to 5.1 million barrels. The domestic demand for sugar was considerably heavier than in the first five months of 1939. The output rose by about one-third to 276 million pounds. Hog slaughtering recorded a marked increase, while the slaughtering of cattle was slightly more than maintained. Marked gains were recorded in the release of cigars and cigarettes. The production of leather boots and shoes during the first four months rose 18 p.c. The consumption of raw cotton was 80.5 million pounds against 41.6 million, a gain of 93.3 p.c.

The forestry industry was more active than in the early months of 1939. The output of newsprint, representing the heavier demand in the American market, due to reduction in Scandinavian shipments, rose 20.5 p.c. to 1.3 million tons. The export of planks and boards was nearly 740 million feet, resulting in a slight gain over last year.

Due to war demands, the primary iron and steel industry worked at a much greater percentage of capacity. The output of steel ingots was 792,000 tons, a gain of 68 p.c., while pig iron production at 461,000 tons showed a gain of 89 p.c. The demand for automobiles continued heavy, the output rising 17 p.c. to nearly 93,000 units. Imports of petroleum at 393 million gallons were 15 p.c. greater, while crude rubber imports rose 51 p.c. to 38.7 million pounds.

The construction industry, assisted by demands for war purposes, was much more successful in obtaining new business in the period under review. Contracts awarded were \$86.3 millions against \$58.2 million. Building permits on a revised basis rose from \$19 million to \$27 million, a gain of nearly 39 p.c. The output of electric power was 12.4 billion kilowatt hours, a gain of nearly 8 p.c. having been shown.

External trade showed considerable acceleration during the first five months of the present year. Exports were nearly 34 p.c. higher, while imports rose 57.5 p.c. The excess of exports over imports during the first five months was \$36.7 million. The heavy movement of grain was the main influence in expanding the railway traffic. Carloadings rose from 916,000 to 1,060,000, a gain of nearly 16 p.c. Marked increases were shown in the gross revenues of the two main railway lines.

The general index of employment, averaged for the first six reporting dates, rose from 107.5 in 1939 to 115.2 in the present year, a gain of 7.2 p.c. Highway construction showed a decline while most of the other main groups recorded expansion in working forces. The manufacturing index averaged nearly 15 p.c. greater and an increase of more than 4 p.c. was shown in mining. Employment in logging was at a much higher level. The increase in building construction was 11.4 p.c., while wholesale and retail trade averaged nearly 4 p.c. greater.

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#### Canada's Domestic Exports in June

Canada's domestic exports in June reached a total of \$110,780,230 in comparison with \$76,367,281 in June, 1939. The total for the first half of 1940 was \$548,096,421 as compared with \$403,534,363 in the first six months of 1939. Foreign exports in June totalled \$282,195 as compared with \$1,202,518, while the total for the six months this year was \$5,055,377 as compared with \$4,931,978 a year ago.

Some principal items of export in June were as follows, with figures for June 1939 in brackets: wheat, \$11,647,372 (\$9,034,986); wheat flour, \$2,097,128 (\$1,175,728); fish, \$1,886,903 (\$2,100,249); furs, \$695,208 (\$1,023,633); meats, \$4,061,302 (\$2,335,971); choose, \$555,208 (\$802,171); planks and boards, \$6,639,534 (\$4,740,663); wood pulp, \$5,786,042 (\$1,925,282); newsprint, \$15,168,194 (\$10,681,411); automobiles and parts, \$7,067,675 (\$2,493,233).





Six months' export of some leading commodities was as follows: wheat, \$60,922,243 (\$31,508,494); wheat flour, \$14,922,978 (\$6,693,159); fish, \$13,286,986 (\$12,154,776); furs, \$8,402,077 (\$9,292,866); meats, \$30,867,749 (\$16,544,942); cheese, \$3,336,687 (\$2,085,345); planks and boards, \$25,549,960 (\$19,987,183); wood pulp, \$26,569,151 (\$12,936,757); newsprint, \$68,559,433 (\$52,526,286); automobiles and parts, \$19,110,300 (\$15,202,491).

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#### June Exports of Grains and Flour

Canada's export of wheat was lower in June, totalling 13,570,107 bushels valued at \$11,647,372 as compared with 14,637,016 at \$9,034,986 in June, 1939. The average export price per bushel rose to 85.9 cents from 61.7. Increased export shipments to the United Kingdom were shown, whereas the amount sent to the United States was lower.

Wheat flour shipments abroad recorded advance in June, the total being 509,308 barrels valued at \$2,097,128 as compared with 401,189 at \$1,175,728 a year ago. The average export price per barrel was \$4.12 as compared with \$2.93. The United Kingdom took considerably more than half of the export shipments.

A considerable falling off in June was recorded in barley shipments, but the export of oats and rye was somewhat heavier than in June, 1939. Barley exports fell to 213,719 bushels valued at \$110,891 from 875,801 at \$376,895; export of oats rose to 1,692,670 bushels valued at \$647,800 from 1,034,229 at \$323,331, and of rye to 556,745 barrels at \$260,126 from 86,801 at \$39,928.

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#### Canada's Imports in May

Canada's imports in May were valued at \$100,536,837 in comparison with \$85,979,519 in the previous month and \$72,957,808 in May, 1939. The total from the United States was \$63,895,708 as against \$58,536,937 in April and \$43,146,730 in May, 1939. Imports from the United Kingdom, the next heaviest contributor amounted to \$17,052,402 compared with \$13,368,275 in April and \$12,941,937 in May last year.

Some of the leading imports in May were as follows, with figures for May 1939 in brackets: petroleum products, \$6,584,000 (\$5,275,000); machinery, except agricultural, \$5,895,000 (\$4,009,000); automobiles and parts, \$5,787,000 (\$4,090,000); coal, \$5,607,000 (\$4,523,000); coal, \$5,309,000 (\$2,466,000); non-ferrous metals, \$5,294,000 (\$3,532,000); rolling mill products, \$4,553,000 (\$2,274,000); farm implements, \$4,252,000 (\$2,575,000); cotton, \$4,225,000 (\$2,983,000); sugar, \$4,163,000 (\$3,371,000).

Other leading commodities were as follows: fruits, \$2,575,000 (\$2,372,000); tea, \$2,761,000 (\$579,000); vegetables, \$1,269,000 (\$1,241,000); rubber, \$1,932,000 (\$1,448,000); flax, hemp and jute, \$1,478,000 (\$1,125,000); books and printed matter, \$1,429,000 (\$1,244,000); electric apparatus, \$1,837,000 (\$1,122,000); paper, \$882,000 (\$764,000); vegetable oils, \$998,000 (\$1,145,000); glass and glassware, \$953,000 (\$865,000); personal equipment, \$948,000 (\$831,000).

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#### Imported Refrigerators

There were 3,644 refrigerators imported in May of the value of \$275,580 as compared with 3,609 units appraised at \$271,540 in May, 1939. These were all from the United States and included 3,113 electric models and 531 other types.

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#### Imports of Alumina

Canada's imports of alumina including bauxite (ore) advanced in May to 984,645 cwt. valued at \$373,989 from 584,217 valued at \$169,941 in May, 1939. British Guiana supplied the bulk, totalling 868,760 cwt., the United States following with 115,875 and the United Kingdom the balance.

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### Exports of Asbestos

Exports of Canadian crude asbestos moved higher in May, totalling 15,949 tons valued at \$1,166,735 as compared with 12,175 at \$767,934 in May, 1939. The United States took 6,422 tons, the United Kingdom 4,034, France 1,943, Australia 1,727 and Japan 1,399.

Asbestos sand and waste exports also advanced, amounting to 15,266 tons valued at \$295,939 as compared with 12,568 at \$228,473 in May, 1939. The United States took 14,068 tons and the United Kingdom 938. Exports of asbestos manufactures totalled \$22,684 compared with \$41,139.

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### Imports of Tea and Coffee

A sharp advance was recorded in amount of tea imported in May, the total being 10,131,570 pounds valued at \$2,760,589 as compared with 2,562,652 valued at \$578,818 in May, 1939. On the other hand, a decline was shown in the green coffee imports, totalling 5,655,398 pounds valued at \$494,244 compared with 6,625,128 at \$593,312 in May, 1939.

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### Imports of Cheese in May

Canada imported 143,217 pounds of cheese in May valued at \$47,544 as compared with 181,643 at \$43,209 a year ago. France accounted for 38,426 pounds, Italy 37,306, Switzerland 31,744, Argentina 13,176 and the United States 11,973.

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### Imports of Farm Implements and Machinery

A marked increase was recorded in the value of farm implements and machinery imported in May, when the total was \$4,252,158 as against \$2,575,108 in May, 1939. The United States accounted for a large part of the import, including internal combustion traction engines and parts to the value of \$3,368,438; ploughs, \$237,319; harvesters, \$78,710; and cultivators, \$88,436.

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### Imports of Lumber

Lumber was imported in May to the value of \$352,979 compared with \$272,317 in May, 1939. These imports came mostly from the United States and included walnut, poplar, tropical woods, cedar, mahogany, oak and pine.

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### Imported Paints and Varnishes

Paints and varnishes were imported in May to the value of \$524,495 as compared with \$586,911 in May, 1939. The United States contributed to the value of \$331,621 and the United Kingdom \$181,321. Lithopone, dry fillers and colours, carbon black, zinc oxide, ground and liquid paints were among the leading items.

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### Imports of Tin

May imports of tin in blocks, pigs, etc. were considerably higher than in the corresponding month last year, amounting to 11,263 cwt. valued at \$575,098 as compared with 6,043, at \$288,578. The Straits Settlements accounted for 6,608 cwt., the United Kingdom 4,635 and the United States the remainder.

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### Exports and Imports of Fertilizers

May exports of fertilizers were valued at \$1,187,000 as compared with \$1,134,000 in May, 1939. Imports were worth \$369,000 as against \$421,000. The United States figures largely in both phases of the trade, taking \$1,114,000 of the exports and supplying \$349,000 of the imports.

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### Wheat Stocks in Store

Canadian wheat in store on July 5 totalled 281,113,693 bushels compared with 281,046,123 a week ago and 101,318,693 on the corresponding date last year. Stocks of Canadian wheat in the United States aggregated 25,289,597 bushels as against 23,914,925 on June 29 and 6,630,000 last year.

For the week ending July 5 the amount of wheat in transit on the lakes was 2,099,243 bushels as compared with 2,950,072 in the previous week and 5,195,777 last year. The amount in transit by rail was 23,210,725 bushels as against 23,751,439 a week ago and 3,359,445 in 1939.

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### Primary Movement of Wheat

Wheat receipts in the Prairie Provinces during the week ending July 5 amounted to 2,747,416 bushels as compared with 4,236,490 in the previous week and 2,068,932 in the corresponding week last year. By provinces the receipts for the latest week were as follows, with 1939 totals in brackets: Manitoba, 202,247 (202,796) bushels; Saskatchewan, 1,474,316 (1,063,641); Alberta, 1,070,853 (802,545).

Marketings in the three Prairie Provinces for the forty-nine weeks ending July 5 totalled 408,863,883 bushels as compared with 284,692,937 in the corresponding period of the previous crop year. The totals follow by provinces, with figures for the previous year in brackets: Manitoba, 52,576,818 (43,801,198) bushels; Saskatchewan, 228,327,245 (114,684,582); Alberta, 127,959,820 (126,207,157).

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### Milling in Canada in May

During the month of May 5,775,393 bushels of wheat were ground in Canadian mills compared with 5,462,753 in May, 1939. Flour production totalled 1,282,906 barrels compared with 1,191,778, while 722,595 barrels were exported as compared with 515,778 in May, 1939.

In the coarse grain group, the milling was as follows, with totals for May, 1939, in brackets: oats, 1,141,081 (768,935) bushels; corn, 195,700 (215,217); barley, 135,647 (99,452); buckwheat, 2,105 (5,450); and mixed grain, 2,106,434 (1,653,750) bushels.

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### Production of Butter and Cheese

The Canadian production of creamery butter in June amounted to 40,904,320 pounds as compared with 27,173,130 in May and 41,328,994 in June, 1939. Output during the first half of 1940 aggregated 144,799,565 pounds, a gain of one-half per cent over the first six months of 1939.

Cheese output in June totalled 24,066,875 pounds as against 12,560,604 in May and 22,648,905 in June, 1939. The total for the first six months of 1940 advanced 15.2 per cent to 47,480,098 pounds from 41,232,525 in the first six months of 1939.

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### Stocks of Raw and Refined Sugar

The amount of raw sugar in the different refineries throughout Canada on June 15 totalled 36,076,270 pounds as compared with 92,503,399 on May 18 and 124,463,287 on the same date last year. The stocks of refined sugar in the refineries on June 15 aggregated 117,330,969 pounds compared with 112,136,470 on May 18 and 152,709,778 a year ago.

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### Retail Prices, Rents and Costs of Services

The index number of retail prices, rents and costs of services on the base 1926=100 was 86.0 for June, unchanged from the May calculation. Among the foods, increases in onions, sugar and salt, and decreases in meats, butter and cheese were recorded. Scattered advances occurred in clothing and household furnishings, with women's silk hose recording the only noteworthy decline in these groups.





### Production of Coal and Coke

The Canadian output of coal advanced in May to 1,245,834 tons from 1,136,381 in May, 1939. Production during the five months ending May aggregated 7,047,297 tons as compared with 5,725,555 in the corresponding period of 1939. Coke production in May amounted to 251,840 tons in comparison with 237,110 a year ago, while the total for the five months ended May was 1,210,077 tons as compared with 934,823 in the same period of 1939.

Coal imports in May totalled 2,372,411 tons as compared with 793,212 a year ago. Exports of Canadian coal amounted to 34,509 tons against 30,276. Canada's coal supply, computed on the basis of production, plus imports, less exports amounted in May to 3,583,736 tons as against 1,899,317 in May, 1939.

### Production of Leather Footwear

The Canadian production of leather footwear in May advanced to 2,192,983 pairs from the previous month's total of 2,186,128 and the May 1939 output of 2,038,517 pairs. Production during the five months ending May aggregated 10,974,957 pairs as compared with 9,399,098 in the corresponding period of 1939.

### Reports Issued During the Week

1. Coal and Coke Statistics, May (10 cents).
2. Production of Leather Footwear, May (10 cents).
3. Monthly Dairy Review, June (10 cents).
4. Price Movements, June (10 cents).
5. Stocks of Canadian Fruit and Vegetables, July 1 (10 cents).
6. Cold Storage Holdings of Meat and Lard, July 1 (10 cents).
7. Cold Storage Holdings of Fish, July 1 (10 cents).
8. Stocks of Dairy and Poultry Products, July 1 (10 cents).
9. Car Loadings (10 cents).
10. Canadian Grain Statistics (10 cents).
11. Advance Report on the Fisheries of Nova Scotia, 1939 (10 cents).
12. Canadian Milling Statistics, May (10 cents).
13. Sugar Report, May 19 to June 15, 1940 (10 cents).
14. The Processed Cheese Industry, 1939 (10 cents).
15. Canadian National Railways, 1939 (25 cents).
16. Canadian Pacific Railways, 1939 (25 cents).
17. Security Prices and Foreign Exchange (10 cents).
18. Summary of Exports of Canadian Grains and Flour, June (10 cents).
19. Imports and Exports of Fertilizers, May (10 cents).
20. Imports and Exports of Wire, May (10 cents).
21. Imports and Exports of Vegetable Oils, May (10 cents).
22. Imports of Stoves, Sheet Metal Products and Refrigerators, May (10 cents).
23. Imports of Pulpwood, Wood Pulp and Paper, May (10 cents).
24. Weekly Index Numbers of Wholesale Prices (10 cents).
25. Summary of Canada's Imports, May (10 cents).
26. Miscellaneous Leather Goods, Leather Belting, Leather Boot and Shoe Findings, 1938 (25 cents).
27. Business Conditions, Five Months of 1940 (10 cents).
28. Condition of Field Crops at June 30. Preliminary Estimate of Areas of Late-Sown Crops, Canada (10 cents).
29. Telegraphic Crop Report, Prairie Provinces (10 cents).
30. Imports of Lumber, May (10 cents).
31. Imports of Paints and Varnishes, May (10 cents).
32. Imports of Farm Implements and Machinery, May (10 cents).
33. Imports of Milk and Its Products and Eggs, May (10 cents).
34. Imports and Exports of Hides and Skins, May (10 cents).
35. Imports and Exports of Coffee and Tea, May (10 cents).
36. Imports and Exports of Asbestos, May (10 cents).
37. Imports of Non-Ferrous Ores and Smelter Products, May (10 cents).
38. Imports of Rubber, May (10 cents).

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