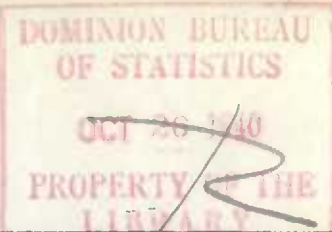


Dominion Bureau of Statistics
Department of Trade and Commerce



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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 capitalized bond yields,
Speculation - common stock prices and shares traded.

Minor recessions in railway traffic were shown both in the eastern and western divisions during the week ended October 19th. The net result was that the adjusted index of carloadings receded from 85.9 in the second week of October to 84.0 in the week under review. The movement consisted of 58,931 cars against 64,522 in the preceding week. The total traffic during the first forty-two weeks of the year was 2,232,000 cars against 2,022,000 in the same period of 1939. The increase was 210,000 cars or about 10 p.c.

Commodity prices recorded another minor advance in the week of October 18, the index gaining from 83.1 to 83.3. Crop and animal products recorded advances while recessions were shown in textiles and chemicals. Wood and paper, and iron products participated in the advance and increases were shown in sensitive manufacturing materials. The index for the latter class, on the base of 1926 advanced from 63.9 to 64.6.

A slight advance was shown in high-grade bond prices. Increases were recorded in British Consols and select United States bonds. Canadian dollar rates on the free market in New York closed 5-8 of a cent higher at 86 7-8, which compared with 87-1-8 on the 16th. Common stock prices showed reaction, the index dropping from 82.7 to 80.7. Most of the groups in the official classification showed recession. The index of 15 power and traction stocks was 50.7 against 51.3 in the preceding week. The adjusted index of bank clearings showed decline mainly due to the smoothing process. A slight gain was recorded in speculative trading.

The weekly index based on the above-mentioned factors was 102.5 in the week of October 19, against 104.9 in the preceding week, a decline of 2.3 per cent. The standing one year ago was 101.8, an advance of 0.7 per cent having been indicated.

A Weekly Index With 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
Oct. 21, 1939	82.5	79.0	131.2	86.3	107.3	175.2	101.8
Oct. 12, 1940	85.9	83.1	140.8	94.1	82.7	25.6	104.9
Oct. 19, 1940	84.0	83.3	141.0	82.2	80.7	26.7	102.5

1. Present value of 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 the 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 the year 1926.

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Improvement of Economic Conditions in September

The high level of productive operations was the most constructive factor in the Canadian economic situation during September. Business operations have recorded advance without important interruption since the early part of 1939. The net result is that the volume of output is now at a higher level than at any other time in our history. Moderate advances were shown in other sections of the economic field in September over the preceding month.

The advance in common stock prices, in progress since June, was continued during the month under review. A marked decline had been shown during the spring due to adverse developments overseas. The recovery since that time has been of moderate proportions. The present standing is not only below the base year of 1926 but also below the inter-war trend.

The change in wholesale prices was of a minor character during September. No important change has occurred in the price level since the rise during the first four months of the war. Bank deposits reached a temporary peak at the beginning of September. An index of the sum of notice and demand deposits was 133.8, a higher position than at any other time since the beginning of February. The success of the second war loan was one of the influences in the moderate advance in high-grade prices. The September level was higher than in any other month since August, 1939.

The index of the physical volume of business which had been 152.5 in August showed further advance in the month under review. Operations of the mining industry continued at a high level but some recession was shown from August after seasonal adjustment. Gold receipts at the Mint were 382,000 ounces against 444,000 in August. Silver shipments also showed a decline from 2.4 million ounces to 1.4 million. The production of coal showed a contraseasonal decline, the index recording a marked reaction.

Foodstuffs were manufactured in greater volume for September than in the preceding month, marked increases having been shown in the output of sugar and in hog slaughterings. The production of flour was nearly maintained after seasonal adjustment. The output of sugar was 71.3 million pounds against 65.6 million. Hog slaughterings during September were 438,000 head against 367,000, the index advancing from 228 to 261. Dairy production recorded decline greater than normal for the season. Canned salmon exports rose sharply, the advance in the index having been from 94 to 151.

The consumption of raw cotton, indicating conditions in the textile industry was 14.3 million pounds, the index advancing from 173 to 191. The forestry index showed some recession at 156.6. Planks and boards were exported in greater volume, after seasonal adjustment. Some decline was shown in newsprint and in the export of wood-pulp and shingles. The primary iron and steel industry was more active and the increase in the output of the automobile industry was contraseasonal. Coke production showed minor recession at 252,000 tons against 257,000 tons. Congestion in the grain trade retarded the railway freight movement. Loadings in September were 252,425 cars against 255,952.

Business Conditions in September compared with the
preceding month and September 1939

		September 1940	September 1939	August 1940
Physical Volume of Business	1926=100	*	125.8	152.5
Bank deposits	1926=100	133.8	122.2	131.4
Gold receipts at Mint	fine ounces	382,749	434,532	444,033
Silver shipments	fine ounces	1,442,866	2,281,984	2,392,762
Sugar manufactured	lb.	71,339,246	71,827,680	65,603,276
Cheese, factory production	lb.	20,524,097	17,904,245	24,000,808
Butter, creamery production	lb.	26,414,079	29,981,289	33,810,866
Cigarette releases	no.	597,291,350	584,757,839	620,888,893
Cigar releases	no.	13,752,796	11,742,065	14,284,898
Newsprint production	tons	282,322	253,230	316,607
Planks and boards exported	M ft.	276,913	216,480	281,529
Shingles exported	squares	307,728	310,576	243,181
Carloadings	no.	252,425	294,656	255,953
Automobile production	no.	15,475	3,922	13,993
Cotton consumption	lb.	14,286,921	11,357,757	16,200,326
Bank debits	\$000	2,571,236	2,831,651	2,457,706

*According to preliminary calculations the physical volume of business showed an increase in September over the preceding month.

Overseas Export Clearances of Wheat

During the week ending October 18 the export clearances overseas of Canadian wheat amounted to 1,424,769 bushels compared with 1,336,664 in the corresponding week last year. The total for the eleven weeks ended October 18 was 18,224,699 bushels in comparison with 26,647,385 in the like period of the previous crop year.

Primary Movement of Wheat

Wheat receipts in the Prairie Provinces for the week ending October 18 amounted to 13,995,288 bushels compared with 12,937,463 in the previous week and 17,201,317 in the same week last year. The totals follow by provinces, with figures for 1939 in brackets: Manitoba, 1,136,027 (625,126) bushels; Saskatchewan, 7,135,259 (9,975,918); Alberta, 5,724,002 (6,600,273).

Marketings in the three provinces during the eleven weeks ended October 18 aggregated 181,945,360 bushels compared with 290,837,780 in the corresponding period last year. Totals follow by provinces: Manitoba, 28,129,152 (46,174,441) bushels; Saskatchewan, 106,662,600 (168,155,605); Alberta, 47,153,608 (76,507,734).

Wheat Stocks in Store

Canadian wheat in store on October 18 aggregated 432,779,509 bushels in comparison with 421,598,618 on October 11 and 336,565,884 on the corresponding date last year. The amount of Durum wheat in store on the latest date was 9,414,586 bushels.

The wheat stocks in elevators in Canada on October 18 amounted to 394,193,973 bushels compared with 383,732,546 on the previous reporting date and 321,381,884 a year ago. Canadian wheat in the United States amounted to 38,585,536 bushels compared with 37,866,072 a week ago and 15,184,000 last year.

On October 18 the amount of wheat in transit on the lakes was 3,766,225 bushels and in transit by rail 27,185,266 compared with 3,638,358 in transit on the lakes and 40,252,515 in transit by rail for the corresponding period of 1939.

International Trading in Securities

International trading in securities between Canada and other countries in August continued to be unusually light, totalling \$7,261,183 compared with \$7,532,881 in July and \$40,939,561 in August, 1939. Trade during the eight months ended August aggregated \$168,015,486 in comparison with \$419,464,447 in the same period of 1939.

Production of Leading Mineral Products

The production of several of Canada's leading mineral products during the seven months ended July was as follows, corresponding totals for 1939 being in brackets: asbestos, 186,799 (172,878) tons; cement, 3,710,658 (2,730,334) barrels; clay products, \$2,582,873 (\$2,430,366); coal, 9,455,368 (7,909,811) tons; feldspar, 11,288 (5,618) tons; gold, 3,028,668 (2,929,894) fine ounces; gypsum, 722,152 (519,172) tons; lime, 393,252 (281,484) tons; natural gas, 21,737,194,000 (20,964,344,000) cubic feet; petroleum, 4,558,162 (4,270,407) barrels; commercial salt, 128,205 (129,162) tons; silver, 14,033,951 (13,323,130) fine ounces. Publication of production figures for nickel, lead, copper and zinc has been suspended for the duration of the war.

Financing of Motor Vehicle Sales in September

A sharp upswing in financing of used motor vehicle sales in Canada and a slight increase for new vehicles are reflected in statistics for September, when 12,974 units were financed for \$5,265,143, up 27 per cent in number and 28 per cent in dollar volume above the 10,183 vehicles financed to the extent of \$4,122,465 in September of last year. The volume of business was greater than for any other September in the Bureau's records, and surpassed the previous high point, in September, 1937, by four per cent. Although the bulk of the advance occurred in the used vehicle field, new vehicle financing also recorded a slight gain over September, 1939.

Automobile Production in September

Production of automobiles in September amounted to 15,475 units, including 3,410 passenger cars and 12,065 trucks. This output compared favourably with the previous month's production of 13,993 and the 3,922 units produced in September, 1939.

For the first nine months of this year the output was reported at 154,848 units, including 80,603 passenger cars and 74,245 trucks.

Manufacturing Industries of British Columbia in 1938

British Columbia was in 1938 again the third most important manufacturing province in the Dominion with a gross value of production of \$225,585,489. About 21 per cent of this production, viz., \$46,986,133, was contributed by the sawmilling industry. The predominance of forest products industries in the industrial life of the province is still further emphasized if to this figure be added \$12,004,843, the value of production of the pulp and paper industry which ranks third. Second in importance among the industries of the province is that of fish curing and packing, with a gross value of production of \$17,705,321. This was followed by pulp and paper with \$12,004,843, slaughtering and meat packing \$10,710,098.

Fur Production in Canada

Ontario with \$2,538,658 and Quebec with \$2,230,280 are the leading provinces with respect to value of raw fur production. New Brunswick, Alberta, Prince Edward Island, the Northwest Territories, Manitoba and British Columbia follow in the order named, each with a value of over a million dollars.

Silver fox pelts have the highest valuation and in the 1938-39 season were produced to the value of \$5,660,722, with mink and muskrat next in order.

Canada's chief markets for furs are London and New York. During the 12 months ended June 30, 1939, Canada exported \$14,288,568 worth of raw furs, \$8,436,144 worth going to the United Kingdom and \$5,087,038 to the United States.

Health Services Provided by Canadian Employers

The results of a survey made to ascertain what measures Canadian employers take to guard the health of their employees have been made public in a report recently completed by the Dominion Bureau of Statistics, the Department of Pensions and National Health and the Department of Labour in collaboration. The Department of Pensions and National Health is making free distribution of 12,000 copies of the publication to industries which may be interested.

A questionnaire was sent to 11,000 Canadian employers of whom over 93 per cent replied. It was found that larger establishments, as is to be expected, make more elaborate provisions for the health of their employees than do smaller ones.

Great differences were shown between industries in the number of services provided. It was found, for example, that most of the large insurance and finance companies give their staffs medical examinations, while construction, logging and similar industries rarely have medical examinations but offer facilities for first-aid and, in the large units at least, generally provide a doctor. One establishment out of two in mining has a physician, one in five in manufacturing and construction, one in seven in trade and one in twenty in finance and insurance. Much smaller differences exist between provinces than between industries, and such differences as do occur are largely the result of the different industrial constitutions of the provinces.

Workmen's Compensation is the most common benefit offered by Canadian employers with first-aid second, and physician third. Less than one-fifth of the establishments replying to the questionnaire give their employees medical examinations but these represent nearly half of the employees.

Reports Issued During the Week

1. Canadian Grain Statistics (10 cents).
 2. Automobile Production, September (10 cents).
 3. Fur Production, Canada, 1938-39 (25 cents).
 4. Car Loadings (10 cents).
 5. Weekly Index Numbers of Wholesale Prices (10 cents).
 6. Sales and Purchases of Securities Between Canada and Other Countries, August (10 cents)
 7. The Biscuit, Confectionery, Cocoa and Chocolate Industries, 1939 (25 cents).
 8. Miscellaneous Statistics on Retail Trade, 1939 (10 cents).
 9. Canada's Leading Mineral Products, July (10 cents).
 10. Monthly Financing of Motor Vehicle Sales, September (10 cents).
 11. Manufacturing Industries of the Province of British Columbia and the Yukon Territory, 1938 (25 cents).
 12. Security Prices and Foreign Exchange, October (10 cents).
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