

WEEKLY BULLETIN

Dominion Bureau of Statistics

Department of Trade and Commerce

Vol. IX - No. 15

Ottawa, Saturday, April 12, 1941

Price, \$1.00 per annum

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.

Notes on the indexes follow:

The index of carloadings for the week of April 5, recorded a gain of 1.7 per cent over the previous week and an advance of 18.4 per cent over the corresponding week in 1940. Increases were shown in both eastern and western divisions. A minor gain was also noted in the index of merchandise transported.

Wholesale prices also moved upwards, the general index rising from 86.0 to 86.5, a gain of .6 per cent. This figure was 4.0 per cent higher than that for the same week a year ago. Vegetable products, with an increase of 2.3 per cent, were mainly responsible for the general rise. Fibres and textile products also increased slightly, as did chemicals. The industrial materials price index was unchanged, together with sensitive commodity prices.

Capital bond yields recorded a slight recession of .1 per cent from the preceding week, the index dropping from 144.9 to 144.7. This figure is 5.5 per cent higher than that recorded a year ago. Owing to the holiday, it was necessary to repeat last week's figure for bank clearings.

There was no change in the index of common stock prices, which remained at 73.7, or 25.6 per cent lower than in the corresponding week for 1940. Of the industrial stocks, pulp and paper and beverages showed substantial declines, as did power and traction in the utilities division. Transportation stocks recorded a heavy increase, while advances were also made by milling and industrial mines. Unfortunately, it was impossible to obtain the weekly total of shares traded, last week's figure being likewise repeated for this item.

The economic index based on the above-mentioned factors rose to 112.3, a gain of .4 per cent, over the previous week, and 8.5 per cent greater than the index of 103.5 recorded for the corresponding week of 1940.

A Weekly Index with Six Components on Basis 1926=100

Week Ending	Car loadings	Wholesale Prices	Capitalized Bond Yields 1	Bank Clearings 2	Prices of Common Stocks	Shares Traded	Weekly Index 3
April 5, 1941	95.7	86.5	144.7	118.9	73.7	26.9	112.3
Mar. 29, 1941	94.1	86.0	144.9	118.9	73.7	26.9	111.9
April 6, 1940	80.8	83.2	137.2	89.5	99.0	55.9	103.5

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 the half-yearly data in the inter-war period has been eliminated from the composite and the resulting index expressed as a percentage of the average during the year 1926.

Economic Conditions during First Two Months of 1941

Business operations recorded a gain of about 15.5 per cent in the first two months of 1941 over the same period of 1940. The index of the physical volume of business averaged 128.3 against 111.2 one year ago. Wholesale prices averaged slightly higher, while a considerable decline was recorded in common stock prices. The bond market was at a considerably higher level than in the early months of last year. The use made of bank deposits, as indicated by statistics of bank debits, was somewhat greater, the cheques cashed in the first two months of the present year having been \$5,896 million against \$5,630 million one year ago.

A marked increase in economic activity since the outbreak of war, especially in the betterment of the employment of manpower resulted in an advance in the national income and consequently in the national power of saving money. The national income of Canada rose to \$4,784 million in 1940, recording a gain of \$375 million over the \$4,409 million established in the preceding year. The tentative estimate of national income in the first two months of this year was \$835 million. This was 9.2 per cent or \$69 million above the level in the same period of 1940.

The index of mineral production on the base of 1935-39 was nearly 124 in the first two months of the present year against 112.5 in the same period twelve months ago, a gain of slightly more than 10 per cent. The expansion in gold mining was appreciable, the output having been 873,000 fine ounces against 774,000, a gain of nearly 13 per cent. Shipments of silver by Canadian mining companies recorded decline, while the gain in coal production was two per cent.

The index of manufacturing production averaged 138 in the first two months of the present year, showing a gain of 10.3 per cent over 125.1 in the same period of 1940. Marked expansion has been shown in some industries, while minor declines were recorded in others. The slaughtering of hogs was the feature in the activities of the meat-packing industry, the number having shown an increase of 39 per cent over the early months of last year. Steel ingot production recording a gain of 17 per cent, reflected the heavy demand for metal for war purposes.

The production of cars and trucks of all descriptions during the first two months of this year was nearly 47,000 units against 35,000 a year ago, a gain of 32.5 per cent. The imports of crude rubber, indicating expansion in the manufacture of tires, was 15.6 per cent greater at 21.6 million pounds. Petroleum imports recorded a minor increase in the same comparison.

Construction contracts awarded during the first two months of the present year were \$51.3 million against \$20.6 million in the early months of 1940, a gain of nearly 149 per cent. The increase in building permits issued by fifty-eight municipalities was of a more moderate character.

The year 1940 witnessed an unprecedented expansion in industrial employment in the Dominion, and a continuation and intensification of the upward movement since its inception late in 1939. The industrial activity indicated during the year under review raised the employees of the co-operating establishments by almost one-fifth, a proportion greatly exceeding that shown in any other twelve months for the twenty years for which information is now available. During the first two months of 1941, the employment index, on the base of 1926, was nearly 135 against 114.7, in the same period of 1940, a gain of 17.6 per cent. Manufacturing recorded a gain of 22 per cent while building construction was nearly 117 per cent greater.

Canada is now passing through a very eventful period during which business is influenced by numerous world developments as well as by a number of important domestic factors. It cannot be denied that even in war time there is a considerable solidarity in the social economy and any spectacular development in one section is quite certain to influence the others. Marked changes are characteristic of a war economy. The expansion in the early part of the year was effected without undue dislocation and after twenty months of war we find that the general business of the country is not greatly disturbed and that in the main progress toward improved conditions has been maintained.

Overseas Export Clearances of Wheat

During the week ending April 4 the export clearances overseas of Canadian wheat amounted to 5,739,878 bushels compared with 3,674,028 in the corresponding week last year. During the thirty-five weeks ending April 4 clearances aggregated 87,566,194 bushels compared with 103,999,500 in the corresponding period of the previous crop year.

Primary Movement of Wheat

Wheat receipts in the Prairie Provinces for the week ending April 4 amounted to 3,679,573 bushels compared with 4,459,737 in the previous week and 1,758,011 in the corresponding week last year. Totals follow by provinces, with 1940 figures in brackets: Manitoba, 674,090 (129,663) bushels; Saskatchewan, 1,674,229 (855,365); Alberta, 1,331,254 (778,959).

Marketings in the three Prairie Provinces during the thirty-five weeks ending April 4 aggregated 343,168,075 bushels compared with 382,305,647 in the corresponding period of the previous crop year. Totals were as follows by provinces, with 1940 figures in brackets: Manitoba, 45,058,817 (50,602,822) bushels; Saskatchewan, 179,404,193 (212,871,616); Alberta, 118,705,065 (118,831,209).

Wheat Stocks in Store

The visible supply of Canadian wheat on April 4 was 479,386,441 bushels compared with 483,014,004 on March 28 and 310,995,452 on April 5, 1940. The stocks in elevators in Canada on the latest date totalled 438,598,719 bushels compared with 438,973,293 on March 28 and 289,358,146 a year ago. Canadian wheat in the United States amounted to 40,787,722 bushels compared with 44,040,711 a week ago and 21,637,306 in 1940.

Production of Butter and Cheese

Production of creamery butter in March amounted to 12,346,048 pounds compared with 9,958,973 in February and 10,526,374 in March, 1940, while the output during the first quarter of 1941 totalled 34,032,380 pounds as compared with 30,125,383 in the like period of 1940, a gain of 13 per cent.

Factory cheese production in March amounted to 1,459,887 pounds compared with 958,556 in February and 2,793,160 in March, 1940. Output during the first three months of 1941 totalled 3,528,790 pounds compared with 6,430,193 in the same period of 1940, a drop of 45 per cent.

Gold Production in January

Canada's gold production in January totalled 434,259 ounces valued at \$16,718,971 compared with 450,132 ounces valued at \$17,330,082 in the previous month and 424,381 ounces valued at \$16,338,688 in January, 1940.

Production of Coal and Coke in February

Coal production in Canada during February amounted to 1,480,601 tons compared with 1,490,353 in the corresponding month last year. Bituminous coal output in February totalled 1,050,626 tons, sub-bituminous 50,975 tons and lignite 379,000 tons. Production of coke in February amounted to 239,000 tons compared with 268,000 in January and 225,000 in February, 1940.

Imports of coal in February were recorded at 508,412 tons, or 11.1 per cent above the February 1940 total. Anthracite imports totalled 193,943 tons, bituminous 314,425 tons and lignite, 44 tons. Exports in February amounted to 36,962 tons compared with 54,041 a year ago. Canada's coal supply was estimated at 1,952,051 tons in February compared with 1,883,956 in 1940.

Production of Leading Minerals in 1940

The production of Canada's leading mineral products during 1940 was as follows, with 1939 figures in brackets: asbestos, 346,581(364,024) tons; cement, 7,563,949(5,731,264) barrels; clay products, \$5,320,352(\$5,151,236); coal, 17,551,326(15,692,698) tons; feldspar, 21,929(12,600) tons; gold, 5,302,920(5,094,379) fine ounces; gypsum, 1,500,455(1,421,934) tons; lime, 726,889(552,209) tons; natural gas, 35,952,500,000(35,185,146,000) cubic feet; petroleum, 8,718,053(7,837,503) barrels; commercial salt, 237,764(253,482) tons; silver, 22,643,203(22,801,858) fine ounces.

Building Permits Issued in 1940

Building permits issued by the 204 municipalities making returns to the Dominion Bureau of Statistics were valued at \$113,005,208 in 1940. Of this amount \$85,613,697 was for new construction and \$27,391,511 for additions, alterations and repairs. Residential construction totalled \$57,556,509, commercial \$21,232,854, industrial \$20,208,498, institutional \$8,284,410 and other construction work \$5,722,937.

Municipalities in Ontario reported the greatest amount of building permits, the value being \$53,592,620. Quebec was in second place with \$27,935,864 while British Columbia was third with \$11,928,915. In the Prairie Provinces permits issued were valued at \$13,862,904 and in the Maritime Provinces \$5,684,905. Comparable figures for previous years are not available since prior to 1940 returns were received from only 58 municipalities.

Summary of Retail Trade in 1940

A preliminary estimate of retail trade in Canada for 1940 shows a total dollar value of \$2,729,000,000, up 12 per cent from the \$2,447,658,000 recorded for 1939 and 53 per cent above the low point reached in 1933 when sales were valued at \$1,785,768,000. Only one complete census of all retail trading establishments has thus far been taken in Canada and it relates to the year 1930 when there were 125,003 retail stores with an annual turnover of \$2,755,569,900. The estimate for 1940 is within one per cent of the dollar volume recorded in the results of the complete census for 1930.

The underlying trend in consumer purchasing as reflected in the general seasonally adjusted index was upward, especially during the latter part of the year when increased purchasing power arising from higher employment levels became more apparent in the retail trade returns. The seasonally adjusted index for December, 1940 stood at 131.0, the highest figure recorded since the early months of 1940.

All twelve lines of business included in the general index reported increased sales in 1940 compared with the preceding year. The gain for stores specializing in radio and household appliances was outstanding at 26 per cent. The increase for this trade was particularly great in December when heavy demand for electrical appliances and equipment in anticipation of higher prices arising from import restrictions and new taxation schedules resulted in a 52 per cent increase over December, 1939. Restaurant receipts were up 8 per cent during the year; hardware and drug store sales each gained 9 per cent while increases for other trades ranged from 11 per cent for shoe stores to 18 per cent for candy stores.

Sales on a regional basis are available for new motor vehicle sales, for country general stores and for 6 lines of business covered in the regular monthly bulletin. Composite indexes based on these figures for each of the five economic divisions of the country serve to give some indication of the general trends in the various sections. On the basis of the information available, it is estimated that retail sales in the Maritimes increased 16 per cent in 1940 over 1939; sales in Ontario and British Columbia were up 12 per cent while gains of 9 per cent were recorded in Quebec and in the Prairie Provinces.

Stocks of Raw and Refined Sugar

Stocks of raw sugar in the refineries throughout Canada on March 22 amounted to 74,452,261 pounds compared with 104,990,788 on the same date last year. The amount of refined sugar on hand together with small amounts purchased was 182,614,636 pounds compared with 147,358,494 a year ago.

Births, Deaths and Marriages
in the Third Quarter of 1940

Live births in Canada during the third quarter of 1940 numbered 63,242, giving an equivalent annual rate of 22.0 per 1,000 population as compared with 59,252 and a rate of 20.8 for the third quarter of 1939. Deaths totalled 25,155 with a rate of 8.7 per 1,000 population as compared with 24,161 and a rate of 8.5. The natural increase for the quarter was 38,087 giving a rate of 13.3 per 1,000 population as against 35,091 or a rate of 12.3. There were 44,606 marriages, giving a rate of 15.5 as against 32,987 or a rate of 11.6.

Production of Leather Footwear

The February production of leather footwear amounted to 2,215,864 pairs compared with 1,901,085 in the previous month and 2,279,562 in February, 1940. Output during the first two months of 1941 totalled 4,116,949 pairs compared with 4,353,090 in the like period of 1940.

Reports Issued During the Week

1. Weekly Index Numbers of Wholesale Prices (10 cents).
 2. Production of Leather Footwear, February (10 cents).
 3. The Dairy Situation, Fourth Quarter, 1940 (25 cents).
 4. Car Loadings (10 cents).
 5. The Sheet Metal Products Industry, 1939 (25 cents).
 6. Births, Deaths and Marriages, Third Quarter, 1940 (10 cents).
 7. Canada's Leading Mineral Products, December (10 cents).
 8. Summary of Monthly Indexes of Retail Sales, 1940 (25 cents).
 9. Security Prices and Foreign Exchange (10 cents).
 10. Production of Coal and Coke, February (10 cents).
 11. Building Permits, 1940 (25 cents).
 12. Monthly Dairy Review, March (10 cents).
 13. Gold Production, January (10 cents).
 14. Civil Aviation, October, November, December, 1940 (10 cents).
 15. Medicinal and Pharmaceutical Preparations Industry, 1939 (25 cents).
 16. Economic Conditions in Canada, First Two Months of 1941 (10 cents).
 17. Stocks of Canadian Fruit and Vegetables, April 1, 1941 (10 cents).
 18. Cold Storage Holdings of Fish, April 1, 1941 (10 cents).
 19. Stocks of Dairy and Poultry Products, April 1, 1941 (10 cents).
 20. Cold Storage Holdings of Meat and Lard, April 1 (10 cents).
 21. Canadian Grain Statistics (10 cents).
-

STATISTICS CANADA LIBRARY
BIBLIOTHÈQUE STATISTIQUE CANADA



1010729892