

## 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 movement recorded a gain over the same week one year ago, car loadings numbering 43,132, compared with 38,858. The index adjusted for seasonal tendencies receded, however, from the preceding week, the index dropping from 95.8 to 89.5. Car loadings recorded considerable advance in 1940 over the preceding year. The traffic amounted to 2,813,000 cars against 2,549,000 in 1939, a gain of 263,000 cars.

A minor advance was shown in wholesale prices in the first week of the year, the index advancing from 84.2 to 84.3. Increases were shown in crop products and non-metallic minerals, while declines predominated in mineral products and chemicals. The sensitive index covering 18 price series showed an advance from 65.9 in the week of December 27 to 66.5 in the week of January 3. Increases were shown both in manufacturing materials and in foods.

An increase was shown in bond prices during the week ended January 2. An advancing trend was shown throughout the year just ended, counteracting in part the sharp reaction during September 1939. The index of the prices of 95 common stocks rose from 76.3 to 77.5. Advances were predominant among the industrial and utility groups, the index of 15 power and traction stocks rising from 50.2 to 50.9. The stock market was characterized by marked reaction during May and June, and the moderate rally of subsequent months failed to counterbalance the decline. The adjusted index of bank clearings rose from 99.4 in the week of December 23 to 102.3 in the week of January 4. The standing was somewhat below the level of the same week of one year ago.

The weekly index based on the six above-mentioned factors was 107.7 in the week of January 4, against 107.3 in the preceding week, a gain of 0.4 p.c. The standing one year ago was 109.0, a decline of 1.2 p.c. having been indicated.

A. Weekly Index with Six Components on Basis 1926=100

Week Ending	Car load-ings	Whole-sale Prices	Capitalized Bond Yields <sup>1</sup>	Bank Clear-ings <sup>2</sup>	Prices of Common Stocks	Shares Traded	Weekly Index <sup>3</sup>
Jan. 4, 1941	89.5	84.3	144.3	102.3	77.5	29.6	107.7
Dec. 26, 1940	95.8	84.2	143.9	99.4	76.3	24.0	107.3
Jan. 6, 1940	83.1	83.3	145.6	105.1	101.6	60.6	109.0

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 was eliminated from the composite and the resulting index expressed as a percentage of the average during the year 1926.



## December Employment Situation

There was little general change in the employment situation at December 1 when 12,444 establishments reported a working force of 1,364,348 persons as compared with 1,365,146 at November 1, a reduction of less than one-tenth of one per cent. Industrial activity at the beginning of December in the years since 1920 has almost invariably shown a contraction, the only exception having been in 1933, when there was a slight improvement; the falling-off at the latest date was the smallest ever reported at December 1, being decidedly less than the average loss of 1.8 per cent indicated at that date in the last nineteen years.

The crude index of employment, based on the 1926 average as 100, slightly declined from its all-time maximum of 139.2 at November 1, 1940, to 139.1 at the date under review, when it was higher than in any other December of the record; the previous high figures for the year-end were those of 122.7 at December 1, 1939, and 121.6 at December 1, 1937.

Since the decrease at the beginning of December 1940 was decidedly less-than-average in the experience of other years of the record, the index of employment when corrected for seasonal influences, showed a considerable increase, rising from 133.2 at November 1 to 135.8 at the date under review; this was the highest seasonally adjusted figure in the record of twenty years.

The trend in manufacturing continued upward; although the gain at December 1 was slight, there being an increase of not quite 500 workers, it was of particular interest because it was contra-seasonal, curtailment having been indicated at the beginning of December in sixteen of the preceding nineteen years for which statistics are available. The December 1 index of employment in manufacturing was 144.7, slightly above the previous all-time peak of 144.6 recorded at November 1, 1940. There was an important expansion at the date under review in iron and steel, while large seasonal contractions were reported in the food and lumber industries.

Among the non-manufacturing classes, mining, transportation, communications, services and construction reported seasonal declines, of which those in the last-named were most pronounced. On the other hand, trade and logging were decidedly active, the gains being of a seasonal character.

The staffs of the 11,948 firms making returns for December 1, 1939, had aggregated 1,198,266, a reduction of 8,883 persons or 0.7 per cent from the preceding month. Communications, transportation, services and construction had then recorded curtailment, while manufacturing had shown a small advance, and logging and trade had afforded decidedly more employment.

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## Business Operations in November

The index of the physical volume of business advanced further during November, reaching a new high point of 157.4, surpassing the maximum of 156.7 for the preceding month. The manufacturing production index, however, showed decline to 157 from the October record of 174. The upward trend in foodstuffs was continued, the index rising from 131 to 139, this being mainly due to substantial increases in sugar production and sheep and cattle slaughterings. The index of cigarette releases fell off somewhat from the October peak of 292.

Raw material imports showed a marked recession from the high level of October, the index of crude rubber imports declining from 496 to 283, raw wool from 315 to 148 and crude petroleum from 310 to 297. Operations in the forestry industry continued in a downward direction. The index of the export of planks and boards rose from 118 to 133 but this was offset by newsprint production which receded from 186 to 172.

Iron and steel production reacted, the index dropping from 250 to 167. The index of steel production recorded decline from 303 to 287 and pig iron from 215 to 185. There was a slackening in automobile production, the index moving to a lower position from 258 to 136. Construction index rose sharply with an index of 151 as compared with 81 in the preceding month, while electric power production recorded a gain.

Of the commodity distribution indexes, carloadings alone recorded a betterment of 5 points to 88. Imports receded 10 points from 127.3 to 116.6. Exports, on the other hand, showed a gain of 12 points to 130.2. Reversing the trend of the preceding month, the consumers' goods production index dropped from 133 to 135.6, while that of producers' goods rose from 152.8 to 158.2.

Business Indexes in November Compared with October  
1926-100

	1940	
	November	October
Physical Volume of Business.....	157.4	156.7
Industrial Production.....	168.8	168.2
Mineral Production.....	231.0	215.5
Gold, mint receipts.....	392.9	352.6
Silver shipments .....	50.6	46.5
Asbestos exports .....	101.4	101.3
Coal production .....	100.2	92.7
Manufacturing .....	157.2	174.2
Foodstuffs .....	138.8	131.2
Flour production .....	-	88.9
Oatmeal production .....	-	101.2
Sugar manufactured .....	135.3	88.7
Inspected slaughterings .....	230.4	227.3
Cattle .....	158.9	145.2
Sheep .....	157.9	125.5
Hogs .....	284.6	291.2
Creamery butter .....	157.8	148.0
Factory cheese .....	76.0	71.0
Salmon exports .....	36.8	71.8
Tobacco .....	217.7	227.0
Cigar releases .....	88.1	82.8
Cigarette releases .....	276.8	291.7
Rubber imports .....	282.7	495.9
Boots and shoes production .....	-	128.3
Textiles .....	161.2	206.4
Cotton consumption .....	168.7	192.4
Cotton yarn imports .....	103.1	96.3
Wool imports .....	148.0	314.9
Forestry .....	146.7	148.2
Newsprint .....	172.1	185.6
Wood pulp exports .....	102.9	98.3
Planks and boards exports .....	133.3	118.3
Shingles exported .....	72.2	102.0
Iron and steel .....	167.4	249.9
Steel production .....	287.1	303.3
Pig iron production .....	185.1	214.8
Iron and steel imports .....	164.3	183.1
Automobile production .....	136.3	258.3
Coke production .....	155.8	160.5
Crude petroleum imports .....	297.2	309.8
Construction .....	150.6	81.0
Contracts awarded .....	173.4	75.9
Building permits .....	93.6	93.6
Cost of construction .....	98.8	98.6
Electric power .....	240.7	235.9
Distribution .....	124.5	123.6
Trade employment .....	146.5	146.8
Carloadings .....	87.7	83.1
Imports .....	116.6	127.3
Exports, excluding gold .....	130.2	118.2
Producers' Goods .....	158.2	152.8
Consumers' Goods .....	135.6	138.8
Marketings -		
Grain and Live Stock Marketings .....	82.0	52.8
Grain Marketings .....	78.7	41.8
Wheat .....	75.1	35.0
Oats .....	93.7	52.2
Barley .....	128.1	111.0
Flax .....	26.3	40.6
Rye .....	196.1	167.9
Live Stock Marketings .....	96.3	101.8
Cattle .....	85.6	84.0
Calves .....	143.4	159.6
Hogs .....	105.5	125.8
Sheep .....	120.7	97.0

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Business Indexes in November compared with October  
1926=100

	1940	
	November	October
Cold Storage Holdings .....	160.2	153.0
Eggs .....	90.2	88.6
Butter .....	210.4	212.7
Cheese .....	100.0	105.5
Beef .....	128.3	116.0
Pork .....	195.5	190.0
Mutton .....	110.9	95.8
Poultry .....	195.3	208.2
Lard .....	111.2	88.7
Veal .....	311.4	280.5

Canada's External Trade in November

Canada's external trade, excluding gold, reached a high point in November, aggregating \$220,687,838 as against \$215,435,662 in October and \$183,051,577 in November, 1939. The balance of trade was favourable to the extent of \$16,120,464 compared with an unfavourable balance in October of \$1,854,042 and a favourable balance of \$12,929,135 in November, 1939.

Domestic exports in November totalled \$117,452,172 compared with \$102,972,407 in October and \$97,163,176 in November, 1939. Imports were valued at \$102,283,687 against \$108,644,852 in October and \$84,561,211 a year ago. Foreign exports were worth \$951,979 against \$3,818,403 in October and \$1,327,190 in November, 1939.

Indexes of Retail Sales in November

Marked increase in consumer purchasing is reflected in retail trade statistics for November 1940, when dollar value of sales for twelve lines of business dealing chiefly in food, clothing and household requirements averaged 19 per cent higher than in November, 1939. This is one of the highest percentage increases yet recorded in the statistics for corresponding months of consecutive years and compares with a gain of 12 per cent for the first eleven months of 1940 compared with the corresponding period in 1939.

The general index of retail sales, unadjusted for seasonal variations, standing at 105.6, was higher than for any November since 1929 when the figure was 119.9. The index was 102.9 for October 1940 and 88.5 for November, 1939. After adjustment for the number of business days and seasonal variations the index for the latest month stood at 95.7 compared with 93.9 in the previous month and 83.7 in November, 1939.

All twelve lines of business included in this survey reported increased sales over November, 1939, and notwithstanding the fact that retail trading normally experiences a seasonal decline in November from October, five of the twelve trades reported an increase in this comparison.

Wholesale Sales in November

Dollar sales of wholesale merchants averaged 14 per cent higher in November than in November 1939 and were eight per cent lower than in October. The general index stood at 122.6 compared with 133.8 for October and 107.8 for November, 1939. Sales during the first eleven months of 1940 averaged 10 per cent higher than in the corresponding period of 1939.

Combined totals for all lines of business on a regional basis indicate that gains over November 1939 were somewhat less extensive in Quebec and the Prairie Provinces than in other sections of the country. Sales gained 13 per cent in British Columbia and were up by 17 per cent in both Ontario and the Maritime Provinces. A gain of 10 per cent was reported in Quebec and the Prairie Provinces.

### Country General Store Sales in November

Country general store sales averaged 15 per cent higher in November this year than last and increased 11 per cent over October, 1940. Gains over November a year ago were reported by all regions of the country and ranged from 10 per cent for Eastern Ontario to 27 per cent for Manitoba. Sales for British Columbia and the province of Ontario as a whole increased by 12 per cent; the Maritime Provinces 14 per cent; Saskatchewan 15 per cent; Quebec 16 per cent and Alberta 18 per cent.

Sales during the first eleven months of 1940 averaged 6.5 per cent higher than in the corresponding period of 1939, with all sections of the country contributing to the gain.

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### Sales of New Motor Vehicles

Sales of new motor vehicles in November, excluding deliveries to the Government for war purposes, were approximately on a par with November 1939, but were considerably in advance of the previous month. The total in the latest month was 9,147 valued at \$11,091,975 compared with 6,494 retailing for \$7,977,526 in October and 9,214 at \$10,390,939 in November, 1939.

Sales during the eleven months ended November totalled 119,997 units valued at \$135,973,430 compared with 104,903 at \$115,023,771 in the corresponding period last year.

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### Cash Income from Sale of Farm Products

Cash income from the sale of farm products in 1940 has been estimated at \$714,685,000 compared with \$702,794,000 in 1939. This is the highest cash income since 1929 when the sale of farm products totalled \$922,300,000. The increase in the 1940 income resulted from gains in marketings of live stock and live stock products.

Increases in income were recorded in Prince Edward Island, New Brunswick, Quebec, Ontario and Alberta. Income in Nova Scotia declined as a result of the heavy damage to the 1940 apple crop. The lower cash incomes in Manitoba and Saskatchewan in 1940 are accounted for by the deferred marketing of the wheat crop, and as a result a greater than usual proportion of the income from wheat will be received during the first half of 1941.

Cash income during the first half of 1940 was considerably higher than for the corresponding period of 1939. During the latter part of the year, however, marketings of crops were sharply reduced. Lack of storage space for the western grain crop, a serious loss in the apple crop and the reduction in the tobacco crop were responsible for a decline of 45.5 million dollars in the cash income from these sources.

Income from certain leading commodities was as follows, with 1939 figures in brackets: wheat, \$193,233,000 (\$227,148,000); oats, \$14,037,000 (\$11,915,000); barley, \$9,838,000 (\$11,971,000); potatoes, \$15,299,000 (\$15,883,000); vegetables, \$13,614,000 (\$13,730,000); sugar beets, \$4,648,700 (\$4,417,000); tobacco, \$12,079,000 (\$19,248,000); cattle and calves, \$101,721,000 (\$92,598,000); sheep and lambs, \$6,691,000 (\$6,523,000); hogs, \$118,703,000 (\$84,774,000); poultry, \$10,535,000 (\$10,085,000); butterfat, \$51,036,000 (\$47,935,000); milk and cream, \$67,830,000 (\$61,502,000); fruits, \$17,936,000 (\$22,386,000); eggs, \$25,525,000 (\$25,424,000); wool, \$2,281,000 (\$1,433,000); maple products, \$2,624,000 (\$2,130,000); forest products sold off farms, \$16,580,000 (\$13,950,000); fur farming, \$6,702,000 (\$5,790,000).

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### Production of Butter and Cheese

According to preliminary figures the Canadian production of creamery butter amounted to 12,192,243 pounds in December compared with 15,001,167 in November and 11,901,177 in December, 1939. Output during the year 1940 aggregated 264,095,795 pounds as compared with 267,368,127 in 1939, a decline of 1.2 per cent.

Factory cheese production in December totalled 1,753,590 pounds in comparison with 5,950,133 in the previous month and 2,528,135 in December, 1939. Production during the year 1940 amounted to 140,092,912 as compared with 122,771,828 in 1939, an increase of 14.1 per cent.



### Flour Production in November

The production of flour in November fell to a total of 1,588,428 barrels from 1,960,429 in the same month of 1939. The percentage of output to capacity was 70.5 compared with 86.6. Production for the four months ending November amounted to 6,388,242 barrels compared with 7,359,251 for the same period in 1939. Exports in November totalled 682,713 barrels compared with 572,610 in November, 1939, an advance of 109,903 barrels.

Cereal production for November was as follows with figures for the same month of 1939 in brackets and the quantities in pounds: oatmeal, 531,284 (2,873,646); rolled oats, 12,206,086 (18,429,532); corn flour and meal, 2,164,820 (3,404,476); pot and pearl barley, 467,460 (569,927); and buckwheat flour, 492,839 (436,892).

### Wheat Stocks in Store

Canadian wheat in store on January 3 totalled 494,076,473 bushels compared with 492,595,619 a week ago and 348,183,238 on the corresponding date last year. The amount of Canadian wheat in the United States on the latest date was 53,782,986 bushels compared with 54,165,553 on December 28 and 38,553,042 a year ago.

The wheat stocks in elevators in Canada on January 3 amounted to 440,293,487 bushels compared with 438,430,026 on December 28 and 309,630,246 last year. The amount of wheat in rail transit was reported at 16,240,181 bushels compared with 6,871,553 on the corresponding date in 1940.

### Export Clearances of Wheat

During the week ending January 3 the export clearances overseas of Canadian wheat amounted to 1,358,396 bushels compared with 1,000,940 in the corresponding week in 1940. The accumulated total for the twenty-two weeks ending January 3 was 39,126,910 bushels as compared with 55,854,030 in the corresponding period of the previous crop year.

### Primary Movement of Wheat

Wheat receipts in the Prairie Provinces for the week ending January 3 amounted to 6,716,504 bushels compared with 8,585,433 in the previous week and 1,205,653 in the corresponding week last year. By provinces the receipts were as follows, figures in brackets being those for 1940: Manitoba, 1,046,786 (36,452) bushels; Saskatchewan, 2,649,806 (761,144); Alberta, 3,021,912 (408,057).

Marketings in the three provinces for the twenty-two weeks ending January 3 totalled 287,902,194 bushels compared with 363,940,705 in the corresponding period last year. Totals follow by provinces: Manitoba, 39,167,002 (49,353,941) bushels; Saskatchewan, 155,000,931 (203,941,423); Alberta, 93,734,261 (110,645,341).

### Gold Production in October

The Canadian output of gold in October reached a total of 467,441 ounces valued at \$17,996,478 compared with 440,450 at \$16,957,325 in the previous month and 433,086 at \$16,643,928 in October, 1939. Output during the ten months ending October aggregated 4,402,782 ounces valued at \$169,507,106 as compared with 4,234,846 ounces valued at \$151,072,516 in the corresponding period of 1939.

### Coal Production in Canada

Coal production in Canada during the third quarter of 1940 totalled 3,999,651 tons or six per cent above the output in the same period of 1939. During the period under review bituminous coal production amounted to 3,335,990 tons, sub-bituminous coal to 135,338 tons and lignite coal, 527,823 tons.

Imports of coal during July, August and September 1940 were recorded at 6,922,331 tons or 39 per cent above the tonnage imported in the corresponding months of 1939. Anthracite receipts during the period under review totalled 1,461,360 tons and bituminous receipts, 5,460,991 tons.

Exports of Canadian coal rose to 152,412 tons from the total of 86,552 in the corresponding months of 1939. Ports in Nova Scotia, New Brunswick and Quebec cleared 119,459 tons of Canadian coal and those in Saskatchewan, Alberta and British Columbia 32,953 tons.

Coal made available for use in Canada during the period was computed at 10,765,483 tons or 24 per cent above the tonnage made available a year ago.

#### Civil Aviation in Canada

Generally increased activity was indicated in the field of civil aviation in Canada during the third quarter of 1940. As a result the mileage flown by carriers advanced to 3,741,893 miles from 3,030,188 in the second quarter. An important factor was the extension of the service of the Trans-Canada Airlines on August 1 from Toronto to Windsor.

The total number of passengers carried was 53,604 in comparison with 37,856 in the second quarter. The tonnage of freight transported was almost doubled, amounting to 6,086,686 pounds against 3,538,817 and the mail carried advanced to 689,823 pounds from 532,311.

In addition to the transportation by air of passengers, freight and mail, service performed by civil aircraft during the third quarter of 1940 included such flying as forestry patrol, fishing patrol, photography, surveying, advertising, school instruction, exhibitions, etc.

Gasoline used by Canadian companies and purchased in Canada by International companies amounted to 1,155,297 gallons compared with 945,072 for the second quarter and the corresponding consumption of lubricating oil was 21,867 gallons against 15,639.

#### Reports Issued During the Week

1. Civil Aviation, July, August, September (10 cents).
2. Coal and Coke Statistics, Third Quarter, 1940 (10 cents).
3. Index Numbers of Wholesale Prices (10 cents).
4. The Boatbuilding Industry, 1939 (10 cents).
5. The Acids, Alkalies and Salts Industry, 1939 (15 cents).
6. Canadian Milling Statistics, November (10 cents).
9. The Fertilizer Manufacturing Industry, 1939 (15 cents).
10. Miscellaneous Non-Ferrous Metal Products Industry, 1939 (15 cents).
11. Canadian Grain Statistics (10 cents).
12. Gold Production, October (10 cents).
13. Monthly Traffic Report of Railways, September (10 cents).
14. Sugar Report, November 30 to November 30, 1940 (10 cents).
15. Monthly Review of Dairy Production, December (10 cents).
16. The Leather Industry, 1939 (25 cents).
17. Cash Income from the Sale of Farm Products (10 cents).
18. Trade of Canada, November (10 cents).
19. Car Loadings (10 cents).
20. Monthly Sales of New Motor Vehicles, November (10 cents).
21. The Dairy Situation, Summer Quarter, 1940 (25 cents).
22. Monthly Indexes of Country General Store Sales, November (10 cents).
23. Monthly Indexes of Wholesale Sales, November (10 cents).
24. Stocks of Raw Hides and Skins, November (10 cents).
25. Security Prices and Foreign Exchange (10 cents).
26. Current Trends in Food Distribution, November (10 cents).
27. Imports by Principal Countries, November (10 cents).
28. Summary of Imports, November (10 cents).
29. Monthly Indexes of Retail Sales, November (10 cents).
30. The December Employment Situation (10 cents).



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