

Dominion Bureau of Statistics

Department of Trade and Commerce

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Weekly Quotation

That grounded maxim,  
So ripe and celebrated in the mouths  
of wisest men, that to the public good  
Private respects must yield.

-- Milton in "Samson Agonistes".

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,

The six indexes and the composite are shown here on the base of 1926, despite the fact that the index of carloadings is reported elsewhere on the new base of 1935-1939.

Notes on the indexes follow:-

Owing to a heavier movement after seasonal adjustment in the Eastern division, the railway traffic recorded a moderate increase in the week of July 5. The index on the base of 1926 advanced from 104.2 to 104.9. The total traffic from the beginning of the year to July 5 was 1,555,000 cars, a marked increase having been shown over the same period of last year.

Reversing the trend of recent weeks the level of wholesale prices receded slightly from 90.4 in the week of June 27 to 90.3 in the week under review. Crop products and textiles showed recessions, while four other groups were at a slightly higher position. An index of eighteen sensitive commodities dropped from 76.5 to 76.3. Manufacturing material prices were maintained, while foodstuffs showed decline.

Some advance was recorded in bond prices in the week under review, the standing being higher than in the preceding week or in the same week of 1940. Bank clearings were about \$436 million against \$429 million in the preceding week, but the adjustments led to a decline in the index from 117 to 106.8. The standing was still nearly 21 per cent above the first week of July, 1940. Common stock prices recorded minor advance in the week under review, the index rising from 64.2 to 65.0, and speculative trading showed moderate recovery.

The weekly index measuring the fluctuations of the six above-mentioned factors was 112.4 in the first week of July against 113.7 in the preceding week, a decline of 1.1 per cent. The standing one year ago was 103.4, an increase of 8.7 per cent having been indicated.

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

Week Ending	Car loadings	Whole-sale Prices	Capitalized Bond Yields 1	Bank Clearings 2	Prices of Common Stocks	Shares Traded	Weekly Index 3
July 5, 1941	104.9	90.3	144.1	106.8	65.0	27.0	112.4
June 28, 1941	104.2	90.4	143.7	117.0	64.2	14.3	113.7
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 1919 to 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 Five Months of 1941 Compared with Same Period Last Year

The most comprehensive measure of the economic improvement due to the war effort is that afforded by the national income, the measure of the net production of commodities and services by all private and public enterprises. A tentative compilation indicates that the national income was \$2,120 million in the first five months against \$1,910 million in the same period of 1940, a gain of 10.9 p.c. Since the major share of defense activity was concerned with industrial materials and equipment, the expansion of national income was featured by the commodity-producing industries. These industries, comprising nine main branches, provided a net value product of \$1,045 million in the period under review, a gain of 18.5 p.c. over the first five months of 1940. Because price increases were relatively slight, being limited to 4.1 p.c., a large part of the improvement in national income resulted from an increase in the quantity of commodities and services produced.

The expansion in economic activity since 1939, and especially the rise in employment resulted in a marked increase in the national income, and consequently in the national power of saving. These figures indicate a record national money income for 1941, well in excess of the best pre-depression years.

Fundamental factors indicating the trend of economic conditions averaged much higher in the first five months of the present year than in the same period of 1940. The feature of the period was the high level of productive operations, the official index being about 128 as compared with 113 in the same period one year ago. The gain of 13 p.c. represented advances throughout the greater part of the economic activities of the Canadian people.

A minor advance was also recorded in wholesale prices. Recent indexes indicated that the intermediate high point of 1937 has now been exceeded. Immediately upon the outbreak of hostilities, wholesale prices showed a marked advance, which has been extended by a more moderate upward trend commencing twelve months ago. The index of commodity prices on the basis of 1926, averaged 86.2 in the first five months of 1941 against 82.8, a gain of 4.1 p.c.

The expansion in business operations was practically general throughout the Canadian economic system. Mineral production recorded a further advance over the high level of 1940. Gold receipts at 2,133,000 fine ounces recorded a gain of 6 p.c., and a minor advance was shown in coal production. The participation in the war effort from the material side was indicated by the expansion in manufacturing production. The index on the basis of 1935-1939 was practically 139 compared with 124.7 one year ago. The meat-packing industry was particularly active, hog slaughtering recording an increase of 30 p.c. to nearly 2.6 million head. Steel production at 961,000 long tons was more than 21 p.c. greater than in the early months of 1940, while the output of pig iron rose 11 p.c. to 513,000 tons. The automobile production, including military vehicles, was 127,000 against 93,000 in the like period of last year, a gain of nearly 37 p.c. The imports of crude petroleum and crude rubber rose 17 p.c. and 28 p.c., respectively.

The construction industry has shared in the prosperity of the current period. The new business obtained by the industry during the first five months of 1941 was \$129.7 million against \$86.3 million in the same period of one year ago, a gain of 50 p.c.

A barometer of industrial activity in Canada was the growth in export trade. The total, exclusive of gold, rose from \$442 million to \$574 million in the period under review, a gain of nearly 30 p.c. The advance in imports, testified to the large quantities of commodities required in the war effort. The total was \$530 million against \$405 million in the same period of 1940, a gain of 30.8 p.c. The excess of exports over imports was \$43.2 million against \$36.7 million. The distribution of commodities and the handling of war materials has added greatly to railway traffic, marking a gain of 15 p.c.

## Foreign Exchange

Sterling and United States funds remained unchanged in terms of the Canadian dollar during May at official buying and selling rates of \$4.43-\$4.47 and \$1.10-\$1.11, respectively. At New York sterling free market rates held close to the official rates for the pound throughout the month, hovering between \$4.03½ and \$4.04. After easing to a mid-month low of 86 15-16 cents the unofficial Canadian dollar rate at New York subsequently stiffened to finish practically unchanged from the previous month's close at 87½ cents.

### Index Numbers of Living Costs in May

The Dominion Bureau of Statistics index number of living costs on the base 1935-1939 equals 100, rose from 108.6 in April to 109.4 in May. Of the six groups comprising the index, five recorded advances, the exception being foods, which declined 0.4 per cent. In May last year the general index was 104.9.

An index for 46 food items was 109.7 in May as compared with 110.1 in April, declines for dairy products and eggs influencing the index more than moderate gains for meats, sugar, vegetables and fruits.

The fuel and lighting index moved up from 108.9 to 109.2. The change to summer rates for domestic fuel gas in two or three centres and an increase in rates for one of the larger cities of the Dominion were responsible mainly for the advance.

Higher quotations for men's and women's wear and yard goods carried the clothing index up from 114.3 to 114.5.

The rental index for May was 109.7 or 1.9 per cent above the level in October. The various types of dwellings contributed to the advance as follows: houses 2.2 per cent; flats, 0.8; apartments, 0.7.

The index for miscellaneous items was up from 102.9 to 105.1, following the recent 3 cents per gallon tax imposed on gasoline and the 10 per cent increase in rail fares.

Home furnishings and services changed from 111.7 to 111.8. An index for retail prices alone, excluding rents and services, rose from 110.7 to 110.9.

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### Cost of Living

The Dominion Bureau of Statistics cost of living index on the base 1935-1939=100 advanced from 109.4 on May 1 to 110.5 on June 1. This unusual increase was due very largely to the food index which mounted from 109.7 to 112.5. Sharply higher bacon prices and substantial advances for fresh pork and other meats combined with lesser advances for dairy products, eggs, vegetables and other foods to produce this rise. Other group indexes moved as follows between May 1 and June 1: fuel and light from 109.2 to 110.2, clothing from 114.5 to 114.9, home furnishings and services from 111.8 to 112.1, and miscellaneous items from 105.1 to 105.6. Rents were unchanged from 109.7.

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### Indexes of Wholesale Sales in May

Dollar sales of wholesale trading establishments in Canada gained four per cent in May over April and were nine per cent higher than in May a year ago. The nine per cent gain over May last year is smaller than the spread recorded in earlier months, cumulative totals for the first five months of 1941 standing 14 per cent above the corresponding period a year ago. The smaller increase shown in the May comparison is a consequence of the peak in wholesale trading which took place in May 1940, when the outbreak of intensified war operations led to a renewal of the inventory buying by the retail trades which characterized the first months of the war.

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### Canadian Production of Butter and Cheese

The Canadian production of creamery butter in June amounted to 40,498,503 pounds compared with 32,978,810 in the previous month and 40,192,223 in June, 1940. The total for the first half of 1941 was 126,525,439 pounds compared with 114,300,139 in the corresponding period of 1940, a gain of 10.7 per cent.

Cheese production in June totalled 25,550,190 pounds compared with 16,551,456 in May and 24,050,316 in June last year. Production during the first half of 1941 aggregated 49,447,360 pounds as compared with 48,012,617 in the like period of 1940, an increase of three per cent.

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## Imports in May

Canada increased her imports in May to the value of \$128,096,000 from \$100,537,000 in the corresponding month last year or by 27 per cent. The total for the first five months of 1941 increased to \$530,361,000 from the corresponding total for 1940 of \$405,396,000.

The United States was by far the main source of supply with a total of \$84,428,000 as compared with \$63,896,000 in May, 1940. The United Kingdom followed with \$13,509,000 as compared with \$14,448,000, Straits Settlements being next at \$3,674,000 compared with \$1,570,000 and British West Indies \$3,267,000 as compared with \$2,747,000.

Imports from other leading countries were as follows, with figures for May 1940 in brackets: British India with Burma \$396,000(\$2,808,000); British Guiana \$463,000(\$1,097,000); Australia \$1,363,000(\$1,479,000); New Zealand, \$644,000(\$930,000); Brazil \$1,760,000 (\$228,000); Colombia \$1,746,000(\$995,000); Switzerland \$451,000(\$375,000); Venezuela \$871,000(\$738,000).

Chief commodity imports follow: fruits \$2,419,000(\$2,575,000); vegetables \$1,243,000 (\$1,269,000); vegetable oils \$1,032,000(\$998,000); sugar \$3,424,000(\$4,163,000); rubber \$3,213,000(\$1,932,000); cotton \$5,339,000(\$4,225,000); wool \$4,816,000(\$5,309,000); books and printed matter \$1,216,000(\$1,429,000); rolling mill products \$5,470,000(\$4,554,000); engines and boilers \$2,865,000(\$1,648,000); farm implements \$4,265,000(\$4,252,000); machinery other than agricultural \$12,583,000(\$5,895,000); vehicles \$6,877,000(\$5,971,000); electric apparatus \$2,505,000(\$1,837,000); clay and products \$1,364,000(\$1,052,000); coal \$3,105,000(\$5,607,000); glass and glassware \$1,121,000(\$953,000); petroleum products \$7,974,000(\$6,584,000); chemicals \$5,877,000(\$4,881,000).

## Production of Leather Footwear

The output of leather footwear in Canada has mounted steadily since the beginning of the year and reached in May the highest point for the period, the total being 2,843,157 pairs, an increase over May, 1940 of 30 per cent. Production during the five months ending May aggregated 12,175,597 pairs compared with 10,974,957 in the corresponding period of 1940, an increase of 11 per cent.

May imports of footwear, not including rubber goods, were valued at \$138,526 compared with \$152,300 in May, 1940. Imports from the United States totalled \$108,265 from the United Kingdom \$23,184 and from other countries \$7,077. Exports of Canadian made footwear in May were valued at \$154,843 compared with \$52,428 a year ago.

## Production and Sale of Asphalt Roofing

Production of asphalt shingles, siding and roofing in May totalled 224,544 squares, while the output of asphalt felts and sheathing amounted to 3,836 tons. Sales of the former in May totalled 215,888 squares and of the latter, 3,076 tons.

## Answering Some Questions

In response to inquiries regarding the religions of Canadians of German, Russian etc. origin, the following may be found interesting, always remembering, of course, that these figures are taken from the 1931 census:

People of German origin in Canada, 473,544; Anglicans, 26,876; Baptists, 28,049; Evangelical Association, 13,441; Lutherans, 147,290; Mennonites, 34,687; Presbyterians, 20,789; Roman Catholics, 107,940; United Church, 73,086.

People of Russian origin in Canada, 80,148; Anglicans, 1,544; Baptists, 3,592; Greek Orthodox, 8,965; Lutherans, 12,719; Mennonites, 12,084; Presbyterians, 1209; Roman Catholics, 24,874; United Church, 3,799.

People of Ukrainian origin in Canada, 225,113; Anglicans, 765; Baptists, 1,262; Greek Catholics, 130,534; Greek Orthodox, 55,386; Lutherans, 1,180; Presbyterians, 1,823; Roman Catholics, 25,781; United Church, 3,667.

### Wheat Stocks in Store

Canadian wheat in store on July 4 totalled 466,581,094 bushels compared with 470,662,973 a week ago and 281,113,693 on the corresponding date last year. The amount of Canadian wheat in the United States on the latest date was 37,015,762 bushels compared with 38,450,812 a week earlier and 25,289,597 a year ago.

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### Overseas Export Clearances of Wheat

During the week ending July 4 the export clearances overseas of Canadian wheat amounted to 5,807,124 bushels compared with 1,911,121 in the corresponding week last year. During the forty-eight weeks ending July 4 clearances aggregated 162,185,542 bushels compared with 144,096,066 in the corresponding period of the previous crop year.

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### Primary Movement of Wheat

Wheat receipts in the Prairie Provinces during the week ending July 4 totalled 4,881,102 bushels compared with 7,764,040 in the previous week and 3,110,659 in the corresponding week last year. By provinces the receipts were as follows, figures within brackets being those for 1940: Manitoba 833,763(225,020) bushels; Saskatchewan 2,369,980(1,660,071); Alberta 1,677,359(1,225,567).

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Marketings in the three Prairie Provinces for the forty-eight weeks ending July 4 aggregated 433,681,905 bushels compared with 409,293,364 in the corresponding period of the previous crop year. Totals were as follows by provinces, with figures for 1940 in brackets: Manitoba 54,853,023(52,640,890) bushels; Saskatchewan 229,921,414(228,553,707); Alberta 148,907,468(128,098,767).

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### World Shipments of Wheat

World shipments of wheat during the week ending July 5 amounted to 8,698,000 bushels as compared with 6,993,000 in the previous week and 7,336,000 in the same week last year. During the forty-eight weeks ending July 5 world shipments aggregated 229,209,000 bushels as compared with 495,991,000 in the corresponding period of the previous crop year.

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### Stocks of Foreign Grain

Stocks of foreign grain in Canada on July 4 included the following, with 1940 figures in brackets: United States wheat, 220,289(326,259) bushels; United States oats, 78,234(42,374); United States rye, 23,578(23,768); United States corn, 1,013,988(2,667,584); Argentine corn, 90,487(164,434); South African corn, 5,793(244,007).

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### Canada's External Trade in May

Canada had a favourable balance of trade in May totalling \$34,566,669 as compared with a favourable balance of \$12,156,631 in the previous month and \$10,226,810 in the corresponding month last year.

The total value of Canada's external trade in May, not including gold, was \$290,758,609 as compared with \$224,693,469 in April and \$211,300,484 in May, 1940. Domestic exports aggregated \$161,639,089 compared with \$116,932,587 in April and \$109,842,709 in May, 1940, while imports totalled \$128,095,970 compared with \$106,268,419 in the previous month and \$100,536,837 a year ago. Foreign exports were valued at \$1,023,550 against \$1,492,463 in April and \$210,938 last year.

Duties collected during the month aggregated \$12,520,481 in comparison with \$13,243,432 the month before and \$13,504,404 in May, 1940.

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People of Finnish origin in Canada, 43,885; Anglicans, 661; Baptists, 175; Greek Orthodox 120; Lutherans, 38,742; Mennonites 1; Presbyterians, 927; Roman Catholics, 561; United Church, 1,711.

People of Roumanian origin in Canada, 29,056; Anglican, 600; Baptists, 438; Orthodox Greeks, 12,192; Lutherans, 1,957; Presbyterians 400; Roman Catholic 11,437; United Church 1,034.

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Reports Issued During the Week

1. Weekly Index Numbers of Wholesale Prices (10 cents).
  2. Condition of Field Crops at June 30. Preliminary Estimate of Areas of Late-Sown Crops, Canada (10 cents).
  3. Telegraphic Crop Report, Prairie Provinces (10 cents).
  4. Production of Asphalt Roofing, May (10 cents).
  5. Sales of Asphalt Roofing, May (10 cents).
  6. Production of Leather Footwear, May (10 cents).
  7. Monthly Dairy Review, June (10 cents).
  8. The Control and Sale of Liquor (25 cents).
  9. Carloadings (10 cents).
  10. Monthly Indexes of Wholesale Sales, May (10 cents).
  11. Trade of Canada, May (10 cents).
  12. Imports by Principal Countries, May (10 cents).
  13. Summary of Imports, May (10 cents).
  14. The Non-Ferrous Smelting and Refining Industry, 1940 (25 cents).
  15. Prices and Price Indexes, May (10 cents).
  16. Prices and Price Indexes Supplement, 1940 (25 cents).
  17. Economic Conditions in Canada during first five months of 1941 (10 cents).
  18. Canadian Grain Statistics (10 cents).
  19. Price Movements, June (10 cents).
  20. Manufactures of the Non-Metallic Minerals, 1938 and 1939 (50 cents).
  21. Stocks of Canadian Fruit and Vegetables, July 1 (10 cents).
  22. Stocks of Dairy and Poultry Products, July 1 (10 cents).
  23. Cold Storage Holdings of Fish, July 1 (10 cents).
  24. Cold Storage Holdings of Meat and Lard, July 1 (10 cents).
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