

WEEKLY BULLETIN

Dominion Bureau of Statistics
Department of Trade and Commerce

Vol. IX - No. 32

Ottawa, Saturday, August 9, 1941

Price \$1.00 per annum

Weekly Quotation

No one is born without faults; he is best who is beset by least. -- Horace --

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:

The railway traffic during the week of August 2 showed a slight gain after seasonal adjustment. The total was 63,144 cars against 63,188 in the preceding week. The traffic during the first thirty-one weeks of the year amounted to 1,807,000 cars, a marked increase over the same period of 1940.

Expansion due to war activities was the main feature in the rise in the new business obtained by the construction industry during the first seven months of the present year. The total was \$247.4 million against \$154.7 million in the same period of last year. The placements in the same period of 1939, the last peace-time year, amounted to \$105.6 million. The sales of department stores recorded a gain of 14 p.c. over June 1940. The volume of sales during the first six months of the year exceeded the first half of 1940 by about 17 per cent. The index of sales was 123.9 in June against 108.7 in the same month of last year.

Wholesale prices showed minor recession in the week of August 1, the index dropping from 91.1 to 91.0. Gains were shown in animal products and non-metallic minerals, while appreciable recession was shown in crop products and in textiles. Flour prices were reduced when the tax of 15 cents per bushel was removed from wheat processed for use in Canada. The index of sensitive commodities on the other hand rose slightly from 78.9 to 79.0, the advance in manufacturers materials contrasting with the recession in foodstuffs.

The adjusted index of bank clearings advanced from 103.8 in the preceding week to 106.5, a gain of 2.6 per cent. A marked increase was shown over the same period of last year. Dominion bonds were slightly stronger in the week under review, with the index of capitalized yields recording a gain of nearly 5 p.c. over the same week of 1940. Speculative factors were slightly improved for the week, common stock prices and speculative trading rising to slightly higher levels.

The weekly index reflecting the fluctuation in the six above-mentioned factors recorded a gain of .5 p.c., the standing having been 114.2 against 113.5 in the preceding week. The index was 102.6 in the same week of 1940, a gain of 11.3 per cent having been indicated. Each of the factors except common stock prices was higher than in the same period one year ago.

A Weekly Index with Six Components on the 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
Aug. 2, 1941	107.1	91.0	144.9	106.5	74.4	51.3	114.2
July 23, 1941	107.0	91.1	144.5	103.8	73.9	27.9	113.5
Aug. 3, 1940	90.4	82.1	138.1	85.4	75.0	21.0	102.6

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 1926. 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.

Business Expansion in June

The national income for June was a trifle less than that recorded in May, falling off 0.8 per cent from \$439.6 million to \$436.2 million. The June total, however, was 14.3 per cent higher than the \$381.5 million listed for June, 1940. Allowing for the rather higher level of general prices, the gain over the same month of last year was about 3.6 per cent, and the decline from the preceding month 2.4 per cent. This slight falling off from May was well distributed among the three main economic divisions of commodity producing, commodity handling and facilitating. If allowance were made for the extra day in May, this decline would be turned into a small increase.

The index of the physical volume of business rose from 132.0 in May to 135.3 in the month under review. Industrial production showed a rather larger increase of from 143.3 to 149.3. Mineral production fell off to 125.6, as compared with 140.8 in the preceding month. Manufacturing production recorded a slight advance from 140.8 in May to 141.1. There was a minor falling off in steel production from 203.5 to 201.5, but the output of pig iron recorded a gain of from 176.0 in May to 184.4. Contracts awarded increased enormously during June, rising from 185.0 to 341.0. For the first half of 1941, contracts awarded were 71.8 per cent in excess of the corresponding period of 1940.

The electric power production index receded somewhat from 129.1 in May to 123.3. Merchandise exports also fell off from 196.3 to 182.1 in the month under review. A slight decline was noted in imports, which recorded an index of 143.9 in June as compared with 145.9 in the preceding month. The producers' goods index advanced from 149.2 in May to 157.0, consumers' goods receding slightly from 115.9 to 114.8.

Economic Activity in June compared with the Preceding Month

	1941	
	June	May
National Income, Million Dollars Tentative Computation*	436.2	439.6
Commodity producing	217.2	218.5
Commodity handling	90.8	92.4
Facilitating	128.2	128.7
Physical Volume of Business, 1935-39=100	135.3	132.0
Industrial Production	149.3	143.3
Mineral Production	125.6	140.8
Gold, Mint receipts	130.9	149.9
Silver shipments	111.1	108.2
Asbestos exports	123.6	134.5
Coal production	115.9	121.9
Manufacturing	141.1	140.8
Flour production	-	169.9
Oatmeal production	-	207.2
Sugar manufactured	108.3	90.0
Inspected slaughterings	128.1	126.8
Cattle	113.4	103.9
Sheep	76.8	124.7
Hogs	156.6	162.3
Creamery butter	102.4	123.2
Factory cheese	123.8	176.1
Salmon exports	35.3	64.1
Tobacco	108.8	116.6
Cigar releases	125.7	148.2
Cigarette releases	107.7	114.2
Rubber imports	106.7	201.3
Boots and shoes production	-	132.6
Textiles	183.7	177.2
Cotton consumption	177.9	175.8
Wool imports	241.8	224.8
Silk imports	36.8	39.1
Rayon materials used	158.7	162.4
Forestry	117.0	114.0
Newsprint	107.3	106.1
Woodpulp exports	202.6	193.1
Planks and boards exports	99.7	98.0
Shingles exported	179.8	158.8
Iron and Steel	180.0	170.6
Steel production	201.5	203.5
Pig iron production	184.4	176.0

Continued on page 3

Economic Activity in June compared with the Preceding Month

	1941	
	June	May
Iron and Steel Imports	188.1	189.7
Automobile production	157.6	132.2
Coke production	129.2	150.6
Crude Petroleum Imports	123.8	155.5
Construction	292.3	182.0
Contracts awarded	341.0	185.0
Building permits	122.5	171.5
Cost of Construction	117.0	116.3
Electric Power	123.3	129.1
Distribution	111.3	112.6
Trade Employment	-	120.5
Carloadings	130.0	136.5
Imports	143.9	145.9
Exports (excluding gold)	182.1	196.3
Producers' Goods	157.0	149.2
Consumers' Goods	114.8	115.9
Marketings -		
Grain and Live Stock Marketings	145.9	227.7
Grain Marketings	163.6	284.3
Wheat	173.3	298.6
Oats	130.3	156.7
Barley	13.6	38.8
Flax	64.5	142.3
Rye	108.3	257.6
Live Stock Marketings	105.3	94.3
Cattle	103.0	88.4
Calves	109.6	99.6
Hogs	120.5	109.9
Sheep	67.0	102.8
Cold Storage Holdings, 1st of following month	121.4	178.7
Eggs	119.8	121.3
Butter	124.6	271.1
Cheese	119.0	148.6
Beef	117.0	110.5
Pork	123.7	133.6
Mutton	135.3	113.1
Poultry	103.3	104.8
Lard	207.9	237.1
Veal	150.2	125.7

* Exclusive of tangible assets acquired by the Dominion Government through war expenditure.

Commercial Failures in May

According to returns received by the Dominion Bureau of Statistics under the provisions of the Bankruptcy and Wininging-Up Acts, there were 83 commercial failures in Canada in May as compared with 110 in the corresponding month last year. Estimated grand total assets were \$570,085 compared with \$646,633 and the estimated liabilities stood at \$838,653 compared with \$924,734 a year ago.

Sugar Refining Industry

The output of the sugar refining industry changed but little during 1940. The production of sugar of all kinds amounted to 1,156,807,190 pounds, composed of 943,204,679 pounds made from cane and 213,602,511 pounds from beets. Compared with the previous year the increase in the total output was only 220,356 pounds. The production of cane sugar declined by 44,061,812 pounds while that of beet sugar increased by 44,282,168 pounds. At present the percentage of beet sugar to the total produced stands at 18.5, the highest since the inception of the annual census of manufactures in 1917. Granulated sugar comprises over 86 per cent of the total sugar produced.

Overseas Export Clearances of Wheat

During the week ending July 31 the export clearances overseas of Canadian wheat amounted to 2,215,217 bushels compared with 964,092 in the corresponding week last year. The accumulated total for the crop year 1941 was 173,534,218 bushels compared with 152,703,719 in the previous year.

Primary Movement of Wheat

Wheat receipts in the Prairie Provinces during the final week of the crop year 1941 totalled 5,558,251 bushels compared with 6,186,766 in the previous week and 5,706,456 in the corresponding week last year. By provinces the receipts were as follows, with figures for 1940 in brackets: Manitoba, 487,580(439,503) bushels; Saskatchewan, 2,895,202(2,684,108); Alberta, 2,175,469(2,582,845).

Markotings during the crop year 1941 aggregated 454,668,596 bushels as compared with 427,312,750 in the previous crop year. Figures follow by provinces, with those for 1940 in brackets: Manitoba, 57,345,776(53,785,712); Saskatchewan, 240,140,986(238,627,921); Alberta, 157,181,834(134,999,117).

Wheat Stocks in Store

Canadian wheat in store on August 1 totalled 463,838,082 bushels compared with 462,333,429 on July 25 and 282,287,071 on the corresponding date last year. The amount in elevators in Canada was 432,503,783 bushels compared with 430,202,168 a week ago and 255,181,052 a year ago. Canadian wheat in the United States was reported at 31,334,299 bushels compared with 32,131,231 a week earlier and 27,106,019 last year.

Stocks of Canned Fruits and Vegetables

Stocks of canned fruits held by canners, wholesale dealers and chain store warehouses on July 1 totalled 3,044,545 dozen cans compared with 3,170,715 dozen on April 1. The stocks of canned vegetables totalled 4,185,689 dozen cans as compared with 5,996,994 on April 1, 1941.

Stocks of Raw and Refined Sugar

The stocks of raw sugar in Canadian refineries on July 12 totalled 125,581,868 pounds compared with 87,060,187 on the corresponding date last year. Refined sugar, both cane and beet, amounted to 163,974,061 pounds in comparison with 131,538,418 a year ago.

Current Trends in Food Distribution in June

Sales of 74 of the larger wholesale grocery firms in the Dominion averaged 9 p.c. higher in June this year than last, but were 4 p.c. below the May level. Sales for the first six months of this year stand 11 per cent above the level for the first four months of 1940.

Wholesale grocers in British Columbia reported a gain of 17 p.c. in sales over June last year. Sales in the Maritimes were up 12 p.c.; the Prairies and Quebec up 9 p.c.; Ontario up 5 per cent.

Advance Statement on Butter, Eggs and Cheese

Stocks of creamery butter and cheese in Canada on August 1 as reported by the principal cities of the Dominion are as follows, figures for same month last year in brackets: creamery butter, 33,192,004(34,380,902) pounds; cheese, 14,507,349(14,624,804) pounds.

Stocks of eggs in Canada on August 1 were as follows, with 1940 figures in brackets: cold storage eggs, 8,218,322(6,932,463) dozen; frozen 5,502,582(5,863,843) pounds.

Fisheries in Ontario in 1940

The total value of output of the Ontario fisheries in 1940 as marketed was \$3,035,100, compared with \$3,010,252 in the preceding year. White fish is the most important species in this province, recording a value in 1940 of \$1,012,590, and following is trout with a value of \$711,348. Other kinds of importance are pickerel, blue pickerel, perch, herring and tullibee.

Fisheries in Prairie Provinces in 1940

The marketed value of production of fisheries in the three Prairie Provinces in 1940 was \$2,842,629 compared with \$2,564,508 in the previous year. By provinces the values are as follows, with figures for 1939 in brackets: Manitoba \$1,988,545(\$1,655,273); Saskatchewan, \$403,510(\$478,511); Alberta, \$450,574(\$430,724).

The chief commercial fish in Manitoba is pickerel, but white fish comes first in Saskatchewan and Alberta.

Sales of New Motor Vehicles in June

Sales of new motor vehicles in June, excluding deliveries to the Government for war purposes, were 25 per cent in number and 13 per cent in retail value below June last year. Sales numbered 11,655 new vehicles valued at \$15,080,286 compared with 15,554 at \$17,326,537. The drop of 20 per cent between May and June this year was less than in the two previous years. Total sales for the first six months of this year numbered 78,853 valued at \$99,899,244, a decrease of 9 per cent in number and an increase of 4 per cent in retail value over sales in the same period last year.

New passenger-car sales in June numbered 8,108 retailing for \$10,601,647 which is a decrease of 36 p.c. in number and 24 p.c. in value from June last year. Sales of new trucks and buses in June were 21 p.c. in number and 32 p.c. in value above last year.

Stocks of Unmanufactured Tobacco

Stocks of unmanufactured tobacco on hand at the end of June this year amounted to 123,808,338 pounds compared with 117,213,986 on the corresponding date last year. The amount of Canadian tobacco on hand this year was 120,771,361 pounds, the balance of 3,036,977 being imported tobacco.

Civil Aviation in April

Passenger traffic of air lines continues to grow, amounting in April this year to 12,507 revenue passengers and 4,248,314 passenger miles as against 11,884 passengers carried and 3,498,465 passenger miles for March.

Passenger revenues totalled \$275,461, an increase of \$35,335 or 15 per cent, but mail revenue declined to \$260,355 from \$332,678 or 22 per cent, and other transportation revenues fell to \$76,483 from \$113,395 or by 33 per cent. Incidental revenues increased to \$38,764 from \$26,728. Total revenues were lowered to \$651,065 from \$712,927 in the previous month.

Gasoline consumed by all operators amounted to 363,853 gallons in April and lubricating oil to 8,110 gallons. The number of employees increased from 1,601 in March to 1,660.

Wholesale Sales in June

June sales of wholesale trading establishments in Canada averaged 11 per cent higher than in June a year ago and were six per cent lower than in May. The index number on the base 1935-1939=100 stood at 140.0 in June compared with 148.4 in May and 126.1 in June, 1940. Cumulative sales for the first six months of 1941 were 14 per cent higher than in the corresponding period of 1940.

Operating Revenues of Railways in May

Gross revenues of Canadian railways for May amounted to \$46,594,656, the highest May revenues on record and an increase of \$11,965,015 or 34.6 per cent over May, 1940. Operating expenses were greater than in 1940 by \$4,954,734 and the operating income increased from \$5,759,782 to \$11,067,583 or by \$5,307,801.

Tons of revenue freight carried amounted to 11,061,918 as against the previous May record of 11,031,912 tons carried in May 1929, and the revenue ton miles amounted to 4,386,613,000 as against 3,046,564,000 in May 1928, an increase of 44 per cent over the previous May record. The number of passengers carried increased from 1,334,227 in May 1940 to 1,603,204, but this was less than half the number carried in May 1922 and 1923.

The total pay roll increased from \$17,609,596 in 1940 to \$19,649,446 for an increase in the number of employees from 131,286 to 143,099.

For the five months ending May gross revenues increased from \$155,186,863 in 1940 to \$199,826,929 and the operating income from \$18,815,505 to \$36,916,167 in the corresponding period of 1940.

Production of Leather Footwear

The June production of leather footwear totalled 2,731,325 pairs compared with 2,843,157 in the previous month and 1,750,984 in the corresponding month last year. The gain over June 1940 was 59 per cent. Total output during the first six months of 1941 advanced to 14,956,922 pairs from 12,725,941 in the corresponding period of 1940, an increase of 18 per cent.

Reports Issued This Week

1. Weekly Index Numbers of Wholesale Prices (10 cents).
2. Production of Leather Footwear, June (10 cents).
3. Stocks of Canned Fruits and Vegetables, July 1 (10 cents).
4. Telegraphic Crop Report, Prairie Provinces (10 cents).
5. Current Trends in Food Distribution, June (10 cents).
6. Advance Preliminary Statement on Butter, Cheese and Eggs in Canada on August 1, (10 cents).
7. Monthly Sales of New Motor Vehicles in Canada, June (10 cents).
8. Advance Report on Fisheries of Ontario, Prairie Provinces and Yukon, 1940 (10 cents).
9. Operating Revenues, Expenses and Statistics of Railways, May (10 cents).
10. Civil Aviation, April (10 cents).
11. Stocks and Consumption of Unmanufactured Tobacco at June 30 (10 cents).
12. Sugar Report, June 21 to July 12, 1941 (10 cents).
13. Canadian Grain Statistics (10 cents).
14. Car Loadings (10 cents).
15. The Sugar Industry, 1940 (25 cents).
16. Monthly Indexes of Wholesale Sales, June (10 cents).
17. Commercial Failures, May (10 cents).



1010729909