

## 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 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:

Railway traffic showed a recession in the first week of September, the index on the base of 1926 dropping from 94.4 in the preceding week to 90.6. The movement was 61,552 cars against 67,162 in the last week of August. The gain over the same week of last year was 11.2 p.c., the index at that time standing at 81.5. The index of general industrial activity, compiled by the Canadian Bank of Commerce, was 162 at mid-August against 161 in the preceding month and 121 in the same month of 1940. The total wheat production of the present year is estimated at 306,459,000 bu., a reduction of 244,931,000 from last year.

The index of wholesale prices rose from 91.9 in the last week of August to 92.1 in the week under review. Crop and animal products, textiles and wood and paper recorded advances while the four other groups were unchanged from the preceding week. The advance of sensitive prices was continued in the week under review, the index of 18 series rising from 79.4 to 79.8. The index of wholesale prices rose 11.2 p.c. over the same week of 1940. The standing was higher than at any time since February, 1930 when the monthly index was 93.9

The index of the cost of living advanced from 111.9 on July 2 to 113.7 on August 1. The index advanced 12.8 p.c. on August 1 over the same date of 1939. The sharp rise during July was due mainly to higher food prices, while increases were also shown in clothing, home furnishing and miscellaneous groups.

Bank clearings recorded a gain in the week under review, the adjusted index advancing from 126.1 to 129.2, a gain over the preceding week of 2.5 p.c. while an increase of 37.3 p.c. was shown over the same week of 1940. Common stock prices recorded an advance for the third consecutive week, the index standing at 75.6 against 74.3. The comparison with the same week of last year was unfavourable, the standing at that time having been 82.4. Speculative trading was more active, increases having been shown over the preceding week and the same week of last year.

High grade bond prices remained steady from the preceding week, a moderate increase having been shown over the same period of 1940. The average discount price of accepted bids for Dominion of Canada treasury bills was 99.86418 and the average yield 0.546 per cent, a new war-time low. Tenders were accepted on September 11 for the full amount of \$40 million. The last preceding sale was at price of 99.86275 with an average yield of 0.551.

The weekly index, on the base of 1926=100, was 114.9, practically the same as in the preceding week. The standing one year ago was 103.9, a gain of 10.5 per cent having been indicated.

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

Week Ending	Car loadings	Whole-sale Prices	Capitalized Bond Yields <sup>1</sup>	Bank Clearings <sup>2</sup>	Prices of Common Stocks	Shares Traded	Weekly Index <sup>3</sup>
Sept. 6, 1941	90.6	92.1	144.9	129.2	75.6	43.7	114.9
Aug. 30, 1941	94.4	91.9	144.9	126.1	74.3	33.4	114.9
Sept. 7, 1940	81.5	82.8	140.5	94.1	82.4	23.0	103.9

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 trend. 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 Seven Months of 1941

Economic operations showed marked expansion in the first seven months of 1941 over the same period of the preceding year. The estimate of the national income, a comprehensive measure of economic progress, was slightly more than \$3 billion in the first seven months against \$2.7 billion in the same period last year. The rise of 10.7 per cent in national income was mainly due to expansion in the commodity producing and handling divisions. Income originating in the commodity producing-division was \$1,490 million against \$1,266 million, a gain of no less than 17.6 per cent. The commodity handling activities including trade and transportation, rose slightly more than 11 per cent to \$625 million. The income originating in facilitating activities exclusive of the tangible assets acquired by the Dominion Government through war expenditures, was nearly \$890 million in the period under review, a slight gain being shown over the first seven months of 1940.

The index of the physical volume of business based upon about fifty important factors rose from 115.3 to 130.5, a gain of 13.2 per cent. Marked gains were shown in manufacturing production and in new business obtained by the construction industry. The index of manufacturing production rose nearly 12 per cent to 141.5. The amount of construction contracts awarded was \$247.4 million against \$154.7 million, a gain of nearly 60 per cent. The output of electric power was 18.4 billion kilowatt hours against 17.6 billion, a gain of 4.6 per cent.

An important element in the economic expansion of the first seven months of the present year was the growth in the export trade, especially to the British market. The total value was \$891.3 million against \$655.2 million, a gain of no less than 36 per cent. The relative increase in imports was almost as great. The total amount was \$773 million against \$586 million, a gain of 32 per cent. The net exports of non-monetary gold in the first seven months of the present year was 119.7 million against 116.1 million in the same period of last year.

Transportation shared fully in the economic expansion of the first seven months of the present year. Railway traffic was at a considerably higher level. The number of cars loaded during the first thirty-four weeks of the year was 1,997,000 against 1,743,000 in the same period of 1940. The movement of miscellaneous commodities, grain and l.c.l merchandise contributed heavily to the indicated increase of 254,000 cars. The gross earnings of the Canadian Pacific Railway during the same period were \$132.5 million against \$100.9 million a year ago, a gain of 31.3 per cent. The increase in the gross revenues of the Canadian National Railway was 23.1 per cent, the total having been \$184.6 million against \$149.9 million.

Productive activity has resulted in a marked increase in the number of the working forces. The general index of employment during the first six months was 140.8 against 115.2 in the comparable period of 1940, a gain of more than 22 per cent. The percentage gain in manufacturing and in construction was of somewhat greater proportions.

The influences characteristic of a war period are now making themselves felt in raising commodity prices. The index of wholesale prices based on 567 price series was 91.8 in the week of August 22 against 82.7 in the same week of 1940. The present standing is higher than at any time in the last eleven years. Animal products, during the last twelve months, has shown an increase of nearly 20 points in the index, while considerable gains have also been shown in textiles and crop products. The index of the cost of living on the basis of 1935-39 rose from 105.6 on July 1 last year to 111.9 on the same date of 1941. The index of foodstuffs advanced from 105.3 to 116.6, whereas clothing was 115.1 in July against 109.1 in the same month last year.

Dominion Government revenues in the first four months of the current fiscal year, from April to July inclusive, were \$484.3 million compared with total expenditures of \$439.0 million. The four-month total for war expenditures was \$308.9 million as against \$112.8 million in the same period of the preceding fiscal year. Non-war expenditure for the first four months of the year was \$126.7 million compared with \$121.0 million.

The amount of cheques cashed by chartered banks in 33 clearing centres was \$22,052 million in the first seven months of the present year against \$19,624 million one year ago. The consequent increase was \$2,428 million or 12.4 per cent. The increase, while affected by the heavy payments in June for the Victory Loan, was mainly due to the expansion of business operations and the rise in commodity prices and cost of living.

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### Cost of Living Index for August

The Dominion Bureau of Statistics cost-of-living index for Canada advanced from 111.9 on July 2 to 113.7 on August 1, 1941. This index which has been specified as the basis for calculating cost-of-living bonus adjustments under Order-in-Council P.C. 7440, has increased 12.8 per cent between August 1939 and August, 1941. The sharp rise between July 2 and August 1 was due mainly to higher food prices. The food index advanced 4.7 points to 121.3, and this alone would have been sufficient to increase the general index by 1.5 points.

Residual increases in clothing, home furnishings, and the miscellaneous groups combined to add a further 0.3 points to the general increase of 1.8 points. In the food section, lower prices for vegetables were overbalanced by advances in all other sub-group indexes. The most important increases were recorded for dairy products, meats and eggs. Group indexes for July 2 and August 1, 1941, were as follows: Foods 116.6 and 121.3, clothing 115.1 and 115.7, home furnishings and services 113.0 and 114.3, miscellaneous items 105.6 and 106.1. The rent and fuel indexes were unchanged at 109.7 and 110.5, respectively.

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### Note on the Labour Situation as of July 1, 1941

According to the stencilled report on the National Registration of August, 1940, there were at the time among the wage-earners of the Dominion about 306,500 persons reporting themselves as unemployed.

On July 1st of last year, the total number of employees of firms reporting to the Employment Statistics Division of this Bureau was 1,221,000. At the same date of 1941 the number of employees on the payrolls of reporting firms is given as 1,575,000, being an increase of 354,000. Perhaps 50,000 of the reported increase may be due to the fact that firms are, since April, 1941, reporting the aggregate numbers on their payrolls rather than the number actually present and at work on the last day of the preceding month. But after allowing for these, there remains an increase of well over 300,000 more than on the same date of last year in the number of workers of the reporting firms alone. When allowance is made for the numbers added to the staffs of non-reporting firms and also for the enlistments in the armed forces of the Crown within the last twelve months, it would seem that the surplus of unemployed labour existing eleven months ago must have been practically if not entirely absorbed, together with the natural increase in the number of workers resulting from the growth of population.

Certainly by October, when employment in Canada usually reaches its peak for the year, Canadian employers will be pressed to find workers so that they must visualize transfers of workers from non-essential to essential industries and dilution of the working forces through the infusion of people who would not ordinarily be at work. These would include largely, if not mainly, females.

The manufacturing industries of the Dominion, which are supplying a very great variety of articles needed for use in war, have shown particular expansion, the reporting manufacturers having increased their staffs from 670,000 on July 1, 1940 to 899,000 on July 1, 1941, an increase of 229,000 or more than one-third in the last twelve months. Further, within the manufacturing group itself, certain divisions, notably iron and steel products, have shown enormous expansion in the past twelve months, while other divisions manufacturing predominantly for civilian consumption, have shown smaller increases in the numbers of their employees.

The experience of the three months since the introduction of payroll statistics by the Bureau of may also be mentioned as illustrating the growing tightness of the labour market. On April 1st, 1941, the staffs of the reporting firms aggregated 1,405,000, on July 1st, 1,575,000, or an increase of 170,000. Perhaps about half of this increase may be taken to represent the normal seasonal rise of employment in the second quarter of the year, but over and above this there has been a super-normal increase of 85,000 workers during this short period. In the manufacturing industries alone, the staffs of the reporting firms have increased in the past three months from 822,000 to 899,000, or by 77,000 workers.

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## Output of Central Electric Stations

Central electric stations in Canada produced 2,661,145,000 kilowatt hours in July, the highest July output on record. The index number adjusted for seasonal variations on the base 1935-39 as 100 rose to a new high point of 130.8. Output during the seven months ended July aggregated 18,393,530,000 kilowatt hours compared with 17,583,755,000 in the like period of 1940.

Firm power produced for Canadian consumption reached a new high point in July at 2,234,260,000 kilowatt hours. The previous record was 2,205,990,000 reached in April last year. The index number rose from 154.5 for June, the previous high, to 160.3. The total for the first seven months of this year was 15,144,940,000 kilowatt hours compared with 12,606,324,000 a year ago.

July exports to the United States totalled 197,443,000 kilowatt hours compared with 203,058,000 in 1940, while the total for the seven months this year was 1,377,292,000 kilowatt hours compared with 1,202,076,000 a year ago.

## Flour Production in July

Flour production in July this year advanced to 2,116,896 barrels from last year's output of 1,222,975 barrels, while the amount manufactured during the crop year 1940-41 was 19,597,769 barrels compared with 17,749,764 in the previous crop year. The July percentage of output to capacity was 93.5 compared with 53.9 a year ago, and the weighted average for the twelve months was 72.5 compared with 65.7.

Mill grindings of grain in July this year were as follows, with figures for July 1940 in brackets: wheat, 9,439,622(5,543,957) bushels; oats, 1,262,232(892,812); corn, 178,426(184,259); barley, 178,678(196,828); buckwheat, 501(1,724); and mixed grain, 1,640,600(1,613,715).

## World Shipments of Wheat

World shipments of wheat during the week ending August 30 totalled 5,531,000 bushels as compared with 6,029,000 in the previous week and 5,456,000 in the corresponding week last year. During the first four weeks of the crop year shipments aggregated 24,428,000 bushels compared with 21,960,000 in the corresponding period of the previous crop year.

## Stocks of Foreign Grain

Stocks of foreign grain in Canada on August 29, with corresponding figures for 1940 in brackets: United States wheat, 205,249(623,630) bushels; United States oats, 48,559 (16,555); United States rye, 23,578(25,768); United States corn, 2,583,735(4,311,480); Argentina corn, 114,501(346,563); South African corn, 359(353,195).

## Overseas Export Clearances of Wheat

During the week ending September 5 the export clearances overseas of Canadian wheat amounted to 1,460,706 bushels compared with 2,457,281 in the corresponding week last year. The accumulated total for the five weeks ended September 5 was 12,863,368 bushels compared with 9,832,167 in the corresponding period of the previous crop year.

## Primary Movement of Wheat

Wheat receipts in the Prairie Provinces during the week ending September 5 totalled 6,399,564 bushels compared with 8,272,557 in the previous week and 16,924,081 in the same week last year. By the provinces the receipts were as follows, with 1940 totals in brackets: Manitoba, 1,254,698(2,050,292) bushels; Saskatchewan, 4,022,305(11,063,850); Alberta, 1,122,561(3,809,939).

Marketings during the five weeks ended September 5 aggregated 25,459,153 bushels compared with 49,678,697 in the corresponding period of the previous crop year. The totals follow by provinces, with totals for 1940 in brackets: Manitoba, 6,035,426 (10,075,675) bushels; Saskatchewan, 13,541,758(29,129,322); Alberta, 5,881,969 (10,473,700).

### Principal Grain Crop Production

The first estimate of Canada's total wheat production in 1941 is placed at 306,459,000 bushels. This represents a major reduction of 244,931,000 bushels from the 1940 Canadian production of 551,390,000 bushels, which is attributable almost equally to the wheat acreage reduction programme undertaken last spring and to the below-normal yields which have been realized over large areas of Saskatchewan and eastern Alberta. The 1941 fall wheat production amounted to 16,417,000 bushels and the spring wheat production for all Canada to 290,042,000 bushels. Included in the latter figure is the 1941 spring wheat production in the Prairie Provinces estimated at 286,000,000 bushels, as compared with the 1940 estimate of 525,000,000 bushels.

The total production of the principal grain crops in Canada in 1941 is now estimated in bushels, as follows, with the 1940 figures within brackets: Fall wheat 16,417,000 (22,099,000); spring wheat 290,042,000 (529,291,000); all wheat 306,459,000 (551,390,000); oats 357,955,000 (380,526,000); barley 121,378,000 (104,256,000); fall rye 10,644,000 (10,357,000); spring rye 3,258,000 (3,637,000); all rye 13,902,000 (13,994,000); flaxseed 7,362,000 (3,049,000). The average yields per acre, in bushels, are estimated as follows, with the 1940 averages within brackets: Fall wheat 26.1 (28.5); spring wheat 13.3 (18.9); all wheat 13.7 (19.2); oats 25.9 (30.9); barley 21.9 (24.0); fall rye 13.3 (13.2); spring rye 11.7 (14.6); all rye 12.9 (13.5); flaxseed 7.7 (8.0).

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### Wheat Stocks in Store

Canadian wheat in store on September 5 totalled 470,737,304 bushels compared with 466,149,615 a week ago and 316,564,031 on the corresponding date last year. The amount in elevators was 444,449,911 bushels compared with 438,088,494 on August 29 and 283,388,592 on September 6, 1940. Canadian wheat in the United States on September 5 amounted to 26,287,393 bushels compared with 28,061,121 a week ago and 33,175,439 a year ago.

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### World Shipments of Wheat

World shipments of wheat during the week ending September 6 amounted to 5,778,000 bushels as compared with 5,531,000 in the previous week and 6,024,000 in the corresponding week last year. During the five weeks of the crop year world shipments amounted to 30,201,000 bushels compared with 27,984,000 in the corresponding period last year.

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### Stocks of United States Grain in Canada

Stocks of United States grain in Canada on September 5 included the following, with corresponding figures for 1940 in brackets: wheat, 440,853 (622,625) bushels; oats, 44,794 (25,108); corn, 3,015,737 (4,614,322); soy beans, nil (8,924).

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### August Production of Butter and Cheese

The Canadian production of creamery butter in August amounted to 35,354,189 pounds compared with 39,157,290 in the previous month and 33,775,562 in August, 1940. Production during the eight months ended August aggregated 201,175,221 pounds compared with 187,683,504 in the corresponding period last year, a gain of 7.2 per cent.

Cheese production in August totalled 23,628,354 pounds as compared with 25,221,201 in June and 24,586,655 in August last year. Output during the eight months of this year amounted to 98,508,371 pounds as compared with 97,534,113 in the like period of last year, a gain of one per cent.

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### Production of Leather Footwear in July

The July output of leather footwear amounted to 2,883,741 pairs, an increase of four per cent over the previous month and a gain of 55 per cent over the corresponding month last year. The total output during the seven months ended July advanced to 17,840,663 pairs, which is a high record for the period. The total for the corresponding period of 1940 was 14,586,969 pairs.

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### Production of Coal and Coke in July

The Canadian output of coal in July amounted to 1,186,694 tons compared with 1,157,727 in the preceding month and 1,253,247 in July, 1940. Coke production totalled 263,000 tons compared with 248,000 in June and 259,000 in July last year.

Nova Scotia operators reported an output of 539,632 tons of coal in July as compared with 644,252 a year ago. Mines in Alberta produced 415,047 tons, consisting of 324,747 tons of bituminous coal, 31,311 tons of sub-bituminous and 58,989 of lignite. In July 1940 Alberta's output included 279,637 tons of bituminous coal, 37,751 tons of sub-bituminous and 58,600 lignite.

Mines in British Columbia produced 154,878 tons in July compared with 158,012 a year ago. Production in New Brunswick decreased 4.5 per cent to 43,288 tons from the July, 1940 total of 45,311. Saskatchewan produced 33,849 tons as against 30,244 a year ago.

Canada imported 2,634,211 tons of coal during July, an increase of 3.3 per cent above the total for the corresponding month of 1940. Exports during the month totalled 55,073 tons compared with 73,702 last year.

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### Civil Aviation in May

Travel by air continues to increase, according to a report on civil aviation issued by the Dominion Bureau of Statistics. In May there were 17,531 passengers carried as compared with 13,057 in the previous month, and the passenger miles flown increased from 4,369,808 in April to 4,850,673.

Revenue freight carried declined from 916,437 pounds to 914,468 pounds and ton miles declined from 63,858 to 60,882. Pounds of mail carried by air increased from 246,265 to 274,748 and the mail ton miles from 65,699 to 71,532. Revenues of Canadian companies increased from \$651,065 in April to \$704,705 and the operating expenses were reduced from \$694,239 to \$624,474.

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### Preliminary Census Returns for 1941

In the first of a series of reports based on 1940 Census returns, the Dominion Bureau of Statistics announced preliminary count of the population of certain cities, towns and incorporated villages. Amongst the larger cities, for which statistics are now available, the population of London Ontario was found to have increased to 77,763 from 71,148 in 1931 when the last official count was made. Regina's population rose to 56,520 from 53,209, Sherbrooke to 35,487 from 28,933, while the population of Saskatoon had declined to 42,269 from 43,291.

The population of other centres for which compilations have been made are as follows, with 1931 census figures in brackets: Charlottetown, 15,049(12,361); Sydney, 27,314(23,089); Dartmouth, 10,472(9,100); Glace Bay, 25,059(20,706); Lewis, 11,912(11,724); St. Hyacinthe, 17,726(13,449); Sorel, 12,156(10,320); Thorford Mines, 12,727(10,701); Belleville, 15,391(13,790); Brantford, 31,513(30,107); Fort William, 30,317(26,277); Kingston, 29,356(23,439); Kitchener, 35,367(30,793); Oshawa, 26,552(23,439); Peterborough, 24,903(22,327); Woodstock, 13,569(11,395); Brockville, 11,143(9,736); Cornwall, 13,751(11,126); St. Boniface, 17,995(16,305); Prince Albert, 12,290(9,905); Lethbridge, 14,238(13,489); New Westminster, 21,560(17,524).

The Bureau also wishes to point out that it is the duty of anyone who has reason to believe he or she has been omitted from the census to notify the Bureau without delay.

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### Population of the Town of Almonte

In a preliminary announcement of the population of certain cities, towns and incorporated villages as at the date of the 1941 Census, the population of the Town of Almonte was given as 1,687. This should have read 2,513. In 1931 the figure was 2,415. Thus an increase of 98 persons is recorded in 1941 over 1931, instead of a decrease of 826.

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### Hardwood Distillation Industry

The hardwood distillation industry in Canada showed an improvement of 42 p.c. in 1940 when production was valued at \$1,046,976 compared with \$737,673 in 1939. Output of refined methyl hydrate amounted to 264,848 gallons valued at \$217,714; charcoal totalled 30,229 tons worth \$496,588 and grey acetate of lime amounted to 5,641,841 pounds at \$63,032.

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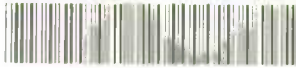
### Telegraph and Cable Companies

Telegraph and cable companies had a busy year in 1940, according to a report on their operations issued today by the Dominion Bureau of Statistics. The number of telegrams sent from points in Canada was 11,260,587, a gain of 477,316 over 1939, but the number received from the United States for delivery in this country decreased from 1,679,641 to 1,471,495. Cablegrams, exclusive of wireless messages to vessels at sea increased from 1,492,389 to 1,648,282.

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### Reports Issued During the Week

1. Car Loadings (10 cents).
  2. The Hardwood Distillation Industry, 1940 (15 cents).
  3. Canadian Grain Statistics (10 cents).
  4. International Bridge, Tunnel and Ferry Companies, 1940 (15 cents).
  5. Telegraph and Cable Statistics, 1940 (10 cents).
  6. Civil Aviation, May (10 cents).
  7. Canadian Milling Statistics, July (10 cents).
  8. Output of Central Electric Stations, July (10 cents).
  9. Economic Conditions in Canada, first seven months, 1941 (10 cents).
  10. Dairy Production, August (10 cents).
  11. Production of Leather Footwear, July (10 cents).
  12. Weekly Index Numbers of Wholesale Prices (10 cents).
  13. The Lumber Industry, 1940 (15 cents).
  14. Miscellaneous Leather Goods, Leather Belting, Boot and Shoe Findings, 1939 (25 cents).
  15. Coal and Coke Statistics, July (10 cents).
  16. Price Movements, August (10 cents).
  17. Preliminary Announcement of Population of Cities, Towns and Incorporated Villages, 1941 Census (10 cents).
  18. Stocks of Canadian Fruit and Vegetables, Sept. 1 (10 cents).
  19. Cold Storage Holdings of Meat and Lard in Canada, Sept. 1 (10 cents).
  20. Cold Storage Holdings of Fish in Canada, Sept. 1 (10 cents).
  21. Stocks of Dairy and Poultry Products, Sept. 1 (10 cents).
  22. The Dairy Situation in Canada, April to June (10 cents).
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