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ECONOMIC CONDITIONS IN CANADA DURING THE FIRST ELEVEN MONTHS OF 1944  
COMPARED WITH THE SAME PERIOD OF 1943.

The factors indicating the trend of economic activity averaged higher in the first eleven months of 1944 than in the same period of any other year. While the business operations recorded recession, subsequent to the first quarter, the level for the year was somewhat higher than the preceding maximum reached in 1943. The index of the physical volume of business averaged one per cent higher, the standing on the five year pre-war base during the first eleven months of last year having been 237.2. While wholesale prices have been remarkably steady since October 1943, the level has been appreciably higher than in 1943. The index averaged 102.5 against 99.7, a gain of 2.8 p.c.

Common stock prices fluctuated within relatively narrow limits during the last two years. The index for the first eleven months in 1944 averaged slightly lower than in the same period of the preceding year. The index on the pre-war base was 83.6, a decline of 0.2 p.c. High grade bond prices averaged slightly higher in the first eleven months of 1944, fluctuations having been within narrow limits since the early part of 1943. The index of bond yields consequently averaged slightly lower in the first eleven months, the standing of 97.1 indicating a decline of  $\frac{1}{2}$  p.c. from the same period of the preceding year. The advance in bank deposits in progress since the outbreak of hostilities was continued in 1944. The ten months average of four main classes of deposits was \$4.6 billion against \$3.9 billion, a gain of 17.6 p.c. Speculative trading on the stock exchanges showed minor change from the levels of the preceding year.

National income on a tentative basis amounted to \$8.4 billion in the first eleven months of last year against \$7.9 billion, a gain of slightly more than 6 p.c. The standing in 1944 was higher than in any other year in Canada's history, the preceding maximum of \$8,724 million having been reached in 1943. The total in November was \$784.5 million against \$767.3 million in the same month last year.

One of the most important economic generators bearing upon the dimensions of national income is the trend of capital formation coupled in recent years with the output of munitions and war supplies. It may be cited in this connection that the production of durable goods has shown particularly important gains in recent years. The number of employees engaged in the production of such goods showed at the beginning of last October, an increase of 46.7 p.c. over June 1, 1941. New business in the form of contracts awarded recorded an increase of nearly 44 p.c. in the first eleven months of last year over the same period of 1943.

The external trade constitutes another important economic generator, the increase in the first eleven months having been 19 p.c. The total for that period of last year was \$3.2 billion against \$2.7 billion in the same period of the preceding year. The net exports of non-monetary gold showed a decline of 20 p.c. from \$129.8 million to \$103.8 million. Excluding the trade in gold the active balance of trade in the first eleven months of 1944 was \$1,581 million, an increase of 44.6 p.c. over the same period of the preceding year.

The gross value of the principal field crops produced on Canadian farms in the year just ended was estimated at \$1,319 million. The output was valued at \$185 million above the total of 1943 and \$140 million in excess of the previous high record established in 1942. Better than average crops combined with slightly higher prices in most cases brought about the increased value. The index of grain and livestock marketings on the pre-war base averaged 206 in the first eleven months, an increase of about 32 p.c. over the preceding year.

The index of mineral production receded from 241.7 to 229.6, a decline of 5 p.c. The value of the output was placed at \$482.3 million compared with about \$528 million in the preceding year, a decline of 8.6 p.c.

Recession was shown in manufacturing production in the latter part of 1943. The index of the output consequently was only slightly above the average for the first eleven months of that year. The increase in cattle slaughterings was nearly 23 p.c. while hog slaughterings recorded a gain of about 29 p.c., attesting to the increased activity in meat-packing plants. Recession was shown in the output of creamery butter, while factory cheese production recorded a considerable increase. The release of cigars and cigarettes was slightly greater than the high levels of 1943. Raw cotton used by the textile plants showed a decline of 10.5 p.c. in the period under review. The production of newsprint recorded an increase of  $\frac{1}{2}$  p.c. and the outward movement of lumber continued in heavy volume. The production of steel ingots and pig iron by the primary iron and steel industry were at a slightly higher level than in 1943.



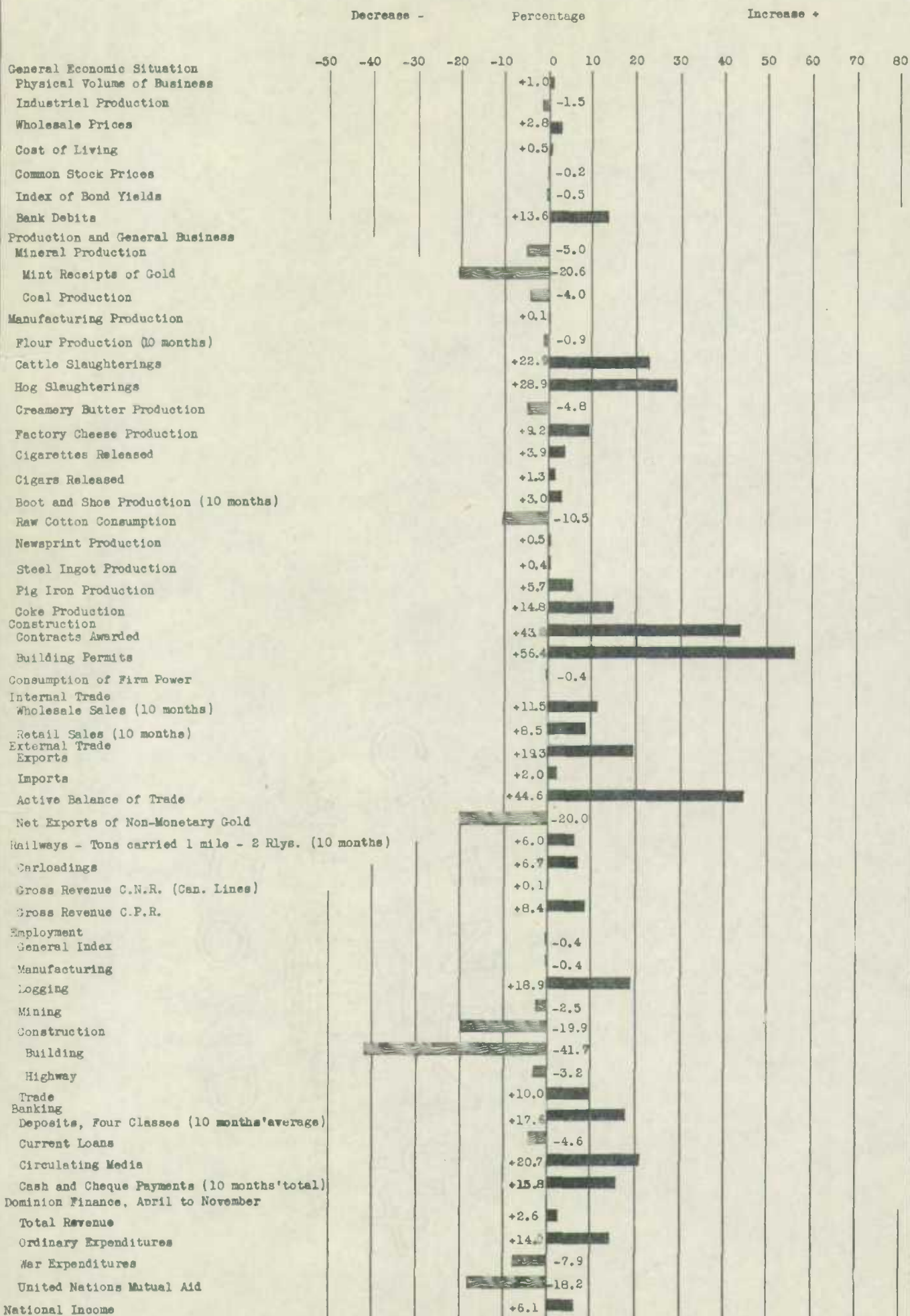
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THE ECONOMIC SITUATION IN CANADA

for the first Eleven Months of 1944

as compared with the same period of 1943.



Dominion Bureau of Statistics

Twenty items recorded decline, while thirty-four showed increases.

Table 1. Statistics Illustrating the Economic Situation of Canada for the First Eleven Months of 1944 compared with the same period of 1943.

	Unit or Base Period	First Eleven Months		Per Cent Increase + Decrease -
		1944	1943	
<b>General Economic Situation</b>				
Index of Physical Volume of Business	1935-39=100	237.2	234.8	+ 1.0
Index of Industrial Production	1935-39=100	268.0	272.2	- 1.5
Wholesale Prices	1926 = 100	102.5	99.7	+ 2.8
Cost of Living	1935-39=100	118.9	118.3	+ 0.5
Index of Common Stock Prices	1935-39=100	83.6	83.8	- 0.2
Index of Bond Yields	1935-39=100	97.1	97.6	- 0.5
Bank Debits	\$000	55,613,945	48,946,287	+13.6
<b>Production and General Business</b>				
<b>Mineral Production</b>				
Gold Receipts at Mint	Fine ozs.	2,651,599	3,338,205	-20.6
Coal Production	Tons	15,500,508	16,154,041	- 4.0
<b>Manufacturing Production</b>				
Flour Production (10 months)	Bbls.	19,955,914	20,132,380	- 0.9
Cattle Slaughtering	No.	1,828,021	1,487,689	+22.9
Hog Slaughtering	No.	7,998,772	6,206,172	+28.9
Creamery Butter Production	Lbs.	285,604,608	299,919,068	- 4.8
Factory Cheese Production	Lbs.	172,241,265	157,685,363	+ 9.2
Cigarettes released	No.	10,634,607,120	10,237,984,832	+ 3.9
Cigars released	No.	181,742,560	179,334,470	+ 1.3
Leather Boots and Shoes (10 months)	Pairs	24,773,752	24,063,417	+ 3.0
Raw cotton consumption	Lbs.	148,417,704	165,749,912	-10.5
<b>Paper and Lumber -</b>				
Newsprint Production	Tons	2,746,812	2,733,104	+ 0.5
<b>Iron and Steel -</b>				
Steel Ingot Production	Short Ton	2,780,928	2,769,156	+ 0.4
Pig Iron Production	Short Ton	1,713,476	1,621,009	+ 5.7
Coke Production	Short Ton	3,677,628	3,204,775	+14.8
<b>Construction -</b>				
Contracts awarded	\$	279,231,200	194,114,600	+43.8
Building Permits (58 municipalities)	\$	88,398,615	56,504,373	+56.4
Consumption of firm power	000 K.W.H.	32,393,416	32,523,329	- 0.4
<b>Internal Trade -</b>				
Wholesale Sales (10 months)	1935-39=100	186.4	167.1	+11.5
Retail Sales (10 months)	1935-39=100	165.0	152.1	+ 8.5
<b>External Trade -</b>				
Exports	\$000	3,212,949	2,693,389	+19.3
Imports	\$000	1,631,682	1,600,205	+ 2.0
Active Balance of Trade	\$000	1,581,267	1,093,184	+44.6
Net Exports of Non-Monetary gold	\$000,000	103.8	129.8	-20.0
<b>Railways - Tons carried 1 mile -</b>				
(10 months) 2 Rlys.	000,000 tons	49,509	46,560	+ 6.0
Carloadings	No.	3,378,847	3,165,762	+ 6.7
Gross Revenue C.N.R. (Can. Lines)	\$	356,987,800	356,739,400	+ 0.1
Gross Revenue C.P.R.	\$	294,489,892	271,638,665	+ 8.4
<b>Employment - Unadjusted</b>				
General Index	1926 = 100	182.8	183.5	- 0.4
Manufacturing		224.9	225.7	- 0.4
Logging		208.0	175.0	+18.9
Mining		154.8	158.7	- 2.5
Construction		104.1	129.9	-19.9
Building		95.0	162.9	-41.7
Highway		129.9	134.2	- 3.2
Trade		162.8	148.0	+10.0
<b>Banking -</b>				
Deposits four Classes (10 months' average)	\$000	4,611,499	3,920,929	+17.6
Current Loans	\$000	985,214	1,032,749	- 4.6
Circulating Media	\$000,000	902.6	747.6	+20.7
Cash and Cheque Payments (10 months' total)	\$000,000	69,381	59,896	+15.8
<b>Dominion Finance-April to November -</b>				
Total Revenues	\$	1,798,568,575	1,753,087,470	+ 2.6
Ordinary Expenditures	\$	459,350,098	402,882,667	+14.0
War Expenditures	\$	2,063,224,342	2,239,287,554	- 7.9
United Nations Mutual Aid	\$	368,537,698	450,476,788	-18.2
National Income (Tentative Computation)	\$000,000	8,426	7,938	+ 6.1

Twenty items recorded decline, while thirty-four showed increases.





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Faint, illegible text and table structure, likely a statistical report or index. The text is mirrored and difficult to read due to the quality of the scan.