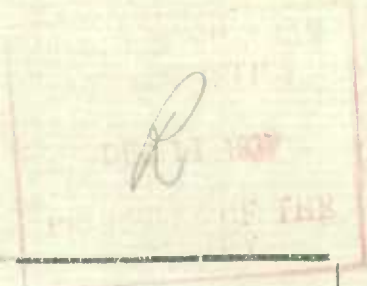


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C A N A D A

DEPARTMENT OF TRADE AND COMMERCE

DOMINION BUREAU OF STATISTICS

GENERAL STATISTICS BRANCH

BUSINESS CONDITIONS IN CANADA

during the first ten months of 1937

compared with the

same period of 1936

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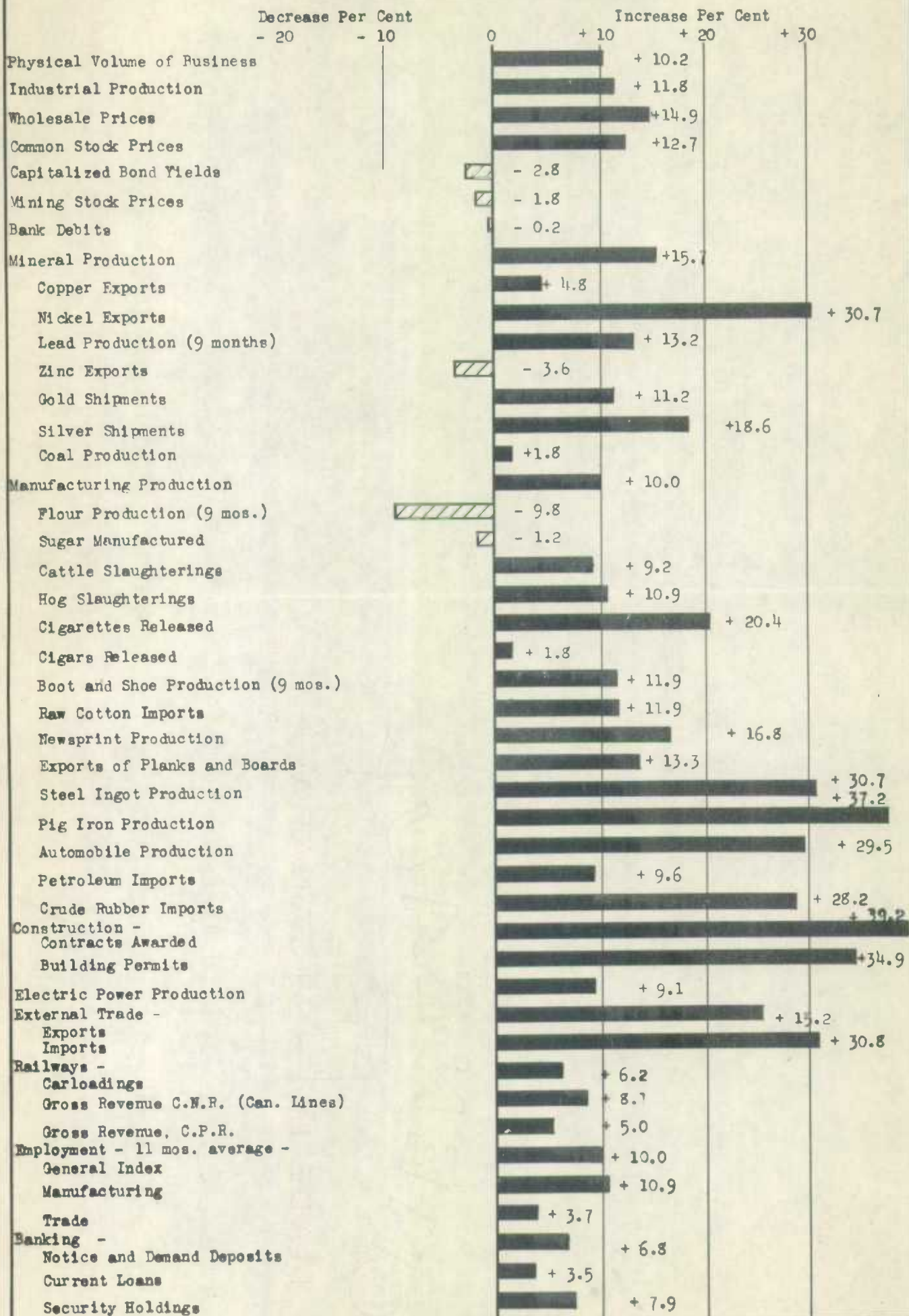
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OTTAWA

1937

The Economic Situation in Canada in Ten Months of 1937,

as Compared with the same period of 1936.



Dominion Statistician:
Statistician:

R. H. Coats, LL.D., F.R.S.C., F.S.S.(Hon.)
Sydney B. Smith, M.A.

BUSINESS CONDITIONS IN CANADA DURING THE FIRST TEN MONTHS
OF 1937 COMPARED WITH THE SAME PERIOD OF LAST YEAR

During the elapsed portion of the present year, a marked advance took place in business operations, the standing in October being more favourable than at any time since August 1930. The marked betterment of the last three years was due mainly to recovery in the industries which participated so fully in the prosperous period from 1922 to 1929. These include mining, newsprint, electric power and the automobile and allied industries.

Mineral Production

The index of mineral production averaged 15.7 p.c. higher in the last ten months than in the same period of one year ago. Zinc exports showed a decline of 3.6 p.c., while copper and nickel exports were up 4.8 p.c. and 30.7 p.c., respectively. Gold shipments from Canadian mines recorded a gain of 11.2 p.c., while silver marketings were up 19 p.c. The output of coal was 12,487,794 tons in the first ten months of 1937, a gain of 1.3 p.c.

Manufacturing

The increase in the index of manufacturing production over the first 10 months of 1936 was 1.0 p.c. The output of newsprint at 3,042,970 tons showed a gain of 16.8 p.c. External demand for Canadian lumber showed expansion, the increase in the export of planks and boards having been 13.3 p.c.

The primary iron and steel industry reflecting the revival in the domestic demand for industrial equipment and durable goods, showed further gain over the levels of the first ten months of 1936. The output of pig iron recorded a gain of 37.2 p.c. while the production of steel ingots was 30.7 p.c. greater.

The automobile industry participated fully in the recovery of the last three years, the increase over the first ten months of 1936 being 29.5 p.c. Production amounted to 169,774 cars and trucks compared with 151,099 in the same period of last year. The gain in the imports of crude petroleum was 9.6 p.c., the total in the first ten months of 1937 being 1,137,405,000 gallons. The imports of crude rubber used in part for the manufacture of automobile tires recorded an increase of 28.2 p.c. in the same comparison.

Construction

The new business obtained by the construction industry showed a considerable percentage gain over the preceding year but the level remained low relative to that of the prosperous period culminating in 1929. The gain in contract awards to \$198,577,000 compared with \$142,629,000 amounted to 39.2 p.c., while building permits in 58 cities increased 34.9 p.c.

Electric Power

The production of electric power showed gains not only over last year but also over any other year in the history of the industry. Total output in the first ten months of 1937 was 22.7 billion kilowatt hours compared with 20.8 billion in the same period of last year. The gain of 9.1 p.c. represents a considerable expansion due to greater industrial and domestic demand. The output in the first ten months of 1935, the high point before last year was 19.1 billion kilowatt hours, the gain in the reported production of the present year over this total being 18.8 p.c.

Railways

Carloadings in the first ten months of 1937 numbered 2,196,000 compared with 2,069,000 in the same period of 1936, the gain being 6.2 p.c. The gross operating revenue of the Canadian National Railway and the Canadian Pacific Railway recorded gains of 8.1 p.c. and 5.0 p.c., respectively. During the period under review, the revenue of the Canadian National on Canadian lines was \$137,001,000 compared with \$126,777,000.

The gross operating revenue of the Canadian Pacific was \$119,948,000 compared with \$114,203,000.

External Trade

The revival in external trade is a phase in the betterment of Canadian economic conditions during 1937. Imports showed a gain of 30.8 p.c. over the first ten months of 1936, and exports were up 15.2 p.c.

Employment

The index of employment in manufacturing operations, being unaffected to any important extent by unemployment relief, is significant of the trend of business. The recall of employees by manufacturing concerns was continued from May 1933 to the first of October, last. The October level was higher than in any other month except May 1929. The adjusted index at 117.8 on November 1 was 17.8 p.c. above the average level for the base year of 1926, contrasting with 23.6 p.c. below at the first of May, 1933.

Statistical Tables and Charts

Detailed comparisons of the more important factors in the economic situation in the first ten months of 1937 with the corresponding figures for the same period of 1936, are represented in the following table, together with percentages of increase or decrease. The percentages of increase are also graphically set out in the accompanying chart.

Statistics Illustrating the Economic Situation of Canada in Ten Months of 1937,
Compared with the Same Period of 1936

Item	Unit or base period	First Ten Months of 1936	1937	Increase + Decrease - Per cent
<u>General Economic Situation</u>				
Index of Physical Volume of Business	1926=100	111.1	122.4	+ 10.2
Index of Industrial Production	1926=100	113.0	126.3	+ 11.8
Wholesale Prices	1926=100	73.8	84.8	+ 14.9
Index of Common Stock Prices	1926=100	116.9	131.8	+ 12.7
Capitalized Bond Yields, Dominion	1926=199	148.3	144.2	- 2.8
Mining Stock Prices	1926=100	152.0	149.3	- 1.8
Bank Debits	\$000	29,221,453	29,159,031	- 0.2
<u>Production and General Business</u>				
Mineral Production	1926=100	162.8	188.4	+ 15.7
Copper Exports	Lbs.	330,581,500	346,531,400	+ 4.8
Nickel Exports	Lbs.	142,644,400	186,385,600	+ 30.7
Lead Production (9 mos.)	Lbs.	276,231,332	312,736,666	+ 13.2
Zinc Exports	Lbs.	281,775,600	271,757,600	- 3.6
Gold Shipments	Fine Ozs.	3,044,695	3,384,282	+ 11.2
Silver Shipments	Fine Ozs.	14,737,085	17,482,163	+ 18.6
Coal Production	Tons	12,264,946	12,487,794	+ 1.8
Manufacturing Production	1926=100	111.5	122.7	+ 10.0
Flour Production (9 mos.)	Bbls.	10,675,946	9,627,293	- 9.8
Sugar manufactured	Lbs.	802,444,724	792,999,928	- 1.2
Cattle Slaughtering	No.	1,268,524	1,385,282	+ 9.2
Hog Slaughtering	No.	2,739,774	3,037,922	+ 10.9
Cigarettes released	No.	4,634,213,433	5,579,895,296	+ 20.4
Cigars released	No.	100,009,294	101,821,516	+ 1.8
Leather Boots and Shoes (9 mos.)	Prs.	15,070,725	16,867,805	+ 11.9
Raw Cotton Imports	Lbs.	108,340,084	121,286,245	+ 11.9
Paper and Lumber -				
Newsprint Production	Tons	2,604,831	3,042,970	+ 16.8
Exports of Planks and Boards	Ft.	1,392,309,000	1,576,946,000	+ 13.3
Iron and Steel -				
Steel Ingot Production	Long Tons	912,064	1,191,989	+ 30.7
Fig Iron Production	Long Tons	535,836	735,360	+ 37.2
Automobile and Allied Industries -				
Automobile Production	No.	131,099	169,774	+ 29.5
Petroleum Imports	Gals.	1,037,901,464	1,137,404,630	+ 9.6
Crude Rubber Imports	Lbs.	50,099,480	64,246,991	+ 28.2
Construction -				
Contracts Awarded	\$	142,628,800	198,576,800	+ 39.2
Building Permits	\$	34,946,019	47,135,318	+ 34.9
Electric Power Production	000 K.W.H.	20,806,580	22,702,265	+ 9.1
External Trade -				
Exports	\$	805,629,169	928,188,997	+ 15.2
Imports	\$	516,024,934	675,130,782	+ 30.8
Excess of exports over imports	\$	289,604,235	253,058,215	- 12.6
Railways -				
Carloadings	No.	2,068,776	2,196,063	+ 6.2
Gross Revenue C.N.R. (Can. Lines)	\$	126,777,000	137,001,000	+ 8.1
Gross Revenue C.P.R.	\$	114,203,000	119,948,000	+ 5.0
<u>Employment 11 months' average, unadjusted</u>				
General Index	1926=100	103.1	113.4	+ 10.0
Manufacturing		103.1	114.3	+ 10.9
Logging		127.1	174.2	+ 37.1
Mining		135.3	152.3	+ 12.6
Construction		88.9	99.1	+ 11.5
Building		55.7	58.7	+ 5.4
Highway		135.7	173.5	+ 27.9
Trade		126.7	131.4	+ 3.7
<u>Banking - 10 Months' Average</u>				
Notice and Demand Deposits	\$	2,118,178,902	2,263,212,010	+ 6.8
Readily Available Assets	\$	1,513,212,712	1,584,061,085	+ 4.7
Current Loans	\$	701,617,758	726,284,117	+ 3.5
Call Loans - Canada	\$	89,209,107	112,666,826	+ 26.3
Elsewhere	\$	62,246,192	70,125,624	+ 12.7
Security Holdings	\$	1,326,999,769	1,431,397,280	+ 7.9



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