

CATALOGUE No.

**72-005**

MONTHLY



## ESTIMATES OF LABOUR INCOME

**MARCH 1963**

*Published by Authority of*  
The Minister of Trade and Commerce

**DOMINION BUREAU OF STATISTICS**  
Labour Division

June 1963  
8001-503

Price \$2.00 per year

Vol. 17—No. 3

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Further information on labour income is contained in the basic reference document Labour Income 1926-58 (Catalogue number 72-502)

Contents include:

**Part I - Definitions and Concepts.** General notes explaining what the estimates of labour income measure.

**Part II- Tables.** A complete record of annual estimates of labour income from 1926, and of monthly (or quarterly) figures from 1947. Monthly and quarterly estimates are presented in both seasonally-adjusted and unadjusted form.

**Part III Sources and Methods.** Detailed notes on the manner in which the estimates were prepared.

Copies of Labour Income 1926-58 (Catalogue number 72-502) may be obtained from the Information Services Division, Dominion Bureau of Statistics or from the Queen's Printer, Ottawa. Price 75 cents.

## ESTIMATES OF LABOUR INCOME

### Quarter-to-Quarter Changes in Seasonally-Adjusted Data

The seasonally-adjusted labour income estimate for the first quarter of 1963 was 2.6 per cent higher than the corresponding estimate for the fourth quarter of 1962. The wage and salary estimate rose by about the same percentage.

About one-fifth of the overall quarter-to-quarter increase reflected retroactive payments of wages and salaries by the Federal Government. Adjusted for these, the quarter-to-quarter rise in the wage and salary total would have amounted to 2.3 per cent.

Quarter-to-quarter increases exceeding 2.3 per cent have been infrequent. Since 1956 (a year of rapid increase), only two have been recorded. Both occurred in 1959; and both would have been smaller but for the effects of special factors, which included retroactive wage payments and the conclusion of industrial disputes.

The fourth-to-first quarter rise for the goods-producing industries amounted to 2.2 per cent. When large increases in overall wages and salaries have occurred in recent years, the figure for goods-producing industries has normally risen more than that for service-producing industries. This was not the case in the most recent comparison. The figure for service-producing industries would have risen by 2.4 per cent had no retroactive payments to federal employees been made; the actual rise amounted to 3.0 per cent.

The following table gives details of recent quarter-to-quarter changes in wage and salary totals for the goods-producing sector, the service-producing sector, and a number of their components. Each series shows a larger gain from fourth to first quarter (1962-63) than over the previous quarter.

Wages and salaries in the primary industries, construction and trade rose from the fourth to first quarter by exceptionally large percentages, considering previous experience over the period from 1956 to date. The gain for government (non-military) was also large, but the rise for this industry would have been unexceptional had no retroactive wage payments been made. Increases for the remaining components, although substantial, were not unusually large in relation to some of those previously recorded in the last six years.

Seasonally-Adjusted Estimates of Wages and Salaries, Canada, 1961-63

Quarter-to-Quarter Percentage Changes

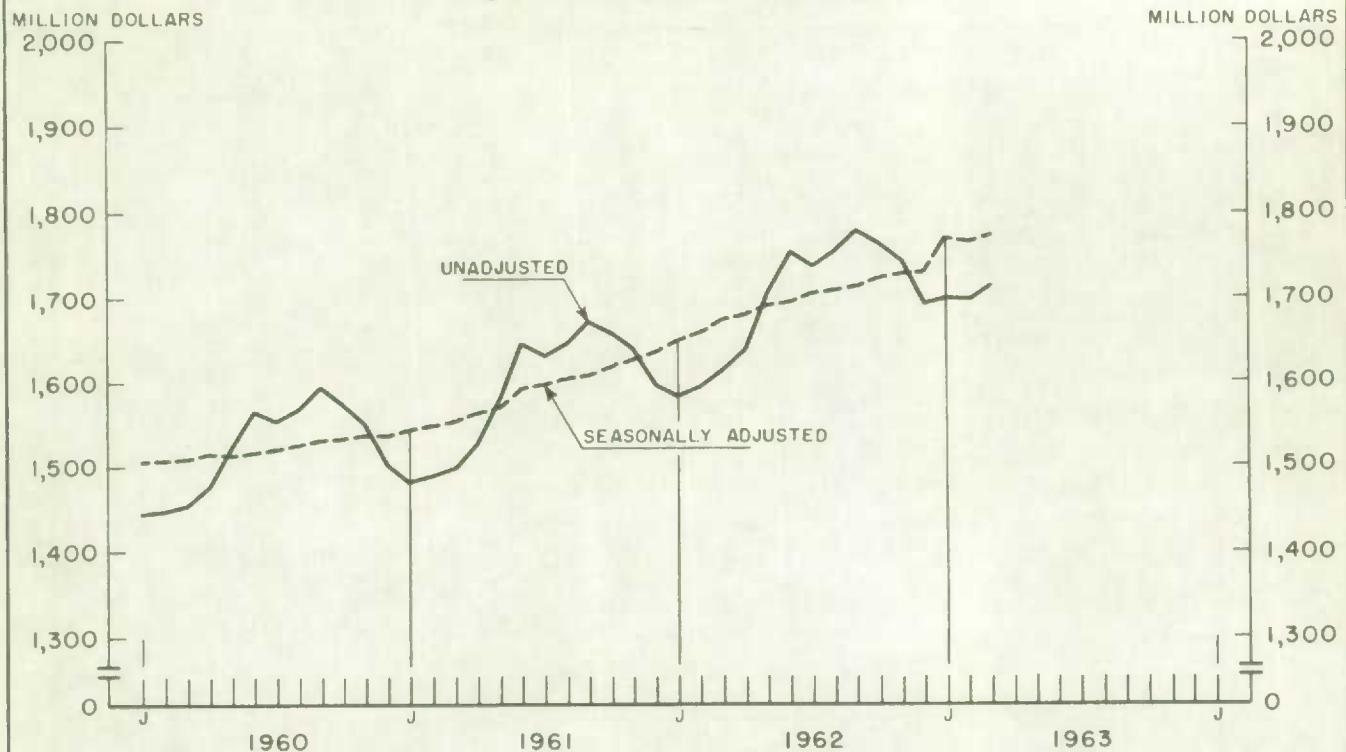
	1Q'61 to 2Q'61	2Q'61 to 3Q'61	3Q'61 to 4Q'61	4Q'61 to 1Q'62	1Q'62 to 2Q'62	2Q'62 to 3Q'62	3Q'62 to 4Q'62	4Q'62 to 1Q'63	Per cent of total wages and salaries 1962
All industries .....	1.8	1.8	1.5	2.1	1.6	1.2	1.1	2.7	100.0
Goods-producing industries .....	1.4	1.8	1.8	2.3	1.9	1.0	0.5	2.2	42.2
Manufacturing .....	1.6	2.3	1.8	1.9	2.1	1.1	1.1	1.6	29.8
Construction .....	0.7	1.8	1.3	4.0	2.6	-0.3	0.7	4.0	6.8
Primary industries ...	1.1	- 0.6	2.2	2.3	0.3	1.9	- 3.0	3.1	5.6
Service-producing industries .....	1.3	1.8	1.3	2.0	1.4	1.3	1.5	3.0	57.8
Finance and service .....	2.9	2.6	2.3	2.7	2.2	2.2	2.0	2.7	21.7
Trade .....	0.9	1.5	1.0	1.5	1.6	0.9	1.2	2.6	14.8
Transportation, communication and other utilities ...	2.3	1.0	-	1.2	0.2	0.8	1.5	1.9	11.8
Government non-military .....	1.6	1.5	1.1	2.5	1.0	0.5	0.9	6.0	9.5

## Percentage Changes in Monthly and Quarterly Estimates

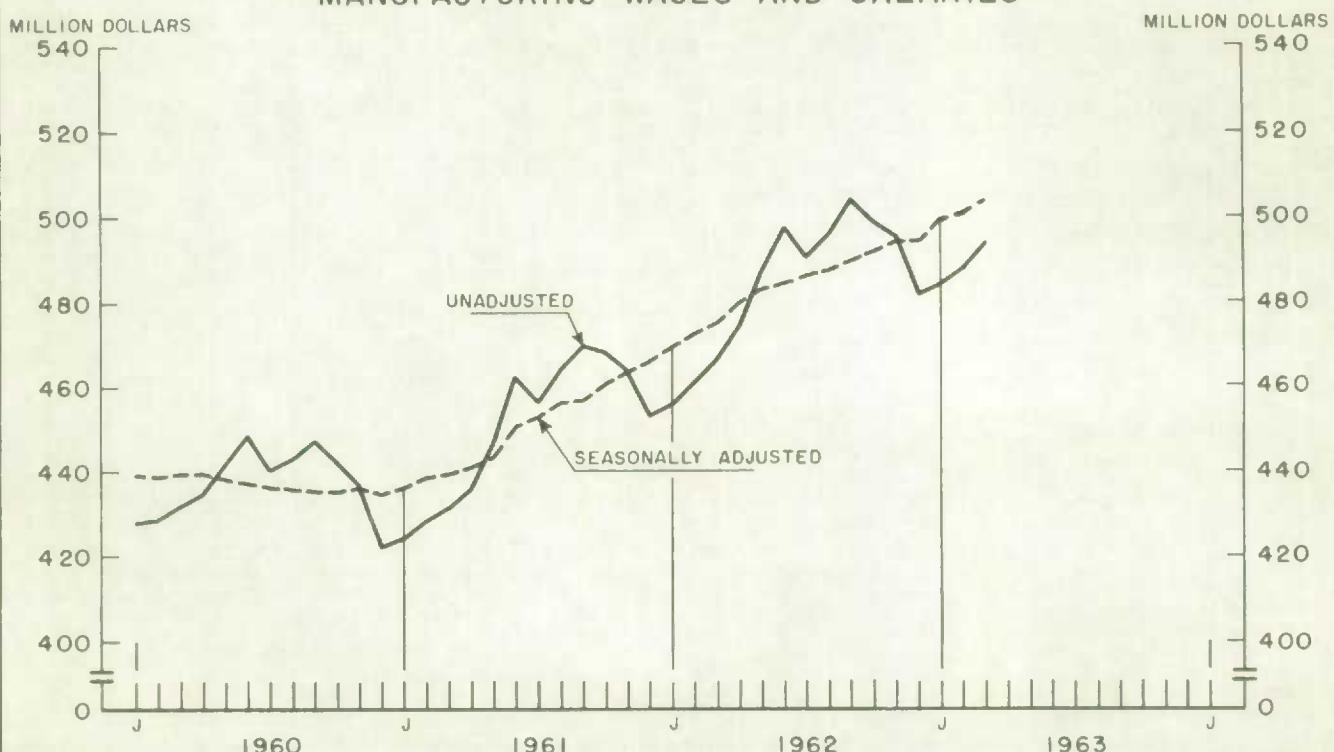
	Monthly Data					
	Unadjusted		Seasonally Adjusted			
	February/63 to March/63	March/62 to March/63	November/62 to December/62	December/62 to January/63	January/63 to February/63	February/63 to March/63
<u>Labour Income - Regions</u>						
Canada .....	0.9	6.2	0.1	2.4	- 0.1	0.5
Atlantic Region .....	0.8	6.3	0.9	3.9	- 0.6	1.7
Quebec .....	0.4	5.3	(1)	1.9	0.1	0.5
Ontario .....	0.9	6.7	- 0.2	2.4	- 0.5	0.6
Prairie Region .....	0.8	5.8	0.6	2.0	0.3	0.2
British Columbia .....	1.7	7.4	0.7	2.8	0.3	0.4
<u>Wages &amp; Salaries - Industries</u>						
Mining .....	- 2.1	0.9	- 1.3	2.8	1.2	- 2.5
Manufacturing: Canada .....	1.1	6.0	(1)	1.1	0.2	0.6
Atlantic Region .....	1.7	4.1	- 0.5	1.6	- 2.1	1.6
Quebec .....	1.1	2.3	- 0.5	1.1	- 0.1	0.7
Ontario .....	1.0	8.0	- 0.2	1.3	0.2	0.6
Prairie Region .....	1.5	5.4	0.6	(1)	1.8	0.6
British Columbia .....	1.5	9.4	2.9	- 0.2	1.2	0.2
Transportation, Storage, Communication ..	- 1.0	3.8	- 0.1	2.5	0.1	- 0.1
<u>Quarterly data</u>						
	Unadjusted		Seasonally Adjusted			
	4th Q'/62 to 1st Q'/63	1st Q'/62 to 1st Q'/63	1st Q'/62 to 2nd Q'/62	2nd Q'/62 to 3rd Q'/62	3rd Q'/62 to 4th Q'/62	4th Q'/62 to 1st Q'/63
<u>Labour Income - Provinces</u>						
Canada .....	- 1.7	6.7	1.6	1.2	1.1	2.6
Newfoundland .....	- 10.4	9.7	2.8	2.6	(1)	3.2
Prince Edward Island .....	- 10.7	5.9	3.0	1.4	- 0.7	2.1
Nova Scotia .....	- 1.0	6.4	1.1	0.1	0.3	5.1
New Brunswick .....	0.4	5.3	1.8	- 0.8	0.2	4.7
Atlantic Region .....	- 3.1	6.7	1.8	0.4	0.1	4.4
Quebec .....	- 2.3	5.6	1.5	0.8	0.9	2.2
Ontario .....	- 1.0	7.3	1.9	1.1	1.7	2.4
Manitoba .....	- 3.3	5.0	1.0	1.4	0.7	1.8
Saskatchewan .....	- 4.9	7.0	1.8	1.1	1.5	2.4
Alberta .....	- 1.6	6.9	0.7	0.2	2.0	3.9
Prairie Region .....	- 2.9	6.3	1.1	0.8	1.5	2.9
British Columbia .....	0.2	7.6	1.3	2.2	0.1	3.6
<u>Wages &amp; Salaries - Industries</u>						
Agriculture, Fishing and Trapping .....	- 22.1	3.0	0.7	0.2	- 1.2	3.8
Forestry .....	- 20.7	0.1	- 2.8	5.5	- 6.7	5.3
Mining .....	(1)	2.3	1.8	0.6	- 1.7	1.8
Manufacturing: Canada .....	- 0.6	6.1	2.1	1.1	1.1	1.6
Newfoundland .....	- 7.9	- 5.7	- 1.1	- 2.2	1.1	- 4.3
Prince Edward Island .....	- 16.7	11.1	(1)	8.3	- 7.7	(1)
Nova Scotia .....	- 4.0	7.6	3.4	3.7	2.0	- 1.2
New Brunswick .....	- 1.0	5.9	2.0	(1)	(1)	3.9
Atlantic Region .....	- 3.8	4.7	2.0	1.5	0.9	0.2
Quebec .....	- 0.6	2.4	1.6	0.2	- 0.5	1.0
Ontario .....	- 0.3	8.2	2.7	1.3	2.1	1.8
Manitoba .....	- 1.4	5.6	1.2	2.2	1.0	1.4
Saskatchewan .....	- 5.2	(1)	- 0.7	- 0.7	- 0.7	2.2
Alberta .....	- 1.6	5.1	1.2	1.2	0.2	2.5
Prairie Region .....	- 2.0	4.6	0.9	1.3	0.4	2.0
British Columbia .....	0.7	9.4	1.7	3.2	1.9	2.4
Construction .....	- 18.9	7.2	2.6	- 0.3	0.7	4.0
Transportation, Storage & Communication ..	- 2.7	3.9	- 0.1	0.4	1.3	2.2
Public Utilities .....	- 2.3	7.0	1.6	2.3	2.5	0.3
Trade .....	- 2.4	6.4	1.6	0.9	1.2	2.5
Finance & Service .....	2.7	9.4	2.2	2.2	2.0	2.7
Government - Non-military .....	3.5	8.5	1.0	0.5	0.9	6.0

(1) Less than 0.1 per cent.

### TOTAL LABOUR INCOME



### MANUFACTURING WAGES AND SALARIES

















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PRESENTATION OF LABOUR INCOME STATISTICS

The current issue of Estimates of Labour Income includes all data for 1959 and later years that have been published by the Dominion Bureau of Statistics except for a few special tables that may be found in recent issues of National Accounts, Income and Expenditure. Revised data for all months in 1957 were published monthly in issues of Estimates of Labour Income for the period from December 1960 to August 1961; revised 1958 data may be found in issues for the months from December 1961 to November 1962. The reference paper Labour Income 1926-58 contains a record of official data on labour income to the end of 1956. Data for 1957 and 1958 published in the reference paper are unrevised figures and should be disregarded. Historical figures for the individual Atlantic and Prairie provinces have been published on a monthly basis only in the yellow supplement to the August 1962 issue of Estimates of Labour Income.

The most recent monthly or quarterly figures are preliminary and subject to revision in the next issue. In addition, all figures for recent years are subject to further minor revisions as new annual source materials become available. The next series of annual revisions will be completed in the spring of 1964.

The monthly and quarterly figures in this report are presented with one digit after the decimal point, i.e. to the nearest tenth of a million dollars. This is done in order to avoid sudden changes in estimates for small provinces or industries which would occur if the figures were rounded to the nearest million, and it should not be assumed that the estimates are accurate to the nearest tenth of a million.

CONCEPTS AND METHODS

Labour income is defined as the total of wages, salaries, and supplementary labour payments made to, or on behalf of, residents of Canada, excluding military pay and allowances. The wages and salaries component, which is specified to include living allowances, bonuses, commissions, and "tips", is measured prior to deductions of all kinds (income tax, employees' contributions to the Unemployment Insurance Fund and to welfare and pension funds, etc.). Both money payments and payments in kind are included in the total. The other component, supplementary labour income, comprises payments made by employers on behalf of their employees in order to provide them with future benefits, either definite or contingent. Specifically, these payments include employers' contributions to employee welfare and pension funds, to workmen's compensation and industrial vacation funds, and to the Unemployment Insurance Fund.

The annual estimates of labour income are based in most cases on survey data collected by D. B. S., published accounting records, or information otherwise obtained directly from business or government agencies. In a few cases information is not available for non-census years and projections from census "benchmarks" are made using the best available related indicators. Comprehensive notes on concepts and methods relating to the preparation of labour income estimates are contained in the reference paper Labour Income 1926-58. Information relating labour income estimates to the national accounts may be found in National Accounts, Income and Expenditure: 1926-56.

The monthly and quarterly income estimates are obtained by applying indicators of short-run change to the estimated annual totals. About four-fifths of aggregate labour income is estimated on the basis of payroll indexes obtained from a monthly survey of establishments normally employing fifteen or more persons (see the D. B. S. monthly publication Employment and Payrolls). For industries not covered by this survey the estimates are based on indexes which are either derived from other sources of payroll information or specially constructed on the basis of related data. A constant number of working days is assumed for each month in order to avoid the effects of differences in numbers of holidays and week-ends.

FOOTNOTES

- (1) Monthly and quarterly figures may not add to annual totals because of rounding.
- (2) Quarterly figures are entered opposite the middle month of the quarter but represent quarterly totals.
- (3) Includes post office wages and salaries.
- (4) Includes Yukon, Northwest Territories, and Canadian residents abroad. The differences between monthly Canada totals and the totals for the ten provinces should not be taken as reliable measures for this group.
- (5) Includes Finance, Insurance, Real Estate.  
r Includes minor revisions.