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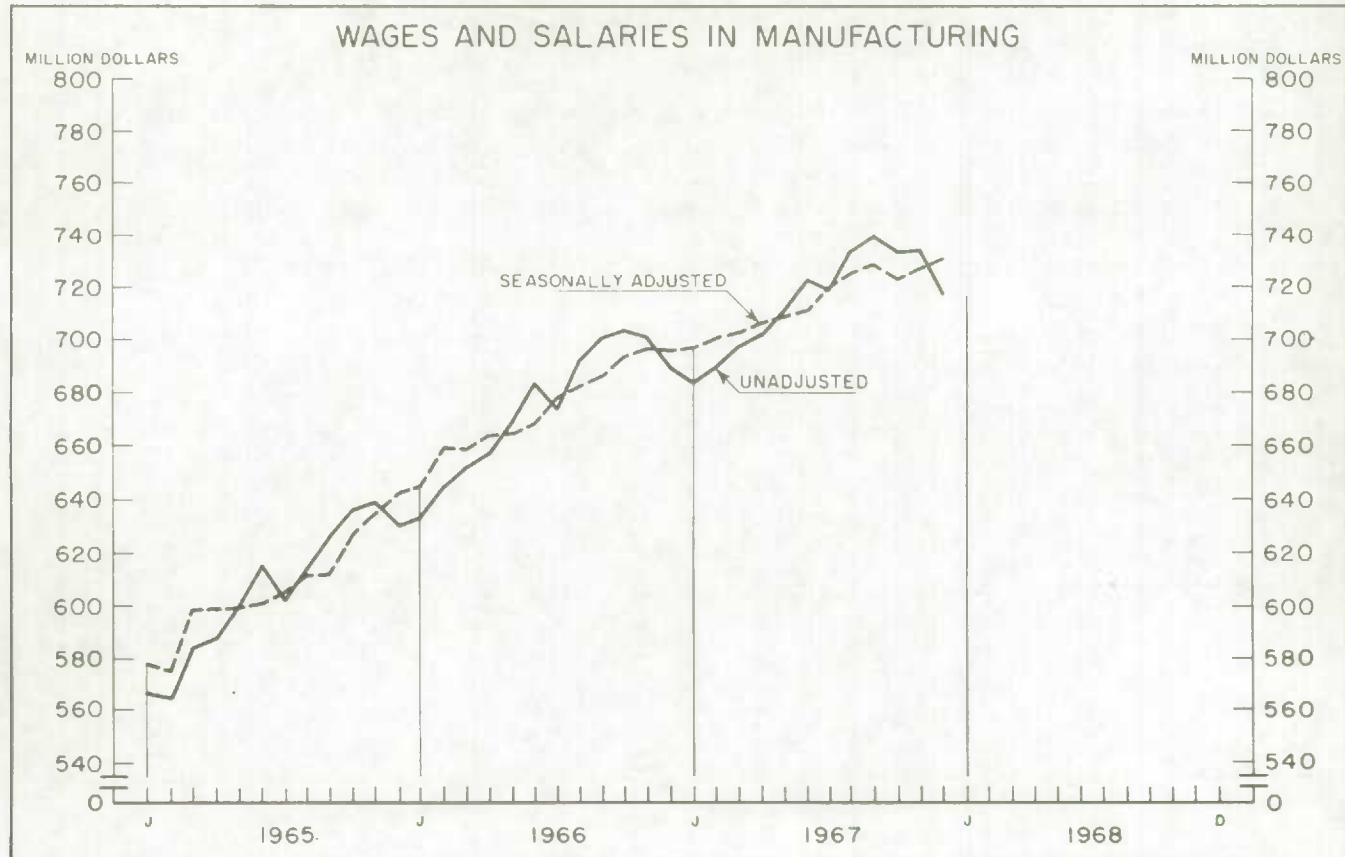
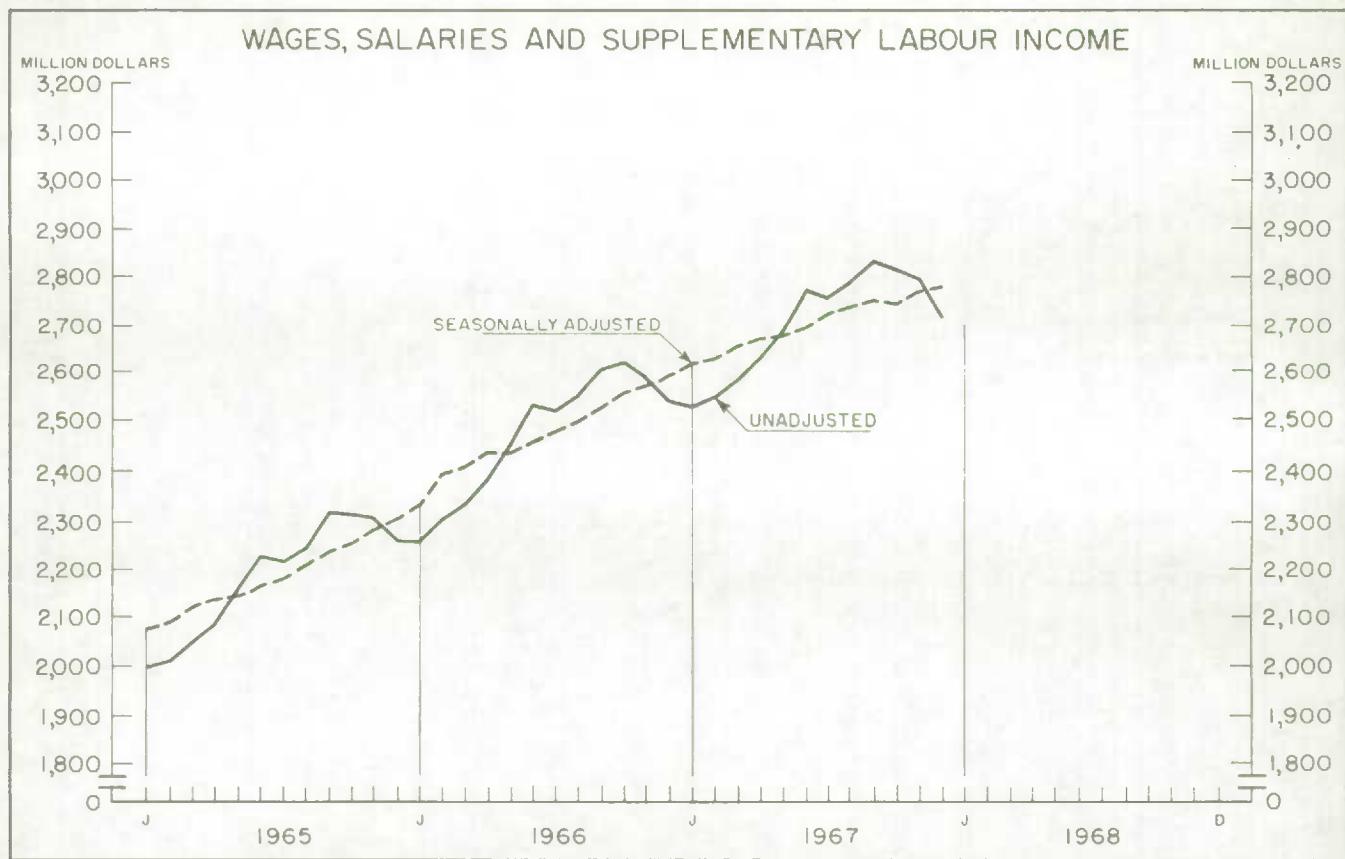
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Total labour income for December was estimated at \$2,713.0 million, about \$79.4 million or 2.8 per cent less than the revised estimates for November. However, seasonally adjusted at \$2,772.5 million it was 0.2 per cent higher than the November total.

The major changes in seasonally adjusted wages and salaries were increases in Manufacturing, Trade, Service and Government non-military, and decreases in Forestry and Transportation, storage and communication.

During the fourth quarter, total income increased by about \$90.2 million or 1.1 per cent. This is somewhat less than the increases in the second and third quarters where advances of about 2.0 per cent were recorded.

The quarterly rate of increase recorded last year and extending to the first quarter of 1967, declined in the second quarter and again in the fourth quarter mainly because of a reduction in employment in the goods producing industries. In the service producing industries, advances of about the same magnitude as last year were recorded throughout 1967.

In 1967, wages and salaries increased by 9.3 per cent as compared with 12.2 per cent in the previous year. The goods producing industries were responsible for the lower rate of payroll increase, having advanced only 5.8 per cent (13.4 per cent in 1966) while the service producing industries advanced 11.9 per cent (11.4 per cent in 1966). In Manufacturing and Construction increases of 6.1 and 4.2 per cent were recorded this year as compared with 11.4 and 24.8 per cent in 1966. The expansion in the primary industries, at 7.2 per cent, was slightly lower than last year. Within the service producing industries, wages and salaries in Transportation, storage and communication, Public utilities, and Government non-military accelerated at a faster rate than in 1966 while there was some slowing down in the rate of expansion in Trade and Service.

Supplementary Labour Income estimates have been revised for the years 1965 to 1967 in accordance with the most recent information available on employer contributions to the Canada Pension Plan and the Quebec Pension Plan, and government contributions to Pension Funds. The effect of the revision increases supplementary income by \$142 million in 1965, \$333 million in 1966, and \$318 million in 1967. Labour Income estimates, by industry back to 1951 and based on an altered estimating technique, will be published around the end of this year.

Percentage Changes in Monthly Estimates

	Unadjusted		Seasonally Adjusted			
	November/67 to December/67	December/66 to December/67	August/67 to September/67	September/67 to October/67	October/67 to November/67	November/67 to December/67
Wages and salaries by industry, Canada:						
Agriculture, fishing and trapping	- 10.3	3.1	2.3	1.8	- 2.6	- 0.4
Forestry	- 25.4	- 4.6	8.8	0.6	- 0.3	- 7.8
Mining	- 0.1	8.5	0.3	- 0.6	0.6	0.3
Manufacturing	- 2.3	5.3	0.4	- 0.9	0.7	0.4
Construction	- 17.5	1.8	- 0.5	- 2.5	3.2	- 0.1
Transportation, storage and communication	- 3.9	7.5	- 2.0	0.3	1.1	- 0.8
Public utilities	- 0.6	14.9	3.1	- 0.4	2.2	0.2
Trade	1.3	8.9	1.4	- 0.3	0.9	0.5
Finance, Insurance and real estate	0.5	8.1	0.7	0.5	0.5	0.3
Service	0.2	12.5	0.6	1.0	0.3	0.8
Government non-military	0.0	12.2	1.8	0.0	0.9	1.0
Total wages and salaries	- 2.7	8.0	0.6	- 0.2	0.9	0.3
Wages and salaries by province:						
Newfoundland	- 8.0	6.1	1.6	0.3	3.6	- 0.2
Prince Edward Island	- 5.5	13.1	0.0	1.4	1.4	1.4
Nova Scotia	- 0.9	6.6	2.0	- 0.1	0.1	0.0
New Brunswick	- 2.2	8.2	1.7	0.7	- 2.0	1.1
Quebec	- 3.0	7.1	0.4	0.2	0.5	0.1
Ontario	- 1.8	8.0	0.4	- 0.4	1.4	0.7
Manitoba	- 3.2	9.7	1.5	0.4	0.4	- 0.5
Saskatchewan	- 4.0	11.6	- 0.5	1.1	1.1	0.2
Alberta	- 2.5	9.8	1.4	- 0.6	1.2	0.7
British Columbia	- 4.2	8.3	1.3	- 1.5	0.3	0.5
Canada	- 2.7	8.0	0.6	- 0.2	0.9	0.3



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EXPLANATORY NOTES

CONCEPTS AND METHODS

Wages and salaries is specified to include living allowances, bonuses, commissions, and "tips" and 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 (i.e. free board and lodging) made to, or on behalf of, residents of Canada, excluding military pay and allowances, are included in the total of wages and salaries. Retroactive wage payments are included in the month in which they are paid. 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. Contributions to armed forces pension funds are also included. Labour income is defined as the total of wages and salaries and of supplementary labour income.

The annual estimates of labour income are based in most cases on survey data collected by DBS, 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 Expenditures: 1926-56.

About four-fifths of current labour income is estimated by applying payroll indexes to the latest available annual benchmarks. These payroll indexes are obtained from a monthly survey of establishments normally employing fifteen or more persons (see the DBS 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.

STATISTICAL PRESENTATION

In order to obtain a historical record of labour income statistics, the following publications should be consulted: Estimates of Labour Income (December 1966 to November 1967) for the year 1963; (December 1965 to November 1966) for the year 1962; (December 1964 to November 1965) for the year 1961; (December 1963 to November 1964) for the year 1960; (December 1962 to November 1963) for the year 1959; (December 1961 to November 1962) for the year 1958 and (December 1960 to August 1961) for the year 1957. The reference paper Labour Income 1926-58 contains a record of data on labour income to the end of 1956. Monthly data on provincial wages and salaries for the months prior to January, 1963 are available upon request.

The latest monthly 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 monthly 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.