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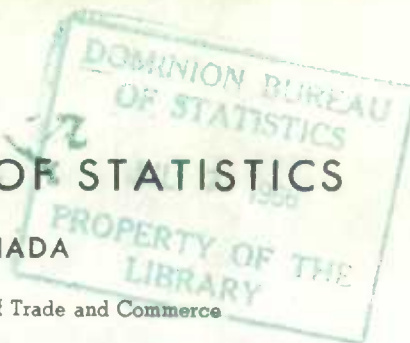
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INDEX OF INDUSTRIAL PRODUCTION (1949=100)

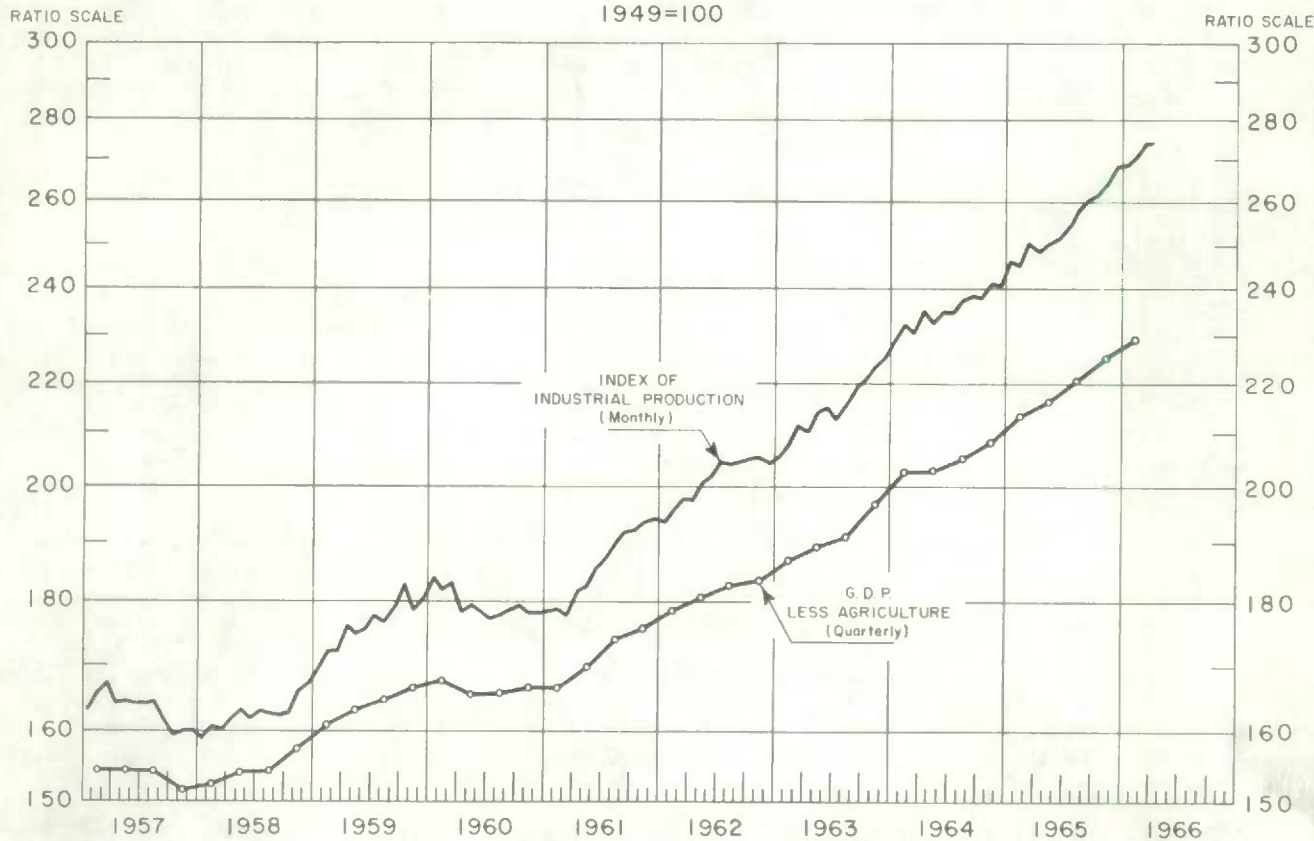
APRIL 1966

The seasonally adjusted index of industrial production advanced by 0.1 per cent in April.

Non-agricultural real output increased by 2.0 per cent in the first quarter.

COMPARISON OF GROSS DOMESTIC PRODUCT LESS AGRICULTURE WITH THE INDEX OF INDUSTRIAL PRODUCTION, 1957-1966

1949=100



New This Issue: This issue includes indexes of non-agricultural real output for the first quarter of 1966.

National Accounts and Balance of Payments Division
Industrial Output Section

June 1966
2205-502

APRIL INDEX OF INDUSTRIAL PRODUCTION

The seasonally adjusted Index of Industrial Production advanced marginally in April to 274.2, a gain of 0.1 per cent from the revised March level of 274.0. The advance was the result of gains in mining (+0.4%) and manufacturing (+0.2%) and a decline in electric power and gas utilities (-1.5%). The advance in manufacturing was wholly due to a 0.8 per cent rise in durables, as non-durables fell by 0.4 per cent.

In durable manufacturing much of the increase was due to an export-sparked advance of 4.1 per cent in electrical apparatus and supplies. In non-ferrous metal products, which also registered a 4 per cent gain, practically the entire gain was due to a 5 per cent rise in smelting and refining. Both wood products (+2%) and iron and steel products (+1%) also contributed to the rise in durables. Saw mills were the major factor in the increase in the latter while iron castings, recovering from labor disputes in previous months, made the major contribution to the rise in the former. The 1 per cent decline in transportation equipment was almost entirely attributable to a 3 per cent drop in motor vehicles. The decrease in non-metallic mineral products centred around concrete products and hydraulic cement, both of which fell from high March levels. Primary iron and steel fell by 1.9 per cent.

On the non durables side five of the eleven major groups registered increases ranging from 1/2 to 2 per cent. These gains were, however, more than offset by declines ranging up to nearly 4 per cent in the remaining six, which resulted in a 0.4 per cent drop for non durables as a whole. The bulk of the decline occurred in textiles, paper products, and printing publishing, and allied industries. Cotton goods, affected by labor troubles, were primarily responsible for the textiles decline. Pulp and paper, falling from the high levels of the past few months, made the major contribution to the decline in paper products.

In mining, which rose by 0.4 per cent, the entire increase was centred in fuels (+5%) as metals and non-metals fell by 1 per cent and 5 per cent respectively. In metal mining nearly all components fell with the most notable exception to the general decline being the near six per cent rise in iron ore. In fuel mining gains of 5 and 7 per cent were registered by natural gas and petroleum, respectively, even though coal fell by nearly 4 per cent. In non-metals asbestos fell from its high March level.

In electric power and gas utilities both components fell, electric power by 1.7 per cent and gas by 0.4.

SPECIAL NOTE

Users should note that all previously published figures for the Index of Industrial Production and its components have been revised, both on a seasonally unadjusted and adjusted basis, from January, 1949 to date. Tables and charts together with a fuller explanation of these changes can be found in the recently published "Annual Supplement to the Index of Industrial Production (1949=100)", DBS Catalogue No. 61-005. The revised data to the end of 1965 will be found there. Current issues of this report will provide the figures for 1966 for non-agricultural real output and its components, including the Index of Industrial Production.

These changes in the post 1948 period stem from the incorporation of more recent census-based annual levels, the substitution of a few improved monthly projectors, the incorporation of revisions to the underlying data, the use of an improved method of adjusting monthly series to annual levels, and from the reseasonal adjustment of all components of the Index.

The quarterly and annual estimates of Real Domestic Product and its components shown in Table 3 of this report have also been revised through the incorporation of the revised data for the Index of Industrial Production and its components. It should be noted that only those industry groupings composed in whole or in part of the Index of Industrial Production are affected by the changes. These revised quarterly and annual estimates are shown to the end of 1965 in the above supplement.

The present revisions retain the 1949 weight and reference base and constitute the first stage of a several-stage programme, which will extend over a number of years, and is aimed at improving the quality and general usefulness of the Real Domestic Product by industry of origin data, including the Index of Industrial Production. Previously, Census-based annual benchmarks had not been calculated for the Index of Industrial Production beyond the mid-1950's. A major objective of the present revision was to remedy this situation and comprehensive annual benchmarks were accordingly calculated for all industries for at least the year 1959 on a 1948 Standard Industrial Classification (S.I.C.) basis.

The next stage in this programme will consist of converting the entire Real Domestic Product system to the 1960 S.I.C. and to a 1961 weight and reference base. Thus, in regard to the Index of Industrial Production components it should be noted that all post-1959 indexes are subject to further revisions. In the industries outside the area of the Index of Industrial Production, benchmark levels will be updated to 1961. This includes the incorporation of the latest (1961) Decennial Census data and therefore the historical record from 1951 forward will be changed for such industries as agriculture and retail and wholesale trade.

TABLE 1. Seasonally Adjusted Index of Industrial Production
(1949=100)

Industry or industry group	1949 percentage weights	Seasonally adjusted					
		1965		1966			
		Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
INDEX OF INDUSTRIAL PRODUCTION	32.231	264.0	268.6	268.9	271.5	274.0	274.2
MINING	3.245	377.8	385.0	372.7	387.1	390.4	392.0
Metals	1.925	258.0	270.6	264.0	264.3	262.8	260.7
Gold	0.575	77.5	79.0	75.1	81.4	77.6	74.4
Copper	0.352	196.9	200.2	193.6	198.5	198.9	186.0
Iron ore	0.099	1,442.8	1,507.4	1,604.6	1,465.2	1,234.9	1,307.2
Nickel	0.333	208.6	212.2	207.9	193.1	217.9	203.3
Non-metals	0.268	390.0	410.3	413.0	417.4	433.1	409.6
Asbestos	0.189	256.6	281.5	290.7	294.7	319.0	292.9
Fuels	0.915	609.9	601.7	576.1	614.1	622.5	652.2
Coal	0.553	57.5	55.7	54.5	58.2	54.2	52.1
Natural gas	0.035	1,520.1	1,457.2	1,573.3	1,504.6	1,497.6	1,597.1
Petroleum	0.327	1,446.7	1,433.6	1,351.3	1,458.8	1,490.0	1,565.9
MANUFACTURING, TOTAL	27.340	237.6	242.5	243.3	244.6	247.0	247.5
NON-DURABLE MANUFACTURES	14.742	229.1	234.7	235.5	236.8	240.2	239.3
Foods and beverages	3.814	196.8	200.1	199.4	200.9	203.3	204.2
Foods	2.896	188.9	192.8	194.6	192.7	194.9	197.5
Meat products	0.523	193.3	189.0	183.6	185.9	198.8	189.5
Dairy products	0.450	196.9	200.6	200.2	202.7	202.6	196.0
Canning and processing	0.453	193.0	213.8	217.9	205.0	213.1	231.1
Grain mill products	0.322	199.3	205.6	212.5	207.6	196.0	208.5
Bakery products	0.558	150.8	151.3	150.4	152.6	153.9	153.7
Miscellaneous foods	0.590	206.2	206.5	214.2	211.4	210.0	215.3
Beverages	0.918	221.5	223.1	214.6	226.7	229.7	225.6
Carbonated beverages	0.231	187.5	199.7	187.9	225.6	200.6	209.4
Breweries	0.463	198.2	188.5	202.4	200.6	193.2	202.3
Distilleries	0.203	311.4	326.5	275.2	290.3	349.8	300.1
Tobacco and tobacco products ..	0.248	246.7	250.0	265.5	270.5	267.5	261.8
Rubber products	0.430	247.1	261.5	265.2	260.3	263.4	265.4
Leather products	0.508	136.7	138.5	135.2	135.1	137.6	139.0
Boots and shoes	0.307	137.0	139.3	133.9	131.9	134.0	137.1
Textiles	1.623	222.0	235.4	235.3	229.0	231.8	227.8
Cotton goods	0.507	140.0	161.3	162.3	147.8	148.2	128.0
Woollen goods	0.300	86.1	91.6	88.2	91.4	94.9	93.8
Synthetic Textiles and Silk	0.429	403.7	424.4	427.9	412.9	419.2	428.9
Clothing	1.801	176.5	179.9	173.3	174.1	178.7	180.3
Paper products	2.649	200.5	204.6	212.5	217.5	218.1	214.8
Pulp and paper	2.108	193.2	197.8	206.9	213.7	213.7	208.4

TABLE 1. Seasonally Adjusted Index of Industrial Production - Concluded
(1949=100)

Industry or industry group	1949 percentage weights	Seasonally adjusted					
		1965		1966			
		Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
NON-DURABLE MANUFACTURES -							
Concluded:							
Printing, publishing and allied industries	1.273	234.8	238.0	236.8	234.2	242.8	233.7
Products of petroleum and coal	0.513	338.8	348.1	339.5	356.9	367.2	358.8
Petroleum products	0.454	367.6	378.0	368.1	387.2	399.5	
Chemicals and allied products	1.359	360.9	370.5	373.0	374.8	379.2	387.1
Acids, alkalies, salts and fertilizers	0.346	497.4	534.0	516.5	506.1	503.8	530.3
Miscellaneous manufactures	0.524	416.1	418.0	426.9	429.9	435.5	435.1
DURABLE MANUFACTURES	12.598	247.5	251.6	252.5	253.7	255.0	257.0
Wood products	2.108	188.6	196.0	186.6	184.2	189.1	192.3
Saw and planing mills	1.444	189.9	199.7	185.3	180.2	186.3	189.8
Veneers and plywoods	0.122	424.5	425.2	459.2	434.4	435.6	433.4
Sawmills	0.994	184.5	198.4	174.3	171.4	179.5	184.7
Furniture	0.460	224.0	226.4	229.9	234.8	237.6	240.4
Iron and steel products	4.026	246.3	250.1	257.4	258.0	256.1	257.7
Machinery	0.851	260.0	262.0	269.1	273.0	274.6	276.1
Iron castings	0.387	234.5	262.8	259.8	233.3	188.2	212.6
Primary iron and steel	0.845	323.8	324.5	335.2	341.6	349.1	342.3
Sheet metal products	0.359	279.5	280.1	286.4	293.2	293.0	291.0
Transportation equipment	2.651	270.8	271.4	273.0	278.5	277.3	274.9
Aircraft and parts	0.203	333.8	348.7	365.4	383.7	395.5	406.3
Motor vehicles	1.035	377.3	373.3	383.1	392.5	383.9	371.9
Motor vehicle parts	0.462	360.1	364.1	344.9	343.7	348.1	356.2
Railway rolling stock	0.621	62.4	62.9	62.7	62.9	63.0	63.2
Shipbuilding and repairs	0.261	167.5	169.3	167.1	172.2	175.5	175.7
Non-ferrous metal products	1.601	194.5	193.0	195.8	192.5	194.3	201.2
Brass and copper products ...	0.241	181.7	183.2	178.5	175.6	179.3	181.9
Smelting and refining	1.028	192.5	189.2	194.4	189.3	190.8	200.6
Electrical apparatus and supplies	1.418	328.5	342.0	333.0	340.2	342.9	357.1
Heavy electrical machinery ..	0.489	253.4	255.4	260.4	266.4	270.5	271.6
Telecommunication equipment	0.142	891.8	1,006.4	814.0	839.1	869.4	964.5
Refrigerators and appliances	0.227	307.5	313.3	347.5	345.1	329.2	348.0
Non-metallic mineral products	0.794	294.4	298.3	304.2	302.5	314.5	299.5
Concrete products	0.098	879.3	905.3	912.2	977.0	987.4	878.0
Hydraulic cement	0.117	307.7	306.1	323.1	323.8	389.5	337.4
Domestic clay products	0.083	142.7	153.9	163.4	152.9	145.6	141.5
ELECTRIC POWER AND GAS UTILITIES	1.646	478.0	471.6	488.9	490.7	492.7	485.5
Electric power	1.480	433.0	429.4	452.4	449.2	456.0	448.4
Gas	0.166	879.3	847.4	813.9	860.5	819.6	816.3

TABLE 2. Index of Industrial Production, without Seasonal Adjustment
(1949=100)

Industry or industry group	Annual averages		Without seasonal adjustment					
			1965			1966		
	1964	1965	Feb.	Mar.	Apr.	Feb.	Mar.	Apr.
INDEX OF INDUSTRIAL PRODUCTION	235.3	254.9	247.1	250.7	247.8	274.0	274.2	274.4
MINING	346.4	365.6	344.5	351.8	344.4	375.9	378.1	385.6
Metals	245.7	249.5	224.0	236.8	236.4	241.4	244.7	256.7
Gold	85.9	80.6	81.3	79.7	87.5	79.8	75.8	78.5
Copper	187.8	195.6	183.9	185.5	189.7	185.8	191.3	178.6
Iron ore	1,185.3	1,236.8	846.7	921.7	1,045.1	986.1	938.5	1,125.5
Nickel	181.0	209.9	209.9	219.2	221.0	201.0	223.6	216.7
Non-metals	312.8	377.2	322.2	343.1	360.0	384.5	413.4	410.9
Asbestos	259.9	269.4	258.8	269.4	281.3	283.2	314.9	305.8
Fuels	557.7	592.8	618.4	604.5	565.1	665.1	652.2	651.3
Coal	55.1	56.3	64.7	62.2	55.6	66.4	56.5	49.5
Natural gas	1,382.3	1,476.4	1,651.7	1,619.1	1,476.5	1,715.2	1,651.9	1,614.7
Petroleum	1,319.2	1,405.5	1,444.1	1,413.1	1,329.2	1,565.3	1,552.6	1,565.9
MANUFACTURING, TOTAL	211.9	230.1	220.1	225.0	223.6	244.3	245.9	247.1
NON-DURABLE MANUFACTURES	211.2	224.1	216.0	215.6	214.5	235.9	236.6	236.0
Foods and beverages	185.6	193.1	167.6	169.6	173.4	179.6	180.7	187.2
Foods	180.6	187.4	164.6	165.3	168.2	173.1	173.1	177.5
Meat products	182.6	192.3	186.3	188.4	187.4	187.6	194.8	189.9
Dairy products	189.6	196.0	164.9	178.2	190.4	172.3	186.2	192.5
Canning and processing	190.0	197.2	117.0	112.7	118.8	124.1	120.4	136.6
Grain mill products	184.1	189.3	193.0	183.2	179.6	219.8	201.5	202.2
Bakery products	151.3	151.7	145.3	144.5	144.8	145.2	145.8	146.5
Miscellaneous foods	190.6	201.9	184.7	185.2	188.2	199.4	194.6	202.3
Beverages	201.3	211.0	176.9	183.4	189.5	199.9	204.7	217.7
Carbonated beverages	181.0	186.2	181.1	143.1	155.9	214.3	155.1	190.1
Breweries	185.7	191.1	147.0	192.8	195.4	166.9	193.2	213.4
Distilleries	262.1	284.8	243.9	212.7	219.8	264.2	293.8	267.1
Tobacco and tobacco products	232.1	243.4	247.6	243.7	236.9	279.4	272.9	258.7
Rubber products	232.8	237.4	272.4	236.0	232.6	307.2	272.6	275.0
Leather products	137.3	135.2	147.2	147.4	138.1	148.6	149.6	142.9
Boots and shoes	136.9	134.3	151.7	153.2	140.7	151.6	153.7	145.5
Textiles	203.3	220.6	228.9	215.4	208.2	248.3	239.2	232.4
Cotton goods	141.2	149.7	173.1	161.2	137.1	171.4	155.6	134.9
Woollen goods	91.2	89.6	84.8	85.7	78.2	91.7	91.0	92.4
Synthetic textiles and silk	338.4	391.3	408.5	367.6	369.8	462.5	444.4	439.6
Clothing	163.4	171.2	172.4	173.8	166.4	181.1	182.8	178.7
Paper products	186.3	198.3	192.0	197.6	192.7	213.5	219.3	214.0
Pulp and paper	182.0	192.8	191.2	195.7	188.4	212.0	216.9	208.8

TABLE 2. Index of Industrial Production, without Seasonal Adjustment - Concluded
(1949=100)

Industry or industry group	Annual averages		Without seasonal adjustment					
			1965			1966		
	1964	1965	Feb.	Mar.	Apr.	Feb.	Mar.	Apr.
NON-DURABLE MANUFACTURES -								
Concluded:								
Printing, publishing and allied industries	207.4	223.3	218.5	217.8	229.5	234.3	243.1	245.9
Products of petroleum and coal	330.1	345.9	350.2	336.8	308.2	369.4	362.7	329.0
Petroleum products	357.9	375.5	381.3	365.1	332.7	401.9	394.3	
Chemicals and allied products	312.7	344.7	327.4	335.9	346.0	380.8	385.1	399.0
Acids, alkalies, salts and fertilizers	416.5	469.0	461.9	463.2	469.2	535.0	531.0	557.3
Miscellaneous manufactures	386.5	407.3	380.1	385.6	389.3	412.7	421.1	420.3
DURABLE MANUFACTURES	212.7	237.2	224.9	236.0	234.3	254.0	256.9	260.0
Wood products	174.3	181.7	183.7	183.7	171.1	192.6	195.9	184.6
Saw and planing mills	180.0	182.8	191.8	189.3	169.5	195.2	198.8	181.1
Veneers and plywoods	397.7	403.8	428.2	420.0	412.2	466.5	466.1	455.9
Sawmills	172.8	177.1	189.5	186.8	159.9	190.9	195.5	171.8
Furniture	192.6	216.3	199.9	206.7	209.8	227.8	230.7	233.7
Iron and steel products	215.2	239.1	220.5	230.8	234.3	250.5	253.7	257.8
Machinery	213.1	248.1	229.5	233.7	238.0	267.0	269.4	272.8
Iron castings	199.3	218.9	205.1	234.2	225.2	235.9	200.2	225.4
Primary iron and steel	291.2	320.0	291.2	310.6	322.0	327.9	346.3	349.1
Sheet metal products	248.1	274.2	243.9	249.6	262.1	272.4	276.3	281.7
Transportation equipment	210.5	250.0	245.9	277.2	271.8	302.1	303.9	307.7
Aircraft and parts	336.3	319.3	333.0	334.4	299.4	386.8	399.1	398.2
Motor vehicles	274.2	347.6	346.0	417.2	406.2	448.2	445.7	450.0
Motor vehicle parts	262.2	317.2	298.6	312.3	314.3	357.4	362.0	370.1
Railway rolling stock	58.9	62.6	60.7	61.7	62.9	61.8	62.3	62.8
Shipbuilding and repairs	148.7	161.9	153.9	163.6	170.7	165.8	175.9	181.7
Non-ferrous metal products	174.2	186.9	181.8	187.9	188.3	193.9	197.4	205.6
Brass and copper products ...	155.6	162.7	162.0	163.1	159.9	183.1	182.9	180.8
Smelting and refining	176.5	188.9	187.1	194.9	195.0	191.8	196.3	208.8
Electrical apparatus and supplies	279.1	319.2	305.7	307.3	305.1	339.0	336.5	349.4
Heavy electrical machinery ..	213.0	241.6	227.5	228.8	234.3	262.9	265.9	269.2
Telecommunication equipment	744.5	895.1	892.2	838.0	792.4	869.3	826.8	897.0
Refrigerators and appliances	274.9	301.9	290.6	316.6	309.9	343.7	338.1	360.2
Non-metallic mineral products	268.2	286.9	228.4	232.9	242.7	243.8	256.0	261.6
Concrete products	814.1	858.0	544.1	612.0	692.7	654.6	710.9	727.0
Hydraulic cement	277.5	298.8	192.5	220.2	250.0	220.2	271.9	283.4
Domestic clay products	138.3	142.8	111.5	119.6	136.7	122.3	123.2	137.8
ELECTRIC POWER AND GAS UTILITIES	405.7	448.3	503.5	478.9	459.7	566.4	538.2	510.8
Electric power	371.5	408.8	429.5	417.6	399.7	485.1	477.9	452.9
Gas	711.0	800.6	1,163.4	1,025.1	994.8	1,290.8	1,076.2	1,022.8

Real Domestic Product less Agriculture

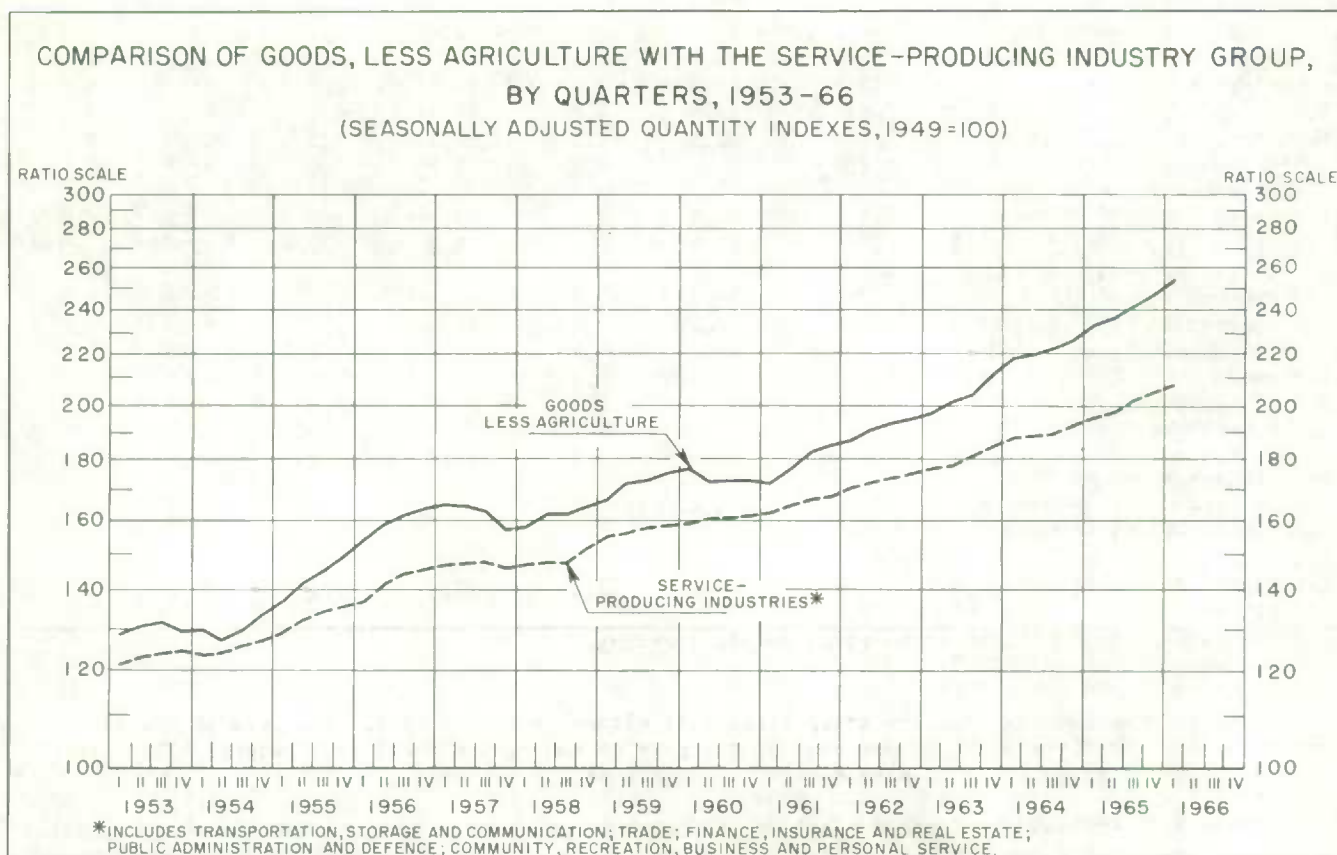
Note to Users

The indexes of real domestic product at factor cost (the sum of the unduplicated output of all industries located in Canada) are an extension of the "Index of Industrial Production" to cover the whole range of domestic industries. In addition to mining, manufacturing and electric power and gas utilities, total domestic product includes the following industry groups: agriculture; forestry; fishing and trapping; construction; transportation, storage and communication; trade; finance, insurance and real estate; public administration and defence; and community, recreation, business and personal service.

The real domestic product indexes are also an elaboration of the supply side of the National Accounts. Total domestic product differs conceptually from constant dollar expenditure on Gross National Product by (1) the inclusion of income paid to non-residents (2) the exclusion of income received from non-residents, and (3) the exclusion of "indirect taxes less subsidies". In addition, of course, statistical differences may exist between these two measures of aggregate production.

The real output indexes in Table 3 serve to bring up to date the historical record of production in Canada published in the 1966 Annual Supplement to the Index of Industrial Production publication. For a detailed description of concepts and methods used as well as other relevant material, see D.B.S. Occasional Paper 61-505, "Indexes of Real Domestic Product by Industry of Origin, 1935-61".

Quarterly indexes for agriculture and for aggregate domestic production will not be available, except on a once-a-year basis; they will appear in the annual supplement to this report each spring.



REAL DOMESTIC PRODUCT LESS AGRICULTURE, FIRST QUARTER, 1966

At an index level of 229.9(1) for the first quarter of 1966, seasonally adjusted Real Domestic Product, less agriculture, was 2 per cent higher than in the preceding quarter.

Table(A) shows the percentage increases of the major industry groupings and their contributions, over the past four quarters, to the 37.9 per cent advance in non-agricultural real output from the first quarter, 1961, cyclical low. During the 1957-60 and the 1954-56 expansions, non-agricultural real output had increased by 10.5 per cent and 23.1 per cent, respectively, as measured from the trough to the peak of the cycle in aggregate production (see Table B). The current expansion has been of considerably longer duration than the preceding two, having now lasted for five years. Thus the rate of expansion has been lower than during the 1954-56 upturn. When measured from peak to peak the gain achieved so far during the current cycle was 37.1 per cent, which is almost twice the increase over the 1953-56 cycle. This yields a rate of increase over the cycle as a whole only marginally lower than that for the 1953-56 cycle.

TABLE A

	IQ'61 - IIQ'65		IQ'61 - IIIQ'65		IQ'61 - IVQ'65		IQ'61 - IQ'66	
	% △	Effect on GDP less Agri- culture	% △	Effect on GDP less Agri- culture	% △	Effect on GDP less Agri- culture	% △	Effect on GDP less Agri- culture
Gross domestic product less agriculture	29.8	29.8	32.4	32.4	35.2	35.2	37.9	37.9
Forestry	35.0	.6	20.2	.4	22.0	.4	30.2	.6
Fishing and trapping ..	- 17.5	- .1	- 17.7	- .1	- 12.9	- .1	- 15.6	- .1
Mining	32.0	1.9	38.4	2.3	39.2	2.3	42.3	2.5
Manufacturing	41.5	12.2	45.3	13.3	49.3	14.5	53.0	15.6
Non-durable	31.3	5.2	34.8	5.8	37.9	6.3	41.5	6.9
Durable	54.7	7.0	58.9	7.5	64.2	8.2	67.9	8.7
Construction	31.0	2.1	33.7	2.3	38.5	2.6	42.8	2.9
Electric power and gas utilities	43.3	1.5	47.3	1.6	55.5	1.9	61.1	2.0
Other goods, n.e.c. ...	14.5	.1	14.9	.2	15.2	.2	15.6	.2
Transportation, storage and communication ...	31.2	3.0	34.8	3.3	37.9	3.6	39.6	3.8
Transportation	33.3	2.3	37.4	2.6	40.4	2.8	42.9	3.0
Trade	26.2	4.0	28.7	4.3	31.4	4.8	33.7	5.1
Wholesale	38.0	2.0	41.0	2.1	45.2	2.3	43.4	2.3
Retail	20.0	2.0	22.3	2.2	24.3	2.4	28.6	2.8
Finance, insurance and real estate	22.1	2.4	23.3	2.5	23.8	2.5	26.2	2.8
Public administration and defence	4.1	.2	4.4	.3	5.1	.3	4.1	.2
Community, recreation, business and personal service	19.5	2.0	20.8	2.1	22.2	2.3	23.6	2.4

Note: The columns may not add to the total due to rounding.

The goods-producing industry group (less agriculture) advanced by 2.7 per cent in the first quarter and accounted for about 70 per cent of the gain in non-agricultural real output. The service-producing industry group showed a more moderate increase of 1.3 per cent.

Manufacturing was the largest single contributor to the first quarter gain in non-agricultural real output, accounting for almost 40 per cent of this increase. The next largest contributors were trade, construction and the finance, insurance and real estate group, which jointly accounted for

(1) See special note on page 2.

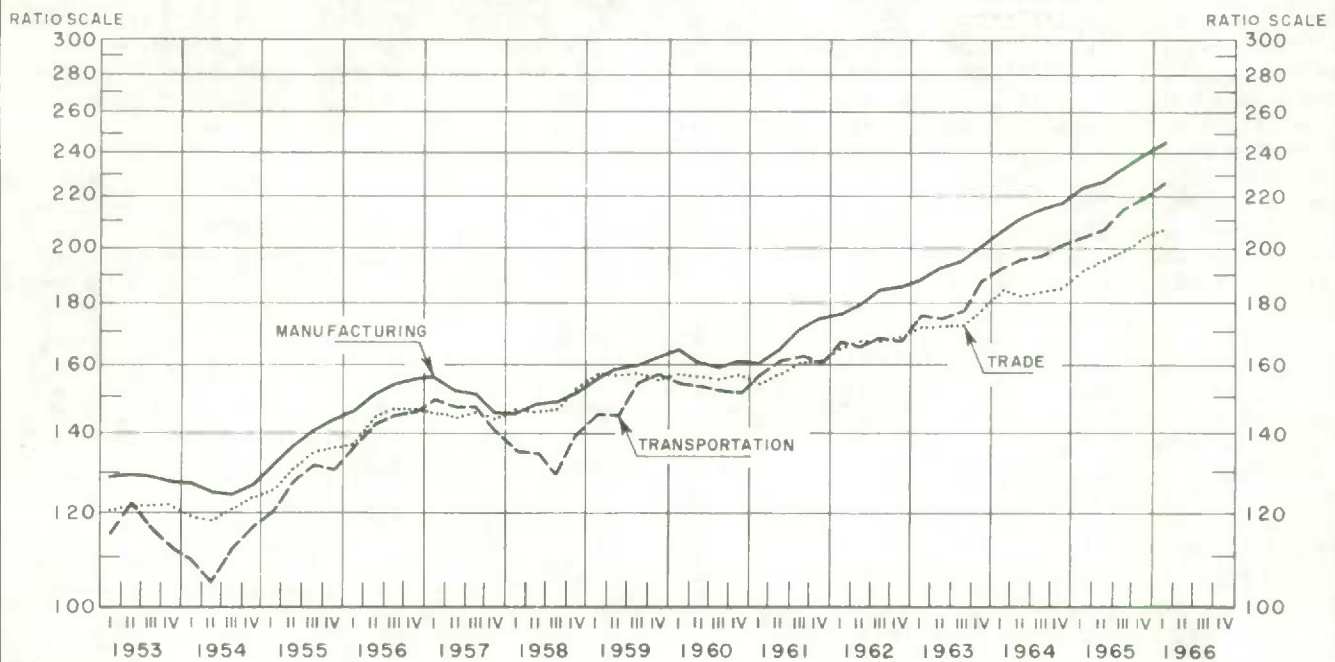
another 32 per cent of the gain in real domestic product, less agriculture. Most of the other major industry groupings also showed advances in output from their fourth quarter levels, the exceptions being public administration and defence and fishing and trapping.

Manufacturing advanced by 2.5 per cent in the first quarter, with the non-durable manufacturing component accounting for over one-half of this gain. Within non-durables, which increased by 2.6 per cent, most major groups showed increases in the first quarter, ranging from one per cent in textiles to almost 8 per cent in tobacco products. The 6.6 per cent gain in paper products and the 3 per cent advance in the output of chemicals accounted for about 55 per cent of the first quarter gain in non-durables. Paper products advanced largely as a result of the sharp increase in pulp and paper production. The food products group, rubber products and petroleum products showed increases in excess of 2 per cent. The only two industry groups to show a decline were leather products and clothing, both of which declined by about one per cent.

Within durable manufacturing, which was up by 2.3 per cent, over three-quarters of the increase came from iron and steel products and transportation equipment which increased by 3.9 and 2.4 per cent, respectively. Primary iron and steel and the machinery and machine shops group were the largest contributors to the first quarter gain. The 2.7 per cent increase in motor vehicle output and the sharp gain in aircraft and parts production accounted for most of the advance in the output of the transportation equipment group. Non-metallic mineral products increased by 4.6 per cent, because of strong gains in the output of cement and concrete products. Electrical apparatus and supplies and non-ferrous metal products showed increases of 2.3 and 0.7 per cent in the first quarter, the latter largely as a result of a small increase in smelting and refining. The only major industry group to decline was wood products, down 2 per cent, because of a sharp drop in the output of sawmills.

COMPARISON OF MANUFACTURING WITH TRADE AND TRANSPORTATION, BY QUARTERS, 1953-66

(SEASONALLY ADJUSTED QUANTITY INDEXES, 1949=100)



The next largest contributions to the first quarter gain in non-agricultural real output came from trade, which was up by 1.7 per cent, construction, up by 3.1 per cent, and finance, insurance and real estate which increased by 1.9 per cent. Within trade, the retail component showed a gain of 3.5 per cent, while wholesale trade declined moderately. Department stores, furniture and appliance stores, lumber and building material dealers, farm implement dealers and farm feed stores were among the retail trades to show large gains. Sales of motor vehicle dealers showed little change from the levels achieved in the previous quarter, although sales for the month of March were quite high. Among the components of wholesale trade to show strong gains in the first quarter were farm machinery, construction material and supply dealers, hardware dealers, wholesalers of meat and dairy products and

clothing products. Sales of commercial, institutional and service equipment and industrial and transportation equipment and supplies also increased sharply. These gains, however, were more than offset by declines in many of the other components of wholesale trade.

First quarter gains among other major industry groupings ranged from about one to about 7 per cent. Transportation, storage and communication showed an increase of 1.3 per cent, with most of the gain coming from the transportation industries. Storage declined by 4 per cent. Within transportation, which advanced by 1.8 per cent, the strong gains in railway and water transport were considerably dampened by the decline in the output of the strike-affected trucking industry. Mining increased by 2.2 per cent in the first quarter, largely as a result of the 3 per cent advance in metal mining. Within metal mining gains were widespread, with zinc, lead and copper production showing the largest gains. Non-metal mining was up by 4.9 per cent. The community, recreation, business and personal services group advanced by 1.2 per cent, with the business service component accounting for most of this gain. Electric power and gas utilities and forestry increased by 3.6 and 6.7 per cent, respectively, the latter largely as a result of strong increases in pulp-wood production.

TABLE B

	Per cent changes in major industry groupings over recent cycles in production					
	Peak to peak			Trough to peak		
	3Q'53 - 4Q'56	4Q'56 - 1Q'60	1Q'60 - 1Q'66(1)	2Q'54 - 4Q'56	4Q'57 - 1Q'60	1Q'61 - 1Q'66(1)
Real domestic product less						
agriculture	21.4	9.0	37.1	23.1	10.5	37.9
Forestry	19.0	1.3	16.2	17.9	33.7	30.2
Fishing and trapping	1.8	- 18.4	38.3	3.9	- 7.4	- 15.6
Mining	55.5	24.7	34.9	48.6	16.2	42.3
Manufacturing	20.1	6.1	48.9	24.4	12.8	53.0
Non-durable	19.3	12.9	42.4	19.4	14.6	41.5
Durable	21.1	- 1.2	56.8	30.1	10.9	67.9
Construction	27.8	- 0.9	34.7	34.0	- 3.9	42.8
Electric power and gas						
utilities	44.4	38.1	66.9	33.9	28.9	61.1
Other goods industries, n.e.c.	9.7	- 4.1	15.5	21.2	1.5	15.6
Transportation, storage and						
communication	26.4	7.9	42.8	34.6	9.7	39.6
Transportation	25.7	4.7	45.4	40.1	9.0	42.9
Trade	20.7	6.9	31.7	24.5	9.7	33.7
Wholesale	20.8	11.0	33.5	31.9	16.8	43.4
Retail	20.6	4.7	30.7	20.8	6.1	28.6
Finance, insurance and real						
estate	16.9	15.5	30.6	12.0	9.6	26.2
Public administration and						
defence	10.4	9.1	8.9	7.0	5.1	4.1
Community, recreation, business						
and personal service	12.0	12.2	26.4	10.6	11.1	23.6

(1) At the end of the first quarter of 1966, production was still expanding.

[illegible]

TABLE 3. Indexes of Real Domestic Product, less Agriculture - Continued
1949=100

	Manufacturing							
	Non-durable manufacturing							
	Foods and beverages	Tobacco and tobacco products	Rubber products	Leather products	Textiles	Clothing	Paper products	Printing, publishing and allied industries
1949 Weights ...	3.814	0.248	0.430	0.508	1.623	1.801	2.649	1.273
	Seasonally adjusted							
1963 - 1	169.8	232.7	205.2	131.9	177.0	146.1	163.0	190.7
2	171.3	228.5	206.1	131.4	182.8	149.5	168.7	193.0
3	172.7	218.1	206.3	130.2	187.6	151.4	172.0	198.7
4	175.6	221.5	212.3	134.4	196.4	154.3	176.4	198.7
1964 - 1	182.3	214.0	225.7	135.3	197.5	159.9	182.2	202.6
2	184.2	230.2	234.6	138.3	204.3	163.0	184.1	214.1
3	184.7	240.2	229.0	138.7	205.0	164.3	187.4	201.7
4	190.9	241.1	235.3	137.1	206.4	166.8	192.0	209.8
1965 - 1	192.4	241.3	230.2	135.5	211.1	167.0	194.5	216.8
2	189.6	240.8	227.4	132.9	213.5	168.9	196.1	219.2
3	195.2	238.9	234.9	134.9	228.3	172.1	199.9	223.4
4	197.6	248.1	253.3	137.5	229.3	177.2	202.7	233.9
1966 - 1	201.2	267.8	263.0	136.0	232.0	175.4	216.0	237.9
2								
3								
4								
	Without seasonal adjustment							
1963	172.2	225.3	207.4	132.1	186.0	150.3	170.1	195.2
1964	185.6	232.1	232.8	137.3	203.3	163.4	186.3	207.4
1965	193.1	243.4	237.4	135.2	220.6	171.2	198.3	223.3
1966								
1963 - 1	145.6	231.2	209.5	141.1	181.3	150.6	158.3	187.8
2	170.9	243.5	218.6	132.5	187.9	146.8	170.2	197.9
3	191.9	204.9	183.6	121.4	173.9	155.2	173.0	191.5
4	180.2	221.7	217.9	133.5	200.7	148.6	178.8	203.8
1964 - 1	158.5	212.1	235.0	144.7	201.8	164.7	176.8	198.8
2	183.3	245.7	250.9	139.1	210.1	160.2	185.2	221.4
3	205.0	228.9	203.1	128.8	189.6	167.7	188.2	194.4
4	195.6	241.7	242.2	136.6	211.5	161.0	194.9	215.2
1965 - 1	166.5	239.3	238.9	144.5	216.1	171.9	189.7	212.3
2	188.1	257.3	243.0	133.4	220.1	165.9	196.8	227.6
3	214.8	228.2	206.3	126.0	211.4	175.2	200.6	213.7
4	203.0	248.9	261.4	137.0	234.9	171.9	206.2	239.7
1966 - 1	176.0	267.8	276.4	145.0	239.0	180.3	210.1	233.2
2								
3								
4								

TABLE 3. Indexes of Real Domestic Product, less Agriculture - Continued
1949=100

	Manufacturing							
	Non-durable manufacturing			Durable manufacturing				
	Products of petroleum and coal	Chemicals and allied products	Miscellaneous manufacturing	Total	Wood products	Iron and steel products	Transportation equipment	Non-ferrous metal products
1949 Weights	0.513	1.359	0.524	12.598	2.108	4.026	2.651	1.601
	Seasonally adjusted							
1963 - 1	307.7	273.4	333.5	186.7	163.2	186.9	179.9	157.1
2	310.9	280.6	352.4	190.2	166.4	189.7	182.6	158.3
3	325.8	286.5	359.8	192.7	167.5	190.4	186.2	161.7
4	327.6	290.2	364.9	201.2	171.7	197.0	211.1	162.0
1964 - 1	327.3	306.7	376.5	209.0	175.8	206.7	218.1	168.4
2	329.8	303.6	383.8	211.2	171.4	212.2	215.0	173.9
3	327.7	313.4	391.0	217.4	174.4	216.0	229.5	174.0
4	335.3	328.7	393.9	215.6	175.9	226.5	191.2	180.3
1965 - 1	342.1	326.5	397.0	228.0	177.0	229.6	234.3	182.4
2	344.8	339.9	403.7	233.7	180.1	236.0	243.3	183.8
3	350.6	346.9	411.7	240.1	180.0	243.5	256.2	188.1
4	345.7	364.7	415.9	248.1	190.6	247.6	269.8	192.8
1966 - 1	354.5	375.7	430.8	253.7	186.7	257.2	276.2	194.2
2								
3								
4								
	Without seasonal adjustment							
1963	318.0	282.5	353.0	192.9	167.3	191.0	190.2	159.8
1964	330.1	312.7	386.5	212.7	174.3	215.2	210.5	174.2
1965	345.9	344.7	407.3	237.2	181.7	239.1	250.0	186.9
1966								
1963 - 1	312.0	273.8	322.1	183.9	163.8	180.9	190.8	156.9
2	297.1	292.5	344.7	198.3	167.5	196.2	211.3	159.6
3	332.5	277.0	365.8	185.8	176.2	191.6	138.2	158.7
4	330.5	286.8	379.4	203.5	161.6	195.5	220.7	164.0
1964 - 1	333.3	305.9	363.3	206.7	177.1	199.9	233.6	168.3
2	314.0	314.9	375.2	220.1	171.3	219.6	248.1	175.5
3	333.9	304.5	398.8	206.0	182.5	216.1	161.9	170.2
4	339.1	325.4	408.7	217.9	166.4	225.1	198.2	182.7
1965 - 1	349.4	326.1	382.6	226.2	178.5	222.3	254.7	182.5
2	327.5	352.2	394.6	243.2	179.9	244.0	278.7	185.7
3	356.3	336.0	420.7	227.4	187.9	243.3	184.3	183.5
4	350.2	364.5	431.3	251.9	180.6	246.6	282.3	195.8
1966 - 1	362.4	376.0	414.8	252.2	188.6	249.0	300.6	194.9
2								
3								
4								

TABLE 3. Indexes of Real Domestic Product, less Agriculture - Continued
1949=100

[illegible]

TABLE 3. Indexes of Real Domestic Product, less Agriculture - Concluded
1949=100

	Trade	Finance, in- surance and real estate	Public adminis- tration and defence	Com- munity, recre- ation, business and personal service	Special Industry Indexes				
	Retail				Goods less agri- culture	Service- pro- ducing indus- tries(2)	Commercial indus- tries, less agri- culture	Non- com- mercial indus- tries(3)	Index of In- dustrial Pro- duction
1949 Weight	9.567	9.127	4.666	10.202	42.366	46.920	81.015	8.271	32.231
Seasonally adjusted									
1963 - 1	165.4	190.1	186.6	162.7	197.4	177.6	186.9	187.5	208.5
2	166.7	192.9	187.7	164.4	201.0	178.6	189.2	189.4	213.2
3	168.2	195.9	189.2	165.6	203.0	180.1	191.0	191.2	216.2
4	173.3	198.9	189.2	167.0	210.7	184.7	197.5	192.3	223.4
1964 - 1	176.7	200.6	190.3	168.4	218.8	188.3	203.7	193.9	230.8
2	174.8	201.6	190.0	170.2	219.0	188.8	204.0	194.9	234.4
3	177.8	203.7	189.3	171.9	222.0	190.4	206.4	195.5	237.0
4	179.2	206.4	189.5	173.3	226.3	192.4	209.7	196.1	240.0
1965 - 1	180.6	208.1	190.4	175.0	233.2	195.5	215.0	197.1	247.5
2	186.0	211.4	189.9	178.0	236.0	198.7	218.3	197.7	250.2
3	189.6	213.4	190.6	180.0	241.4	201.9	222.9	199.1	257.8
4	192.6	214.3	191.8	182.1	248.1	204.9	227.9	200.5	264.7
1966 - 1	199.3	218.4	189.9	184.2	254.7	207.5	232.9	200.9	271.5
2									
3									
4									
Without seasonal adjustment									
1963	168.8	194.5	188.1	165.0	202.9	180.4	191.3	188.7	215.3
1964	176.8	203.0	189.8	171.0	221.4	189.9	205.8	195.1	235.3
1965	187.5	211.9	190.7	178.8	238.8	200.5	220.7	198.6	254.9
1966									
1963 - 1	143.6	186.5	181.0	158.3	184.6	167.6	175.0	182.8	206.5
2	171.4	194.4	188.0	164.4	203.5	181.8	192.5	188.3	216.6
3	164.5	199.3	196.0	170.0	208.7	182.9	195.3	193.9	212.5
4	195.6	197.7	187.5	167.1	214.9	189.1	202.6	189.7	225.8
1964 - 1	153.1	196.9	183.8	164.1	205.3	178.2	191.2	189.8	228.9
2	179.1	202.8	190.3	170.3	221.9	191.8	207.2	195.2	238.2
3	172.5	206.9	197.1	176.3	226.7	192.5	209.6	200.2	231.3
4	202.5	205.2	187.9	173.5	231.5	197.1	215.3	195.1	243.0
1965 - 1	157.2	204.4	183.7	170.5	220.2	185.7	203.0	192.9	245.9
2	190.6	212.5	190.6	178.1	237.2	202.3	221.0	198.3	254.0
3	183.8	216.7	198.6	184.5	244.0	203.7	224.8	204.0	250.7
4	218.2	214.0	189.8	182.1	253.7	210.1	234.0	199.2	268.9
1966 - 1	172.8	214.5	183.6	179.3	241.8	196.6	220.2	196.8	270.1
2									
3									
4									

(2) Includes transportation, storage and communication; trade; finance, insurance and real estate; public administration and defence; community, recreation, business and personal service.

(3) Includes public administration and defence; hospitals; education; welfare, religion and other community service, n.e.c. and domestic service.



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Least Squares of Logarithms Growth Rates, 1946-65

	Annual growth rate %		Annual growth rate %
Index of Industrial Production	5.61	Durable manufactures - Concluded	
Mining	9.10	Iron and steel products	4.77
Metals	7.17	Machinery	4.42
Gold	N.A.	Iron castings	4.35
Copper	4.98	Primary iron and steel	6.79
Iron ore	N.A.	Sheet metal products	5.92
Nickel	4.58	Transportation equipment	4.10
Non-metals	5.97	Aircraft and parts	7.42
Asbestos	4.66	Motor vehicles	6.21
Fuels	12.60	Motor vehicle parts	5.36
Coal	- 3.98	Railway rolling stock	- 3.26
Natural gas	17.88	Shipbuilding and repairs	0.32
Petroleum	21.37	Non-ferrous metal products	3.83
		Brass and copper products	2.27
Manufacturing	4.78	Smelting and refining	4.15
		Electrical apparatus and supplies	7.02
Non-durable manufactures	4.82	Heavy electrical machinery	4.92
Foods and beverages	3.88	Telecommunication equipment	13.11
Foods	3.55	Refrigerators and appliances	8.89
Meat products	3.06	Non-metallic mineral products	6.91
Dairy products	4.64	Concrete products	15.76
Canning and processing	3.54	Hydraulic cement	7.80
Grain mill products	2.83	Domestic clay products	2.38
Bakery products	2.49		
Miscellaneous foods	4.61	Electric power and gas utilities	9.58
Beverages	4.95	Electric power	9.04
Carbonated beverages	5.62	Gas utilities	13.19
Breweries	4.35		
Distilleries	5.64	Agriculture	1.54
Tobacco and tobacco products	6.11	Forestry	1.68
Rubber products	4.22	Fishing and trapping	1.75
Leather products	1.63		
Boots and shoes	1.97	Construction	5.10
Textiles	4.22		
Cotton goods	1.71	Transportation, storage and communication	4.64
Wool goods	- 1.14	Transportation	4.06
Synthetic textiles and silk	8.19	Storage	5.66
Clothing	2.98	Trade	4.05
Paper products	4.12	Wholesale	4.44
Pulp and paper	3.95	Retail	3.84
Printing and publishing and allied industries	5.33	Finance, insurance and real estate	4.96
Products of petroleum and coal	8.60		
Petroleum products	9.22	Public administration and defence	3.96
Chemicals and allied products	7.64		
Acids, alkalies, salts and fertilizers	9.81	Community, recreation, business and personal service	3.64
Miscellaneous manufactures	9.07		
		Goods	4.56
Durable manufactures	4.73	Goods less agriculture	5.25
Wood products	3.42		
Saw and planing mills	3.55	Service-producing industries	4.24
Veneers and plywoods	8.40		
Saw mills	3.08	Real Domestic Product, less agriculture	4.73
Furniture	4.32	Real Domestic Product	4.41