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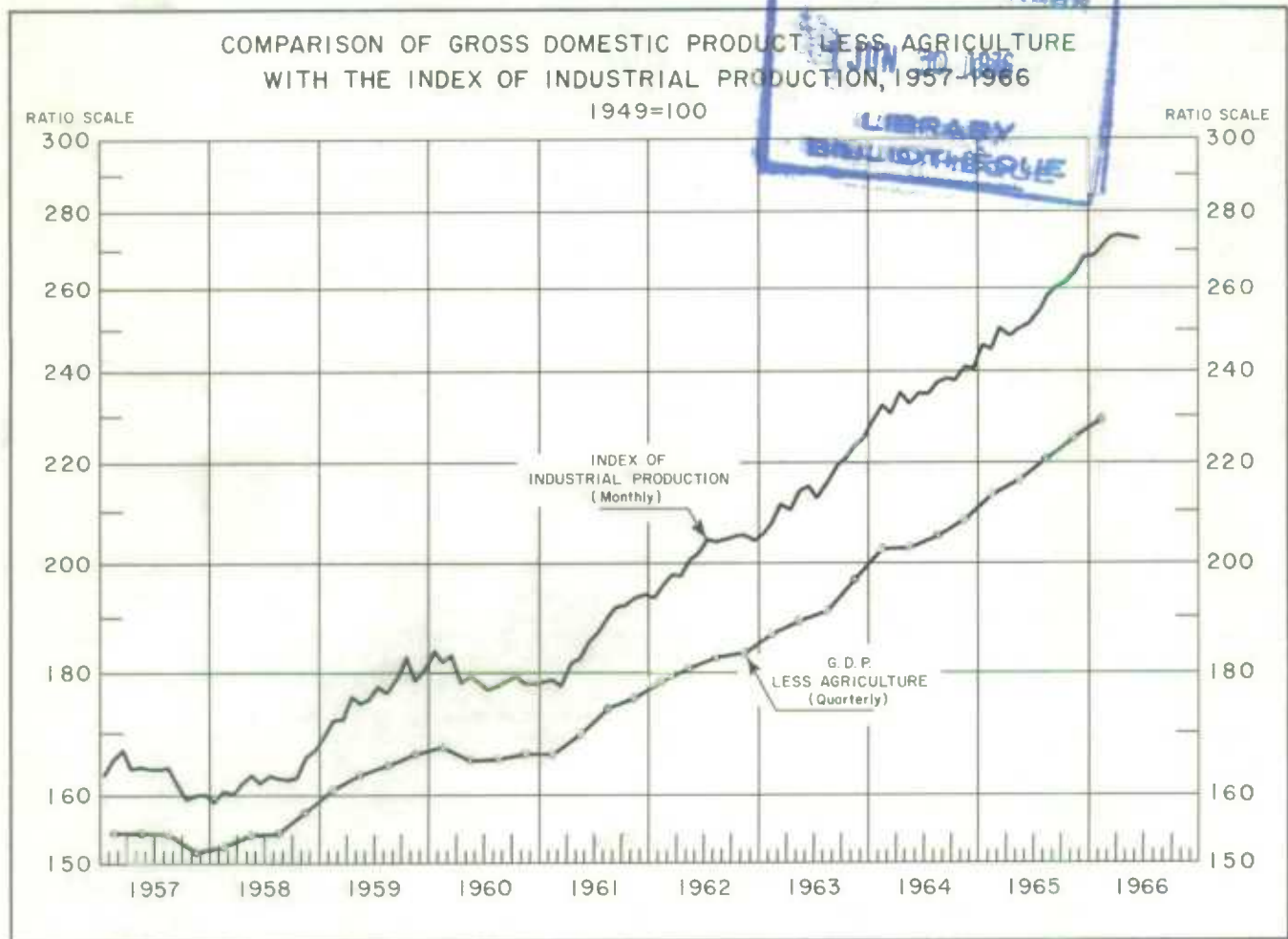
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## INDEX OF INDUSTRIAL PRODUCTION (1949=100)

JUNE 1966

The seasonally adjusted index of industrial production declined by 0.3 per cent in June.



This issue contains indexes of non-agricultural real output for the latest available quarter (1st quarter 1966).

Industrial Output Section  
National Accounts and Balance of Payments Division

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## JUNE INDEX OF INDUSTRIAL PRODUCTION

The June seasonally adjusted Index of Industrial Production fell by 0.3 per cent to 273.1 from the revised May level of 273.8. The latest decrease, following on the marginal decline now shown for May, left the Index nearly 0.4 per cent lower than in April, when the Index reached the all time high level of 274.1.

In June, declines occurred in mining (- 1.4%) and manufacturing (- 0.2%), with both non-durables and durables contributing equally to the drop in manufacturing. Electric power and gas utilities rose by 0.7 per cent.

Within the mining detail the drop in fuel mining was common to all three components, the declines approximating 2 per cent. In non-metals, both asbestos and 'other' non-metals (including potash) were lower in the month.

In metals the small gain of 0.3% concealed large movements in the detail as nickel and copper both registered increases, while declines occurred in gold, iron ore, lead, and 'other' metals.

In non-durables, most major groups registered declines, with the largest drops occurring in printing and publishing and tobacco products (- 4% each), and in rubber products (- 5%). Remaining decreases ranged from the marginal to 1%, the latter occurring in paper products. On the positive side, the most significant increases were registered in textiles and in foods and beverages; the latter originated in each component of beverages, as total foods showed little change.

In durable manufacturing (- 0.2%), wood products, iron and steel, electrical apparatus and supplies, and non-metallic mineral products all fell by amounts ranging from 1 to more than 2 per cent. The declines in these major components were nearly offset by increases of 3 per cent in transportation equipment and almost 2 per cent in non-ferrous metal products.

Within the detail, most of the decline (- 2.3%) in wood products was due to a 4 per cent drop in sawmills, in part attributable to labor disputes in British Columbia. In iron and steel products (- 1.0%) the major factor in the decline was a 12 per cent drop in iron castings, although primary iron and steel also fell by 1 per cent. The latest monthly decline was the third consecutive one for primary iron and steel. In electrical apparatus and supplies (- 1.1%) telecommunication equipment (- 3.5%) was the major contributor to the decline. In transportation equipment (+ 2.9%) motor vehicles, which rose by nearly 7 per cent, was the major factor in the gain. In non-ferrous metal products all components, except brass and copper products, rose, with smelting and refining (+ 2.4%) making the largest contribution to the increase.

Within 1966 now half over, the following changes are now shown; in column 1 for the second quarter of 1966 from the first and in column 2 for the first six months of 1966 over the first six months of 1965:

	1 Q '66' - 11 Q '66' seasonally adjusted per cent change	1st 6 Months 65 - 1st 6 Months 66 per cent change
	(1)	(2)
Index of Industrial Production .....	+ 0.8	+ 9.5
Mining .....	+ 2.7	+ 8.4
Manufacturing .....	+ 0.3	+ 9.2
Non-durable .....	+ 0.9	+ 9.0
Durable .....	- 0.3	+ 9.5
Electric Power and Gas Utilities .....	+ 2.2	+ 13.5

### SPECIAL NOTE

1. 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.

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 usually shown in the monthly publication 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 and later data will appear in current issues of the "Index of Industrial Production".

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.

2. The figures in tables 1 and 2 may not reconcile with those on the Index of Industrial Production in table 3 because of small revisions to March which have not been incorporated in the latter table.

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

Industry or industry group	1949 percentage weights	Seasonally adjusted					
		1966					
		Jan.	Feb.	Mar.	Apr.	May	June
INDEX OF INDUSTRIAL PRODUCTION	32.231	268.9	271.5	273.8	274.1	273.8	273.1
MINING .....	3.245	372.7	387.1	390.4	393.5	396.6	391.1
Metals .....	1.925	264.0	264.3	262.8	261.7	257.4	258.2
Gold .....	0.575	75.1	81.4	77.6	74.4	80.0	69.4
Copper .....	0.352	193.6	198.5	198.9	186.0	206.6	214.2
Iron ore .....	0.099	1,604.6	1,465.2	1,234.9	1,327.1	1,253.3	1,241.0
Nickel .....	0.333	207.9	193.1	217.9	203.3	182.4	208.3
Non-metals .....	0.268	413.0	417.4	433.1	409.6	409.9	376.0
Asbestos .....	0.189	290.7	294.7	319.0	292.9	293.3	281.5
Fuels .....	0.915	576.1	614.1	622.5	652.2	671.1	659.4
Coal .....	0.553	54.5	58.2	54.2	52.1	56.9	55.5
Natural gas .....	0.035	1,573.3	1,504.6	1,497.6	1,597.1	1,691.5	1,656.2
Petroleum .....	0.327	1,351.3	1,458.8	1,490.0	1,565.9	1,600.7	1,573.9
MANUFACTURING, TOTAL .....	27.340	243.3	244.6	246.8	247.2	245.2	244.8
NON-DURABLE MANUFACTURES .....	14.742	235.5	236.8	240.4	240.3	239.7	239.3
Foods and beverages .....	3.814	199.4	200.9	202.6	202.8	202.2	205.7
Foods .....	2.896	194.6	192.7	194.0	196.2	195.1	195.1
Meat products .....	0.523	183.6	185.9	198.8	190.2	195.7	194.9
Dairy products .....	0.450	200.2	202.7	202.6	196.6	195.5	199.1
Canning and processing .....	0.453	217.9	205.0	209.4	224.6	209.5	207.9
Grain mill products .....	0.322	212.5	207.6	195.7	208.3	202.8	201.5
Bakery products .....	0.558	150.4	152.6	154.8	155.9	156.6	155.8
Miscellaneous foods .....	0.590	214.2	211.4	207.6	211.1	215.6	216.3
Beverages .....	0.918	214.6	226.7	229.8	223.6	224.3	238.9
Carbonated beverages .....	0.231	187.9	225.6	200.6	209.4	217.8	225.5
Breweries .....	0.463	202.4	200.6	193.2	197.3	186.4	195.2
Distilleries .....	0.203	275.2	290.3	349.8	300.1	321.2	357.5
Tobacco and tobacco products ..	0.248	265.5	270.5	267.5	261.8	252.6	241.4
Rubber products .....	0.430	265.2	260.3	263.4	265.4	250.3	237.5
Leather products .....	0.508	135.2	135.1	137.2	137.9	137.9	139.6
Boots and shoes .....	0.307	134.2	131.9	134.0	136.9	138.7	143.3
Textiles .....	1.623	235.3	229.0	231.6	226.4	221.7	226.6
Cotton goods .....	0.507	162.3	147.8	148.2	128.0	121.7	118.1
Woollen goods .....	0.300	88.2	91.4	94.9	93.8	94.6	101.4
Synthetic Textiles and Silk	0.429	427.9	412.9	419.2	428.7	417.8	433.6
Clothing .....	1.801	173.5	174.1	179.9	182.5	180.6	180.7
Paper products .....	2.649	212.5	217.5	217.9	214.3	221.5	219.0
Pulp and paper .....	2.108	206.9	213.7	213.9	208.6	216.2	213.3

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

Industry or industry group	1949 percentage weights	Seasonally adjusted					
		1966					
		Jan.	Feb.	Mar.	Apr.	May	June
<b>NON-DURABLE MANUFACTURES -</b>							
Concluded:							
Printing,publishing and allied industries .....	1.273	236.8	234.2	243.4	234.1	246.8	238.1
Products of petroleum and coal	0.513	339.5	356.9	367.2	386.2	368.8	366.0
Petroleum products .....	0.454	368.1	387.2	399.5	420.7	401.1	
Chemicals and allied products	1.359	373.0	374.8	379.8	387.9	377.5	377.5
Acids, alkalies, salts and fertilizers .....	0.346	516.5	506.1	503.8	532.8	540.0	528.0
Miscellaneous manufactures ....	0.524	426.9	429.9	439.0	445.7	446.5	444.7
<b>DURABLE MANUFACTURES .....</b>	<b>12.598</b>	<b>252.5</b>	<b>253.7</b>	<b>254.3</b>	<b>255.2</b>	<b>251.6</b>	<b>251.1</b>
Wood products .....	2.108	186.6	184.2	188.4	190.1	189.5	185.1
Saw and planing mills .....	1.444	185.3	180.2	186.2	189.2	188.8	182.3
Veneers and plywoods .....	0.122	459.2	434.4	435.6	433.4	449.5	
Sawmills .....	0.994	174.3	171.4	179.5	184.7	182.8	175.7
Furniture .....	0.460	229.9	234.8	234.5	232.7	232.1	232.8
Iron and steel products .....	4.026	257.4	258.0	256.2	257.6	252.8	250.2
Machinery .....	0.851	269.1	273.0	273.0	272.0	272.8	274.8
Iron castings .....	0.387	259.8	233.3	188.2	212.6	215.0	189.7
Primary iron and steel .....	0.845	335.2	341.6	349.1	342.3	325.0	320.7
Sheet metal products .....	0.359	286.4	293.2	296.1	295.5	292.2	289.9
Transportation equipment .....	2.651	273.0	278.5	275.8	271.5	258.9	266.5
Aircraft and parts .....	0.203	365.4	383.7	396.8	411.8	409.1	405.2
Motor vehicles .....	1.035	383.1	392.5	383.9	371.9	343.4	367.0
Motor vehicle parts .....	0.462	344.9	343.7	340.2	337.3	330.6	323.4
Railway rolling stock .....	0.621	62.7	62.9	61.6	61.2	63.2	64.0
Shipbuilding and repairs ....	0.261	167.1	172.2	178.9	176.4	167.0	163.7
Non-ferrous metal products ....	1.601	195.8	192.5	194.5	196.2	198.8	202.2
Brass and copper products ...	0.241	178.5	175.6	182.6	187.1	185.4	184.4
Smelting and refining .....	1.028	194.4	189.3	190.8	192.2	197.5	202.2
Electrical apparatus and supplies .....	1.418	333.0	340.2	341.1	356.3	357.6	353.5
Heavy electrical machinery ..	0.489	260.4	266.4	265.3	266.9	266.5	269.0
Telecommunication equipment	0.142	814.0	839.1	871.5	971.8	977.7	943.0
Refrigerators and appliances	0.227	347.5	345.1	332.2	351.4	346.0	339.6
Non-metallic mineral products	0.794	304.2	302.5	314.6	300.3	303.7	296.0
Concrete products .....	0.098	912.2	977.0	987.4	878.0	915.6	891.0
Hydraulic cement .....	0.117	323.1	323.8	389.5	337.4	313.7	294.2
Domestic clay products .....	0.083	163.4	152.9	145.6	141.5	141.8	148.1
<b>ELECTRIC POWER AND GAS UTILITIES</b>	<b>1.646</b>	<b>488.9</b>	<b>490.7</b>	<b>492.3</b>	<b>485.5</b>	<b>507.6</b>	<b>511.0</b>
Electric power .....	1.480	452.4	449.2	455.6	448.4	465.3	470.7
Gas .....	0.166	813.9	860.5	819.6	816.3	885.0	

TABLE 2. Index of Industrial Production, without Seasonal Adjustment

(1949=100)

Industry or industry group	Annual averages		Without seasonal adjustment					
			1965			1966		
	1964	1965	Apr.	May	June	Apr.	May	June
INDEX OF INDUSTRIAL PRODUCTION	235.3	254.9	247.8	253.6	260.7	274.3	276.0	281.9
MINING .....	346.4	365.6	344.4	354.5	369.7	386.8	397.1	403.3
Metals .....	245.7	249.5	236.4	258.3	262.4	257.5	272.0	279.3
Gold .....	85.9	80.6	87.5	79.6	84.1	78.5	79.5	70.4
Copper .....	187.8	195.6	189.7	212.9	193.3	178.6	203.5	220.0
Iron ore .....	1,185.3	1,236.8	1,045.1	1,371.9	1,404.2	1,142.6	1,504.0	1,551.2
Nickel .....	181.0	209.9	221.0	215.9	203.3	216.7	193.7	205.8
Non-metals .....	312.8	377.2	360.0	370.8	399.4	410.9	422.6	394.7
Asbestos .....	259.9	269.4	281.3	268.6	280.8	305.8	297.1	289.1
Fuels .....	557.7	592.8	565.1	530.8	558.8	651.3	630.5	635.1
Coal .....	55.1	56.3	55.6	49.4	51.7	49.5	50.9	51.1
Natural gas .....	1,382.3	1,476.4	1,476.5	1,391.4	1,336.8	1,614.7	1,590.0	1,474.0
Petroleum .....	1,319.2	1,405.5	1,329.2	1,252.9	1,337.8	1,565.9	1,507.9	1,533.0
MANUFACTURING, TOTAL .....	211.9	230.1	223.6	232.2	239.7	246.7	249.5	256.7
NON-DURABLE MANUFACTURES .....	211.2	224.1	214.5	223.2	228.5	237.0	240.3	247.6
Foods and beverages .....	185.6	193.1	173.4	188.0	202.8	185.9	199.2	220.5
Foods .....	180.6	187.4	168.2	180.8	191.9	176.6	187.7	201.1
Meat products .....	182.6	192.3	187.4	186.4	179.9	190.6	190.8	185.5
Dairy products .....	189.6	196.0	190.4	215.0	247.9	193.1	218.0	253.7
Canning and processing ....	190.0	197.2	118.8	165.7	198.4	132.1	170.5	207.6
Grain mill products .....	184.1	189.3	179.6	180.7	180.9	202.0	195.9	199.9
Bakery products .....	151.3	151.7	144.8	149.0	155.3	148.5	153.4	159.9
Miscellaneous foods .....	190.6	201.9	188.2	191.5	195.5	198.3	203.1	209.3
Beverages .....	201.3	211.0	189.5	210.8	237.4	215.5	235.5	281.7
Carbonated beverages .....	181.0	186.2	155.9	199.1	215.2	190.1	229.1	272.0
Breweries .....	185.7	191.1	195.4	225.7	239.2	208.2	214.9	245.9
Distilleries .....	262.1	284.8	219.8	196.1	266.4	267.1	298.1	386.1
Tobacco and tobacco products	232.1	243.4	236.9	255.6	279.4	258.7	263.2	278.8
Rubber products .....	232.8	237.4	232.6	256.1	240.3	275.0	256.8	270.8
Leather products .....	137.3	135.2	138.1	130.4	131.6	141.6	135.6	138.6
Boots and shoes .....	136.9	134.3	140.7	128.8	128.8	145.2	136.9	142.4
Textiles .....	203.3	220.6	208.2	223.4	228.6	231.0	225.6	239.7
Cotton goods .....	141.2	149.7	137.1	150.3	139.8	134.9	122.9	116.0
Woollen goods .....	91.2	89.6	78.2	91.7	103.7	92.4	97.2	115.8
Synthetic textiles and silk	338.4	391.3	369.8	401.1	426.1	439.4	428.7	476.1
Clothing .....	163.4	171.2	166.4	165.0	166.3	180.9	177.0	176.4
Paper products .....	186.3	198.3	192.7	197.8	199.9	213.5	221.0	222.2
Pulp and paper .....	182.0	192.8	188.4	193.7	193.7	209.0	216.2	215.2

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	Apr.	May	June	Apr.	May	June
<b>NON-DURABLE MANUFACTURES -</b>								
Concluded:								
Printing, publishing and allied industries .....	207.4	223.3	229.5	230.9	222.4	246.3	260.7	242.1
Products of petroleum and coal	330.1	345.9	308.2	328.4	346.0	353.9	344.0	364.3
Petroleum products .....	357.9	375.5	332.7	355.2	375.8	384.1	372.6	
Chemicals and allied products	312.7	344.7	346.0	355.7	355.0	399.9	391.8	390.3
Acids, alkalies, salts and fertilizers .....	416.5	469.0	469.2	477.3	463.6	560.0	562.1	523.2
Miscellaneous manufactures ....	386.5	407.3	389.3	390.8	403.6	430.5	433.6	442.0
<b>DURABLE MANUFACTURES .....</b>	<b>212.7</b>	<b>237.2</b>	<b>234.3</b>	<b>242.6</b>	<b>252.8</b>	<b>258.1</b>	<b>260.2</b>	<b>267.4</b>
Wood products .....	174.3	181.7	171.1	176.9	191.6	182.5	187.4	195.3
Saw and planing mills .....	180.0	182.8	169.5	177.7	198.2	180.6	187.0	197.7
Veneers and plywoods .....	397.7	403.8	412.2	375.9	380.0	455.9	436.0	
Sawmills .....	172.8	177.1	159.9	175.7	202.2	171.8	183.9	199.1
Furniture .....	192.6	216.3	209.8	210.8	213.4	226.2	228.4	230.0
Iron and steel products .....	215.2	239.1	234.3	243.0	254.6	257.7	260.6	263.3
Machinery .....	213.1	248.1	238.0	240.7	246.7	268.7	270.3	275.9
Iron castings .....	199.3	218.9	225.2	229.7	274.8	225.4	238.6	223.9
Primary iron and steel .....	291.2	320.0	322.0	342.7	346.3	349.1	348.1	341.5
Sheet metal products .....	248.1	274.2	262.1	274.0	290.4	286.0	291.9	306.4
Transportation equipment .....	210.5	250.0	271.8	280.0	284.4	304.2	292.8	305.3
Aircraft and parts .....	336.3	319.3	299.4	289.0	320.5	403.6	405.0	410.9
Motor vehicles .....	274.2	347.6	406.2	427.9	433.3	450.0	422.0	458.8
Motor vehicle parts .....	262.2	317.2	314.3	320.6	320.8	350.5	347.1	333.7
Railway rolling stock .....	58.9	62.6	62.9	61.7	62.4	60.8	62.3	64.0
Shipbuilding and repairs ....	148.7	161.9	170.7	168.2	164.9	182.4	175.0	172.0
Non-ferrous metal products ....	174.2	186.9	188.3	183.7	185.1	200.4	198.8	203.3
Brass and copper products ...	155.6	162.7	159.9	148.4	143.6	186.0	183.4	182.6
Smelting and refining .....	176.5	188.9	195.0	189.8	191.2	200.1	198.9	204.6
Electrical apparatus and supplies .....	279.1	319.2	305.1	310.3	317.5	348.6	348.1	351.6
Heavy electrical machinery ..	213.0	241.6	234.3	237.7	243.8	264.5	265.4	271.4
Telecommunication equipment	744.5	895.1	792.4	812.0	832.2	903.8	889.7	855.3
Refrigerators and appliances	274.9	301.9	309.9	323.6	331.5	363.7	356.4	373.9
Non-metallic mineral products	268.2	286.9	242.7	287.9	321.4	262.3	308.6	332.2
Concrete products .....	814.1	858.0	692.7	895.0	1,027.9	727.0	961.4	1,071.0
Hydraulic cement .....	277.5	298.8	250.0	336.3	384.0	283.4	354.8	378.3
Domestic clay products .....	138.3	142.8	136.7	146.8	151.9	137.8	151.6	162.9
<b>ELECTRIC POWER AND GAS UTILITIES</b>	<b>405.7</b>	<b>448.3</b>	<b>459.7</b>	<b>411.4</b>	<b>394.6</b>	<b>510.4</b>	<b>478.7</b>	<b>460.7</b>
Electric power .....	371.5	408.8	399.7	382.9	376.0	452.9	447.6	440.6
Gas .....	711.0	800.6	994.8	665.5	560.8	1,022.8	755.8	

Real Domestic Product less Agriculture

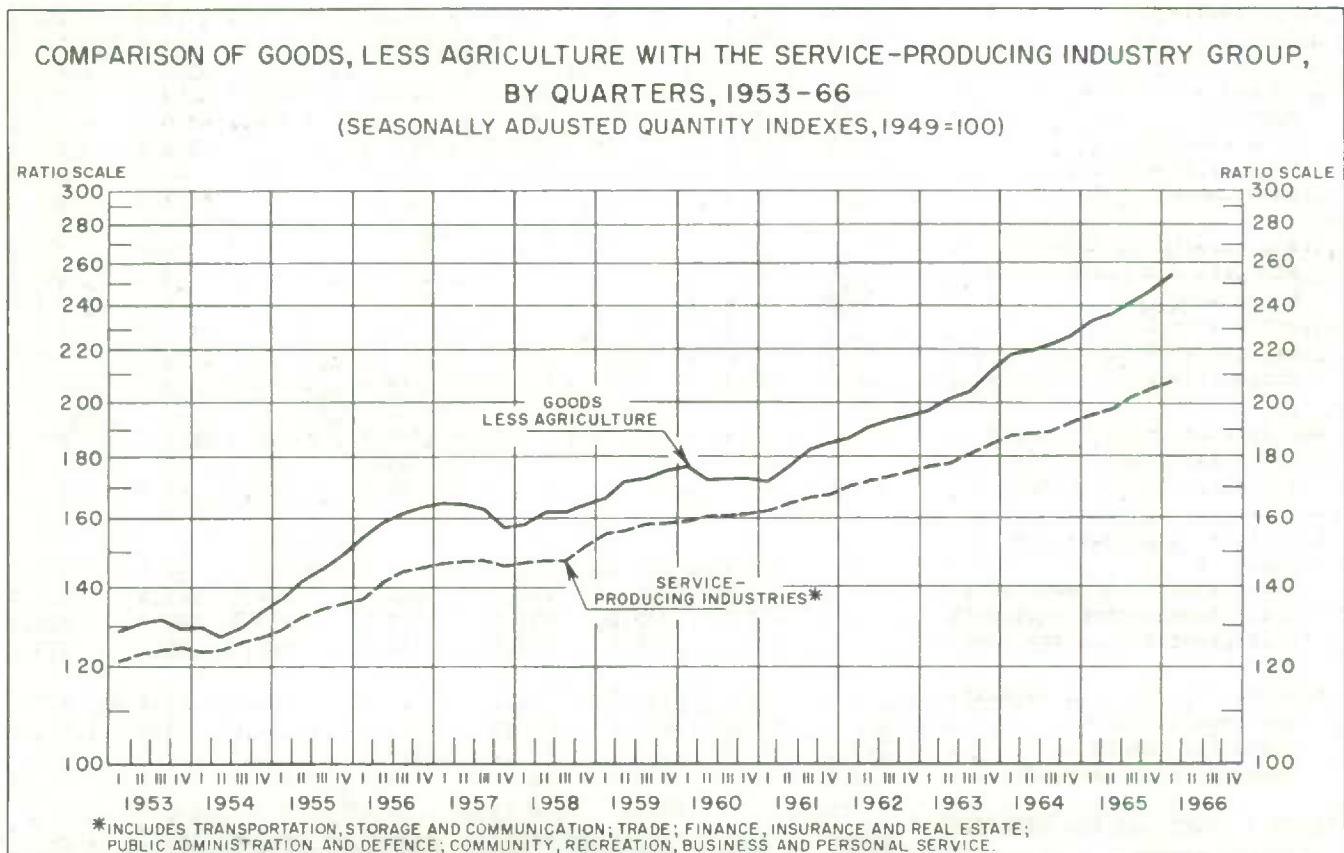
Note to Users

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.

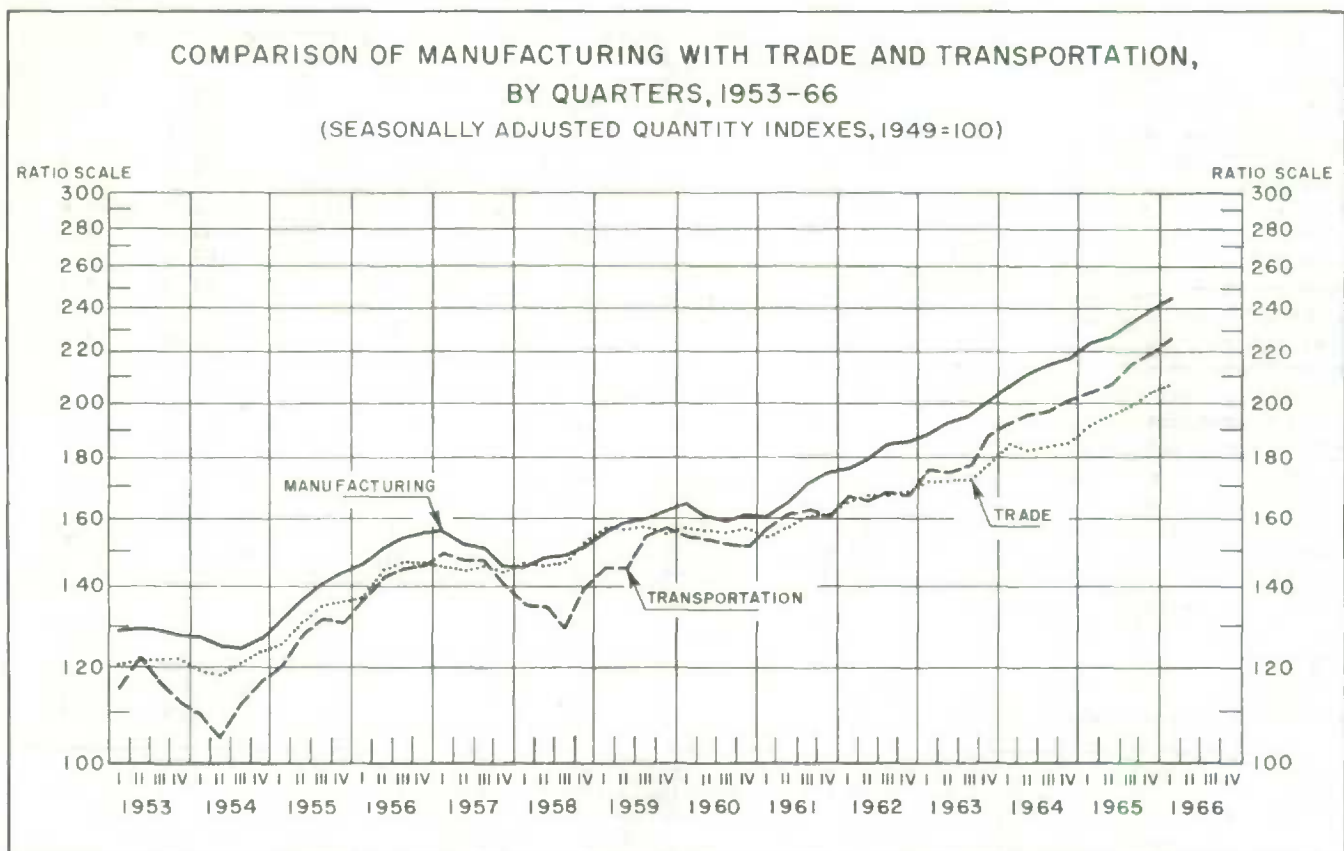
Manufacturing was the largest single contributor to the first quarter gain in non-agricultural real output, accounting for almost 40 per cent of this increase. The next largest contributors were trade, construction and the finance, insurance and real estate group, which jointly accounted for

(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.



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.

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

[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.

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
Manufacturing .....	4.78	Brass and copper products .....	2.27
Non-durable manufactures .....	4.82	Smelting and refining .....	4.15
Foods and beverages .....	3.88	Electrical apparatus and supplies .....	7.02
Foods .....	3.55	Heavy electrical machinery .....	4.92
Meat products .....	3.06	Telecommunication equipment .....	13.11
Dairy products .....	4.64	Refrigerators and appliances .....	8.89
Canning and processing .....	3.54	Non-metallic mineral products .....	6.91
Grain mill products .....	2.83	Concrete products .....	15.76
Bakery products .....	2.49	Hydraulic cement .....	7.80
Miscellaneous foods .....	4.61	Domestic clay products .....	2.38
Beverages .....	4.95	Electric power and gas utilities .....	9.58
Carbonated beverages .....	5.62	Electric power .....	9.04
Breweries .....	4.35	Gas utilities .....	13.19
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	Construction .....	5.10
Boots and shoes .....	1.97	Transportation, storage and communication	4.64
Textiles .....	4.22	Transportation .....	4.06
Cotton goods .....	1.71	Storage .....	5.66
Wool goods .....	- 1.14	Trade .....	4.05
Synthetic textiles and silk .....	8.19	Wholesale .....	4.44
Clothing .....	2.98	Retail .....	3.84
Paper products .....	4.12	Finance, insurance and real estate .....	4.96
Pulp and paper .....	3.95	Public administration and defence .....	3.96
Printing and publishing and allied industries .....	5.33	Community, recreation, business and personal service .....	3.64
Products of petroleum and coal .....	8.60	Goods .....	4.56
Petroleum products .....	9.22	Goods less agriculture .....	5.25
Chemicals and allied products .....	7.64	Service-producing industries .....	4.24
Acids, alkalies, salts and fertilizers .....	9.81	Real Domestic Product, less agriculture	4.73
Miscellaneous manufactures .....	9.07	Real Domestic Product .....	4.41
Durable manufactures .....	4.73		
Wood products .....	3.42		
Saw and planing mills .....	3.55		
Veneers and plywoods .....	8.40		
Saw mills .....	3.08		
Furniture .....	4.32		