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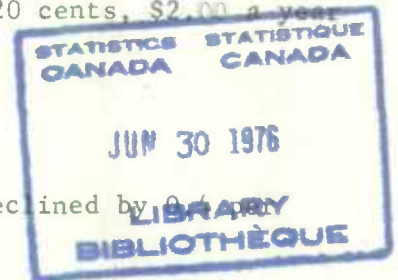
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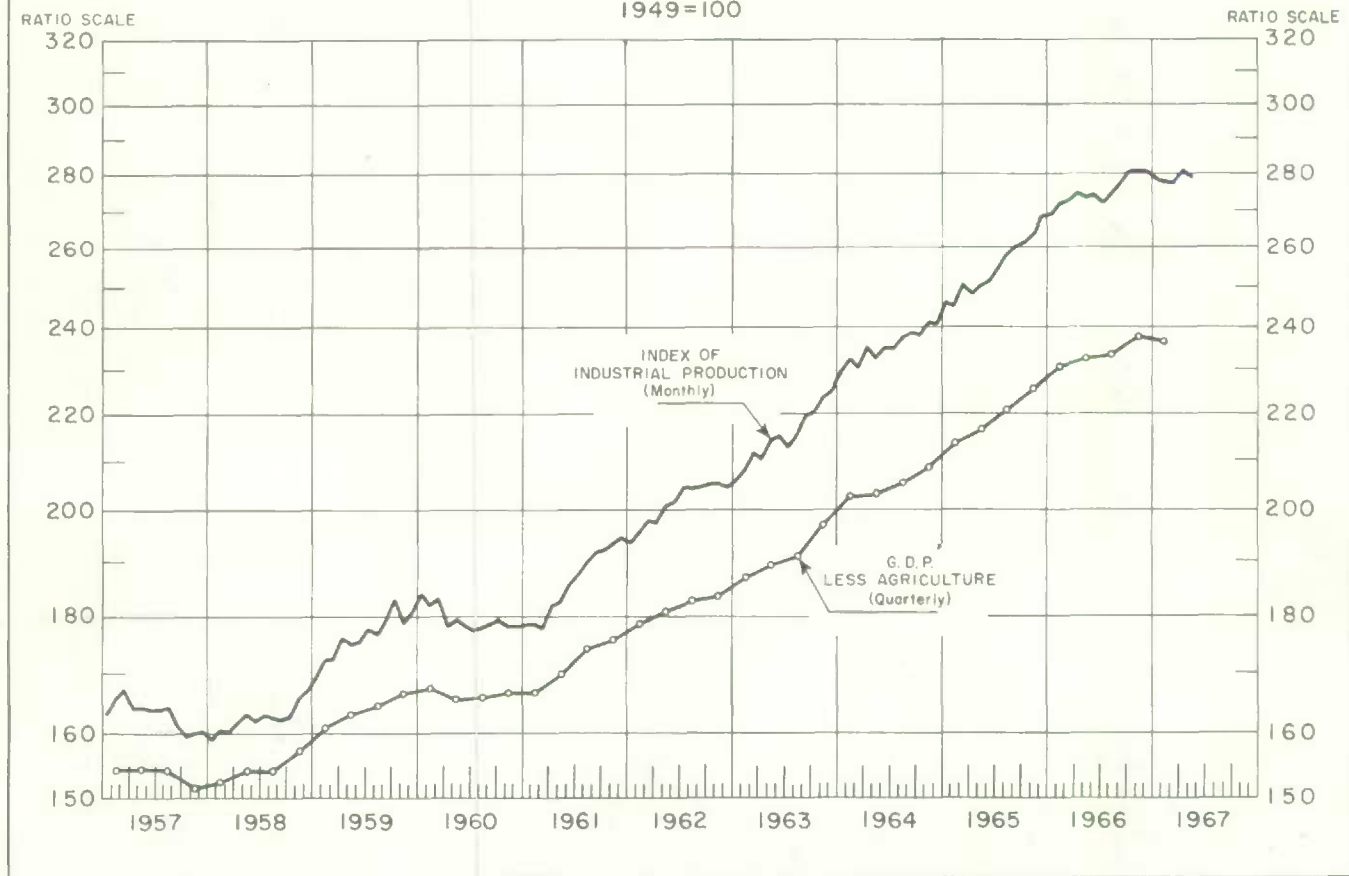
INDEX OF INDUSTRIAL PRODUCTION (1949=100)

MAY 1967

The seasonally adjusted index of industrial production declined by 0.4 per cent in May.



COMPARISON OF GROSS DOMESTIC PRODUCT LESS AGRICULTURE WITH THE INDEX OF INDUSTRIAL PRODUCTION, 1957-1967 1949=100



This issue contains indexes of non-agricultural real output for the latest available quarter (1st quarter 1967).

National Accounts, Production and Productivity Division
Industrial Output Section

July 1967
2205-502

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MAY INDEX OF INDUSTRIAL PRODUCTION

The seasonally adjusted index of industrial production declined by 0.4 per cent in May, to 279.6 from the revised April level of 280.8. Since last October the monthly changes have been mostly small and no definite trend has been established. The whole of the May decrease occurred in manufacturing which fell by 1.1 per cent, while mining and electric power and gas utilities rose by 1.2 and 2.2 per cent, respectively. Within manufacturing, non-durables fell by 0.9 per cent and durables by 1.4 per cent.

In non-durable manufacturing most major industrial groups showed declines. The bulk of the decline came from the textiles, the rubber products and the foods and beverages major groups which dropped by 3.7, 9.1 and 0.9 per cent, respectively. The decline in textile products was primarily due to a large decrease in cotton goods. In the foods and beverages industry the movements were mixed. In the month of May the food group went down while the beverages group increased. Other industries in non-durable manufacturing which showed declines were tobacco and tobacco products, clothing, printing and publishing and allied industries and leather products. Increases were recorded by the paper products and the chemicals groups. Products of petroleum and coal and miscellaneous manufacturing showed only fractional increases.

The decline in durable manufacturing was largely the result of major decreases in the electrical apparatus and supplies and the wood products industry groups which declined by 7.2 and 4.3 per cent, respectively. Within wood products, a large decrease in sawmills was only partially offset by increases in other industries. The decrease in electrical apparatus and supplies was to some extent the result of strikes. All the component industries of this group showed declines.

Transportation equipment showed an increase for the fourth consecutive month. The non-ferrous metal products major group also showed an increase. Minor changes occurred in the non-metallic mineral products and the iron and steel products major groups.

The 1.2 per cent rise in mining was the result of increases of 2.2 per cent in fuel mining which includes coal, natural gas and crude petroleum and 5.0 per cent in non-metal mining. Metal mining showed a fractional decrease. The trends within this last group were mixed.

In summary, the decrease in the Index of Industrial Production in May was the result of widely spread decreases in both durable and non-durable manufacturing. The decrease was tempered by increases in mining and the output of the electric power and gas utilities.

NOTES

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 May 1966. The revised data to the end of 1965 will be found there. Current issues of this report will provide the figures for 1966.

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 February 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	1967				
		Dec.	Jan.	Feb.	Mar.	Apr.	May
INDEX OF INDUSTRIAL PRODUCTION	32.231	280.1	278.6	277.7	277.1	280.8	279.6
MINING	3.245	404.4	411.1	402.5	401.9	411.4	416.3
Metals	1.925	266.5	271.8	275.1	279.0	269.8	268.6
Gold	0.575	72.0	69.9	74.0	69.2	66.9	67.7
Copper	0.352	209.0	226.6	228.0	231.4	241.7	229.1
Iron ore	0.099	1,445.9	1,495.9	1,482.5	1,458.6	1,348.2	1,237.5
Nickel	0.333	171.5	178.4	177.4	177.0	189.1	198.2
Non-metals	0.268	397.6	422.8	416.7	397.5	437.5	458.8
Asbestos	0.189	278.5	290.5	280.1	267.8	293.9	293.4
Fuels	0.915	689.7	693.6	665.8	662.0	695.4	710.7
Coal	0.553	54.4	55.4	52.0	54.7	53.9	54.9
Natural gas	0.035	1,634.7	1,706.7	1,731.1	1,758.9	1,726.8	1,814.4
Petroleum	0.327	1,663.0	1,664.4	1,589.8	1,571.6	1,670.0	1,701.5
MANUFACTURING, TOTAL	27.340	250.6	247.7	246.7	246.3	249.7	246.9
NON-DURABLE MANUFACTURES	14.742	245.2	242.7	242.4	241.0	244.6	242.5
Foods and beverages	3.814	206.6	209.6	206.5	210.8	214.8	212.8
Foods	2.896	200.0	201.7	201.2	203.0	203.1	197.2
Meat products	0.523	196.8	199.7	203.2	209.5	212.4	210.9
Dairy products	0.450	211.0	209.5	208.9	198.8	210.0	199.0
Canning and processing	0.453	222.3	236.0	219.0	217.4	210.3	199.6
Grain mill products	0.322	212.0	206.0	203.7	213.2	214.2	212.0
Bakery products	0.558	154.4	155.5	157.0	158.6	159.1	157.4
Miscellaneous foods	0.590	213.9	212.7	220.6	225.8	219.8	211.3
Beverages	0.918	228.4	234.3	223.3	235.3	251.8	262.1
Carbonated beverages	0.231	220.7	234.6	225.3	236.3	242.5	249.7
Breweries	0.463	203.2	217.3	205.0	196.2	211.2	213.3
Distilleries	0.203	293.6	271.3	257.9	318.8	352.6	386.9
Tobacco and tobacco products .	0.248	273.4	272.8	268.8	262.4	264.1	252.1
Rubber products	0.430	254.6	237.8	240.5	237.0	251.7	228.7
Leather products	0.508	138.9	128.1	133.7	126.9	127.9	127.1
Boots and shoes	0.307	148.6	131.1	141.9	130.1	130.1	129.1
Textiles	1.623	246.8	218.6	223.4	227.3	241.1	232.2
Cotton goods	0.507	154.7	145.2	136.9	140.7	167.7	144.9
Woollen goods	0.300	89.6	84.6	90.1	85.4	79.5	84.2
Synthetic textiles and silk	0.429	484.2	387.7	411.9	428.5	455.6	
Clothing	1.801	188.3	171.8	173.9	175.4	172.3	169.4
Paper products	2.649	216.9	225.0	223.4	210.9	214.8	218.1
Pulp and paper	2.108	210.6	219.0	217.8	203.6	207.5	210.6

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

Industry or industry group	1949 percentage weights	Seasonally adjusted					
		1966	1967				
		Dec.	Jan.	Feb.	Mar.	Apr.	May
NON-DURABLE MANUFACTURES -							
Concluded:							
Printing, publishing and allied industries	1.273	244.7	244.7	248.2	247.9	249.0	245.3
Products of petroleum and coal	0.513	386.8	379.3	369.2	378.8	372.6	373.7
Petroleum products	0.454	423.0	415.1	402.4	413.5	406.1	406.8
Chemicals and allied products	1.359	376.2	394.3	390.1	384.4	386.9	390.8
Acids, alkalies, salts and fertilizers	0.346	502.0	531.5	533.1	545.1	531.8	553.3
Miscellaneous manufactures	0.524	462.3	462.0	465.9	461.4	463.2	464.0
DURABLE MANUFACTURES	12.598	257.0	253.5	251.7	252.5	255.6	252.1
Wood products	2.108	185.3	188.0	190.0	187.1	195.8	187.3
Saw and planing mills	1.444	181.0	185.6	189.6	185.5	197.7	185.7
Veneers and plywoods	0.122	386.3	394.6	417.6	417.0	443.5	466.2
Sawmills	0.994	181.2	187.4	189.8	183.9	197.8	177.1
Furniture	0.460	238.6	235.5	232.2	232.0	233.9	233.3
Iron and steel products	4.026	248.2	246.2	255.0	253.0	251.6	251.3
Machinery	0.851	283.7	284.4	283.8	282.5	283.7	285.2
Iron castings	0.387	201.2	208.9	224.4	222.0	223.4	211.1
Primary iron and steel	0.845	293.8	286.4	321.1	325.6	315.8	317.9
Sheet metal products	0.359	298.9	299.0	297.0	295.5	290.1	290.1
Transportation equipment	2.651	280.4	260.9	261.0	262.2	266.6	270.0
Aircraft and parts	0.203	475.7	478.2	486.4	487.3	487.5	490.7
Motor vehicles	1.035	375.9	337.2	341.3	347.3	360.7	371.5
Motor vehicle parts	0.462	348.0	323.3	313.7	309.3	316.6	314.6
Railway rolling stock	0.621	61.9	63.2	64.1	64.3	62.7	60.8
Shipbuilding and repairs	0.261	171.1	167.7	162.6	154.9	139.9	139.9
Non-ferrous metal products	1.601	201.7	201.5	202.5	199.9	201.9	204.2
Brass and copper products ...	0.241	173.8	174.0	171.0	171.9	170.3	168.8
Smelting and refining	1.028	200.6	200.7	202.5	198.9	203.6	207.1
Electrical apparatus and supplies	1.418	396.1	397.7	361.2	380.8	381.3	353.8
Heavy electrical machinery ..	0.489	275.3	270.9	218.0	275.5	272.7	249.0
Telecommunication equipment	0.142	1,190.5	1,183.1	1,097.8	1,048.2	1,077.0	1,019.0
Refrigerators and appliances	0.227	381.4	398.4	345.7	349.3	347.5	317.1
Non-metallic mineral products	0.794	276.5	286.7	270.8	268.5	282.5	283.8
Concrete products	0.098	756.6	835.8	754.2	743.2	784.2	799.2
Hydraulic cement	0.117	311.4	293.5	266.9	262.6	265.3	271.2
Domestic clay products	0.083	137.0	133.5	144.1	117.7	143.8	121.8
ELECTRIC POWER AND GAS UTILITIES	1.646	525.5	530.8	546.6	541.9	539.7	551.8
Electric power	1.480	483.0	484.1	502.7	495.1	497.2	506.0
Gas	0.166	904.8	946.9	937.7	959.6	917.8	

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

Industry or industry group	Annual averages		Without seasonal adjustment					
			1966			1967		
	1965	1966	Mar.	Apr.	May	Mar.	Apr.	May
INDEX OF INDUSTRIAL PRODUCTION	254.9	275.1	274.5	274.4	276.8	279.3	283.8	283.4
MINING	365.6	393.6	382.1	386.4	402.2	392.3	401.8	424.3
Metals	249.5	256.0	246.7	259.5	276.8	261.3	266.3	282.1
Gold	80.6	73.9	77.1	80.5	80.7	67.6	70.8	67.3
Copper	195.6	192.9	191.1	178.9	204.3	221.5	228.4	229.1
Iron ore	1,236.8	1,322.7	982.7	1,178.2	1,558.0	1,091.0	1,183.7	1,386.0
Nickel	209.9	185.6	219.8	213.7	190.6	186.7	202.3	203.8
Non-metals	377.2	405.3	413.4	410.9	422.6	389.6	432.1	476.3
Asbestos	269.4	293.4	314.9	305.8	297.1	278.8	299.7	296.6
Fuels	592.8	665.7	662.5	646.0	638.8	686.2	684.1	698.6
Coal	56.3	54.6	56.5	49.5	50.9	57.4	51.2	51.1
Natural gas	1,476.4	1,598.0	1,706.5	1,655.3	1,500.0	1,938.4	1,785.6	1,718.2
Petroleum	1,405.5	1,599.4	1,575.7	1,546.7	1,540.7	1,615.6	1,636.6	1,684.5
MANUFACTURING, TOTAL	230.1	247.2	245.9	247.0	250.0	246.8	253.1	252.3
NON-DURABLE MANUFACTURES	224.1	240.4	236.7	236.9	240.4	238.3	244.4	243.9
Foods and beverages	193.1	204.9	180.2	185.9	198.8	187.2	199.6	207.7
Foods	187.4	196.4	172.4	176.6	187.2	179.8	186.1	187.5
Meat products	192.3	193.4	194.8	190.6	190.8	201.1	216.6	205.6
Dairy products	196.0	202.2	186.2	193.1	218.0	184.3	203.7	214.9
Canning and processing	197.2	216.0	118.1	132.1	167.4	126.1	128.1	151.9
Grain mill products	189.3	207.3	201.2	202.0	196.1	214.8	216.6	204.6
Bakery products	151.7	155.7	146.7	148.5	153.7	151.0	152.2	154.9
Miscellaneous foods	201.9	212.0	192.2	198.3	202.5	207.0	205.5	199.4
Beverages	211.0	231.7	204.7	215.5	235.5	210.5	242.4	271.2
Carbonated beverages	186.2	221.0	155.1	190.1	229.1	179.6	213.9	263.7
Breweries	191.1	201.8	193.2	208.2	214.9	190.3	226.0	241.7
Distilleries	284.8	312.9	293.8	267.1	298.1	293.3	317.3	354.8
Tobacco and tobacco products	243.4	258.1	272.9	258.7	263.2	268.7	274.7	265.5
Rubber products	237.4	258.5	272.6	275.0	256.8	246.0	274.4	237.8
Leather products	135.2	137.9	150.8	143.0	136.8	138.4	135.5	124.6
Boots and shoes	134.3	139.9	156.4	147.5	138.9	148.1	143.1	127.0
Textiles	220.6	233.1	239.0	231.0	225.6	233.8	244.1	235.1
Cotton goods	149.7	140.8	155.6	134.9	122.7	149.8	167.7	147.1
Woollen goods	89.6	92.1	91.0	92.4	97.2	83.1	77.9	87.3
Synthetic textiles and silk	391.3	440.5	444.4	439.4	428.7	445.2	469.3	
Clothing	171.2	179.2	184.0	180.9	177.0	178.1	172.3	166.5
Paper products	198.3	216.1	219.1	213.5	221.0	215.8	218.5	221.0
Pulp and paper	192.8	210.2	217.1	209.0	216.2	212.0	213.7	214.0

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

Industry or industry group	Annual averages		Without seasonal adjustment					
			1966			1967		
	1965	1966	Mar.	Apr.	May	Mar.	Apr.	May
NON-DURABLE MANUFACTURES -								
Concluded:								
Printing, publishing and allied industries	223.3	239.7	243.7	246.3	260.7	250.4	259.6	261.2
Products of petroleum and coal	345.9	371.6	362.7	353.9	344.0	386.2	346.6	350.5
Petroleum products	375.5	404.5	394.3	384.1	372.6	421.8	376.5	379.9
Chemicals and allied products	344.7	377.5	384.0	398.0	392.9	391.4	408.7	409.1
Acids, alkalies, salts and fertilizers	469.0	516.3	531.0	560.0	562.1	564.8	562.7	603.1
Miscellaneous manufactures	407.3	448.8	424.5	430.5	434.2	448.4	452.1	452.9
DURABLE MANUFACTURES	237.2	255.2	256.7	258.8	261.3	256.9	263.3	262.0
Wood products	181.7	189.2	198.0	185.8	189.7	194.2	192.8	184.8
Saw and planing mills	182.8	187.3	202.7	185.4	190.5	197.2	195.2	183.6
Veneers and plywoods	403.8	428.1	466.1	455.9	436.0	444.1	483.4	452.7
Sawmills	177.1	183.7	201.3	178.8	189.0	199.2	191.9	178.2
Furniture	216.3	235.5	227.7	226.2	228.2	228.3	228.3	228.4
Iron and steel products	239.1	253.1	253.6	258.2	261.2	256.0	257.3	258.9
Machinery	248.1	275.4	267.8	268.7	270.5	278.8	280.5	282.4
Iron castings	218.9	213.0	200.2	225.4	240.7	247.8	245.7	234.1
Primary iron and steel	320.0	324.8	346.0	351.4	350.2	338.6	334.7	340.2
Sheet metal products	274.2	289.1	279.2	286.0	291.9	281.0	284.6	292.7
Transportation equipment	250.0	273.8	302.3	304.2	292.8	287.6	306.0	311.9
Aircraft and parts	319.3	423.6	400.4	403.6	405.0	503.4	497.3	490.7
Motor vehicles	347.6	372.3	445.7	450.0	422.0	402.9	454.5	471.8
Motor vehicle parts	317.2	345.6	353.8	350.5	347.1	322.3	324.8	327.2
Railway rolling stock	62.6	60.5	60.9	60.8	62.3	63.3	61.7	61.0
Shipbuilding and repairs	161.9	170.1	179.3	182.4	174.9	161.7	149.2	144.8
Non-ferrous metal products	186.9	195.7	197.6	200.4	199.0	202.6	206.6	206.0
Brass and copper products ...	162.7	181.2	186.3	186.0	183.4	174.5	171.7	166.2
Smelting and refining	188.9	191.9	196.3	200.1	198.9	204.2	212.0	212.1
Electrical apparatus and supplies	319.2	368.8	334.6	348.6	353.6	373.0	375.7	342.3
Heavy electrical machinery ..	241.6	272.0	260.8	264.5	265.2	272.2	271.9	247.3
Telecommunication equipment	895.1	1,051.6	828.8	903.8	945.3	963.3	1,001.6	896.7
Refrigerators and appliances	301.9	352.5	341.2	363.7	356.4	367.1	369.4	329.7
Non-metallic mineral products	286.9	296.3	256.1	262.3	307.6	226.8	252.2	286.3
Concrete products	858.0	878.6	710.9	727.0	950.4	557.4	674.4	848.7
Hydraulic cement	298.8	320.8	271.9	283.4	354.8	194.8	230.0	304.0
Domestic clay products	142.8	145.3	123.2	137.8	151.6	98.4	137.1	126.7
ELECTRIC POWER AND GAS UTILITIES	448.3	504.2	537.9	510.4	474.2	596.4	561.7	522.1
Electric power	408.8	464.2	477.5	452.9	447.0	523.8	496.7	488.8
Gas	800.6	861.1	1,076.5	1,022.8	725.8	1,243.6	1,140.9	

Real Domestic Product less Agriculture

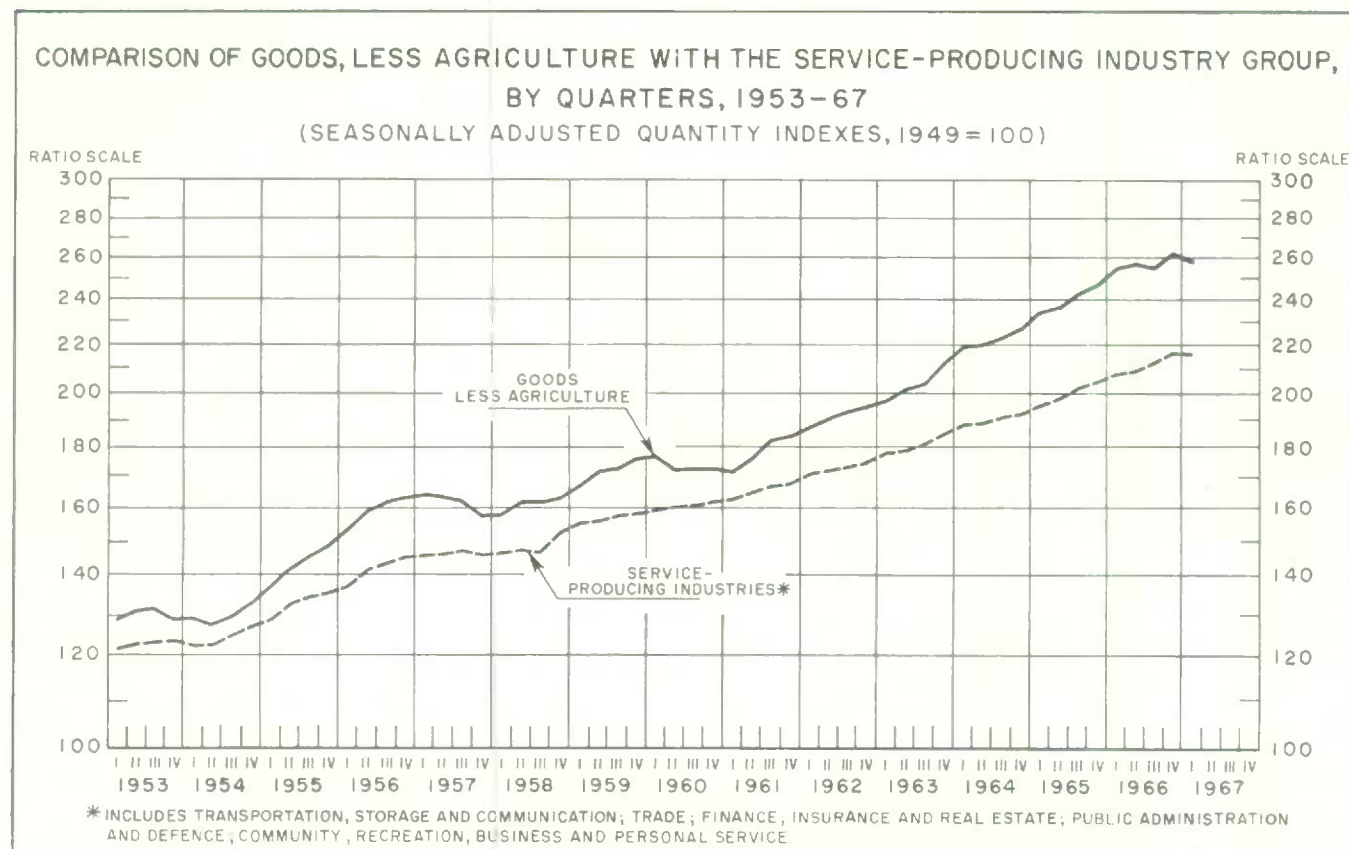
Note to Users

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 1967 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, 1967

Seasonally adjusted real domestic product less agriculture for the first quarter of 1967 decreased by 0.3 per cent(1) from the fourth quarter of 1966. This decline in non-agricultural real output is the first one recorded since the current expansion began, during the first quarter of 1961. It is in contrast to the quarter-to-quarter gains of 2.2 per cent, 1.0 per cent, 0.2 per cent, and 1.8 per cent which were realized during 1966.

Table A shows the percentage changes from the fourth quarter of last year and their effect on the decline in non-agricultural output, for the major industry groupings:

TABLE A.

	4th Qtr.'66 - 1st Qtr.'67	
	% △	Effect on G.D.P. less Agriculture
Real domestic product less agriculture	- 0.3	- 0.3
Forestry	10.3	0.2
Fishing and trapping	2.8	-
Mining	- 0.5	-
Manufacturing	- 1.6	- 0.5
Non-durable	- 0.7	- 0.1
Durable	- 2.5	- 0.4
Construction	- 1.3	- 0.1
Electric power and gas utilities	3.6	0.1
Other goods, n.e.c.	- 0.2	-
Transportation, storage and communication	-	-
Transportation	0.4	-
Trade	- 1.4	- 0.2
Wholesale	- 5.1	- 0.3
Retail	0.9	0.1
Finance, insurance and real estate	1.1	0.1
Public administration and defence	0.8	-
Community, recreation, business and personal service	0.3	-

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

(1) The inclusion, in the first quarter estimates, of preliminary data on agriculture, based on the usual first quarter assumptions, would fractionally further lower the real domestic product results. The alternative, but conceptually somewhat different, measurement of total production - Gross National Expenditure at market prices in constant dollars - showed a fractional increase for the same period (Catalogue No. 13-001, National Accounts Income and Expenditure, First Quarter, 1967).

Table B shows the percentage increases of the major industry groupings and their effect on the changes in total real output less agriculture, as measured from the cyclical low in the first quarter of 1961 to the first quarter of 1967 and each of the preceding three quarters:

TABLE B.

	IQ'61 - IIQ'66		IQ'61 - IIIQ'66		IQ'61 - IVQ'66		IQ'61 - IQ'67	
	% △	Effect on GDP less Agri- culture	% △	Effect on GDP less Agri- culture	% △	Effect on GDP less Agri- culture	% △	Effect on GDP less Agri- culture
Real domestic product								
less agriculture	39.5	39.5	39.8	39.8	42.4	42.4	41.9	41.9
Forestry	39.6	.7	30.7	.6	33.7	.6	47.5	.9
Fishing and trapping ..	- 8.2	-	- 0.4	-	- 7.5	-	- 4.9	-
Mining	47.7	2.8	43.5	2.5	51.1	3.0	50.3	2.9
Manufacturing	53.7	15.8	54.3	16.0	56.7	16.7	54.2	15.9
Non-durable	43.0	7.1	43.0	7.1	45.2	7.5	44.2	7.3
Durable	67.6	8.6	69.2	8.8	71.5	9.2	67.2	8.5
Construction	43.8	3.0	37.2	2.5	39.6	2.7	37.8	2.6
Electric power and gas								
utilities	63.8	2.1	67.5	2.3	71.1	2.4	77.2	2.6
Other goods, n.e.c. ...	19.3	.2	20.0	.2	19.7	.2	19.5	.2
Transportation, storage								
and communication ...	44.1	4.1	42.8	4.0	48.8	4.6	48.8	4.6
Transportation	47.6	3.2	45.4	3.1	51.7	3.6	52.3	3.6
Trade	30.9	4.7	33.6	5.1	35.3	5.3	33.4	5.1
Wholesale	43.7	2.3	46.0	2.4	48.7	2.5	41.1	2.1
Retail	24.1	2.4	27.2	2.7	28.3	2.8	29.4	2.9
Finance, insurance and								
real estate	27.8	3.0	29.9	3.2	31.8	3.4	33.3	3.5
Public administration								
and defence	6.5	.4	8.3	.5	9.2	.5	10.1	.6
Community, recreation,								
business and personal								
service	27.3	2.8	29.1	3.0	29.8	3.1	30.2	3.1

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

The decline in total non-agricultural output can be attributed to the goods-producing industries, which decreased by 0.6 per cent, in contrast to the service-producing industries, which were unchanged from their fourth quarter level (see chart on page 7). Within the goods-producing industries, a large downward movement in manufacturing was partially offset by advances in the forestry and the electric power and gas utilities industry groupings. Within the service-producing industries, a decline in total wholesale and retail trade was offset by an increase in the finance, insurance and real estate grouping, and smaller increases in the public administration and defence, and the community, recreation, business and personal service groupings.

Within the goods-producing industries, manufacturing fell by 1.6 per cent, with the 2.5 per cent decline in durables accounting for 76 per cent of the decrease. Sixty-five per cent of the decline in durables occurred in the transportation equipment group, which recorded a 7.2 per cent decrease as a result of sharp drops in the production of motor vehicles and motor vehicle parts. The declines in these two components can be contrasted to their effects over most of the current expansionary period, when they have been large contributors to the increases in total non-agricultural production. It should be noted that exclusion of these two components and the retail sales of motor vehicle dealers, from the fourth and first quarters estimates, would result in a 0.1 per cent increase in non-agricultural real output in the first quarter. Production and sales of motor vehicles also registered strong declines in the United States for the same time period. The electrical apparatus and supplies, non-metallic mineral products, and iron and steel products groups within durable manufacturing also recorded decreases, which, however, had a lesser effect than that of the transportation equipment group. Within the electrical apparatus and supplies group, most of the decline came from the telecommunication equipment and the heavy electrical machinery components. The remaining groups - wood products and non-ferrous metal products - showed increases of 0.7 and 1.9 per cent in the first quarter.

Manufacturing of non-durables fell by 0.7 per cent. Movements within non-durables were mixed, ranging from a 8.0 per cent decrease in textile products (over three-quarters of this decrease came from synthetic textiles and silk) to a 3.2 per cent increase in printing and publishing. Among the other non-durable manufacturing industry groups which showed contractions were, in descending order of change in weighted index points: clothing products, down 4.5 per cent; rubber products, down 8.0 per cent; petroleum products, down 2.2 per cent; and leather products, down 5.3 per cent. Other groups that expanded were chemicals, up 2.9 per cent and paper products, up 1.2 per cent. Fractional increases were recorded for foods and beverages, and tobacco products.

Construction, with a decrease of 1.3 per cent, also contributed to the decline in the goods-producing industries, but to a much lesser extent than manufacturing. Private residential construction fell by almost 10 per cent, reflecting a considerable decline in housing starts, a large drop in units completed, and a smaller decrease in units under construction in the first quarter. The decline in this type of construction began with a levelling-off in the second quarter of 1966, followed by a drop of 8.4 per cent in the third quarter and a further decrease of 4.2 per cent in the fourth quarter. A 1.3 per cent increase in the non-residential component of construction, however, offset much of the fall in the private residential component.

Mining showed only a fractional change from the last quarter of 1966. Within mining, however, there were large balancing movements. Metal mining rose by 4.5 per cent, while fuel mining showed a downward movement of 4.3 per cent, largely because of a sizeable decrease in crude petroleum mining. Non-metal mining went up by 3.8 per cent.

Partially offsetting the declines in the above goods-producing industries were the 10.3 per cent gain in forestry and the 3.6 per cent increase in electric power and gas utilities, both of which were of approximately equal importance. The gain in forestry was led by a 15.7 per cent advance in pulpwood production, which resulted mainly from an intensification of wintertime pulpwood cuttings in Quebec. The increase in electric power and gas utilities was largely due to an upward movement in the electric power component. The fishing and trapping industry rose by 2.8 per cent, but its contribution was only fractional.

In the services area, total retail and wholesale trade declined by 1.4 per cent. A sizeable drop in wholesale trade was partially offset by a 0.9 per cent increase in retail trade. Within wholesale trade, which decreased by 5.1 per cent, several of the components showed large declines. Industrial and transportation equipment and supplies, for example, fell by 13.0 per cent, and wholesale sales of construction materials and supplies, in line with the decline in sales of lumber and building materials by retailers, were down by 4.5 per cent. Sales of department stores, with an increase of 4.4 per cent, was one of the largest contributors to the increase in retail trade. The component with the largest negative contribution was motor vehicle dealers, which declined by 9.9 per cent. As noted above, production of motor vehicles also decreased by 9.9 per cent. Chain and independent grocery and combination stores, recorded increases in sales, of 4.5 per cent and 5.7 per cent, respectively.

Increases were recorded in three of the remaining service-producing industry groupings. The finance, insurance and real estate grouping had the largest increase (1.1 per cent), due mainly to rents. Public administration and defence rose by 0.8 per cent, largely as a result of the increase in the provincial administration component. The community, recreation, business and personal service grouping increased only fractionally in the first quarter of this year.

The transportation, storage and communication grouping remained unchanged from its 1966 fourth quarter level. Within this grouping a fractional increase in transportation was offset by a drop in storage and by a small decrease in communication. The 0.4 per cent increase in transportation was the result of advances of 11 per cent in air transport and stevedoring which were partially offset by decreases of 6.7 per cent in water transport and 1.3 per cent in pipelines. These increases in air transport and stevedoring reflected a recovery from the strike-affected fourth quarter, while the decline in water transport in large part represented a return to more normal levels following an unusually high fourth quarter which resulted from the late closing of the canal system on the St. Lawrence River. Only very small changes were shown in the other components of transportation.

[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							
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	201.3	264.9	264.1	137.5	233.6	177.3	213.6	237.5
2	204.8	250.8	254.0	139.6	227.4	180.2	217.0	240.5
3	205.3	249.4	257.8	137.6	228.4	177.8	216.4	241.3
4	207.6	266.2	259.1	136.9	241.5	181.8	217.3	239.3
1967 - 1	209.0	268.0	238.3	129.6	222.3	173.7	219.8	246.9
2								
3								
4								
	Without seasonal adjustment							
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	204.9	258.1	258.5	137.9	233.1	179.2	216.1	239.7
1967								
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	175.8	267.8	276.4	146.3	238.9	180.8	210.3	233.4
2	202.4	266.9	267.5	140.0	231.8	177.9	219.0	249.6
3	228.2	233.9	220.2	128.8	213.3	180.4	216.5	229.8
4	213.0	263.9	269.9	136.4	248.3	177.8	218.7	246.0
1967 - 1	182.3	271.5	250.4	138.0	227.7	176.1	216.8	242.8
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								
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	357.2	376.3	430.7	252.8	188.8	256.0	272.0	195.4
2	373.7	379.4	444.4	253.2	191.8	252.5	265.8	197.6
3	371.1	376.0	455.2	255.6	188.8	251.7	275.5	191.5
4	384.3	378.1	463.3	259.1	187.1	252.4	281.6	197.6
1967 - 1	375.7	389.2	463.1	252.6	188.4	251.4	261.3	201.3
2								
3								
4								
Without seasonal adjustment								
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	371.6	377.5	448.8	255.2	189.2	253.1	273.8	195.7
1967								
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	376.8	415.2	252.5	190.5	249.4	300.1	194.9
2	357.9	394.2	436.4	262.9	192.0	260.5	300.9	200.2
3	378.3	360.4	466.1	241.7	194.9	252.0	201.4	186.2
4	387.8	378.6	477.4	263.7	179.3	250.4	292.8	201.4
1967 - 1	385.0	389.1	446.3	252.3	190.1	246.2	285.9	199.6
2								
3								
4								

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									
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	197.4	218.9	192.3	187.5	254.7	208.5	232.9	206.2	271.4
2	192.4	221.3	194.4	189.7	258.0	209.7	235.0	209.4	274.3
3	197.1	224.9	197.6	192.4	256.3	212.3	235.2	212.9	274.6
4	198.8	228.2	199.3	193.4	261.2	215.9	239.7	214.9	280.3
1967 - 1	200.5	230.8	200.9	194.0	259.7	215.8	238.7	216.5	277.7
2									
3									
4									
Without seasonal adjustment									
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	239.4	200.5	221.0	198.6	254.9
1966	196.3	223.2	195.9	190.8	258.0	211.6	235.9	210.9	275.1
1967									
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	220.8	185.7	203.3	192.9	245.9
2	190.6	212.5	190.6	178.1	237.9	202.3	221.3	198.3	254.0
3	183.8	216.7	198.6	184.5	244.7	203.7	225.1	204.0	250.7
4	218.2	214.0	189.8	182.1	254.4	210.1	234.4	199.2	268.9
1966 - 1	172.6	214.9	185.7	182.6	243.2	197.7	221.1	201.9	270.7
2	194.7	222.5	194.4	189.8	261.3	212.5	238.3	209.6	278.1
3	191.6	228.4	206.2	197.1	259.8	214.5	237.8	218.3	266.7
4	226.4	227.1	197.5	193.6	267.5	221.7	246.5	213.7	284.8
1967 - 1	174.9	226.9	193.8	189.0	247.6	204.7	226.4	211.9	277.4
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, 1946-66

	Annual growth rate %		Annual growth rate %
Index of Industrial Production	5.70	Durable manufactures - Concluded	
Mining	8.91	Iron and steel products	4.96
Metals	6.90	Machinery	4.79
Gold	- 1.35*	Iron castings	4.41
Copper	4.88	Primary iron and steel	6.89
Iron ore	17.37*	Sheet metal products	6.05
Nickel	4.43	Transportation equipment	4.44
Non-metals	6.28	Aircraft and parts	7.19
Asbestos	4.71	Motor vehicles	6.58
Fuels	12.31	Motor vehicle parts	5.84
Coal	- 3.76	Railway rolling stock	- 3.10
Natural gas	17.90	Shipbuilding and repairs	0.55
Petroleum	20.37	Non-ferrous metal products	3.88
		Brass and copper products	2.54
Manufacturing	4.90	Smelting and refining	4.09
		Electrical apparatus and supplies	7.20
Non-durable manufactures	4.91	Heavy electrical machinery	5.17
Foods and beverages	3.95	Telecommunication equipment	13.04
Foods	3.62	Refrigerators and appliances	8.91
Meat products	3.13	Non-metallic mineral products	6.80
Dairy products	4.60	Concrete products	15.26
Canning and processing	3.69	Hydraulic cement	7.71
Grain mill products	3.12	Domestic clay products	2.22
Bakery products	2.45		
Miscellaneous foods	4.65	Electric power and gas utilities	9.60
Beverages	5.00	Electric power	9.04
Carbonated beverages	5.65	Gas utilities	13.36
Breweries	4.35	Agriculture	1.73
Distilleries	5.75	Forestry	1.82
Tobacco and tobacco products	6.04	Fishing and trapping	1.80
Rubber products	4.41	Construction	5.11
Leather products	1.67	Transportation, storage and communication	4.77
Boots and shoes	1.97	Transportation	4.24
Textiles	4.45	Storage	5.43
Cotton goods	1.85	Trade	4.09
Wool goods	- 0.96	Wholesale	4.52
Synthetic textiles and silk	8.50	Retail	3.85
Clothing	3.11		
Paper products	4.25	Finance, insurance and real estate	4.94
Pulp and paper	4.08	Public administration and defence	3.80
Printing and publishing and allied industries	5.33	Community, recreation, business and personal service	3.70
Products of petroleum and coal	8.41	Goods	4.66
Petroleum products	9.00	Goods less agriculture	5.33
Chemicals and allied products	7.65	Service-producing industries	4.26
Acids, alkalies, salts and fertilizers	9.80	Real Domestic Product, less agriculture	4.79
Miscellaneous manufactures	9.03	Real Domestic Product	4.48
Durable manufactures	4.90		
Wood products	3.45		
Saw and planing mills	3.53		
Veneers and plywoods	8.25		
Saw mills	3.15		
Furniture	4.45		

* 1949-66.