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Balance of Payments: Canada's current account deficit was substantially reduced in the first half of 1968, compared with the same period of 1967, due to transactions with the United States. Continuing large shipments of automotive products and the strong upward course of economic activity in that country, stimulated in part by the accumulation of inventory in anticipation of a strike in the steel industry, led to a surge of Canadian exports. (page 2)

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National Accounts: An increase of 2.3% in the second quarter carried GNP to a level of \$66.4 billion, seasonally adjusted at annual rates. With prices continuing to rise, by about 1%, the gain in real terms was reduced to 1.3%. (page 6)

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Manufacturing: With the release of July values, the benchmarks from which the series of shipments, inventories and orders estimates are projected have been changed from the census of 1964 to that of 1965 with resulting revisions in all monthly values from January 1965 to date. Steel ingot production during the week ended September 28 totalled 201,436 tons, a 2.2% decrease from the preceding week's total of 206,144 tons. (page 14)

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Hospital: There were 1,277 general and allied special hospitals in operation in Canada in 1967, an increase of 4 from 1966. Over the same period rated bed capacity rose by 3.0% to 141,000 and adult and child patient-days rose by 2.5% to 36,790,300. (page 15)

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Transportation: Revenue freight carloadings during the seven days ended September 14 decreased 1.4% to 76,024 from the previous year, and during the cumulative period dropped 2.7% to 2,617,273 from the corresponding 1967 total. (page 15)

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Prices: Canada's general wholesale index (1935-39=100) moved up 0.2% in August to 269.7 from the July index of 269.2, and was 1.9% higher than the August 1967 index of 264.8. (page 16)

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Hotels: Estimated receipts of hotels in Canada with more than 50 rooms were a fraction of 1% (0.3%) lower in the first six months of 1968 than during the same period in the previous year. (page 17)

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Mining: July gold production at 212,121 troy ounces was down from the 1967 total of 239,280 troy ounces with decreased production reported in all regions except British Columbia and the Yukon. (page 18)

1. Quarterly Estimates of the Canadian Balance of
International Payments
Second Quarter 1968

Canada's current account deficit was substantially reduced in the first half of 1968, as compared with the same period of 1967, due to transactions with the United States. Continuing large shipments of automotive products and the strong upward course of economic activity in that country, stimulated in part by the accumulation of inventory in anticipation of a strike in the steel industry, led to a surge of Canadian exports. Restoration of stability and confidence in the exchange market following the uncertainties in the earlier months of 1968 led to a massive shift from outflows of capital in the first quarter to inflows in the second. This quarter saw the recovery of most of the large losses of official monetary assets which had occurred under the pressures of the preceding period.

	Summary Statement						
	1967	1967				1968	
		IQ	IIQ	IIIQ	IVQ	IQ	IIQ
		millions of dollars					
Merchandise exports	11,387	2,609	3,018	2,703	3,057	3,019	3,541
Merchandise imports	10,906	2,511	3,012	2,617	2,766	2,783	3,179
Merchandise trade balance .	+ 481	+ 98	+ 6	+ 86	+ 291	+ 236	+ 362
Balance on non-merchandise transactions	-1,024	- 432	- 286	+ 116	- 422	- 475	- 359
Current account balance ...	- 543	- 334	- 280	+ 202	- 131	- 239	+ 3
Capital movements in long-term forms	+1,339	+ 277	+ 256	+ 301	+ 505	+ 95	+ 697
Capital movements in short-term forms	- 778	+ 44	- 30	- 447	- 345	- 621	- 80
Net capital movement(1) ...	+ 561	+ 321	+ 226	- 146	+ 160	- 526	+ 617
Official monetary movements(2)	+ 18	- 13	- 54	+ 56	+ 29	- 765	+ 620

(1) Excluding items in final line.

(2) Change in holdings of monetary gold, foreign exchange and net balance with the International Monetary Fund, less reciprocal swap facility with Federal Reserve System.

Current Transactions Canada's current account deficit narrowed more than 60% from \$614 million in the first six months of 1967 to \$236 million in the same period of 1968. Total exports of goods and services advanced 12% from \$7,198 million to \$8,058 million, while total current payments rose 6% from \$7,812 million to \$8,294 million. Following the usual practise, the estimates for earlier periods have been revised.

The entire improvement in the current account balance in the first half year was attributable to a substantial expansion in the merchandise trade surplus from \$104 million in the first six months of 1967 to \$598 million. The deficit on non-merchandise transactions, however, increased 16% from \$718 million to \$834 million. Almost the whole amount of the improvement in the current account deficit originated from Canada's transactions with the United States. The current account surplus rose with the Sterling Area, on account largely of reduced official contributions in 1968, but narrowed with the remaining countries, in particular those outside the other OECD countries in Europe.

The improvement in Canada's performance in merchandise trade was maintained in the second quarter of 1968 with an over-the-year gain in exports of \$523 million to \$3,541 million, following a rise of \$410 million in the first quarter. Merchandise exports, thus increased \$933 million, or over 16%, from \$5,627 million to \$6,560 million in the first half of 1968. Smaller increases of \$272 million and \$167 million, totalling \$439 million or 8%, occurred in merchandise imports from \$5,523 million to \$5,962 million. Increases of about \$400 million each occurred on both sides of Canada's international trade in automotive products. This important group of commodities accounted for well over 40% of the merchandise export gain and a preponderant portion of the smaller rise in imports. Other significant increases in exports of about \$100 million occurred in copper ores and alloys and of a slightly larger magnitude in the group including iron ores, steel alloys, plates, etc. Shipments of crude petroleum and natural gas rose about \$50 million, as did lumber and also aircraft, engines and parts together. Exports of pulp and nickel were each higher by more than \$30 million. Smaller but important increases took place in the shipments abroad of a variety of other commodities including whisky, newsprint, aluminum, asbestos, sulphur, fertilizers, and communication equipment.

The value of clearances of wheat to overseas markets fell about \$90 million on account of reduced shipments to the U.S.S.R. and Japan among other countries and also due to lower donations in 1968 to countries such as India. Shipments of wheat to Mainland China were however almost \$20 million larger. Exports of agricultural machinery were down more moderately as were those of navigation equipment.

Apart from the substantial increase in the imports of automotive products, the arrival of a considerable number of civilian jet aircraft during the first six months of 1968 contributed some \$60 million to the import rise over the same period of 1967, although the effect on the balance of payments was smaller due to earlier progress payments. Increases of about \$40 million were recorded in the imports of crude petroleum and fuel oil and also in copper ores and scrap brought in from the United States for processing, together with moderately higher imports of nickel from overseas countries. Small increases occurred in imports of a variety of commodities including clothing, precious metals, air-conditioning and laboratory equipment. Imports of agricultural machinery and tractors, however, declined well over \$40 million, and those of iron and steel materials were down roughly \$30 million. Imports of a number of other commodities, including glass, metal working machinery and parts and electronic computers, declined moderately.

With about a 5% contraction in non-merchandise receipts from \$1,571 million to \$1,498 million combined with a 2% increase in these payments from \$2,289 million to \$2,332 million, the non-merchandise deficit expanded \$116 million or 16% from \$718 million in the first half of 1967 to \$834 million in the six months of 1968. The decline in receipts was attributable largely to travel receipts which were swollen in the second quarter of 1967 with the opening of Expo 67, augmented by expenditures in Canada by foreign participants at the exposition. Other non-merchandise receipts increased between the two periods under comparison as did also individual "invisible" payments, with the exception of official contributions, which receded from the high level of 1967. Inheritances and emigrants' funds remained unchanged.

While travel payments in the second quarter of 1968 at \$243 million recovered to about the level of pre-Expo year 1966, Canada's international travel receipts stood at \$235 million in an extension of the normal growth rate between the second quarters of recent years. The travel deficit of \$8 million for the second quarter

was accordingly the smallest since 1950, excluding the Expo year. For the six months of 1968 travel receipts totalled \$314 million, down \$114 million or 27% from \$428 million in the first half of 1967, but 22% higher than \$257 million for the same period of 1966. Canadian expenditures abroad for travel stood at \$452 million in the 6 months of 1968, as compared with \$439 million and \$430 million in the first halves of 1967 and 1966, respectively.

Net interest and dividend payments in the first six months of 1968 rose to \$460 million from \$398 million in the corresponding period of 1967, with more than 70% of the expansion occurring in the first quarter. This net increase of \$62 million was accounted for by a rise of \$86 million in payments of interest and dividends to \$607 million, which was to some extent offset by higher income receipts of \$24 million to \$147 million. Increased profits of unincorporated branches of foreign companies together with an expansion in payments by Canadian subsidiaries to United States companies were chiefly responsible for an increase of \$55 million in the dividend payments to \$341 million in the first half of 1968. Interest payments increased by \$31 million to \$266 million following large United States purchases in 1967 of the new bond issues of provincial governments and corporations.

Along with the continuing expansion in the volume of external trade, Canada's transactions in freight and shipping with foreign countries increased to record levels for the first half year in 1968. With a 10% gain in the receipts from \$397 million to \$436 million, offset by a rise of 6% in the payments from \$419 million to \$445 million, the freight and shipping deficit narrowed from \$22 million to \$9 million. The surplus on account of migrants' funds and inheritances increased slightly to \$70 million, reflecting a \$3 million gain in the receipts to \$159 million but no change to payments at \$89 million. Official contributions fell \$79 million to \$53 million from the unusually high level of the first half of 1967. Most of the decline took place in Canada's bilateral food aid, encompassing much larger donations of wheat to India in the second quarter of 1967. The deficit on other current transactions widened about 8% from \$282 million to \$306 million, with other government transactions and business services accounting for most of this change.

Transactions with the United States accounted for almost the entire improvement in Canada's current account balance. Total receipts for exports of goods and services gained \$838 million, or roughly 18% to \$5,367 million in the first half of 1968. Total current payments to the United States at the same time rose \$468 million, or 8% to \$6,099 million. The current account deficit therefore contracted from \$1,102 million to \$732 million, or by \$370 million. The reduction in the merchandise trade deficit exceeded this overall improvement in the current account balance, but was offset to the extent of a third from the widening deficit in the service transactions. Merchandise exports advanced 25% to \$4,415 million, while merchandise imports increased about 8% to \$4,451 million, cutting the merchandise trade deficit from \$580 million to \$36 million between the first half-years 1967 and 1968. A 5% decline in non-merchandise receipts from \$1,003 million to \$952 million combined with an 8% rise in these payments from \$1,525 million to \$1,648 million caused Canada's "invisible" deficit with the United States to widen by a third from \$522 million to \$696 million. Travel transactions accounted for \$111 million or about 64% of the deterioration. The addition to net payments of interest and dividends accounted for another 40% of the enlargement in the non-merchandise deficit. The changes in the balances of the other items in this group were fairly small and contributed to a moderate net reduction in the deficit.

Canada's current account surplus with the United Kingdom rose \$8 million to \$241 million in the first half year 1968. Total exports of goods and services increased \$11 million to \$792 million, while the rise in total current payments was even smaller - from \$548 million to \$551 million. The slight gain in the current account surplus originated from an 8% increase in the merchandise surplus from \$253 million to \$274 million, reduced by a widening of \$13 million in the non-merchandise deficit to \$33 million. In transactions with other countries, a reduction of \$71 million in the merchandise trade surplus and an identical reduction in the non-merchandise deficit had the effect of maintaining the current account surplus at \$255 million in the first halves of 1967 and 1968.

Capital Movements The swing of \$1,143 million in capital movements between the first two quarters of 1968 reflected outflows of \$526 million in the first quarter which were more than offset by a \$617 million inflow in the second quarter. The increase in long-term inflows contributed \$602 million to this change while the fall in short-term outflows accounted for \$541 million. The second quarter current account balance was again relatively strong and resulted in a surplus of \$3 million so that the balance of current and capital account transactions produced a net increase of \$620 million in official monetary assets.

	Capital Movements						
	1967	1967				1968	
		IQ	IIQ	IIIQ	IVQ	IQ	IIQ
	millions of dollars						
Foreign direct investment							
in Canada	+ 620	+ 138	+ 164	+ 143	+ 175	+ 5	+ 190
Canadian direct investment							
abroad	- 90	- 30	- 7	- 25	- 28	- 85	+ 15
Net sales of Canadian securities	+ 918	+ 196	+ 121	+ 246	+ 355	+ 244	+ 615
Net purchases of foreign securities	- 418	- 74	- 70	- 142	- 132	- 69	- 119
Other capital movements in long-term forms	+ 309	+ 47	+ 48	+ 79	+ 135	-	- 4
Bank balances and other short-term funds abroad (excluding official reserves)	- 286	+ 332	+ 44	- 311	- 351	- 126	+ 49
Other capital movements in short-term forms	- 492	- 288	- 74	- 136	+ 6	- 495	- 129
Net capital movements	+ 561	+ 321	+ 226	- 146	+ 160	- 526	+ 617

In addition to substantial inflows from the sale of new Canadian issues those for direct investment in Canada contributed significantly to the net import of long-term capital in the second quarter. The main outflows arose from retirements of Canadian securities held abroad and Canadian net purchases of foreign securities. Capital movements in short-term forms led to a net outflow of \$80 million, some \$541 million less than in the first quarter. A reduction of Canadian holdings of foreign currency bank deposits and other short-term funds abroad resulted in a significant net capital inflow while reductions in non-resident holdings of Canadian money market instruments, mainly Canadian finance company paper, occasioned a somewhat smaller net outflow. The principal net outflow was, however, recorded in the category "all other transactions" which includes changes in loans and accounts receivable and payable.

The net capital inflow for direct investment in foreign-controlled enterprises at \$190 million in the second quarter was up sharply from the unusually low level of \$5 million in the first quarter when some recourse was probably made to temporary financing from domestic sources. An inflow of \$15 million resulted from the net disinvestment of Canadian direct investment abroad, a swing of \$100 million from the record \$85 million net outflow of the previous quarter.

Transactions in portfolio securities between Canada and other countries during the second quarter of 1968 gave rise to a net inflow of \$496 million, an increase to over two and a half times the \$175 million inflow for the first quarter. A net increase in non-resident holdings of Canadian issues led to a \$615 million inflow compared with \$244 million for the first quarter. Net purchases of foreign securities moved up over 70% to a \$119 million outflow in the second quarter from a \$69 million outflow for the first quarter. Sales of Canadian new issues rose sharply from \$408 million to \$711 million largely on the strength of increased borrowing from European sources, a departure from the practice since World War II of deriving international capital financing of new issues almost entirely from the United States. This new source of borrowing has increased from about \$20 million in the fourth quarter of 1967 to over \$60 million in the first quarter of 1968 and almost \$300 million in the second quarter when Government of Canada issues were prominent. During this quarter non-residents purchased \$225 million (expressed in Canadian funds) of Government of Canada new issues. There were placements by the Government of new issues in Germany, Italy and the United States -- the first new issues placed abroad by the Canadian Government for more than five years. New corporation bond issues more than doubled to \$231 million while new issues of provincial governments moved down to \$180 million from \$240 million. Trade in outstanding Canadian securities produced a net inflow of \$23 million, a swing of over \$60 million from the first quarter outflow of \$38 million. While there were net repatriations of \$11 million of Canadian bonds and debentures these were more than offset by the \$34 million net sales of Canadian equities. Second quarter retirements of Canadian securities held by non-residents remained at approximately the same level of \$119 million compared with \$126 million in the previous quarter. The net outflow for purchases of foreign securities rose to \$119 million from \$69 million in the first quarter when there were large liquidations of the Government of Canada's holdings of bonds of the International Bank for Reconstruction and Development.

Intergovernmental loan disbursements by the Canadian government, all under the development loan program, totalled \$8 million in the second quarter of 1968. A small net capital outflow arose from the financing of exports directly or indirectly at the risk of the Government of Canada but all other transactions in long-term forms led to a net inflow of \$3 million.

The net outward flow of capital in short-term forms fell sharply to \$80 million in the second quarter of 1968 from the first quarter's extraordinarily high level of \$621 million. Non-resident holdings of Canadian dollars fell by \$4 million in this quarter. On balance Canadian holdings of bank balances and other short-term funds abroad (excluding official reserves), which had risen by \$788 million in the previous nine months, dropped by \$49 million in the quarter. Holdings of swapped deposits which had been officially discouraged late in the first quarter, fell steadily throughout most of the quarter from about \$750 million at the beginning of April to \$350 million.

International transactions in Canadian finance company paper (including that of the financing subsidiaries of manufacturing and retail enterprises) and other short-

term obligations led in the second quarter to net outflows of \$38 million and \$6 million respectively. Net sales of Canadian commercial short-term paper (including notes of banks, mortgage loan companies and provincial and municipal governments) produced a \$17 million inflow. All other transactions led to a net capital outflow of \$64 million. Reduction in intercompany accounts payable and other short-term liabilities contributed significantly to this flow.

On June 30, Canada's official holdings of gold and United States dollars were U.S. \$2,574 million, an increase of U.S. \$300 million in the quarter. In addition the restoration of Canada's net asset position in the International Monetary Fund and the partial liquidation of the liability to the Federal Reserve System involved amounts of US \$121 million and US \$125 million respectively. The quarterly change expressed in Canadian dollars showed an increase in official holdings of gold and foreign exchange (including working balances of sterling) of \$355 million. The increase in the I.M.F. balance amounted to \$130 million while the reduction of the assistance received under the reciprocal currency facility with the Federal Reserve System resulted in a payment of \$135 million. In total these transactions reflect a \$620 million increase in Canada's official monetary assets.

NATIONAL ACCOUNTS

2. Gross National Product in the Second Quarter, 1968 An increase of 2.3 per cent in the second quarter carried GNP to a level of \$66.4 billion, seasonally adjusted at annual rates. With prices continuing to rise, by about 1 per cent, the gain in real terms was reduced to 1.3 per cent.

Although smaller than the first quarter gain of 3 per cent ⁽¹⁾, the present advance is again well above the average quarterly rate of growth in 1967, when the Canadian economy went through a period of readjustment. Manufacturing activity which was slowed down in the first quarter by strikes, notably in the automotive industry, was an important factor in the second quarter expansion. GNP, excluding accrued net farm income which showed substantial swings in the two quarters, increased in the second quarter at a somewhat faster rate than in the first (2.8 versus 2.5 per cent).

Total demand (GNP plus imports) increased in the quarter by about 2 per cent. Exports remained a dominant element of the increase in total demand, accounting for nearly 40 per cent of the change. Imports increased only fractionally from the very high levels reached in the preceding period; thus the increase in final domestic demand was met almost entirely from domestic supply sources. Investment outlays particularly in housing played an important role in sustaining demand this quarter, contributing about a third of the increase. Among the widespread increases in the income flows there were sizable gains in labour income and in corporation profits.

The increase in exports was particularly notable; important gains were made in automotive products, iron ore and steel products. This exceptional performance was largely due to the continued expansion in economic activity coupled with inventory accumulation in the U.S. during the first half of the year. The fractional increase in imports resulted from a slight decline in merchandise imports being more than offset by increases in service payments (largely interest and dividends). The net effects of external transactions this quarter were improved balances in both merchandise and non-merchandise accounts, and a swing from an overall deficit of \$312 million (on a National Accounts basis) to a surplus of \$236 million seasonally adjusted at annual rates. This was the first current account surplus in almost 16 years.

Business gross fixed capital formation made further sizable gains. However, there was a reversal in the movements of individual components this quarter, with construction accounting for all of the increase while investment in machinery and equipment declined somewhat. The increase in resident construction, at an exceptional rate of 21 per cent, reflected the high level of starts in the first months of the year. Non-residential construction also advanced by 5 per cent. This second consecutive gain in business gross fixed capital formation, after declines throughout 1967, coincided with an upward revision of business investment intentions for the whole year as indicated by the mid-year survey of business intentions. Personal and government expenditures on goods and services continued to increase, recording advances of 1 and 2 per cent respectively. The moderate gain in consumer expenditure followed a large increase of 2 1/2 per cent in the first quarter.

Turning to the income side, the more notable gains occurred in corporation profits before taxes, 7 per cent, and in labour income, 3 per cent. There were also significant increases in the net income of unincorporated business, and in rent, interest and miscellaneous income.

Net corporation profits before taxes paced the advance on the income side, reaching a level 4 per cent above the previous peak achieved in the first quarter of 1966 and nearly 17 per cent above the subsequent trough in the first quarter of 1967. Gross profits, which include capital cost allowances, also increased sharply, by 5 1/2 per cent.

The progress of the Canadian economy so far this year is also evident if viewed in a semi-annual perspective. The upturn in business investment and in external trade in the first half of 1968 was especially notable. Outlays on plant and equipment increased by a little more than 10 per cent at annual rates over the last two quarters of 1967, exports and imports by over 20 per cent. There was also a marked acceleration in wages and salaries, personal disposable income and gross profits. The overall increase in Gross National Product was close to 10 per cent.

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- (1) As a result of the August forecast, the value of the grain crop has been revised upwards from the April estimate based on acreage intentions and ten-year average yields. Gross National Product for the first quarter has accordingly been increased by \$128 million to reflect this revision.

Price Movements In the second quarter, prices rose by 0.9 per cent, the same rate as in the preceding quarter. Both consumer expenditure and business gross fixed capital formation prices increased by 1 per cent, while export and import prices registered lower rates of advance. The table below gives details of price changes for the major components of gross national expenditure.

Within personal expenditure the dominant influence was exerted by services which rose by 1.3 per cent. Rent, rising 0.9 per cent, continued its steady upward trend; the index was 4.4 per cent higher than a year ago. The advance of 7.0 per cent in domestic air fares, the first since mid-1965, accounted for a significant part in the 2.4 per cent rise in the index of purchased transportation. The price of dental care rose a strong 7.7 per cent, while doctors' fees and costs of hospital care increased moderately.

Non-durable goods prices advanced 0.8 per cent compared with a rise of 1.8 per cent in the first quarter. Moderate price declines were shown for auto parts and accessories, drugs and food. The fractional decline in the seasonally adjusted price of food was due to virtually offsetting movements, with rises in the prices of dairy products, pork and fresh fruits and declines in the prices of beef, fresh vegetables, bakery products, and fats and oils. Prices of tobacco products and gasoline showed increases of 4.6 per cent and 3.1 per cent respectively and largely reflected higher taxes on these commodities.

The prices of durable goods rose 0.5 per cent as compared with a decline of 0.4 per cent in the previous quarter. New automobiles and home furnishings, with increases of 0.5 per cent and 1.3 per cent respectively, were mainly responsible for the rise.

Business gross fixed capital formation prices advanced at a slightly lower rate than in the first quarter, the result of a slight decline in the machinery and equipment index after a 1.2 per cent increase in the previous quarter. Seasonally adjusted labour and material costs in construction rose at higher rates, 3.3 and 0.9 per cent respectively.

Merchandise export prices rose on balance, fractionally. Increases occurred in lumber, aluminum, wheat, motor vehicles and auto parts, while newsprint, wood pulp and copper all showed price declines.

Selected Base Weighted Price Indexes
Seasonally Adjusted
Percentage Change from Previous Quarters

	1966			1967				1968	
	II	III	IV	I	II	III	IV	I	II
Personal expenditure	1.0	0.6	0.9	0.4	1.3	1.3	0.7	1.2	1.0
Non-durable goods	1.1	0.5	0.5	-0.1	0.8	1.2	0.4	1.8	0.8
Durable goods	0.8	-0.3	1.2	-0.2	1.4	1.0	1.1	-0.4	0.5
Total goods	1.1	0.4	0.6	-	0.8	1.2	0.5	1.3	0.8
of which: food	1.2	0.7	-0.2	-0.9	-0.6	2.0	0.8	1.4	-0.1
non-food	0.9	0.2	1.1	0.4	1.6	0.7	0.4	1.3	1.1
non-food non-durables	1.1	0.4	1.1	0.6	1.8	0.6	-	2.1	1.5
Services, excluding net expenditures abroad ...	1.1	1.0	1.2	1.3	2.1	1.5	0.8	0.9	1.3
Business gross fixed capital formation	1.2	1.2	1.0	1.2	-0.8	-0.2	1.0	1.1	1.0
Residential construction	1.5	2.1	2.2	0.9	2.1	1.0	2.5	1.3	1.8
Non-residential construction	1.5	1.4	1.3	1.5	1.2	0.7	1.1	0.9	1.7
Machinery and equipment	0.7	0.8	0.2	1.0	-3.8	-1.6	0.1	1.2	-0.2
Exports	0.5	1.6	0.6	0.4	-	0.1	0.6	1.2	0.5
of which: merchandise	0.5	1.6	0.4	0.2	-0.4	-0.3	0.4	1.2	0.1
Gross National Expenditure (excluding inventories)	1.2	1.2	1.0	1.3	0.5	1.0	0.7	0.9	1.0
G.N.E. (implicit price)	1.1	1.3	0.7	1.3	0.6	1.0	0.5	0.9	0.9

A. National Income and Gross National Product, by Quarters, 1967 and 1968 Seasonally Adjusted at Annual Rates
(millions of dollars)

	1967					1968				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Wages, salaries, and supplementary labour income	31,512	32,140	32,772	33,132	32,369	33,776	34,740			
2. Military pay and allowances..	740	580	592	704	704	700	648			
3. Corporation profits before taxes	4,796	4,900	5,148	5,236	5,020	5,232	5,596			
4. Deduct: Dividends paid to non-residents (1)	-640	-808	-852	-720	-755	-808	-960			
5. Rent, interest and miscellaneous investment income	4,012	4,360	4,444	4,540	4,339	4,572	4,692			
6. Accrued net income of farm operators from farm production (2)	1,996	1,856	1,488	1,452	1,598	1,812	1,548			
7. Net income of non-farm unincorporated business (3).	2,948	3,176	3,336	3,316	3,194	3,272	3,400			
8. Inventory valuation adjustment	-292	-268	-228	-376	-291	-292	-216			
9. NET NATIONAL INCOME AT FACTOR COST	45,072	46,036	46,800	47,284	46,298	48,264	49,448			
10. Indirect taxes less subsidies	8,792	8,688	8,624	8,716	8,705	9,240	9,280			
11. Capital consumption allowances and miscellaneous valuation adjustments	7,000	7,176	6,980	6,844	7,000	7,288	7,420			
12. Residual error of estimate ..	-28	172	-32	148	65	120	248			
13. GROSS NATIONAL PRODUCT AT MARKET PRICES	60,836	62,072	62,372	62,992	62,068	64,912	66,396			
14. (Gross national product at market prices excluding accrued net income of farm operators)	(58,840)	(60,216)	(60,884)	(61,540)	(60,370)	(63,100)	(64,848)			

(1) Includes the withholding tax applicable to this item.

(2) Includes an arbitrary smoothing of crop production and standard seasonal adjustments for withdrawals of grain from farm stocks and the change in livestock items. Because of the arbitrary elements, too precise an interpretation should not be given the seasonally adjusted figures of accrued net income of farm operators.

(3) Includes net income of independent professional practitioners.

B. Gross National Expenditure, by Quarters, 1967 and 1968 Seasonally Adjusted at Annual Rates
(millions of dollars)

	1967					1968				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Personal expenditure on consumer goods and services .	36,444	37,388	38,192	38,832	37,714	39,832	40,252			
2. Government expenditure on goods and services (1)	11,860	12,672	12,288	12,688	12,377	13,092	13,380			
3. Business gross fixed capital formation (2)	12,972	12,724	11,916	11,848	12,365	12,268	12,760			
4. New residential construction	1,920	2,348	2,532	2,548	2,337	2,436	2,948			
5. New non-residential construction	5,128	4,724	4,236	4,592	4,670	4,548	4,768			
6. New machinery and equipment..	5,924	5,652	5,148	4,708	5,358	5,284	5,044			
7. Value of physical change in inventories	152	148	680	-80	225	148	12			
8. Non-farm business inventories	176	203	684	-312	189	-12	60			
9. Farm inventories and grain in commercial channels (3).	-24	-60	-4	232	36	160	-48			
10. Exports of goods and services(4)	14,468	15,004	14,252	14,708	14,608	16,184	16,780			
11. Deduct: Imports of goods(4) and services	-15,088	-15,692	-14,988	-14,860	-15,157	-16,496	-16,544			
12. Residual error of estimate ...	28	-172	32	-144	-64	-116	-244			
13. GROSS NATIONAL EXPENDITURE AT MARKET PRICES	60,836	62,072	62,372	62,992	62,068	64,912	66,396			

Detail of Farm Inventories and GICC:

Value of grain crop production	1,212	1,212	1,212	1,216	1,213	1,436	1,440
Depletions of farm stocks of grain	-1,280	-1,476	-1,460	-1,156	-1,343	-1,440	-1,192
Change in livestock inventories	8	72	-60	4	6	-20	-124
Grain in commercial channels	36	132	304	168	160	184	-172

(1) Includes outlays on new durable assets such as building and highway construction by governments, other than government business enterprises. Includes net purchases of government commodity agencies, and also defence expenditures.

(2) Includes capital expenditures by private and government business enterprises, private non-commercial institutions, and outlays on new residential construction by individuals and business investors.

(3) In the seasonally adjusted series, the value of grain production in each quarter is taken as one-fourth of the estimated value of crop production for the year as a whole. All other items in the farm inventories series are seasonally adjusted by standard techniques.

(4) The Balance of Payments Division revised data for 1966 and 1967 in the second quarter of 1968. Revised figures are shown in "Quarterly Estimates of the Canadian Balance of International Payments", DBS 67-001, starting with their report for the second quarter. These revisions have not been incorporated in the National Accounts. They will be shown on a separate note in the publication of the second quarter of the National Accounts DBS 13001.

C. Gross National Expenditure in Constant (1957) Dollars, by Quarters, 1967 and 1968 (1)
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1967					1968				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Personal expenditure on consumer goods and services ...	30,788	31,224	31,508	31,788	31,327	32,292	32,304			
2. Non-durable goods	15,284	15,708	15,896	15,944	15,708	16,044	15,024			
3. Durable goods	4,100	4,308	4,424	4,200	4,258	4,456	4,444			
4. Services	11,404	11,208	11,188	11,644	11,361	11,792	11,836			
5. Government expenditure on goods and services	8,312	8,932	8,460	8,720	8,606	8,812	8,980			
6. Business gross fixed capital formation	9,748	9,636	9,036	8,852	9,318	9,128	9,336			
7. New residential construction	1,348	1,608	1,720	1,688	1,591	1,596	1,896			
8. New non-residential construction	3,732	3,400	3,024	3,244	3,350	3,184	3,280			
9. New machinery and equipment	4,668	4,628	4,292	3,920	4,377	4,348	4,160			
10. Change in inventories	116	100	556	-76	174	188	64			
11. Non-farm business inventories	160	180	572	-254	162	-4	76			
12. Farm inventories and grain in commercial channels ...	-44	-80	-16	188	12	192	-12			
13. Exports of goods and services	12,396	12,796	12,148	12,528	12,467	13,624	14,112			
(of which merchandise)	(10,252)	(10,304)	(9,524)	(10,440)	(10,130)	(11,508)	(11,844)			
14. Deduct: Imports of goods and services	-12,832	-13,296	-12,720	-12,488	-12,834	-13,668	-13,660			
(of which merchandise)(2)....	(9,624)	(9,868)	(9,604)	(9,332)	(9,607)	(10,276)	(10,176)			
15. Residual error of estimate ..	24	-140	24	-112	-51	-88	-188			
16. GROSS NATIONAL EXPENDITURE IN CONSTANT (1957) DOLLARS .	48,552	49,252	49,012	49,212	49,007	50,288	50,948			

(1) The implicit price deflators of the seasonally unadjusted components of Gross National Expenditure, derived by dividing the value figures in current dollars by the constant dollar figures, are not suitable as indicators of quarter-to-quarter price change. This is because they are currently weighted and therefore are affected by compositional shifts which occur within the unadjusted components of Gross National Expenditure, on a quarter-to-quarter basis. Quarter-to-quarter comparisons based on seasonally adjusted data are less subject to the problem of shifting weights and may be used as a measure of price change.

(2) The statistical basis for deflating merchandise imports is subject to a significant margin of error.

3. Manufacturers' Shipments, Inventories and Orders With the release of July values, the benchmarks from which the series of shipments, inventories and orders estimates are projected have been changed from the census of 1964 to that of 1965 with resulting revisions in all monthly values from January 1965 to date. At the same time, some adjustments have been made to data for the years 1961 to 1964 to bring all series in line with the final published census data for those years. All revisions will be contained in the July issue of the Dominion Bureau of Statistics publication, "Inventories, Shipments and Orders in Manufacturing Industries". In addition to these adjustments, current estimates are strengthened by the inclusion of data from a considerably larger number of establishments than formerly and also by values that were reported too late for use in development of the original estimates.

Seasonally adjusted data and series grouped according to a new economic use classification, while not yet available, will be published in the July issue of the publication.

The following table shows estimated value of shipments, inventories and orders in all manufacturing industries.

	July 1968 Preliminary	June 1968 Revised	July 1967 Revised	Year 1967* Revised	Year 1966* Revised	Year 1965* Revised
	millions			of dollars		
Shipments	3,256.1	3,481.3	2,954.8	38,533.4	36,928.3	33,888.9
Inventory owned	6,583.4	6,634.9	6,661.6	6,725.1	6,576.7	6,005.1
Inventory held	7,080.9	7,122.2	7,213.4	7,158.4	7,002.9	6,300.7
Raw materials	2,693.3	2,678.9	2,744.3	2,821.8	2,806.3	2,627.1
Goods in process	1,886.3	1,913.0	1,945.7	1,878.5	1,841.5	1,590.0
Finished products ...	2,501.3	2,530.3	2,523.4	2,458.1	2,355.1	2,083.6
New orders	3,240.8	3,412.9	3,007.8	3,270.2	3,234.4	3,005.0
Unfilled orders	3,623.4	3,638.7	3,767.2	3,693.2	3,692.8	3,103.5

* Inventory and orders data in these columns are for December 31.

Value of Shipments of Own Manufacture by Province of Origin

	July 1968 Preliminary	June 1968 Revised	Jan.-July 1968 Preliminary	Jan.-July 1967 Revised	Year 1967 Revised	Year 1966 Revised
	millions			of dollars		
Nfld.	15.0	14.8	92.3	101.4	176.9	190.2
N.S.	57.0	52.7	367.7	340.8	606.8	598.3
N.B.	49.7	51.2	331.2	311.3	547.1	534.4
Que.	904.9	942.4	6,369.5	6,121.2	10,945.6	10,380.1
Ont.	1,670.4	1,825.6	12,061.2	11,454.9	19,997.6	19,272.8
Man.	95.9	97.6	632.9	615.7	1,052.2	1,012.3
Sask.	44.7	43.8	278.0	268.1	469.6	462.2
Alta	133.3	135.3	893.7	851.8	1,483.9	1,383.4
B.C.	281.0	313.2	2,003.9	1,836.3	3,201.9	3,044.9
CANADA(1) ...	3,256.1	3,481.3	23,057.1	21,930.0	38,533.4	36,928.3

(1) Includes Prince Edward Island, the Yukon and the Northwest Territories.

4. Steel Ingots Steel ingot production during the week ended September 28 totalled 201,436 tons, a 2.2% decrease from the preceding week's total of 206,144 tons. Output during the comparable week of 1967 was 196,615 tons. The index of production, based on the average weekly output during 1957-1959 of 96,108 equalling 100, was 210 in the current week, 214 a week earlier and 205 one year ago.
5. Canadian Clays Producers sales of products made from domestic clays were valued at \$5,135,068 in July compared to \$4,251,961 in the 1967 month. During the cumulative period sales were valued at \$25,892,323 in 1968 and \$22,609,339 in 1967.
6. Raw Hides, Skins and Finished Leather Stocks of raw hides and skins held by packers, dealers and tanners as of July 31 were as follows: cattle hides, 356,098 (354,783 as of July 31, 1967); calf and kip skins, 190,136 (202,737); sheep and lamb skins, 31,270 dozen (43,999); goat skins, 15,355 (10,397); horsehides, 7,438 (7,445); all other hides and skins, 1,981 (810).

HOSPITALS

7. Hospital Statistics Twenty-three tables comprising an historical compendium of basic hospital data for the 1962-1967 period and, in summary form, preliminary data on the services, facilities and finances of Canadian general and allied special hospitals for 1967 are included in the first of a series of publications on Hospital Statistics for the reporting year 1967.

There were 1,277 general and allied special hospitals in operation in Canada in 1967, an increase of 4 from 1966. Over the same period rated bed capacity rose by 3.0% to 141,000 and adult and child patient-days rose by 2.5% to 36,790,300 for an average daily patient load of 100,900 in 1967. Provincial hospital insurance plans paid for 95.4% of these patient-days (94.9% in 1966).

In public hospitals, average length of stay for adults and children dropped from 11.7 days in 1966 to 11.5 days in 1967 while paid hours of work per patient-day rose from 13.4 to 13.9 and total employment in public hospitals rose by 7.4% to in excess of 274,400 employees.

In 1967, revenue fund income in public hospitals reached \$1,415,523,000 or \$38.48 per patient-day (\$34.34 in 1966) while expenditures totalled \$1,480,489,000 or \$40.24 per patient-day (\$36.06 in 1966).

TRANSPORTATION

8. Carloadings Revenue freight carloadings during the seven days ended September 14 decreased 1.4% to 76,024 from the previous year, and during the cumulative period dropped 2.7% to 2,617,273 from the corresponding 1967 total. Piggyback loadings were down 2.1% to 3,833 during the seven days, and at 123,700 cars were down less than 1% from 1967 during the cumulative period. Receipts from both Canadian and United States rail connections rose 1.9% to 22,878 cars during the current period and during the year-to-date were down 1.4% to 865,795.

Commodities reflecting a decline in activity in the seven day period included "other" grain, 1,025 cars (2,326 in 1967); pulpwood, 3,035 (3,589); and newsprint paper, 1,783 (2,622). Those commodities needing more cars included coal, 2,683 (2,167) and aluminum ores and concentrates, 980 (64).

9. General Wholesale Index The general wholesale index (1935-39=100) moved up 0.2% in August to 269.7 from the July index of 269.2, and was 1.9% higher than the August 1967 index of 264.8. Five of the eight major group indexes increased, two decreased, while the remaining one, wood products was unchanged at 365.3.

The animal products group index rose 1.2% in August to 299.9 from the July index of 296.2 on price increases for livestock, fresh and cured meats, and eggs. An advance of 0.5% to 215.9 from 214.9 in the chemical products group index reflected higher prices for soaps and detergents. Increases of 0.2% or less occurred in the following major group indexes: textile products to 256.5 from 256.1, iron products to 277.2 from 276.7, and non-metallic minerals to 206.4 from 206.3.

The non-ferrous metal products group index moved down 0.6% in August to 245.3 from the July index of 246.8 in response to lower prices for silver. The vegetable products group index declined 0.2% to 229.4 from 229.9.

The July figures incorporate revisions due to the receipt of returns delayed by the postal strike at the time of the original publication of the July indexes and the preliminary release of the August indexes.

July to August Changes in the General Wholesale Price Index

Commodity group and sub-group	Percentage changes		
	Aug. 1968 July 1968	Aug. 1967 July 1967	Aug. 1968 Aug. 1967
Animal products group	+ 1.2	+ 0.5	+ 1.9
Eggs	+ 10.4	+ 19.5	+ 5.1
Meats, cured	+ 4.5	- 0.9	+ 1.3
Livestock	+ 2.2	+ 0.6	+ 3.8
Meats, fresh	+ 2.1	+ 0.5	+ 4.1
Fishery products	- 2.2	+ 1.8	+ 0.6
Chemical products group	+ 0.5	+ 1.0	+ 0.6
Soaps and detergents	+ 2.6	+ 5.1	+ 7.5
Non-ferrous metals group	- 0.6	+ 1.8	+ 2.2
Silver	- 5.6	+ 34.2	+ 24.6
Tin	- 0.5	- 1.8	- 7.2

10. Industry Selling Price Indexes In 34 manufacturing industries, industry selling price indexes (1956=100) were higher in August, 4 more than the 30 increases recorded in the June-July period. Industry indexes which moved down numbered 13 in August, 5 less than in July. Of the 102 industry indexes, 55 were unchanged whereas in the previous month 54 remained the same.

The average of the 102 industry indexes in August was 117.8 up slightly from the July average of 117.6. The median was unchanged at 117.4.

The following table summarizes July-August price movements by major industry group:

Major industry group	Total industries		Increases		Decreases		Un-	
	No.	No.	Aver-	Med-	Aver-	Med-	changed	
			age	ian	age	ian	No.	
			%	%	No.	%	%	
All industries	102	34	0.8	0.4	13	-0.5	-0.2	55
Foods and beverages	20	8	1.1	0.6	2	-0.9	(1)	10
Tobacco and tobacco products ..	1	-	-	-	-	-	-	1
Rubber products	1	1	0.3	(1)	-	-	-	-
Leather products	4	2	1.0	(1)	-	-	-	2
Textile mills	10	2	0.8	(1)	-	-	-	8
Clothing and knitting mills ...	4	1	0.5	(1)	-	-	-	3
Wood products	7	6	0.9	0.7	-	-	-	1
Paper products	5	2	0.3	(1)	1	-0.2	(1)	2
Iron and steel products	9	4	0.2	0.2	-	-	-	5
Transportation equipment	3	-	-	-	-	-	-	3
Non-ferrous metal products	5	1	0.1	(1)	3	-0.9	-0.5	1
Electrical apparatus and supplies	5	3	0.2	0.2	1	-0.1	(1)	1
Non-metallic mineral products .	8	-	-	-	1	-0.2	(1)	7
Products of petroleum and coal	3	1	0.1	(1)	-	-	-	2
Chemicals and allied products .	11	2	2.2	(1)	5	-0.4	-0.1	4
Miscellaneous manufacturing industries	6	1	0.8	(1)	-	-	-	5

F E M A L E W O R K E R S

11. Female Workers "The Female Worker in Canada", by Dr. Sylvia Ostry, Director of Special Manpower Studies and Consultation at the Dominion Bureau of Statistics is one of a series of monographs based on the 1961 Census and published by the Bureau to provide a broad analysis of social and economic phenomena in Canada. Since the turn of the century the number of women in the labour force has risen from 14% to almost 30% by 1961. This increase is most sharply demonstrated in the middle age group, 35 to 54 years, which has risen from 12% in 1921 to 32% in 1961.

H O T E L S

12. Hotel Receipts Estimated receipts of hotels in Canada with more than 50 rooms were a fraction of 1% (0.3%) lower in the first six months of 1968 than during the same period in the previous year. The decrease was due principally to smaller receipts in Quebec. Hotels with more than 50 rooms in Nova Scotia and Prince Edward Island showed a 1.3% decrease in receipts. There was a 15.5% decrease in hotel receipts in Quebec. In all other provinces increases were shown as follows: Nova Scotia, 3.9%; New Brunswick, 5.7%; Ontario, 2.0%; Manitoba, 10.0%; Saskatchewan, 3.0%; Alberta, 12.5%; British Columbia, 10.6%. This comparison of hotel receipts for the two periods was made possible by figures submitted by a panel of hotels having more than 50 rooms.

13. Coal and Coke Statistics Coal production during July amounted to 742,563 tons, up 31.6% from July 1967's production of 564,351 tons; while landed imports were 1,253,196 tons compared with 1,920,019 tons during July 1967. Consumption by industrial consumers amounted to 1,121,865 tons of coal and 507,882 of coke, an increase of 146,876 tons of coal and an increase of 53,899 tons of coke from last year.

14. Electricity Bills The 1967 index of electricity bills for domestic service (1949=100) rose to 125.3 from 114.4 in 1966. The index was higher in four provinces, lower in one and unchanged in five. The 1967 provincial indexes with 1966 in brackets are as follows: Newfoundland, 103.4 (102.3); Prince Edward Island, 102.2 (102.2); Nova Scotia, 116.3 (116.3); New Brunswick, 98.7 (98.7); Quebec, 125.6 (100.0); Ontario, 140.5 (134.1); Manitoba, 104.3 (104.3); Saskatchewan, 93.7 (93.7); Alberta, 106.2 (111.2) and British Columbia, 129.4 (107.0).

MINING

15. Gold Production July gold production at 212,121 troy ounces was down from the 1967 total of 239,280 troy ounces with decreased production reported in all regions except British Columbia and the Yukon. British Columbia production totalled 12,678 troy ounces (12,154 in July 1967) and Yukon production totalled 1,765 troy ounces (602 in July 1967). During the January-July period Canadian production declined to 1,578,128 troy ounces in 1968 from 1,769,030 in 1967.

16. Copper and Nickel Production of primary copper during July totalled 52,567 net tons, a rise from the July 1967 total of 46,762 net tons. During the year-to-date production rose to 353,735 net tons from 343,321 in 1967. Nickel production at 20,965 net tons during the month was higher than the corresponding 1967 month total of 17,773 tons. January-July totals of 151,906 net tons and 137,630 net tons were reported for 1968 and 1967 respectively.

AGRICULTURE AND FOOD

17. Cattle on Feed The cattle on feed survey conducted in Alberta on July 15, indicated a total of 551 thousand steers and heifers, over 600 pounds, on feed in the province on the survey date. The estimate based on farmers returns shows a 9.5% increase in the number of cattle on feed over a year ago. This was the second cattle on feed survey conducted in Alberta by the Dominion Bureau of Statistics co-operating with the Alberta Department of Agriculture. The postal strike greatly affected the timeliness of this survey. When the survey is placed on a regular basis in January 1969 the results will be more timely.

Cattle on Feed - Alberta - January 15 and July 15, 1968

	600 - 799 lbs.		800 - 999 lbs.		1000 lbs +		Total	
	Jan.15	July 15	Jan.15	July 15	Jan.15	July 15	Jan.15	July 15
	'000		'000		'000		'000	
Steers	170.0	144.0	160.0	164.0	90.0	38.0	420.0	346.0
Heifers	101.0	134.0	65.0	66.0	9.0	5.0	175.0	205.0
Total	271.0	278.0	225.0	230.0	99.0	43.0	595.0	551.0

18. Hogs Hogs in Canada (not including Newfoundland) at September 1, numbered an estimated 5,769,000, down 8% from 6,251,000 at September 1, 1967. The 1966 Census count reported 7,307 hogs on farms in Newfoundland, of which 1,385 were under 6 months old and over. In the east numbers declined by 9% and in the west by 6%. Most provinces had lower numbers except Nova Scotia and New Brunswick with substantial increases and British Columbia with no change. Sows and gilts for breeding are estimated at 651,000 down 3% from 672,500 a year earlier.

Sows farrowed in the third quarter are estimated at 299,100 down 4% from the corresponding quarter of 1967. All provinces except Nova Scotia and New Brunswick had lower farrowings. Farmers' reports indicate that fourth quarter farrowings, if realized, could be 282,900 down 5% from the fourth quarter of 1967. Farrowings for the entire fall period from June to December are now estimated to be 5% below last year. This is down from the June forecast of a 2% lower fall crop.

19. Egg Production Canadian egg production rose by 4.1% to 35,595,000 dozen in August from 34,177,000 in the 1967 month. The average number of layers was up 3.9% to 25,609,000 from 24,636,000 and the number of eggs per 100 layers increased 4.2% to 1,668 in August this year from 1,601 in the 1967 month. Farm price of eggs sold for market was up 14.1% to 38.1 cents per dozen compared with 33.4 cents per dozen in August 1967.

20. Barley Malt and Hops Use of barley malt and hops in the production of beer during August amounted to: barley malt, 49,235,045 lb.; hops, 347,767 lb.

MERCHANDISING

21. Wholesale Trade Canadian wholesale trade during July at \$1,163,716,000, was up 14.4% over the 1967 month value of \$1,017,494,000. July sales were greater in 16 of 18 specified trades. Increases ranged from 0.7% in footwear to 22.1% in household electrical appliances and decreases in the remaining two trades were 1.4% in meat and dairy products and 35.6% in coal and coke. During the cumulative period sales were up 5.3% to \$8,252,596,000 from \$7,839,314,000 in the 1967 month.

22. Department Store Sales Department store sales during the week ended September 7 were up 12.1% over the corresponding 1967 week, with regional changes as follows: Atlantic Provinces, +2.8%; Quebec, +4.7%; Ontario, +13.7%; Manitoba, +17.3%; Saskatchewan, +10.7%; Alberta, +24.0%; British Columbia, +9.6%.

23. Department Store Sales Department store sales by regions during August were up 16.8% over the 1967 month total with regional changes as follows: Atlantic Provinces, +18.9%; Quebec, +6.4%; Ontario, +15.0%; Manitoba, +17.9%; Saskatchewan, +34.7%; Alberta, +25.3%; and British Columbia, +23.1%.

24. Chain Store Sales Chain store sales during July were valued at \$663,827,000 up 7.4% from the 1967 month value of \$618,161,000. The largest year-to-year increase was reported by general merchandise stores where sales soared 17.0% to \$32,014,000 in the 1968 month from \$27,353,000 in July last year. Strong gains were also reported by department stores, men's clothing stores, hardware stores and drug stores. The greatest decline was in the value of variety stores sales. They decreased 10.4% to \$32,014,000 from \$35,825,000 in the 1967 month.

25. Farm Cash Receipts Preliminary estimates indicate that, during the first six months of 1968 farmers' total cash receipts from farming operations, in all provinces except Newfoundland are an estimated \$2,135.9 million, about 0.5% below the record-high figure of \$2,145.9 million for the corresponding period of 1967. These estimates include cash receipts from the sale of farm products, Canadian Wheat Board participation payments on previous years' grain crops, net cash advances on farm-stored grains in Western Canada, deficiency payments made by the Agricultural Stabilization Board and supplementary payments to dairy producers. No deduction was made for the cost incurred by farmers in the production of the commodities sold.

This decrease reflects for the most part, lower receipts from the sale of wheat, flaxseed, tobacco and hogs which more than offset the large increase of Canadian Wheat Board participation payments on previous years' wheat and barley crops and a greater value of sales of potatoes, cattle, calves and dairy products.

The greatest percentage decline took place in Ontario with a drop of 3.4%. Other falls were evident in Nova Scotia, Quebec and Saskatchewan. Increases in total farm cash receipts were greatest in Prince Edward Island and New Brunswick, both of which exhibited gains of nearly 8% compared to the first six months of 1967. Lesser percentage increases were recorded in Manitoba, Alberta and British Columbia.

In addition to the above income, farmers also received other supplementary payments amounting to \$7.8 million compared to \$2.6 million during the January-June period of 1967. These payments consisted almost entirely of those made under the provisions of the Prairie Farm Assistance Act. When added together farm cash receipts from farming operations and supplementary payments total \$2,143.6 million, slightly below the estimate of \$2,148.5 million a year earlier.

Provincial farm cash receipts (excluding supplementary payments other than those paid to dairy producers) for the first six months of 1968, with comparable 1967 data in brackets are as follows: (thousands of dollars); Prince Edward Island, 16,885 (15,677); Nova Scotia, 24,233 (24,897); New Brunswick, 23,680 (21,977); Quebec, 278,578 (285,958); Ontario, 596,334 (617,140); Manitoba, 177,368 (171,000); Saskatchewan, 512,321 (523,558); Alberta, 430,937 (411,191); British Columbia, 75,521 (74,518).

R E L E A S E D T H I S W E E K

Catalogue numbers and prices are shown following the titles, except in cases where items are published as advance information. This information will be included in regular DBS publication, which will be released at a later date.

1. Quarterly Estimates of the Canadian Balance of International Payments, Second Quarter 1968 (67-001), 50¢/\$2.00
2. Gross National Product, Second Quarter 1968
3. Manufacturers' Shipments, Inventories and Orders, July 1968
4. Steel Ingots, September 28, 1968
5. Products Made from Canadian Clays, June 1968 (44-005), 10¢/\$1.00
6. Raw Hides, Skins and Finished Leather, July 1968 (33-001), 10¢/\$1.00
7. Hospital Statistics: Preliminary Annual Report, 1967 (83-217), 50¢
8. Carloadings, September 14, 1968 (52-001), \$3.00 a year
9. General Wholesale Index, August 1968
10. Industry Selling Price Indexes, August 1968

11. The Female Worker in Canada: 1961 Census Monograph (99-553), \$1.00
12. Hotel Receipts, First Half 1968
13. Coal and Coke Statistics, July 1968
14. Electricity Bills, 1967
15. Gold Production, July 1968 (26-004), 10¢/\$1.00
16. Copper and Nickel Production, July 1968 (26-003), 10¢/\$1.00
17. Cattle on Feed, July 15, 1968
18. Report of Livestock Surveys: Hogs, September 1, 1968 (23-005), \$1.00 a year
19. Production of Eggs, August 1968 (23-003), 10¢/\$1.00
20. Barley Malt and Hops, August 1968
21. Wholesale Trade, July 1968 (63-008), \$1.00 a year
22. Department Store Sales by Regions, September 7, 1968 (63-003), \$2.00 a year
23. Department Store Sales by Regions, August 1968 (63-004), \$1.00 a year
24. Chain Store Sales and Stocks, July 1968 (63-001), 10¢/\$1.00
25. Farm Cash Receipts, April to June 1968 (21-001), 25¢/\$1.00
- Canadian Statistical Review, September 1968 (11-003), 50¢/\$5.00
- Man-Hours and Hourly Earnings, June 1968 (72-003), 40¢/\$4.00
- Employment and Average Weekly Wages and Salaries, June 1968 (72-002), 30¢/\$3.00
- Statistical Observer, September 1968 (11-005)
- Service Bulletins: Fish Freezings and Stocks, Maritimes, IND-SB-1-1(4);
Quebec, Ontario and Prairies, British Columbia, Canada, IND-SB-1-1(5), August
1968, \$5.00 a year
- Service Bulletins: Preliminary Production and Inventory of Dry Skim Milk
Powder; Preliminary Production and Inventory of Process Cheese, August 1968,
IND-SB-1-3(5), \$5.00 a year
- Gas Utilities, 1965 (57-205), 75¢
- Stocks of Canned Foods, July 1968 (32-011), 20¢/\$2.00
- Domestic Washing Machines and Clothes Dryers, July 1968 (43-002), 10¢/\$1.00
- Production of Canada's Leading Minerals, July 1968 (26-007), 10¢/\$1.00
- Consumption, Production and Inventories of Rubber, July 1968 (33-003), 20¢/
\$2.00
- Estimates of Employees by Province and Industry, May 1968 (72-008), 10¢/\$1.00
- Retail Trade, July 1968 (63-005), 30¢/\$3.00
- Iron Casting and Cast Iron Pipe and Fittings, July 1968 (41-004), 10¢/\$1.00
- Service Bulletin: Energy Statistics, September 30, 1968 (57-002), \$5.00 a year
- Pulpwood and Wood Residue Statistics, July 1968 (25-001), 10¢/\$1.00
- Silver, Lead and Zinc Production, July 1968 (26-008), 10¢/\$1.00
- Survey of Libraries: Part I, Public Libraries, 1966 (81-205), 75¢
- Air Conditioning and Refrigeration Equipment, Quarter Ended June 30, 1968
(43-006), 25¢/\$1.00
- Service Bulletin: Advance Release of Fish Landings, Newfoundland, August
1968, IND-SB-1-1(5), \$5.00 a year
- Fish Freezings and Stocks, July 1968 (24-001), 20¢/\$2.00
- Refined Petroleum Products, June 1968 (45-004), 30¢/\$3.00
- Census of Canada: Retail Trade by County or Census Division and Incorporated
Places of 10,000 population and over, 1966 (97-612), 25¢

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