

# DBS Weekly

DOMINION BUREAU OF STATISTICS / OTTAWA, CANADA

Friday, March 20, 1970

Balance of Payments Exports increased by 10% in 1969 to \$14,896 million, while imports, growing at a rate of 15%, reached \$14,018 million. A significant part of the increased levels reflected price rises.

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Industrial Production The seasonally adjusted index of industrial production fell by 0.8% in January as the decline in manufacturing was only partially offset by increases in mining and utilities.

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External Trade In February, total exports at \$1,255 million were nearly 13% higher than in February 1969, the increase being shared by all major areas.

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Prices The consumer price index moved up by 0.4% to 128.7 in February from 128.2 in January. At its February 1969 levels, the index was 5.0% higher than twelve months earlier.

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Transportation Revenue freight loaded onto railway cars in Canada during the week ended February 28 totalled 72,108 carloads, down 1.8% from a total of 73,465 in the comparable period in 1969.

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Labour Advance estimates indicate increases in average weekly wages in mining, manufacturing, and construction from December to January. Average weekly hours rose in all these industry divisions, especially in construction.

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Merchandising During 1967, sales of independently-owned retail stores operating in voluntary groups rose to a record high of \$2,499,001,000, an increase of 29.3% over 1965.

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Manufacturing Steel ingot production for the week ended March 14, 1970 totalled 245,713 tons, an increase of 6.5% from the preceding week's total of 230,648 tons.

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Agriculture and Food The output of wheat flour in Canada for January amounted to 3,529,000 hundredweight representing an increase of 10% greater than the December 1969 output of 3,220,000 hundredweight.

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1. Quarterly Estimates of the  
Canadian Balance of International Payments  
Fourth Quarter 1969 and Preliminary Estimates for the Year 1969

In a year of continuing expansion, resulting in a more than 9 per cent gain in the value of the Nation's output, international transactions in goods and services both demanded and supplied by Canada rose sharply. The total value of goods and services imported rose 13 1/2 per cent, while exports advanced by 10 per cent. Reflecting these differing rates of growth in imports and exports the current account deficit in 1969 rose to \$722 million, some \$662 million above the 1968 level. The major factor in this change was the \$508 million reduction in the merchandise trade surplus to \$868 million. The export pattern was severely distorted by the curtailment of supplies from strike-bound industries while continued difficulties were also experienced in the marketing of commodities such as wheat. The exchange rate changes for the deutschmark and French franc are not yet thought to have had any noticeable impact on trading patterns. As an anti-inflationary measure, the timing of tariff reductions under the Kennedy Round was accelerated by the Canadian Government and reductions introduced in mid-year have had competitive effects for the products of certain industries. Non-merchandise transactions led to a larger deficit of \$1,590 million principally due to increased net disbursements on the travel account. The current account balance, adjusted for seasonal variations, was relatively strong in the fourth quarter of the year as the supply situation for exports returned to normal after the strikes experienced in previous quarters of the year.

Item	Summary Statement						
	1968	1969	1968	1969	1969	1969	1969
			IVQ	IQ	IIQ	IIIQ	IVQ
	millions of dollars						
Merchandise exports .....	13,538	14,886	3,667	3,469	3,805	3,557	4,055
Merchandise imports .....	12,162	14,018	3,409	3,230	3,706	3,316	3,766
Merchandise trade balance .	+1,376	+869	+258	+239	+99	+241	+289
Balance on non-merchandise transactions .....	-1,436	-1,590	-442	-497	-410	-208	-475
Current account balance ...	-60	-722	-184	-258	-311	+33	-186
Capital movements in long-term forms .....	+1,590	+2,162	+356	+543	+483	+624	+512
Capital movements in short-term forms .....	-1,181	-1,375	+159	-323	-226	-662	-164
Net capital movement(1) ...	+409	+787	+515	+220	+257	-38	+348
Official monetary movements(2) .....	+349	+65	+331	-38	-54	-5	+162

(1) Excluding items in final line.

(2) Change in international reserves and monetary liabilities.

Inflows of capital in long-term forms increased by \$572 million to \$2,162 million as new Canadian issues sold to non-residents rose by \$125 million to exceed \$2 billion for the first time. Resort to foreign borrowing on this scale reflected the extreme tightness in the availability of domestic funds and relatively lower long-term interest rates prevailing abroad. The main factor in the increased inflow was, however, the swing in foreign security transactions from an outflow of \$468 million in 1968 to an inflow of \$96 million in the period under review, as Canadian investors, particularly institutions, adjusted their holdings in the light of their overall portfolio requirements and current market conditions. Short-term capital outflows rose by \$194 million to reach \$1,375 million. Increases in Canadian holdings of bank balances and other short-term funds abroad produced an outflow of \$1,609 million as interest rates in the Euro-dollar market rose appreciably above short-term rates in Canada. Included in short-term capital

flows are amounts reflecting movements which have not yet been identified. As currently measured these reflected unidentified net payments of about \$250 million in 1969. In accordance with past Canadian practice the figure has been included in the account with the United States as one element in item D 17.5, covering "all other transactions" in short-term forms. It may, of course, reflect in part transactions which properly belong to other categories.

Canada's net official monetary assets increased by \$65 million over the year. Quarterly fluctuations in these assets were not nearly as volatile in 1969 as in the previous year when the Canadian dollar came under speculative attack. Speculative interest centred more on the role of gold and the strength of the deutschemark, French franc and sterling. By the end of the year conditions in foreign exchange markets generally were settled awaiting the introduction of the Special Drawing Rights system of the International Monetary Fund on January 1, 1970.

The book value of Canada's balance of international indebtedness is estimated to have exceeded \$27 billion by the end of 1969. The increase of over \$1 billion during the year reflected the net earnings accruing but undistributed on international investment as well as the financing of the current account deficit. Long-term foreign investment in Canada was about \$40 billion and other claims of non-residents brought the total of Canada's external liabilities to about \$44 billion. Canadian assets abroad had a book value of about \$17 billion including long-term investments amounting to about \$9 1/2 billion. The most recent comprehensive estimates of the Canadian balance of international indebtedness were included in the report for the third quarter 1969.

Merchandise Trade Exports increased by 10 per cent in 1969 to \$14,866 million, while imports, growing at a rate of 15 per cent, reached \$14,018 million. A significant part of the increased levels reflected price rises. The export growth rate which fell below that of imports contrasted with the 1968 performance when exports rose much the faster. As a result of the slowdown in the growth of exports and increased growth of imports, the merchandise trade surplus fell by about \$500 million to \$868 million.

A combination of factors contributed to this change. In 1969 exports of metals tended to slow down due to the return to a more usual demand pattern following the settlement of labour problems in the United States in 1968; moreover supplies for export markets suffered because of prolonged strikes in the Canadian iron, steel, nickel and copper industries in 1969. Sales of wheat continued to decline reflecting increased production in importing countries and world oversupply. To meet the increasing competition which had driven prices below the International Grains Arrangement minimum, Canadian wheat prices were reduced in the second quarter of 1969. Most of the advance in exports consisted of increased sales of automotive products but substantial increases were also recorded for lumber, woodpulp, newsprint, petroleum and various items of equipment. There were however significant reductions in exports of iron ore, nickel and copper.

On the imports side the high level of demand in Canada, the disruptive effects of labour disputes on domestic supplies, the improvement in the export capability of Canada's suppliers of imports and the continuing effects of industrial rationalization particularly in the automobile industry gave new impetus to

the upward trend in imports. Imports of automotive products increased briskly though less than exports of these commodities. Although increases were general, the more notable of these occurred in meat, raw sugar, petroleum, chemicals, fabricated iron and steel, copper, nickel and machinery.

In 1969 adjustments to recorded trade figures for balance of payments purposes amounted to a net addition of about \$16 million to exports and a net deduction of \$184 million from imports. Exports were substantially increased by the addition of progress payments received in respect of aircraft being built for a foreign purchaser, however this effect was largely offset by reductions in export totals made to reflect automobile interplant selling prices. Import adjustments mainly represented reductions to automotive totals recorded on a fair market value to reflect automobile interplant selling prices and special tooling charges. Additions to imports for progress payments on aircraft were largely balanced by deductions representing aircraft deliveries in 1969 for which progress payments had been made in the past. The trade balance has thus been improved by about \$200 million as a result of the balance of payments adjustments.

Non-Merchandise Transactions In 1969 there was a deficit of \$1,590 million on non-merchandise transactions, an increase of \$154 million over the 1968 deficit. Total receipts rose by 9 per cent to \$4,001 million while total payments went up by about 10 per cent to \$5,591 million. The rise in the deficit on non-merchandise transactions was due principally to higher net disbursements on the travel account of \$178 million in 1969. Besides such factors as the increase in the number of residents travelling abroad and a rise in their average expenditures, higher travel payments to non-residents in 1969 also occurred as a result of the increased patronage by Canadians of foreign airlines during the Air Canada strike in the second quarter of the year. Rising prices in most of the major tourist centres were also a factor in the higher spending levels recorded in 1969.

The net balance from receipts and payments of interest and dividends was virtually unchanged moving from a deficit of \$959 million in 1968 to \$958 million in 1969. A relatively sharp rise occurred in income receipts, which increased by \$75 million to \$406 million in 1969, while total payments of interest and dividends rising by almost the same amount as in the previous year aggregated \$1,364 million. Interest payments continued to rise consistently increasing by \$102 million to \$650 million in 1969. More than three fourths of this increase was attributable to larger interest payments on bonds of municipal, provincial and federal governments held by non-residents. The increase in interest payments was to some extent offset by a decline of \$28 million in dividend payments and branch profits. Decreased profits of branch operations of foreign companies in the second and third quarters of 1969 were chiefly responsible for this decline as strikes in a key sector of the economy exerted an unfavourable impact on earnings. Most of the increase of \$75 million in income receipts was due to a rise in interest receipts reflecting higher earnings on both private holdings of foreign bond issues and official holdings of foreign exchange augmented by the payments made by the United Kingdom on the 1946 loan. In spite of a drop in dividend receipts of \$16 million in the fourth quarter of 1969 total annual receipts exceeded those in 1968 by \$13 million resulting chiefly from exceptionally high dividend receipts in the second quarter of 1969.

The deficit on freight and shipping transactions increased to \$60 million in 1969. Both the receipts and payments rose in line with the growing volume of trade but the greater increase in imports led to a higher rate of increase in transportation payments than in receipts.

Despite a reduction of about 2 per cent in receipts, the surplus on migrants' transfers and inheritances rose by \$12 million to \$173 million. In 1969 there was a reduction of about 12 per cent in the total number of immigrants. The effect of the reduction in numbers, mainly from Western Europe, was however partly offset by an increase in per capita funds brought by immigrants particularly from the United States and the United Kingdom. Transfers of funds by emigrants were about 10 per cent less than in 1968 as the number of Canadians migrating to the United States declined.

The "all other current transactions" item showed an improvement of \$48 million in the deficit which in 1969 amounted to \$559 million. The 1968 data for this item have been revised to include under miscellaneous income new estimates of the earnings of residents on their holdings of foreign currency. Receipts of miscellaneous income grew by about 45 per cent reflecting both a further build up in these holdings and higher interest rates. As a result the 15 per cent rate of increase of all other current receipts, has been more than twice that of the increase in all other current payments. Receipts from business services and other transactions increased by 5 per cent to \$465 million. Payments of miscellaneous income rose by 14 per cent to \$390 million while payments for business services and other transactions went up by 4 per cent to \$855 million. At \$110 million, gold production available for export was \$10 million less than that in 1968. Official contributions which in 1968 had shown the first year-to-year decline in five years resumed their upward trend increasing by 7 per cent to \$143 million.

#### Current Account Transactions in the Fourth Quarter - Seasonally Adjusted

In the fourth quarter of 1969 the current account deficit, seasonally adjusted, fell to \$114 million. This was the lowest quarterly level of 1969 and marked a change in the trend of the current account balance which had shown increased quarter-to-quarter deficits since the third quarter of 1968. Total current receipts increasing by 6 per cent to \$4,936 million rose at twice the rate of current payments which increased by 3 per cent to \$5,050 million. The downward trend in the surplus balance on trade which had been evident since the third quarter of 1968 reversed in the fourth quarter when there was an increase of about 66 per cent in this surplus to \$280 million. Both merchandise exports and imports continued to increase, the former by 7 per cent to \$3,911 million and the latter increased by 4 per cent to \$3,631 million.

The deficit balance on non-merchandise transactions fell by about 8 per cent to \$394 million. The principal positive changes occurred in travel, migrants' funds and inheritances and all other current transactions. At \$46 million the total improvement in the balances on these items amounted to about four times the total negative change in the balances of gold production available for export and interest and dividends. The reduction in the deficit on invisibles accounted for about 25 per cent of the total improvement of \$147 million in the seasonally adjusted current account balance.

Transactions by Areas Total receipts on current account with the United States in 1969 rose by 14 per cent to \$13,207 million while total payments increased by 12 per cent to \$13,917 million. Thus the current account deficit with the United States was reduced by about 10 per cent to \$710 million. Merchandise exports to the United States rose \$1,384 million to reach \$10,500 million. About three quarters of the increase in exports consisted of end products, mainly automotive products. Merchandise imports from the United States, representing 72 per cent of total Canadian imports, rose by 14 per cent to \$10,109 million. The bulk of the increase was in the end products group of commodities.

## Current Account Balances with Principal Countries and Areas

Area	1967	1968	1969	Change in 1969
	millions of dollars			
United States .....	1,342	-792	-710	+82
Overseas:				
United Kingdom .....	+512	+478	+263	-215
Rest of Sterling Area .....	+181	+189	+80	-109
Other OECD (Europe) .....	-153	-249	-354	-105
Other Countries .....	+303	+314	-1	-315
All Countries .....	-499	-60	-722	-662

On non-merchandise transactions the deficit with the United States increased by about 6 per cent to \$1,101 million mainly due to a decrease in the travel surplus which fell by over 50 per cent to \$91 million. The chief factor partly offsetting this negative change was an improvement in the flows of inheritances and migrants' funds, the balance of which swung to a surplus of \$31 million from a deficit of \$8 million in 1968.

If the credit from gold production available for export is excluded Canada's current account deficit with the United States in 1969 fell to \$820 million from \$912 million in 1968. Net capital movements between the two countries produced an inflow of \$1,042 million a swing of about \$1,250 million from the previous year. In sum these transactions with the United States gave rise to net receipts by Canada of \$222 million. It should be noted, however, that the amounts representing unidentified items have been conventionally attributed to the United States account. These amounts are included in capital movements in short-term forms and were considerably larger at annual levels in 1968 than in 1969.

Total current and capital account transactions with the United Kingdom and other overseas countries led to net payments by Canada of \$267 million in 1969, a swing of over \$1,600 million from the 1968 inflow. The 1968 favourable current account of \$732 million swung to a deficit of \$12 million in 1969, the first net disbursement balance with this group of countries in a decade, reflecting in large part a \$650 million reduction in the merchandise trade surplus. Capital movements in long-term forms resulted in an inflow of \$660 million continuing the upsurge evident in 1968 due largely to new Canadian issues placed in Europe. Capital movements in short-term forms however, swung by over \$1 billion to a net outflow of \$915 million as Canadians increased their holdings of foreign currency deposits and short-term balances abroad.

The \$45 million difference between the net payments to overseas countries and the smaller net receipts from the United States together with the gold production available for export of \$110 million is reflected in the \$65 million increase in net official monetary assets.

Capital Movements The net inflow of capital into Canada almost doubled to \$787 million in 1969 from \$409 million in the previous year. Capital movements in long-term forms led to a net inflow of \$2,162 million for the year as inflows of approximately equal size occurred in each quarter while short-term transactions gave rise to outflows in each quarter, totalling \$1,375 million in the year. Despite the large increase in the inflow from total capital movements in 1969 only \$65 million was added to Canada's official monetary assets as the year's current account deficit rose more sharply to \$722 million.

Item	1968	1969	Capital Movements				
			1968 IVQ	IQ	1969 IIQ	IIIQ	IVQ
			millions of dollars				
Foreign direct investment in Canada .....	+610	+625	+183	+130	+240	+95	+160
Canadian direct investment abroad .....	-135	-255	-77	-55	-110	-30	-60
Net sales of Canadian securities .....	+1,581	+1,745	+312	+621	+425	+508	+191
Net purchases of foreign securities .....	-468	+96	-118	-58	-8	+64	+98
Other capital movements in long-term forms .....	+2	-49	+56	-95	-64	-13	+123
Bank balances and other short-term funds abroad (excluding official reserves) .....	-409	-1,609	-164	-156	-569	-622	-262
Other capital movements in short-term forms .....	-772	+234	+323	-167	+343	-40	+98
Net capital movements ....	+409	+787	+515	+220	+257	-38	+348

Categories of capital movements in long-term forms which led to the largest net inflows were sales of new issues of Canadian securities (accounting for exceptionally high capital imports of over \$2 billion), followed by direct investment in Canada and reductions by Canadians of their holdings in outstanding United States equities (involving a shift in capital movements of over \$0.5 billion). The principal outflows arose from retirements of Canadian securities held abroad, and direct investment abroad, which nearly doubled in 1969.

Capital movements in short-term forms in 1969 gave rise to a larger net outflow of \$1,375 million, compared with \$1,181 million in 1968, which somewhat masked very large opposing flows. The outflow for the acquisition by Canadians of foreign currency deposits and other short-term funds abroad almost quadrupled in the year to \$1,609 million. Partially offsetting inflows resulted from increased non-resident holdings of Canadian finance company paper and other short-term obligations. A large year-to-year reduction in outflows was evident in the "all other transactions" category. This account includes changes in loans and accounts receivable and payable as well as the balancing item representing the difference between direct measurements of the current and capital accounts.

Direct Investment Direct investment in foreign-controlled enterprises in 1969 gave rise to a moderately higher net capital inflow of \$625 million, as sharply lower inflows from the United Kingdom were more than offset by higher investment from the United States and other countries. About 70 per cent of the year's inflow came from the United States, and two fifths of it occurred in the second quarter.

By far the largest part of the inflow was allocated to the manufacturing and petroleum and natural gas industries. Capital inflows for the takeover of existing Canadian enterprises, notably ones engaged in the manufacture of food and beverages, forest products, electronics and steel, in asbestos production, finance and life assurance were substantially higher.

The net outflow for direct investment abroad during 1969 reached a high \$255 million, or nearly double the 1968 outflow of \$135 million. About three fifths of this investment was in the United States, a fifth in Europe, and the remainder chiefly in other Western Hemisphere countries. The outflows, about half of which occurred in the second quarter, were directed to a wide variety of industries. Investments in manufacturing of food and alcoholic beverages, mainly in the United States, were particularly important, accounting for half of the total outflow and providing further evidence of diversification by tobacco products manufacturers. Investments in the steel and petroleum and natural gas industries in the United States, and shipping and air transportation in the Caribbean, also reached significant proportions.

Security Transactions At \$1,841 million the net inflow from portfolio transactions in long-term securities in 1969 reached unprecedented proportions. It was 65 per cent higher than the 1968's record of \$1,113 million and almost three times the previous high of \$645 million registered for 1964. The two main elements accounting for the size of the 1969 inflow were the continued high level of sales of Canadian new issues abroad, which exceeded \$2 billion for the first time, and a sharp turnaround of over \$0.5 billion in trading in outstanding foreign securities. The net inflow of \$113 million from transactions in foreign securities, which ended five years of successive annual outflows totalling \$1,252 million, was largely attributable to transactions in United States equities. At a time when stock market prices were depressed in Canada and the United States, Canadians became net sellers of these securities (to the extent of \$124 million) for the first time since 1963.

Net inflows from the United States almost doubled in 1969, and, at \$1,225 million, exceeded net inflows from all sources for 1968. The significant change took place almost exclusively in trading in outstanding foreign securities. Transactions with residents of the United Kingdom gave rise to an inflow of \$44 million, ending ten years of consecutive annual outflows from portfolio security transactions.

New issues of Canadian securities abroad gave rise to inflows of record amounts in 1969. At \$2,058 million proceeds were in excess of \$2 billion for the first time, and some 6 per cent above the previous record of \$1,933 million set in 1968. A slight decline in the sale to non-residents of new bond issues to \$1,861 million was more than offset by increased sales of new common and preference shares (to \$197 million or more than treble the 1968 level) as more corporations apparently sought this means of avoiding the high costs of servicing debt issues. The sale of new bond issues of the Government of Canada declined sharply from \$290 million in 1968 to \$34 million, but new corporate issues were only moderately lower at \$547 million and sales of all other new issues registered gains. Provincial government issues raised significantly higher proceeds of \$1,065 million. Increased borrowing in continental Europe, a trend first apparent in 1968, continued in 1969 prior to revaluation of the deutschemark. Municipalities (including educational institutions and hospitals) became large-scale borrowers in Germany for the first time with new issues amounting to \$90 million, compared with \$22 million in 1968. Governments at all levels obtained considerable funds from Germany, and were responsible for \$467 million, or 87 per cent, of total proceeds of \$535 million resulting from new Canadian issues in continental Europe.

Retirements of Canadian securities held by non-residents fell in 1969 to approximately \$375 million, compared with \$395 million for the previous year. Retirements were substantially less in 1969 in the corporate sector while retirements of municipalities and the federal government increased. The sale of new issues of foreign securities in Canada was substantially lower than in 1968. The net outflow totalled \$43 million in 1969, compared with \$70 million in the previous year. New issues by the United States and other countries accounted for outflows of \$27 million and \$16 million respectively. Retirements of foreign securities held by Canadians were recorded at \$26 million, showing little change from the \$27 million inflow in 1968.

A sharp turnaround in international capital movements arising from outstanding security transactions resulted in a net inflow of \$175 million in 1969. This represented a swing of \$557 million from the \$382 million net outflow in 1968, and ended seven years of successive annual outflows totalling almost \$2 billion. The major part of this change was attributable to transactions in United States equities, which gave rise to a net inflow of \$124 million in 1969 compared with an outflow of \$384 million in 1968. The net inflow of \$61 million resulting from trading in Canadian common and preference stock represented a reduction of 46 per cent from the corresponding inflow of \$112 million for 1968. An unusually large proportion (some 75 per cent) of this inflow came from countries other than the United States and United Kingdom. Transactions in Canadian bonds and debentures led to a small inflow of \$1 million, the first since 1965. Trading in foreign securities resulted in a net inflow of \$113 million compared with net outflows of \$425 million in 1968 and \$382 million in 1967.

Other Capital Flows in Long-term Forms Disbursements on intergovernmental loans extended by Canada in 1969 increased by \$11 million to \$59 million as amounts previously committed for specific projects under the development loan program were drawn by recipient countries. Disbursements are expected to continue to grow in succeeding years as drawings so far constitute only a fraction of the aid commitments. Subscriptions to the capital of international agencies in 1969 amounted to \$30 million. This amount, made up of payments to the International Development

Association and the Asian Development Bank, was paid in the form of non-negotiable, non-interest bearing Canadian dollar demand notes. During the year Canada received higher repayments of \$22 million of principal on inter-governmental loans extended earlier. The increase of \$17 million over 1968 largely reflected receipt of \$20 million from the United Kingdom on the 1946 loan, repayment of which was waived in 1968.

Receipts from the United States associated with the Columbia River Treaty declined to \$32 million from \$88 million in 1968. The 1968 inflow included receipt of US \$52 million, the second and largest flood control payment under the Treaty, as well as of US \$30 million representing a further annual maturity of the medium-term non-marketable United States Government securities acquired in connection with the Treaty arrangements. Holdings of these securities stood at US \$54 million at the end of 1968.

Transactions arising from the financing of medium and long-term export credits extended from Canada directly or indirectly at the risk of the Government of Canada resulted in a net outflow of \$9 million during 1969. This contrasted with net inflows of \$107 million and \$29 million in 1967 and 1968 and was attributable to a sharp fall of \$97 million in repayments of export credits on wheat. This decrease was partially offset by lower advances, particularly for wheat.

The remaining capital movements in long-term forms, which include bank and other long-term loans, mortgage investments and movements of insurance funds, led to a net outflow of \$5 million a reduction of \$37 million from the 1968 outflow of \$42 million. Changes in the long-term liabilities of Canadian corporations with foreign banks largely accounted for a significant outflow of \$71 million in the first quarter and a partially offsetting inflow of \$64 million in the fourth quarter.

Capital Movements in Short-term Forms Capital movements in short-term forms (apart from changes in official holdings of gold, foreign exchange and Canada's balance with the International Monetary Fund) led to a net capital outflow of \$1,375 million, or \$194 million more than in 1968.

Canadian dollar deposits of non-residents rose by \$61 million over the year. Government of Canada demand liabilities in the form of interest-free demand notes issued to international investment agencies declined by \$34 million in 1969. The amount outstanding was approximately \$16 million. Non-residents increased their holdings of Canadian treasury bills by \$32 million to \$104 million in 1969 as private non-residents became, on balance, large purchasers of these instruments. In comparison with 1968, net purchases by foreign official institutions were relatively small.

An increase by Canadian residents of their holdings of foreign currency bank balances and other short-term funds abroad produced a net capital outflow of \$1,609 million, almost four times the comparable 1968 build-up. A rise of \$520 million in the Canadian chartered banks foreign currency net asset position with non-residents was a significant factor in this movement. This covered only about half of the increased net foreign currency liabilities to residents. A sharp increase in residents' holdings of foreign currency swapped deposits with the chartered banks during the year was accompanied by a significant rise in their holdings of other foreign currency deposits, some of which may, however, have been protected by forward exchange cover through other channels.

There was a sharp turnaround from transactions in Canadian finance company paper (including that of manufacturing and retail enterprises) as non-residents increased their holdings by \$176 million. In contrast there was an outflow of \$135 million in 1968. Transactions in other finance company obligations of a short-term nature consisting of bank loans and inter-company accounts were also significantly greater than in 1968. Net inflows were registered in each quarter of the year, amounting in total to \$116 million, compared with \$19 million in 1968. In addition there were other finance company transactions not identified separately, which have been included with capital movements in long-term forms, notably in new issues and retirements of Canadian securities. All in all, capital flows associated with the international borrowing of these companies showed a net inflow of about \$300 million. International transactions in other money market instruments led to a net inflow of \$40 million.

All other transactions led to a net capital outflow of \$157 million, a decline of \$645 million from the 1968 net disbursement figure. The identified items included in this account demonstrated widely divergent movements during the year. Recorded transactions related to intercompany account receivables showed significantly smaller net outflows in 1969 than in 1968. There were on balance large inflows arising from increased bank loans to residents. However, the largest component in 1969 comprised the balancing item representing the difference between the direct measurements of the current and capital accounts. This item amounted to a net payment balance of about \$250 million in the year, approximately one third the level of the net outflow for the previous year.

Official International Monetary Assets and Liabilities Canada's net official monetary assets totalled US \$3,105 million at December 31, 1969 an increase of US \$60 million over the year. A large increase of US \$150 million in the fourth quarter more than offset the decreases which took place in the first three quarters of 1969.

Holdings of United States dollars decreased by US \$221 million over the year while other convertible currency balances remained unchanged at the equivalent of US \$12 million and sales of Canadian dollars to the IMF for gold resulted in a US \$9 million increase in holdings of monetary gold. Canada's reserve position with the IMF totalled US \$478 million an increase of US \$272 million for 1969. Drawings by the United Kingdom, Belgium and Germany accounted for US \$167.5 million in the period. Numerous other smaller drawings as well as the acquisition of a claim on the IMF under the General Arrangements to Borrow of US \$30 million issued previously to Germany helped to make up the balance of the increase. In the second and third quarters of the year Canada had augmented the Fund's Canadian dollar resources by making two loans to that institution under GAB equivalent to US \$65.5 million. This together with the acquisition from Germany brought Canada's claims on the IMF under GAB to US \$95.5 million at the end of the year. These transactions together resulted in an overall increase of US \$60 million in official international reserves from US \$3,046 million at the end of 1968 to US \$3,106 million at the end of 1969. Total official monetary liabilities remained constant over the year at US \$1 million. The annual change expressed in Canadian dollars showed an increase in net official monetary assets of \$65 million, all reflecting the rise in international reserves as changes in associated liabilities, as noted above, were negligible in the year.

## INDUSTRIAL PRODUCTION

2. Index of Industrial Production The seasonally adjusted index of industrial production fell by 0.8% in January as the decline in manufacturing was only partially offset by increases in mining and utilities. The drop in manufacturing was almost evenly divided between non-durables and durables and was mainly due to declines in pulp and paper and motor vehicles.

## Seasonally Adjusted Index of Industrial Production

(1961 = 100)

	1961 percentage weights	Nov.	Dec.	Jan.	% Change
Index of Industrial Production .....	31.851	169.3	172.0	170.7	- 0.8
Mines (including milling), quarries and oil wells .....	4.298	151.8	163.4	168.1	+ 2.9
Metal mines .....	2.463	121.6	141.3	148.0	+ 4.7
Mineral fuels .....	1.030	196.1	194.5	204.5	+ 5.1
Non-metal mines except coal mines	.385	233.0	242.9	227.3	- 6.4
Manufacturing .....	24.741	169.5	170.7	167.7	- 1.8
Non-durable manufacturing .....	13.608	153.4	154.3	151.8	- 1.6
Foods and beverages .....	3.547	142.4	142.4	142.8	+ 0.3
Tobacco products industries .	.233	122.8	120.3	124.0	+ 3.1
Rubber industries .....	.411	168.9	155.7	149.0	- 4.3
Leather industries .....	.293	104.1	101.5	95.8	- 5.6
Textile industries .....	.904	184.5	165.4	181.4	+ 9.7
Knitting mills .....	.218	139.8	140.7	137.7	- 2.1
Clothing industries .....	.854	121.3	120.6	123.8	+ 2.7
Paper and allied industries .	2.675	155.1	168.5	155.3	- 7.8
Printing, publishing and allied industries .....	1.353	147.0	145.7	143.3	- 1.6
Petroleum and coal products industries .....	.583	156.4	153.9	154.5	+ 0.4
Chemical and chemical products industries .....	1.682	171.0	172.6	N.A.	
Miscellaneous manufacturing industries .....	.855	187.0	189.1	186.8	- 1.2
Durable manufacturing .....	11.133	189.2	190.7	187.3	- 1.8
Wood industries .....	1.117	148.5	155.2	155.5	+ 0.2
Furniture and fixtures industries .....	.448	162.6	162.4	160.2	- 1.4
Primary metal industries ....	2.256	145.4	164.0	168.8	+ 2.9
Metal fabricating industries (except machinery and transportation equipment industries) .....	1.857	172.3	171.9	170.5	- 0.8
Machinery industries (except electrical machinery) .....	.995	219.3	220.9	214.7	- 2.8
Transportation equipment industries .....	2.001	267.9	258.8	241.7	- 6.6
Electrical products industries .....	1.572	214.4	207.8	206.0	- 0.9
Non-metallic mineral products industries .....	.887	144.6	139.1	135.9	- 2.3
Electric Power, Gas and Water Utilities .....	2.812	194.6	197.0	201.0	+ 2.0

3. Balance of Trade a) Seasonally Adjusted. The External Trade Division reports for February 1970 a trade balance of \$176 million at seasonally adjusted rates, roughly half the balance recorded in the preceding month, but well above the average in the past 6 months (\$103 million). Merchandise exports for the month under review were estimated at \$1,404 million, down by \$54 million from January 1970. Shipments to all major areas shared in the decline. Exports to the U.S. during the month were \$930 million, down from the previous month by \$18 million. U.K. purchases from Canada at \$106 million were \$5 million below January and exports to all other countries combined (\$368 million) showed a month-to-month decline of \$31 million.

Seasonally adjusted imports, on the other hand, (\$1,228 million) were up by \$110 million over the month. Purchases from the U.S. estimated at \$910 million increased by \$141 million in this period and were only partially offset by a decline of \$32 million in imports from countries other than the U.K., imports from the latter remaining virtually unchanged at \$61 million.

b) Unadjusted. Total exports at \$1,255 million were nearly 13 per cent higher than in February 1969, the increase being shared by all major areas. Shipments to the U.S. were \$852 million, up by over 6 per cent from the preceding year; exports to the U.K. at \$101 million were higher by 14 per cent. The most pronounced increase was displayed by all other countries, with a figure of \$302 million or 36 per cent above February 1969. Of this total, \$60 million represented exports to Commonwealth and Preferential countries other than the U.K., 32 per cent above the same period a year ago.

Total imports during February 1970 increased to slightly over \$1,056 million, less than 2 per cent from the same month last year. Purchases from the U.S. at \$805 million, were less than 1 per cent over a year earlier, and imports from the U.K. were almost unchanged. As for all other countries, with \$199 million, they displayed a 6 per cent year-to-year increase.

Trade of Canada  
Seasonally Adjusted at Monthly and Quarterly Rates  
(\$ millions)

	1969	Exports				Imports				Trade Balance			
		All Countries	U.S.A.	U.K.	Other Countries	All Countries	U.S.A.	U.K.	Other Countries	All Countries	U.S.A.	U.K.	Other Countries
September		1,293	964	83	246	1,220	877	72	271	+ 73	+ 87	+ 11	- 25
October		1,283	983	73	227	1,206	893	63	250	+ 77	+ 90	+ 10	- 23
November		1,285	952	83	250	1,223	896	62	265	+ 62	+ 56	+ 21	- 15
December		1,313	880	103	330	1,214	878	57	279	+ 99	+ 2	+ 46	+ 51
January 1970		1,458	948	111	399	1,118 <sup>P</sup>	769 <sup>P</sup>	60 <sup>P</sup>	289 <sup>P</sup>	+ 340 <sup>P</sup>	+ 179 <sup>P</sup>	+ 51 <sup>P</sup>	+ 110 <sup>P</sup>
February 1970		1,404	930	106	368	1,228	910	61	257	+ 176	+ 20	+ 45	+ 111
1st Quarter		3,711	2,579	308	824	3,524	2,584	191	749	+ 187	- 5	+ 117	+ 75
2nd Quarter		3,634	2,570	275	789	3,513	2,530	210	773	+ 121	+ 40	+ 65	+ 16
3rd Quarter		3,638	2,584	270	784	3,523	2,539	209	775	+ 115	+ 45	+ 61	+ 9
4th Quarter		3,882	2,816	259	807	3,643	2,667	182	794	+ 239	+ 149	+ 77	+ 13

p = preliminary  
r = revised

Note: These estimates may not add because of rounding.

4.

Preliminary Statement of Canadian Trade - February 1970

	<u>Total Exports</u>		<u>Imports</u>		<u>Trade Balance</u>		<u>Percentage Change 1969 to 1970</u>	
	<u>1969</u>	<u>1970</u>	<u>1969</u>	<u>1970</u>	<u>1969</u>	<u>1970</u>	<u>Total Exports</u> %	<u>Imports</u> %
	(millions of dollars)							
<u>Month of February</u>								
United Kingdom .....	88.7	101.1	52.0	52.4	+ 36.8	+ 48.6	+ 14.0	+ 0.8
Other C'wealth & Pref. ....	45.9	60.5	30.5	31.0	+ 15.4	+ 29.5	+ 31.8	+ 1.6
United States .....	803.7	852.4	798.4	804.6	+ 5.2	+ 47.9	+ 6.1	+ 0.8
Japan .....	47.8	241.3	29.1	29.1	+ 18.7	+ 73.4	+ 37.3	+ 6.0
European Economic Community..	53.3		46.8	49.6	+ 6.5			
Latin America .....	28.5		43.3	41.8	- 14.7			
Other Countries .....	46.2		38.7	47.4	+ 7.5			
Total C'wealth & Pref. ....	134.6	161.5	82.5	83.4	+ 52.1	+ 78.1	+ 20.0	+ 1.1
Total Others .....	979.4	1,093.7	956.2	972.4	+ 23.2	+ 121.3	+ 11.7	+ 1.7
Grand Total .....	1,114.0	1,255.2	1,038.7	1,055.8	+ 75.4	+ 199.4	+ 12.7	+ 1.6
<u>January - February</u>								
United Kingdom .....	191.5	210.4	109.2	106.9	+ 82.3	+ 103.5	+ 9.9	- 2.1
Other C'wealth & Pref. ....	92.4	133.7	67.8	69.3	+ 24.6	+ 64.4	+ 44.7	+ 2.2
United States .....	1,592.9	1,727.9	1,649.2	1,581.6	- 56.3	+ 146.4	+ 8.5	- 4.1
Japan .....	92.1	528.4	59.2	78.7	+ 32.9	+ 161.8	+ 41.3	+ 32.9
European Economic Community .	126.6		98.1	101.5	+ 28.5			
Latin America .....	55.2		88.3	91.9	- 33.1			
Other Countries .....	100.0		89.2	94.5	+ 10.8			
Total C'wealth & Pref. ....	283.9	344.1	177.0	176.2	+ 106.9	+ 167.9	+ 21.2	- 0.5
Total Others .....	1,966.8	2,256.4	1,984.0	1,948.2	- 17.2	+ 308.2	+ 14.7	- 1.8
Grand Total .....	2,250.7	2,600.5	2,161.0	2,124.4	+ 89.7	+ 476.1	+ 15.5	- 1.7

Note: Export and Import values for 1970 are preliminary estimates and may not add because of rounding.

5. Total Exports The External Trade Division reports that the value of Total exports increased to \$1,345,236,000 in January 1970 from \$1,136,647,000 and \$993,931,000 in the same month of 1969 and 1968 respectively.

	<u>1969</u>	<u>January</u> <u>1970</u>
	thousands of dollars	
<u>SELECTED COUNTRIES</u>		
United States .....	789,196	875,513
United Kingdom .....	102,809	109,366
Japan .....	44,327	79,800
Germany, West .....	25,949	24,488
Australia .....	18,295	19,111
Netherlands .....	16,340	18,571
Belgium and Luxembourg .....	9,185	18,389
Italy .....	9,819	13,563
People's Republic of China .....	8,836	11,997
France .....	12,083	11,470
Norway .....	10,340	10,234
India .....	6,531	7,165
Venezuela .....	5,572	5,966
<u>ALL COUNTRIES</u> .....	1,136,647	1,345,236
<u>SELECTED COMMODITIES</u>		
<u>Food, feed, beverages and tobacco</u> .....	105,304	140,353
Wheat .....	37,708	53,001
Whisky .....	10,386	9,145
<u>Crude materials, inedible</u> .....	193,859	244,075
Crude petroleum .....	39,019	53,467
Iron ores and concentrates .....	13,176	24,550
Nickel in ores, concentrates and scrap ...	22,902	30,484
<u>Fabricated materials, inedible</u> .....	413,865	478,747
Newsprint paper .....	94,100	97,422
Wood pulp, similar pulp .....	60,037	68,770
Lumber, softwood .....	47,318	59,758
Aluminum including alloys .....	36,735	42,729
Copper and alloys .....	27,516	30,691
<u>End products, inedible</u> .....	417,898	474,491
Passenger automobiles and chassis .....	141,635	170,753
Motor vehicle parts, except engines .....	58,158	60,567
Other motor vehicles .....	6,686	10,923
Motor vehicle engines and parts .....	27,686	21,169
Aircraft parts, except engines .....	16,267	16,994

6. Shipping Report This publication illustrates 1967 foreign and coastwise movements of the eight most significant commodities (in terms of volume) in Canadian waterborne commerce - wheat, other grain, pulpwood, iron ore, bituminous coal, gypsum, newsprint, and fuel oil.

Only movements on the Great Lakes, St. Lawrence River, and Atlantic Coast area are presented in this report; however, tabular data covering activity on the West Coast may be obtained from the Shipping Report Part V.

## 7. Weekly Security Price Indexes

Index	Number stocks priced	Mar. 12/70	Mar. 5/70	Feb. 12/70
		This week	Week ago	Month ago
(1956=100)				
Investors price index .....	114	200.1	201.0	194.3
Industrials .....	80	211.8	212.3	206.3
Industrial mines .....	4	243.1	241.6	232.8
Foods .....	10	265.2	265.5	248.5
Beverages .....	7	326.5	331.6	320.9
Textiles and clothing .....	5	130.9	129.5	133.6
Pulp and paper .....	7	157.1	157.8	151.3
Printing and pub. ....	4	342.0	343.4	305.5
Primary metals .....	8	100.8	99.8	92.0
Metal fabricating .....	9	128.9	130.8	126.8
Non-metallic minerals .....	4	111.5	110.5	107.0
Petroleum .....	7	178.5	181.0	184.6
Chemicals .....	4	88.6	91.2	87.2
Construction .....	4	59.0	60.7	58.9
Retail trade .....	7	228.0	229.7	242.4
Utilities .....	20	157.5	158.9	153.8
Pipelines .....	5	177.4	177.6	180.3
Transportation .....	4	204.8	212.4	199.8
Telephone .....	3	101.3	102.2	97.8
Electric power .....	3	118.5	117.4	112.6
Gas distribution .....	5	353.6	355.9	341.1
Finance .....	14	109.4	201.3	189.4
Banks .....	6	210.0	217.6	199.9
Investment and loan ...	8	160.8	167.1	168.4
Mining stock price index:	24	115.7	116.1	112.1
Golds .....	6	115.2	114.0	104.7
Base metals .....	18	115.9	117.2	116.2
Uraniums price index .....	4	150.3	151.3	137.4
Primary oils and gas .....	6	221.5	214.9	220.1

8. Price Movements The consumer price index for Canada (1961=100) moved up by 0.4% to 128.7 in February from 128.2 in January. At its February 1969 level, the index was 5.0% higher than twelve months earlier. In the latest month, over half of the rise in the all-items index was attributable to a 0.9% advance in the food index, with especially notable increases recorded for beef, pork and other meats. Among the four other major components that registered advances, the recreation and reading index advanced by 0.8% reflecting higher magazine subscription rates, while the transportation and the health and personal care indexes each moved up by 0.7%. The housing index rose 0.2% due entirely to an increase in the shelter component. The clothing index declined 0.3% to reflect the continuation of mid-winter sales on many apparel items. The tobacco and alcohol index was unchanged from its January level.

Consumer Price Index and Main Components (1961=100)

	Component Weight(1)	Index			Per Cent Change	
		1970		1969	February 1970 from	
		February	January	February	January 1970	February 1969
All-items .....	100	128.7	128.2	122.6	+ 0.4	+ 5.0
Food .....	27	131.3	130.1	123.9	+ 0.9	+ 6.0
Housing(2) .....	32	128.3	128.1	122.3	+ 0.2	+ 4.9
Clothing .....	11	125.1	125.5	121.8	- 0.3	+ 2.7
Transportation ..	12	123.5	122.7	117.3	+ 0.7	+ 5.3
Health and personal care .....	7	137.7	136.8	129.6	+ 0.7	+ 6.2
Recreation and reading .....	5	129.0	128.0	124.7	+ 0.8	+ 3.4
Tobacco and alcohol .....	6	126.5	126.5	121.9	-	+ 3.8

All-items consumer price index converted to 1949=100 is 166.3.

(1) Component weights indicate the relative importance of item groups.

(2) This index is composed of shelter and household operation.

The food index advanced by 0.9% to 131.3 in February from 130.1 in January. Over half of this upward movement in the food index was attributable to a 6.1% advance in beef prices. After declining over 13% between June and December 1969, the beef index, in the last two months, has regained approximately half of this decline. In the latest month, price increases for beef were registered in most major cities across the country reflecting higher prices paid at livestock auctions. Other meat items also rose in price in the latest month: pork was up 1.5%, poultry 0.6% and fish 1.6%. Meat prices on the whole were just over 10% higher than they were twelve months earlier. Vegetable prices were relatively unchanged between January and February as markedly higher prices for onions, carrots, cabbage and potatoes were largely offset by lower prices for tomatoes, lettuce and celery. Since twelve months earlier, vegetable prices rose by some 16% in contrast to a price decline of 2.4% for fruits over the same period. Some staple foods, including coffee, sugar and butter, increased since the preceding month. The average price of fresh milk also rose fractionally as a result of an upward movement in Toronto. In the latest month, egg prices declined seasonally by about 6% to moderate price rises in other elements of the food budget. The February food index was 6.0% higher than a year earlier.

The housing index rose by 0.2% to 128.3 in February from 128.1 in January. The latest month's increase was entirely attributable to a rise in the shelter component. The home-ownership index moved up by 0.3% reflecting higher prices for new houses and repairs. Rents also shared in the increase, rising 0.2% in the latest month. Within the household operation component, higher price levels for fuel and electricity were offset by sales on a number of furniture, floor covering, and household textile items. The February housing index stood 4.9% above its level of twelve months previous.

The clothing index declined by 0.3% to 125.1 in February from 125.5 a month earlier. The latest decline was a reflection of the continuation of mid-winter sales which, a month earlier, had contributed to a 0.7% decline in this index. Between January and February, men's wear, children's wear and footwear each registered decreases of 0.3%, while women's wear and piece goods prices edged up slightly after recording declines a month earlier. The clothing index in February was 2.7% higher than a year earlier.

The transportation index moved up by 0.7% to 123.5 in February from 122.7 a month earlier. Among automobile operation items, car insurance rates registered advances ranging between 2 and 15% in a number of major Canadian cities. Within the local transportation component bus fare increases were recorded for Regina and Thunder Bay, while taxi fares moved up in Hamilton and a number of smaller Ontario centres. The price of inter-city travel, on the other hand, dropped by 8% due to seasonally lower train fares. The February transportation index stood 5.3% higher than a year earlier.

The health and personal care index rose by 0.7% to 137.7 in February from 136.8 in the preceding month. Higher prices were recorded for most pharmaceutical and toiletry items, while prices of men's and women's hairdressing moved up in a number of the outlets surveyed across the country. The health and personal care index was 6.2% above its level of twelve months previous.

The recreation and reading index advanced by 0.8% to 129.0 in February from 128.0 a month earlier. A 5.7% increase in magazine subscription rates accounted for most of the rise in this component in the latest month. Other factors contributing to the increase were higher cinema admissions in Edmonton and Saint John, and marginal increases for camera film and processing in several major cities. The February recreation and reading index stood 3.4% above its level of a year earlier.

The tobacco and alcohol component was unchanged from its January level of 126.5 and stood 3.8% higher than a year earlier.

Security Price Indexes The investors index of common stock prices (1956=100) rose 1.8% to 198.6 in the four-week period January 29th to February 26th. Among the three major groups, industrials increased 1.8%, utilities eased 0.6%, and finance rose 4.9%. Within industrials, indexes for seven sub-groups increased and six decreased. Increases ranged from 6.6% for foods to 0.6% for printing and publishing. Non-metallic minerals continued a downward trend to register the largest decrease at 7.9%; similarly, construction fell by 6.6%. In utilities, telephone increased 1.6% and electric power edged up 0.3%, while the other sub-groups registered decreases. In finance, banks rose 6.0% to 213.4 and investment and loan increased 2.1% to 168.1.

In the same period, the index of mining stock prices eased 1.0% in response to losses in golds and base metals of 2.0% and 0.5% respectively.

Of the two supplementary price indexes, uraniums advanced 12.3% to 146.6 and primary oils and gas rose 3.3% to 238.7.

Wholesale Price Indexes<sup>1</sup> The price index of thirty industrial materials, calculated as an unweighted geometric average (1935-1939=100), advanced 0.3% to 275.0 from 274.1 in the three-week period February 6th to February 27th. Prices were higher for six commodities, lower for six and unchanged for eighteen. Principal changes included increases for steel scrap, beef hides, raw sugar and steers while decreases occurred for raw rubber and hogs.

In the same three-week period, the price index of Canadian farm products at terminal markets declined 0.2% to 281.1 from 281.6. The animal products index moved 0.4% lower to 372.2 from 373.8 reflecting price decreases for eggs and hogs on both Eastern and Western markets and for raw wool in the East. Higher prices were shown for lambs, steers and calves on both markets. The field products index moved up 0.3% to 189.9 from 189.3 on higher prices for oats on the Eastern market and for hay and flax in the West. Lower prices were shown for rye in the West.

<sup>1</sup> All 1970 indexes are subject to revision. For Canadian farm products, indexes subsequent to July 1968 are subject to revision as and when participation payments are announced for Western grains.

9.

WHOLESALE PRICE INDEXES

(1935-1939=100)

	Feb. 1970	Jan. 1970	Feb. 1969	Jan. 1969	% Change	
					Feb/'70 Jan/'70	Feb/70 Feb/69
General Wholesale Index .....	279.1	287.8	279.0	279.0	+ 0.5	+ 3.6
Vegetable products .....	237.9	236.6	240.2	239.3	+ 0.5	- 1.0
Animal products .....	338.4	333.2	308.5	306.6	+ 1.6	+ 2.7
Textile products .....	256.8	257.0	256.5	256.6	- 0.1	+ 0.1
Wood products .....	380.1	380.0	393.2	388.2	--	- 3.5
Iron products .....	303.4	302.0	278.2	278.6	+ 0.5	+ 8.8
Non-ferrous metals .....	291.1	290.9	253.7	255.6	+ 0.1	+ 14.7
Non-metallic minerals .....	213.0	212.2	209.7	209.7	--	+ 1.6
Chemical products .....	223.4	227.2	215.2	215.5	+ 0.1	+ 3.8
Iron and non-ferrous metals (excluding gold) .....	359.9	358.9	317.4	318.7	+ 0.3	+ 13.4
Raw and partly manufactured goods .....	271.9	273.0	255.3	255.7	+ 1.1	+ 0.3
Fully and chiefly manufactured goods .....	298.7	298.2	292.1	290.6	+ 0.2	+ 2.3

\* These indexes are preliminary.

10. Railway Carloadings Revenue freight loaded onto railway cars in Canada during the week ended February 28 totalled 72,108 carloads, down 1.8% from a total of 73,465 in the comparable period in 1969. This decrease may be attributed mainly to a 2.7% decrease in Eastern Canadian loadings to 45,180. Loadings West of the Lakehead declined 0.5% to 26,928 cars.

Year to date total carloadings were down 1.7% to 565,787 from 575,644 in the 1969 period. This decrease was attributable to a drop in Eastern division loadings of 6.9% to 353,981, while Western loadings rose 8.5% to 211,806 cars. Total tonnage loaded increased 7.0% over the 1969 total, obtained from another survey.

The following tables show carloadings and tonnages for total traffic and for piggyback traffic for the final week of February and for the year to date. Data are shown for 1969 only where comparable figures are available.

Railway Carloadings of Revenue Freight in Canada

		Year	East	West	Canada
<u>7-Day Period Ending February 28, 1970</u>					
All traffic	- cars	1970	45,180	26,928	72,108
All traffic	- cars	1969	46,413	27,052	73,465
All traffic	- tons	1970	2,310,046	1,352,946	3,662,992
Piggyback traffic	- cars	1970	2,425	1,509	3,934
Piggyback traffic	- tons	1970	42,098	30,283	72,381
<u>Year-to-date</u>					
All traffic	- cars	1970	353,981	211,806	565,787
All traffic	- cars	1969	380,367	195,277	575,644
All traffic	- tons	1970	18,642,664	10,865,152	29,507,816
All traffic	- tons	1969	-	-	27,587,572*
Piggyback traffic	- cars	1970	19,017	11,222	30,239
Piggyback traffic	- tons	1970	347,740	228,613	576,353

\* 1969 tonnage figure was obtained from another survey in which traffic was accounted for on a "received" basis instead of a "forwarded" basis. The impact of this different method should not exceed 3%.

## EDUCATION

11. Post Secondary Technical and Vocational Courses A bilingual brochure, "Post-Secondary Technical and Vocational Courses in Publicly-Operated Institutions, Canada, 1969-70" lists courses in over 350 occupations of a semi-professional nature in technical, agricultural, applied and fine arts and business fields offered by non-university institutions such as community colleges, technical institutes and colleges of agricultural technology. Copies can be obtained free of charge from the Education Division, DBS, Ottawa 3.

## TUBERCULOSIS

12. Incidence of Tuberculosis During November, 303 cases of tuberculosis were reported, of which 258 were new active and 45 were reactivated. During the year to date, 4,299 cases were reported (4,562 in 1968) of which 3,748 were new active (3,949) and 551 reactivated (613 in 1968).

13. Unemployment Insurance Claimants for unemployment insurance benefit numbered 537,000 on December 31, 1969, an increase of 8% over the 498,000 recorded on the same date last year. These totals comprise regular and seasonal benefit claimants numbering 456,000 and 81,000 respectively on December 31, 1969 and 425,000 and 73,000 on December 31, 1968. On November 28, 1969 there were 349,000 claimants of whom 3,000 were identified as seasonal benefit.

A total of 301,000 initial and renewal claims were filed in local offices across Canada during December, in comparison with 165,000 in November and 276,000 in December 1968.

The average weekly number of beneficiaries was estimated at 195,300 for December, 192,800 for November and 235,600 for December 1968. For these three dates respectively, benefit payments totalled \$33.1 million, \$27.6 million and \$30.8 million; average weekly benefit payments were \$33.86, \$33.17 and \$29.05.

## LABOUR

14. Man-Hours and Hourly Earnings January 1970 Advance estimates indicate increases in average weekly wages in mining, manufacturing, and construction from December to January. Average weekly hours rose in all these industry divisions, especially in construction. These increases reflect a return to normal activity following short-time during the December holiday season. Average hourly earnings rose in manufacturing and construction.

Further industry and area detail for the month of January, other than that presented in the accompanying table, is not yet available.

December 1969 Average weekly wages in manufacturing decreases by \$7.51 from \$116.18 in November to \$108.67 in December, mainly reflecting short-time associated with year-end holidays. This short-time is usually more widespread when Christmas falls in the middle of the week, as was the case this year. The 3.2-hour decline in average weekly hours more than offset a 4-cent increase in average hourly earnings. Both durable and non-durable goods manufacturing showed similar declines in average weekly hours; the largest drops were recorded in transportation equipment and in clothing. Compared with December 1968 data, average weekly hours in manufacturing were 0.8 hours lower and average hourly earnings were 22 cents higher.

In mining, average weekly wages declined \$2.30 from \$142.09 in November to \$139.79 in December. Average weekly hours decreased 1.3 hours and average hourly earnings rose 5 cents. In the year-over-year comparison, average weekly hours were 0.1 hours lower and average hourly earnings were 28 cents higher.

In the construction industry, where the effect of short-time and reduced activity associated with the year-end season is most pronounced, average weekly wages dropped \$38.69 from \$158.72 in November to \$120.03 in December. Average weekly hours decreased by 10 hours; average hourly earnings rose by 2 cents. Both the building and engineering components shared in the decline in average weekly hours. Compared to December 1968, average weekly hours in construction were 0.7 hours lower and average hourly earnings 49 cents higher.

## Man-Hours and Hourly Earnings - January 1970

Industry division and area	Average Weekly Hours				Average Hourly Earnings				Average Weekly Wages			
	Jan. 1970 <sup>1</sup>	Dec. 1969 <sup>1</sup>	Nov. 1969	Jan. 1969	Jan. 1970 <sup>1</sup>	Dec. 1969 <sup>1</sup>	Nov. 1969	Jan. 1969	Jan. 1970 <sup>1</sup>	Dec. 1969 <sup>1</sup>	Nov. 1969	Jan. 1969
	number				dollars							
<u>Industry division</u>												
Mining, including milling ..	41.7	39.9	41.2	41.9	3.42	3.50	3.45	3.22	142.89	139.79	142.09	135.10
Manufacturing .....	39.3	37.2	40.4	40.1	2.94	2.92	2.88	2.71	115.35	108.67	116.18	108.42
Durable goods .....	40.1	37.5	41.0	40.6	3.15	3.10	3.10	2.91	126.26	116.33	127.23	118.06
Non-durable goods .....	38.5	37.0	39.7	39.5	2.71	2.73	2.64	2.49	104.32	100.70	104.84	98.55
Construction .....	38.6	30.4	40.4	38.5	4.06	3.95	3.93	3.53	156.73	120.03	158.72	135.94
Building .....	37.6	28.8	39.1	37.5	4.15	4.11	4.09	3.60	156.17	118.48	160.02	135.28
Engineering .....	41.8	34.5	43.6	41.1	3.79	3.60	3.57	3.33	158.47	124.27	155.59	136.90
<u>Manufacturing by region</u>												
Atlantic Region .....	38.2	37.8	40.6	39.9	2.46	2.43	2.32	2.21	93.91	91.98	94.13	88.12
Quebec .....	39.8	37.1	41.2	41.1	2.60	2.61	2.56	2.43	103.59	97.08	105.42	99.83
Ontario .....	39.4	37.4	40.3	40.1	3.09	3.05	3.03	2.84	121.86	113.91	122.29	114.00
Prairie Region .....	39.0	37.5	39.6	38.6	2.85	2.85	2.83	2.58	111.13	106.78	111.99	99.74
British Columbia .....	37.4	36.3	37.8	36.8	3.64	3.61	3.60	3.39	135.79	131.18	136.04	124.83

The index number (1961=100) of average hourly earnings in electrical industrial equipment in January was 141.4.

(1) Preliminary figures.

15. Seasonally Adjusted Labour Force Statistics "Seasonally Adjusted Labour Force Statistics January 1953-December 1969" provides (1) seasonally unadjusted data; (2) uncentered twelve-month moving average of unadjusted data; (3) final seasonal adjustment factors, including factors estimated one year ahead and (4) final seasonally adjusted series.

16. Employment and Average Weekly Wages and Salaries January 1970 Advance estimates indicate a decrease in the unadjusted composite index of employment from December to January, mainly resulting from seasonal declines in construction and trade. All regions recorded decreases.

Seasonally-adjusted, the composite index of employment rose slightly. Among the industry divisions the largest relative changes were a decrease in construction and an increase in trade. Other changes were small. All regions showed increases except Ontario which recorded a slight decline.

Average weekly wages and salaries at the composite level rose from December to January mainly as a result of return to normal activity following short-time associated with the year-end holiday season. All industry divisions showed increases with the largest relative gains recorded in manufacturing and construction. All regions showed increases.

December 1969 The unadjusted index of employment (1961=100) at 126.5 was 2.7% lower than the November index of 130.1 and was 3.1% higher than in December 1968. All industry divisions contributed to the decline with forestry and construction showing the largest relative decreases, 11.4% and 15.3% respectively. Widespread layoffs and absenteeism associated with the year-end holiday season were major factors. Seasonally-adjusted, the composite index showed virtually no change from 128.4 in November to 128.5 in December. Among the industry divisions, the largest relative changes were increases of 2.5% in forestry, 1.3% in mining, and 1.0% in construction. The rise in forestry was partially the result of greater than seasonal layoffs in November. For other industry divisions, there was little difference in the seasonally-adjusted indexes from last month. The regions showed little change in the adjusted composite indexes of employment.

Average weekly wages and salaries at the composite level dropped \$4.33 from \$121.42 in November to \$117.09 in December. The largest relative changes recorded were declines in construction (\$29.84), in forestry (\$6.65), and in manufacturing (\$4.72). Short-time and unpaid holidays mainly due to the year-end season were major contributing factors. Other changes were small. All regions showed decreases.

Industry division and province	Employment Index Numbers						Average Weekly Wages and Salaries			
	Unadjusted				Seasonally- adjusted					
	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.	Jan.	Dec.
	1970(1)	1969(1)	1969	1968	1970(1)	1969(1)	1970(1)	1969(1)	1969	1968
			1961=100						dollars	
Industry division										
Forestry .....	..	85.6	65.4	75.6	..	89.5	..	134.14	118.24	124.41
Mining .....	111.9	111.1	109.8	108.3	113.8	113.9	156.56	153.19	146.72	141.82
Manufacturing .....	122.9	123.3	121.8	121.4	125.4	126.0	128.47	122.46	119.47	114.92
Durable goods .....	135.4	136.5	133.6	133.4	137.0	138.0	138.23	129.81	128.17	122.61
Non-durable goods .....	112.8	112.5	112.2	111.7	116.3	116.3	119.00	115.25	111.10	107.50
Construction .....	102.3	106.7	103.6	103.1	117.9	122.0	159.50	130.16	140.40	118.07
Transportation, communication and other utilities ...										
Trade .....	137.0	145.5	131.7	139.8	140.3	137.9	97.29	94.93	90.55	89.04
Finance, insurance and real estate .....										
Service .....	169.4	168.9	157.8	155.7	177.4	176.2	88.07	86.34	82.01	81.60
Industrial composite ..	124.5	126.5	121.4	122.7	128.7	128.5	122.37	117.09	114.04	109.95
Province and region										
Atlantic region .....	112.0	115.5	112.0	114.3	119.1	118.3	102.17	98.20	95.42	90.39
Newfoundland .....	111.5	114.3	110.3	113.5	124.8	120.4	109.85	107.10	103.65	97.81
Prince Edward Island ..	116.9	124.1	111.6	137.5	135.4	126.5	83.08	80.08	80.59	73.80
Nova Scotia .....	111.5	115.3	113.4	113.6	115.8	116.7	99.50	94.95	91.28	87.00
New Brunswick .....	112.5	115.6	111.5	113.7	118.0	117.8	102.20	98.15	96.51	91.50
Quebec .....	117.1	118.4	115.3	116.1	121.9	120.7	118.51	113.88	112.08	108.12
Ontario .....	129.7	131.6	127.3	127.9	132.3	132.8	126.63	120.46	117.93	113.22
Prairie region .....	123.0	125.5	118.5	121.2	128.0	127.9	116.51	112.18	108.01	104.91
Manitoba .....	115.1	116.6	112.2	113.5	119.1	119.2	109.98	105.72	103.21	100.88
Saskatchewan .....	110.3	114.5	112.2	117.5	117.5	117.4	112.03	108.38	103.94	103.17
Alberta .....	134.9	137.5	126.4	129.2	139.7	140.4	122.71	118.11	113.10	108.56
British Columbia .....	136.5	139.2	125.6	129.0	143.4	143.3	134.26	129.54	122.21	120.20
Yukon .....	..	132.1	125.5	128.2	..	148.1	..	162.74	149.27	142.96
Northwest Territories ..	..	116.2	101.2	98.6	..	136.6	..	163.21	166.85	164.05
Canada .....	124.5	126.5	121.4	122.7	128.7	128.5	122.37	117.09	114.04	109.95

.. Figures not available.

(1) Preliminary figures.

17. Cigarettes Preliminary figures show that production of cigarettes during February came to 3,824,204,000. Sales were as follows: domestic, 3,610,545,000; ex-warehoused for ships' stores and embassies, 6,904,000; ex-warehoused for export, 27,222,000. The opening inventory was 3,166,550,000, and the closing inventory, 3,346,083,000.

## L I B R A R I E S

18. Academic Libraries A bookstock of nearly 34,000,000 volumes for the use of over 2,770,000 students during the academic year 1967-68 was reported by university, college, post-secondary institutions, teachers' colleges, secondary and elementary school libraries. University and college libraries provided an average of 58.5 volumes per student with an expenditure of \$180.39 per student; post-secondary institutions reported an expenditure of \$71.06 per student. Elementary and secondary schools with centralized libraries spent \$5.45 per pupil for books and library materials. The seven Canadian library schools reported a total of 595 graduates for 1969.

## M E R C H A N D I S I N G

19. Toilet Preparations During 1968 the "suggested retail selling price" value of sales of toilet preparations by 89 reporting companies was \$475,814,760, compared with \$344,927,313 in 1967.

20. Voluntary Group Stores, 1967 During 1967, sales of independently-owned retail stores operating in voluntary groups rose to a record high of \$2,499,001,000, an increase of 29.3% over the \$1,933,129,000 recorded in 1965, the last year for which comparable data were published. Over the same period, the number of affiliated independent stores rose by 7.5%, from 11,669 to 12,547.

Corporate chains also increased their rate of activity in voluntary groups. Between 1965 and 1967, the number of chain stores participating in voluntary group activities rose from 658 to 725, a gain of 10.2%, while their sales jumped to \$446,671,000, up 44.7% over the \$308,692,000 recorded two years earlier.

As a consequence of this growth, the combined sales of voluntary group member stores (independent and chain) rose to \$2,945,672,000 or 31.4% greater than the 1965 total of \$2,241,821,000. During the same period, the average sales of stores affiliated with voluntary groups increased by 22.0%, from \$182,000 to \$222,000. At year-end 1967, voluntary group stores accounted for 12.4% of total retail sales in Canada.

More detailed information on this and related subjects can be found in the DBS report, "Voluntary Group Stores, 1967", catalogue number 63-215, released today by the Merchandising and Services Division.

## M A N U F A C T U R I N G

21. Steel Ingots Steel ingot production for the week ended March 14, 1970 totalled 245,713 tons, an increase of 6.5% from the preceding week's total of 230,648 tons. The comparable week's total in 1969 was 226,186 tons. The index of production based on the average weekly output during 1957-1959 of 96,108 equalling 100 was 256 in the current week, 240 a week earlier and 235 one year ago.

22. Floor Tile January production of vinyl-asbestos floor tile came to 4,780 tons or 10,339,281 square feet compared to 9,410 tons or 21,071,145 square feet in 1969.
23. Products Made from Canadian Clays December sales of products made from domestic clays came to \$2,923,037 (\$2,621,162 in 1968), bringing the year-end total to \$49,789,710 (\$47,181,218 in 1968).
24. Air Conditioning and Refrigeration Third quarter production of unitary air conditioners of under 120,000 btu's amounted to 898 units, valued at \$854,707. Closed type refrigerated display cases, self-contained and remote came to 382 units (\$396,073) while open units produced amounted to 1,217 (\$1,378,782).
25. Paints, Varnishes and Lacquers December sales of paints, varnishes and lacquers amounted to a value of \$12,458,988 compared to \$11,923,397 in December 1968. For the year 1969, sales were valued at \$208,073,228 (\$204,459,244 in 1968).
26. Mineral Wool Production of granulated and bulk or loose mineral wool in January amounted to 980,982 cubic feet, while the quantity shipped came to 889,643 cubic feet.
27. Motor Vehicle Production During February motor vehicle production rose over February 1969 to 104,395 units from 98,918; during the year to date, however, production fell to 207,723 units from 223,446.
28. Census of Manufactures The following statistics represent a selection of those which will appear later in regular publications of the Manufacturing and Primary Industries Division.

## Thread Mills (S.I.C. 212)

Selected Principal Statistics	1966	1967	1968p	% change 1968/1967
Establishments ..... No.	15	14	15	+ 7.1
<u>MANUFACTURING ACTIVITY</u>				
Production and related workers No.	690	680	667	- 1.9
Man-hours paid ..... '000	1,501	1,495	1,421	- 5.0
Wages .....\$'000	2,294	2,395	2,601	+ 8.6
Cost of materials and supplies\$'000	10,152	9,369	10,162	+ 8.5
Value of shipments .....\$'000	17,961	18,270	19,090	+ 4.5
Value added .....\$'000	7,748	8,922	8,810	- 1.3
<u>TOTAL ACTIVITY</u>				
Total employees ..... No.	979	984	978	- 0.6
Total salaries and wages .....\$'000	4,091	4,398	4,905	+11.5
Total value added .....\$'000	8,047	9,211	9,691	+ 5.2

p Preliminary.

## Boot and Shoe Findings Manufacturers (S.I.C. 1792)

Selected Principal Statistics	1966	1967	1968p	% change 1968/1967
Establishments ..... No.	39	38	33	-13.2
<u>MANUFACTURING ACTIVITY</u>				
Production and related workers No.	979	949	1,015	+ 7.0
Man-hours paid ..... '000	2,113	2,087	2,193	+ 5.1
Wages .....\$'000	3,432	3,717	4,151	+11.7
Cost of materials and supplies\$'000	6,654	6,627	8,300	+25.2
Value of shipments .....\$'000	14,993	15,148	17,680	+16.7
Value added .....\$'000	8,176	8,464	9,286	+ 9.7
<u>TOTAL ACTIVITY</u>				
Total employees ..... No.	1,241	1,166	1,224	+ 5.0
Total salaries and wages .....\$'000	4,938	5,194	5,712	+10.0
Total value added .....\$'000	8,631	8,506	9,380	+10.3

p Preliminary.

## Leather Glove Factories (S.I.C. 175)

Selected Principal Statistics	1966	1967	1968p	% change 1968/1967
Establishments ..... No.	52	50	48	- 4.0
<u>MANUFACTURING ACTIVITY</u>				
Production and related workers No.	1,342	1,266	1,260	- 0.5
Man-hours paid ..... '000	2,644	2,468	2,460	- 0.3
Wages .....\$'000	3,747	3,818	4,319	+13.1
Cost of materials and supplies\$'000	7,155	7,129	7,455	+ 4.6
Value of shipments .....\$'000	14,874	14,761	15,628	+ 5.9
Value added .....\$'000	7,837	7,281	8,061	+10.7
<u>TOTAL ACTIVITY</u>				
Total employees ..... No.	1,685	1,508	1,558	+ 3.3
Total salaries and wages .....\$'000	4,997	5,099	5,978	+17.2
Total value added .....\$'000	8,276	8,024	9,164	+14.2

p Preliminary.

## Manufacturers of Folding Cartons &amp; Set-up Boxes (S.I.C. 2731)

Selected Principal Statistics	1966	1967	1968p	% change 1968/1967
Establishments ..... No.	121	119	117	- 1.7
<u>MANUFACTURING ACTIVITY</u>				
Production and related workers No.	6,592	6,440	6,295	- 2.3
Man-hours paid ..... '000	14,064	13,610	13,282	- 2.4
Wages .....\$'000	28,504	29,467	30,732	+ 4.2
Cost of materials and supplies\$'000	91,284	91,847	93,906	+ 2.2
Value of shipments .....\$'000	156,685	161,546	166,486	+ 3.1
Value added .....\$'000	66,422	69,091	72,558	+ 5.0
<u>TOTAL ACTIVITY</u>				
Total employees ..... No.	8,269	8,126	7,932	- 2.4
Total salaries and wages .....\$'000	39,963	41,982	43,744	+ 4.1
Total value added .....\$'000	66,730	69,488	72,919	+ 5.0

p Preliminary

## Automobile Fabric Accessory Manufacturers (S.I.C. 2291)

Selected Principal Statistics	1966	1967	1968p	% change 1968/1967
Establishments ..... No.	30	28	26	- 7.2
<u>MANUFACTURING ACTIVITY</u>				
Production and related workers No.	2,266	2,213	2,614	+18.1
Man-hours paid ..... '000	4,563	4,966	5,404	+ 8.8
Wages .....\$'000	11,232	13,377	16,072	+20.1
Cost of materials and supplies\$'000	45,981	51,255	59,639	+16.4
Value of shipments .....\$'000	67,334	81,852	100,007	+22.2
Value added .....\$'000	20,906	31,344	40,735	+30.0
<u>TOTAL ACTIVITY</u>				
Total employees ..... No.	2,746	2,669	3,100	+16.1
Total salaries and wages .....\$'000	14,692	17,135	20,519	+19.7
Total value added .....\$'000	20,753	31,179	40,484	+29.8

p Preliminary.

## Corrugated Boxes Manufacturers (S.I.C. 2732)

Selected Principal Statistics	1966	1967	1968p	% change 1968/1967
Establishments ..... No.	58	60	62	+ 3.3
<u>MANUFACTURING ACTIVITY</u>				
Production and related workers No.	5,929	6,148	6,233	+ 1.4
Man-hours paid ..... '000	12,994	13,310	13,661	+ 2.6
Wages .....\$'000	29,449	32,362	35,887	+10.9
Cost of materials and supplies\$'000	134,682	143,791	153,321	+ 6.6
Value of shipments .....\$'000	211,493	229,438	240,045	+ 4.6
Value added .....\$'000	75,510	83,886	84,847	+ 1.1
<u>TOTAL ACTIVITY</u>				
Total employees ..... No.	8,180	8,469	8,655	+ 2.2
Total salaries and wages .....\$'000	44,330	48,393	54,689	+13.0
Total value added .....\$'000	75,706	83,571	84,511	+ 1.1

p Preliminary.

## Electric Lamp and Shade Industry (S.I.C. 268)

Selected Principal Statistics	1966	1967	1968p	% change 1968/1967
Establishments ..... No.	70	66	64	- 3.0
<u>MANUFACTURING ACTIVITY</u>				
Production and related workers No.	1,121	1,074	1,071	+ 0.3
Man-hours paid ..... '000	2,326	2,219	2,244	+ 1.1
Wages .....\$'000	3,374	3,476	3,759	+ 8.1
Cost of materials and supplies\$'000	9,670	9,675	10,285	+ 6.3
Value of shipments .....\$'000	18,986	19,209	20,811	+ 8.3
Value added .....\$'000	9,245	9,548	10,631	+11.3
<u>TOTAL ACTIVITY</u>				
Total employees ..... No.	1,403	1,343	1,355	+ 0.9
Total salaries and wages .....\$'000	5,186	5,320	5,886	+10.6
Total value added .....\$'000	9,516	9,781	10,838	+10.8

p Preliminary

## Office Furniture Industry (S.I.C. 264)

Selected Principal Statistics	1966	1967	1968p	% change 1968/1967
Establishments ..... No.	56	57	60	+ 5.3
<b>MANUFACTURING ACTIVITY</b>				
Production and related workers No.	3,556	3,465	3,444	- 0.6
Man-hours paid ..... '000	7,620	7,448	7,352	- 1.3
Wages ..... \$'000	15,125	16,011	17,568	+ 9.7
Cost of materials and supplies \$'000	28,299	28,933	30,403	+ 5.1
Value of shipments ..... \$'000	70,138	71,802	72,205	+ 0.6
Value added ..... \$'000	41,833	43,102	40,663	- 5.7
<b>TOTAL ACTIVITY</b>				
Total employees ..... No.	4,723	4,674	4,628	- 1.0
Total salaries and wages ..... \$'000	22,259	24,248	26,226	+ 8.2
Total value added ..... \$'000	42,321	43,543	41,469	- 4.8

p Preliminary.

## AGRICULTURE AND FOOD

29. Stocks and Poultry Feeds Shipments of prepared stock and poultry feeds during December 1969 were as follows: macro-premixes, 5,340 tons (59,786 tons in the year 1969); supplements, 62,792 tons (613,342).

30. Grain Milling The output of wheat flour in Canada for January amounted to 3,529,000 hundredweight representing an increase of 10% greater than the December 1969 output of 3,220,000 hundredweight, 3% over the January 1969 total of 3,467,000 hundredweight and 7% above the ten-year (1960-69) average production for the month of January of 3,286,000 hundredweight. Production of wheat flour during the first six months of the current crop year amounted to 20,222,000 hundredweight, 4% over the 19,500,000 hundredweight produced during the same period of the 1968-69 crop year and 2% more than the ten-year average for the same period.

Mill operations during January 1970 averaged 79.8% of capacity when computed on a 26-day working period in the month and a daily capacity of 168,000 hundredweight. Mills reporting for December 1969 operated at 73.8% of their combined rated capacity for the same number of days.

31. Dairy Factory Production Creamery butter production rose by 6% in February over February 1969, coming to a total of 14,866,000 pounds compared to 14,034,000. Cheddar cheese production rose by 34% to 7,786,000 pounds from 5,831,000 and that of ice cream mix, increased by 1% to 1,724,000 gallons from 1,699,000.

32. Stocks of Dairy Products Cold storage holdings of creamery butter increased 80.3% on March 1 to 73,352,000 pounds from 40,683,000 pounds at March 1, 1969. Stocks of cheddar cheese were down 1.8% to 75,157,000 pounds this year from 76,503,000 pounds while skim milk powder stocks decreased 42.2% to 117,815,000 pounds from 203,839,000 pounds on March 1, 1969. Evaporated whole milk stocks were up 34.2% to 27,574,000 pounds from 20,554,000.

33. Fur Production (These figures will appear in the 1968-69 issue of the Bureau's annual report "Fur Production" catalogue number 23-207) For the 1968-69 fur season the reported production of pelts was 5,609,254 compared to 6,093,598 for the 1967-68 season while the value increased to \$41,588,595 from \$36,531,035. The value of wildlife pelts sold during the season 1968-69 amounted to \$18,662,662 or 44.9% of the total value. The value of fur farm pelt production decreased to \$22,925,933 from \$23,028,820; with mink accounting for 99.0% of the value of fur farm production.

Number and Value of Pelts Produced, by Kind, Canada,  
Seasons 1967-68 and 1968-69

Kind	Number	Value	Average value	Number	Value	Average value
	1967-68			1968-69		
Canada		\$	\$		\$	\$
Wildlife .....	4,106,451	13,502,215	...	3,920,285	18,662,662	...
Ranch raised ...	1,987,147	23,028,820	...	1,688,969	22,925,933	...
Total .....	6,093,598	36,531,035	...	5,609,254	41,588,595	...

34. Stocks of Meat Products Total meat in cold storage at the opening of the first business day of March 1970 amounted to 75,923,000 pounds as compared with 80,500,000 pounds last month and 56,096,000 a year ago. The "out-of storage" movement for February 1970 was 4.6 million pounds as compared with a similar movement of 1.6 million pounds last year.

35. Dairy Review The preliminary estimate of milk produced in January is 1,157,000,000 pounds, 3.5% above production in the corresponding month last year. Slightly over 53% of the milk produced in January, or 615,000,000 pounds, was used for dairy factory products. This is 6.1% above factory utilization in January 1969.

Revised data for 1968 and 1969 indicate that 12.0 billion pounds of milk went into the manufacture of dairy factory products during 1969, an increase of 3.5% over the corresponding figure for 1968.

Fluid sales of milk and cream during January, for purposes of the advance preliminary estimate, are calculated at 425,000,000 pounds of milk, an increase of 0.9% from the sales in January 1969. This assumes the same relationship to year-earlier estimates as for the October-December period.

36. Salt Production of dry salt and salt content of brine came to 348,433 tons in January; the quantity shipped or used by producers came to 383,387 tons, while producers' stocks at the end of January amounted to 394,922 tons.

Catalogue numbers and prices are shown following the titles, except in cases where items are published as advance information. The 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, Fourth Quarter 1969 and Preliminary Estimates for the Year 1969
  2. Index of Industrial Production, January 1970
  3. Balance of Trade, Seasonally Adjusted and Unadjusted, February 1970
  4. Preliminary Statement of Canadian Trade, February 1970
  5. Total Exports, January 1970
  6. Shipping Report, 1967 (65-208), 75¢
  7. Security Price Indexes, March 12, 1970
  8. Price Movements, February 1970 (62-001), 10¢/\$1.00
  9. Wholesale Price Indexes, February 1970
  10. Carloadings, Week ended February 28, 1970
  11. Post-Secondary Technical and Vocational Courses, 1969-70
  12. Incidence of Tuberculosis, November 1969 (82-001), 10¢/\$1.00
  13. Statistical Report on the Unemployment Insurance Act, December 1969 (73-001), 20¢/\$2.00
  14. Man-Hours and Hourly Earnings, January 1970
  15. Seasonally Adjusted Labour Force Statistics, January 1953 - December 1969 (71-201), \$1.00
  16. Employment and Average Weekly Wages and Salaries, January 1970
  17. Cigarettes, February 1970
  18. Survey of Libraries, Part II: Academic Libraries, 1967-68 (81-206), 75¢
  19. Sales of Toilet Preparations in Canada, 1968 (46-221), 25¢
  20. Voluntary Group Stores, 1967 (63-215), 50¢
  21. Production of Steel Ingots, Week ended March 14, 1970
  22. Asphalt and Vinyl-Asbestos Floor Tile, January 1970
  23. Products Made from Canadian Clays, December 1969 (44-005), 10¢/\$1.00
  24. Air Conditioning and Refrigeration Equipment, Quarter ended September 30, 1969 (43-006), 25¢/\$1.00
  25. Sales of Paints, Varnishes and Lacquers, December 1969 (46-001), 10¢/\$1.00
  26. Mineral Wool, January 1970 (44-004), 10¢/\$1.00
  27. Preliminary Report on the Production of Motor Vehicles, February 1970 (42-001), 10¢/\$1.00
  28. Census of Manufactures, 1968: Office Furniture Industry; Thread Mills; Manufacturers of Folding Cartons and Set-up Boxes; Leather Glove Factories; Boot and Shoe Findings Manufacturers; Electric Lamp and Shade Industry; Corrugated Boxes Manufacturers; Automobile Fabric Accessory Manufacturers
  29. Shipments of Prepared Stock and Poultry Feeds, December 1969 (32-004), 20¢/\$2.00
  30. Grain Milling Statistics, January 1970 (32-003), \$1.00 a year
  31. Dairy Factory Production, February 1970 (32-002), 10¢/\$1.00
  32. Stocks of Dairy and Poultry Products, March 1, 1970 (32-009), 20¢/\$2.00
  33. Fur Production, 1968-1969
  34. Stocks of Meat Products, March 1, 1970 (32-012), 30¢/\$3.00
  35. The Dairy Review, January 1970 (23-001), 20¢/\$2.00
  36. Salt, January 1970 (26-009), 10¢/\$1.00
- Service Bulletins: Aviation Statistics, Vol. 2, No. 10; Pack of Processed Beets, 1969; Energy Statistics, Vol. 5, Nos. 15, 16 and 17 (57-002), \$5.00 a year

Released this week but summarized in the Weekly earlier:

System of National Accounts: National Income and Expenditure Accounts, Preliminary Fourth Quarter and Annual, 1969 (13-001), 75¢/\$3.00  
Fisheries Statistics, Saskatchewan, 1968 (24-211), 25¢  
Domestic Washing Machines and Clothes Dryers, December 1969 (43-002), 10¢/\$1.00  
Trade of Canada - Summary of Imports, December 1969 (65-005), 20¢/\$2.00  
Trade of Canada - Summary of Foreign Trade, December 1969 (65-001), 10¢/\$1.00  
Estimates of Employees by Province and Industry, December 1969 (72-008), 20¢/\$2.00  
Building Permits, December 1969 (64-001), 30¢/\$3.00  
Federal Government Employment, January-March 1969 (72-004), 75¢/\$3.00  
Fisheries Statistics, Newfoundland, 1968 (24-202), 50¢  
Fisheries Statistics, New Brunswick, 1968 (24-204), 50¢  
Preliminary Bulletins, 1968 Annual Census of Manufactures: Asphalt Roofing Manufacturers (36-205-P); Electric Lamp and Shade Industry (35-214-P); Wooden Box Factories (35-209-P); Musical Instruments and Sound Recording Industry (47-203-P); Leather Glove Factories (33-204-P), \$3.50 for annual series on manufacturing industries  
Domestic Refrigerators and Freezers, December 1969 (43-001), 10¢/\$1.00  
Production, Shipments and Stocks on Hand of Sawmills East of the Rockies, December 1969 (35-002), 20¢/\$2.00  
Provincial Government Employment, October-December 1969 (72-007), 50¢/\$2.00  
Tobacco Products Industries, 1968 (32-225), 50¢  
Gypsum Products Manufacturers, 1968 (44-217), 25¢  
Slaughtering and Meat Processors, 1967 (32-221), 75¢

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