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INDUSTRIAL RELATIONS CENTRE

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HIGHLIGHTS OF THIS ISSUE

Balance Of Payments: There was a sharp contraction in the deficit from international transactions in goods and services between Canada and other countries in this year's third quarter. At \$114 million this was less than one-quarter of the size in the previous quarter and only a little more than one-third of the deficit in the same quarter last year, and less than in any third quarter since 1955. (Pages 2-4)

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National Accounts: Gross national product in the third quarter 1960 was at \$35,272 million, seasonally adjusted at annual rates, an advance of less than 0.5% over the second quarter. This development follows the modest drop in output in the second quarter of this year, when gross national product declined by 1.5%. (Pages 4-5)

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Merchandising: Retailers' sales were down by 4.0% from a year earlier in October at \$1,394,804,000 and by 0.1% in the January-October period at \$13,198,013,000 ... Some 39,587 new motor vehicles were sold in October, up by 6.8% from a year earlier, while 10-month sales at 444,210 units were up by 1.1% from last year. (Pages 6-7)

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Credit: Balances outstanding on the books of sales finance companies at the end of October amounted to \$1,232,300,000 as compared to \$1,156,400,000 at the end of October 1959. (Page 8)

...

Manufacturing: Operating at 68.7% of rated capacity in the week ended December 17, steel mills in Canada produced 88,775 tons of steel ingots ... Producers' sales of radio and television receiving sets were smaller in October and the January-October period this year than last. (Pages 9-10)

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Agriculture & Food: Less creamery butter but more margarine and spreads and process cheese was produced in November and the January-November period this year as compared to last. Output of cheddar cheese was down in the month and up in the 11 months. (Pages 12-13)

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Transportation: Fewer cars of railway revenue freight were loaded on lines in Canada in the first week of December and in the January 1-December 7 period this year as compared to last. Receipts from connections were down, while piggyback loadings were up in both periods. (Page 14)

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Quarterly Estimates Of The Canadian
Balance Of International Payments

There was a sharp contraction in the deficit from international transactions in goods and services between Canada and other countries in this year's third quarter. At \$114 million this was less than one-quarter of the size in the previous quarter and only a little more than one-third of the deficit in the same quarter last year, and less than in any third quarter since 1955. Contributing to this result was the unusual appearance of a surplus of \$89 million on commodity account, together with some contraction of the deficit from non-merchandise transactions to \$203 million.

In the first three quarters of 1960 the current imbalance was \$894 million compared with \$1,153 million in the same period last year. This contraction in deficit was due to the rise of over \$300 million in merchandise exports overseas. Merchandise imports were slightly more and there was a further rise in the deficit from non-merchandise transactions to \$764 million which made up over 85% of the total deficit in the three quarters. In comparison with 1958 the deficit on merchandise account this year was about the same, although both exports and imports were substantially higher, but the deficit from non-merchandise transactions was 10% higher.

Contrasting high demands from overseas and reduced demands from the United States were an outstanding feature of the period. At the same time Canadian demands, as reflected in imports, were again less than in preceding quarters. And there appeared to be no longer the influence of accumulating inventories that had been a factor affecting imports in earlier periods.

Export Balance On Merchandise Trade: Merchandise exports were higher than ever before in the third quarter due to strong demands from overseas countries and were only exceeded in the fourth quarter of 1959. At the same time imports in the third quarter were less than in the third quarter of 1959, 1957, or 1956, although still above the level in 1958 or in this period prior to 1956. The level of exports to overseas countries in the third quarter was higher than in previous quarters, having risen during the year and stood some 11% above the previous peak level in the fourth quarter of 1959. On the other hand, exports to the United States in the third quarter were down by relatively more than this. The effect of these divergent trends was to produce an export balance of \$89 million in the third quarter which compares with an import balance of \$81 million in the same period of 1959.

This change further led to a contraction in the cumulative negative balance in the nine months to \$130 million from \$419 million last year. Exports in the three quarters were substantially higher while imports were up only slightly. The substantial rise in exports between the nine months of 1959 and 1960 from \$3,703 million to \$4,007 million was in response to strong demands originating in the United Kingdom, Western Europe, some other countries in the Sterling Area (notably Australia), and Japan. The rise in shipments to overseas countries was over 22% in contrast to a total value to the United States which was slightly less than in 1959.

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Deficit From Services & Other Non-Merchandise Items: The deficit from services and other non-merchandise transactions for the nine months of 1960 was estimated at \$764 million, up \$30 million over the deficit for the same months of 1959. This increment was more moderate than that of \$41 million between the first three quarters of 1958 and 1959, \$80 million between 1957 and 1958 and \$169 million between 1956 and 1957. The non-merchandise deficit accounted for about 85% of the current account imbalance, slightly more than in 1958 (when the merchandise trade balance stood at about the same level), and for less than the two-thirds which it represented in 1959.

The \$30 million rise in the deficit from "invisible" transactions in the nine months was attributable to larger deficits in the income and government accounts, migrants' funds and business services, offset in part by lower deficits in the travel and freight accounts and miscellaneous income and a higher value of gold production available for export. Much the same pattern of trends as this was also evident in the third quarter, although more accentuated in that period for seasonal and special reasons. As a result the size of the deficit was reduced moderately in the third quarter from the level in that period last year.

During the nine-month period the deficit arising from the income account remained the most important single source of the negative balance from all non-merchandise transactions. Payments of interest, which were markedly higher in each of the three quarters of 1960, arising in particular from large issues in 1959 of provincial and municipal bonds in the United States, and larger dividends paid by public companies to non-residents, were in part offset by lower dividend remittances by subsidiaries in Canada to their non-resident parents.

Capital Movements: Two features stand out in the capital account. The first is the continuing inflow to Canada of capital for direct investment in foreign-controlled enterprises at a substantial level. The second is a sharp decline in capital imported through transactions in portfolio securities. Demands for capital by borrowers who have tended to make use of markets both in Canada and abroad were smaller than in recent quarters. Movements in interest and exchange differentials are not sufficiently clear to establish whether a disinclination to borrow in foreign currency also played a part in the change.

Capital movements in such long-term forms as direct investment, portfolio security transactions, and long-term Government investment, led to a net capital inflow of \$146 million in the third quarter. This was the lowest figure since the final quarter of 1955. The reduced inflow in long-term forms in the third quarter as presently recorded exceeded by 28% the current account deficit. This is a wider margin than has been the case in all but one of the quarters during the past five years in which inflows in long-term forms were greater than the deficit. Over the first nine months of 1960 these inflows have been equivalent to 85% of the deficit.

Geographically about three-fifths of the net capital import in long-term forms during the third quarter came from the United States, with much the larger part of the remainder coming from continental Europe. In the nine months of 1960 about four-fifths came from the United States.

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Net inflows of foreign capital for direct investment in foreign-controlled enterprises in Canada continued at a high level in the third quarter. The estimate of \$165 million was somewhat higher than for the second quarter and more than twice the size for the corresponding quarter of 1959. In the three quarters of 1960 the net inflow has been slightly larger than for the whole of 1959. Significant parts of the inflows in both the third quarter and in the nine months financed the acquisition of existing Canadian owned enterprises and facilities, although they did not make up as large a part of the total as in 1959.

Transactions in Canadian portfolio securities led to a net capital outflow of \$3 million in the third quarter of 1960 in contrast to an inflow of \$97 million in the second quarter and even larger amounts for the three previous quarters. The result in the third quarter reflected repatriation of foreign-held Canadian securities through the repurchase by Canadians of \$9 million of outstanding issues and the retirement by debtors of \$22 million, against which must be placed sales to non-residents of new issues of Canadian securities for \$28 million. (1)

NATIONAL ACCOUNTS

Gross National Product In Third Quarter Gross national product in the third quarter 1960 was at \$35,272 million, seasonally adjusted at annual rates, an advance of less than 0.5% over the second quarter. This most recent development follows the modest drop in output in the second quarter of this year, when gross national product declined by 1.5%. About half of the slight gain in the value of production in the third quarter was accounted for by a small change in final product prices; in volume terms, the gross national product was very close to being unchanged from the level of the second quarter. Overall employment between the two quarters also remained unchanged.

The partial recovery in the level of activity, from a situation of declining production to a position of approximate stability, reflects developments in both external and domestic demand. On the external side, exports of goods and services rose very sharply in the third quarter, following the rather sudden decline which had characterized the figures for the second quarter of this year.

Final domestic demand has also contributed to the somewhat firmer tone that is suggested by the figures for the third quarter. Both housing and non-residential construction outlays were higher in the third quarter, following two quarters of successive declines. The up-turn in non-residential construction was relatively modest, and had been anticipated to some extent by the increase in industrial building permits which was noted in the second quarter; outlays for new machinery and equipment, however, continued to decline. Government expenditure on goods and services was also an important factor in the recovery of final domestic demand in the third quarter. Consumer expenditure, however, remained virtually unchanged in the third quarter as outlays for durables continued to decline, and relatively small gains were made in outlays for non-durables.

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Taken together, the renewed strength in exports and in final domestic demand in the third quarter produced a sizable advance in total final purchases of goods and services. The upswing in these final demand categories was not transmitted to production, however, since the bulk of these requirements were met, on balance, by cut-backs in the inventory sector. Inventory stocks, which were still accumulating in the second quarter, were drawn down considerably in the third quarter.

Turning to developments on the income side, all major components of national income showed relatively greater strength in the third quarter; national income as a whole showed a gain of 1.0%, in contrast to the decline of over 1.5% which occurred in the second quarter of the year. At the same time, disposable income, which had shown a drop of about 1.5% in the previous quarter, advanced by more than 2.0%, as higher earnings from productive activity were supplemented by increased transfer payments from government and a decline in direct personal tax collections. The rate of personal saving made a substantial recovery, to 6.0% of disposable income, following the steep decline of the second quarter.

In the first nine months of this year, gross national product has averaged 2.9% above the same period of 1959. Approximately one-half of this increase represents a further advance in final product prices, so that in physical volume terms the gross national product shows a gain of about 1.5%. The post-war average increase in the physical volume of output has amounted to approximately 4.0% per year, and was 3.5% in the year 1959.

Related indicators of real output by industry show little overall change in the volume of production between the second and third quarters, on a seasonally adjusted basis. Production in both the goods-producing and the service-producing industries showed only fractional movements.

Within the major goods-producing industries, production was off by 1.0% in manufacturing and by 2.0% in mining, but these declines were offset by a moderate increase in output in construction and public utilities and a substantial gain in output in forestry.

Employment, like production, remained virtually unchanged between the second and third quarters, apart from seasonal factors. However, with the continuing growth of the labour force, unemployment as a percentage of the labour force rose from 6.9% to 7.3% between the two periods, on a seasonally adjusted basis.

In the nine months' comparison, the increase in employment in 1960 is close to 2.0% over the comparable period of 1959, that is, approximately the same as for the increase in production. Most of the expansion in employment in 1960 took place in trade, finance, insurance and real estate and services, all industries having a high proportion of women workers. Female employment over the nine months was higher by 5.6%, and male employment by only 0.5%. The increase in employment of both males and females together fell short of the growth in the labour force, and unemployment as a percentage of the labour force was running at an average rate of 7.0% of the labour force in 1960 compared with 6.3% in the first nine months of 1959. (2)

Retail Sales In October, 10 Months

Retail sales in October amounted to an estimated \$1,394,804,000, a decrease of 4.0% from last year's corresponding total of \$1,452,577,000, DBS reports. There was a small increase of 0.5% in the first half of this year, a decrease of 2.7% in July, and increases of 0.5% in August and 2.7% in September. Over the January-October period sales eased down 0.1% to \$13,198,013,000 from \$13,214,212,000 in the like period of last year.

There were sales increases in October of 2.5% in Alberta and 1.4% in Manitoba, and decreases of 8.1% in British Columbia, 5.5% in Ontario, 4.4% in Quebec, 2.5% in the Atlantic Provinces and 0.7% in Saskatchewan. Over the January-October period there were sales increases of 3.4% in the Atlantic Provinces, 1.1% in Quebec and 0.7% in Manitoba, and decreases of 3.4% in British Columbia, 2.8% in Saskatchewan, 1.1% in Alberta and 0.2% in Ontario.

Among the trades there were decreased sales both in October and the January-October period as compared with 1959 for motor vehicle dealers, garages and filling stations, hardware stores, lumber and building material dealers, furniture, appliance and radio stores, restaurants, fuel dealers, and jewellery stores, and an increase in both periods for department stores. Sales were down in the month and up in the cumulative period for grocery and combination stores, general stores, variety stores, and men's, women's and family clothing stores. (3)

Department Store Sales

Department store sales in November were 3.0% higher in value than in the same month last year, according to preliminary DBS figures. All provinces reported gains except Manitoba and British Columbia that posted decreases of 0.8% and 2.8%, respectively. Increases were: Atlantic Provinces, 7.7%; Quebec, 5.1%; Ontario, 1.4%; Saskatchewan, 7.2%; and Alberta, 6.0%.

Sales in the week ended December 10 were 2.7% higher in value than a year earlier, according to a special DBS statement. Increases of 6.0% in Quebec, 3.5% in Ontario, 2.0% in Manitoba and 6.7% in Alberta more than offset decreases of 3.7% in the Atlantic Provinces, 0.2% in Saskatchewan and 0.5% in British Columbia.

New Motor Vehicle Sales

Total sales of new motor vehicles in October rose 6.8% to 39,587 units from 37,072 in the same month last year, bringing sales in the January-October period to 444,210 units from 439,166 a year ago, an increase of 1.1%. Retail value of these sales increased 5.7% in the month to \$119,454,000 from \$113,022,000, and decreased 0.8% in the 10 months to \$1,334,301,000 from \$1,344,897,000.

Sales of British and European vehicles (included in total sales) rose 7.2% in October to 10,148 units from 9,470 a year earlier and 8.0% in the January-October period to 113,079 units from 104,746 a year ago. Retail value of these sales advanced 8.8% in the month to \$20,282,000 from \$18,639,000 and also 8.8% in the cumulative period to \$226,870,000 from \$208,440,000.

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October sales of new passenger cars increased 3.3% to 33,473 units from 32,400 a year earlier, and included 9,556 versus 8,892 units of British and European manufacture. Retail value was up 2.5% to \$96,677,000 from \$94,316,000, including \$19,008,000 versus \$17,435,000 for models from overseas.

Financed sales of new passenger and commercial vehicles in October dropped 12.6% to 13,833 units from 15,829 a year earlier and the amount of financing declined 12.4% to \$34,216,000 from \$39,067,000. Financed sales of used passenger and commercial vehicles in the month fell 11.1% to 23,516 units from 26,443, and the amount of financing decreased 15.8% to \$23,695,000 from \$28,151,000. (4)

Merchandise Agents And Brokers Agents and brokers who negotiated merchandise transactions on a commission basis had sales of \$3,187,206,300 in 1959, compared with \$2,972,171,300 in 1958 and \$2,860,353,600 in 1957. The volume of business transacted by agents and brokers revealed by the Census of Merchandising and Service Establishments in 1951 was \$2,493,563,000. The number of business establishments increased from 1,741 in 1951 to 2,837 in 1957. Establishments reported inventory holdings of \$47,052,200 at the end of 1959, compared with \$41,169,000 in 1958 and \$33,962,900 in 1957.

Data for 1958 and 1959 were estimated from sample surveys conducted by DBS, while data for 1957 resulted from a comprehensive survey. The detailed results of these surveys will appear shortly in a reference paper which will provide data for 24 trade groups in five economic regions of Canada.

For the year 1957, the year of the comprehensive survey, total commissions earned were \$78,759,500. The average commission rate for all trades for Canada was 2.9%. The highest average commission rate for a trade was 9.0% for the chemicals, drugs and allied products group. The lowest was less than 1.0% for establishments handling transactions in farm products. Within individual trade groups the rate of commission frequently showed a wide range. In the groceries and food specialties trade, for example, a maximum rate of 45.0% and a minimum rate of 0.9% were reported. The average rate for this trade for Canada was 2.9%.

Looking at agents and brokers in the various economic regions, the highest average rate of commission (5.1%) occurred in the Atlantic Provinces, and the lowest (1.7%) in the Prairie Provinces.

In 1957 agents and brokers employed a maximum of 12,150 people and a minimum of 10,000. Salaries and wages paid, exclusive of withdrawals by the proprietors of unincorporated businesses, amounted to \$42,778,900.

Operating Results Of Retail Chain Stores Net operating profits were higher for six and lower for three types of retail chain stores in 1959 than in 1957, according to advance figures on the biennial survey of operating results of these stores by DBS.

Drug store chains realized a gross profit in 1959 of 33.92% of net sales (34.36% in 1957), paid out 31.56% (31.36%) as operating expenses and obtained a net operating profit before net other income or income tax of 2.36% (3.00%).

MORE

Men's clothing store chains operated on a gross profit of 35.65% (32.13% in 1957), paid total operating expenses of 33.92% (30.12%) and were left with a net operating profit of 1.73% (2.01%).

Women's clothing store chains showed a gross profit or margin in 1959 of 34.61% (34.38%); total operating expenses amounting to 31.58% (30.85%) left a net operating profit of 3.03% (3.53%).

Family clothing store chains registered similar gross profit ratios at 32.58% (32.88%), paid slightly less in expenses 29.27% (30.79%), and retained a larger ratio of net operating profit at 3.31% (2.09%).

Shoe store chains realized a higher percentage of gross profit at 35.94% (33.95%), paid slightly more in operating expenses at 30.19% (29.08%), and obtained a net operating profit of 5.75% (4.87%).

Grocery store chains improved their position slightly in 1959 with a gross margin of 16.49% (15.46%). Operating expenses averaged higher at 15.28% (14.38%), and net operating profit averaged higher at 1.21% (1.08%) of net sales.

Combination store chains gained slightly in gross profit at 17.90% (17.44%) of net sales, but with operating expenses higher at 15.17% (13.80%) net operating profit was lower at 2.73% (3.64%).

Variety store chains showed little change with a gross profit of 38.66% (38.56%), total operating expenses of 29.93% (29.55%), and net operating profit of 8.73% (9.01%) of net sales.

Furniture store chains operated on a gross profit margin of 36.13% (36.69%). Total operating expenses were 41.24% (41.46%) of net sales to leave an apparent loss. Net non-trading income is significant in this trade because it contains the financial charges made on credit sales. The addition of this income resulted in a final net profit of 8.08% (8.71%).

C R E D I T

Consumer Credit In October Balances outstanding on the books of sales finance companies at the end of October amounted to \$1,232,300,000, a decrease of 1.1% from \$1,245,500,000 at the end of September and an increase of 6.6% from \$1,156,400,000 at the end of October last year. Outstandings on consumer goods at \$840,000,000 were down 1.1% from \$849,200,000 at the end of September and up 2.5% from \$819,600,000 at the end of October 1959. Outstandings on commercial goods at \$392,300,000 were down 1.0% from \$396,300,000 a month earlier and up 16.5% from \$336,800,000 a year ago.

Cash loans and instalment credit held by companies licensed under the Small Loans Act amounted to \$540,900,000 at the end of October, compared to \$537,500,000 at the end of the preceding month and \$465,000,000 at the end of October last year. Accounts receivable held by department stores at the end of October totalled \$313,500,000 versus \$304,700,000 a month earlier and \$265,300,000 a year ago. (5)

Accounts Receivable At The End Of September Total accounts receivable on the books of retailers at the end of September amounted to \$948,500,000, an increase of 5.6% over last year's corresponding total of \$898,100,000. The increase from the end of the second quarter this year amounted to approximately \$10,000,000, compared with a gain of \$20,000,000 from March to June.

Department stores carry the largest amount of credit on their books, total at the end of September amounting to \$304,700,000, or 19.8% larger than last year's like total of \$254,400,000. Accounts receivable on the books of motor vehicle dealers were 4% below those of a year earlier at \$98,800,000 versus \$102,900,000. Furniture, appliance and radio stores reported a decrease of 1% in outstanding credit at \$191,100,000 versus \$193,100,000, and independent grocery stores a decline of 0.6% to \$35,400,000 from \$35,600,000.

Receivables of other trades at September 30 this year were: men's clothing stores, \$14,000,000 (\$13,400,000 a year earlier); family clothing, \$20,000,000 (\$19,300,000); women's clothing, \$13,400,000 (\$12,500,000); hardware, \$36,800,000 (\$35,100,000); jewellery, \$17,400,000 (\$17,300,000); fuel, \$32,400,000 (\$32,300,000); general stores, \$33,700,000 (\$32,000,000); garages and filling stations, \$29,300,000 (\$28,600,000); and all other trades, \$121,500,000 (\$121,600,000). (6)

MANUFACTURING

Weekly Steel Ingot Output Production of steel ingots in the week ended December 17 amounted to 88,775 tons, compared to 83,006 in the preceding week and 131,483 in the corresponding week last year, according to a special DBS statement. Canada's steel mills in the week ended December 17 operated at 68.7% of rated capacity (6,719,000 tons as at January 1, 1960) versus 64.2% in the preceding week and 108.3% of rated capacity (6,313,000 tons as at January 1, 1959) in the comparable 1959 period.

Production Of Coke Production of coke was smaller in September and the January-September period this year than last, while landed imports were larger in both periods. Exports of coke were up in the month and down in the nine months. September totals were: production, 296,936 tons (330,360 a year earlier); landed imports, 27,832 (22,007); exports, 9,432 (4,988); and amount made available for consumption, 315,336 (347,379). January-September totals: production, 2,984,490 tons (3,004,781 a year ago); imports, 244,978 (208,622); exports, 96,217 (98,653); and made available for consumption, 3,133,251 (3,114,750). (7)

Shipments Of Domestic Electrical Appliances Shipments of small domestic electrical appliances in October included the following items: kettles, 39,544 units (52,714 in October last year); steam flat irons, 36,858 (39,307); fry pans, 35,386 (43,211); automatic toasters, 26,417 (30,261); heating pads, 25,019 (24,199); floor polishers, 21,459 (24,226); cylinder or other straight-suction type vacuum cleaners, 15,385 (10,771); and coffee-makers, 12,753 (13,456). (8)

Sales Of Radio And TV Receiving Sets & Record Players In October

Producers' domestic sales of radio and television receiving sets were lower in October and the January-October period this year than

last, while sales of record players were up in the month and down in the 10 months.

October sales of radio receiving sets dropped to 70,526 units from 86,451 in the corresponding 1959 month, while January-October sales fell to 542,931 units from 609,524 a year earlier. Sales were smaller both in the month and cumulative period for all types.

Month's sales of television receiving sets decreased to 44,841 units from 56,549 a year earlier, and 10-month sales declined to 274,489 units from 329,252. October sales of record players were up to 23,733 units from 22,516, while January-October sales were down to 130,280 units from 138,917. (9)

Refrigerators & Freezers

Shipments of domestic mechanical refrigerators in October dropped to 13,589 units from 16,236 in the

same month last year, while January-October shipments increased to 221,055 units from 214,128 a year ago. End-of-October stocks were up to 42,814 units from 39,044 last year. Month's shipments of individual electric home and farm freezers rose to 4,524 units from 4,367 and 10-month shipments to 68,544 units from 40,018. Month-end stocks were down to 5,970 units from 7,977. (10)

Veneer & Plywood Shipments

Shipments of veneers and plywoods were smaller in October this year than last, while shipments in the

January-October period were smaller for veneers and larger for plywoods, according to advance DBS figures that will be contained in the October issue of "Peeler Logs, Veneers and Plywoods". End-of-October stocks were greater than a year ago for both commodities.

October shipments of veneers declined to 49,664,000 square feet from 69,636,000 a year earlier, and January-October shipments fell to 608,116,000 square feet from 720,118,000 a year ago. End-of-October stocks increased to 90,128,000 square feet from 41,439,000 a year ago.

Month's shipments of plywoods decreased to 131,702,000 square feet from 143,806,000, and 10-month shipments rose to 1,354,111,000 square feet from 1,194,578,000. Month-end stocks advanced to 97,426,000 square feet from 59,393,000.

Garment Production

Production of men's and youths' pants and slacks in the first nine months of this year increased to 2,531,599 from

2,443,087 in the corresponding 1959 period, fine dress shirts to 486,909 dozen from 452,116 and fine sport shirts to 362,679 dozen from 328,378. Output of all types of men's and youths' suits decreased to 1,241,956 from 1,259,057.

Output of women's and misses' regular model coats in the nine-month period declined to 1,226,714 from 1,235,024 a year ago, dresses to 8,684,754 from 8,853,435 and slips and half slips to 514,440 dozen from 561,879. Output of women's and misses' skirts increased to 3,352,728 from 3,283,892 and blouses to 562,866 dozen from 544,215. (11)

Stocks Of Non-Ferrous Scrap Metal At End Of September

Dealers' stocks of non-ferrous scrap metal at the end of September this year included: aluminum group, 3,547,400 pounds (3,290,700 at the beginning of the third quarter); copper group, 9,234,900 (11,955,200); tin-lead group, 6,897,400 (7,244,700); magnesium group, 30,600 (29,600); nickel group, 389,800 (356,200); and zinc group, 3,007,900 (3,043,400) (12)

Paper-Using Industries In 1958

Value of products shipped in 1958 by Canada's paper-using industries rose 9.0% to an all-time high of \$494,781,000 from 1957's previous peak of \$453,785,000, according to the Bureau's annual general review of the group. Number of establishments decreased to 434 from 454 in 1957, while number of employees increased to 28,851 from 28,343, salaries and wages to \$102,163,000 from \$95,658,000, cost of materials and supplies to \$285,351,000 from \$266,219,000 and value added by manufacture to \$207,742,000 from \$184,510,000.

Value of factory shipments by provinces in 1958 was as follows: Ontario, \$268,692,000 (\$252,649,000 in 1957); Quebec, \$149,279,000 (\$132,260,000); British Columbia, \$34,177,000 (\$31,522,000); Manitoba, \$20,408,000 (\$17,329,000); Alberta, \$12,759,000 (\$11,638,000); New Brunswick, \$4,734,000 (\$4,138,000); Prince Edward Island and Nova Scotia, \$4,011,000 (\$3,696,000); and Saskatchewan, \$721,000 (\$553,000). (13)

Petroleum & Coal Products

Value of shipments from 115 plants engaged in the manufacture of products of petroleum and coal decreased 3.5% in 1958 to \$1,466,409,000 from the preceding year's record \$1,491,926,000, DBS reports in its annual general review of the group. Number of employees declined to 17,427 from 17,757 in 1957, while salaries and wages increased to \$89,491,000 from \$88,688,000. Materials and supplies cost less at \$894,458,000 versus \$898,830,000.

Values for 1958 of some of the products made for sale by these plants were as follows: motor gasoline, \$619,267,000 (\$599,141,000 in 1957); light fuel oil, \$211,642,000 (\$205,056,000); diesel fuel, \$117,699,000 (\$135,089,000); heavy fuel oil, \$93,708,000 (\$129,578,000); kerosene, stove oil and tractor fuel, \$71,948,000 (\$69,910,000); and aviation turbine fuel, \$26,884,000 (\$28,589,000). (14)

AGRICULTURE & FOOD

Wheat Supplies & Exports

Supplies of wheat remaining on or about November 1 this year in the four major wheat exporting countries for export and for carryover at the end of their respective crop years amounted to 2,798.5 million bushels, an increase of 9% from last year's corresponding total of 2,558.4 million bushels. Supplies at November 1, by country were (in millions of bushels): United States, 1,887.2 (1,677.6 a year ago); Canada, 796.9 (738.5); Argentina, 39.5 (62.8); and Australia, 74.9 (79.5).

Total exports of wheat and wheat flour in terms of wheat from these four countries in the August-October period of the current Canadian crop year aggregated 272.0 million bushels versus 212.1 million in the comparable 1959 period an advance of 28%. Wheat exports were higher than a year earlier from all four countries, and were as follows (in millions of bushels): United States, 138.5 (100.3 a year ago); Canada, 80.3 (76.3); Argentina, 25.5 (15.1); and Australia, 27.7 (20.4). (15)

Margarine Production Production of margarine, including spreads, in November increased 8.1% to 14,801,000 pounds from 13,688,000 in the corresponding month last year. With increases from a year earlier in all previous months except April, July and October, output in the January-November period rose 9.0% to 151,898,000 pounds from 139,333,000 a year ago. Stocks held by manufacturers, wholesalers and other warehouses at December 1 amounted to 4,499,000 pounds, compared to 4,692,000 a month earlier and 4,915,000 a year ago. (16)

Process Cheese Production of process cheese in November amounted to an estimated 4,683,376 pounds, down 12.2% from 5,331,963 pounds in October and up 0.8% from 4,647,941 pounds in November 1959. Output in the January-November period rose 6.5% to 48,749,764 pounds from 45,766,014 in the same period last year. Stocks held by manufacturers at November 30 amounted to 2,389,834 pounds, compared to 2,193,203 pounds at the end of the preceding month and 2,354,547 pounds at the end of November last year.

Stocks Of Dairy & Poultry Products Stocks of creamery butter, cheddar cheese, skim milk powder and poultry meat were larger at December 1 this year as compared to last, while holdings of evaporated whole milk and cold storage eggs were smaller. December 1 stocks were: creamery butter, 125,630,000 pounds (116,129,000 a year ago); cheddar cheese, 57,926,000 pounds (53,377,000); evaporated whole milk, 53,084,000 pounds (54,936,000); skim milk powder, 24,546,000 pounds (21,741,000); cold storage eggs, 3,000 cases (12,000); and poultry meat, 48,874,000 pounds (47,315,000). (17)

9-City Creamery Butter Stocks Stocks of creamery butter in nine cities of Canada at December 15 amounted to 74,000,000 pounds, a rise of close to 24% from last year's comparable total of 59,719,000 pounds, according to a special DBS statement. December 15 stocks by city were: Quebec, 6,564,000 pounds (6,847,000 a year ago); Montreal, 37,006,000 (24,768,000); Toronto, 6,266,000 (4,903,000); Winnipeg, 12,595,000 (15,487,000); Regina, 2,925,000 (1,725,000); Saskatoon, 3,082,000 (1,899,000); Edmonton, 3,236,000 (2,172,000); Calgary, 943,000 (777,000); and Vancouver, 1,383,000 (1,141,000).

Stocks Of Fruit & Vegetables Larger quantities of pears, potatoes, onions, carrots, celery and vegetables (frozen and in brine) and smaller quantities of apples, fruit (frozen and in preservatives) and cabbage were held in cold or common storage at December 1 this year as compared to last. December 1 stocks of fruit were: apples, 6,478,000 bushels (7,206,000 at December 1, 1959); pears, 192,000 bushels (139,000); and fruit (frozen and in preservatives), 41,267,000 pounds (47,341,000).

Holdings of vegetables at the beginning of December were: potatoes, 15,187,000 cwt. (14,280,000 a year ago); onions, 1,627,000 bushels (1,211,000); carrots, 793,000 bushels (755,000); cabbage, 159,000 bushels (175,000); celery, 48,000 crates (29,000); and vegetables (frozen and in brine), 60,937,000 pounds (56,196,000). (18)

Stocks Of Meat & Lard Cold storage holdings of meat at December 1 this year amounted to 68,912,000 pounds, compared to 63,814,000 at November 1, and 103,611,000 at December 1 last year. December 1 holdings of frozen meat totalled 38,236,000 pounds versus 32,587,000 a month earlier and 69,749,000 a year ago, fresh meat 20,690,000 pounds versus 22,852,000 and 21,905,000 and cured meat 9,986,000 pounds versus 8,375,000 and 11,957,000.

December 1 stocks of lard totalled 4,635,000 pounds as compared to 3,809,000 at November 1 and 5,190,000 at December 1 last year, while holdings of tallow amounted to 3,409,000 pounds versus 3,262,000 a month earlier and 2,830,000 a year ago. (19)

Stocks Of Canned Foods Cannery stocks of canned apples (solid pack), apple juice, peaches, Bartlett and Kieffer pears, strawberries, asparagus, beets, tomatoes and tomato juice were larger at September 30 this year as compared to last. End-of-September holdings of canned applesauce, apricots, cherries, plums, raspberries, green and wax beans, corn and peas were smaller than a year ago.

September 30 stocks of canned fruit held by canners included: apples, solid pack, 86,181 cases (81,216 a year ago); applesauce, 112,760 (192,466); apple juice, 387,862 (124,138); apricots, 194,955 (203,499); cherries, 213,256 (245,941); peaches, 1,511,842 (1,456,973); Bartlett pears, 137,085 (90,841); Kieffer pears, 94,440 (38,562); plums, 137,762 (173,126); raspberries, 105,148 (107,656); and strawberries, 93,754 (82,440).

End-of-September holdings by canners of canned vegetables included: asparagus, 168,162 cases (145,746 a year earlier); green and wax beans, 1,820,512 (1,998,529); beets, 393,292 (359,295); corn, 3,353,120 (3,739,360); peas, 3,447,556 (3,473,230); tomatoes, 1,941,990 (1,327,480); and tomato juice, 5,561,173 (5,048,838). (20)

Dairy Factory Production Production of creamery butter was smaller in November and the January-November period this year than last, while output of ice cream mix and evaporated whole milk was larger in both periods. Production of cheddar cheese was down in the month and up in the 11 months, while output of skim milk powder was larger in the month and smaller in the cumulative period.

November production totals were as follows: creamery butter, 18,087,000 pounds (18,380,000 in November 1959); cheddar cheese, 6,996,000 pounds (7,516,000); ice cream mix, 1,103,000 gallons (998,000); evaporated whole milk, 18,302,000 pounds (14,389,000); and skim milk powder, 9,764,000 pounds (9,431,000).

January-November production totals were: creamery butter, 303,095,000 pounds (309,510,000 a year ago); cheddar cheese, 105,102,000 pounds (101,477,000); ice cream mix, 19,206,000 gallons (18,892,000); evaporated whole milk, 301,127,000 pounds (293,092,000); and skim milk powder, 154,814,000 pounds (166,556,000). (21)

Fish Freezings & Stocks Freezings of fish in November (excluding smoked fish, bait and animal feed) rose 6.3% to 10,574,000 pounds from 9,950,000 in the corresponding 1959 month, according to advance DBS figures that will be contained in the November issue of "Fish Freezings and Stocks". Stocks (excluding smoked fish, bait and animal feed) at November 30 amounted to 60,921,000 pounds, a decrease of 2.2% from last year's comparable figure of 62,266,000 pounds.

TRANSPORTATION

Railway Carloadings In First Week Of December Cars of railway revenue freight loaded on lines in Canada in the seven days ended December 7 numbered 58,151, compared to 71,284 in the corresponding period last year. This brought loadings in the January 1-December 7 period to 3,447,759 cars versus 3,645,026 a year ago, a decline of 5.4%.

Redepts from connections fell in the week ended December 7 to 23,926 cars from 28,522 and in the January 1-December 7 period to 1,304,662 cars from 1,321,086. Piggyback loadings increased in the week to 3,146 cars from 2,938 and in the cumulative period to 146,160 cars from 124,993. (22)

Freight Transported Through Canadian Canals In August Volume of freight transported through Canadian canals in August amounted to 7,172,700 tons versus 7,848,600 in August 1959, a decrease of 8.6%. Traffic was down on both the Welland and St. Lawrence canals, due mainly to decreased movements of iron ore and coal. Number of vessel passages declined to 4,540 from 5,031, and the registered net tonnage fell to 6,202,200 tons from 6,257,000. Pleasure craft lockages increased to 42,959 from 40,043, but the number of passengers decreased to 78,995 from 87,180.

Freight cleared through the combined Canada-U.S. Sault Ste. Marie canals in August advanced sharply to 12,974,500 tons from the 1959 steel strike affected total of 3,210,700; clearances through the Canadian canal rose to 206,100 tons from 146,100. Freight locked through the Welland Ship canal in the month declined to 3,887,700 tons from 4,241,600 and through the St. Lawrence system to 2,868,500 tons from 3,324,500. (23)

VITAL STATISTICS

Registrations Of Births, Marriages And Deaths In November & 11 Months More marriages and deaths were registered in provincial offices in November and the January-November period this year than last, while registrations of births were up in the month and down in the 11 months. November registrations were: births, 41,344 (40,135 a year earlier); marriages, 11,860 (11,060); and deaths, 11,443 (11,070). January-November totals: births, 441,325 (450,351 a year ago); marriages, 123,415 (120,001); and deaths, 127,780 (126,861). (24)

Foreign Students In Canadian Universities And Colleges

Close to 6,000 foreign students from over 100 countries and territories were attending Canadian universities and colleges in the 1958-59 academic year, DBS reports. They represented 6.3% of the total full-time enrolment of 94,400 for that year. Included were 2,662 from various Commonwealth countries and 1,983 from the United States. The distribution of these students by region was as follows:

	Total	From Commonwealth Countries	From Other Countries	Not Specified By Country
Africa.....	153	97	40	16
Asia.....	1,160	863	284	13
Australia & New Zealand.....	31	31	-	-
Central America.....	66	5	52	9
Europe.....	1,239	529	653	77
North America.....	2,068	81	1,987	-
South America.....	155	38	105	12
West Indies.....	1,115	1,018	97	-
Total.....	5,987	2,662	3,198	127

Countries with the largest student enrolment in Canada in 1958-59 were: United States, 1,983; Hong Kong, 613; Trinidad, 575; United Kingdom, 526; Jamaica, 290; India, 155; France, 137; Germany, 87; Netherlands, 86; Bermuda, 63; Hungary, 59 (excludes about 500 Hungarian refugee students who will presumably become residents of Canada. Most of the 59 included were probably refugees). Japan, 58; Greece, 53; Pakistan, 52; Barbados, 51; Indonesia, 50; Cuba, 41; Italy, 39; British Guiana, 38; Venezuela, 34; China, 33; Belgium, 32; Ghana, 31; St. Lucia, 30; and South Africa, 30.

Technical Education

Technical education in Canada at the post-secondary level continues to show marked growth, DBS reports. Total full-time enrolment in the 29 Canadian institutes offering post-secondary technical courses reached 9,443 in 1960-61, an increase of 13.6% over 1959-60.

High school graduation or the equivalent is necessary for entrance to post-secondary technical courses of one to four years' duration. All of these courses are terminal. The occupational objective of these schools is to prepare each student for employment in a specific or more general field at a level above that which could be entered with high school graduation.

Enrolment in the technological courses constituted 87.6% of the total enrolment in the post-secondary vocational courses in 1960-61. Courses such as home economics, secretarial science, commercial arts and journalism accounted for the remaining 12.4%. Of those enrolled in 1960-61 only 5% were female, and most of them were enrolled in commercial arts, secretarial science, home economics, etc., rather than in technological courses.

In almost all fields of specialization there has been an overall increase in enrolment, although a few institutions show minor decreases in some of these. Fields showing slightly smaller overall enrolment are papermaking, graphic arts, textile, forest and construction technologies.

Three provinces (Quebec, Ontario, and Alberta) accounted for nearly all of the full-time enrolment in 1960-61. Quebec led with 54.1% of the enrolment, followed by Ontario with 32.7% and Alberta with 9.6%.

During the school year 1959-60, 1,730 students were graduated in all fields, more than half of them in the electronic, electrical, metallurgical and mechanical fields. It is estimated that by the end of the current school year some 2,000 students will be graduated.

M I N I N G

Production Of Gold Production of gold in October rose 1.7% to 403,479 fine ounces from 396,725 in the same 1959 month. With increases in all previous months except April and May, output in the January-October period advanced 2.7% to 3,816,223 fine ounces from 3,717,547 a year ago.

Production of gold in October by regions was as follows: Newfoundland and Nova Scotia, 1,683 fine ounces (1,116 a year earlier); Quebec, 84,603 (87,249); Ontario, 234,686 (233,404); Prairie Provinces, 10,933 (10,510); British Columbia, 16,568 (14,465); Yukon, 19,243 (13,377); and Northwest Territories, 35,763 (36,604). (25)

Production And Landed Imports Of Coal In November & Eleven Months Production of coal in November rose 0.7% to 1,231,000 tons from 1,222,462 in the corresponding month last year, and output in the January-November period increased 5.1% to 9,964,264 tons from 9,478,259 a year ago. Landed imports were down in the month to 1,280,575 tons from 1,492,332 and in the 11-month period to 12,019,917 tons from 13,175,934.

Coal production in the January-November period was larger than a year earlier in all producing areas except Alberta. Totals were: Nova Scotia, 4,233,371 tons (3,932,778 a year ago); New Brunswick, 921,304 (906,893); Saskatchewan, 1,920,827 (1,723,440); Alberta, 2,130,543 (2,243,021); and British Columbia and the Yukon, 758,219 (672,127). (26)

P U L P W O O D

Production & Consumption Production of pulpwood increased in October to 2,001,210 rough cords from 1,944,052 in the same month last year and in the January-October period to 12,991,178 rough cords from 11,162,939 a year ago, according to advance DBS figures that will be contained in the October issue of "Pulpwood Production, Consumption and Inventories". Month's consumption fell to 1,219,379 rough cords from 1,261,477, and 10-month consumption rose to 11,740,893 rough cords from 11,411,105. End-of-October inventories were up to 15,599,067 rough cords from 13,957,459 at the same date last year. (27)

Sawn Lumber Production Production of sawn lumber and ties in British Columbia in October fell 3.6% to 410,083,000 feet from 424,958,000 in the same 1959 month, bringing output in the January-October period to 4,423,639,000 feet versus 3,920,095,000 a year ago, a rise of 12.8%. October production in the remaining provinces (excluding ties) dropped 6.5% to 172,373,000 feet from 184,323,000 and the January-October output fell 3.8% to 2,320,321,000 feet from 2,412,981,000. These advance data were taken from the October issue of the two sawmill reports that will be released shortly.

October output in the remaining provinces was (in thousands): Prince Edward Island, 440 feet (620 a year earlier); Nova Scotia, 15,340 (15,010); New Brunswick, 23,751 (24,005); Quebec, 63,576 (76,506); Ontario, 60,291 (61,671); Manitoba, 1,900 (2,034); Saskatchewan, 3,200 (449); and Alberta, 3,875 (4,028).

January-October production in the remaining provinces was (in thousands): Prince Edward Island, 7,010 feet (8,257 a year ago); Nova Scotia, 230,341 (218,804); New Brunswick, 271,531 (308,034); Quebec, 945,105 (978,775); Ontario, 560,406 (599,074); Manitoba, 48,763 (46,351); Saskatchewan, 55,510 (58,073); and Alberta, 201,655 (195,613).

FISHERIES

Sea Fisheries In The Maritimes In November Landings of sea fish and shellfish by fishermen in the Maritime Provinces in November increased 27% to 38,989,000 pounds from 30,623,000 in the corresponding 1959 month, according to monthly summary fish statistics released jointly by the Department of Fisheries and the Dominion Bureau of Statistics. Month's landed value advanced 32% to \$1,907,000 from \$1,440,000 a year earlier.

Catch of groundfish in November rose to 28,645,000 pounds from 12,300,000 a year earlier and molluscs and crustaceans to 2,948,000 pounds from 1,296,000, while landings of pelagic and estuarial fish declined to 7,396,000 pounds from 8,027,000. Landed value of the groundfish catch was up to \$1,057,000 from \$808,000 and molluscs and crustaceans to \$662,000 from \$388,000, while the value for the take of pelagic and estuarial fish dropped to \$188,000 from \$244,000.

PRICES

Security Price Indexes

	<u>December 15</u>	<u>December 8</u> 1935-39 = 100	<u>November 17</u>
<u>Investors' Price Index</u>			
Total common stocks.....	259.6	256.4	253.0
Industrials.....	267.3	263.8	259.8
Utilities.....	192.2	191.0	189.2
Banks.....	338.2	333.4	332.3
<u>Mining Stock Price Index</u>			
Total mining stocks.....	106.8	107.3	107.2
Golds.....	76.3	77.4	76.8
Base metals.....	176.5	175.9	176.7

Public Finance Statistics 1958 Net general revenue of all governments in Canada -- federal, provincial and municipal -- in 1958 decreased 1.8% to \$8,070,586,000 from \$8,217,255,000 in 1957, while expenditures increased 7.3% to \$9,162,471,000 from \$8,537,173,000, according to the Bureau's annual report "A Consolidation of Public Finance Statistics". All transfers between the three levels of government were eliminated in arriving at these figures.

Bonded debt, excluding inter-government debt, increased 11.2% to \$20,595,355,000 from \$18,527,902,000, against which sinking funds were held in the amount of \$869,900,000 versus \$936,879,000 in the preceding year. Net direct debt (inter-government debt and sinking funds deducted) was \$26,693,688,000 versus \$23,688,833,000, and indirect debt (inter-government debt and sinking funds deducted) was \$5,781,483,000 versus \$4,985,222,000.

The publication consolidates public finance statistics of federal, provincial and municipal governments for the fiscal year ended nearest to December 31, 1958. It presents combined totals of similar items for the three levels of government after inter-government relationships have been eliminated. (28)

(Publications listed below are numbered similarly to news items to indicate source of latter. Catalogue order numbers precede titles of reports. Prices for both single copies and annual subscriptions are shown for periodicals).

- 1 - 67-001: Quarterly Estimates of the Canadian Balance of International
Payments, 3rd Quarter 1960, 25¢/\$1.00
- 2 - 13-001: National Accounts - Income & Expenditure, 3rd Quarter 1960, 50¢/\$2.00
- 3 - 63-005: Retail Trade, October, 30¢/\$3.00
- 4 - 63-007: New Motor Vehicle Sales & Motor Vehicle Financing, October, 10¢/\$1.00
- 5 - 61-004: Credit Statistics (Selected Holders), October, 10¢/\$1.00
- 6 - 63-006: Retail Credit, 3rd Quarter 1960, 50¢/\$2.00
- 7 - 45-002: Coal & Coke Statistics, September, 20¢/\$2.00
- 8 - 43-003: Specified Domestic Electrical Appliances, October, 10¢/\$1.00
- 9 - 43-004: Radio & Television Receiving Sets, October, 10¢/\$1.00
- 10 - 43-001: Domestic Refrigerators & Freezers, October, 10¢/\$1.00
- 11 - 34-001: Garment Production (Selected Items), 3rd Quarter 1960, 25¢/\$1.00
- 12 - 41-007: Non-Ferrous Scrap Metal, 3rd Quarter, 25¢/\$1.00
- 13 - 36-201: General Review of the Paper-Using Industries, 1958, 50¢
- 14 - 45-201: Products of Petroleum & Coal, General Review 1958, 50¢
- 15 - 22-005: The Wheat Review, November, 30¢/\$3.00
- 16 - 32-005: Margarine (Including Spreads), November, 10¢/\$1.00
- 17 - 32-009: Stocks of Dairy & Poultry Products, December, 20¢/\$2.00
- 18 - 32-010: Stocks of Fruit & Vegetables, December, 20¢/\$2.00
- 19 - 32-012: Stocks of Meat & Lard, December, 30¢/\$3.00
- 20 - 32-011: Quarterly Stocks of Canned Foods, September 30, 50¢/\$2.00
- 21 - 32-002: Dairy Factory Production, November, 10¢/\$1.00
- 22 - 52-001: Carloadings on Canadian Railways, December 7, 10¢/\$1.00
- 23 - 54-001: Summary of Canal Statistics, August, 10¢/\$1.00
- 24 - 84-001: Vital Statistics, November, 10¢/\$1.00
- 25 - 26-004: Gold Production, October, 10¢/\$1.00
- 26 - 26-002: Preliminary Report on Coal Production, November, 10¢/\$1.00
- 27 - 25-001: Pulpwood Production, Consumption & Inventories, October, 10¢/\$1.00
- 28 - 68-202: A Consolidation of Public Finance Statistics, Actual, 1958, 50¢
- - 21-003: Quarterly Bulletin of Agricultural Statistics, July-September 1960,
\$1.00/\$4.00
- - 22-004: Grain Statistics Weekly, November 30, 10¢/\$3.00
- - 24-002: Monthly Review of Canadian Fisheries Statistics, October, 30¢/\$3.00
-- Summarized in issue of December 9
- - 45-004: Refined Petroleum Products, October, 30¢/\$3.00 -- Summarized in
issue of December 16
- - 63-207: Motion Picture Theatres & Film Distributors, 1959, 50¢ -- Summarized
in issue of October 28
- - 64-002: New Residential Construction, October, 30¢/\$3.00 -- Summarized in
issue of December 2
- - 72-003: Man-Hours & Hourly Earnings, With Average Weekly Wages, September,
30¢/\$3.00 -- Summarized in issue of December 9
- - 72-007: Provincial Government Employment, July-September 1960, 50¢/\$2.00 --
Summarized in issue of December 16

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