

Vol. 32 -- No. 52

Monday, December 28, 1964

HIGHLIGHTS OF THIS ISSUE

OF STATISTICS

DEC 28 1964

PROPERTY OF THE
LIBRARY

Balance Of Payments: In the third quarter of 1964 there was a surplus of \$219 million from transactions in goods and services between Canada and other countries as compared to one of \$16 million in the corresponding quarter of 1963. In the January-September period there was a deficit of \$280 million as against one of \$436 million in the preceding year. (Pages 2-7)

Manufacturing: Steel ingot output aggregated 183,110 tons in the week ending December 19, up 4.0% from the preceding week ... Shipments of refrigerators, radios, television sets and record players were greater in October and the January-October period this year versus last. (Page 7)

Travel: Foreign vehicles entering Canada on travellers' vehicle permits numbered 425,387 in November and 7,711,299 in the January-November period, reflecting increases from a year earlier of 6.2% in the month and 7.0% in the 11 months. (Page 9)

Food & Agriculture: Cash returns to farmers from farming operations in the first nine months of 1964 totalled a record for the period of \$2,512.9 million, up by 10% from the previous high of \$2,283.1 million reached in 1963 ... Milk production was up by 1.2% in November and by 0.3% in January-November this year versus last, while sales of fluid milk and cream were up by 3% in October and by 2% in January-October. (Pages 9-10)

Transportation: Railway revenue freight was loaded on 71,516 cars in the week ended December 7 and on 3,695,414 cars in the January 1-December 7 period, reflecting a decrease of 3.9% in the week and an increase of 8.2% in the cumulative period versus a year earlier. (Page 11)

Business: Business failures recorded under the provisions of the Bankruptcy and Winding Up Acts totalled 787 in the third quarter of 1964, down by 4.7% from a year earlier, while estimated liabilities aggregated \$47,057,000, up by 6.3%. (Page 12)

Merchandising: Department store sales in the week ended December 5 and in the month of November were valued 3.4% and 4.8%, respectively, above those in the corresponding periods of 1963. (Page 14)

1. Quarterly Estimates Of The Canadian
Balance Of International Payments

The balance from transactions in goods and services in Canada's account with other countries has fluctuated irregularly in 1964 in relation to the previous year. In each of the second and third quarters the results this year have been quite favourable compared with the same quarters last year, whereas in the first quarter the opposite was the case. In the third quarter there was a surplus of \$219 million compared with one of \$16 million last year. This surplus in 1964 also contrasts with the deficits characteristic of the years from 1955 to 1962. Exports have exceeded imports in the third quarter in each of the past five years, and this is also the quarter when a concentration in the tourist trade to Canada yields a large surplus on travel account. The pronounced rise in exports in the quarter continued to be distributed over a wide range of commodities and the rate of increase was higher than in the case of imports.

In the period covering nine months ended September, the current deficit of \$280 million compares with \$436 million in the corresponding part of 1963. Again the great expansion in the merchandise surplus is responsible for the change but this surplus remains much less than the deficit from non-merchandise transactions over an extended period like the three quarters. While the surplus from merchandise trade rose from \$299 million to \$541 million, the deficit from non-merchandise transactions grew from \$735 million to \$821 million, mainly from increasing payments of interest and dividends on foreign investments in Canada and from the reappearance of a deficit on travel account in the longer period.

The rise in exports was widely distributed as to destinations as well as commodities, and reflects the strong demands prevailing among Canada's usual external markets as well as special factors such as the sale of large amounts of grain to Communist countries.

Summary Statement

	1962	1963	1963			1964		
			II Q	III Q	IV Q	I Q	II Q	III Q
			millions of dollars					
Merchandise trade balance .	+177	+503	+74	+151	+204	+33	+149	+359
Deficit on non-merchandise transactions	-1,051	-1,060	-278	-135	-325	-376	-305	-140
Current account balance ...	-874	-557	-204	+16	-121	-343	-156	+219
Capital movements(1)	+1,029	+703	+315	-75	+149	+301	+223	-62
Long-term forms	+668	+613	+209	+33	-4	-30	+123	+192(3)
Short-term forms	+361	+90	+106	-108	+153	+331	+100	-254
Change in official exchange holdings(2)	+155	+146	+111	-59	+28	-42	+67	+157

(1) Excluding change in official exchange holdings.

(2) Gold, foreign exchange, and net International Monetary Fund position, less special international financial assistance.

(3) Including net receipts of \$54 million under the Columbia River Treaty arrangements.

Current Account Transactions In The Third Quarter: The sharp improvement in the current account surplus in the third quarters of 1963 and 1964 was ascribable in its entirety to merchandise trade, as net payments on non-merchandise transactions widened slightly. The trade surplus much more than doubled

from \$151 million to \$359 million, and the increase occurred wholly in trade with overseas countries. With the rise in the deficit with the United States not quite offsetting the gain in surplus with the United Kingdom, the expansion in the surplus with other overseas countries just about accounted for the overall increase.

The widening in the trade surplus was caused by a gain in exports, which was more than twice than in imports. Merchandise exports, adjusted for balance of payments purposes, increased \$378 million, or more than 20%, from \$1,806 million to \$2,184 million.

Imports rose \$170 million or about 10% from \$1,655 million in the third quarter of 1963 to \$1,825 million in the same period of 1964. The commodity details for imports in the latest quarter are not yet available.

Overall, the deficit on non-merchandise transactions was enlarged moderately from \$135 million to \$140 million in the third quarter of 1964. The deficit, however, on interest and dividends increased \$15 million, due mainly to higher income payments on direct investment, while net payments on freight and shipping services narrowed \$10 million on account of a larger advance in receipts than in payments.

The deficit on current transactions in goods and services with the United States increased about 80% from \$66 million to \$120 million. In transactions with the United Kingdom, the surplus expanded about two-thirds from \$93 million to \$155 million. With other overseas countries, a small deficit of \$11 million changed into a surplus of \$184 million. This over-the-year improvement was of the same order of magnitude as that which occurred between the second quarters of 1963 and 1964.

Current Account Transactions In The Nine Months: Between the first three quarters of 1963 and 1964, the improvement in Canada's current account balance with all countries was not as pronounced as that between the two September quarters, as there was a widening in the deficit in the first quarter of the year. Bilaterally, the pattern of change for the nine months was similar to that for the third quarter. The current account deficit with the United States widened and the surplus with the United Kingdom and other overseas countries increased.

The current account deficit narrowed from \$436 million to \$280 million in the first three quarters of 1964 as a result of a rise of nearly 18% in total receipts from \$6,681 million to \$7,869 million, which was offset in part by a 14% increase in total payments from \$7,117 million to \$8,149 million. This favourable change was based on a sizable gain in the export balance, as the deficit on non-merchandise transactions widened, but less substantially.

Merchandise exports expanded more than 20% from \$5,068 million to \$6,111 million, while merchandise imports were estimated to have increased nearly 17% from \$4,769 million to \$5,570 million.

An increase of \$365 million in shipments of wheat, flour, barley and other cereals accounted for more than one-third of the export expansion of \$1,043 million. Exports of newsprint, wood pulp, lumber and plywood were nearly \$140 million higher, and those of non-ferrous metals over \$110 million greater in the first three quarters of 1964. Shipments of iron ores increased more than

MORE

\$60 million and those of steel over \$40 million. The gain in exports of motor vehicles and parts exceeded \$50 million, machinery more than \$40 million, and aircraft and parts (adjusted for progress payments and deliveries) also over \$40 million. Less sizable increases were recorded in exports of other commodities including fish products, natural gas, petroleum, asbestos, sulphur, railway rolling stock, chemicals, fertilizers, synthetic rubber and plastic materials.

Deficit On Services & Other Non-Merchandise Items: In non-merchandise transactions, Canada's deficit with the rest of the world increased \$86 million, or nearly 12%, from \$735 million in the three quarters of 1963 to \$821 million; but the former total was lower than for the same period in the preceding three years. The most recent total was about the same size as that for the nine months of 1961. These fluctuations were caused to a large extent by sharply changing balances on travel account. Larger net payments of interest and dividends also contributed to the widening in the deficit on "invisibles" between the three quarters of 1963 and 1964.

A surplus of \$25 million on travel in the first nine months of 1963 was transformed into a deficit of \$25 million by an expansion in payments to \$575 million, more than double the increase in receipts to \$550 million. Two-thirds of the deterioration originated from travel transactions with the United States, with the gross expenditures on the two-way traffic reaching the highest recorded level for the first three quarters.

Net payments of interest and dividends rose 9% from \$444 million to \$485 million in the first three quarters of 1964. An increase in payments of nearly 11% from \$582 million to \$645 million was in part offset by a smaller gain in receipts from \$138 million to \$160 million.

There were smaller additions to the non-merchandise deficit on account of migrants' funds and inheritances, official contributions and miscellaneous current transactions, including government expenditures. The value of gold production available for export declined from \$115 million to \$109 million.

The narrowing in net payments on freight and shipping services from \$63 million to \$47 million was the notable offset to the general increase in the "invisible" deficit. In association with the growth in merchandise trade, both receipts and payments on freight and shipping services rose substantially, but with the receipts gaining more.

Transactions By Areas: An increase of 54% in the deficit on current transactions in goods and services with the United States from \$765 million to \$1,181 million in the first nine months of 1964 was outweighed by a more than 170% gain in the surplus with overseas countries from \$329 million to \$901 million. This resulted in reducing the deficit with all countries over one-third from \$436 million to \$280 million.

Total receipts from the United States increased from \$4,101 million to \$4,456 million, or nearly 9%, while total payments increased almost 16% from \$4,866 million to \$5,637 million. Somewhat short of 75% of the addition to the current account deficit originated in merchandise trade, net imports increasing about 90% from \$338 million to \$645 million in the first three quarters of 1964. Merchandise exports to the United States gained 10% from \$2,935 million to \$3,228 million, while merchandise imports increased more than 18% from \$3,273 million to \$3,873 million.

In non-merchandise transactions with the United States, the nine-month deficit widened more than 25% from \$427 million to \$536 million. All of the items contributed to this increase; and references have been made earlier to changes involving the value of gold production available for export, travel expenditures, interest and dividends.

Total receipts from the United Kingdom gained more than 20% from \$944 million to \$1,137 million, while total payments rose from \$664 million to \$762 million, or roughly 15%. The improvement in the current account balance from \$280 million to \$375 million was derived entirely from an expansion of 27% in the export balance from \$373 million to \$474 million. A small rise in the deficit on non-merchandise transactions from \$93 million to \$99 million was attributable to increases in net payments on travel and government accounts.

Total receipts on current transactions with other countries gained nearly 40% to \$2,276 million, as compared with a 10% increase in total payments to \$1,750 million. In consequence, the current account surplus rose to \$526 million for the first three quarters of 1964, approximately 11 times larger than \$49 million for the same period of 1963. Over 85% of the massive expansion of \$477 million was estimated to have originated in transactions with countries outside the OECD group and the Rest of the Sterling Area.

Merchandise trade virutally accounted for all of the overall improvement for the entire group of other countries, with exports increasing more than 42% to \$1,969 million and imports rising about 12% to \$1,257 million. Shipments of wheat and flour on Russian account, which were completed in the third quarter, represented about one-half of the total increase of \$587 million in merchandise exports.

Capital Movements. The inflow of capital in long-term forms rose to \$192 million in the third quarter from \$123 million in the second. Some \$54 million of the increase of \$69 million reflected net receipts of a special character arising under the Columbia River Treaty. Receipts from security transactions, which accounted for \$79 million of the inflow in the third quarter, were some \$73 million smaller than in the preceding quarter. Net inflows of a direct investment character, aggregating \$45 million, were some \$25 million higher than in the second quarter, and all other flows in long-term forms produced \$14 million in contrast to large outflows in the second quarter.

The inflow in long-term forms in the first three quarters of 1964 totalled \$285 million. In the same period, Canada incurred a current account deficit of \$280 million for the net purchase of goods and services.

Movements in short-term forms led to a capital outflow of \$254 million, a sharp swing from the inflow of \$100 million in the second quarter, to which each of the published components contributed.

Canada's official holdings of gold and foreign exchange and net International Monetary Fund position rose by \$157 million in the third quarter, compared with \$67 million in the second.

Direct Investment. Net inflows of foreign capital for direct investment in foreign-controlled enterprises in Canada declined appreciably from the \$60 million recorded in both the earlier quarters of 1964 to \$35 million in the third quarter, the lowest quarterly inflow for well over a decade. By far the largest part of the net movement came from the United States.

MORE

There were large movements, both inwards and outwards, with significant amounts associated in the takeover by non-residents of Canadian-controlled enterprises, reverse movements involving the acquisition by residents of interests previously held by non-residents, and international refinancing of other types not directly associated with current capital formation. On balance, these financial transactions relating to takeovers, repatriations and refinancing appear to have resulted in net inflows in the first quarter, but in net outflows thereafter. In the nine-month period, total capital inflows for direct investment in Canada aggregated \$155 million. For the first time since the third quarter of 1958, there was on balance no capital outflow to augment Canadian direct investments abroad. After the relatively high capital exports of \$40 million in each of the first two quarters of 1964 a net capital inflow of \$10 million occurred in the third, which was mainly the result of a few special transactions including some refinancing.

Security Transactions. Transactions in bonds and stocks brought \$79 million into Canada in the third quarter. The total was down sharply from the figure of \$152 million for the second quarter, but net undelivered sales to non-residents of new issues of Canadian securities which had been reduced in the second quarter increased significantly in the third; these appear in the balance of payments only when deliveries are made.

The principal attraction for non-resident portfolio investment continued to be new and outstanding issues of Canadian bonds and debentures, with sales balances of \$103 million and \$36 million, respectively, during the third quarter. Retirements of called and maturing Canadian securities held abroad led to a capital outflow of \$51 million. The repatriation of outstanding Canadian stocks continued over the third quarter, but at a lower level than that generally prevailing in preceding quarters, resulting in an outflow of \$10 million. Over the nine months of 1964, Canada has received a balance of \$229 million, from transactions between Canada and all countries in portfolio securities, which compares with amounts of \$578 million and \$12 million in the corresponding periods of 1963 and 1962, respectively.

The Columbia River Treaty. During the quarter, Canada received a lump sum payment of about \$254 million in United States funds, covering the sale of its share of the first 30 years' production of downstream benefits under the Columbia River Treaty. These funds were raised in the United States by the Columbia Storage Power Exchange, a non-profit organization of the power producers and users concerned. The Government of Canada then paid equivalent Canadian funds to the Government of British Columbia, apart from \$50 million which the latter elected to receive in United States dollars in order to redeem outstanding debt. The United States funds remaining in the hands of the Minister of Finance were invested in medium-term non-marketable securities of the United States Government. These securities do not form a part of Canada's official holdings of foreign exchange.

Other Capital & Official Monetary Movements. In the third quarter, loans made by the Government of Canada to overseas countries and repayments of principal falling due in the period were both small. There were net outflows of about \$27 million arising from loans and advances under Government programmes related to the financing of Canadian exports, and net inflows of \$40 million in all other long-term forms.

MORE

Canadian dollar deposit liabilities to non-residents fell \$37 million and non-resident holdings of Canadian treasury bills declined \$16 million. A net outflow of \$160 million into foreign currency bank deposits and other short-term funds in the third quarter raised holdings in these balances abroad to \$1.4 billion. Capital flows of a money market character, apart from Canadian treasury bills, led to an outflow of \$15 million in the quarter under review, a swing of \$114 million from the inflow of \$99 million in the previous quarter. Declines in the rate of increase of non-resident holdings of Canadian finance paper and other obligations were entirely responsible for the change.

The increase in official holdings of gold and United States dollars in the third quarter of 1964 amounted to \$98 million in Canadian funds, while corresponding holdings of sterling were unchanged. Official holdings of gold and United States funds, expressed in terms of United States dollars, amounted to \$2,625 million at September 30, 1964. In the same period, Canada's net International Monetary Fund position improved by \$59 million.

MANUFACTURING

- *2. Steel Ingot Production Production of steel ingots in the week ended December 19 totalled 183,110 tons, an increase of 4.0% from the preceding week's total of 176,006 tons. Output in the corresponding 1963 period was 165,636 tons. The index of production, based on the average weekly output during 1957-59 of 96,108 tons equalling 100, was 191 in the current week versus 183 a week earlier and 172 a year ago.
3. Iron Castings & Cast Iron Pipes & Fittings Producers' shipments of iron castings, pipe and fittings decreased 10.7% in October to 55,002 tons from 61,623 a year earlier, but increased 10.9% in the January-October period to 532,816 tons from 480,613 a year ago. Month's shipments of welded and seamless steel pipe, and mechanical and pressure tubing climbed 8.0% to 49,832 tons from 46,142, while 10-month shipments advanced 29.0% to 645,573 tons from 500,524.
4. Domestic Refrigerators & Freezers Factory sales of domestic type mechanical refrigerators were larger in October than in the corresponding month last year, rising to 21,933 units from 19,646. Increases were also posted in all earlier months this year except January and January-October sales rose to 280,808 units from 249,873. Sales of domestic-type home and farm freezers declined in October to 12,019 units from 12,815, while 10-month sales advanced to 144,339 units from 134,595.
5. Shipments Of Small Domestic Electrical Appliances Factory shipments of small domestic electrical appliances in October this year included the following: hair dryers, 82,117 units (349,432 in the January-October period); automatic toasters, 64,624 (417,205); steam flat irons, 61,541 (472,812); kettles, 48,142 (310,793); frying pans, 41,150 (214,020); and food mixers, juicers and blenders, 37,036 (234,398).
6. Sales Of Radios & TV's Producers' domestic sales of radio receiving sets, television receiving sets and record players were larger in October and the January-October period this year as compared to last. Month's totals were: radios, 103,738 units (103,364 in October 1963); television sets, 70,437 (56,462); and record players, 27,669 (24,462). January-October: radios, 653,865 units (595,106 a year ago); television sets, 413,664 (354,947); and record players, 135,544 (125,034).

7. Raw Hides & Skins Tanners' receipts of cattle hides decreased in October to 226,602 from 259,429 a year earlier, but increased in the January-October period to 2,161,975 from 1,984,282 a year ago, while receipts of sheep and lamb skins rose in the month to 7,616 dozen from 7,026, but fell in the cumulative period to 79,341 dozen from 92,176.
8. Coke Production & Supply Production of coke rose in September to 359,388 tons from 350,539 in the corresponding month last year, bringing the total for the January-September period to 3,253,457 tons as against 3,191,666 a year ago. Available supply was up in the month to 369,190 tons from 355,629 a year earlier and in the nine-month period to 3,290,550 tons from 3,187,638.

*9. Industry & Production Notes

The following advance releases give figures which have recently become available from the annual compilations of the Industry Division and which will appear at a later date in regular publications. Users should be aware that coverage of the statistics was extended to total activity (manufacturing plus non-manufacturing activity) of manufacturing establishments. In previous publications the data covered manufacturing activity only. In addition, for a number of industries, adjustments have been made to the 1961 data on manufacturing activity which were published in the 1961 industry reports. These were required to bring the statistics in line with reporting procedures followed in the 1962 Census. Consequently the 1961 statistics on manufacturing activity listed below are not entirely comparable with those published in the 1961 reports. A complete account of recent changes will be contained in the 1962 industry reports when these become available.

Lime Manufacturers (Cat. 44-209): Factory shipments from lime manufacturers increased in 1962 to \$14,503,433 from \$12,989,077 in 1961. Cost of materials, fuel and electricity rose in the year to \$4,658,553 from \$4,023,891 in the preceding year and value added by manufacturing activity (value of production less value of materials, fuel and electricity) to \$9,792,207 from \$8,954,831. Industry value added (manufacturing plus non-manufacturing activity) advanced from \$8,940,793 to \$9,766,215.

Twenty-two establishments (21 in 1961) reported 949 employees (847), including 775 directly employed in manufacturing operations (734). Salaries and wages for all employees aggregated \$4,016,000 (\$3,598,000) with manufacturing employees accounting for \$3,232,000 (\$3,065,000). Paid man-hours in manufacturing operations numbered 1,736,000 versus 1,676,000.

Clay Products Manufacturers (Domestic) (Cat. 44-215): Shipments from manufacturers of domestic clay products increased in 1962 to \$37,054,000 from \$35,219,000 in 1961. Cost of materials, fuel and electricity rose in the year to \$11,051,000 from \$10,345,000 in the preceding year and value added by manufacturing activity (value of production less value of materials, fuel and electricity) to \$26,772,000 from \$24,232,000. Industry value added (manufacturing plus non-manufacturing activity) advanced from \$24,466,000 to \$26,757,000.

Ninety-three establishments (99 in 1961) reported 3,699 employees (3,749), including 3,116 directly employed in manufacturing operations (3,140). Salaries and wages for all employees aggregated \$14,805,000 (\$14,521,000) with manufacturing employees accounting for \$11,728,000 (\$11,413,000). Paid man-hours in manufacturing operations numbered 6,872,000 in 1962 compared with 6,916,000 the previous year.

10. TVP Entries Foreign vehicles entering Canada on travellers' vehicle permits numbered 425,387 in November this year, up 6.2% from the November 1963 total of 400,648. This brought the number in the January-November period to 7,711,299, greater by 7.0% than the corresponding 1963 total of 7,210,021.

All regions except Manitoba and Saskatchewan posted higher numbers of travellers' vehicle permits entries in November as compared to a year earlier. Month's totals were: Newfoundland and Nova Scotia (by vessel), 147 (132 in November 1963); New Brunswick, 32,488 (29,539); Quebec, 43,053 (42,748); Ontario, 309,713 (287,719); Manitoba, 5,396 (5,906); Saskatchewan, 2,723 (3,069); Alberta, 1,415 (1,410); British Columbia, 29,395 (29,222); and the Yukon, 1,057 (903).

January-November regional totals were: Newfoundland and Nova Scotia (by vessel), 11,824 (11,318 a year earlier); New Brunswick, 448,418 (413,722); Quebec, 660,667 (632,638); Ontario, 5,794,643 (5,421,435); Manitoba, 111,315 (107,567); Saskatchewan, 59,071 (57,102); Alberta, 62,163 (64,893); British Columbia, 540,616 (480,378); and the Yukon, 22,582 (20,968).

F O O D & A G R I C U L T U R E

11. Farm Cash Income It is estimated that farm cash receipts from farming operations amounted to \$2,512.9 million during the first nine months of 1964. This estimate is a record high for this period of the year, and exceeds by 10% the previous high of \$2,283.1 million realized during the corresponding period of 1963.

Total cash returns include: cash receipts from the sale of farm products; Canadian Wheat Board participation payments on previous years' grain crops; net cash advances on farm-stored grains in western Canada; and deficiency payments made by the Agricultural Stabilization Board. Certain types of government supplementary payments, relatively small in amount and mentioned below, are not included in these totals. No deductions are made for the cost of production of commodities sold. A complete report of all farm income from farming operations and estimates of costs incurred in farm production is published in the spring of each year in the DBS publication titled "Farm Net Income".

The gain in farm cash returns between the first nine months of 1963 and the first nine months of 1964 is attributable for the most part to the higher income resulting from a substantial increase in wheat marketings and to the much larger participation payments made by the Canadian Wheat Board. Less important additions were made by rye, flaxseed, potatoes, fruits, vegetables, hogs and dairy products. Partly offsetting these gains were lower returns from rapeseed, soybeans, tobacco, cattle, poultry products and substantial repayments of cash advances on farm-stored grains in western Canada.

In addition to income from the above sources, farmers also received supplementary payments, under the provisions of the Prairie Farm Assistance Act, amounting to \$6.9 million as against nearly \$12.0 million during the like period of a year ago. When added together, farm cash income from farming operations and supplementary payments totalled \$2,519.8 million for the 1964 period, also about 10% above the previous record high of \$2,295.0 million established in 1963.

MORE

Provincial farm cash income (excluding supplementary payments) was as follows in the first nine months of 1964, in thousands: Prince Edward Island, \$21,616 (\$18,518 in the corresponding 1963 period); Nova Scotia, \$31,196 (\$32,554); New Brunswick, \$33,280 (\$30,633); Quebec, \$335,574 (\$339,297); Ontario, \$715,456 (\$730,882); Manitoba, \$207,857 (\$188,390); Saskatchewan, \$647,347 (\$483,145); Alberta, \$424,227 (\$363,762); and British Columbia, \$96,364 (\$95,874).

Users of the above data should bear in mind that these data have been partially revised in that they contain final revisions for dairy products, whereas estimates prior to 1962 are still unrevised. A complete revision of farm income estimates based on data from the 1961 Census of Agriculture and the 1958 Farm Expenditure and Income survey is in progress. Publication of complete revisions for the period 1951 to date is planned for 1965.

12. Production, Exports Production of wheat flour in October amounted to 3,-
Of Wheat Flour 389,000 cwt., little changed from the preceding
 month's 3,373,000 cwt. and 27% smaller than last year's
 October total of 4,668,000 cwt. Production during the first three months of the
 current crop year amounted to 9,907,000 cwt., 10% below the year earlier figure
 of 11,131,000 cwt.

Wheat flour exports in October amounted to 886,000 cwt., a decrease of 4% from the September total of 927,000 cwt., and 42% below last year's September exports of 1,531,000 cwt. Exports in the August-October period amounted to 3,584,000 cwt., 2% lower than the 3,672,000 cwt. exported in the same period last year.

13. The Dairy Review Production of milk in November was placed at 1,251,000,-
 000 pounds, up by 1.2% from November 1963, putting the
 January-November total at 17,268,000,000 pounds, up by 0.3% from a year earlier,
 according to preliminary DBS estimates. Revised data put milk output in October
 at 1,538,027,000 pounds versus 1,558,753,000 a year earlier and in the January-
 October period at 16,017,100,000 pounds versus 15,986,948,000 in the correspond-
 ing period of 1963.

October production of milk was (in thousands): Prince Edward Island, 18,946 pounds (19,197 in October 1963); Nova Scotia, 28,007 (28,773); New Brunswick, 30,158 (31,320); Quebec, 548,682 (575,085); Ontario, 553,025 (530,813); Manitoba, 73,932 (79,506); Saskatchewan, 81,054 (85,527); Alberta, 124,988 (128,956); and British Columbia, 69,970 (68,988).

14. Fluid Milk Sales Sales of fluid milk and cream, in milk equivalent,
 totalled 44,079,000 pounds in October (up 3% from a year
 earlier), placing the January-October total at 4,252,953,000 pounds (up 2% from
 a year ago).

October sales of fluid milk were (percentage gains bracketed): Prince Edward Island, 1,954 pounds (6%); Nova Scotia, 16,784 (1%); New Brunswick, 12,756 (2%); Quebec, 123,146 (1%); Ontario, 177,699 (4%); Manitoba, 22,470 (3%); Saskatchewan, 16,968 (2%); Alberta, 30,931 (3%); and British Columbia, 41,371 (5%).

January-October fluid milk sales were up from a year ago in six provinces, down in one, and unchanged in two. Ten-month sales (percentage changes in brackets) were (in thousands): Prince Edward Island, 18,957 pounds (+1%); Nova Scotia, 163,984 (unchanged); New Brunswick, 126,691 (-1%); Quebec, 1,210,259 (+3%); Ontario, 1,685,947 (+2%); Manitoba, 206,728 (+2%); Saskatchewan, 158,945 (+2%); Alberta, 288,949 (unchanged); and British Columbia, 392,493 (+3%).

15. Stocks Of Fruit & Vegetables Stocks of apples, potatoes, onions, carrots, cabbage and celery held in cold or common storage were smaller at December 1 this year as compared to last. Beginning-of-December holdings of pears, fruit (frozen and in preservatives), and vegetables (frozen and in brine) were larger. December 1 stocks of fruit were: apples, 9,114,000 bushels (10,173,000 a year ago); pears, 192,000 bushels (168,000); and fruit (frozen and in preservatives), 57,470,000 pounds (49,727,000).

Beginning-of-December stocks of vegetables were: potatoes, 19,958,000 cwt. (21,448,000 a year ago); onions, 1,652,000 bushels (1,885,000); carrots, 1,488,000 bushels (1,530,000); cabbage, 182,000 bushels (209,000); celery, 45,000 crates (46,000); and vegetables (frozen and in brine), 93,319,000 pounds (79,487,000).

TRANSPORTATION

16. Railway Carloadings Cars of railway revenue freight loaded on lines in Canada in the seven days ended December 7, numbered 71,516, down by 3.9% from a year earlier. This brought the number loaded in the January 1-December 7 period to 3,695,414 cars, up by 8.2% from a year ago. Receipts from both Canadian and United States rail connections declined by 11.0% in the seven days to 21,008 cars, but increased by 3.2% in the year-to-date to 1,127,330 cars.

17. Railway Operating Statistics Operating revenues of Canadian railways in August aggregated \$112,163,989, up 12.1% from a year earlier, while operating expenses at \$104,600,911 were higher by 9.7%. This resulted in a net operating income of \$7,563,078 as compared to \$4,724,026 in the same month last year. In August this year railway operating expenses amounted to 93.25¢ per dollar of revenue.

Rail operating revenues, comprising railway, express, commercial communications and highway transport (rail) services rose 10.3% to \$122,398,338. Operating expenses were higher by 8.7%, rising to \$114,802,328 and, as a result, the net rail operating income increased to \$7,596,010 as against \$5,393,208 a year ago.

18. Railway Freight Traffic Revenue freight loaded on railway lines in Canada and received from United States rail connections totalled 18,819,800 tons in June this year, up by 26.5% from June 1963. This brought the January-June total to 92,912,700 tons, greater by 21.0% than 1963's first-half total.

Of the June total, 16,742,500 tons were loaded in Canada (including receipts from water carriers), up 28.1% from a year earlier; receipts from U.S. rail connections destined to points in Canada aggregated 885,200 tons, up 9.8%; and overhead freight (U.S. to U.S. through Canada) amounted to 1,192,100 tons, up 20.1%.

June freight loadings were greater than a year earlier in five of the six major categories. Month's totals (percentage gains bracketed) were: products of agriculture, 3,030,000 tons (70.5%); products of mines, 8,318,700 (27.6%); animals and products, 65,500 (17.9%); manufactures and miscellaneous, 3,944,900 (16.9%); and products of forests, 1,308,900 (3.1%). Loadings of l.c.l. freight were down by 2.4% at 74,500 tons.

19. Shipping Statistics Volume of freight handled at Canadian ports in foreign and coastwise services increased 11.8% in September to 26,193,800 tons from 23,439,400 in September last year and 16.3% in the January-September period to 165,865,800 tons from 142,617,500 in the corresponding period of 1963.

Volume of freight handled in foreign service rose 3.7% in September to 13,997,100 tons from 13,493,600 a year earlier and 16.8% in the January-September period to 94,113,100 tons from 80,549,300 a year ago, while amount handled in coastwise service climbed 22.6% in the month to 12,196,700 tons from 9,945,800 and 15.6% in the nine months to 71,752,700 tons from 62,068,300.

Vessel arrivals and departures in both services rose 0.5% in September to 26,662 from 26,521 a year earlier, but fell 2.1% in January-September to 191,240 from 195,344. Registered net tonnage, however, increased 2.9% in the month to 37,653,700 tons from 36,578,100 a year earlier and 5.4% in the nine months to 258,475,000 tons from 245,236,000.

Canadian ports handling the greatest volume of freight in September were: Montreal, 2,418,500 tons (2,764,600 in September 1963); Port Arthur-Fort William, 2,345,700 (1,717,800); Seven Islands, 2,304,000 (1,856,000); Vancouver, 1,465,300 (1,390,100); and Hamilton, 1,359,900 (1,031,900).

20. Urban Transit Number of initial revenue passenger fares (excluding transfers) collected by urban transit systems rose 0.4% in October to 86,399,044 from 86,029,714 in October 1963 and 1.0% in the January-October period to 811,754,134 from 803,446,962 in the corresponding period of 1963. Operating revenue increased 7.9% in the month to \$12,953,169 from \$12,009,655 a year earlier and 6.3% in the cumulative period to \$119,549,778 from \$112,417,583.

BUSINESS

21. Commercial Failures Business failures recorded under the provisions of the Bankruptcy and Winding Up Acts numbered 787 in this year's third quarter, a decrease of 4.7% from last year's corresponding total of 826. The estimated total of defaulted liabilities was \$47,057,000, an increase of 6.3% over last year's like figure of \$44,258,000. The increase in liabilities was due largely to failures in the construction and trade industries. In the January-September period there were 2,591 business failures with liabilities totalling \$149,619,000 as compared to 2,676 failures with liabilities set at \$141,258,000.

Failures in the trade sector in the third quarter declined to 310 from 327 a year ago, while liabilities increased to \$17,018,000 from \$12,801,000. Bankruptcies in the construction industry were lower in number (164 versus 170), while liabilities were higher at \$10,724,000 from \$7,304,000. Failures in manufacturing industries dropped in number to 71 from 86 and liabilities to \$6,478,000 from \$8,744,000.

In the financial sector the number of failures fell to 20 from 27 and the liabilities to \$2,852,000 from \$7,347,000. The number of insolvent firms in the service industries rose to 147 from 145 and estimated liabilities to \$7,231,000 from \$6,508,000.

22. Crude Petroleum & Natural Gas Output of crude oil and equivalent in August amounted to 24,376,565 barrels, an increase of 5.3% over last year's corresponding total of 23,144,843 barrels. Two-thirds of the month's output went to Canadian refineries and about one-third entered export trade. Production of natural gas in August increased 22.1% to 98,658,043,000 cubic feet from 80,824,041,000 in the same month last year.

23. Iron Ore Producers' shipments of iron ore climbed 16.1% in October to 4,138,109 tons from 3,564,706 in the corresponding month last year and 24.7% in the January-October period to 32,174,761 tons from 25,802,233. Producers' stocks at the end of October were sharply larger than a year ago at 4,425,224 tons versus 2,753,493.

October iron ore shipments were as follows by producing areas: Newfoundland, 1,356,241 tons (1,296,474 a year ago); Quebec, 1,607,353 tons (1,312,161); Ontario, 928,232 tons (741,675); and British Columbia, 246,284 tons (214,396). January-October shipments: Newfoundland, 10,438,571 tons (8,296,031); Quebec, 13,233,193 tons (10,124,786); Ontario, 6,822,762 (5,717,896); and British Columbia, 1,680,235 tons (1,663,520).

F I S H E R I E S

*24. Advance Release Of Fish Landings - November 1964

	Maritimes	
	Quantity '000 lb.	Value \$'000
Groundfish -		
Cod	8,003	361
Lingcod	-	-
Haddock	3,404	221
Pollock	7,188	231
Hake	2,699	89
Redfish	2,604	75
Halibut	110	45
Flounders & Soles	9,422	313
Other unspecified	945	26
TOTAL	34,375	1,361
Pelagic & Estuarial -		
Herring	16,966	171
Mackerel	1,024	44
Salmon	-	-
Swordfish	755	268
Other unspecified	659	42
TOTAL	19,404	525
Molluscs & Crustaceans -		
Crabs	-	-
Lobster	484	368
Oysters	1,274	150
Scallops	1,203	577
Other unspecified	162	10
TOTAL	3,123	1,105
TOTAL - ALL SPECIES	56,902	2,991

25. Department Store Sales Department store sales in the week ended December 5 were valued 3.4% above those in the corresponding period last year. Increases were common to all provinces except Quebec that posted a decrease of 2.1%. Gains were: Atlantic provinces, 4.7%; Ontario, 3.7%; Manitoba, 6.1%; Saskatchewan, 5.0%; Alberta, 6.0%; and British Columbia, 4.5%.

26. Department Store Sales Department stores had sales in November valued 4.8% above those in November last year, according to preliminary DBS data. Increases of 13.9% in the Atlantic Provinces, 4.7% in Quebec, 8.1% in Ontario, 0.5% in Manitoba and 3.5% in British Columbia more than offset decreases of 2.0% in Saskatchewan and 1.6% in Alberta.

27. Retail Trade Canada's retailers had sales in October estimated at \$1,779,362,000, an increase of 9.8% from the October 1963 total of \$1,620,591,000. This followed gains of 7.2% in the first half of the year and 6.1% in the third quarter, with the result that sales in the January-October period rose 7.1% to \$16,190,454,000 from \$15,115,375,000 in the corresponding period of 1963.

Provincially, sales were above year-earlier levels both in October and the January-October period. Month's percentage increases (10-month percentage gains in brackets) were: Atlantic Provinces, 9.9% (7.5%); Quebec, 10.2% (5.7%); Ontario, 10.5% (6.4%); Manitoba, 9.5% (7.2%); Saskatchewan, 3.4% (11.5%); Alberta, 6.8% (6.6%); and British Columbia, 12.8% (10.8%).

Seventeen of the 18 specified kinds of business had higher sales in October as compared to a year earlier; sales of lumber and building material dealers were down by 4.8%. Gains in the month ranged from 4.1% for garages and filling stations to 24.4% for variety stores. In the January-October period, sales of fuel dealers were down by 4.4% as compared to a year ago, while sales for the remaining 17 specified businesses were up. Ten-month increases ranged from 1.6% for shoe stores to 12.2% for variety stores.

28. Steel Warehousing Sixty-five steel warehousing firms, which account for approximately 90% of Canada's steel warehousing business, had sales in August that included the following products: concrete reinforcing bars, 8,395 tons (5,028 a year earlier); other hot rolled bars, 9,495 tons (8,547); plates, 15,595 tons (13,284); sheet and strip, 17,033 tons (14,407); galvanized sheet and strip, template, 6,448 tons (5,294); heavy structural beams, 7,220 tons (5,777); bar size structural shapes, 3,965 tons (4,569); and other structural shapes, 7,231 tons (5,719).

UTILITIES

29. Gas Utilities Field gathering systems and processing plants delivered 72,233,916,000 cubic feet of natural gas to gas utilities in September this year, with transport systems accounting for 56,257,547,000 cubic feet and distribution systems for 15,976,369,000 cubic feet; receipts from storage aggregated 429,236,000 cubic feet. Total supply of gas utilities in September amounted to 73,413,306,000 cubic feet (up by 17.7% from September 1963). Of total supply, 31,006,342,000 cubic feet were sold to ultimate customers in Canada (up 19.6% from a year earlier), and 30,929,631,000 cubic feet were exported (up 14.0%).

30. Electric Power Statistics Total net generation of electric energy increased 13.7% in October this year to 11,779,-902,000 kilowatt hours from 10,357,203,000 kwh. in October 1963. Imports advanced in the month to 318,318,000 kwh. from 261,533,000 kwh. a year earlier and exports to 408,645,000 kwh. from 285,781,000 kwh.

A C C I D E N T S

31. Motor Vehicle Traffic Accidents Number of persons killed in motor vehicle traffic accidents on Canada's streets and highways in this year's second quarter rose by 10.4% to 1,061 from 961 in the same quarter of 1963 and persons injured by 12.7% to 33,739 from 29,932; total accidents reported advanced 13.6% to 77,987 from 68,656. In the first half of 1964, there were 1,842 persons killed (up 16.5% from 1,581 a year ago), 59,830 persons injured (up 13.5% from 52,694) and 161,168 accidents reported (up 6.1% from 151,849).

1961 C E N S U S

32. Family Incomes The average total family income of non-farm families with male heads in the current labour force was \$5,942 for the year ended May 31, 1961, while the average family income of families with self-employed male heads in the current labour force was \$7,581 for the same period. Total family income is the combined income of the family head and all other family members. These figures are contained in a DBS report released today which presents income information collected from a 20% sample of private non-farm households in the 1961 Census of Canada.

Among the major occupational groups, families whose heads were in professional and technical occupations reported the highest average family income of \$8,850. The lowest average family income (\$3,044) was reported by families whose heads were fishermen, trappers and hunters.

Average family incomes exceeded \$10,000 for thirty individual occupations. For individual occupations the highest average family income was reported by physicians and surgeons, with an average family income of \$17,455; physicians and surgeons who were in a private professional practice had an average family income of \$20,138. The other occupations reporting the highest family incomes were self-employed owners and managers in the electrical products industries (\$16,365), lawyers in private practice (\$15,680), judges and magistrates (\$15,094), self-employed civil engineers (\$15,425).

The average family income reported by families with female heads in the current labour force was \$3,703 for the same period. Families whose heads had no labour force attachment in the year preceding the census had lower incomes. The average was \$3,101 for families with male heads and \$3,404 for families with female heads.

The report also contains income data cross-classified by other selected characteristics of family heads and persons not in families such as age, schooling, period of immigration, for Canada, the provinces and regions.

(Catalogue numbers and prices are shown following the titles. Starred items are releases for which no corresponding publications were issued this week).

1. Quarterly Estimates of the Canadian Balance of International Payments,
3rd Quarter 1964, (67-001), 50¢/\$2.00
- *2. Steel Ingot Production, December 19, 1964
3. Iron Castings & Cast Iron Pipes & Fittings, October 1964, (41-004),
10¢/\$1.00
4. Domestic Refrigerators & Freezers, October 1964, (43-001), 10¢/\$1.00
5. Specified Domestic Electrical Appliances, October 1964, (43-003),
10¢/\$1.00
6. Radio & Television Receiving Sets, October 1964, (43-004), 20¢/\$2.00
7. Raw Hides, Skins & Finished Leather, October 1964, (33-001), 10¢/\$1.00
8. Coal & Coke Statistics, September 1964, (45-002), 20¢/\$2.00
- *9. Industry & Production Notes, 1962
10. Volume Of Highway Traffic Entering Canada on Travellers' Vehicle Permits,
November 1964, (66-002), 10¢/\$1.00
11. Farm Cash Income, July to September 1964, (21-001), 25¢/\$1.00
12. Grain Milling Statistics, October 1964, (32-003), 10¢/\$1.00
13. The Dairy Review, November 1964, (23-001), 20¢/\$2.00
14. Fluid Milk Sales, October 1964, (23-002), 10¢/\$1.00
15. Stocks of Fruit & Vegetables, December 1964, (32-010), 20¢/\$2.00
16. Railway Carloadings, December 7, 1964, (52-001), 10¢/\$3.00
17. Railway Operating Statistics, August 1964, (52-003), 10¢/\$1.00
18. Railway Freight Traffic, June 1964, (52-002), 30¢/\$3.00
19. Shipping Statistics, September 1964, (54-002), 20¢/\$2.00
20. Urban Transit, October 1964, (53-003), 10¢/\$1.00
21. Commercial Failures Under The Provisions of the Bankruptcy & Winding Up
Acts, 3rd Quarter 1964, (61-002), 25¢/\$1.00
22. Crude Petroleum & Natural Gas Production, August 1964, (26-006), 20¢/\$2.00
23. Iron Ore, October 1964, (26-005), 10¢/\$1.00
- *24. Fisheries In The Maritimes, November 1964
25. Department Store Sales, December 5, 1964, (63-003), \$2.00 a year
26. Department Store Sales, November 1964, (63-004), \$1.00 a year
27. Retail Trade, October 1964, (63-005), 20¢/\$2.00
28. Monthly Survey of Steel Warehousing, August 1964, (63-010), 10¢/\$1.00
29. Gas Utilities, September 1964, (55-002), 20¢/\$2.00
30. Electric Power Statistics, October 1964, (57-001), 10¢/\$1.00
31. Motor Vehicle Traffic Accidents, April-June 1964, (53-001), 50¢/\$2.00
32. Population Sample: Family Incomes By Age, Sex, Occupation, etc., of
Family Head, 1961 Census, (98-504), \$1.50
- Canadian Statistical Review, November 1964, (11-003), 50¢/\$5.00
- Quarterly Bulletin of Agricultural Statistics, July-September 1964,
(21-003), \$1.00/\$4.00
- Grain Statistics Weekly, December 2, 1964, (22-004), 10¢/\$3.00
- Monthly Review of Canadian Fisheries Statistics, October 1964, (24-002),
30¢/\$3.00
- Pulpwood & Wood Residue Statistics, October 1964, (25-001), 10¢/\$1.00 --
Summarized in issue of December 18
- Quarterly Stocks & Consumption of Unmanufactured Tobacco, September 1964,
(32-014), 50¢/\$2.00
- Production of Leather Footwear, September 1964, (33-002), 20¢/\$2.00 --
Summarized in issue of November 27
- Peeler Logs, Veneers & Plywoods, October 1964, (35-001), 10¢/\$1.00 --
Summarized in issue of December 18
- Refined Petroleum Products, September 1964, (45-004), 30¢/\$3.00 --
Summarized in issue of December 11
- Shipping Report: Pt IV, Origin & Destination for Selected Ports, 1963,
(54-206), \$1.50

STATISTICS CANADA LIBRARY
BIBLIOTHÈQUE STATISTIQUE CANADA



PUBLICATIONS ORDER FORM

Catalogue
No.

3

[illegible]

OR

Date _____ Signature _____

Prepayment is required with orders (unless charged to deposit account). Remittance should be in the form of cheque or money order made payable to the Receiver General of Canada. Bank exchange fee is not necessary. Do not send postage stamps or currency in payment, since no record exists if omitted or lost.

City _____ Province _____