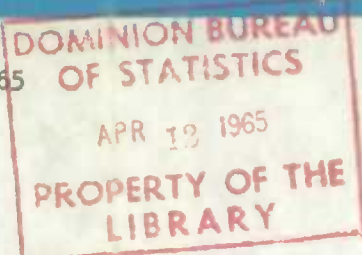


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HIGHLIGHTS OF THIS ISSUE

Industrial Production: Canada's seasonally adjusted index of industrial production reached a new high in January of 224.6, a rise of 1.5% from the preceding month. Non-agricultural real output was 2% higher in the fourth quarter of 1964 as compared to the preceding quarter. (Pages 2-3)

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Prices: At the beginning of March, Canada's consumer price index reached a level of 137.3, up by 0.1% from the previous month and greater by 2.0% than the March 1964 index. (Pages 3-4)

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Industrial Research: Current expenditures on research and development undertaken by Canadian industry in 1963 were placed at \$167.7 million, greater by 31.3% as compared to 1961. (Pages 5-6)

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Securities: Transactions in portfolio securities between Canada and other countries in 1964 resulted in a capital inflow of \$619 million. Although higher than for several years, the level has been exceeded on a number of earlier occasions. (Page 8)

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Merchandising: Department store sales in January were valued at \$115,450,000, an increase of 1.7% from January 1964. Sales in the weeks of March 20 and 27 were down by 0.4% and up by 2.7% from a year ago, respectively. (Pages 8-9)

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Manufacturing: Steel ingot output aggregated 182,370 tons in the week ended April 3, down by 0.3% from the preceding week's total of 183,988 tons ... More automatic toasters, kettles, floor polishers, and cylinder or other straight suction type vacuum cleaners but fewer steam flat irons and hood type hair dryers were shipped in January this year versus last. (Pages 9-10)

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Utilities: Net generation of electric energy amounted to 12,611,449,000 kilowatt hours in January, up by 8.0% from a year ago. (Page 12)

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Food & Agriculture: Per capita consumption of fowl and chicken, turkey and duck was larger in 1964 as compared to 1963, while that of goose and eggs was unchanged. (Page 13)

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1. Index Of Industrial Production Canada's seasonally adjusted index of industrial production (1949=100) reached a new high in January, up by 1.5% in the month to 224.6. This latest increase left the index of industrial production higher by more than 35% than the January 1961 level, when the current production expansion began.

In January, manufacturing production advanced by almost 2% and mining by almost 3%, while the output of electric power and gas utilities declined by more than 1%. The biggest influences on the index of industrial production in January were large gains in the motor vehicle and parts industries reflecting the settlement of a major strike in the industry in December. Even with this gain, the motor vehicle industry has not quite returned to the production levels prevailing in August and September of 1964.

Returning to January movement, durable manufacturing, reflecting motor vehicles' movements among others, advanced by 4%. However, wood products were also up by more than 5%, as sawmills recovered most of the ground lost in December. With primary iron and steel production showing a drop from its very high December level, total iron and steel fell by almost 2%. Non-metallic mineral products declined by almost 6%, also from an unusually high December level. Elsewhere, non-ferrous metal products fell by 3% and electrical apparatus and supplies gained 2%.

Non-durable output declined by almost one-half of 1% in January, mostly due to chemicals where relatively large drops were recorded in both acids and paints and varnishes. However, pulp and paper and roofing paper also contributed almost equally to a 2% fall in paper products. Tobacco, leather and clothing each declined by 1%, petroleum refining by 4% and rubber products by 6%. Printing and publishing and foods and beverages showed gains in the month, the latter due mostly to a large gain in brewery production, apparently in association with the Quebec liquor strike at that time.

Total mining production was also somewhat higher in January led by an 8% gain in metals. This was due mostly to iron ore and other metals (including uranium); fuel mining also moved higher.

Real Gross Domestic Product (less Agriculture): Non-agricultural real output in the fourth quarter of 1964 was 2% higher than in the third quarter. At an index level (1949=100) of 200.7, the volume of non-agricultural production had thus doubled since 1949. The year 1964 showed an increase of almost 7% over the 1963 average level, which is considerably above the post-war average rate of growth of 4.5%.

During the fourth quarter of 1964, the current cyclical expansion in production was in its fifteenth quarter, and non-agricultural real output had reached a level 24% above its first quarter 1961 cyclical trough. This compares with the 22% gain achieved during the full course (10 quarters) of the 1954-56 expansion and the 10% advance (9 quarters) made during the 1957-60 cyclical upturn.

In the fourth quarter of 1964, the most notable developments were the declines in motor vehicle production and sales and the increases in construction and related industries. The former resulted from production stoppages due to labour disputes in the industry both in Canada and in the United States. The latter were probably largely associated with anticipatory buying and use of building materials prior to the imposition of the final stage of the tax on these commodities on January 1,

MORE

1965, and with the government winter house-building incentive programme. However, the direct effects of these two developments were largely offsetting. The industries outside the motor vehicle and construction groups advanced at about the rate actually recorded by total non-agricultural output, namely over 2%. This, and the fact that the production increases occurred over a wide range of industries, indicates continued strength of expansionary forces in the economy.

Construction, manufacturing and mining, in that order, were the largest contributors to the fourth quarter gain, with the first two jointly accounting for approximately one half of the total increase in non-agricultural real output.

Within manufacturing, which advanced by about 2%, durables showed no change from the previous quarter, as the substantial decline in motor vehicles and parts production, resulting from strikes in the industry, was offset by increases in all other major groups. Non-durables increased by more than 3%.

Increases of about 5% occurred in electric power and gas utilities and mining. Among the remaining industry groups, transportation also recorded an increase in the fourth quarter (3%), largely as a result of gains in railway and water transportation. The gain in trade (1%) was concentrated in the retail area, particularly food stores and building material dealers, while motor vehicle dealer sales declined sharply. A similar pattern of gains and declines at the store level was discernable in wholesale trade.

PRICES

2. Price Movements Canada's consumer price index (1949=100) at the beginning of March edged up to 137.3, 0.1% higher than the February index of 137.2 and 2.0% higher than the March 1964 index of 134.6. In the current period, indexes for four of the seven main components increased, with the greatest rise (0.8%) occurring in the clothing index. The transportation index was 0.5% lower, while health and personal care and recreation and reading were unchanged.

Consumer Price Indexes (1949=100)

	Component Weights (1)	1 9 6 5			1 9 6 4
		March	February	January	March
All items	100	137.3	137.2	136.9	134.6
Food	27	133.3	133.1	132.5	131.3
Housing (2)	32	140.2	140.1	139.8	137.5
Clothing	11	120.4	119.5	119.2	118.6
Transportation	12	145.6	146.3	146.3	143.0
Health & personal care	7	174.6	174.6	174.4	165.4
Recreation & reading .	5	153.4	153.4	154.0	152.3
Tobacco & alcohol	6	121.9	121.8	121.7	119.4

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

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

The food index rose 0.2% to 133.3 from 133.1, but price movements were mixed. Increases in prices from the previous month were reported for powdered skim milk, evaporated milk, ice cream, fats, eggs, most fresh and canned vegetables, apples, grapes, cookies, cake mix, peanut butter, pickles, most cuts of beef and pork, and turkey. Prices decreased for sugar, jams, grapefruit, bananas, canned and frozen orange juice, and chicken.

The housing index increased 0.1% to 140.2 from 140.1. The shelter component rose fractionally with higher prices for repairs while rentals remained unchanged. The household operation component increased slightly as prices of furniture and carpets rose from last month's sales levels. Prices for some household supplies also advanced slightly.

The clothing index advanced 0.8% to 120.4 from 119.5, as widespread price increases were reported for men's, women's and children's wear, footwear, laundry and shoe repairs. Lower prices occurred for rayon dress material, men's and boys' undershirts, and boys' flannelette sport shirts.

The transportation index dropped 0.5% to 145.6 from 146.3, reflecting a decrease in the automobile operation component. Generally lower prices for new cars and some decreases for gasoline and tires outweighed price increases for licenses, repairs, motor oil, and batteries.

The health and personal care index was unchanged at 174.6 despite a slight decrease in the personal care supplies component.

The recreation and reading index was unchanged at 153.4. The reading component was unchanged and lower prices for television repair in four cities, which outweighed increases in five cities, were not sufficient to move the recreation component.

The tobacco and alcohol index rose 0.1% to 121.9 from 121.8, as higher prices for liquor in Quebec increased the alcoholic beverages component. An increase in the price of cigarette tobacco did not move the tobacco component.

Wholesale Price Indexes The price index of 30 industrial materials (1935=100), calculated as an unweighted geometric average, edged up 0.3% to 258.4 from 257.7 in the four-week period February 26 to March 26. Prices for seven commodities advanced and five declined, while 18 remained unchanged. Principal changes included increases for raw sugar, tin, beef hides and raw rubber, and decreases for raw wool, sisal and linseed oil. In the same four-week period, the price index of Canadian farm products at terminal markets advanced 0.2% to 225.1 from 224.7. The animal products index rose 1.0% to 270.8 from 268.2, while the field products index declined 1.0% to 179.4 from 181.2.

Security Price Indexes The investors index of common stock prices, on the base 1956=100, increased 1.0% to 180.4 from 178.6 in the four-week period February 25 to March 25. Among the three major groups, industrials advanced by 1.9%, while utilities and finance declined by 1.0% and 0.7%, respectively. The index of mining stock prices fell 0.9% to 118.4 from 119.5, reflecting decreases of 1.4% for golds and 0.6% for base metals. The price index of primary oils and gas advanced by 1.7%, while that for uranium fell by 5.2%.

3. <u>Wholesale Price Indexes</u>	March 1965	February* 1965	March 1964	February 1964
		(1935 = 1939 = 100)		
<u>General Wholesale Index</u>	246.7	246.6	245.3	246.2
Vegetable products	218.8	218.3	226.8	231.5
Animal products	255.5	256.2	249.0	248.4
Textile products	247.2	247.9	249.6	249.2
Wood products	333.7	333.1	331.1	330.3
Iron products	259.3	259.3	254.7	255.0
Non-ferrous metals	212.9	212.3	201.5	201.2
Non-metallic minerals	192.4	192.2	191.5	191.5
Chemical products	193.0	192.4	189.2	190.1
Iron and non-ferrous metals (excluding gold)	275.2	274.9	264.0	263.9

*These indexes are preliminary.

*4. Weekly Security Price Indexes

	Number of Stocks Priced	April 1	March 25 (1956 = 100)	March 4
<u>Investors' Price Index</u>				
Total Index	114	178.3	180.4	179.1
Industrials	80	184.8	186.6	183.6
Utilities	20	167.7	170.0	172.5
Finance (1)	14	160.4	163.3	165.0
Banks	6	148.7	151.3	152.8
<u>Mining Stocks Price Index</u>				
Total Index	24	118.5	118.4	119.5
Golds	16	139.8	137.8	142.0
Base metals	8	106.9	107.7	107.1
<u>Supplementary Indexes</u>				
Uraniums	6	112.3	112.7	109.1
Primary oils and gas	6	96.2	94.9	95.8

(1) Composed of Banks and Investment and Loan.

I N D U S T R I A L R E S E A R C H

*5. Industrial Research & Development In Canada, 1963Current expenditures on
Research and Development

undertaken in Canada in 1963 by Canadian industry reached \$167.7 million, a marked increase of 31.3% over the \$115.2 million spent in 1961. These totals include company expenditures as well as government grants in aid of research and contracts and funds from other sources. The distribution of current R & D expenditures of \$167.7 million among the three major areas of research is 4.9% for basic research, 21.1% for applied research, and 74.0% for development.

Research within the reporting companies' laboratories financed out of company funds and exclusive of funds from non-industrial sources increased from \$87.2 million in 1961 to \$120.0 million in 1963, a gain of 37.6%. This is substantially larger than the previous year to year increase of 19.1% from 1959 to 1961.

In addition to these current outlays an impressive gain was also made in capital expenditures, principally out of company funds. These increased by 140.4% from \$12.2 million in 1961 to \$29.2 million in 1963. Thus both capital and current expenditures show a sharp increase over and above the growth rates in evidence up to 1961 and it seems reasonable to assume that the government tax incentive program has been an important element in stimulating these larger outlays.

Current R & D Expenditures of Canadian Firms 1955-63

Year	R & D Expenditures in Canada				Value of		Total Firms reporting R & D
	Number of reporting firms	Expenditures within company	Payments to others in Canada	Total Canadian	Payments for R & D done outside Canada	Total	
		\$000			\$000,000		No.
1955	-	51,386	1,891	53,277	12.2	65.5	377
1957	-	124,531	4,209	128,740	19.8	148.5	455
1959	432	96,590	3,285	99,875	21.7	121.6	471
1961	464	113,255	1,901	115,156	31.2	146.4	523
1963	581	159,272	8,452	167,724	25.9	193.6	689

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In 1963 industrial firms employed 5,724 full-time-equivalent R & D scientists and engineers, 18.4% above 1961, and the amount of expenditures per professional increased from \$24,236 in 1961 to \$27,825 in 1963. Companies reporting spent in total 1.03% of gross revenue on R & D in 1963 in their own laboratories compared with 0.74% in 1961. As in 1961 three industries, electrical products, chemical and chemical products, and transportation equipment accounted for over half of all the R & D performed by industry in Canada.

These are preliminary estimates extracted from a DBS survey made in 1964. The full report "Industrial Research and Development in Canada, 1963" will be released in the near future.

Current R & D Expenditures, in Canada, by Industry, 1963

	Expenditures within company	Payments to others in Canada	Net industrial R & D expenditures ³
		dollars	
Mines, quarries and oil wells	6,266,607	732,892	6,999,499
Manufacturing:			
Food and beverages	4,264,222	90,363	4,354,585
Rubber	1,873,549	1,200	1,874,749
Textile	1,875,104	119,820	1,994,924
Wood	186,203	82,559	268,762
Furniture and fixtures	103,321	2,500	105,821
Paper and allied industries	9,099,560	1,495,303	10,594,863
Primary metals	10,434,484	213,177	10,647,661
Metal fabricating	3,708,313	132,333	3,840,646
Machinery	6,969,905	188,027	7,157,932
Transportation equipment	31,058,110	48,461	31,106,571
Electrical products	33,628,516	311,977	33,640,493
Non-metallic mineral products ...	1,852,082	25,227	1,877,309
Petroleum and coal products	7,957,625	4,471,400	12,429,025
Chemical and chemical products...	19,516,469	427,540	19,944,009
Other manufacturing ¹	7,641,466	33,772	7,675,238
Transportation, storage, communic- ation and other utilities	8,716,765	30,080	8,746,845
Other non-manufacturing ²	4,419,732	44,916	4,464,648
TOTALS	159,272,033	8,451,547	167,723,580

(1) Includes tobacco and tobacco products, leather products, clothing and knitting mills, and miscellaneous manufacturing industries; (2) Includes the construction industry, scientific and engineering services, and trade associations; (3) To avoid double-counting, certain payments, which are extra-mural for one respondent and intra-mural for another, have been subtracted from the sum of all Canadian intra- and extra-mural expenditures.

MINING

6. Gold Production Production of gold in January amounted to 307,855 troy ounces, 4.3% lower than the preceding year's comparable monthly production of 321,794 troy ounces.

7. Copper & Nickel Output Output of copper and nickel was greater in January 1965 than in the corresponding month of 1964. January totals were: copper, 40,999 tons (39,398 tons in January 1964); and nickel, 23,301 tons (17,759). The apparent consumption of refined copper showed an increase to 19,300 tons in January 1965 compared with 15,166 tons in the corresponding month of last year.

*8. Civil Aviation Six Canadian scheduled air carriers that accounted for approximately 90% of total operating revenues of all Canadian air carriers in December 1964 reported increases of 17.1% in operating revenues and 2.6% in operating expenses as compared to December 1963, according to an advance release of data that will be contained in the December issue of the DBS report "Civil Aviation".

Statistical Summary - Canadian Scheduled Air Carriers - December

		December		January - December	
		1964	1963	1964	1963
<u>Revenue Traffic</u>					
Departures	No.	16,917	17,920	244,881	232,534
Hours flown	"	22,285	23,111	314,287	300,742
Miles flown	'000	6,001	6,059	80,955	73,048
Passengers carried	"	395	350	5,254	4,859
Goods carried	tons	8,103	7,221	86,354	76,531
Passenger-miles (Unit toll)					
Domestic	millions	174	153	2,152	2,095
International	"	124	112	1,706	1,502
Passenger-miles (Bulk)					
Domestic	'000	3	..	42	..
International	"	7	..	361	..
Goods ton-miles (Unit toll)					
Domestic	'000	5,634	4,372	49,161	42,523
International	"	3,539	2,692	31,603	25,281
Goods ton-miles (Bulk)					
Domestic	'000	373	..	5,398	..
International	"	5	..	203	..
<u>Revenues and Expenses</u> \$'000					
Operating revenues	"	23,634	20,191	281,997	274,146
Operating expenses	"	25,125	24,482	266,798	261,815
Operating income (loss) ..	"	(1,491)	(4,291)	15,199	12,331
Net income (deficit) ..	"	(3,144)	(5,996)	3,898	1,053

Passengers flown into and out of Canada during December showed an increase of 14.2 per cent, cargo and excess baggage 13.6 per cent and mail 14.1 per cent compared with the same month in 1963. Canadian carriers transported 115,420 revenue passengers, 1,864 tons of cargo and excess baggage and 282 tons of mail. Foreign carriers transported 77,841 passengers, 1,406 tons of cargo and excess baggage and 315 tons of mail.

Revenue Air Traffic Leaving and Entering Canada

	Passengers		Cargo & Excess Baggage		Mail	
	December		December		December	
	1964	1963	1964	1963	1964	1963
	No.	No.	tons	tons	tons	tons
In thousands						
<u>Leaving Canada for:</u>						
The United States ...	78.9	69.2	313.3	274.2	92.5	91.0
Europe	15.0	15.2	440.5	305.3	137.7	125.4
All other countries	11.9	9.7	133.5	125.4	21.7	14.1
Total	105.8	94.1	887.3	704.9	251.9	230.5
<u>Entering Canada from:</u>						
The United States ...	69.0	59.0	1,337.8	1,063.9	174.4	156.4
Europe	12.7	10.7	966.5	576.3	149.0	116.9
All other countries	5.7	5.3	78.5	57.4	21.4	19.1
Total	87.4	75.0	2,384.8	1,697.6	344.8	292.4

9. Sales & Purchases Of Securities
Between Canada & Other Countries

A capital inflow of \$619 million resulted from transactions in portfolio securities between Canada and other countries during

1964. Although higher than for several years, the level has been exceeded on a number of earlier occasions. In part, the increase over 1963 reflects the depressed level of external borrowing by Canadians during the extended period over which the Interest Equalization Tax legislation was under debate in the United States. On balance, some \$60 million of the inflow in 1964 reflected a net reduction in bonds sold but undelivered to residents of the United States. Other elements of the inflow covered new issues whose proceeds were used in whole or in part to repay advances from United States parent companies and were accordingly offset by outflows of direct investment capital to that country.

The enlarged inflow from security transactions greatly exceeded the inflow for direct investment in foreign-controlled enterprises -- usually the major type of long-term capital inflow -- which fell in 1964 to very low levels.

The gross value of transactions in long-term securities between Canada and other countries during 1964 totalled \$4,062 million, somewhat more than the previous year, although well over \$600 million less than in 1962. In addition to the movements in capital resulting from these transactions there was a substantial trade in short-term securities (instruments having an original term of one year or less, such as, treasury bills, commercial, finance and loan company paper, as well as "buy-back" arrangements based on nominally long-term securities).

The proceeds from the sale of Canadian new issues to non-residents in 1964 continued the pattern of previous years, and again greatly exceeded the total net capital inflow from all transactions in securities. All other transactions in Canadian securities in 1964 led to a net outflow of \$377 million, while transactions in foreign issues resulted in a net movement outward of \$57 million.

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

10. Department Store Sales & Stocks

Department store sales in January were valued at an estimated \$115,450,000, a

rise of 1.7% from the 1964 January total of \$113,512,000. Sales were above year-earlier levels in all provinces except the Atlantic Provinces and Saskatchewan. End-of-January stocks had a selling value of \$421,852,000, greater by 11.7% than the corresponding year-earlier total of \$377,505,000.

January provincial sales (in thousands) were: Atlantic Provinces, \$6,482 (\$6,682 in January 1964); Quebec, \$19,866 (\$19,401); Ontario, \$39,035 (\$38,307); Manitoba, \$9,929 (\$9,811); Saskatchewan, \$4,476 (\$4,766); Alberta, \$13,597 (\$13,530); and British Columbia, \$22,066 (\$21,015).

Eighteen of the 29 specified departments posted increased sales in January as compared to a year earlier. Advances ranged from 0.1% for women's and misses' sportswear to 19.9% for radio and music, while declines lay between 0.8% for girls' and infants' wear and 8.5% for millinery.

11. Department Store Sales

Department store sales in the week ended March 20 were valued 0.4% below those in the corresponding

period last year. Decreases of 4.1% in Quebec, 5.8% in Ontario and 2.2% in Alberta more than offset increases of 9.6% in the Atlantic Provinces, 1.4% in Manitoba, 3.2% in Saskatchewan and 8.6% in British Columbia.

12. Department Store Sales Department store sales in the week ended March 27 were valued 2.7% above those in the corresponding period last year. Increases of 0.1% in Ontario, 6.4% in Manitoba, 13.3% in Saskatchewan, 4.4% in Alberta and 9.3% in British Columbia more than counter-balanced decreases of 2.0% in the Atlantic Provinces and 2.5% in Quebec.

MANUFACTURING

*13. Steel Ingot Production Production of steel ingots in the week ended April 3 amounted to 182,370 tons, a decrease of 0.9% from the preceding week's total of 183,988 tons. Output in the corresponding 1964 period was 171,194 tons. The index of production, based on the average weekly output during 1957-59 of 96,108 tons equalling 100, was 190 in the current week versus 191 a week earlier and 178 a year ago.

*14. Net shipments of Rolled Steel Products, January 1965

	1 9 6 4	1 9 6 5		
	Total	Domestic	Export	Total
		Net tons of 2,000 lbs.		
Semi-finished shapes	35,242	20,186	9,903	30,089
Rails	27,207	12,298	368	12,666
Wire rods	32,959	37,303	141	37,444
Structural shapes:				
Heavy, including piling	35,295	29,287	285	29,572
Light	9,002	16,968	27	16,995
Concrete reinforcing bars	31,955	31,364	-	31,364
Other hot rolled bars	49,292	51,884	3,505	55,389
Tie plates and track material	2,936	1,741	7	1,748
Plates, including plates				
for pipes and tubes	75,275	78,969	1,674	80,643
Hot rolled sheets	69,174	55,946	8,630	64,576
Hot rolled strip	20,960	15,092	-	15,092
Cold finished bars	6,290	6,497	145	6,642
Cold reduced sheets & strip, tin mill,				
black plate and tin plate	124,055	99,560	19,120	118,680
Galvanized sheets	31,113	29,954	6,956	36,910
TOTALS	550,755	487,049	50,761	537,810

15. Iron Castings & Cast Iron Pipes & Fittings Producers' shipments of iron castings, pipe and fittings decreased by 11.8% to 45,953 tons in January from 52,085 tons in January 1964. January shipments of welded and seamless steel pipe, and mechanical and pressure tubing fell to 46,378 tons from 48,520 tons in the corresponding month of the previous year.

16. Soaps & Synthetic Detergents Factory shipments of soaps and synthetic detergents were valued at \$8,327,036 in January 1965, up by 3.8% from the January 1964 total of \$8,499,166. The value of most soaps and synthetic detergents was higher although there was a decline in the value of solid synthetic detergents in household packages.

*17. Leather Footwear Production of leather footwear in January this year amounted to 3,806,186 pairs, a decrease of 3.7% from the January 1964 total of 3,951,411 pairs, according to an advance release of data that will be contained in the January issue of the DBS report "Production of Leather Footwear".

18. Raw Hides & Skins Tanners' receipts of cattle hides declined in January to 215,393 from 249,213 a year ago and sheep and lamb skins to 8,345 dozen from 12,404 dozen. January 31 stocks of raw hides and skins held by packers, dealers and tanners were: cattle hides, 450,578 (468,612 a year earlier); calf and kip skins, 186,405 (209,258); sheep and lamb skins, 35,878 dozen (42,138 dozen); goat skins, 72,588 (58,319); horsehides, 7,084 (6,337); and all other hides and skins, 18,367 (9,162).

19. Domestic Electrical Appliances Factory shipments of small domestic electrical appliances in January included the following: steam flat irons, 37,783 units (56,051 units in January 1964); hood-type hair dryers, 23,758 units (46,998); automatic toasters, 26,108 units (26,015); kettles, 25,614 units (25,391); floor polishers, 16,823 units (14,467); and cylinder or other straight-suction type vacuum cleaners, 16,474 (14,275).

20. Production Of Chemicals Production of chemicals in January included the following: hydrochloric acid, 5,489,513 pounds (3,903,089 in January 1964); sulphuric acid, 158,580 tons (164,894); anhydrous ammonia, 60,401 tons (56,948); ammonium nitrate, 39,749 tons (38,106); ammonium sulphate, 27,872 tons (26,282); chlorine, 42,267 tons (34,518); ethylene, 49,112,787 pounds (43,693,949); mixed fertilizers, 75,947 tons (98,231); formaldehyde, 8,462,184 pounds (7,085,865); and sodium hydroxide, 47,639 tons (41,139). January shipments of synthetic resins (actually made as such): polyethylene type, 14,343,478 pounds (14,238,005); polystyrene type, 4,350,470 pounds (6,468,331); vinyl chloride type, 6,038,092 pounds (5,620,953); and urea, all grades, 16,074 tons (15,336).

*21. Industry & Production Notes, 1963

The following advance releases will later appear in regular publications of the Industry Division. As in the 1962 reports statistics are presented separately for both manufacturing and total activities. Prior to 1961 the data covered manufacturing activity only. Comparable statistics for total activity are available for the three years 1961-1963. Pending the publication of the regular 1963 reports, an account of present practice and explanation of recent changes can be found in the 1962 Industry Division publications.

Wool Yarn Mills (Cat. 34-209): Factory shipments from the manufacturers of wool yarn increased in 1963 to \$30,695,000 from \$25,344,969 in 1962. Cost of materials, fuel and electricity rose in the year to \$19,861,000 from \$15,421,130 in the preceding year and value added by manufacturing activity (value of production less value of materials, fuel and electricity) to \$11,016,000 from \$10,262,000. Industry value added (manufacturing plus non-manufacturing activity) advanced from \$10,317,000 to \$11,126,000.

Twenty-four establishments (23 in 1962) reported 2,186 employees (2,061), including 1,887 directly employed in manufacturing operations (1,760). Salaries and wages for all employees aggregated \$6,848,000 (\$6,245,000) with manufacturing employees accounting for \$5,353,000 (\$4,819,000). Paid man-hours in manufacturing operations numbered 3,952,000 versus 3,671,000 the previous year.

Thread Mills (Cat. 34-220): Factory shipments from the manufacturers of thread increased in 1963 to \$15,224,000 from \$14,134,000 in 1962. Cost of materials, fuel and electricity rose in the year to \$8,359,000 from \$7,979,000 in the preceding year and value added by manufacturing activity (value of production less value of materials, fuel and electricity) to \$7,089,000 from \$6,291,000. Industry value added (manufacturing plus non-manufacturing activity) advanced from \$6,482,000 to \$7,221,000.

MORE

Seventeen establishments (15 in 1962) reported 955 employees (972), including 656 directly employed in manufacturing operations (668). Salaries and wages for all employees aggregated \$3,437,000 (\$3,367,000) with manufacturing employees accounting for \$1,910,000 (\$1,858,000). Paid man-hours in manufacturing operations numbered 1,385,000 versus 1,366,000 the previous year.

Clock & Watch Manufacturers (Cat. 47-206): Factory shipments from the manufacturers of clocks and watches increased in 1963 to \$18,170,000 from \$17,082,000 in 1962. Cost of materials, fuel and electricity rose in the year to \$9,569,000 from \$9,006,000 in the preceding year and value added by manufacturing activity (value of production less value of materials, fuel and electricity) fell to \$8,555,000 from \$8,967,000. Industry value added (manufacturing plus non-manufacturing activity) declined from \$9,441,000 to \$9,025,000.

Twenty establishments (21 in 1962) reported 1,130 employees (1,080), including 776 directly employed in manufacturing operations (743). Salaries and wages for all employees aggregated \$4,953,000 (\$4,652,000) with manufacturing employees accounting for \$2,744,000 (\$2,590,000). Paid man-hours in manufacturing operations numbered 1,624,000 versus 1,536,000 the previous year.

Typewriter Supplies Manufacturers (Cat. 47-207): Factory shipments from the manufacturers of typewriter supplies increased in 1963 to \$8,875,000 from \$8,390,000 in 1962. Cost of materials, fuel and electricity rose in the year to \$4,722,000 from \$4,717,000 in the preceding year and value added by manufacturing activity (value of production less value of materials, fuel and electricity) to \$4,176,000 from \$3,681,000. Industry value added (manufacturing plus non-manufacturing activity) advanced from \$3,799,000 to \$4,286,000.

Ten establishments (10 in 1962) reported 567 employees (583), including 369 directly employed in manufacturing operations (354). Salaries and wages for all employees aggregated \$2,394,000 (\$2,243,000) with manufacturing employees accounting for \$1,227,000 (\$1,064,000). Paid man-hours in manufacturing operations numbered 805,000 versus 761,000 the previous year.

Rubber Footwear Manufacturers (Cat. 33-206): Factory shipments from the manufacturers of rubber footwear increased in 1963 to \$38,844,000 from \$36,664,000 in 1962. Cost of materials, fuel and electricity rose in the year to \$15,679,000 from \$15,300,000 in the preceding year and value added by manufacturing activity (value of production less value of materials, fuel and electricity) declined to \$22,424,000 from \$23,093,000. Industry value added (manufacturing plus non-manufacturing activity) declined from \$23,514,000 to \$23,009,000.

Six establishments (6 in 1962) reported 4,674 employees (4,612), including 3,936 directly employed in manufacturing operations (3,902). Salaries and wages for all employees aggregated \$14,921,000 (\$14,403,000) with manufacturing employees accounting for \$11,744,000 (\$11,381,000). Paid man-hours in manufacturing operations numbered 8,312,000 versus 8,158,000 the previous year.

Animal Oils and Fats Plants (Cat. 32-221): Factory shipments from the producers of animal oils and fats increased in 1963 to \$13,009,000 from \$10,173,000 in 1962. Cost of materials, fuel and electricity rose in the year to \$6,451,000 from \$5,209,000 in the preceding year and value added by manufacturing activity (value of production less value of materials, fuel and electricity) to \$6,815,000 from \$5,099,000. Industry value added (manufacturing plus non-manufacturing activity) advanced from \$5,292,000 to \$7,056,000.

Eighteen establishments (20 in 1962) reported 476 employees (466), including 330 directly employed in manufacturing operations (352). Salaries and wages for all employees aggregated \$2,291,000 (\$2,011,000) with manufacturing employees accounting for \$1,346,000 (\$1,305,000). Paid man-hours in manufacturing operations numbered 795,000 versus 834,000 the previous year.

Leather Glove Factories (Cat. 33-204): Factory shipments from the manufacturers of leather gloves increased in 1963 to \$12,293,000 from \$11,153,000 in 1962. Cost of materials, fuel and electricity rose in the year to \$5,755,000 from \$5,274,000 in the preceding year and value added by manufacturing activity (value of production less value of materials, fuel and electricity) to \$6,430,000 from \$5,936,000. Industry value added (manufacturing plus non-manufacturing activity) advanced from \$6,192,000 to \$6,763,000.

Fifty-three establishments (54 in 1962) reported 1,559 employees (1,643), including 1,298 directly employed in manufacturing operations (1,226). Salaries and wages for all employees aggregated \$4,150,000 (\$4,032,000) with manufacturing employees accounting for \$3,163,000 (\$2,974,000). Paid man-hours in manufacturing operations numbered 2,654,000 versus 2,461,000 the previous year.

Smokers' Supplies Manufacturers (Cat. 47-205): Factory shipments from the manufacturers of smokers' supplies increased in 1963 to \$3,713,836 from \$3,259,250 in 1962. Cost of materials, fuel and electricity rose in the year to \$1,857,151 from \$1,534,907 in the preceding year and value added by manufacturing activity (value of production less value of materials, fuel and electricity) to \$1,941,256 from \$1,918,794. Industry value added (manufacturing plus non-manufacturing activity) fell from \$2,255,436 to \$2,254,959.

Eleven establishments (11 in 1962) reported 183 employees (170), including 127 directly employed in manufacturing operations (115). Salaries and wages for all employees aggregated \$816,000 (\$722,000) with manufacturing employees accounting for \$440,000 (\$366,000). Paid man-hours in manufacturing operations numbered 279,000 versus 248,000 the previous year.

Musical Instrument & Sound Recording Industry (Cat. 47-203): Factory shipments from the musical instrument & sound recording industry increased in 1963 to \$26,219,000 from \$25,000,000 in 1962. Cost of materials, fuel and electricity rose in the year to \$8,564,000 from \$7,954,000 in the preceding year and value added by manufacturing activity (value of production less value of materials, fuel and electricity) to \$18,311,000 from \$17,097,000. Industry value added (manufacturing plus non-manufacturing activity) advanced from \$17,172,000 to \$18,375,000.

Twenty-five establishments (26 in 1962) reported 1,768 employees (1,775), including 1,437 directly employed in manufacturing operations (1,414). Salaries and wages for all employees aggregated \$7,297,000 (\$6,904,000) with manufacturing employees accounting for \$5,369,000 (\$5,100,000). Paid man-hours in manufacturing operations numbered 3,081,000 versus 3,031,000 the previous year.

UTILITIES

22. Electric Power Statistics Net generation of electric energy totalled 12,611,449,000 kilowatt hours in January this year, up by 8.0% from the January 1964 total of 11,674,881,000 kwh. Imports of electric energy advanced in the month to 282,875,000 kwh. from 181,965,000 kwh. in the same month last year, while exports fell to 304,582,000 kwh. from 406,713,000 kwh.

***23. Production And Consumption Of Eggs And Poultry Meat In 1964**

Net production of eggs in Canada (excluding Newfoundland) increased by 4.8% to an estimated 437,906,000 dozen in 1964 from 417,920,000 dozen in 1963, according to figures that will appear in the 1964 issue of the Bureau's annual report "Production of Poultry and Eggs". Average number of layers on farms increased to an estimated 26,399,000 from 25,388,000 in the preceding year, and the rate of lay increased to 201 eggs per hen from 199.

Egg exports totalled the equivalent of 2,374,000 dozen in the year compared to 1,474,000 in the preceding year and imports amounted to 2,125,000 dozen versus 8,795,000. Domestic consumption was estimated at 414,891,000 dozen versus 407,626,000; a per capita consumption of 21.5 dozen in both years.

Poultry meat production increased 7.7% to 653,739,000 pounds from 606,981,000 in 1963 (eviscerated weight). Production of fowl and chicken meat, accounting for the major part of total output, increased to 483,349,000 pounds from 453,437,000. Output of turkey meat increased to 162,448,000 pounds from 146,317,000 pounds, duck meat to 4,922,000 pounds from 4,197,000 and goose meat decreased to 3,020,000 pounds from 3,030,000.

Per capita consumption of poultry meat in 1964 (1963 figures in brackets) was as follows: fowl and chicken, 25.3 pounds (23.7); turkey, 8.7 pounds (8.3); goose, 0.15 pounds (0.15); and duck, 0.32 pounds (0.30).

Poultry Meat & Eggs: Supply & Disposition 1963 & 1964
(Poultry Meats on eviscerated basis)

1 9 6 3	Total Fowl And Chicken							
	Meat	Fowl	Chicken	Total	Turkey	Goose	Duck	Eggs
	'000 pounds				'000 doz.			
Stocks at January 1 ..	38,464	4,028	6,482	10,510	27,331	309	314	4,920
Production 1/	606,981	78,564	374,873	453,437	146,317	3,030	4,197	417,920
Imports	7,696	3,595	2,357	5,952	38	-	1,706	8,795
Total Supply	653,141	86,187	383,712	469,899	173,686	3,339	6,217	431,635
Exports	1,021	-	468	468	280	273	-	1,474
Stocks at December 31.	37,246	7,933	12,307	20,240	16,206	199	601	4,260
Domestic Disappearance	614,874	78,254	370,937	449,191	157,200	2,867	5,616	425,901
Less Used For Hatching	...	...	...	...	...	...	...	18,275
Domestic Consumption	614,874	78,254	370,937	449,191	157,200	2,867	5,616	407,626
	p o u n d s				dozen			
Per Capita Consumption	32.5	4.1	19.6	23.7	8.3	0.15	0.30	21.5
1 9 6 4								
Stocks at January 1 ..	37,246	7,933	12,307	20,240	16,206	199	601	4,260
Production 1/	653,739	78,331	405,018	483,349	162,448	3,020	4,922	437,906
Imports	15,279	1,478	2,443	3,921	10,086*	-	1,272	2,125
Total Supply	706,264	87,742	419,768	507,510	188,740	3,219	6,795	444,291
Exports	680	-	451	451	134	91	4	2,374
Stocks at December 31.	40,857	7,495	11,156	18,651	21,522	151	533	6,840
Domestic Disappearance	664,727	80,247	408,161	488,408	167,084	2,977	6,258	435,077
Less Used For Hatching	...	...	...	...	...	...	...	20,186
Domestic Consumption	664,727	80,247	408,161	488,408	167,084	2,977	6,258	414,891
	p o u n d s				dozen			
Per Capita Consumption	34.5	4.1	21.2	25.3	8.7	0.15	0.32	21.5

1/ Production estimates do not include Newfoundland.

* Includes an estimate of 4,705,000 pounds eviscerated weight equivalent of live turkeys imported for processing in Canada.

24. Wheat Flour Output & Exports Output of wheat flour in February aggregated 3,455,000 hundredweight, as compared to 2,974,000 cwt. in January and the 10-year (1955-64) February average of 3,174,000 cwt. Output in the August-February period amounted to 22,909,000 cwt., as against 29,667,000 cwt. in the corresponding year-earlier period. Wheat flour exports in February totalled 578,000 cwt. versus 2,522,000 cwt. a year ago. August-February exports amounted to 7,408,000 cwt. against 13,433,000 cwt. a year earlier.
25. Sales Of Sugar Sales of refined beet and cane sugar increased 16.1% in February to 138,111,000 pounds from 119,005,000 in February last year and 9.3% in the January-February period to 264,142,000 pounds from 241,746,000 a year ago. Company-held stocks at the end of February were 13.4% smaller as compared to a year ago at 362,714,000 pounds versus 419,022,000.
26. Production Of Soft Drinks Production of soft drinks in February 1965 amounted to 13,780,891 gallons compared with 11,056,440 gallons the previous month and 12,080,492 gallons in February 1964. February's production was 14.1% above the production level of the corresponding month of last year. For the first two months of 1965, the cumulative production of soft drinks reached 24,837,331 gallons compared with 24,167,062 gallons for the same period of 1964.
- *27. Skim Milk Powder Production of skim milk powder, packed in consumer-size containers of 24 pounds or less, amounted to 2,274,379 pounds in February this year, an increase of 458,704 pounds from January. Of the February make, 1,634,707 pounds were packed in containers of five pounds or less, and 639,672 pounds in containers of six to 24 pounds, inclusive.

EXTERNAL TRADE

28. Preliminary Import Report 1964 This preliminary report was released today by DBS to subscribers to the regular monthly "Imports by Commodities" reports. This is the first time such a provisional import volume has been issued. The annual totals given in the preliminary report are derived from merging the cumulative imports for the first ten months of 1964 with the first-run tabulations for November and December 1964, and are shown by commodity and country, with quantities (where available) and with values expressed to the nearest thousand dollars. No figures for individual months or previous years are included. This preliminary report will be superseded, in its entirety, by the more accurate information contained in "Imports by Commodities", December 1964 (Cat. No. 65-007), which will be issued about the beginning of May.

LABOUR

- *29. Federal Government Employment Federal Government staff, including its corporations and agencies, totalled 339,095 at the end of December 1964, down by 0.5% from November but up by 1.5% from December 1963, according to an advance release of data that will be contained in the December issue of the DBS report "Federal Government Employment".

Gross payroll for December amounted to approximately \$145 million, reflecting increases of 1.6% from November and 5.2% from December 1963. Earnings for the calendar year 1964 aggregated \$1.7 billion, a rise of 4.7% from 1963.

MORE

Agency and proprietary corporations employed 135,800 persons in December, slightly fewer than in November, and earnings in the month amounted to \$63.8 million, up by \$1.2 million from a month earlier and up by \$3.6 million from a year earlier.

Staff of departmental branches, services and corporations totalled 203,295 at the end of December, while the month's payroll aggregated \$81.1 million. This reflected a decline of 0.6% in personnel but a rise of 1.4% in gross payroll from the preceding month. Year's gross earnings totalled \$963 million as compared to \$934 million in 1963.

T R A V E L

30. Travel Between Canada And The United States Number of vehicles entering Canada from the United States increased 3.8% in November 1964 to 1,295,400 from 1,248,300 in the same month of 1963, comprising foreign vehicles at 612,500 versus 592,200 and returning Canadian vehicles at 682,900 versus 656,100. These entries in the January-November period advanced 6.1% to 19,545,900 vehicles from 18,426,500 in the corresponding span of 1963, made up of 10,140,000 vehicles of foreign registry versus 9,676,300 and 9,405,900 vehicles of Canadian registry versus 8,750,200.

Number of persons entering Canada from the United States by plane, bus, rail and boat increased 7.4% in November to 156,900 from 146,100 a year earlier and 7.7% in the January-November period to 3,042,300 from 2,825,400 in the corresponding period of 1963. Foreign travellers entering Canada by long distance common carrier aggregated 76,500 in November versus 68,400 a year earlier and 1,758,200 in January-November versus 1,658,200, while returning Canadians totalled 80,400 in the month versus 77,700 and 1,284,100 in the 11 months versus 1,167,200.

H E A L T H

31. Mental Health Statistics Rated bed capacity of 157 operating mental institutions in 1963 amounted to 65,586, or 3.5 per 1,000 population of Canada. The ratio of beds set up to rated beds was 1.1. An average daily patient load of 69,000 was equivalent to 3.7 per 1,000 population, of which 2.5 were located in public mental hospitals. Percentage occupancy in all mental institutions was 107% (104.7% in 1962), and was highest in public mental hospitals at 111.5%. Personnel (excluding those in psychiatric units of other hospitals) numbered 34,700, with 95.6% working full-time, or 1 for every 2 patients; nursing staff accounted for 59.6% of the full-time personnel.

Operating revenue reported by public mental institutions in 1963 amounted to \$155.8 million, of which 85.2% was derived from provincial governments. Operating expenditures totalled \$159.8 million, with gross salaries and wages accounting for 66.8%. Cost per patient-day in 1963 rose to \$6.69 from \$5.94 in 1962; since 1955, cost per patient-day has risen by \$3.64 or 119.3%.

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

1. Index Of Industrial Production, January 1965 (Including Real Domestic Product Less Agriculture, 4th Quarter & Preliminary Year 1964), (61-005), 20¢/\$2.00
2. Price Movements, March 1965, (62-001), 10¢/\$1.00
- *3. Wholesale Price Indexes, March 1965
- *4. Weekly Security Price Indexes, April 1, 1965
- *5. Industrial Research & Development In Canada, 1963
6. Gold Production, January 1965, (26-004), 10¢/\$1.00
7. Copper & Nickel Production, January 1965, (26-003), 10¢/\$1.00
- *8. Civil Aviation, December 1964
9. Sales & Purchases of Securities Between Canada & Other Countries, December 1964, (67-002), 20¢/\$2.00
10. Department Store Sales & Stocks, January 1965, (63-002), 10¢/\$1.00
11. Department Store Sales, March 20, 1965, (63-003), \$2.00 a year
12. Department Store Sales, March 27, 1965, (63-003), \$2.00 a year
- *13. Steel Ingot Production, April 3, 1965
- *14. Shipments of Rolled Steel Products, January 1965
15. Iron Castings & Cast Iron Pipes & Fittings, January 1965, (41-004), 10¢/\$1.00
16. Soaps & Synthetic Detergents, January 1965, (46-003), 10¢/\$1.00
- *17. Production of Leather Footwear, January 1965
18. Raw Hides, Skins & Finished Leather, January 1965, (33-001), 10¢/\$1.00
19. Specified Domestic Electrical Appliances, January 1965, (43-003), 10¢/\$1.00
20. Specified Chemicals, January 1965, (46-002), 10¢/\$1.00
- *21. Industry & Production Notes, 1963
22. Electric Power Statistics, January 1965, (57-001), 10¢/\$1.00
- *23. Production & Consumption of Eggs & Poultry Meat, 1964
24. Grain Milling Statistics, February 1965, (32-003), 10¢/\$1.00
25. The Sugar Situation, February 1965, (32-013), 10¢/\$1.00
26. Monthly Production of Soft Drinks, February 1965, (32-001), 10¢/\$1.00
- *27. Skim Milk Powder, February 1965
28. Trade of Canada: Preliminary Report Imports By Commodities, Calendar Year 1964, (Supplement to 65-007), 75¢
- *29. Federal Government Employment, December 1964
30. Travel Between Canada & The United States, November 1964, (66-001), 20¢/\$2.00
31. Mental Health Statistics: Vol. III, Institutional Facilities, Services & Finances, 1963, (83-205), 75¢
 - Indexes of Output Per Person Employed & Per Man-hour in Canada, Commercial Nonagricultural Industries, 1947-63, (14-501), 75¢ -- Summarized in issue of November 20, 1964
 - Farm Net Income, 1964, (21-204), 25¢ -- Summarized in issue of April 2
 - Grain Statistics Weekly, March 17, 1965, (22-004), 10¢/\$3.00
 - Pulpwood & Wood Residue Statistics, January 1965, (25-001), 10¢/\$1.00 -- Summarized in issue of March 26
 - Production of Canada's Leading Minerals, January 1965, (26-007), 10¢/\$1.00
 - Asbestos Mines, 1962, (26-205), 50¢ -- Formerly titled "The Asbestos Mining Industry"
 - Contract Drilling for the Mining Industry, 1962, (26-207), 50¢
 - Inventories, Shipments & Orders In Manufacturing Industries, December 1964, (31-001), 30¢/\$3.00 -- Summarized in issue of February 26
 - Hardwood Flooring Industry, 1962, (35-203), 50¢

- Coffin & Casket Industry, 1962, (35-210), 50¢
 - Manufacturers of Household Radio & Television Receivers, 1962, (43-205), 50¢
 - Refined Petroleum Products, December 1964, (45-004), 30¢/\$3.00 -- Summarized in issue of March 26
 - Paint & Varnish Manufacturers, 1962, (46-210), 50¢
 - Manufacturers of Plastics & Synthetic Resins, 1962, (46-211), 50¢
 - Civil Aviation, November 1964, (51-001), 30¢/\$3.00 -- Summarized in issue of March 5
 - Gas Utilities, December 1964, (55-002), 20¢/\$2.00 -- Summarized in issue of March 26
 - Prices & Price Indexes, January 1965, (62-002), 40¢/\$4.00 -- Summarized in issue of March 5
 - Advertising Agencies, 1963, (63-201), 25¢ -- Summarized in issue of March 12
 - Trade of Canada: Exports By Countries, January-December 1964, (65-003), \$1.00/\$4.00
 - Federal Government Employment, October 1964, (72-004), 30¢/\$3.00 -- Summarized in issue of March 26
 - Federal Government Employment, November 1964, (72-004), 30¢/\$3.00 -- Summarized in issue of April 1
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