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Balance of Payments: Canada's deficit on international current account transactions of \$340,000,000 in the first quarter of 1966 was \$65,000,000 or 16% lower than \$405,000,000 for the corresponding 1966 quarter, but was about the same magnitude as the average first quarter deficit for the sixties. Total receipts from the sale of current goods and services to the rest of the world gained \$451,000,000 or 16% to \$3,202,000,000 between the first quarter of the two years. Total payments did not rise as much over this period, increasing by \$386,000,000 or 12% to \$3,542,000,000. (Page 2)

Census: Value of machinery and equipment on census-farms was \$3,552,411,000 in 1966, an increase of 38.3% over the value recorded in 1961. The largest increase took place in the Prairie Provinces where an increase of 44.8% was recorded over the five year period. (Page 6)

External Trade: Canadian commodity exports in February hiked 19.1% to \$803,732,000 from \$674,540,000 in the 1966 month. Imports during the same month rose 14.7% to \$765,681,000 from \$667,744,000. (Page 8)

Prices: The sample of prices used to calculate residential and non-residential building price indexes was revised in February 1966. A new series of annual input price indexes which measure the movement through time of materials, labour and equipment used in the construction of some electric utility facilities is introduced in the Dominion Bureau of Statistics publication, "Price Indexes of Electric Utility Construction, 1956-1965". (Page 10)

Construction: Starts on the construction of new dwellings in centres of 5,000 population and over in Canada during January dropped to 4,482 units from 7,787 in the corresponding month last year. (Page 11)

Transportation: Twenty-three common carrier railways in Canada reported operating revenues of \$113,000,349 for February 1967, up 0.4% from the previous year. (Page 12)

Manufacturing: Steel ingot production for the week ending June 17 totalled 178,292 tons, a 6% decrease from the preceding week's total of 189,902 tons. Producers' shipments of asbestos during April totalled 97,140 tons, 24.9% below the corresponding 1966 total of 129,572 tons. (Page 15)

Agriculture & Food: Seeding of the five spring sown grains in Canada was 81% completed by May 31. The percentage of rapeseed sown by May 15 in the Prairie Provinces was 2% with some 45% seeded by May 31. (Page 17)

Labour: Aggregate employment in eight commercial, non-agricultural industries in the establishment survey for March was estimated at 4,406,100, an increase of 7,700 or 0.2% from February. (Page 20)

1. Quarterly Estimates of The Canadian Balance
Of International Payments, First Quarter 1967

Canada's deficit on international current account transactions of \$340,000,000 in the first quarter of 1967 was \$65,000,000 or 16% lower than \$405,000,000 for the corresponding quarter of 1966, but was about the same magnitude as the average first quarter deficit for the sixties. Total receipts from the sale of current goods and services to the rest of the world gained \$451,000,000 or 16% to \$3,202,000,000 between the first quarters of the two years. Total payments did not rise as much over this period, increasing by \$386,000,000 or 12% to \$3,542,000,000.

The net inward movement of foreign capital totalling \$327,000,000 almost fully covered the current account deficit for the first quarter; and capital inflows in long-term forms predominated. Canada's official reserves declined slightly in the January-March quarter.

Summary Statement

	1965	1966	1966				1967
			IQ	IIQ	IIIQ	IVQ	IQ
Millions of dollars							
Merchandise exports.....	8,745	10,270	2,212	2,586	2,682	2,790	2,613
Merchandise imports.....	8,627	9,890	2,213	2,579	2,382	2,716	2,536
Merchandise trade balance.. +	118	380	- 1	+ 7	+ 300	+ 74	+ 77
Deficit on non-merchandise transactions.....	-1,201	-1,363	- 404	- 337	- 184	- 438	- 417
Current account balance....	-1,083	- 983	- 405	- 330	+ 116	- 364	- 340
Capital movements(1).....	+1,240	+ 624	+ 267	+ 213	- 201	+ 345	+ 327
Long-term forms.....	+ 713	+ 949	+ 449	+ 214	+ 197	+ 89	+ 266
Short-term forms.....	+ 527	- 325	- 182	- 1	- 398	+ 256	+ 61
Change in official holdings of gold, foreign exchange, and net balance with I.M.F.							
.....	+ 157	- 359	- 138	- 117	- 85	- 19	- 13

(1) Excluding change in official exchange holdings.

Current Transactions As the deficit on non-merchandise transactions widened slightly from \$404,000,000 to \$417,000,000 between the first quarters of 1966 and 1967, the improvement in the overall current balance originated wholly from merchandise trade. From a deficit of \$1,000,000, the balance on merchandise trade changed to a surplus of \$77,000,000 in the January-March quarter of 1967. Geographically, about three fourths and one third of the improvement in the current account deficit arose from Canada's transactions respectively with the United States and the United Kingdom. A small decline in the current surplus with other countries resulted from a deterioration in the balances with other countries in the sterling area and in the OECD group in Europe, offset by a sizable increase in the surplus with the remaining countries.

Merchandise exports expanded \$401,000,000 or 18% to \$2,613,000,000, the highest total for the first quarter of the year. Merchandise imports increased \$323,000,000 or more than 14% to \$2,536,000,000 which was also the highest total for the January-March quarter.

Some relevant information on the basic trade statistics which became available recently has not yet been used to revise the balance of payments estimates for 1966. Omissions in the amount of nearly \$60,000,000 consisting to a large extent of automotive products exported to Latin American markets in 1966 have come to light, as also has a developing lag during the year in the receipt by Dominion Bureau of Statistics of import documents from an important port. The full impact upon 1966 of the retardation on the imports total is not now known but is believed to be substantial. Notwithstanding the offsetting nature of these factors, their net effect would likely be to significantly reduce the merchandise trade surplus for 1966.

On the basis of incomplete commodity details for the first quarter of 1967, it is estimated that motor vehicles and automotive equipment accounted for well over 40% of the \$401,000,000 gain in merchandise exports. Other commodities contributing to the expansion included fish products, vegetables, non-ferrous metals (notably copper), crude petroleum, lumber, wood pulp, newsprint, agricultural machinery, communication equipment, aircraft parts and fertilizers. Exports of some commodities, such as meat, flour, and iron ores were lower in the first quarter of 1967. It is expected that when detailed information becomes available, automotive products would represent more than 40% of the \$323,000,000 increase in merchandise imports between the first quarters of 1966 and 1967. It would appear too that the deficit in the trade in automotive products has narrowed between the two periods. Gains which occurred during 1966 in the imports of textiles and other materials, machinery, equipment, aircraft, and many consumer goods continued in the January-March quarter of 1967.

With an advance of \$50,000,000 to \$589,000,000 in the first quarter of 1967 in Canada's receipts on non-merchandise transactions, outweighed by an increase of \$63,000,000 to \$1,006,000,000 in the payments, the deficit on "invisibles" widened \$13,000,000 to \$417,000,000 in the latest quarter. Contributing largely to this change were net travel expenditures and official contributions. In addition the value of gold production available for export declined \$1,000,000 to \$33,000,000. These sources of deterioration were in part offset by improvements in the balances of other non-merchandise items.

International travel receipts rose \$7,000,000 to \$81,000,000 in the first quarter of 1967, while the payments with a treble increase of \$22,000,000 rose to \$210,000,000. The deficit on this score widened \$15,000,000 from \$114,000,000 to \$129,000,000; and the increase was distributed about evenly between travel transactions with the United States and overseas countries. The receipts from United States travellers gained \$6,000,000 to \$70,000,000, while the expenditures by Canadians in the United States rose \$13,000,000 to \$154,000,000. The changes in the proceeds of travel transactions with the overseas countries were smaller.

Net payments of interest and dividends declined fractionally from \$193,000,000 in the first quarter of 1966 to \$189,000,000 in the same quarter of 1967. The decrease of \$11,000,000 to \$249,000,000 in payments of interest and dividends was somewhat larger than the \$7,000,000 decline in the receipts to \$60,000,000 in the latest quarter. Dividend payments fell \$23,000,000 to \$144,000,000, while interest payments increased \$12,000,000 to \$105,000,000 following large non-resident purchases in 1966 of new Canadian bonds, particularly of corporate and provincial issues.

Canada's official contributions increased \$19,000,000 to \$52,000,000, which was the largest quarterly total next to the third quarter of 1966. Higher disbursements under the Colombo Plan and other bilateral economic aid programmes, together with a remission of the principal and interest on loans extended for purchases of Canadian wheat and flour, accounted for this rise.

With changes of about the same magnitude in both the receipts and payments, the deficit from freight and shipping transactions narrowed slightly from \$5,000,000 to \$3,000,000 in the January-March quarter of 1967. The number of immigrants arriving in this quarter rose more than 40%; and receipts of immigrants' funds and inheritances increased from \$44,000,000 to \$60,000,000. Payments rose more moderately from an unusually low level of \$36,000,000 in the first quarter of 1966 to \$44,000,000, and the surplus widened from \$8,000,000 to \$16,000,000. The deficit from all other current transactions narrowed by the same amount owing to factors such as receipts in connection with Expo 67 and miscellaneous income.

In transactions with the United States, total receipts expanded \$325,000,000 or 19% from \$1,684,000,000 to \$2,009,000,000 and total payments increased \$276,000,000 or 12% from \$2,290,000,000 to \$2,566,000,000. The current account deficit accordingly declined from \$606,000,000 to \$557,000,000 between the first quarters of 1966 and 1967. The improvement was derived entirely from merchandise trade, with the import balance contracting \$57,000,000 or 20% from \$292,000,000 to \$235,000,000. Merchandise exports gained over 20% from \$1,353,000,000 to \$1,659,000,000, while merchandise imports rose 15% from \$1,645,000,000 to \$1,894,000,000. The deficit on non-merchandise transactions widened moderately from \$314,000,000 to \$322,000,000. All the items shared in this slight deterioration, except interest and dividends.

Canada's surplus on current transactions with the United Kingdom rose \$22,000,000 or some 20% from \$106,000,000 to \$128,000,000 between the first quarters of the two most recent years. Total receipts rose \$22,000,000 or 6% from \$350,000,000 to \$372,000,000, while total current payments were unchanged at \$244,000,000. This improvement was distributed evenly between merchandise and "invisible" transactions.

Total receipts from other countries advanced \$104,000,000 or about 14% from \$717,000,000 to \$821,000,000, while total payments increased \$110,000,000 or roughly 18% from \$622,000,000 to \$732,000,000 in the first quarter of 1967. The current account surplus with other countries declined \$6,000,000 to \$89,000,000. This small deterioration was attributable to a widening in Canada's deficit with other countries on non-merchandise transactions from \$73,000,000 to \$89,000,000 with the rise in official contributions accounting for more than the increase in the net service payments. The increase in the value of wheat clearances alone to other countries outside the sterling area and the OECD group accounted for about one half of the export gain of \$80,000,000 from \$587,000,000 to \$667,000,000. The trade surplus increased \$10,000,000 to \$178,000,000 as merchandise imports rose from \$419,000,000 to \$489,000,000.

Capital Movements There were large changes in the composition of the capital flows (apart from official monetary movements shown separately in the balance of payments statements) which totalled \$327,000,000 in the first quarter of 1967 compared with \$267,000,000 a year earlier. Inflows in long-term forms fell to \$266,000,000 from the unusually high level of \$449,000,000 a year earlier, which was inflated by substantial deliveries of new Canadian issues to the United States capital market deferred from the previous quarter. Capital movements in short-term forms which had resulted in a net outflow of \$182,000,000 in the first quarter of 1966, led to an inflow of \$61,000,000 in the first quarter of 1967. Transactions in foreign currency by and through the Canadian banking system accounted in large measure for the change.

Capital Movements

	1965	1966	1966				1967
			IQ	IIQ	IIIQ	IVQ	IQ
Millions of dollars							
Foreign direct investment in Canada.. +	405	+660	+120	+190	+145	+205	+120
Canadian direct investment abroad.... -	125	+ 10	- 15	- 40	+ 90	- 25	- 30
Net sales of Canadian securities..... +	608	+722	+445	+137	+115	+ 25	+213
Net purchases of foreign securities.. -	84	-397	- 75	-119	-119	- 84	- 54
Bank balances and other short-term funds abroad (excluding official reserves)..... +	138	-587	-165	- 9	-299	-114	+269
Finance company short-term paper..... -	162	- 9	+ 23	- 5	- 55	+ 28	+ 10
All other capital movements..... +	460	+225	- 66	+ 59	- 78	+310	-201
Net capital movements..... +	1,240	+624	+267	+213	-201	+345	+327

The net capital inflow for direct investment in foreign-controlled enterprises totalled \$120,000,000 in the quarter under review, the same as in the corresponding quarter of the previous year but some \$85,000,000 below the unusually high level reported for the fourth quarter of 1966. About 80% of this inflow came from the United States while overseas countries other than the United Kingdom supplied the bulk of the remainder. Approximately one half of the total was channelled into manufacturing enterprises with the petroleum and natural gas industries accounting for a further quarter.

Canadian direct investment abroad led to an outflow of \$30,000,000. The largest movements were directed to manufacturing enterprises while there was a net inflow recorded for transactions by finance companies largely occasioned by the sale of a foreign subsidiary of a Canadian company.

During the first quarter of 1967 transactions in portfolio securities between Canada and other countries, after two quarters of net capital outflows, returned to their characteristic role as a source of capital with a net inflow of \$159,000,000. Net sales of Canadian issues rose to \$213,000,000 from \$25,000,000 recorded in the fourth quarter of 1966, while net purchases of foreign issues dropped from \$84,000,000 last quarter to \$54,000,000 in the first quarter of 1967.

The value of new Canadian issues sold abroad, notably new provincial government direct and guaranteed issues, rose during the first quarter of 1967 to \$332,000,000 from \$216,000,000 for the previous quarter. The net purchase balance from transactions in outstanding Canadian securities during the quarter amounted to \$62,000,000, about the same as the \$59,000,000 recorded for the last quarter of 1966. Retirements of Canadian securities fell to \$57,000,000, the lowest level since the third quarter of 1965. It will be recalled that data for the first three quarters of 1966 included repurchases by the Government of Canada of one of its foreign pay issues.

The capital outflow from transactions in foreign securities fell \$30,000,000 to \$54,000,000 largely as a result of a drop in the net purchase of outstanding United States equities.

Disbursements by the Canadian Government under intergovernmental loan programmes aggregated \$3,000,000 in the first quarter of 1967, while repayments of principal on earlier loans totalled \$11,000,000, the bulk of which was accounted for by the forgiveness of the balance of a loan to India. All other transactions in long-term forms led to a net capital inflow of \$9,000,000 in the first quarter, including net repayments of \$20,000,000 on export credits under guarantee of the Government of Canada.

An inflow of \$61,000,000 from capital movements in short-term forms was recorded in the first quarter of 1967, about one quarter of the level reached in the fourth quarter of 1966. Geographically there was a net inflow from the United States partially offset by a net outflow to overseas countries.

Non-resident holdings of Canadian dollars rose by \$58,000,000 with net inflows of \$48,000,000 and \$15,000,000 into Canadian dollar deposits and treasury bills, respectively, while holdings of Government of Canada demand liabilities were reduced by \$5,000,000.

Other capital movements resulted in only a small net inflow of \$3,000,000, although there were large flows in opposite directions encompassed in this total. After six successive quarterly outflows to augment Canadian holdings of bank balances and other short-term funds abroad (excluding official reserves) a \$269,000,000 inflow was recorded as these holdings were run down. There was a concomitant reduction in chartered banks' United States assets and a decrease in liabilities to overseas countries. The net effect of these movements was a large inflow from the United States, partially offset by a net outflow to overseas countries. There were moderate changes in capital movements arising from finance company transactions. All other transactions led to a net capital outflow of \$248,000,000 originating largely from changes in short-term loans and accounts receivable and payable.

C E N S U S

2. Farm Machinery and Electric Power Value of machinery and equipment on census-farms was \$3,552,411,400 in 1966, an increase of 38.3% over the value recorded in 1961, according to a Dominion Bureau of Statistics report based on the 1966 Census of agriculture. The largest increase took place in the Prairie Provinces where an increase of 44.8% was recorded over the five year period.

The number of automobiles on census-farms decreased slightly to 355,957 in 1966 from 357,951 in 1961, but the number of trucks increased by 14.2% over the 1961 total. There were 8.9% more tractors recorded with 598,483 enumerated in 1966 compared with 549,789 in 1961. This increase was due largely to purchases of additional tractors for farms already having a tractor. The number of farms reporting two or more tractors increased by 32.6%. The number of grain combines increased by 9.4% from 1961 to 1966. Self-propelled combines increased by 29.7% from 83,982 in 1961 to 108,903 in 1966 while the number of other types of combines decreased from 71,629 to 61,279 over the same period. The increase in the number of combines was accompanied by an increase in the number of swathers from 96,154 in 1961 to 124,216 in 1966. There were substantial increases in the numbers of pick-up hay balers and forage crop harvesters. Hay balers increased by 53.0% to 136,954 in 1966 and forage crop harvesters by 45.1% to 24,317. There were 102,801 census-farms reporting milking machines in 1966, a decrease of 3.1%. A decrease was recorded in the number of census-farms reporting electric power in most provinces, but this was due to the reduction in the number of census-farms between 1961 and 1966. The percentage of census-farms reporting electricity increased from 85.2% in 1961 to 88.7% in 1966. The percentage is even higher, 96.7%, if only farms on which the operator was living are included.

*3. Corporation Profits 1st Quarter, 1967 Seasonally adjusted corporation profits before taxes decreased approximately 11.2% to \$1,174,000,000 in the first quarter of 1967 from \$1,322,000,000 in the fourth quarter of 1966. At a seasonally adjusted rate of \$525,000,000, profits in manufacturing industries showed a decrease of 8.7% from the fourth quarter. In the other industries, excluding mining, profits decreased by 18.5%. Mining, Quarries and Oil Wells increased by 15.0%.

	Seasonally Adjusted			Not Seasonally Adjusted		
	1966		1967	1966		1967
	3Q	4Q	1Q	3Q	4Q	1Q
	millions of dollars					
Mines, Quarries and Oil Wells	142	120	138	148	125	123
Manufacturing Industries:						
Food and Beverage Industries	92	89	73	105	99	63
Rubber	9	8	8	8	11	2
Textile Industries	15	12	13	11	16	13
Wood Industries	25	27	37	40	25	23
Paper and Allied Industries	39	49	42	39	50	33
Printing, Publishing & Allied Ind. .	24	26	31	22	24	30
Primary Metal Industries .....	)	)	)	50	26	49
Metal Fabricating Industries .....	)	)	)	41	52	27
Machinery Industries .....	)	)	)	34	48	41
Transportation Equipment Industries	)	)	)	-25	32	65
Electrical Products Industries	22	35	8	18	49	6
Non-Metallic Mineral Products Ind. .	28	18	15	38	21	-2
Petroleum & Coal Products Industries	39	43	48	40	47	47
Chemical & Chemical Products Ind. ..	58	50	53	64	43	41
Other Manufacturing Industries ¹	28	39	34	25	49	29
TOTALS	527	575	525	510	592	467
Transportation .....	)	)	)	84	141	6
Storage .....	)	)	)	12	4	1
Communication .....	)	)	)	61	65	44
Electric Power, Gas & Water Utilities	23	25	37	4	25	59
Wholesale Trade	95	106	93	96	120	68
Retail Trade	82	72	61	72	106	39
Finance, Insurance & Real Estate	158	173	172	162	152	150
Service Industries	39	40	51	49	31	46
Other Non-Manufacturing ²	25	25	17	36	19	-
TOTALS, All Industries	1,224	1,322	1,174	1,234	1,380	1,003

1 Includes Tobacco, Leather and Miscellaneous Manufacturing Industries.

2 Includes Agriculture, Forestry, Fishing and Construction.

4. Commodity Exports Canadian commodity exports in February hiked 19.1% to \$803,732,000 from \$674,540,000 in the 1966 month. In the two-month period exports increased to \$1,730,248,000 from \$1,397,470,000. Corresponding 1965 values show sales totalling \$538,294,000 in February and \$1,107,443,000 during the January-February period.

United States continued as the leading buyer of Canadian-made merchandise while other major users included the United Kingdom, Japan, Communist China, Australia, Italy, Netherlands, Union of Soviet Socialist Republics, India and Federal Republic of Germany. Merchandise in greatest demand included passenger automobiles and chassis, newsprint paper, wheat, wood pulp and similar pulp, aluminum, including alloys, crude petroleum, copper and alloys, other motor vehicles, nickel and alloys, nickel in ores, concentrates and scrap.

Summary of Exports

	February		January to February	
	1966	1967	1966	1967
	thousands of dollars			
<u>By Country</u>				
United States.....	407,980	519,197	808,064	1,054,477
United Kingdom.....	90,311	87,648	190,391	205,283
Japan.....	28,524	39,969	49,418	102,443
Communist China.....	7,816	13,260	14,563	27,072
Australia.....	8,552	12,001	17,734	26,448
Italy.....	7,470	10,879	18,053	21,106
Netherlands.....	9,247	10,854	19,721	22,237
Union of Soviet Socialist Republics...	11,175	9,488	37,363	27,851
India.....	3,103	9,380	5,610	27,548
Federal Republic of Germany.....	9,980	8,844	29,040	19,768
<u>By Commodity</u>				
Passenger automobiles and chassis.....	42,061	71,085	66,516	126,975
Newsprint paper.....	65,320	68,690	138,413	148,463
Wheat.....	47,870	50,617	113,007	129,360
Wood pulp and similar pulp.....	39,838	41,955	77,960	88,575
Aluminum, including alloys.....	28,255	32,893	59,329	66,061
Crude petroleum.....	24,899	31,298	48,254	63,011
Copper and alloys.....	16,432	21,761	35,898	51,225
Other motor vehicles...	9,529	20,991	20,059	44,717
Nickel and alloys.....	15,591	17,583	33,974	36,776
Nickel in ores, concentrates and scrap	20,460	17,309	41,590	38,614

5.& 6. Commodity Imports Canadian commodity imports rose 14.7% in February to \$765,681,000 from \$667,744,000 in February 1966, and during the two-month period increased to \$1,658,907,000 from \$1,374,387,000. Corresponding 1965 values were \$550,980,000 in February and \$1,110,477,000 in the January-February period.

United States continued as Canada's largest supplier followed by the United Kingdom, Japan, Federal Republic of Germany, Venezuela, Switzerland, Italy, France, Australia and Belgium and Luxembourg. Commodities purchased in greatest quantities included, motor vehicle parts, except engines; new closed sedans; crude petroleum; new wheel tractors; electronic computers; motor vehicle engines; steel plate, sheet and strip; organic chemicals, trucks, truck tractors and chassis; and motor vehicle engine parts.

Summary of Imports

	February		January-February	
	1966	1967	1966	1967
	thousands of dollars			
By Country				
United States.....	478,309	569,451	1,004,125	1,227,725
United Kingdom.....	58,950	46,691	103,087	100,963
Japan.....	18,768	18,338	32,027	42,107
Federal Republic of Germany...	12,849	15,608	25,990	33,981
Venezuela.....	17,469	15,119	42,955	28,872
Switzerland.....	3,808	7,900	7,451	12,839
Italy.....	3,759	6,427	9,139	14,716
France.....	5,930	6,400	11,981	16,807
Australia.....	3,387	4,427	6,735	8,994
Belgium & Luxembourg.....	3,398	4,401	6,311	10,735
By Commodity				
Motor vehicle parts, except engines.....	78,737	73,294	151,223	171,419
New closed sedans.....	14,739	40,214	38,862	103,451
Crude petroleum.....	22,339	26,387	52,648	47,547
New wheel tractors.....	8,704	12,306	19,880	23,114
Electronic computers.....	5,422	11,588	10,757	23,124
Motor vehicle engines.....	7,830	9,752	18,175	20,595
Steel plate, sheet and strip..	8,189	9,224	17,031	20,660
Organic chemicals.....	7,056	9,030	15,531	18,269
Trucks, truck tractors and chassis.....	4,141	8,094	9,792	16,889
Motor vehicle engine parts....	6,378	7,027	13,918	15,070

P R I C E S

*7. Weekly Security Price Indexes

	Number Stocks Priced	June 15/67	June 8/67	May 18/67
		(1956=100)		
Investors Price Index				
Total index.....	114	175.5	174.0	174.9
Industrials.....	80	183.0	181.1	181.0
Utilities.....	20	172.0	169.4	168.1
Finance(1).....	14	143.0	144.7	153.5
Banks.....	6	139.9	142.2	151.9
Mining Stocks Price Index				
Total index.....	24	101.6	102.2	101.1
Golds.....	13	136.0	137.7	131.6
Base metals.....	11	82.7	82.8	84.4
Supplementary Indexes				
Uraniums.....	6	270.8	254.8	248.5
Primary oils and gas.....	6	183.9	171.2	161.0

(1) Composed of Banks, and Investment and loan.

- *8. Residential and Non-residential Building Materials Price Indexes The sample of prices used to calculate residential and non-residential building price indexes was revised in February 1966. Weighting patterns and time bases are unchanged. New prices were selected from the industrial classified system of prices as described in the report "Industry Selling Price Indexes". Federal sales tax is added where applicable.

In addition, commodities in the 1966 residential building materials index were revised following consultation with industry specialists. This list provides a shorter, more efficient sample of commonly used commodities. Greater regional coverage was sought, with a view to providing fuller regional commodity price index information. The validity of using manufacturers' selling prices to represent price movement of wholesalers' and retailers' prices to contractors and other builders is being determined in a program of experimental pricing.

As well as updating commodity coverage for the residential index, the new price sample has the advantage of measuring price change at a consistent level in the distribution process; and is based on the wide range of commodity detail available in the Industry Selling Price Index. The treatment of price discontinuity is handled in the manner described in the reference paper for the Industry Selling Price Index referred to below.

New commodities introduced and the new price sample were "linked" into the index at the level of the old price sample (at the beginning of 1966) so that the movement of the index has not been affected by the changeover. The same component groups will continue to be published.

Explanations of the basic methods of construction and weighting patterns for the building materials indexes are contained in the following publications: Price Index numbers of Residential Building Materials 1926-1948 Cat. 18-7080, Price \$0.10; Non-Residential Building Materials Price Index 1935-1952 Cat. 8002-524, Price \$0.25 and Prices and Price Movements. A complete description of the characteristics of the Industry Selling Price Indexes is contained in Industry Selling Price Indexes 1956-1959, Cat. 62-515.

Building Material Indexes (Revised)
and Selected Components

	Component Weight	1966 Average	1967			
			Jan.	Feb.	Mar.	April
Residential 1935-39 = 100	100	352.0	359.5	360.7	361.4	361.9
Lumber & Lumber Products	43	519.4	532.3	533.8	534.6	535.5
Plumbing & Heating Equipment.	18	256.0	260.9	262.8	263.4	263.4
Wallboard & Insulation	11	166.6	168.4	168.4	168.4	169.8
Concrete Products	8	176.2	180.6	180.6	181.0	181.8
Other	20	255.6	258.3	259.4	260.4	259.6
Residential 1949 = 100	100	154.4	157.7	158.2	158.5	158.7
Non-residential 1949 = 100.....	100	151.0	152.5	153.1	153.7	154.0
Steel & Metal Work	20	180.0	177.3	177.7	179.0	179.0
Plumbing & Heating Equipment.	21	141.2	143.6	144.7	145.1	144.9
Electrical Equipment	12	128.8	130.6	132.5	133.0	133.3
Concrete Products	11	139.1	142.1	142.1	142.5	142.9
Lumber & Lumber Products	10	160.9	164.1	164.6	165.0	165.9
Other	26	147.6	150.0	150.1	150.4	151.3

9. Electric Utility Construction Price Indexes A new series of annual input price indexes which measure the movement through time of materials, labour and equipment used in the construction of some electric utility facilities is introduced in the Dominion Bureau of Statistics publication, "Price Indexes of Electric Utility Construction, 1956-1965". Base-weighted indexes are presented for distribution systems, transmission lines and for transformation and switching stations. Indexes for hydro-electric generating stations and for steam-electric generating stations are being developed.

In electric utility terms, the index provides an estimate of the impact of price change on the cost of materials, labour and equipment used in constructing and equipping electric utilities used in a specified base period. The index provides an estimate of how much more, or less, it would cost to reproduce the base-period program of construction in another period, using the same construction technology as in the base period and assuming rates of profit and productivity in construction are the same in both periods.

Price Indexes of Electric Utility Distribution Systems, Transmission Lines and Transformation and Switching Stations, 1956-65, (1961=100)

	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965
Distribution Systems	95.1	96.5	93.2	96.8	100.3	100.0	101.9	102.5	104.6	107.3
Transmission Lines	92.1	94.5	95.7	97.0	98.9	100.0	100.9	102.3	102.7	108.3
Transformation and Switching Stations	117.2	118.4	107.6	112.4	109.2	100.0	107.0	113.6	120.1	126.5

C O N S T R U C T I O N

10. New Residential Construction Starts on the construction of new dwellings in centres of 5,000 population and over in Canada during January dropped to 5,482 units from 7,787 in the corresponding month last year, while completions rose to 8,701 units from 8,158 in the 1966 month. Units under construction at January 31 numbered 68,240, a sharp 32% drop below the corresponding 1966 figure of 100,701.

January starts by provinces were as follows: Newfoundland, 16 (41 in the 1966 month); Prince Edward Island, 2 (45); Nova Scotia, 93 (114); New Brunswick, 34 (39); Quebec, 2,100 (2,921); Ontario, 2,126 (3,035); Manitoba, 77 (232); Saskatchewan, 128 (223); Alberta, 296 (286); British Columbia, 610 (851).

T R A N S P O R T A T I O N

11. Carloadings Revenue freight carloadings during the seven day period ending June 7 dropped by 4.3% from the 1966 total to 80,768 in 1967. During the cumulative period revenue freight cars loaded increased 10.2% to 1,622,935 from the previous year. Receipts from both Canadian and United States rail connections rose 11.3% to 27,346 in the current period and 10.4% to 569,373 in the cumulative period. Piggyback loadings during the seven-day period dropped 18.7% to 3,564 and during the year-to-date period declined 21.4% to 75,330 from the 1966 period.

Commodities requiring fewer cars included: wheat, 8,854 (9,714 in 1966); building sand, gravel and crushed stone, 2,910 (4,020); and newsprint paper, 2,388 (3,306). Those moved in more cars were: iron ore, 11,579 (9,755); non-ferrous ores and concentrates, 1,958 (963) and fertilizers, 1,755 (1,189).

*12. Railway Operating Statistics Twenty-three common carrier railways in Canada reported operating revenues of \$113,000,349 for February 1967, up 0.4% from the previous year, according to an advance release of data that will be contained in the February issue of the Dominion Bureau of Statistics report, "Railway Operating Statistics". Railway operating expenses rose 6.4% to \$115,557,218 during February, resulting in a loss of \$2,556,869 as compared to an income of \$3,948,977 in February 1966.

Railway Operating Revenues, Expenses and Net Income

February, 1967

	Total 23 railways \$	C.N.R. \$	C.P.R. \$
Operating Revenues	113,000,349	58,249,014	42,671,051
Freight(1)	101,682,669	51,029,009	39,393,668
Passenger	3,986,000	2,945,495	952,787
Operating Expenses	115,557,218	63,231,997	41,424,945
Road and equipment maintenance	49,016,894	27,593,318	17,261,372
Transportation	44,341,265	23,991,220	16,839,001
Net Income	Dr. 2,556,869	Dr. 4,982,983	1,246,106
Operating ratio %	102.26	108.55	97.08

(1) Includes payments related to the National Transportation Act

A total of 16,918,221 tons of revenue freight was handled by the railways during February, up 1.1 per cent over the 1966 month and ton-miles declined to 6,846,646 from 7,454,846. Average miles of road operated (first main track) rose to 43,977 from 43,946. Passenger traffic decreased 8.8% to 1,796,023. Commuter travel decreased 2.8% from the previous year while non-commuter traffic dropped 17.6%. Employment in the industry at 128,562 was down .09% from February 1966.

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

*13. Sawmills East of the Rockies Production of lumber by sawmills east of the Rockies increased 8.0% in April to 220,496,000 feet board measure from 204,167,000 in the 1966 month, and during the four-month period dropped to 968,221,000 feet board measure from 971,611,000. Stocks on hand at April 30 totalled 605,066,000 feet board measure.

14. Salt Shipments of dry salt and salt content of brine totalled 314,019 tons in April and 1,691,643 tons in the four-month period. Producers' stocks at the end of April totalled 191,062 tons. In 1966 April shipments totalled 323,233 tons, and January to April shipments reached 1,415,093 tons. Producers' stocks at the end of April, 1966 reached 89,318 tons.

*15. Industry & Production Notes, 1965 -- Advance Releases

The following summarized statistics for the manufacturing, mining and forestry industries will appear later in detail in regular publications of the Industry Division. Concepts and definitions employed together with an account of recent changes will also be included in each report.

Synthetic Textile Mills (Cat. 34-208): Factory shipments from the synthetic textile mills increased in 1965 to \$373,842,000 from \$372,653,000 in 1964. Cost of materials, fuel and electricity rose in the year to \$210,710,000 from \$190,789,000 in the preceding year and value added by manufacturing activity (value of production less value of materials, fuel and electricity) to \$172,304,000 from \$188,673,000. Industry value added (manufacturing plus non-manufacturing activity) declined from \$187,253,000 to \$172,545,000.

Sixty-four establishments (sixty in 1964) reported 20,193 employees (19,481), including 15,933 directly employed in manufacturing operations (15,474). Salaries and wages for all employees aggregated \$87,013,000 (\$81,069,000) with manufacturing employees accounting for \$62,238,000 (\$58,612,000). Paid man-hours in manufacturing operations numbered 34,306,000 versus 33,807,000 the previous year.

Sporting Goods Industry (Cat. 47-204): Factory shipments from the sporting goods industry increased in 1965 to \$51,103,000 from \$49,523,000 in 1964. Cost of materials, fuel and electricity rose in the year to \$22,743,000 from \$21,981,000 in the preceding year and value added by manufacturing activity (value of production less value of materials, fuel and electricity) dropped to \$28,457,000 from \$29,067,000. Industry value added (manufacturing plus non-manufacturing activity) declined from \$32,884,000 to \$31,094,000.

One hundred and thirty-one establishments (125 in 1964) reported 4,423 employees (4,281), including 3,439 directly employed in manufacturing operations (3,225). Salaries and wages for all employees aggregated \$17,567,000 (\$16,994,000) with manufacturing employees accounting for \$12,307,000 (\$11,460,000). Paid man-hours in manufacturing operations numbered 7,410,000 versus 6,982,000 the previous year.

Soft Drinks (Cat. 32-208): Factory shipments from the soft drinks industry increased in 1965 to \$225,702,000 from \$218,452,000 in 1964. Cost of materials, fuel and electricity rose in the year to \$83,321,000 from \$81,982,000 in the preceding year and value added by manufacturing activity (value of production less value of materials, fuel and electricity) to \$143,153,000 from \$137,027,000. Industry value added (manufacturing plus non-manufacturing activity) advanced from \$141,010,000 to \$147,371,000.

Four hundred and seventy establishments (481 in 1964) reported 13,629 employees (13,453), including 5,195 directly employed in manufacturing operations (5,226). Salaries and wages for all employees aggregated \$61,613,000 (\$57,465,000) with manufacturing employees accounting for \$20,208,000 (\$19,196,000). Paid man-hours in manufacturing operations numbered 11,358,000 versus 11,595,000 the previous year.

Bakeries (Cat. 32-203): Factory shipments from the bakeries industries increased in 1965 to \$444,048,000 from \$427,664,000 in 1964. Cost of materials, fuel and electricity rose in the year to \$218,389,000 from \$215,476,000 in the preceding year and value added by manufacturing activity (value of production less value of materials, fuel and electricity) to \$225,904,000 from \$212,331,000. Industry value added (manufacturing plus non-manufacturing activity) advanced from \$220,747,000 to \$235,785,000.

Two thousand, four hundred and sixty-five establishments (2,548 in 1964) reported 33,081 employees (32,267), including 17,771 directly employed in manufacturing operations (17,386). Salaries and wages for all employees aggregated \$133,225,000 (\$123,494,000) with manufacturing employees accounting for \$66,497,000 (\$62,402,000). Paid man-hours in manufacturing operations numbered 38,873,000 versus 38,198,000 the previous year.

Slaughtering and Meat Processors (Cat. 32-221): Factory shipments from the slaughtering and meat processors industry increased in 1965 to \$1,352,419,000 from \$1,198,417,000 in 1964. Cost of materials, fuel and electricity rose in the year to \$1,125,239,000 from \$979,525,000 in the preceding year and value added by manufacturing activity (value of production less value of materials, fuel and electricity) to \$233,018,000 from \$219,768,000. Industry value added (manufacturing plus non-manufacturing activity) advanced from \$230,520,000 to \$246,077,000.

Two hundred and eighty-five establishments (265 in 1964) reported 26,924 employees (26,316), including 19,660 directly employed in manufacturing operations (19,305). Salaries and wages for all employees aggregated \$137,591,000 (\$129,358,000) with manufacturing employees accounting for \$96,286,000 (\$90,898,000). Paid man-hours in manufacturing operations numbered 41,993,000 versus 41,144,000 the previous year.

Miscellaneous Foods (Cat. 32-224): Factory shipments from the miscellaneous foods industry increased in 1965 to \$565,169,000 from \$538,968,000 in 1964. Cost of materials, fuel and electricity rose in the year to \$348,245,000 from \$335,869,000 in the preceding year and value added by manufacturing activity (value of production less value of materials, fuel and electricity) to \$219,233,000 from \$204,919,000. Industry value added (manufacturing plus non-manufacturing activity) advanced from \$215,189,000 to \$227,809,000.

Two hundred and seventy-two establishments (281 in 1964) reported 13,253 employees (13,258), including 8,178 directly employed in manufacturing operations (8,183). Salaries and wages for all employees aggregated \$64,175,000 (\$61,194,000) with manufacturing employees accounting for \$33,074,000 (\$31,050,000). Paid man-hours in manufacturing operations numbered 17,434,000 versus 17,387,000 the previous year.

16. Steel Ingots and Pig Iron Production of steel ingots declined 2.3% during May to 874,533 tons from 895,658 and pig iron production dropped 5.3% to 590,081 tons from 623,676. During the January-May period steel ingot production decreased to 4,022,387 tons from 4,272,760 in 1966 and pig iron dropped to 2,799,449 tons from 3,113,161 in 1966.

17. Iron Ore April shipments of iron at 3,272,751 tons, were 15.7% higher than the corresponding 1966 total of 2,838,026 tons. During the four-month period shipments dropped to 5,719,049 tons from 6,537,049. Stocks on hand at the end of April at 13,289,250 tons, were 64.8% higher than the like 1966 total of 8,066,300 tons.

*18. Summary of Net Shipments of Rolled Steel Products, April

	1966		1967 Monthly Shipments		
	Total Shipments		Domestic	Export	Total
			net tons of 2,000 pounds		
Semi-finished shapes.....	30,742	10,742	113		10,855
Rails.....	21,448	29,338	993		30,331
Wire rods.....	36,381	32,955	1,589		34,544
Structural shapes:					
Heavy, including piling.....	34,686	38,268	1,696		39,964
Bar-sized shapes.....	8,062	10,013	876		10,889
Concrete reinforcing bars.....	61,189	38,608	1,532		40,140
Other hot rolled bars:					
Flats.....	7,473				
Other.....	53,677	{53,740} (1)	{5,689} (1)		{59,429} (1)
Tie plates and track material...	7,889	8,438	14		8,452
Plates (including plates for pipes and tubes).....	86,362	93,275	4,325		97,600
Hot rolled sheets.....	73,027	59,537	10,473		70,010
Hot rolled strip.....	28,348	26,594	40(2)		26,634
Cold finished bars.....	6,033	6,243	2		6,245
Cold reduced sheets and strip, tin mill, black plate and tin plate.....	129,548	86,944	16,680(2)		103,624
Galvanized sheets.....	45,221	35,766	6,849		42,615
Totals.....	630,086	530,461	50,871		581,332

(1) Separate breakdown not available. (2) Includes 3,098 tons exported for conversion and return

*19. Veneers and Plywoods Plywood shipments during April rose 1% to 190,065,000 square feet from 188,897,000 in the 1966 month and veneer shipments dropped 7% to 165,394,000 square feet from 177,168,000, according to an advance release of data that will be contained in the April issue of the Dominion Bureau of Statistics report, "Peeler Logs, Veneers and Plywoods". End-of-April stocks of veneers were up 47% to 184,262,000 square feet from 125,410,000 and stocks of plywoods were up 18% to 180,901,000 square feet from 214,269,000.

*20. Steel Ingots Steel ingot production for the week ending June 17 totalled 178,292 tons, a 6% decrease from the preceding week's total of 189,902 tons. Output during the comparable week of 1966 was 201,887 tons. The index of production, based on the average weekly output during 1957-1959 equalling 100, was 186 in the current week, 189 a week earlier and 210 a year ago.

21. Asbestos Producers' shipments of asbestos during April totalled 97,140 tons, 24.9% below the corresponding 1966 total of 129,572 tons. In Quebec shipments dropped to 88,597 tons in April from 122,275 tons in the 1966 month. During the January-April period Canadian shipments were down to 380,000 tons from 432,160 and Quebec shipments down to 333,085 tons from 386,675.

*22. Leather Footwear Production of leather footwear during April totalled 3,892,265 pairs, down 4.9% from the April 1966 total of 4,091,608. Production of children's, little gent's, babies and infants shoes totalled 469,006 pairs (513,966 during April 1966); women's, growing girls and misses, 2,294,443 pairs (2,355,683); and men's, boy's and youths', 1,128,816 pairs (1,221,959).

23. Floor Tile April production of vinyl-asbestos floor tile at 18,429,462 square feet was 3.2% below the April 1966 total of 19,059,002 square feet. During the January-April period production increased to 69,150,773 square feet from 67,789,513.
24. Iron Castings and Cast Iron Pipes and Fittings Shipments of iron castings, pipe and fittings at 63,731 tons in March, 1967 were below the corresponding 1966 total of 71,622. During the three-month period shipments dropped to 176,285 tons in 1967 from 183,772 last year.

T R A V E L

25. Non-Resident Vehicles Entering Canada Foreign vehicles entering Canada during April numbered 679,236, a decrease of 19,371 or 2.8% less than the same month of last year. No doubt, the shift of Easter from April in 1966 to March in 1967 may have influenced the trend. A comparison of the two-month period (March and April) shows a gain of 59,673 entries or 4.8% over the corresponding period of 1966.

G O V E R N M E N T E M P L O Y M E N T

- *26. Federal Government Employment Civilian employment and payrolls for the Public Service of Canada decreased from October 1966 according to an advance release of data that will be contained in the November issue of the Dominion Bureau of Statistics report, "Federal Government Employment".

There was a decrease to 365,900 employees in November, with a payroll of \$177,300,000 which was 5.6% below the previous month. Aggregate payrolls for January-November amounted to \$1,863,000,000, 12.3% above the same period of 1965. April to November payrolls totalled \$1,385,000,000, 12.2% more than the same eight months of the 1965-66 fiscal year.

Employment in agency and proprietary corporations and other agencies decreased slightly to 143,100 at the end of November. Payrolls for the month were \$74,600,000, 15.4% below the previous month. This payroll decrease is misleading, as the main reason for the October increase was the inclusion of retroactive pay (effective January 1 and June 1, 1966) to certain Canadian National Railways employees. The November payroll includes pay increases granted by several corporations, and the attendant retroactive payments, but they are not sufficiently large to equal those included in the October payroll. Cumulative payrolls for the period January 1 to November 30, 1966 amounted to \$781,300,000, an increase of 8.9% over the same eleven months of 1965. Payrolls for the eight months of the 1966-67 fiscal year totalled \$584,400,000, 9.6% above the first eight months of 1965-66.

Staff in departments and departmental corporations totalled 222,800 at the end of November, slightly above October. Total payroll for the month amounted to \$102,700,000, 3.1% more than the previous month. Cumulative payrolls for the period January 1 to November 30, 1966 were \$1,081,000,000, 14.9% greater than the same eleven months of 1965. The April-November payroll amounted to \$801,000,000, 14.3% above the first eight months of the 1965-66 fiscal year.

27. Winterkilling and Condition of Over-wintered Crops and Rates of Seeding

Seeding of the five spring sown grains in Canada was 81% completed by May 31. Because of the lateness of the spring

in many parts of Canada very little seeding had been done by May 15. However, improved weather conditions during the latter part of May and into June permitted rapid progress except in south west Alberta, Quebec and much of the Maritime provinces. The per cent completed by May 31, 1967 was below the five-year average of 88% and also behind the 90% completed by the same date in 1966. In the Prairie Provinces where most of the spring-sown grain is grown, seeding was 82% completed by May 31 compared with 90% a year earlier and the five-year average of 88%.

In the Prairie Provinces cold, wet weather during the first half of May delayed seeding operations in nearly all regions and by mid-month seeding was only 8% completed compared with 27% the previous year and the five-year average of 31%. In Alberta successive late-season snowfalls seriously hampered field work, particularly in the southwest corner of the province but seeding operations in the central region and Peace River progressed rapidly from mid-May onwards. Improved seeding conditions in Saskatchewan resulted in general seeding activity in most areas by mid-May except on wet soils in the southwest and northeast regions of the province. The seeding of wheat was nearing completion in Saskatchewan at the end of May. In Manitoba field activity and some seeding by May 15 were confined to the southwestern part of the province. Excessive moisture and lower temperatures delayed the seeding of most crops particularly in the Eastern region, and in the Northwest. By May 20 however, seeding was general in most of the province and progress was rapid with the bulk of the grains being seeded by the end of May. The percentage sown at May 31 in Manitoba this year exceeds the 1966 figure.

Seeding of the remaining acreages of wheat in Alberta and coarse grains in all three provinces was accomplished quickly in early June in the presence of drying weather. The bulk of the oilseeds and other crops are now in the ground and early-seeded grains are growing vigorously.

The percentage of wheat sown by May 31 in the Prairie Provinces was 92% compared with 96% last year and the five-year average of 95%. Some 70% of the oats and 60% of the barley acreage has been seeded compared with 81% and 80% respectively the year earlier and the five-year average of 81% and 77% respectively. Some 54% of the flax was seeded by May 31 compared with 64% by the same date in 1966 and the five-year average of 69%.

Unseasonably cool temperatures in much of Ontario and Quebec delayed field work and seeding of crops at mid-May was restricted to lighter soils in the southern part of both provinces. In Ontario spring seeding of the five grains by May 31 was 89% completed compared with 94% the year earlier and the recent five-year average of 93%. Very little seeding was done in Quebec by mid-May and May 31 the situation indicated 53% of the five grains were sown compared with last season's 80% and the 1961-65 average of 66%. Spring seeding throughout the Maritime provinces was considerably later than normal on account of late snow, sodden fields and low temperatures and only small percentages of the grains were planted. At the end of May seeding was only 12% completed in the Maritimes compared with last season's 80% and the recent five-year average of 58%. Warm, drying weather starting in June hastened seeding operations on heavier soils but most areas suffered a delay of up to three weeks. Given fine weather the bulk of the seeding is expected to be completed before June 20.

Below-normal temperatures at the beginning of May in the central interior and northern regions of British Columbia held up field operations but seeding of grains and vegetable crops was normal elsewhere in the province. At May 31, 78% of the seeding was completed compared with 93% in 1966 and the five-year average of 89%. Variable weather conditions at mid-month slowed crop growth and caused further delays in the central interior. Towards the end of May seeding advanced rapidly over much of the province including the Peace River Block where the majority of the grain acreages was sown by May 31.

Estimates of progress of seeding, as well as those of winterkilling, spring conditions and rates of seeding are based on May 31 surveys of the Dominion Bureau of Statistics' crop correspondents conducted in co-operation with Provincial departments.

Seeding of Rapeseed The percentage of rapeseed sown by May 15, 1967 in the Prairie Provinces was 2% with some 45% seeded by May 31. The percentages of the crop seeded by the end of May, by province, is as follows: Manitoba 66, Saskatchewan 49, and Alberta 37. A comparison of the seeding progress with other years is not available as this is the first year that seeding information on the rapeseed crop has been collected.

28. Fruit and Vegetable Preparations Production of fruit and vegetable preparations during the quarter ended March 31 were as follows: glacé cherries, 517,586 pounds (438,718 in the 1966 quarter); maraschino cherries, 998,824 pounds (819,516); jams, 21,945,477 pounds (23,478,568); jellies, 2,524,895 pounds (2,694,227); marmalades, 6,673,261 pounds (6,861,894); peel, 506,948 pounds (478,922); beans baked and beans with pork, 29,533,118 pounds (28,578,176); canned mushrooms, 2,599,061 pounds (2,211,593); bottled olives, 2,934,416 pounds (1,721,328); pickles, fresh pack, 1,508,322 pounds (1,531,270); processed pickles, 12,151,657 pounds (13,661,226); relishes, 4,804,121 pounds (6,305,560); canned tomato soup, 642,672 dozen tins (894,461); spirit vinegar, 21,901,580 pounds (21,810,255).
29. Stocks of Fruit and Vegetables Stocks of fruit, frozen and in preservatives, in storages and factories on June 1 totalled 36,530,000 pounds as compared with last year's corresponding total of 33,803,000 pounds, while holdings of vegetables, frozen and in brine totalled 44,242,000 pounds compared to 40,612,000 pounds.
30. Stocks of Meat and Lard Stocks of meat at June 1 totalled 113,657,000 pounds as compared to 115,387,000 one month ago and 87,020,000 a year ago. First-of-June stocks of cold storage frozen meat amounted to 79,480,000 pounds (55,055,000 a year ago); fresh meat, 25,913,000 pounds (23,944,000), and cured meat, 8,264,000 pounds (8,021,000).
- *31. Process Cheese Production of cheddar base and other hard or cream cheese base during May totalled 6,679,061 pounds, up 1.5% from the May 1966 total of 6,578,665, while during the cumulative period, production at 32,845,794 pounds was down 1.1% from 33,216,544 in 1966. Stocks on hand at May 31 totalled 3,646,178 pounds down 26.0% from 4,922,279.
- *32. Vegetable Pack Pack of vegetables as reported up to the end of May was as follows: canned asparagus, 202,605 cases; frozen asparagus, 458,626 pounds.

*33. Variety and General Merchandise Stores
(Independent) Operating Results, 1964

The table below shows an advance release of data that will be contained in the Dominion Bureau of

Statistics report "Variety and General Merchandise Stores (Independent) Operating Results 1964". In the case of incorporated companies, net profit is shown before allowances for income tax and for unincorporated businesses net profit is calculated before deduction of proprietors' salaries, withdrawals and income tax.

Comparison of main operating results of independent
variety and general merchandise stores, 1964

Kind of store	Gross Profit	Net Profit	Salaries (except delivery)	Stock Turnover
General Merchandise				
(unincorporated businesses).	23.72	6.57	7.47	1.97
(incorporated companies)....	28.76	2.74	14.91	3.15
General				
(unincorporated businesses).	16.02	6.21	3.52	4.36
(incorporated companies)....	19.29	2.79	9.54	3.84
(co-operative businesses)...	16.58	3.45	7.91	5.23
Variety				
(unincorporated businesses).	27.87	10.75	7.77	3.09
(incorporated companies)....	30.37	5.30	14.09	2.75

34. Department Store Sales Department store sales by regions during the week ending June 3 rose 15.1% over the corresponding 1966 period. Regional changes were as follows: Atlantic Provinces, + 4.1%; Quebec + 1.7%; Ontario, + 18.0%; Manitoba, + 44.3%; Saskatchewan, + 9.6%; Alberta, + 13.2%; British Columbia, + 16.0%.

35. Department Store Sales February department store sales rose 4.5% to \$137,392,000 from \$131,427,000 in the 1966 month, with increases reported in all regions except Newfoundland which dropped by 12.4% and Alberta, down 0.7%. In January sales rose 7.4% to \$144,592,000 in the 1967 month from \$134,596,000 last year.

L A B O U R

*36. Estimates of Employees by Province and Industry Aggregate employment in eight commercial, non-agricultural industries in the establishment survey for March was estimated at 4,406,100, an increase of 7,700 or 0.2% from February, according to the advance summary of data to be contained in the March 1967 issue of the Dominion Bureau of Statistics report "Estimates of Employees by Province and Industry". A seasonal decline of 9,500 or 14.5% was recorded in forestry. Other industries showed small gains or relatively no change. A year-to-year increase of 116,000 or 2.7% between March 1966 and March 1967 was reported.

*37. The Labour Force Employment rose between April and May by an estimated 284,000 to 7,409,000, an above-average increase for this time of year. Unemployment declined less than seasonally owing to an unusually large inflow to the labour market. Total unemployment, at 304,000 in May, was 61,000 lower than a month earlier. The labour force increased by 223,000 to 7,713,000 during the month.

The labour force at 7,713,000 in May was 330,000, or 4.5%, higher than a year earlier. Employment was up 273,000, and unemployment 57,000, over the year.

Employment Employment levels in all regions reflected the upswing in seasonal activity across the country. Between April and May, farm employment rose by 96,000 and non-farm employment rose by 188,000. Both of these increases were above average for this time of year.

Some 137,000, or almost half the April-to-May increase in employment, was among persons under 25 years of age. Employment of persons 25 years of age and over increased by 147,000. For the 14-24 year group the gain was above average for the time of year; the increase was about average for those 25 years and over.

Employment was higher than a year earlier in community, business and personal service (142,000), transportation, communication and other utilities (53,000), manufacturing (48,000), and trade (33,000). There was a relatively small year-to-year decline in construction employment.

Unemployment Unemployment declined by 61,000 to 304,000 between April and May. The drop was less than seasonal, reflecting in part a larger than usual influx of students into the labour market. Unemployment among persons 14 to 19 years of age increased by 14,000 during the month. Among those 20 years of age and over, unemployment declined by 75,000, a somewhat smaller than usual decrease.

The unemployment total of 304,000 was 57,000 higher than in May 1966. Of this total, 236,000 were men and 68,000 were women. Unemployment was higher than a year ago for both groups.

Of the total number of unemployed, 207,000, or 68%, had been unemployed for less than four months. Some 57,000 had been unemployed for four to six months, and 40,000 for seven months or more.

Total unemployment in May represented 3.9% of the labour force compared with 3.3% in May 1966 and 3.7% in May 1965. The seasonally adjusted unemployment rate in May 1967 was 4.3%.

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, First Quarter 1967, (67-001), 50¢/\$2.00
2. Census of Canada: Agriculture, Farm Machinery and Electric Power for Provinces and Counties, 1966, (96-622), 75¢
- *3. Corporation Profits, First Quarter, 1967
4. Trade of Canada: Summary of Exports, February 1967, (65-002), 20¢/\$2.00
5. Trade of Canada: Summary of Imports, February 1967, (65-005), 20¢/\$2.00
6. Trade of Canada: Summary of Foreign Trade, February 1967, (65-001), 10¢/\$1.00
- *7. Weekly Security Price Indexes, June 15, 1967
- *8. Residential and Non-Residential Building Materials Price Indexes, March 1967
9. Price Indexes of Electric Utility Construction, 1956-1965, (62-526), 75¢
10. New Residential Construction, January 1967, (64-002), 30¢/\$3.00
11. Carloadings, June 7, 1967, (52-001), \$3.00 a year
- *12. Railway Operating Statistics, February 1967
- *13. Sawmills East of the Rockies, April 1967
14. Salt, April 1967, (26-009), 10¢/\$1.00
- *15. Industry and Production Notes, 1965: Bakeries; Slaughtering and Meat Processors, Miscellaneous Foods; Synthetic Textile Mills; Sporting Goods Industry; Soft Drinks.
16. Steel Ingots and Pig Iron, May 1967, (41-002), 10¢/\$1.00
17. Iron Ore, April 1967, (26-005), 10¢/\$1.00
- *18. Summary of Net Shipments of Rolled Steel Products, April 1967
- *19. Veneers and Plywoods, April 1967
- *20. Steel Ingots, June 17, 1967
21. Asbestos, April 1967, (26-001), 10¢/\$1.00
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34. Department Store Sales By Regions, June 3, 1967, (63-003), \$2.00 a year
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