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DOMINION BUREAU OF STATISTICS

For the Fiscal Year ended March 31, 1960

*Annual
Report*

DEPARTMENT OF TRADE AND COMMERCE
DOMINION BUREAU OF STATISTICS

CATALOGUE No.

11-201

ANNUAL REPORT
OF THE
DOMINION BUREAU OF STATISTICS

FOR THE FISCAL YEAR
ENDED MARCH 31, 1960



CANADA

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

August, 1960
1101-502

Price 40 cents

*To His Excellency Major-General Georges P. Vanier, D.S.O., M.C., C.D.,
Governor General and Commander-in-Chief of Canada,*

The undersigned has the honour to forward to Your Excellency the report of the Dominion Statistician on the activities of the Dominion Bureau of Statistics for the fiscal year ended March 31, 1960.

Respectfully submitted,

A handwritten signature in dark ink, reading "Gordon Churchill". The signature is fluid and cursive, with the first name "Gordon" and last name "Churchill" clearly distinguishable.

Minister of Trade and Commerce

Ottawa, Canada
August, 1960

REPORT OF THE DOMINION STATISTICIAN

*THE HONOURABLE GORDON CHURCHILL,
MINISTER OF TRADE AND COMMERCE,
OTTAWA.*

Sir, — Developments in the Dominion Bureau of Statistics during the year 1959-60 reflected continuation, and in some cases the culmination, of the basic pressures which have been evident for some years. These pressures come from business users who need more and better facts for important business decisions. They come from the general public and government which require statistics as a guide to broad economic and social policy. They take the form of pressures to improve statistical procedures within DBS. In addition, the year saw intensified preparations for the decennial census to be taken in 1961.

In the area of business statistics, following the detailed surveys of industrial activities in 1958, designed to provide important bench-mark statistics, there was a return to a more simplified survey for 1959, intended to yield adequate data with a minimum burden on respondents. A major reorganization of editing and tabulation procedures was initiated in the industry and merchandising division, expected to be completed in the next fiscal year, and is intended to free subject matter specialists to maintain closer relations with business. Urgent needs called for expanded scope of statistics in transportation and communication; major improvements were made in statistics of road transport, aviation and shipping. New series were inaugurated on the transport and distribution of natural gas; surveys of the radio and television industry were resumed after having been interrupted for some years.

Public concern with problems of crime and delinquency and the needs of the authorities responsible for the administration of justice led to an enlargement of the programme for judicial statistics which is still in its initial stages. During the past year the emphasis fell on devising systems of reporting, an essential first step in the preparation of meaningful statistics. The inauguration of national health insurance made it necessary to introduce new reporting documents for hospitals. The new forms provide much more information than those used prior to 1959. Additional information on scientific research was obtained by an expanded survey which now includes Federal Government research-development expenditures. Similarly, the existing survey of trustee pension plans was extended to cover certain non-financial features of other kinds of pension plans.

Numerous measures were introduced to improve internal efficiency. A major example has been the programming and other preparatory measures, looking to the installation of an electronic computer in the summer of 1960, some six months earlier than originally anticipated. Programming was begun by the newly assembled staff and by the end of the fiscal year substantial progress had been made on computer programmes for the 1961 Census and the

1958 survey of farm income and expenditure. An important contribution towards better internal organization occurred with the filling of the new position of Organization and Classification Officer and the obtaining of a position for a full-time Training Officer. Consistent and significant classification of data collected about industries and commodities is at the foundation of useful statistics, and the work carried on over the years by our Consultant on Classifications is about to be implemented in two important directions: in the substitution of a modern and meaningful classification of exports and imports and in the consistent classification, in all DBS Divisions, of business firms. These measures, when carried out, will be of the greatest help to users of DBS statistics who wish to compare DBS series in the course of business and general economic investigations.

Under direction of the inter-divisional Census Committee, preparations were pushed forward for the 1961 Census, with full-scale census tests in June 1959 followed by development of final questionnaires in the latter part of the fiscal year. Administrative plans for the census were well advanced.

The Bureau continued to work closely with government agencies and other suppliers and users of data and to maintain liaison with international agencies. Trainees under technical assistance programmes spent extended periods studying the work of the organization during the year. In the summer of 1959 DBS was host to the International Co-operation Administration Training Group at a two-week conference.

The following report describes briefly the structure of the various divisions and the way in which they meet the growing needs of the Canadian community for detailed and accurate information on Canadian social and economic life. The accomplishments of the past year reflect the effectiveness with which the individual members of the staff performed their day-to-day duties.

Walter E. Duffett

Ottawa, Canada
August, 1960

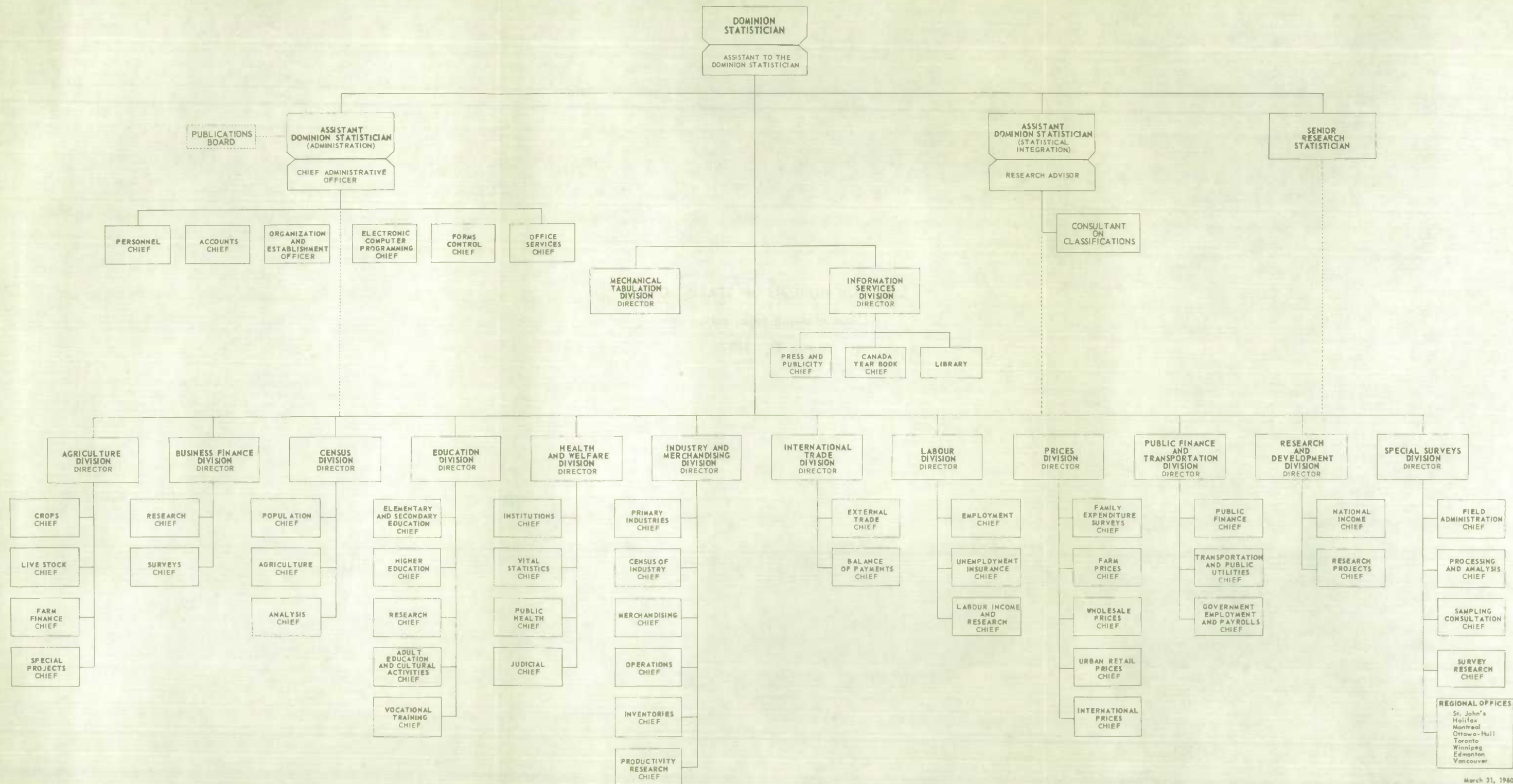
Dominion Statistician.

DOMINION BUREAU OF STATISTICS

Chart showing organization

March 31, 1960

DOMINION BUREAU OF STATISTICS
GENERAL ORGANIZATION



GENERAL ADMINISTRATION

Under this general heading are found a series of functions serving the Dominion Bureau of Statistics as a whole, including general policy matters, mathematical and sampling services, personnel, stenographic and office services.

During the year increased attention was given to widening the knowledge and use of sampling in DBS divisions, under the direction of the Senior Research Statistician, who is the senior mathematical officer of the Bureau. During the year the incumbent of the position, Mr. Nathan Keyfitz, resigned to accept a position of Professor of Political Economy in the University of Toronto. His successor is actively pursuing this project.

The work on classification systems, of basic importance to a properly integrated statistical system, and particularly adapted to a centralized statistical agency such as DBS, continued during the year and occupied much of the time of senior officers, especially in the Administration, the Industry and Merchandising, International Trade, Business Finance and Labour Divisions. During the next three years a series of major projects in this field are expected to be carried out and will be of great help to users of DBS material in developing consistency in many DBS series, which now cannot readily be used together.

To prepare for the installation of the Electronic Data Processing System and the Document-to-Tape Reader selected in 1958-59, a programming staff was organized. The function of this staff is to prepare programmes for the computer, that is, to analyse applications and set out instructions the computer must execute in processing data. The programming staff, when at full strength, will consist of 22 persons, of whom 17 have already been appointed.

The programming section has concerned itself chiefly with the preparation of programmes for processing the farm income and expenditure survey, the 1961 decennial census, and some of the regular statistical series for the Bureau. Of programmes so far projected for the farm income and expenditure survey, 34 were written. Twenty-one programmes for the 1961 census of agriculture and 48 for the 1961 census of population were also written. Tentative plans for programming the census of housing were well advanced with programming to commence early in 1960. Programme testing was conducted in a limited way on the computer at the Air Materiel Command of the R.C.A.F. Testing will be accelerated considerably with the installation of computer at DBS in July or August of 1960.

Two important additions were made to the staff establishment during the year. The first was the creation of a position, which will be staffed ultimately at the level of the present Assistant Dominion Statisticians, and which will assist in ensuring continuing close liaison between the Administration and the DBS divisions. This position is now occupied by the former director of the Prices Division, who has a broad background of experience in DBS activities. The second position is that of Establishment and Organization Officer whose duties are to work towards the creation of appropriate and consistent classifications of DBS staff, and in the course of this work, to

study and advise on organizational matters. This officer works closely with the staff of the Civil Service Commission. A further position, that of a Training Officer, was provided during the year, but has not yet been staffed.

The Forms Control Section, established some years ago to assist in this simplification of paper work, contributed during the year to the revision in the methods of collecting and distributing DBS statistics. The Section also provided studies of office lay-out made necessary by the addition to the building and the installation of the electronic computer.

At the close of the fiscal year the regular staff numbered 1679, an increase of 31 from the same period a year earlier. During the year 298 persons were recruited and 267 persons separated. The number of positions for economists and statisticians in 1959-60 was 241, an increase of 26 from the previous year; 32 economists or statisticians were recruited and 20 were separated from the staff. In addition to the regular staff, 18 research students were employed during the summer of 1959.

AGRICULTURE DIVISION

Responsibility for agricultural statistics is divided among the Department of Agriculture, the Board of Grain Commissioners and the Dominion Bureau of Statistics. Within DBS, the major share of responsibility rests on the Agriculture Division which maintains a continuing review of statistical requirements in agriculture, collects data from farmers and others and reports on production, utilization, stocks and prices of farm products and on the gross and net income of farmers from farming operations. The Census Division collects data on the structure of agriculture, and other Divisions data on prices and uses of farm products. Data on commercial marketings of a variety of farm products become available in the course of the regular work of the Board of Grain Commissioners and the Department of Agriculture.

The Agriculture Division collects data mainly at the farm level by sample surveys conducted by mail. However, full coverage is used in the case of some plants manufacturing farm products, such as flour mills and dairies.

A Dominion Government Inter-departmental Committee and an annual Dominion-Provincial Conference on Agricultural Statistics co-ordinate the work of the agencies concerned with statistics in this area. The last Dominion-Provincial Conference was chiefly concerned with discussing new methods of collecting data on agriculture in the United States.

The Agriculture Division at Headquarters consists of four sections: Crops, Livestock, Farm Finance and Special Projects.

The Crops Section's output is geared to collecting, as quickly as possible, information for assessing the situation in the many agricultural commodity markets. To this end, data on some 21 field crops are obtained by mailed questionnaires from a large number of volunteer correspondents across Canada. Surveys are made and reports issued on a wide variety of specialized

crops and on operations of flour mills and oilseed crushing plants. Publications based on data from secondary sources are also issued, among them being *Grain Trade of Canada* and the *Wheat Review*.

During the fiscal year the Section conducted two extra surveys on the progress of harvesting in the Prairie Provinces; these surveys were necessary because early snow falls had disrupted harvesting in that region. At the request of the Research Laboratory of the Board of Grain Commissioners, the Section greatly expanded the scope of its work in estimating the protein content of the Prairie wheat crop; this project, which will likely be put on a permanent basis, was completed during the year. A new questionnaire covering losses due to pests was developed in conjunction with the Alberta Department of Agriculture. The *Handbook of Agricultural Statistics, Field Crops, Part I* was revised and re-issued during the year.

A study of the insurance risks of crop production was initiated; this study, which is still in progress, was based on data from the summerfallow-stubble survey in the Prairie Provinces. The use of aerial photography as a means of identifying individual crops was the subject of another new study; tentative arrangements were made to conduct an experimental aerial survey in the Prairies in the summer of 1960. Still another project was concerned with techniques of measuring apple production.

The Livestock Section, in addition to the preparation of regular reports, was engaged in a new study of the usefulness of survey data in forecasting hog production. In order to improve the usefulness of statistics of stocks of poultry to the trade and to marketing boards, reports were altered to include a wider range of classifications.

The Farm Finance Section is responsible for the semi-annual survey of crops and livestock and for reports on cash and net farm income, on the volume and value of farm production, on prices at the farm, and wage rates paid by farmers. With some re-arrangement of the work the estimate of acreage of field crops was brought forward two weeks. In an effort to improve the quality of information on farm prices, the Section increased the number of correspondents and revised the hitherto uniform questionnaire so as to provide for special questionnaires for provinces or groups of provinces. The existing discrepancies between agricultural prices reported by farmers and prices reported on terminal markets was investigated; a larger number of cooperative marketing organizations agreed to provide the Bureau with monthly reports on net prices received by farmers who sold through these agencies; these reports will serve as a check on the existing farm price series.

In connection with the quarterly estimates of farm net income, which are incorporated in the National Accounts, the quarterly estimates of changes in farm stocks of grain were revised. For the first time an advance preliminary estimate of farm net income was prepared and published early in 1960.

The Special Projects Section was occupied during the year with processing the 1958 Survey of Farm Income and Expenditure. This survey was designed to provide (1) estimates of farm business expenditure from farming for use as bench-marks in statistics of farm finance, (2) the distribution of expenditure among commodities and services used by farm families for use

as weights in index numbers of prices paid by farmers; (3) estimates of income received by farm families from sources other than the farm; (4) the distribution of income among farm families, by size and source of income.

The results of this survey are being tabulated by electronic computer. Effective use of this method requires elaborate preparation with a view to present and future needs. The major part of this preparatory work was completed during the year.

BUSINESS FINANCE DIVISION

The main functions of the Division are to provide data on current and prospective capital expenditure in Canada, information on research and development expenditures, estimates of construction activity, estimates of profits and other information on corporate activities and data on pension plans. The Division also co-ordinates the work of keeping up-to-date a list of new establishments.

The report *Private and Public Investment, Outlook 1960* was released late in the fiscal year. During the course of the year an historical series covering the period from the inception of the report in 1946 to 1957 was prepared and published. These estimates cover the capital spending intentions of business, institutions, governments, and individuals for housing. The capital investment intentions report is a key statistic for assessing future trends in the economy and is widely used as a basis of decision-making in government and the business community. Capital expenditures account for a large part of national production and the size and content of the programme is a valuable indicator of the demands likely to be placed on the economy in accomplishing it.

The Division co-operates closely with the Central Mortgage and Housing Corporation in the preparation of construction statistics. During 1959 it was decided that development and improvement of statistics of residential construction was essential and a new position was established to this end. The Division agreed to assume responsibility for preparing estimates of residential construction for incorporation in the National Accounts; these estimates have hitherto been prepared by the Central Mortgage and Housing Corporation.

A report *Construction in Canada, 1957-59* was released during the year. The regular monthly report *Building Permits* continued to provide data on building activity in over 1,000 municipalities.

In recent years there has been growing public awareness of the importance of research. Accordingly, DBS in co-operation with the National Research Council inaugurated a survey to determine the magnitude and direction of research-development activity in Canadian industry. Preparatory work for the third biennial survey *Industrial Research-Development Expenditures in Canada*, covering the year 1959, was completed by the end of the fiscal year. A parallel survey, covering the research-development activities of Federal Government departments and agencies, was inaugurated during the year and the results are to be released shortly.

The regular quarterly reports on corporate profits and related data were published. In co-operation with the Research and Development Division, a seasonal adjustment of the corporate profits series was included for the first time in the fourth quarter 1959 report and the seasonally adjusted series were made available for earlier years, beginning with 1955.

At present, no current statistics are available on changes in corporate liquidity. These changes have a marked effect on the economy and are therefore of interest to decision-makers in government and business. Up-to-date information on changes in assets and liabilities in the corporate sector would also be a step towards making it possible to prepare separate source and disposition of saving accounts for each sector of the economy. In an effort to determine the feasibility of obtaining data on assets, liabilities and net worth from corporations, a pilot survey was undertaken during the year.

The Division prepared the regular monthly or quarterly series of cheques cashed and commercial failures which were transferred to it from the Research and Development Division during the year; these two economic indicators are of special interest to the financial community. It also completed, for the use of the Central Mortgage and Housing Corporation, a survey of mortgages and agreements of sale held in estates, trusts and agencies.

The growing importance of pension plans as a medium of personal saving emphasizes the need for statistics in this area. The report *Trusted Pension Plans, Financial Statistics, 1958* was published during the year; this is the second report in what is intended to be an annual series. The report provides data on income and expenditure, on the distribution of assets and on that portion of the assets deposited with trust companies which is invested in pooled funds on behalf of the smaller employers. The work on pensions was extended toward the end of the year when preparations were made to collect data on selected operations of all types of pension plans; this information is of interest to those concerned with the problems of financing retirement and old age.

The Division continued to keep up-to-date and publish twice annually the *Survey of New Establishments*; names, addresses and principal products manufactured were provided for approximately 4,000 new establishments. This centralized body of information is used by the Bureau of Statistics and other government departments to keep mailing lists current and by business organizations wishing to keep informed of new entrants in particular industries and areas.

Work on constructing a standard list of establishments for use by all Divisions of the Bureau, initiated in the previous year, continued; the major part of the work during the year consisted of matching the lists maintained in the Labour and Industry and Merchandising Divisions. It is hoped that at least the manufacturing section of the standard list will be completed by the end of 1960. The list, when completed, will facilitate direct comparability of the main series of industrial statistics and standardize the application of the Revised Industrial Classification.

CENSUS DIVISION

In the line with the principal function of the Census Division, the planning and taking of the Census, the activities of the staff of this Division during the past twelve months have been centered around the Census test taken in June, 1959 in Joliette, Quebec and Galt, Ontario and surrounding rural areas. This included the preparation of questionnaires for Agriculture, Population, Housing, Forestry, and Merchandising, as well as the administrative forms required in connection therewith, in addition to the manuals of instruction for the field staff. Instructions for the editing and coding of the documents completed in the test and the programmes of tabulations were also prepared.

In order to examine at first hand the various steps in the enumeration, observers from the several Census Committees within DBS were sent to the test areas to observe the training of the commissioners, the training of enumerators, and the enumeration itself. Observers also followed the postal check procedure, which was one of the innovations included in the Census test. Briefly, this procedure involved the co-operation of the Post Office Department in having their letter carriers check the addresses of dwellings enumerated in the test, to determine whether any were missed by the enumerators.

Following the field enumeration, considerable time was spent in analyzing the results of the test, including the individual reports of the observers. The test was most valuable in formulating the final plans for the 1961 Census, from the standpoint of training the field staff, problems relating to the enumeration of the questions themselves, and relating to the editing, coding, and the tabulation.

Following these analyses, questionnaires were prepared for recommendation for the 1961 Census enumeration. Cabinet approval of the individual questions for the Population, Housing, Agriculture, Merchandising, Forestry, Irrigation, and small Agricultural Holdings, was received at the close of the fiscal year. Arrangements are being made to print the various forms and documents.

Based upon the experiences of previous censuses, and of the analysis from the time records kept for the test, a submission was prepared covering the rates of remuneration and allowances to be paid the field staff, commissioners and enumerators.

During the period, negotiations were continued with other Government departments concerning the enumeration in the northern areas of Canada, of persons living on Indian Reserves and of military establishments.

The preparation of the individual enumeration area maps for the Census was continued. The sub-division of the Electoral Districts into Commissioners' Districts was commenced and forwarded to the Regional Statistics Officers for review. Arrangements were completed for the establishment of census tract areas in a number of centres, and revisions were made in former boundaries of the census tracts and other urban centres.

In the Administration Section, some 43,000 applications for verification of age using early Census records and National Registration Records were received and processed during the year.

In the Analysis Section, the regular series of estimates of population were prepared and published. Quarterly population estimates, by province, were prepared and published for the first time in 1959. The annual reports—*Estimates of Families in Canada, 1958* and *Canadian Citizenship Statistics, 1958* and a special report *Characteristics of Persons Granted Canadian Citizenship, 1953-58*, were prepared and published. Three Analytical Reports from 1956 data, covering *Farm Mechanization, Field Crops and Livestock*, and *Size and Composition of Households*, were prepared in collaboration with officers of the Agriculture and Population Sections, and released during the year.

The Director of the Census and a number of the Census Officers participated in various phases of the U.S. 1960 Census of Population, Housing, and Agriculture. Committee reports, technical papers, and other Census material were exchanged. The Chief of the Agriculture Section attended the Canadian Agriculture Institute Workshop at Kenora, Ontario.

Officers of the Division assisted in the training of International Co-operation Administration and United Nations observers studying Census methods in Canada.

EDUCATION DIVISION

Rapidly increasing enrolments from primary grades through university and insistent demands for more accommodation, and more qualified teachers, combined with rapidly rising costs, have greatly increased the demand for additional series and for more timely statistics. In response to these needs, the Education Division published more reports than in any previous year and considerably reduced the time-lag between events and reporting.

In order to meet the demand for current statistics, the first preliminary report, containing as many statistics as possible and some estimates, was prepared for release in May.

The principal data collected and analyzed by the Division cover number and type of institutions, numbers, salaries and qualifications of staff; numbers, schools and activities of those enrolled; and revenues and expenditures. To co-ordinate provincial statistics so as to provide comparable data for the nation is a prime function of the Division. The work is organized in five sections: Elementary and Secondary Education; Higher Education; Vocational Education; Adult Education, Museums and Libraries; and Research and Development.

In the course of these activities the Division maintains close liaison with provincial governments, Federal Departments and agencies and a large number of private organizations, including the Canadian Education Association, the National Conference of Canadian Universities and Colleges, the National Vocational Training Advisory Council, The Canadian Association for Adult Education, and the Canadian Library Association; it works with UNESCO as well as with educational organizations in the United States.

A Dominion-Provincial conference on statistics of elementary and secondary education was held in May 1959. Emphasis was on timeliness, uniformity in reporting and completeness of coverage. As a result of this conference, it was arranged to collect much of the data at the beginning rather than the end of the school year so that figures can be made available during the year. The Survey on Elementary and Secondary Education, at present biennial, will become annual with the 1958-59 report.

Another Dominion-Provincial conference is anticipated in the autumn of 1960 dealing exclusively with school finance. A major objective of this conference is to reduce the present two-year time-lag in the publication of these statistics.

The Higher Education Section is expanding the scope of its work and improving the timeliness of its statistics. A report on higher education for the years 1954-59, to be ready for release by the fall, will be followed by annual surveys. A special report on salaries of teachers in universities and colleges for the period 1937-38 to 1959-60 is nearing publication. Reports on enrolment in the fall of 1959 and salaries and qualifications of teachers for 1958-59 were published during the year.

There is keen public interest in scholarships and other awards and on school drop-outs. The report *University Entrance Awards, 1960* and the 1960 supplement to *Awards for Graduate Study and Research* were completed during the year. A new report *Student Progress through the Schools, by Grade, 1960* is nearing completion.

The first annual survey on the larger public and university libraries was issued during the year and plans were made for enlarging the scope of future surveys.

The first annual survey of adult education will be issued in 1960. The series on vocational education have been established and will be developed in regular publications beginning in 1960.

The Division continued to receive a great number of requests for compilations, articles, papers and talks. These requests were met insofar as time permitted.

HEALTH AND WELFARE DIVISION

This Division publishes statistics of births, mortality, illness, health care, law enforcement, and the administration of justice. The work involves co-operation with departments and agencies of the Federal Government, provincial government, international agencies and a variety of private organizations concerned with problems of health and welfare, crime and punishment. The Division is divided into four sections: Public Health, Vital Statistics, Institutional Statistics and Judicial Statistics.

In addition to its regular reports, the Public Health Section prepared a number of special reports, among them being the main report on the 1950-51 Sickness Survey. A number of subsidiary reports based on the Sickness Survey are under preparation on such subjects as illness, health care and the characteristics of the families in the Survey.

By securing data more promptly from the provinces and stream-lining procedures at DBS, improvements were made in the timeliness of reports published by the Vital Statistics Section. In order to obviate the need to prepare so many special tabulations, the regular reports were expanded and supplemented by regular reports on specific matters of wide public interest, such as deaths from cancer. The section collaborated with the Atomic Energy of Canada in a study of the genetic effects of atomic radiation.

The Vital Statistics Section has acted as the Secretariat of the Vital Statistics Council since it was established by Dominion-Provincial agreement in 1945. The Council, in collaboration with the Section, is currently reviewing the complete series of vital statistics indexes and related matters.

The introduction of national health insurance has made it necessary to expand the scope of the hospital statistics collected and published by the Institutions Section. New reporting documents for collecting 1959 data were introduced, which provide about 50 per cent more information and permit new and valuable comparisons to be drawn. The regular reports on hospitals for the tuberculous and mentally ill were supplemented by a more comprehensive report than has hitherto been available on the characteristics of the patients in these institutions.

The Judicial Section is engaged in a developmental programme in the field of statistics of crime and correction. The police statistics project, initiated in 1958, was continued in 1959, with a study of police reporting methods in Canada and several other countries in order to determine what kinds of information are useful. The objective of this project is to design a uniform system of records for the use of Canadian police departments. Other projects under way are concerned with statistics of training schools, correctional institutions for adults, and parole statistics. A programme was initiated to develop a uniform reporting system for describing statistically at every stage the movement of persons through the law enforcement and judicial process from the time of arrest or summons. The section works closely with a variety of organizations, such as the Canadian Association of Chiefs of Police and the National Parole Board.

INDUSTRY AND MERCHANDISING DIVISION

The Division provides a wide range of statistics on the commodity-producing industries and on the distributive trades. It carries out an annual Census of Industry covering manufacturing, mining, logging and fishing, as well as a decennial Census of Merchandising, which comprises retailing, wholesaling and the service trades. Current data are provided monthly or quarterly on production and stocks of important commodities, on values of

manufacturers' shipments, inventories, and orders, and on retail sales, wholesale sales and consumer credit. Special studies are conducted from time to time on other aspects of industry and merchandising. These statistics are widely used by government departments in making policy and administrative decisions, and by industry in keeping informed on business trends, in appraising markets, in determining operating levels, in planning capital expenditures and so on. They are also essential to DBS for assembly into important statistical aggregates such as the Gross National Product and the index of the physical volume of output.

So as to provide new bench-mark data, the 1958 Industrial Census was more complete than for any other year during the past decade as all establishments, small as well as large, were required to report data on employment, payrolls, materials and fuels, inventories and shipments. This contrasts with policy for the years 1949 to 1957 inclusive, which permitted approximately 15,000 small manufacturing establishments to report on a 'short' form asking usually for gross value of shipments only, estimates for the other data being prepared in the Division on the ratio of shipments in the survey year to shipments in 1948, the last base year.

For the industrial census for 1959, a return to the 'short' form was made, thus permitting establishments with gross values of shipments under \$100,000 to report only total value of shipments plus output data for a few major products. To reduce further the reporting burden on respondents, an 'intermediate' type form was introduced for plants with output valued at more than \$100,000 annually but less than \$500,000. It asks for all principal establishment statistics (number of employees, payroll, cost of materials and fuels, value of shipments, value of inventories) but omits certain breakdowns under these headings. For 1959, about 20,000 plants will report on the 'short' form, 7,000 on the 'intermediate' form and 11,000 on the standard long form. The latter group account for about 94 per cent of the value of shipments by all manufacturing establishments.

The Census of Industry is expected to change to the new Standard Industrial Classification for the 1960 compilations. Plans are being made to compile the principal establishment statistics for 1959 on both the old and the new classifications to provide a link between the two series. The new Standard Commodity Classification is being introduced gradually in the Census of Industry, implementation to be complete for 1961 data.

Research on productivity has continued on a modest scale. The small staff available for this project has been devoted almost exclusively to the compilation of man-hours data for 1956 and 1957, the first two years for which man-hours were reported to the Census of Industry.

Improvement in coverage and quality has been achieved in the monthly data on manufacturers' shipments, inventories and orders, and in the monthly series on sales and inventories of manufacturers' trading outlets which carry stocks.

A new approach to wholesaling statistics is under study. Since the universe is not large, it is thought that more attention should be given to annual statistics and less to the decennial census. With this possibility in mind, a survey of wholesale establishments, using unemployment insurance records for

enumeration lists, was undertaken for the year 1958. Results will be published about mid-1960. Experience with this survey will assist in streamlining the decennial census of wholesaling, to be taken in 1961 and in determining policy after that date.

Subscribers to the series of biennial publications on wholesalers' operating results were circularized as to the usefulness of the statistics. Replies indicated the need for substantial changes and it was decided to suspend these surveys pending further study.

Revised estimates of the value of wholesalers' inventories in twelve trades were prepared and published in the December 1959 issue of *Wholesale Trade*.

Shuttle-type schedules were introduced in the monthly sample surveys of wholesale and retail trade.

The annual sample survey on retail trade was extended to include data on gross profits and on retail credit, thus providing gross profit ratios for the same class of stores for which sales estimates are made. For some purposes this is an improvement over the ratios prepared from the biennial operating results which are confined to 'pure' stores in selected trades, i.e. stores which are fairly homogeneous in their activities. Ratios are now available for motor vehicle dealers, lumber and building supplies dealers, etc. which have never been included in the specialized operating results studies.

Beginning with the January 1960 issue of *Retail Trade*, separate sales figures were published for each of the Atlantic Provinces. Formerly only combined figures were shown.

Two new fields of consumer credit were explored to assess their contribution to total consumer indebtedness. It was found that travel agencies usually transfer contracts to the customer's bank or to finance companies, so credit granted for travel is in most cases already included in available financial statistics and need not be collected separately. It was ascertained also that the major gas and electric utilities companies can provide annual data on the amount of credit owing from conversion of household heating units or from installation of other major appliances. This information will be collected annually in future.

Beginning with April 1959, data on landings of fish in the Maritime Provinces, made available from purchase slips, have been put on IBM punch cards. Compilations of landings are prepared in Halifax, after which the cards are forwarded to Ottawa for special tabulations for the Department of Fisheries, the Department of Public Works, and for the Fisheries Research Board.

The Division continued to co-operate with the Forestry Branch, Department of Northern Affairs and National Resources and with the province of New Brunswick in experimental sample surveys designed to provide data on the cut of forest products from private lands. Two forest districts were covered in 1959, and it is hoped to extend operations to cover all five districts in 1960. A similar test survey was carried out in the Tweed district in Ontario in 1959 in co-operation with provincial forestry authorities.

On the recommendation of the industry the coverage of the monthly statistics on meat and meat products was altered to refer to domestic disappearance of products rather than to gross shipments. Shipments for the Agriculture Stabilization Board are not now included, nor are shipments for export.

The annual survey on women's factory clothing has been extended to include a breakdown by price ranges of manufacturers' shipments of dresses, blouses and regular coats. The quarterly statistics on men's and youth's clothing now provide a breakdown of all-wool suits between "made to measure" and "ready made."

INFORMATION SERVICES DIVISION

This Division acts as a centre for disseminating the published information of the Dominion Bureau of Statistics. To this end, it compiles and publishes the *Canada Year Book*, the handbook *Canada* and the *DBS Daily and Weekly Bulletins*, answers general enquiries, and maintains a suitably stocked library for research and study.

The Canada Year Book Section is responsible for the publication of the *Canada Yearbook*, the official compendium of information on the country's economic and social development, and the illustrated official handbook *Canada*. The handbook *Canada 1959* was released in August of 1959 and the *Canada Year Book 1959* the following December. By the end of the fiscal year preparations for the 1960 editions of these two publications were well advanced. During the year, the Section undertook the editing of the French editions. This relieved the Translation Section of the responsibility and should reduce the time-lag between the English and French editions.

It is the aim of the Press and Publicity Section to obtain the most effective distribution of DBS material. It prepares the *Daily and Weekly Bulletins*, which in addition to providing a summary of publications as they are released, summarizes reports and statistics not published elsewhere; it replies to a great number of enquiries, prepares the annual *Catalogue of Current Publications*, and publicizes the services provided by DBS in a variety of ways.

The Library maintains a large stock of books, periodicals, documents and reports for the use of the staff and research workers. The Bureau obtains some of the material for the Library on an exchange basis and during the year a mutually advantageous arrangement was entered into with the Library of Congress in the United States. Steps were taken to fill in gaps in the Bureau's holdings of periodicals. Further progress was made on the historical checklist; it is hoped that this work will be completed in 1960 so that publication of the historical catalogue will coincide with the *Historical Abstract of Canadian Statistics* now being compiled by the Canadian Political Science Association.

INTERNATIONAL TRADE DIVISION

The division provides statistical information covering a wide range of economic and financial transactions between Canada and other countries. It is composed of two main sections, one dealing with external commodity trade and the other with balance of payments, investment position and international travel. The statistics are in demand by a broad group of users in both the business world and governments, being used for a great variety of purposes, including economic and financial analysis, market studies, and commercial relations.

The uses to which external trade statistics are put demands that they be published promptly and in considerable detail by commodity and country. Export statistics were published as promptly as is economically feasible throughout the fiscal year 1959-60, on the basis of a production schedule which provided for the release of the main monthly export report about five weeks after the close of the month to which it related. However, the release dates of import monthly reports remained highly unsatisfactory, varying from twelve to sixteen weeks after the close of the month to which they related, rather than with the approximately nine weeks' lag which is economically feasible.

A new classification of countries for external trade statistics was developed during the year and implemented in January, 1960. The new classification was designed to provide greater flexibility of operations and greater ease of training staff as well as more up-to-date and usable country information in the trade reports. A great deal of valuable assistance was received from the Trade Commissioner Service in the revision of this classification.

Several adjustments were also made in the coverage of export and import statistics as of January 1, 1960. These were designed to bring the coverage of these two series more closely in line with one another and with the adjusted trade totals used in balance of payments calculations, and to move towards the standards of coverage recommended by the United Nations Statistical Commission. The principal adjustments were the deletion from imports of movements of goods to supply foreign diplomats and armed forces in Canada (already excluded from exports), tourist purchases (already largely excluded from exports), and settlers' effects and private donations and gifts (also deleted from exports).

Considerable progress was also made towards the implementation of the Standard Commodity Classification in export and import statistics. A draft working classification, with rulings, was completed and tested for exports, and a first draft working classification prepared for imports. Because the professional staff of the External Trade Section is not adequate to carry this developmental load, it was necessary to augment it temporarily with the co-operation of the Agriculture and Industry and Merchandising Divisions, though at some cost in terms of development in their fields.

Present plans are to introduce the new commodity classification for export statistics in January, 1961, and for import statistics in January, 1962. The introduction of completely new classifications will require the re-training of most of the clerical and technical staff of the External Trade Section, and in the initial months of work with the new classifications the work speed of individual clerks will be sharply reduced. In order to minimize interruptions in the release of trade statistics, it is planned to hire a large number of temporary clerks to provide assistance in this period, and also to obtain further assistance through overtime work. In this way the timeliness of trade statistics should be substantially restored by the end of the first year that the new classifications are in use. The Standard Commodity Classification is expected to provide a sufficiently flexible framework for trade statistics to serve for several decades.

One of the more difficult problems in balance of payments methodology is the measurement of short-term movements of capital. Recent developments in North America have given increased importance to such movements. The growing interest in the developing money market, and to a lesser extent in the foreign exchange market, have emphasized the need for more data. During the year a reference paper of background information on Canada's short-term external assets and liabilities was published, and further developmental work was undertaken to extend basic Canadian banking statistics of international short-term movements of capital.

Resources in the Balance of Payments Section continue to be strained. However, the introduction of a triennial survey procedure to cover less active or less important companies heretofore covered annually by the Section, together with greater stability of staff, enabled the current work of the Section to be carried on despite a continuing increase in the volume of transactions covered in the balance of payments. Qualitative improvements were made in some aspects of the work and a regular survey of holdings of Canadian securities by United States insurance companies was extended in coverage. It is hoped to reduce somewhat the time-lag involved in the production of the annual report on the Canadian Balance of International Payments. Meanwhile quarterly reports on that subject have continued to be issued on schedule.

In October, 1959 new procedures in dealing with the admission of non-resident automobiles to Canada were introduced by the Department of National Revenue for administrative reasons. These changes have had important statistical effects upon records of non-resident automobile movements into Canada and the estimates of expenditures in Canada of this group of non-residents which are a significant element in Canada's balance of Payments. A much larger volume of new simplified permits now have to be processed in producing these travel statistics, and new statistical procedures have had to be developed to deal with these transactions. While monthly publications covering this border traffic had to be temporarily withdrawn following the introduction of the change, resumption of the monthly publication is planned early in the year. It will, however, only be after a considerable lapse of time that full comparability in the statistics can be restored, as comparisons between new records of the volume of traffic and the former administrative record have been complicated by the administrative change.

LABOUR DIVISION

Development work in the Division during 1959-60 was directed mainly toward laying the groundwork for major operational changes which are to be introduced in the next few years. Broad plans were formulated for partial transfer of statistical processing operations to an electronic computer, and progress was made towards translating these plans into detailed proposals. The Division participated in working out arrangements for the preparation of a standard list of establishments to be used by all DBS units. This list is one aspect of the work involved in preparing for integration of establishment statistics. Labour series which should benefit particularly from this integration include the employment data prepared from payroll records of establishments. Preparations were also made for the adoption of a revised system of industrial classification, and for the use of the year 1961 as a new base period for the publication of index numbers.

The Division consists of three units: the Employment Section, the Unemployment Insurance Section, and a small central staff.

In the Employment Section, the usual monthly and annual reports were prepared and the number of respondents was increased by about 7 percent. This was a larger gain than in recent years, partly due to progress made in the first stages of a standard list of industrial establishments in DBS. Development of this list will contribute to better industrial coverage and should improve the accuracy of industry and local area statistics.

Recoding of establishments according to the revised Standard Industrial Classification was commenced late in the fiscal year. A newly-formulated definition of establishment is also expected to produce some changes in classification. Methods of providing historical data on the new basis received a good deal of consideration, since the value of improved statistics is greatly lessened if they cannot be used for historical comparisons.

Some progress was made during the year in planning the changes in work flows required to adapt the monthly statistics of employment, payrolls and man-hours to electronic computer processing. This will involve changes in the monthly questionnaires sent to respondents, as well as in the Section's operating procedures. The computer should result in a fuller exploitation of the monthly data furnished by industrial establishments, notably in the field of segregating statistics for salaried personnel, who are forming an increasing proportion of the labour force as industrial automation proceeds.

Further work was carried out during the year on seasonal adjustment of the monthly employment and average earnings series.

There is a steadily increasing interest in statistics of employment, earnings, and hours of work for wage and salary adjustment, market analysis, general economic analysis, plant location and industrial development, for cost accounting purposes and for use in cost escalation clauses in contracts for equipment whose manufacture extends over a lengthy period.

Work of the Unemployment Insurance Section was complicated by an amendment to the Unemployment Insurance Act in September 1959 extending the coverage of salaried employees from \$4,800 to \$5,460, adding two higher

contribution and benefit classes, and at the same time increasing the maximum benefit period from 36 to 52 weeks. Changes of this kind create problems in the maintenance of historical continuity of statistical data. Somewhat similar difficulties have resulted from the mechanization programme introduced earlier into the U.I.C. Prairie Region. In this case statistical tabulations are complicated by the different occupational codes used by U.I.C. and the Dominion Bureau of Statistics. First arrangements to handle the necessary translation from one type of card to another have been improved with the help of U.I.C. co-operation during the year.

A review of all special reports on National Employment Service statistics was carried out with N.E.S. officers having in mind improvement in design and economy of publication. The semi-annual Hirings and Separations report was also re-designed and printing costs reduced.

Primarily, unemployment insurance statistics serve the operational needs of the Unemployment Insurance Commission, the Actuary, and the Unemployment Insurance Advisory Committee. However, the operations of the Commission are of concern to all who are interested in the condition of the national economy. For example, annual records of the insured population provide a comprehensive record of the occupational and industrial distribution of a very large proportion of the wage-earning population. This information also furnishes unique material for studying the mobility of Canadian workers.

MECHANICAL TABULATION DIVISION

The subject-matter divisions gather data which form the basis for statistical tables. A large part of this material is processed by the Mechanical Tabulation Division, a service division, using a variety of mechanical equipment. A major addition to the present range of equipment will take place in mid-1960 when an electronic computer is to be installed.

The greatest part of the work is done on punch card equipment. About 40 p.c. of the staff record the data from the source documents onto punch cards; one group of operators punch the cards and a second group verify, independantly, the accuracy of the punching. Another 40 p.c. of the staff operate a variety of other punch card equipment, such as sorters and tabulators, to group the punch cards by characteristics of the data and to produce in printed form the totals required. The remainder of the staff operate comptometers and desk calculators to produce aggregates directly from data recorded on source documents.

A large part of the work of the division during the year involved monthly, quarterly and annual tabulations which are largely repetitive. However, a considerable number of requests for special tabulations were handled during the course of the year. As in the past, quite a number of projects were undertaken for other government departments and agencies on a cost reimbursement basis under individual agreements.

Tabulation services for the Immigration Branch, Department of Citizenship and Immigration, were continued. Considerable work was carried out for the Department of Labour, particularly in connection with surveys of wage rates and of members of scientific and technical professions. Atomic Energy of Canada Limited and DBS co-operated in studies of family linkage of vital and health records; the Division prepared the punch cards and tabulations required. The Division prepared tabulations which formed the basis for a number of tables in the Annual Report of the Department of Insurance. Punch cards and listings were prepared as input for a computer for the Telecommunications Establishment of the Defence Research Board.

The programme for tabulating statistics of the fishery on the East Coast was well established. At the request of the Department of Fisheries, a senior officer of the Division visited Vancouver to review the requirements and techniques used on the West Coast; recommendations were prepared and await implementation.

New and established procedures were kept under review. Following a successful pilot study, the punching of Vital Statistics directly from microfilm was extended, thus reducing substantially a lengthy clerical operation.

The plans for a Computer Centre in the Bureau resulted in a contract for the installation of a computer system and the Mechanical Tabulation Division will be responsible for its operation. The Programming Unit in the Bureau has been established and is preparing programmes for the 1961 Census and regular Bureau series for use on the computer. The Mechanical Tabulation Division has undertaken the preparation of punch cards for these programmes.

PRICES DIVISION

The function of the Division is to collect and publish data on prices and on urban consumer expenditure. It consists of five sections: Consumer Expenditure Surveys, Farm Prices, International Prices, Retail Prices, and Wholesale Prices.

While the prime purpose of consumer expenditure surveys is to provide a basis for revising the weights in the Consumer Price Index, the resultant body of material on expenditures of Canadian families is widely used by business organizations and welfare agencies.

The 1957 survey of consumer expenditure was the third in a series of biennial surveys and a fourth survey covering the year 1959 is to be taken early in the fiscal year 1960-61. During the fiscal year 1959-60 the analysis of the 1957 survey was brought close to completion; preliminary releases of the results were published in the DBS *Daily Bulletin*, consisting of summary tables from two forthcoming reference papers *Urban Family Food Expenditure, 1957* and *City Family Expenditure, 1957*.

The 1959 survey concentrates attention on expenditures for items other than food and is designed to mesh with the 1959 survey of non-farm income carried out by the Special Surveys Division in conjunction with the Labour

Force Survey in May 1959. Information was collected in both surveys to permit alternative tabulations according to the "family" definition used in the income survey and the "spending unit" definition used in the expenditure survey. The 1959 survey should be more useful than previous surveys in that it is less restricted in scope and is based on a larger sample.

In addition to indexes of prices of farm products and prices paid by farmers, the Farm Prices Section prepares and publishes indexes of prices of industrial materials, building materials and of common and preferred stocks. It also had several developmental projects under way during the year.

The Section continued to co-operate with the Agriculture Division in developing a programme of tabulations of the Farm Income and Expenditure Survey with a view to using the material to revise the Index of Commodities and Services Used by Farmers. Steps were also taken to revise the Index of Prices of Canadian Farm Products at Terminal Markets.

In recent years much attention has been focused on the need for more data on prices of capital goods. During the year, the Section collected more information on prices of industrial machinery and equipment and calculated preliminary indexes. Cost studies were initiated in connection with two new price indexes for highway construction and for electric generating installations. The Canadian Good Roads Association and the Canadian Electrical Association, which had requested these series, provided technical assistance in developing methods of handling data on these two specialized types of engineering construction.

The International Prices Section continued to measure comparative living costs in cities abroad for the purpose of adjusting allowances of personnel in the Canadian foreign service. The Section also undertook further studies of comparative food costs in remote locations in Canada, bringing to well over 200 the number of such indexes.

In a programme designed to meet the joint needs of Central Mortgage and Housing Corporation and DBS, the Retail Prices Section gave special attention to the measurements of rents. The rent survey, carried out by the Special Surveys Division in conjunction with the Labour Force Survey, was enlarged and will provide new statistics in this important area of consumer prices.

An historical study of Canadian retail prices of food from 1913 to the present, which will be published in 1960, was brought close to completion during the fiscal year. This comprehensive document, containing charts and a technical description of each series, is intended to serve as a reference paper for some years to come.

In addition to publishing its regular series, the Wholesale Prices Section has been broadening the basis and increasing the range of statistics of wholesale prices. Manufacturers Selling Price Indexes, based on the Standard Industrial Classification and therefore more suitable than a commodity classification for measuring prices of complex fabricated products, have been developed to the point that the data have been used to answer special enquiries; the indexes, however, have not yet been published. During the past year, attention was directed toward constructing a system of wholesale price

indexes based on the Standard Commodity Classification. In many cases the interest of users in more data on wholesale prices is in connection with supply escalator clauses.

PUBLIC FINANCE AND TRANSPORTATION DIVISION

This Division, consisting of three sections, prepares a wide range of statistics on the financial structure of the three levels of government in Canada, employment and payrolls of government bodies, and the operations of transportation and public utilities.

In addition to its regular reports, the Public Finance Section prepared a summary of previously published statistics of the three levels of government in Canada for the use of officials attending the Dominion-Provincial meeting of Ministers of Finance and Provincial Treasurers; this material was published in a report entitled *Comparative Statistics of Public Finance, 1945 and 1951 to 1959*.

The seventh Dominion-Provincial Conference on Municipal Statistics had recommended changes in the content and form of municipal government reports. The *Municipal Finance Reporting Manual*, which is widely used as a text and reference document, was revised in accordance with these recommendations and made ready for distribution to municipalities early in the fiscal year 1960-61.

During the course of the year, the Public Finance Section took over from the Research and Development Division the work of processing data on government finance for purposes of the National Accounts; this change consolidates in one section all processing of government financial data and makes for more economical use of staff.

Plans were completed for initiating two new surveys, one on municipal expenditures quarterly and one on the financial data of government enterprises.

Late in the year the Government Employment and Payrolls Section published its first report on provincial government employment, covering eight provinces; it is hoped that the two remaining provinces, Quebec and British Columbia, will soon be included.

Despite initial difficulties, the Section advanced considerably the timeliness of the reports on Federal Government employment; thirteen monthly reports were issued. During the year reports were expanded to include a table combining all employees of the Federal Government, a provincial breakdown of employment and a sex distribution of all employees.

The varied work of the Transportation and Public Utilities Section is organized in three units (1) Road Transport; (2) Water, Rail and Air Transport; (3) Pipelines, Communications and Utilities.

The Road Transport Unit conducted its first tests of the reliability of data on motor transport traffic and published results for all provinces for the year 1958. With the advice and assistance of provincial authorities and the trade, the *Classification of Accounts for Motor Carriers in Canada* was revised

in accordance with the current accounting practices of trucking firms, thus making DBS statistics more comparable with individual company operations. Statistics were collected for the first time from contract freight carriers and will be included in the *Motor Carrier Freight* report for 1958. Arrangements were made with the Province of Nova Scotia to collect, jointly, information on motor carrier freight and buses in that province. Various steps were taken to improve statistics of road and street mileage and expenditure.

In order to facilitate long-term comparisons of railway employment, the classification of data for 1926 was reconciled with that for 1956 and published in the report *Railway Employees and Their Compensation 1926-56*.

Arrangements were completed with the St. Lawrence Seaway Authority to collect data jointly. For purposes of charging tolls the Authority requires a mass of commodity detail. The shipping companies have the option of filling in the details on the schedule or providing a copy of the ship's manifest. Many of them prefer the latter alternative which adds considerably to the work of compilation; at the same time it results in more accurate and more detailed statistics.

Schedules for civil aviation statistics were revised and expanded to obtain company data by base and by route. The uniform classification of accounts for air carriers was revised in line with the classification used by the Civil Aeronautics Board in the United States. The Department of Transport began to collect and to provide DBS with detailed traffic data for most of the airports under its jurisdiction; it is hoped to begin to collect in 1960 similar data for airports not under the Department's jurisdiction. The regular report *Civil Aviation* is to include in future separate information for companies operating helicopters.

With the advice of Federal and provincial government officials and the co-operation of trade associations, a monthly series of the transport of gas by pipelines was initiated; forms were prepared for annual reports on transport of gas by pipeline and on the distribution of gas. Preliminary studies were made on the comparative costs of gas consumed in various cities and towns with a view to the eventual publication of an annual report on this subject.

Following a pilot study of statistics of the radio and television industry for the year 1956, statistics were collected for the years 1958 and 1959. It is hoped to publish a report in 1960 and annually thereafter.

RESEARCH AND DEVELOPMENT DIVISION

The Division prepares and analyzes major economic aggregates such as the National Accounts and the Index of Industrial Production, which are widely used as comprehensive measures of economic activity by government departments, the business community and the general public. It is also responsible for publishing the *Canadian Statistical Review*, a compendium of the most important monthly or quarterly economic indicators, as well as for preparing the articles on current economic conditions contained therein.

The Division's research programme covers a variety of topics, such as income-size distribution, corporate financing, and real capital formation. From time to time, the results of these studies are published as reference papers.

A Dominion-Provincial Conference on Economic Statistics was held during the year. Discussion centered on provincial requirements for aggregative economic statistics, as well as the problems of zoning within provinces. An Interdepartmental Advisory Committee on economic statistics met during the year to discuss the continuing research programmes of this and other divisions.

The work of the Division is organized in two sections: National Income and Research Projects.

The regular quarterly National Accounts reports, reviewing current economic developments during 1959, continued to be prepared and published on schedule. The annual National Accounts report for the year 1958, containing additional detail and supplementary tables, was released at mid-year. The National Accounts are widely regarded as a key set of economic indicators on the prevailing state of the economy and have a wide application for economic decision-making by business organizations and governments. Statistical material and charts were prepared early in the year of the annual Budget White Paper reporting on the nation's economic position in 1959. In addition, the revised historical quarterly National Accounts series which had been under preparation for some time was released and published in *National Accounts, Income and Expenditure, 1947-57, by Quarters*. All the revised statistical material was seasonally adjusted by a new electronic computer technique.

The monthly Index of Industrial Production, a widely used economic indicator, covering the manufacturing, mining, and electricity and gas industries, continued to be released throughout the year. All this material is now seasonally adjusted by electronic computer techniques, and is being made available in much greater detail than previously. Work was pressed forward on the extension of the index of industrial production to cover all industries in the economy. This material is now being circulated within the government, although it requires further refinement before it can be brought to the stage of publication. When completed, this material will provide a measurement of the physical volume of output for the entire Canadian economy, classified by major industries. It will permit the developing strengths or weaknesses in the economic situation to be traced to the industry in which the changes have occurred. It also provides a cross-check on the independent measure of total production derived by deflating the expenditure side of the National Accounts.

Twelve articles dealing with current economic conditions or some new phase of the Bureau's statistical activities were prepared for release in the monthly issues of the *Canadian Statistical Review*. An article *Recent Developments in the Work of the Dominion Bureau of Statistics* was prepared for publication in the *Canadian Journal of Economics and Political Science*.

Considerable work was done during the year on technical problems related to the seasonal adjustment of economic time series, and a number of improvements were introduced to the series which are being published on a regular basis in the *Canadian Statistical Review*. Most of these series were converted to the electronic computer programme during the year. Little progress was made on extending the number of seasonally adjusted series published by DBS, mainly owing to recruitment difficulties. However, at year-end, two new positions had been filled, and a training programme was being carried out with a view to a gradual expansion of the work on seasonal adjustment. This work has been given great emphasis by the users of DBS data. The marked repetitive seasonal pattern which is characteristic of most Canadian economic time series tends to obscure the underlying cyclical trend in the economy; the seasonal adjustment process greatly facilitates analysis and interpretation.

Two major research projects were carried a stage further during the year. Progress on the work of seasonally adjusting the constant dollar estimates of Gross National Expenditure is well advanced, and it is expected that this material will be made available for publication within the next year, with a matching set of price indicators. In addition, plans are under way to extend the tabular framework of the quarterly National Accounts to include the government revenue and expenditure table and the national saving and investment table, both on an unadjusted and a seasonally adjusted basis; these two tables are at present only available on an annual basis. The change in the government surplus or deficit has been an important factor in the altered composition of total national saving in recent years; it had a significant role in the recent recession and recovery period, and has had widespread ramifications on the availability of credit and conditions in financial markets.

Since 1952, the Research Projects Section has been conducting small sample surveys to obtain data from which estimates of the size distribution of the incomes of non-farm families can be constructed. These incomes are cross-classified by various family characteristics such as age, sex, and labour force status of the head of the family. Such information on a current basis has proved to be useful for market research, studies of the ability to pay rental for housing accommodation, studies of the economic position of the elderly, and so forth. To give a more complete analysis of potential consumer purchasing power, these income data are supplemented occasionally by statistics on liquid assets and consumer indebtedness. An expanded survey of this type was undertaken in 1959 and the results will be published late in 1960 in *Incomes, Liquid Assets and Indebtedness of Non-Farm Families in Canada, 1958*.

At the request of the Interdepartmental Committee on Financial Statistics, attention is being given to methods of obtaining quarterly information on the assets and liabilities of non-financial corporations. This will indicate among other things, how corporations are financing capital formation (expenditures on plant, machinery and equipment). The role of financial intermediaries (banks, insurance and trust companies, etc.) in transferring funds from one sector of the economy to another through the capital market is also being studied.

Progress is being made in developing estimates of the stock of fixed capital (machinery and equipment, residential and non-residential structures) in Canada. Estimates are available from the National Income Accounts of the quarterly gross additions to the capital stock but no official estimates have been made of the total stock to which these additions are being made. Knowledge of the industrial distribution of the stock of fixed capital will provide information on the productive potential of the Canadian economy and will assist in explaining differences between industries in the ratio of labour input per unit of output. A by-product of this project will be the development of improved estimates of capital consumption so that the net additions to the stock of fixed capital can be calculated.

SPECIAL SURVEYS DIVISION

The Main functions of the Special Surveys Division are to obtain current information on population and housing, and through its eight Regional Offices across Canada to carry out field work for other Divisions of DBS. The work at Head Office is organized in three Sections, Field Administration, Processing and Analysis, and Sampling Consultation.

The monthly Labour Force Survey, which obtains information on population, labour force and related information, is one of the Division's main responsibilities. Trained enumerators visit a sample of households every month and the information elicited results in a monthly report *The Labour Force* which presents details of the employment situation for the country as a whole and for the six regions. At the same time, enumerators inquire about rents paid and facilities provided; this information is used to compile the rent component of the Consumer Price Index.

Additional questions were asked in conjunction with the Labour Force Survey in May of 1959. Information on facilities in Canadian homes was published in an annual report *Household Facilities and Equipment*. Information on family income, assets and debts is being prepared for publication.

As part of their continuing duties, the Regional Offices collect data on retail prices of commodities for use in compiling the Consumer Price Index. They also maintain, for purposes of reference, by local business firms and others, a file of all current DBS publications.

For some two years before the Decennial Census the Regional offices are involved in the field operations aspects of preparing for it. The staff assists in the testing of questionnaires and procedures and in checking the adequacy of the boundaries of the census areas. In June, 1959, a full scale test of questionnaires and procedures was carried out in Galt, Ontario and Joliette, Quebec and their surrounding rural areas.

Early in 1960 members of the staff from Head Office and certain regional offices visited the United States to observe the conduct of the 1960 census in that country.

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