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CANADA

BUDGET SPEECH

DELIVERED BY

HONOURABLE EDGAR J. BENSON

MINISTER OF FINANCE

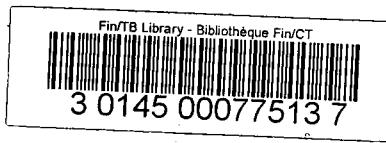
MEMBER FOR KINGSTON AND THE ISLANDS

IN THE

HOUSE OF COMMONS

MARCH 12, 1970

QUEEN'S PRINTER FOR CANADA
OTTAWA, 1970



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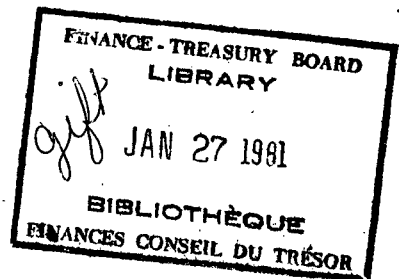
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ERRATUM

Page 214 of annexed Budget Papers, paragraph headed "The Cash Position"—change figure at the end of line 4 *to read \$939 instead of \$941.*

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BUDGET SPEECH

THE BUDGET

ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

Hon. E. J. Benson (Minister of Finance)
moved:

That this House approves in general the budgetary policy of the government.

He said: Mr. Speaker, in presenting the budget to the House last June, I expressed the government's view that a strong fiscal position was essential to check the rise in prices and smooth the way toward more balanced and sustained economic growth. We have maintained that position. Fiscal and monetary policies have worked in tandem to establish conditions which should give us the upper hand in squeezing inflation out of the economy. This year by a national effort we must reduce the rate at which prices are increasing. To accomplish this we must be resolute in continuing to restrain the demands that are made upon the economy. We must also continue to relieve situations where particular economic circumstances and the need to apply the big levers of economic policy may create difficulties. This has already led to several adjustments of our policies.

The Economic Situation in 1969

In the Budget Papers which I tabled in the House on February 27, hon. members will find a comprehensive review of economic developments in the past year. As a background to my remarks on our present situation and to gain perspective on the prospects for the year ahead, I should like briefly to

review the highlights of economic development in 1969.

We in Canada have not been alone in confronting entrenched inflation. The United States faces it. Many countries of Europe fight the same fever. The fact that our experience is far from the worst gives us no comfort for we know that the illness, if not corrected, will only deepen. We also know that while the illness is to some extent contagious, every country has to make its own provision for curing it.

The average rise in prices of all the goods and services that enter into the gross national product was of the order of 4.2 per cent last year compared to 4 per cent during 1968. The consumer price index was 4.6 per cent higher in January, 1970, than a year earlier. There are some recent glimmerings of evidence that the rate of increase of prices is no longer rising. But however one interprets these scraps of hopeful news, the hard fact is that both prices and costs—and wages and salaries in particular—are still rising at quite unacceptable rates.

The Canadian economy made notable gains last year both in output and employment. The growth of real output maintained the 1968 rate of 4.8 per cent. Employment grew faster than in the previous year—by 3.2 per cent compared with 2.2 per cent. But after the first quarter, as the restraining policies took hold, the rate of growth of demand slowed down. This development was anticipated although it was delayed longer than we had wished. It is a necessary pre-condition for the moderation of price and cost increases which it is the object of policy to achieve. Unemployment in

December, 1969, was 4.8 per cent of the labour force, the same proportion as in December, 1968. Seasonally adjusted, the proportion fell in January to 4.5 per cent.

In the personal sector of the economy, incomes after taxes rose more rapidly than in 1968. Spending on consumers' goods and services rose even more quickly than personal disposable income. Personal saving therefore declined. The balances of consumer credit outstanding rose especially rapidly in the first part of the year. In distributing their increased expenditure among categories of goods and services, consumers favoured services and non-durable goods in general.

• (8:10 p.m.)

Information on business capital expenditures suggests that numerous projects planned for 1969 were postponed or cancelled in the latter part of the year. A fall in profits per unit of output accompanied this apparent change in investment plans. Manufacturers' inventories, especially of finished products, were also building up at a substantial rate in the final months of 1969. Housing starts reached 210,000 units for 1969 as a whole but they declined successively each quarter of the year. The government is now providing a substantially increased flow of funds for low-cost housing projects this coming year. This reflects the high priority we place on meeting the need for housing in general and for low-rental homes in particular.

In our foreign transactions we had in 1969 a rather substantial increase in the deficit on our transactions on goods and services—the current account of the balance of payments. Wheat sales were substantially lower. Other exports increased but at a slower rate than imports, which rose quite strongly early in the year. There was a large inflow of long-term capital including the foreign borrowings of provinces and some municipalities. Once again there was a significant outflow of short-term capital attracted by very high short-term interest rates abroad. The over-all impact of all of these transactions upon our reserves was a modest increase of some \$60 million (U.S.) during 1969. The value of the Canadian dollar in foreign exchange markets continues to be very strong, and our reserves have increased by \$318 million (U.S.) in January and February. I hope this will decry what many people have said about flights of capital due to our white paper.

Some hon. Members: Hear, hear!

Financial Markets

Mr. Benson: Financial markets reflected the restraining influence of the monetary authorities in Canada and elsewhere. Interest rates reached record levels by year-end. The growth of the assets of the banking system was about 5 per cent for 1969, and the liquid asset ratio of the banks was pushed to a record low. Net new issues of securities by Canadian borrowers were nearly \$850 million lower in 1969 than in 1968, though the issue of securities denominated in foreign currencies rose substantially. Apart from the very successful issue of Canada Savings Bonds the government of Canada was not a net borrower in the bond market in 1969. In fact, the amount of our marketable securities outside government accounts declined somewhat, and there was a reduction in the net public debt for the first time since 1957.

Some hon. Members: Hear, hear!

Mr. Benson: This feature of our operations helped the monetary authorities in their task of maintaining an appropriate degree of restraint. It also permitted other borrowers—provinces, municipalities and businesses—full access to the funds available. The funds accumulating in the Canada Pension Plan invested by my department in provincial and provincially guaranteed long-term bonds exceeded the total net new marketable bond issues of all kinds taken up by the Canadian bond market. This fund has been a lifesaver in meeting the needs of provinces, municipalities, school boards and other public authorities during a difficult period.

Regional Aspects

Although the various regions of the country had different rates of economic growth in the past year, all of them suffered higher prices. In this sense all regions feel the problem of inflation. Our fiscal and monetary policies have been directed to this general and widespread problem. The government has explicitly recognized, however, that the total spending pressures have not been equally distributed across the country. Accordingly, we have adopted certain measures that differentiate between regions of higher and lower employment. Our tax measure concerning depreciation charges on costs of commercial construction is one example. The request to the chartered banks to have special regard for borrowers in the less prosperous areas of the country is another. In addition, in our expenditure policy, we have given high pri-

ority to certain programs which attack specific economic problems of regions of slow growth. Among such programs are those of the Department of Regional Economic Expansion, the Manpower Training Program, the Farm Credit Program and the Wheat Inventory Reduction Program. Equalization grants to the provinces of slower growth amounted to \$750 million in the past fiscal year, an increase of 16 per cent over the previous year.

The Fiscal Position in 1969-70

I turn now to the fiscal position for the year 1969-70. Of course, there are some weeks remaining in the fiscal year so that the results I present are the best estimates we are able to make at this juncture. Last June I forecast a budgetary surplus of \$250 million. In the Budget Papers tabled February 27 I estimated the surplus at \$455 million for the current fiscal year. The difference from the budget arises mainly from the more rapid growth in our tax revenues. Total revenues are expected to be some \$245 million above the earlier forecast; expenditures, \$40 million above. Since the Budget Papers were printed, the government has decided that the very serious excess of wheat stocks in Canada must be drastically reduced by emergency action. Consequently, Parliament has been asked to appropriate immediately a sum of \$100 million to enable Prairie farmers to reduce their acreage planted to grains this year and enable them to adjust to a system of wheat delivery quotas intended to move the existing stocks off the farms. We are proposing to charge this appropriation to this current fiscal year's accounts, increasing budgetary expenditures to \$11,915 million in 1969-70, and reducing the budget surplus to \$355 million.

Last June I foresaw cash requirements for non-budgetary purposes, apart from exchange transactions, of some \$650 million, before allowing for the offset to the write-off of the Expo deficit to expenditures. It now appears that our non-budgetary requirements will be much less than was forecast at that time. A figure of \$365 million is implied in the Budget Papers. This figure will be reduced by \$100 million, representing a contra non-budgetary credit to the budgetary charge for the appropriation for the wheat inventory reduction program, since the funds will not be disbursed until after the year-end. Other changes in expected year-end items have involved a further reduction to a total net non-budgetary requirement of only \$105 mil-

lion. To this we must add an amount on account of exchange transactions of about \$310 million up to the present, somewhat more than was recorded earlier in the Budget Papers. Offsetting these cash requirements on non-budgetary account against the budgetary source of cash, we anticipate that our net over-all cash requirement for the fiscal year ending March 31 next will have been about \$60 million. I have already explained that our marketable bonds in the hands of the public decreased slightly. However there was a net increase in Canada Savings Bonds outstanding of \$374 million, and small increases in treasury bills outstanding, and in non-marketable securities held by the Unemployment Insurance Commission. These were more than enough to meet the net cash requirements, and should result in an increase in our Canadian dollar cash balances of about \$400 million, to a figure which I now forecast at about \$1 billion at the year-end; that is March 31.

Economic Prospects

Let me turn now to the year behind. I shall speak first of the prospects for the economy and of the fiscal outlook under these circumstances. Then I shall turn to policy issues and proposals.

With the pace of economic activity now somewhat reduced, I expect that the economy will continue to move upward in 1970, but at a lower rate than in 1969. In terms of volume of output, the rate of growth in 1970 may well be 1½ or 2 percentage points lower than last year's 4.8 per cent. Employment will continue to rise, but more slowly than in 1969, and I anticipate some increase in unemployment. There will also be difficult wage negotiations. Some of these negotiations may issue in strikes—perhaps prolonged ones—before settlements are reached. Profits, which have already begun to fall, are likely to fall further in the coming year, in total dollars and per unit of output.

Mr. Speaker, we have a hard task ahead of us in bringing about a significant reduction in the rate of rise of prices and costs. It is the policy of the government to restrain the growth of total spending in the economy, for that is a necessary condition for achieving our primary economic objective. We shall continue to support the work of the Prices and Incomes Commission which is striving to engage business, labour, consumers and governments in a united resistance against infla-

tion. To the extent they succeed, the objective can be reached with less severe fiscal and monetary measures than would otherwise be necessary.

To translate a 3 per cent growth of real output in 1970 into value terms requires a forecast of the success to be achieved in all our efforts to stem inflation. This is particularly hazardous this year. We just cannot tell how soon or how far the slowing of growth in demand and in production will bring about a slowing down in price increases. In forecasting revenues we assumed that prices will increase slightly less than last year. But if we could cut the rise in prices to say three-quarters of the rate last year, and if as the year progresses this trend is clearly evident, we shall have good cause to be pleased. Any shortfall in our revenues for this reason would be welcome.

We have also been encouraged in our efforts to check the inflationary rise of costs and prices by the co-operative approach of the provincial governments. This was made clear, as honourable members will recall, at the conference of first ministers in mid-February. The consensus contained in the conference communique indicated the broad support of the provinces for the program of voluntary restraint, and their own intentions, so far as their particular circumstances permit, to apply the proposals of the Prices and Incomes Commission within their own jurisdictions.

• (8:20 p.m.)

There was, of course, continued emphasis at the conference on the financial pressures facing provinces and municipalities, as projected in the report of the Tax Structure Committee. Much of this emphasis was naturally focused upon the sharing of tax resources. However, there was also evident a deeper awareness of the fact that the demands upon governments at all levels for new and improved services of all kinds—and from all parts of society—are outrunning the growth of revenues. This is the fundamental problem responsible for financial pressures upon governments. It is also true that the brunt of these demands has fallen upon the provinces and municipalities. Their expenditures have been rising rapidly as a percentage of the gross national product during the past dozen years, while those of the federal gov-

ernment, excluding transfers to the provinces, have remained relatively constant. However, there was a clear recognition that in an environment of erosive inflation it is necessary to contain these rising demands. Consequently, even though the projections of provincial budgets for 1970-71 showed a very large increase in potential deficits, most of the provinces indicated their intentions to do everything possible to reduce or eliminate the projected increases. The Ontario government is a particularly significant case in point, having in mind both the size of its budget and the predominant position of the Ontario economy in the total national picture. If Ontario is successful in achieving its stated objective of a balanced budget, the fiscal position of provincial and municipal governments in the aggregate should not be markedly different in 1970-71 from the position achieved in 1969-70. This is an important element in the national struggle to beat inflation.

Fiscal Prospects

What are the prospects for our fiscal position, given our present programs? My colleague, the President of the Treasury Board (Mr. Drury), has tabled the estimates of expenditure for the coming fiscal year. On the basis of these estimates, and making some modest allowance for contingencies, as well as for lapses in appropriations, I am forecasting budgetary expenditures in 1970-71 of some \$12.9 billion. My colleague has drawn the attention of hon. members to the important part of the projected expenditure increase which consists of the items we share with the provinces and over whose magnitudes we do not have much control. Members are aware of our sustained effort to restrain the growth of expenditures over which we do have control, including those to which we attach a particularly high priority at the present time. We have given highest priority to such expenditures as those for regional expansion, for the development of bilingualism, for improvement of technology in industry and for improving the position of Indians and Eskimos.

Our budgetary revenues based on the existing tax law will be higher in 1970-71 than in the past year, as the economy continues to grow. But because growth will be slower our revenues will not be as buoyant as in the past year. The receipts from the corporate income

tax will be particularly affected both by the lower levels of profits that we anticipate and by the fact that the revenues have already reflected most of the once-and-for-all gain from the speed-up of corporate tax payments. Moreover, as part of the program of restraint in price and cost increases we have postponed a number of increases in charges for government services, and the implementation of the air fares tax. We are forecasting revenues of \$13.2 billion. We expect the budgetary surplus to be \$300 million. This is to be compared with the surplus of \$355 million in the current fiscal year noted above.

Our net non-budgetary cash requirements, apart from those arising from exchange transactions, are expected in 1970-71 to be approximately \$775 million. Of this total, \$100 million will arise from the cash outlay for the wheat inventory reduction program. Leaving this wheat item out of account in each year, the increase has been from about \$650 million forecast last June for 1969-70 to about \$675 million now forecast for 1970-71.

In fact, however, the net amount required for those non-budgetary purposes in 1969-70 has turned out to be much less, for several reasons as I have previously noted. A number of our lending programs, such as those for farm credit and international development, as well as the investment programs of our Crown companies, required less than we forecast. These changes, together with the substantial budgetary surplus, reduced our net cash requirements to an unexpected but welcome low level.

We cannot expect a similar reduction this year. While our estimated non-budgetary requirements include some allowance for contingencies, as they should, they also reflect increases in a number of firmly established programs of high priority. Among these increases are the following:

- nearly \$150 million more for loans to Central Mortgage and Housing Corporation to assist in offsetting an expected decline in the flow of private funds into financing housing, to give more emphasis to low-cost rental housing, and to finance more municipal sewage plants urgently needed to reduce pollution;
- about \$25 million more in mortgage funds for farm credit, chiefly to assist prairie

farmers in readjusting to meet the new outlook for grains;

- about \$40 million more for Atomic Energy of Canada to invest in advanced power plants and a large heavy water plant to meet the urgent shortage of that important material;
- about \$40 million more for loans to less developed countries as part of our external aid program;
- about \$50 million more for loans for regional economic expansion, on which all of us place high priority.

As a result, the forecast total of our lending programs, net of repayments, will be increased from about \$1,150 million in 1969-70 to about \$1,675 million in 1970-71.

These loans are important uses of the nation's savings for investment purposes. However, their economic impact must be assessed, and they must be budgeted as carefully as expenditures. Moreover, they have important effects on our government financing program, and on the management of monetary policy.

Taking the projected budgetary surplus and net non-budgetary requirements together, our net cash requirements for the year 1970-71 are expected to be some \$475 million—excluding amounts that may be required to finance foreign exchange transactions.

• (8:30 p.m.)

In terms of the national income accounts, as compiled by the Bureau of Statistics in recent years and used by economists, we estimate that the federal government sector, excluding the Canada Pension Plan, has had a surplus of \$570 million in 1969-70 and, on the forecasts I have given, would show a surplus of \$180 million in 1970-71.

General Policy

It is evident that the federal government's fiscal position as a whole in 1970-71 will be exerting somewhat less restraint on the economy than in this year. In part this will be due to the emergency wheat inventory reduction program. I am satisfied that the measure will be in the interest of the nation as well as in the long-term interest of the wheat producers in Canada. In part the change in our fiscal position is due to expenditures, particularly the transfers to the provinces for health and education, rising somewhat more rapidly

than revenues. It is also due to our increased lending programs for housing and farm credit where the capital market is not providing an adequate flow of private funds to meet the needs of balanced growth and development. In general, the fiscal effects of our operations will be better distributed regionally than last year. Our regional expansion expenditures, revenue equalization grants and other payments will be higher in the areas of less inflationary pressures. Our revenues, of course, are growing more rapidly where incomes are increasing more rapidly.

These forecasts are based upon expectations of lower rates of growth in employment and production, and an economy operating at a lower percentage of capacity than during 1969-70. If we could be concerned only with the pressure of total demands upon our productive capacity and markets, further action would not be necessary. However, there has been no slowing down in the rate of increase of prices and wages and other incomes. Costs continue to push prices up. Slower real growth has not yet reduced inflation. I sincerely expect it will do so as the year proceeds. The code of price behaviour arranged between the Prices and Incomes Commission and representatives of business and the professions, should assist materially in bringing about some reduction in the rate of price increases. We must give it a chance to take effect. We must also give organized labour time to decide whether and how it should join in some sort of agreed program to moderate the pressure of costs on prices.

Some hon. Members: Hear, hear!

Mr. Benson: In these circumstances, I feel some additional specific restraints upon the economy are necessary to maintain the pressure against the price and cost increases. I am not proposing any tax increases in this budget.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Horner: You have your white paper. What more do you need?

Mr. Benson: I am terribly upset that the opposition wanted tax increases which I have not provided. I am informed that this will be the first budget since 1913 in which there were no Ways and Means motions.

Mr. Diefenbaker: When will be the next budget—in six months?

Mr. Benson: I am proposing, however, two measures of a special character that will help to implement our determination to bring inflation under control.

Proposals

The first concerns construction. This industry has been a leader in the inflationary spiral, even though the total volume of construction has not increased substantially since 1966. There are special characteristics of this industry which make it particularly prone to "cost-push" inflation. As a government we are encouraging the construction of housing on a large scale, and also industrial construction in those regions in need of expansion. We think both deserve priority in all parts of Canada. On the other hand we do not wish to aggravate the peculiarly inflationary situation in this industry—which was vividly in evidence last year. Last June we introduced a measure of mild restraint on commercial construction applying to the main urban areas of the three provinces of most rapid economic growth. This appears to have had some effect in deferring projects of lower priority or profitability, though it is hard to disentangle its effects from the many other influences at work.

The recent medium-term survey of the capital investment outlook published by the Economic Council forecasts a rapid expansion of commercial investment in 1970—a rate of increase several times that for business generally. This and other information leads me to the conclusion that we should maintain the force of the depreciation measure we introduced last June. Hon. members will recall that the right to claim depreciation for tax purposes was postponed for two years on commercial construction begun after budget night. The postponement applied only to construction costs incurred on these projects up to the end of 1970. Initially, then, it applied to work done within the following 18 months. However, now, in its present form, it applies only to work done in the nine months until the end of 1970. Consequently, the force of the measure has been reduced by the lapse of time. I am now proposing that, for projects commenced between tonight and the end of 1970, the postponement will apply to construction costs incurred up to the end of 1971. The effect of this change will be to restore approximately the same impact to the measure as it had when it was first introduced. It will apply only to buildings to which the original measure would have applied.

This decision will be implemented, as last year, by a regulation under the Income Tax Act.

The second action I propose is that Parliament enact a control over the terms of consumer credit similar to the act passed in another inflationary situation 20 years ago.

Some hon. Members: Hear, hear.

Mr. Benson: It would be a temporary anti-inflationary measure, intended, in the national interest, to safeguard the integrity of our currency. It would authorize the government to regulate the terms of credit extended to consumers by various kinds of lending institutions and merchants. It would apply to banks, sales finance companies, consumer loan companies and other lenders, and to department stores, automobile dealers and other merchants. In general, our intention would be to use this act to require a minimum down payment for large purchases being financed by credit extending for more than one year, and to limit the period over which such credits must be repaid. We would not propose to interfere with credit for small purchases—say under \$100—nor with ordinary charge accounts, payable within 60 days, nor with revolving credit or budget accounts requiring regular monthly payments that would repay them within 12 months. It would not apply to outstanding loans or the terms of purchases already made on credit.

• (8:40 p.m.)

The purpose of the action proposed is to limit the growth of consumer expenditures in the present inflationary situation. We have in mind not only spending on durable goods but also on other goods and on services such as travel. In recent years the rate of increase of consumer expenditure has been stimulated and supported by substantial, though somewhat uneven, increases in consumer credit outstanding. I can well understand the smile of the Leader of the Opposition (Mr. Stanfield) who was threatened by a bomb yesterday, and he may not want to travel any more.

Mr. Speaker, the increase in consumer credit was particularly rapid in the first half of last year. It slowed down after mid-year because of the levelling out of unsecured personal loans by the banks, but the latest figures indicate that growth in consumer credit has been resumed. It now seems probable that the expansion of consumer spending this year will be reinforced by a large increase of

credit unless some action is taken to check it. We believe that selective action along the lines proposed would be better than more general measures that would interfere with the flow of funds required for housing and for industrial and urban development in our country.

We do not intend to restrict loans for business purposes, including farming, or loans for the acquisition, construction or improvement of houses. Student loans for education would, of course, also be exempt.

It is difficult to forecast the quantitative effect on consumer expenditure of requiring specified down payments and limiting the period of repayment. We are planning to require down payments of 20 per cent where credit is extended for more than a year and to require repayment within 30 months for automobiles and 24 months for other purchases. We think these terms will have only a very moderate impact on the purchases of new cars which are already temporarily low just now. We think it will bear directly somewhat more heavily on other purchases particularly of durable goods and holiday trips. The reduction in spending will probably affect indirectly a wide variety of goods and services, as many consumers can be expected to divert their spending from less desired things in order to make the down payments on what they want most, and to pay off their credit more rapidly than they otherwise would. In all, we think that the total of consumer expenditures might be reduced by \$300 million or \$400 million a year, which is less than one per cent of the total of consumer purchases.

In order that the legislation and regulations can properly take into account the variety of institutions and practices involved in extending credit to consumers, I intend to have my department consult with representatives of those who provide credit or sell on credit. I would expect the government to be in a position to introduce the legislation in about six or eight weeks.

I am not proposing any legislation on taxes or tariffs at this time. We will need to keep a close and continuing watch on the condition of the economy and particularly the success achieved in checking the rate of increase in prices and wages. Possibly legislation will be needed in the autumn. Meanwhile, I do not

anticipate any lack of interest in any parliamentary discussion of the subject of taxation.

In regard to tariffs, I should say that since the last Budget I have received a number of requests for amendments to the Customs Tariff, some for increases and some for decreases. I have decided that I would not introduce any changes at this time. This will mean postponing any action on two reports in which the Tariff Board recommended higher duties—in one case on live turkeys, in another on polyethylene.

Some hon. Members: Oh, oh!

Mr. Paproski: How long?

An hon. Member: This budget is a real turkey.

Mr. Benson: I consider that this is not an appropriate time to propose even modest increases in protective tariffs in Canada. I will be prepared to take decisions on these reports at a later date.

Some hon. Members: Hear, hear!

Mr. Benson: I wish to make an important announcement concerning air and water pollution. We have permitted accelerated capital allowances under the Income Tax Act to encourage and assist industry to invest in structures or equipment for the primary purpose of preventing or reducing the pollution of Canadian waters. This section of the regulations expires December 31, 1970. We are now proposing to revise and extend it for another three years. Before it is necessary to extend it beyond 1973, I expect it will be reconsidered in the light of more general policies and programs in respect of pollution.

We have also decided in principle that we should grant a similar special allowance in respect of structures and equipment acquired after tonight primarily for the purpose of preventing or reducing air pollution.

Some hon. Members: Hear, hear!

Mr. Benson: In the case of air pollution, some need to minimize smoke and fumes, however, has usually been taken for granted and regarded as a normal cost of production, while other measures are undertaken in part to improve efficiency or to produce saleable by-products. Therefore, I wish to consider the details that should be included in a regulation on this subject and would welcome receiving the views of those concerned.

This concludes the proposals and announcements I wish to make. Since the proposed measure in regard to consumer credit will reduce consumer expenditures, it will also reduce our various revenues by about \$50 million during this coming fiscal year. I do not expect the other proposed changes to have any significant effect on our revenues this coming year. Taking the \$50 million into account will reduce our budgetary revenues in 1970-71 to \$13,150 million and reduce the prospective budgetary surplus to \$250 million.

At this point, Mr. Speaker, I would ask permission of the House first to insert in *Hansard* a small table giving the estimated yield of our main categories of budgetary and old age security revenues for 1969-70 and for 1970-71 and secondly, as in recent years, to include with the Budget Papers, as an appendix to *Hansard*, tables and explanatory notes giving the budget figures for 1968-69, 1969-70 and 1970-71 in terms of the national economic accounts in the form published by the Bureau of Statistics, together with a reconciliation with the budgetary accounts.

Mr. Speaker: Is the minister's request agreed to?

Some hon. Members: Agreed.

[*Editor's note: The tables above referred to are as follows:*]

BUDGETARY AND OLD AGE SECURITY REVENUES
(\$ million)

	1969-70 Preliminary	1970-71 Forecast
<i>Budgetary Revenues</i>		
Personal Income Tax.....	4,592	5,290
Corporation Income Tax.....	2,605	2,480
Non-resident Tax.....	240	255
Estate Tax.....	105	115
Customs Duties.....	815	835
Sales Tax.....	1,725	1,755
Other Duties and Taxes.....	905	1,000
	<hr/>	<hr/>
Total Taxes.....	10,987	11,730
Non-tax Revenues.....	1,283	1,420
	<hr/>	<hr/>
Total Budgetary revenues.....	12,270	13,150
<i>Old Age Security Revenues</i>		
Personal Income Tax.....	1,027	1,170
Corporation Income Tax.....	227	230
Sales Tax.....	569	600
	<hr/>	<hr/>
Total Old Age Security Revenues.....	1,823	2,000

FEDERAL GOVERNMENT REVENUE AND EXPENDITURE ON NATIONAL ACCOUNTS BASIS

	1968-69	1969-70 Preliminary	1970-71 Forecast
	(millions of dollars)		
<i>A. Revenue</i>			
1. Direct taxes, persons.....	4,455	5,725	6,575
2. Direct taxes, corporations.....	2,025	2,090	2,065
3. Withholding taxes.....	205	240	255
4. Indirect taxes.....	3,830	4,035	4,220
5. Investment income.....	990	1,180	1,395
6. Employer and employee contributions to social insurance and government pension funds.....	895	1,040	1,110
	<hr/>	<hr/>	<hr/>
7. Total revenue.....	12,400	14,310	15,620
<i>B. Expenditure</i>			
1. Goods and services: defence.....	1,845	1,845	1,875
2. Goods and services: others.....	2,775	3,280	3,640
3. Transfers to persons.....	3,430	3,680	4,010
4. Interest on public debt.....	1,445	1,660	1,785
5. Subsidies.....	395	450	475
6. Capital assistance.....	65	105	115
7. Transfers to other levels of governments.....	2,525	2,720	3,590
	<hr/>	<hr/>	<hr/>
8. Total expenditure.....	12,480	13,740	15,490
<i>C. Surplus (+) or Deficit (-)</i>			
	- 80	+ 570	+ 130

FEDERAL GOVERNMENT REVENUE
PUBLIC ACCOUNTS AND NATIONAL ACCOUNTS RECONCILIATION

	1968-69	1969-70 Preliminary	1970-71 Forecast
	(millions of dollars)		
1. Budgetary revenue.....	10,191	12,270	13,150
<i>Deduct:</i>			
2. Budgetary return on investment.....	- 695	- 801	- 900
3. Post Office revenue.....	- 311	- 353	- 375
4. Other non-tax budgetary revenues.....	- 199	- 129	- 145
	(-1,205)	(-1,283)	(-1,420)
5. Corporate income tax, excess of accruals (+) over collections (-).....	- 188	- 742	- 645
<i>Add:</i>			
Extra budgetary funds revenue:			
6. Old age security taxes.....	1,626	1,823	2,000
7. Unemployment insurance fund—employer-employee contributions.....	435	500	515
8. Government pension funds—employer-employee contributions.....	460	540	595
9. Prairie Farm Assistance Act levies.....	8	6	6
	(2,529)	(2,869)	(3,116)
Government investment income:			
10. Interest on loans, advances and investments.....	395	475	550
11. Interest receipts on social insurance and government pension funds.....	255	285	400
12. Profits before taxes (net of losses) of government business enterprises.....	340	420	445
	(990)	(1,180)	(1,395)
13. Miscellaneous ⁽¹⁾	83	16	24
14. Total Revenue, National Accounts Basis.....	12,400	14,310	15,620

⁽¹⁾These miscellaneous adjustments represent revenues from miscellaneous direct and indirect taxes and adjustments for the supplementary period. In the National Accounts, revenues in the supplementary period are shifted into the following fiscal year.

FEDERAL GOVERNMENT EXPENDITURE
PUBLIC ACCOUNTS AND NATIONAL ACCOUNTS RECONCILIATION

	1968-69	1969-70 Preliminary	1970-71 Forecast
	(millions of dollars)		
1. Budgetary expenditure.....	10,767	11,915	12,900
<i>Deduct:</i>			
2. Budgetary transfers to funds and agencies ⁽¹⁾	- 716	- 776	- 737
3. Post Office expenditure.....	- 342	- 350	- 396
4. Deficit of government business enterprises.....	- 82	- 88	- 85
5. Reserves and write-offs.....	- 157	- 297	- 36
6. Purchase of existing capital assets.....	- 11	- 11	- 11
7. Budgetary revenue items offset against budgetary expenditure ⁽²⁾	- 84	- 88	- 92
	(-1,392)	(-1,610)	(-1,357)
<i>Add:</i>			
Extra budgetary funds expenditure:			
8. Old age security benefits.....	1,541	1,730	1,905
9. Unemployment insurance benefits.....	459	520	610
10. Government pensions.....	159	165	205
11. Prairie farm emergency payments.....	7	7	7
	(2,166)	(2,422)	(2,727)
12. Expenditure of government funds and agencies ⁽³⁾	702	853	827
13. Miscellaneous ⁽³⁾	237	160	393
14. Total expenditure, National Accounts Basis.....	12,480	13,740	15,490
15. Surplus (+) or deficit (-), National Accounts Basis.....	- 80	+ 570	+ 130
16. Surplus (+) or deficit (-), budgetary basis.....	- 576	+ 355	+ 250

⁽¹⁾In the national accounts, budgetary appropriations to various funds and agencies are replaced by the expenditure actually made by these funds and agencies.

⁽²⁾This item mainly consists of revenue from sales of goods and services by the government. These sales appear as final expenditure of the private sector and are deducted to avoid double counting.

⁽³⁾This item includes the supplementary period adjustment. In the national accounts, expenditures on goods and services in the supplementary period are divided between adjacent fiscal years; most other expenditure are shifted entirely to the next fiscal year.

Mr. Benson: Mr. Speaker, the reduction of \$50 million in our revenues will also increase our net cash requirements for the year 1970-71 to some \$525 million, excluding amounts that may be required to finance foreign exchange transactions.

While our prospective cash requirements for the next fiscal year are higher than those of the fiscal year now closing, I am confident they can be met in a manner consistent with our anti-inflationary policy. We shall, of course, have to enter the market from time to time if only to refund our maturing debt. Our cash balances at the beginning of the year will be about a billion dollars and can safely be reduced somewhat during the year. It should be possible again to raise funds by a Canada Savings Bond campaign.

I would expect that these factors, together with the improved state of the bond market and persistence in our anti-inflationary measures will make possible a smooth and success-

ful debt management program this coming fiscal year.

In concluding, Mr. Speaker, I would like to emphasize several simple points. First, we must continue with firm measures to accomplish our purpose in checking the rise in prices. This is essential in itself to convince those in the capital market, the labour market and the markets for goods and services that they should not expect inflation to continue year after year. Second, we must continue to do what we can to recognize the differences in the various parts of our country and the several sectors of our economy. Third, we must be flexible in our ability to respond to changes in the economic situation. The record of recent years proves that Parliament and the government can act promptly when that is necessary to meet new or changing circumstances.

BUDGET PAPERS

presented by

the Honourable Edgar J. Benson, M.P.,

Minister of Finance

for the information of Parliament

in connection with the Budget

for 1970-71

FOREWORD

The purpose of these Papers is twofold:

1. to present a general economic review of 1969, bringing together in one place and in convenient form some of the more comprehensive indicators of economic conditions prepared by the Dominion Bureau of Statistics, the Bank of Canada and other government agencies, together with some comments;
2. to present a preliminary review of the Government Accounts for the fiscal year ending March 31, 1970.

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ECONOMIC WHITE PAPER FOR 1970

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The tables, charts and figures quoted in this paper are based upon data provided by the Dominion Bureau of Statistics, the Bank of Canada and other government agencies that had been released prior to February 4, 1970.

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PART I
ECONOMIC WHITE PAPER FOR 1970
THE HIGHLIGHTS OF THE YEAR 1969

In 1969, consumer prices rose more rapidly than in any year since the Korean war inflation of 1951. Inflation has been the chief concern of public opinion and national policy throughout the year and continues to have priority.

Both fiscal and monetary policy have been restrictive in the past year. The strategy has been to slow the growth in demand by government and by the private sector. The retarded growth in demand is expected to make it more difficult to pass increases in costs through to final buyers. This difficulty in turn is expected to diminish the willingness and ability of producers to accept increases in costs. The Prices and Incomes Commission has been developing its program to assist in restraining increases in costs and prices. If cost increases can be restrained until the growth of productivity establishes adequate support for the present high levels of income, and if price increases can be restrained while the remaining demand pressures die out, then orderly, balanced growth of supply and demand without price increases may proceed. This way of subduing inflation permits an adjustment that is more equitable, since all share in it, that is quicker and that affords a higher level of total real output than the alternative way of very severe restrictions of demand, which force some members of the labour force to accept a loss of earnings for a period of time, and which bear more heavily on the less prosperous regions of the country.

This strategy takes time to work. One may distinguish two phases in it: the phase of reduced growth of demand, the holding phase, and then the pay-off phase in which the increases of prices and costs moderate. The record for 1969 shows that considerable progress was made in the first phase. By the end of the year, however, it was clear we had not entered the second phase.

The growth in Gross National Expenditure in real terms, i.e., corrected to eliminate the effects of price increases, diminished over the course of the year. There was real growth; it amounted to 5 per cent. But while in the first half, as compared with the second half of the previous year, it was at an average annual rate of 5.9 per cent, it was only of the order of 2.8 per cent in the second half of 1969, according to the best estimate that could be made at the time of writing.

The index of industrial production, though affected by strikes, declined in the second quarter, and again in the third quarter. In November, the last month for which data are available, a moderate increase occurred.

The growth of the labour force has slowed. Although several factors have been at play here, the slowing is a typical characteristic of the cooling of an overheated economy. Certain marginal workers drawn into the labour force at the height of a boom withdraw when labour demand eases.

There has also been a slowing in the growth of employment. However, because the labour force, too, has been growing more slowly, the unemployment rate for December 1969 was the same as for December 1968.

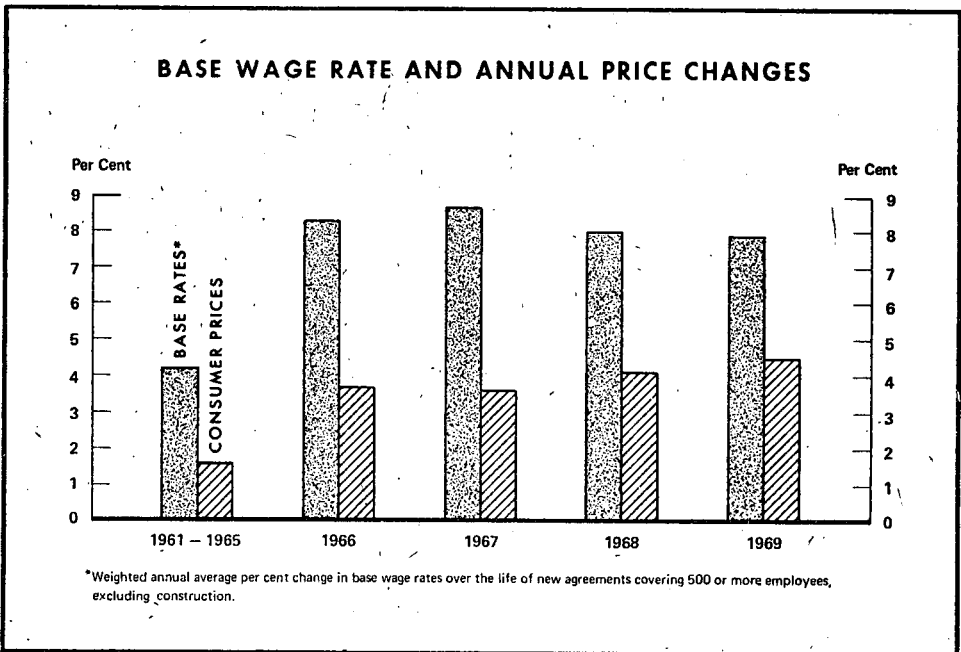
Profits have weakened in the course of the year; in fact, on last reading they were falling substantially after rising vigorously in 1968.

Thus, while there are still some strong forces of demand in the economy, such as the demand for capital structures and equipment, the evidence is mounting of a slowing of the overall growth of demand and a reduction of the capacity to pass cost increases forward.

On the other hand, costs and prices are still rising very rapidly. Wage settlements have on the average exceeded productivity gains by a wider margin than in 1968. The increase in the consumer price index from December 1968 to December 1969 was 4.6 per cent. The average value of the GNE price deflator for 1969 was some 4.3 per cent above that for 1968.

All sections of the economy have felt the effects of price increases. In fact, the data do not reveal any substantial differences in the price averages among regions. However, not all regions have had equally high levels of employment, output or demand for goods and services. The government recognizes these differences and policies have been followed which seek to restrain certain classes of expenditures in areas where these were expected to be particularly strong, while other policies have sought to ameliorate the effects of the general policies of restraint in areas where the inflationary impetus is less marked.

CHART 1



The financial markets absorbed a smaller volume of new issues of bonds and stocks during 1969 than in the previous year. The volume of money and bank credit grew much less rapidly and the liquidity of the banks was sharply curtailed through the operation of monetary policy. The public showed a growing preference for holding financial assets in liquid form. The net consequence of the myriad pressures in the capital markets, emanating from abroad as well as from the actions of the authorities and other domestic lenders and borrowers, was an upward sweep of interest rates to historic peaks. This rise in yields which started in September 1968 continued through the end of the calendar year 1969.

Canada is not unique among countries of the western industrialized world in having to face a menacing erosion of the value of its currency. The malaise is widespread, and we can take some comfort from the fact that our experience in 1969 was not the worst in comparison with some of these countries. The increase in consumer prices in the United States, for example, was of the order of 6 per cent. This fact serves to emphasize how vital it is to maintain the attack on the disease.

The balance of this White Paper contains an elaboration of the economic developments in 1969 in the perspective of the events of recent years, and concludes with a preliminary view about prospects for 1970.

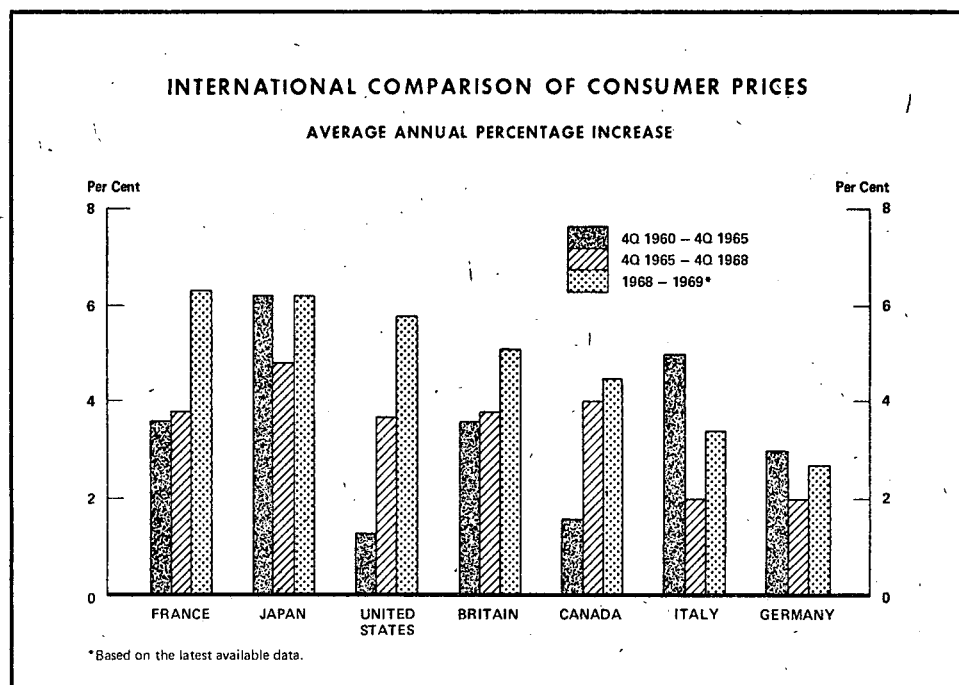
THE EXTERNAL ENVIRONMENT

Inflationary pressures intensified throughout the industrialized world in 1969. Consumer prices in most major countries rose at rates between $4\frac{1}{2}$ per cent and 6 per cent. The rises were smaller in Germany and Italy, but in these countries pronounced increases in wage settlements are viewed as the harbingers of accelerated price increases. The rise in prices in the United States was greater than in any year since the Korean war. The moderation hoped for in the North American trend of prices had not appeared by the turn of the year. The pervasiveness of inflation throughout the industrialized world is illustrated in Chart 2.

The volume of world output remained high in 1969, though its growth slowed to about 5 per cent in the OECD countries⁽¹⁾. This slowing reflected the gradual impact of anti-inflationary policies in North America and Britain and the attainment of capacity production in much of Continental Europe. Fiscal and monetary policies reinforced each other in the fight against inflation in North America and Britain. Elsewhere, countries started tightening credit conditions significantly, not only to restrain demand but also to defend official reserves against the effects of the massive flows of funds during much of 1969 to Germany and, via the Eurodollar market, to the United States. By early 1970, interest rates throughout much of the industrialized world had reached their highest levels in modern times.

⁽¹⁾The members of OECD are: Austria, Belgium, Canada, Denmark, Finland, France, The Federal Republic of Germany, Greece, Iceland, Ireland, Italy, Japan, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States.

CHART 2



Despite uncertainties over exchange parities, which prevailed until late last year, world trade continued to grow at a greater pace than expected. Exports of OECD countries were about 16 per cent higher than in 1968, a rate of increase nearly double the average of the previous decade. The war in Vietnam and the U.S. investment boom continued to stimulate burgeoning world trade. However, the major stimulus last year was the economic expansion in Continental Europe and Japan.

Expansion in these areas, during a period of gradual slowing in the North American and British economies, was one major factor behind the better balance in the international structure of current payments which became increasingly evident in the latter part of the year. In Britain, too, the combination of the 1967 devaluation and the subsequent fiscal and monetary restraints brought about a marked improvement in the balance of payments. This appears to bring within reach the British target of a U.S. \$1.2 billion surplus on current and long-term capital account during the twelve months ending March 31, 1970, and has enabled a start to be made on the repayment of short-term debt. The United States' current balance showed definite signs of an upturn in the latter half of last year, though it still fell far short of a level comparable to its 1960-67 average of over U.S. \$3.2 billion. Japan's rapid economic growth has not yet strained its productive capacity, and indeed, has been accompanied by a relative decline in the Japanese propensity to import. The combination of the French and German parity changes has started to work towards a reduction in their payments

imbalances. The devaluation of the franc in August and the revaluation of the mark last October have been followed by a very substantial reflux of speculative funds from Germany. There has been a fundamental calming in exchange markets and international payments flows in recent months.

The dramatic increases in international trade and capital flows in recent years have been the mark of a growing economic interdependence in the world community. International monetary co-operation has continued to respond to the problems posed by this evolution. Five years of study and negotiations have resulted in approval of a new international reserve asset to supplement gold and U.S. dollars. The decision by the International Monetary Fund to activate U.S. \$9.5 billion in Special Drawing Rights during 1970-72 has helped to ensure that international liquidity will expand appropriately to support further growth in world trade and payments. The amount allocated to the 104 participants in the scheme on January 1, 1970, was \$3.4 billion, in proportion to their quotas in the IMF; an additional \$3 billion will be allocated in each of the next two years. The first year allocation represents a 4.5 per cent increase over present global reserves of about \$75 billion. The historic principle accepted in the new SDR scheme is that there should be deliberate control over the world's supply of reserves through a permanent new fiduciary system.

The price of gold in the free market has fallen back to the neighbourhood of the official price of \$35 an ounce from its earlier highs of more than \$43 an ounce, as a result of renewed confidence that the monetary price of gold will be maintained and because of the very high yields available on alternative investments. Late in 1969, arrangements for the orderly marketing of South African gold were agreed upon under the auspices of the IMF.

The fifth quinquennial review of quotas in the IMF has resulted in proposals to increase their total by 35.7 per cent. This will keep the financial growth of the Fund in line with the increasing demand made on it. The proposed individual quotas reflect members' changing positions in the world economy and maintain an undiminished share of quotas for the less developed nations in the IMF. (The Canadian quota will increase from U.S. \$740 million to U.S. \$1.1 billion.)

These responses to the problems of the international monetary system improve the prospects for orderly growth of trade. But the pressing problem of inflation remains. While this problem is now widespread, particular importance attaches to its solution in the United States.

In the United States last year the rate of growth of real output slowed down while that of prices speeded up; by the last quarter of the year real output had in fact ceased to grow while price rises showed no clear sign of slowing. In December 1969 the consumer price index was 6.1 per cent higher than a year earlier.

Most components of demand shared in the deceleration of real growth in the second half of the year. The spending of the U.S. federal government on goods and services levelled out, as a result of a reduction of expenditures related to the Vietnam war and of restrictions in other areas of the military budget. State and local governments have encountered increasing difficulty in borrowing. Residential construction expenditures have been declining since early last year,

as restrictive credit policy has made it more difficult for some buyers and builders to raise mortgage money. There has been continued buoyancy in personal spending on non-durable goods and services, but purchases of automobiles and other durable goods softened noticeably in the second half. The advance in retail trade was sluggish, inventories grew and some production cut-backs occurred. After falling sharply in the first half, the ratio of personal saving to income after taxes increased in the latter half of 1969. Surveys at the end of the year indicated a mood of caution among consumers. In real terms, business investment in plant and equipment in the second half of 1969 was running about 7 per cent above the rate in the second half of 1968. Successive surveys late last year showed higher investment intentions for 1970. The explanations offered included fear of higher prices of capital goods.

Productivity in the U.S. economy was no higher in 1969 than it had been in 1968. Average earnings continued to increase at a rapid rate, however, and so wage costs per unit of output rose more rapidly. This development, in turn, was reflected in the high rates of price increase in 1969 and the decline in profits per unit of output. In 1970 negotiations will take place on a large number of key wage settlements.

American fiscal and monetary policies were restrictive in 1969, and the effects could be seen in the decline in the growth of demand and production. As in Canada, the results in terms of moderating increases in prices and costs have yet to become evident.

PRICES

We have stated that inflation was our most pressing economic problem in 1969, and that it is a widespread phenomenon. The purpose of this chapter is to provide more detail on the price movements of the last year, before reviewing the underlying cost and demand developments.

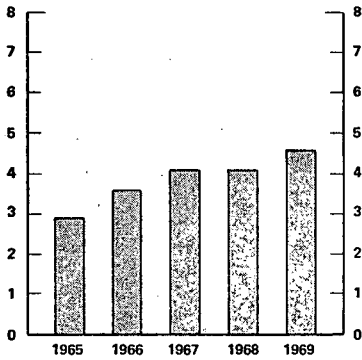
Consider first the consumer price index, one of our most widely used indicators of price trends. Figures in this paragraph relate to the percentage changes from December 1968 to December 1969. In this period the total index advanced 4.6 per cent. Over the previous 12 months the advance was 4.1 per cent. Some items in the consumer's standard selection of goods and services rose in price much more rapidly than others. The cost of shelter increased considerably more than any other component; its advance accelerated sharply in 1969, reaching the very high rate of 7.5 per cent, more than a full percentage point greater than the increase during 1968. Shelter costs include such items as rentals, prices of new houses, and related financing and maintenance. The increase in the cost of services (excluding shelter), reflecting closely the increases of wages in the economy, was almost as great as that of shelter, but the acceleration was very much greater. Service prices were up 7.1 per cent during 1969, which is almost three percentage points higher than in the previous year. Notable among the service items where prices increased rapidly were local transportation, rail fares, theatre admissions, postage, and household help. Shelter costs have a weight of 18 per cent in the total consumer price index; costs of services have a weight of 13 per cent. Food prices, though they moved irregularly during the past

CHART 3

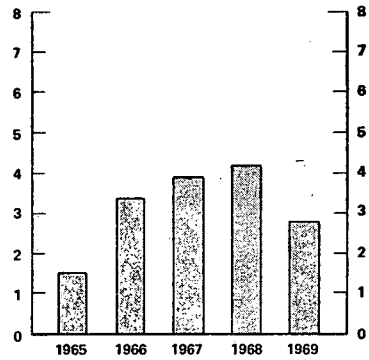
CONSUMER PRICE INDEXES

PER CENT CHANGE, DECEMBER TO DECEMBER, SELECTED COMPONENTS

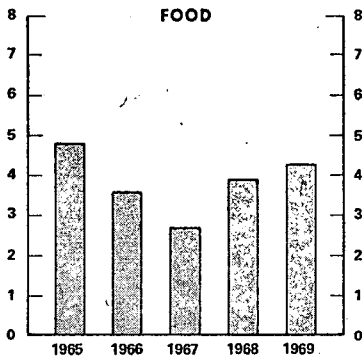
TOTAL GOODS



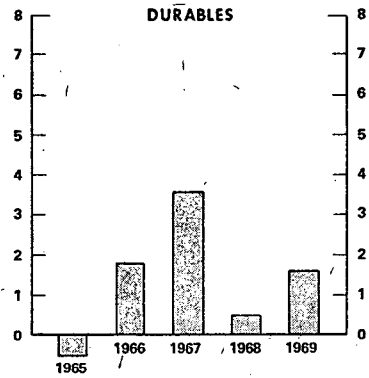
NON-DURABLES EXCLUDING FOOD



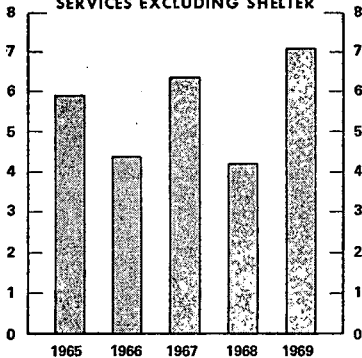
FOOD



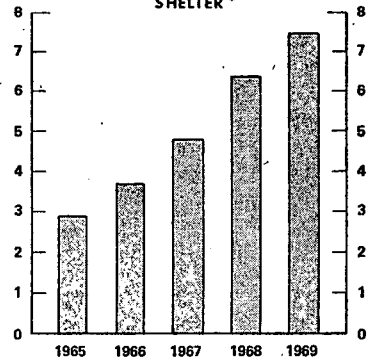
DURABLES



SERVICES EXCLUDING SHELTER



SHELTER*



*Includes prices of such goods as new houses, as well as services.

year, registered a total advance over the year of 4.3 per cent, compared with 3.9 per cent in the previous year. A point of considerable note is that the cost of goods in the consumer's basket, other than food, rose by only 2.5 per cent, which was significantly less than the increase of 3.3 per cent in the previous year. Within this group the slowing down was confined to the non-durables category, which rose by only 2.8 per cent in 1969 compared to 4.2 per cent in 1968. Durable goods prices rose more rapidly during 1969 than they did in 1968, but even so they rose only by 1.6 per cent in 1969.

Another group of price measures more comprehensive in their coverage are the so-called implicit price indexes in the national accounts. Their changes are reviewed in this paragraph and the percentages cited are percentage increases from the fourth quarter of 1968 to the fourth quarter of 1969. The figures are based on Department of Finance estimates of the results for the fourth quarter of 1969. On this basis, the prices of all the goods and services entering into GNE rose 5 per cent in 1969 as compared with 3.7 per cent in 1968. The prices of goods and services acquired by governments rose by 9.2 per cent in 1969 and 7.3 per cent in 1968. The implicit price index attached to non-residential construction also rose by 9.2 per cent; this very high rate was precisely double that of the year before. Prices of residential construction were up by 7 per cent in 1969 and 6 per cent in 1968. Export prices were up 2.5 per cent in 1969 compared with only 0.9 per cent in 1968, while import prices rose by rather more in both years: 3.3 per cent in 1969 and 2.4 per cent in 1968.

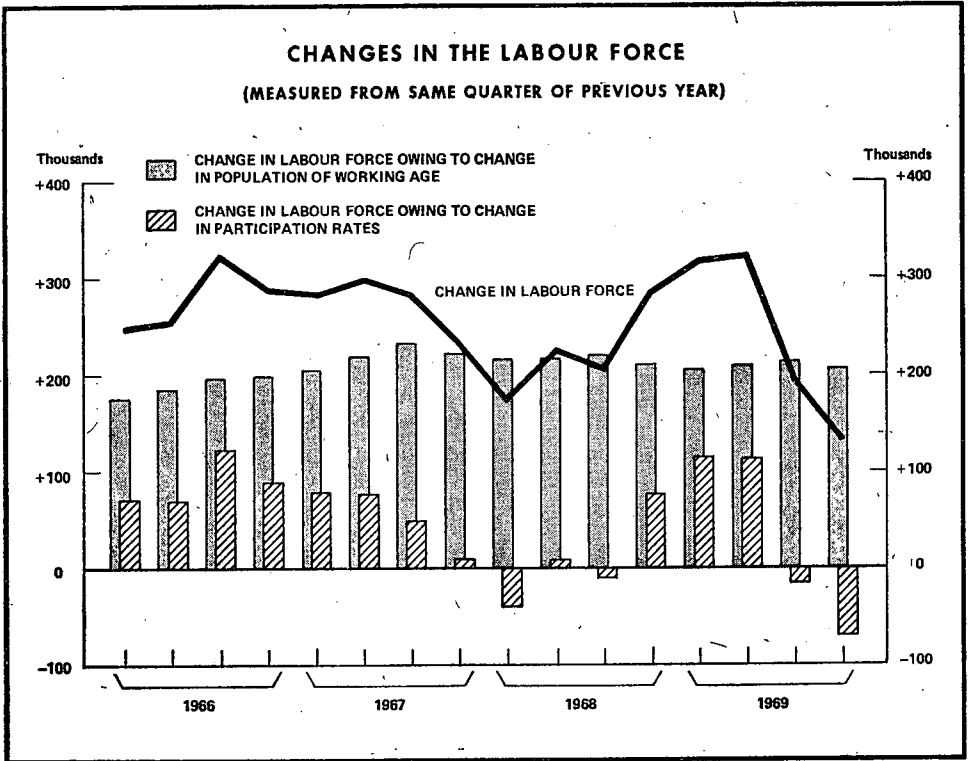
Another important set of price indicators is the group of manufacturing industry selling price indexes. These indicators are free of the influences of manufacturers' and retail sales taxes. Each industry selling price index also excludes freight and insurance charges associated with delivery of its final product but it does reflect, indirectly, the payment of such charges by the industry on the materials it uses. The composite index based on the movements of selling prices of approximately 100 manufacturing industries rose by 3.7 per cent in 1969. This is 1.6 percentage points higher than the increase in 1968.

EMPLOYMENT, OUTPUT, PRODUCTIVITY AND UNIT COSTS

We now turn to a discussion of some of the major developments underlying the increases in prices just described. We deal first with some factors affecting the supply of goods and services in the economy, notably employment, productivity and unit costs; later, we examine the demand for goods and services and the financing of that demand.

A very substantial change in the growth of the labour force occurred in the latter half of 1969. The Canadian labour force has been notable in recent years for having one of the fastest growth rates in the western industrialized world. The annual rate of growth was 3 per cent in 1965, 3.9 per cent in 1966, 3.7 per cent in 1967 and 2.9 per cent in 1968. Last year, it grew by 3.1 per cent. But while it grew by 2.8 per cent from December 1968 to the end of June 1969, it actually declined by 0.8 per cent from June to the end of the year. (Year-over-year changes by months may be found in reference table 26.)

CHART 4



The changes in the labour force may be viewed as due to changes in the size of the population aged 14 and over, on the one hand, and to changes in the proportion of that population which belongs to the labour force—changes in the participation rate—on the other. Changes in the labour force due to each of these components of change are depicted in Chart 4. In this chart, the changes for each quarter are measured against the comparable quarter of the previous year. The changes due to growth in the population have been fairly regular. On the other hand, changes due to movements in the participation rate show a distinct cyclical pattern. The rate fell during the brief slowdown of 1967, and then picked up after the pace of economic activity quickened once again. In 1969, in the second half, with the slowdown in the rate of expansion the participation rate fell off sharply and induced a very pronounced decline in the growth of the labour force. This development, as was observed earlier, was one of the pieces of evidence of a slowing pace of economic activity in Canada during the last half of 1969.

Regionally, the growth of the labour force in the last five years has been greatest in British Columbia and least in the Atlantic and prairie provinces. There is a continuing net migration of population from both of these latter regions. The growth in Quebec has been slightly below the national average, and

the growth in Ontario slightly above. Immigration to Canada has contributed more population to Ontario than to any other region. Changes during the two halves of 1969 are shown in Table 1.

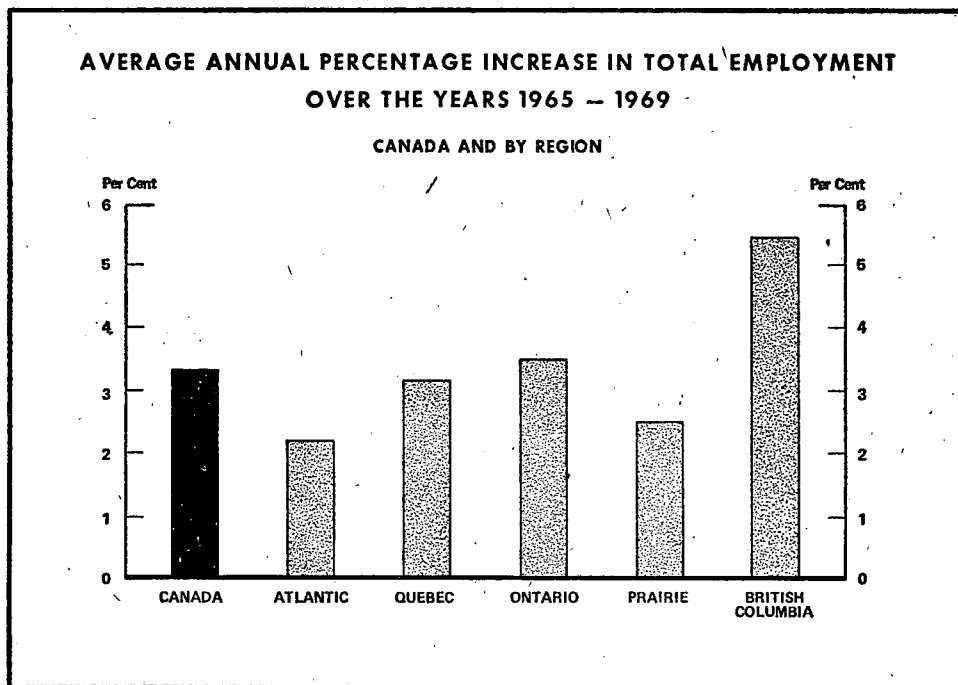
TABLE 1
PER CENT CHANGES IN THE LABOUR FORCE
OVER THE TWO HALVES OF 1969

	Canada	Atlantic Region	Quebec	Ontario	Prairie Region	British Columbia
December 1968—June 1969..	+2.8	+3.6	+3.2	+1.9	+1.0	+3.6
June 1969—December 1969..	-0.8	-2.4	-1.6	+1.0	-0.7	-0.5

It will be seen that the labour force in Canada as a whole actually declined in the second half of 1969 (using seasonally adjusted data). This was also true of every region except Ontario. Even in this province, however, the rate of growth, though it remained positive in the second half, was distinctly lower than in the first half.

Employment, too, has shown strong rates of growth over the past five years. In 1969 employment growth was strong in the first half, but, as in the case of the labour force, it fell off in the second half. On the average, employment was higher in 1969 than in 1968 by a quarter of a million persons.

CHART 5



The strong increase in employment over the last five years has been shared, in varying degrees, by all of Canada's regions, as Chart 5 reveals. In British Columbia, with its rapidly expanding economy, the growth rate of employment was almost double the national rate. Employment in Ontario and Quebec grew at about the national average, while growth in the Atlantic and prairie regions was moderately lower. These lower rates perhaps reflect the relatively larger proportion of primary industries with slower rates of employment growth in the industrial structure of these regions. In 1969, with the exception of the prairie region, all regions experienced employment growth well in excess of the previous year. The present state of the world wheat market has had a significant impact on the economies of both Manitoba and Saskatchewan. The deceleration in the growth in employment opportunities in both of these two prairie provinces was not matched in Alberta, where employment accelerated.

Since mid-year the level of employment, like the level of the labour force, has fallen moderately in all regions of the country save Ontario. In Ontario the rate of growth of employment was distinctly lower in the latter half of 1969 than in the first half.

The unemployment rate in Canada in the last two years has been slightly more than a percentage point higher than in 1966, and a little more than half a point higher than in 1967. The averages for the years 1968 and 1969 were virtually the same, marginally lower in 1969 (4.7 per cent) than in 1968. Chart 6 shows the national and regional unemployment rates. Average unemployment rates for 1969 were higher than in 1968 in the Atlantic region and Quebec, lower in Ontario and British Columbia, and about the same in the prairie region. Chart 7 compares the unemployment rates in the regions with the national average in yet another way. In this chart the pattern of development over the period is particularly noteworthy in the Atlantic region where many regional development programs have been intensified in recent years.

During the course of 1969, in Canada taken as a whole, the decline in the labour force overtook the more moderate decline in employment in the last quarter of the year and consequently unemployment rates registered declines. This was also true in all regions save Ontario and British Columbia, where the unemployment rates were somewhat higher than in the third quarter. (See reference table 32.)

Let us now analyze the relationships between output, employment, incomes, costs and prices during the 1960s.

During the first half of the decade, when economic slack was being taken up, real output in the total economy increased more rapidly than in the second half (see Chart 8). Real output per worker increased nearly twice as fast in the early years as it did during the later 1960s. At the same time, average earnings rose more rapidly in the second half of the decade than in the first half, so that wage and salary costs per unit of output rose more in the latter half of the 1960s. Table 2 illustrates these developments.

CHART 6

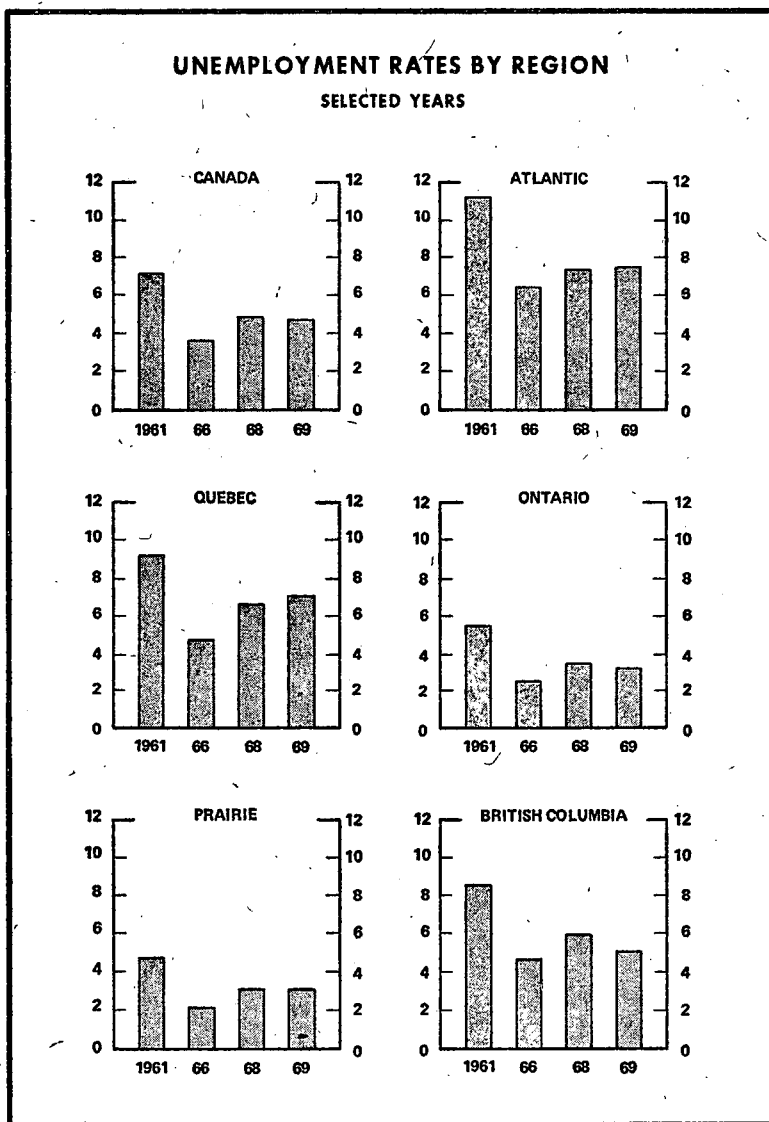


CHART 7

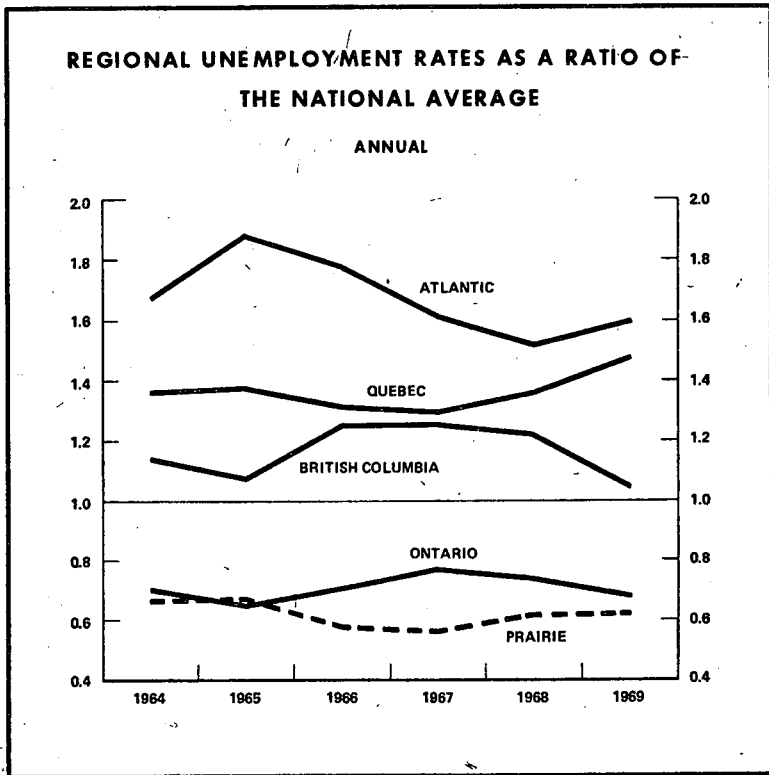


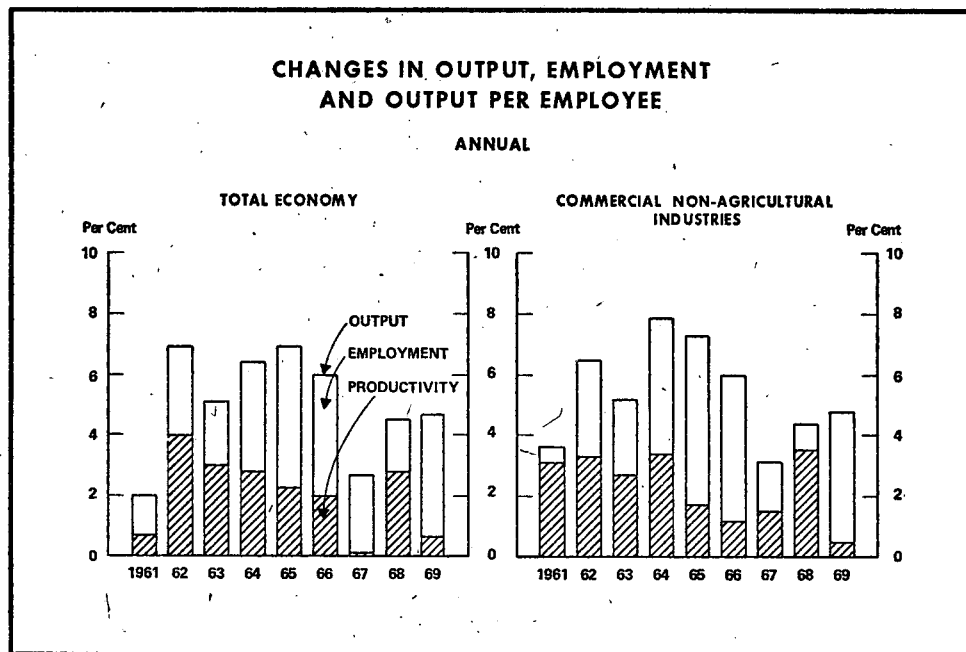
TABLE 2
OUTPUT AND LABOUR COST
1961-1969

	Average Annual Percentage Rate of Increase	
	1961-1965	1965-1969
(1) Real output.....	6.4	5.1
(2) Output per worker.....	3.2	1.8
(3) Average income per worker.....	5.3	7.7
(4) Wage and salary cost per unit of output = line (3) - line (2).....	2.0	5.8

The increase in prices in the total economy is composed of increases per unit of output in wages and salaries, corporate profits, indirect taxes less subsidies, and other items of income.⁽¹⁾

⁽¹⁾Includes rent, interest and miscellaneous investment income, unincorporated net income and capital cost allowances.

CHART 8



The table below shows rates of increase by these broad categories of incomes and costs, and the relative contribution of each category to the total increase. The figures are based upon broad aggregates and describe general trends and developments. More detailed calculations yield figures which are slightly different, but the trends are broadly similar.

TABLE 3
COMPONENTS OF PRICE CHANGE, TOTAL ECONOMY
Average Annual Percentage Rate of Increase

	1961-1965	Contribution to total increase	1965-1969	Contribution to total increase
Wages and salaries per unit of output.....	2.0	1.1	5.8	3.1
Corporate profits per unit of output.....	5.9	0.7	0.2	n.s.
Indirect taxes less subsidies per unit of output....	4.1	0.5	4.7	0.6
Other incomes per unit of output.....	0.2	n.s.	1.3	0.3
Total price change.....	2.3	2.3	4.0	4.0

n.s.—not significant

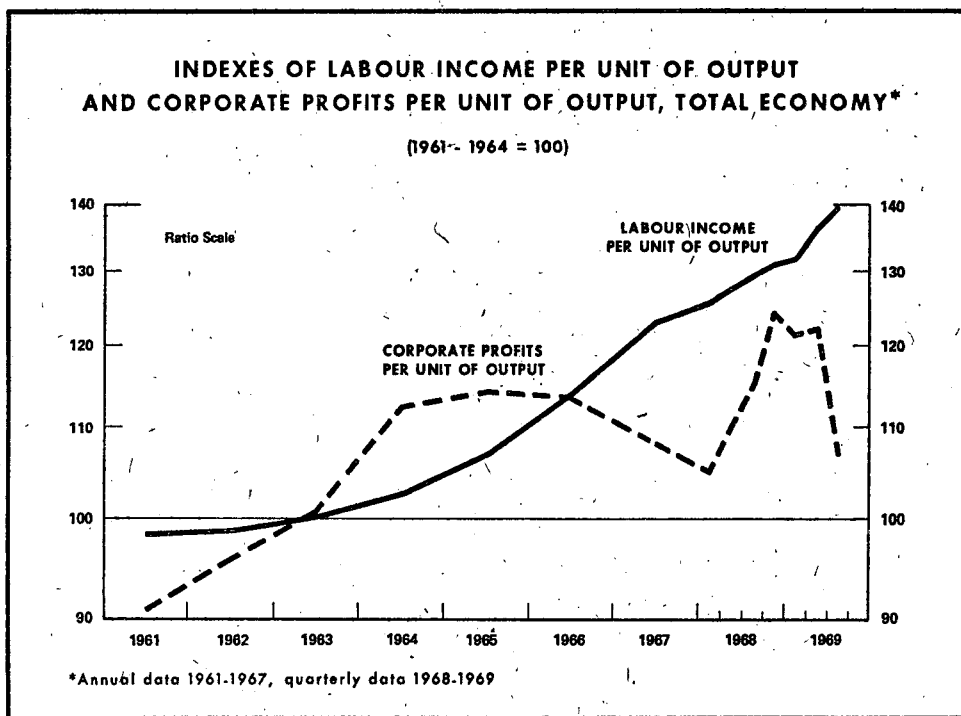
This table shows that in the period 1961-1965 unit wage and salary costs increased at an average rate of 2 per cent annually, slightly less than the average price increase of 2.3 per cent. This accounted for about one-half (1.1 percentage

points) of the total increase in prices. Corporate profits per unit of output rose more rapidly (5.9 per cent per annum) and accounted for about one-third of the total price increase. By contrast, in the period 1965-1969, unit wage and salary costs accelerated to an average annual rate of 5.8 per cent, compared with an annual increase in prices of 4 per cent, and accounted for about three-quarters (3.1 percentage points) of the total rise in prices. During this time there was little change in corporate profits per unit of output.

In the more recent period, 1968-1969, there have been a number of significant developments. In 1968, output per worker in the economy as a whole increased at a rate slightly above the average achieved in the latter half of the decade, while unit wage and salary costs increased by 4 per cent, the same rate as the general price level. In that year there was a substantial increase in profits, so that profits per unit of output rose more rapidly than the general price level. Taken together, the other elements contributing to the change of prices did not increase as rapidly as the general price level. In 1969, however, the increase in output per worker was less than in 1968, while average wages⁽¹⁾ rose faster than in the previous year, so that unit wage and salary costs accelerated to 6.3 per cent. Meanwhile, the increase in profits for the year 1969 as a whole was less than in 1968, and profits per unit of output rose less than the general price level. In the course of the year, total profits began to turn down and unit profits showed a marked decline (see Chart 9).

⁽¹⁾ Total wage and salary bill divided by the number of employees (labour force basis).

CHART 9



For a more precise analysis of costs, movements in the so-called "commercial non-farm sector" are of interest. These industries account for four-fifths of the output in the economy and are subject to fairly accurate output, productivity and unit cost measurements. Variations in agricultural output arising from year-to-year weather-differences can bring about changes in total output and costs which obscure underlying trends in the rest of the economy. In addition, it is difficult to measure productivity in the public administration, community and personal services industries. Output in the agricultural and non-profit service industries has therefore been separated from total output to permit analysis of the commercial non-farm sector. Using the concept commercial non-farm real output also permits analysis as between the various goods-producing and service-producing industries in the economy (see reference tables 34 to 38).

Productivity in the goods-producing industries has been growing much more rapidly than in the service-producing industries. While differences in productivity growth may reflect the difficulties of measuring output in the service industries, it is of significance for developments in costs and prices. To the extent that increases in incomes in those industries where productivity is rising rapidly are emulated in industries where productivity gains are smaller, there will be an upward push on total costs. Complete data for 1969 are not yet available, but preliminary information strongly suggests that costs rose much more rapidly in the service-producing sector than in goods-producing industries. This development appears to have been brought about by broadly similar increases in earnings in both groups of industries, at a time when output per worker in the goods sector was increasing at about average rates, and when in the service sector there may well have been a decline in output per worker.

SPENDING AND FINANCING BY SECTOR

Personal sector

Personal income, including wages and salaries, as well as earnings of unincorporated businessmen and farmers, increased by 10.5 per cent in 1969. Even after deducting personal direct taxes, which were 25 per cent higher than 1968, as a result of higher incomes (which accounted for about two-thirds of the increase) and some additional tax measures, income after taxes still rose by 8.2 per cent over the preceding year. Translating this into "real" terms, by allowing for the rapid rise in consumer prices, real disposable income of persons in 1969 was 4.2 per cent higher than in 1968.

About three-quarters of personal income consists of wage and salary income; in 1969 this was 12 per cent higher than in the preceding year. The number of paid workers was about 3.5 per cent above 1968, so that the average increase in employee earnings was about 8.2 per cent, substantially above the estimated gain in output per worker of some 2 per cent⁽¹⁾. This 8.2 per cent also happens to be about the same rate of increase negotiated for new wage settlements during 1969. Incomes received in the form of returns on capital (i.e., dividends and in-

⁽¹⁾ This is derived by dividing changes in output, as measured by Gross National Expenditure in constant dollars, by changes in total employment, as measured by the Labour Force Survey. The results differ slightly from those shown in Chart 8, and Table 34 which are based on DBS estimates.

terest) rose by about the same percentage as total wages and salaries. Transfer payments received from governments also rose at about the same rate. These transfers include not only old-age pensions, public assistance, family allowances and veterans benefits, for example, but also grants to institutions such as universities and hospitals. By contrast, incomes of unincorporated businessmen and farmers in total showed little change from 1968. The dominant feature for this group was, of course, the decline in income of farmers. While cash receipts from livestock sales increased, there was a decline in receipts from grain, as lower wheat exports limited the quantity of grain farmers could deliver to elevators, and curtailed their cash receipts from the Canadian Wheat Board. Inventories of wheat were at a very high level. In total, cash receipts from farming declined slightly while operating costs continued to rise. Net income of farmers fell from about \$1.7 billion in 1968 to about \$1.5 billion in 1969.

By regions, personal income increased more rapidly in Ontario, British Columbia and Quebec than in the other main regions; in the Atlantic region income grew at a lesser rate than elsewhere, while in the Prairie provinces the decline in farm income offset part of the increase in other forms of income.

Canadians increased their spending on consumer goods and services in 1969 at a greater rate than their increase in incomes after taxes. As noted above, income after taxes was 8.2 per cent higher than in 1968. Spending on consumer goods and services was 9 per cent higher than the year before. Accordingly, the ratio of personal saving declined from 7.6 per cent of disposable income in 1968 to 6.8 per cent in 1969. Excluding increases in farm inventories, the personal saving ratio declined last year to 5.7 per cent from 7.1 per cent in 1968; this latter figure was roughly comparable to those of the two preceding years. The decline in the saving ratio appears to have been associated with a smaller accumulation of liquid assets as well as some increase in spending on goods financed by a growth of consumer credit.

Personal spending on services increased more rapidly than did spending on goods. In 1969, spending on services was 10.6 per cent higher than in 1968, while spending on goods rose by about 8 per cent. Part of the difference can be explained by price movements: prices of services (including shelter costs) rose by more than 5 per cent, while prices of all goods increased by about 3 per cent, with the rise in durable goods prices averaging less than 1 per cent. After allowing for different rates of price increase, the volume of goods and services consumed each rose about 5 per cent between 1968 and 1969.

In the latter half of 1969 sales of durable goods levelled off, mainly because of a softening in new car sales. On the basis of preliminary data, car sales in the fourth quarter of 1969 appear to have declined from the third quarter, and sales in December to have fallen below those of one year earlier.

Regional statistics on personal income and spending are still incomplete. The retail sales data show that for the first nine months of 1969 total retail sales in Canada were 7.5 per cent higher than in the same months of 1968. In Ontario and British Columbia, the increases were well above this figure, 9.3 per cent and 9 per cent respectively. In Quebec, the increase was 6.1 per cent, in the prairie region 5.4 per cent and in the Atlantic provinces 4.2 per cent.

In the first quarter of the year, consumer credit granted by the major lenders rose at an annual rate of 20 per cent. This increase decelerated to a rate of 14 per cent in the second quarter and to 9 per cent in the third quarter, which was also the rate reported for October. In November the rate was 2 per cent. Within these totals, there have been some substantial divergences. Chartered banks' consumer loans, which account for about 45 per cent of outstanding credit, grew rapidly by 30 per cent per annum in the first quarter of the year, decelerated to 15 per cent in the second quarter, and showed no gain at all in the third quarter.

The lending activities of sales finance companies accelerated during the course of the year. In the first quarter of 1969 sales finance companies and consumer loan companies increased lending at annual rates of 10 per cent and 11 per cent respectively. By the second quarter the increases had accelerated to 14 and 15 per cent for the two groups and in the third quarter there was a further acceleration to annual rates of 19 and 23 per cent. In November, however, consumer credit issued by sales finance companies declined and that issued by consumer loan companies grew more slowly than in previous months.

At the end of the third quarter of 1969, outstanding consumer credit balances were equivalent to slightly more than 20 per cent of personal disposable income.

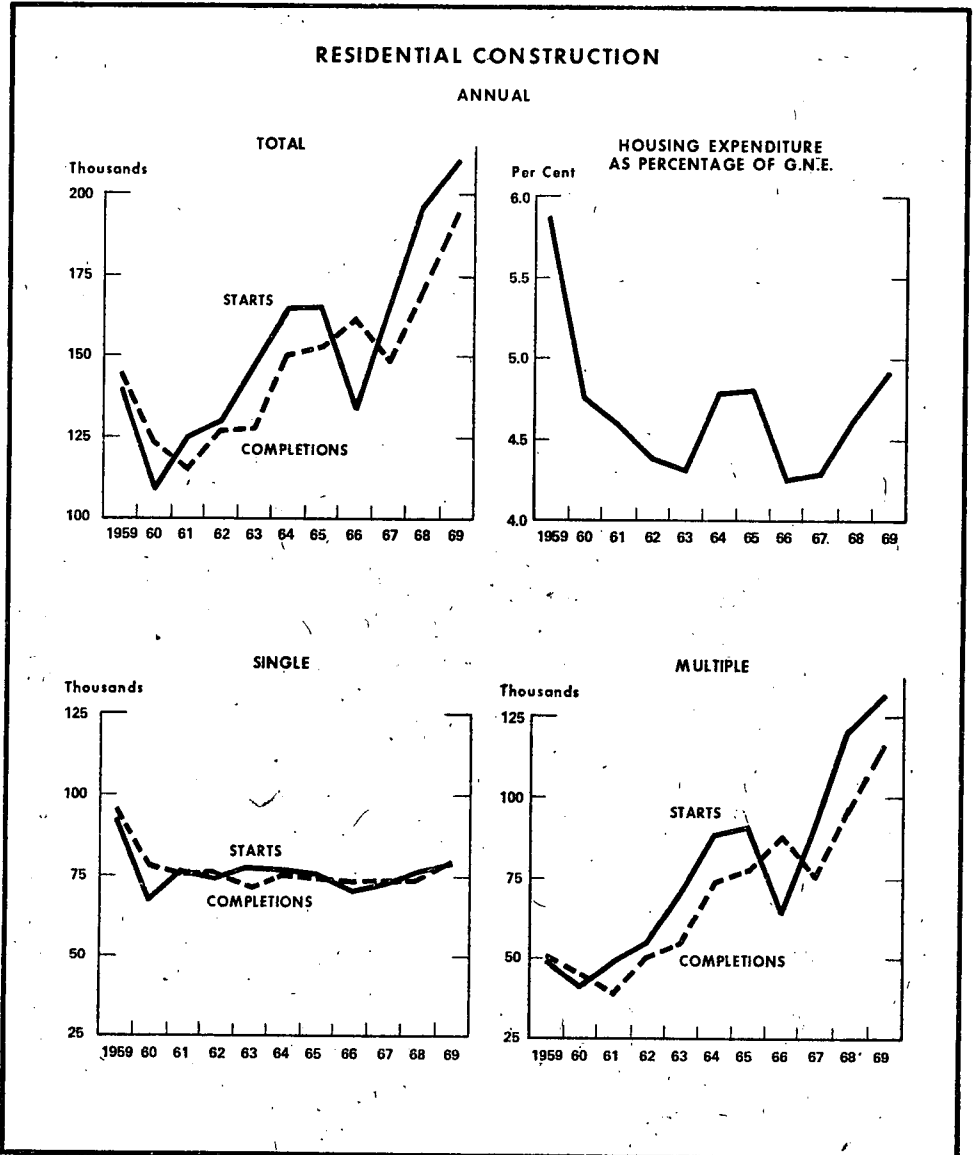
Housing sector

Activity in the housing sector remained high during 1969 despite restrictions of credit and rising interest rates. The underlying demand for housing remained strong, even though effective demand was probably limited by high mortgage rates and the restricted credit availability.

Residential construction outlays totalled about \$3.9 billion in 1969. This figure represents an increase of approximately 17 per cent, which is about the same rate of increase as had been achieved in the previous year. However, both of these rates reflect large increases in construction costs. If account is taken of this pronounced rise in construction costs, real outlays are estimated to have increased by 8.8 per cent in 1969 after rising by 10.2 per cent in 1968. This sharp acceleration in housing outlays has made the residential construction sector one of the strongest sectors of the national expenditure accounts, and has raised the ratio of that sector to total GNE to the highest level since 1959. (See Chart 10.)

Housing starts totalled 210,415 units in 1969, up from 196,878 in 1968. In the first quarter of the year starts were exceptionally high for that season, owing to the volume of CMHC direct lending in the last quarter of the previous year and to a surge in the commitment of other funds. By the last quarter of 1969, starts were running well below the levels of the same quarter in the previous year. Almost all of the increase in starts in 1969 was in multiple rather than single housing units. Demographic factors have favored the market for multifamily units, because of the growing relative importance in the population of young families and individuals, who are typically renters, and of older couples, who need less living space. In addition, the cost of apartment renting has been rising much less rapidly in recent years than has the cost of home ownership. In the shelter cost component of the consumer price index, rental costs, which lag

CHART 10



somewhat owing to lease arrangements, have risen 16.4 per cent from 1965 to the end of 1969, as compared with a rise of 34.1 per cent for home ownership costs. This has undoubtedly shifted some of the demand, especially that of the low and middle income groups, from single family to multiple units. Finally, the scarcity and cost of suitable land, and the opportunities for equity participation by institutional lenders, have encouraged the building of multiple dwelling units.

On a regional basis, the Atlantic provinces experienced the largest increase in starts; they rose by 25 per cent to a level of 13,800. An increase of 22 per cent in both the prairie region and British Columbia brought the level of starts in these areas to 40,000 and 31,800 respectively. Ontario recorded a modest gain from 80,400 in 1968 to 81,400 in 1969, while Quebec experienced a 7 per cent decline over 1968, to 43,400. Thus, in summary, the increase from 1968 to 1969 was largely concentrated in the western provinces, where 12,700 out of the total increase in starts of 13,500 occurred.

The flow of funds from financial institutions into mortgages as measured by mortgage loan approvals was higher in the first three quarters of 1969 than in the comparable period in 1968, (reference table 65). The increase was accounted for by the chartered banks and by the trust and loan companies. Life insurance companies, with a reduced cash flow and an increased interest in equities and short term investments, have sharply reduced their mortgage commitments. CMHC diverted funds from home ownership and rental loans to low income housing, for which approvals increased by 45 per cent.

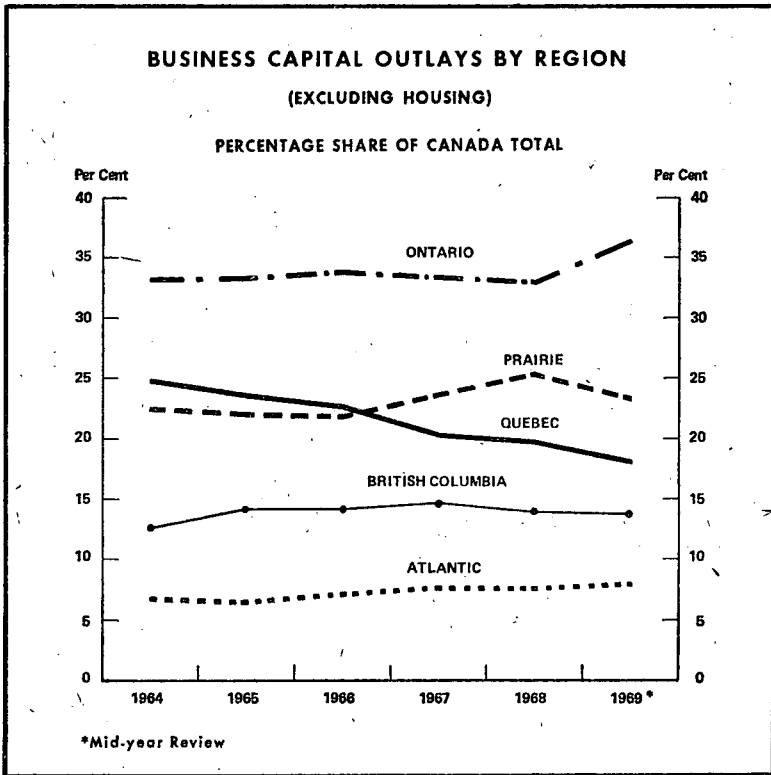
Business sector

It now appears likely that total business outlays on non-residential construction and machinery and equipment rose in 1969 by 6.5 per cent. While at least half of this increase was due to higher prices, real investment rose significantly for the first time since 1966, the boom year immediately preceding Expo and the Centennial. There appears to have been some shortfall in 1969 from the mid-year intentions survey, which projected an increase of 11.4 per cent for total business fixed capital formation from the 1968 level, a somewhat larger increase than had been visualized at the time of the intentions survey at the beginning of the year. This shortfall of actual investment from the mid-year intentions was probably due to such factors as strikes in the steel and construction industries and the increasing scarcity of funds as the year progressed. Clearly, investment was an important expansionary force in the economy during 1969, and its strength derived not only from the immediate capital needs of an expanding economy but also from the confidence that growth would continue in the future and the fear that investment programs would become more expensive if delayed.

The regional distribution of the investment program in 1969 reflected the diversity of factors at present bearing upon the various regions. Ontario increased its share of the total in marked degree in 1969. The Atlantic region continued to obtain an increasing share of Canadian investment. Business investment outlays in other regions were expected to increase less rapidly.

In the Atlantic region, the Churchill Falls development in Labrador has moved forward in accordance with long-term plans, the large-scale financing required being drawn down in accordance with the staged timing of the over-all project. In the manufacturing sector, such large export industries as pulp and paper have added to capacity. Smaller operations with less favorable export prospects, such as fishing and fish processing, have had mixed fortunes and have declined in significance in the capital expenditure picture. Some decline in secondary manufacturing investment has also been associated with a decrease

CHART 11



in government participation, partly reflecting the maturing of some incentive programs offered to industry by provincial governments. The increased costs of borrowing by provincial governments and their agencies have probably also affected the investment activity of some smaller utilities.

Business investment in Quebec was expected to rise by 2 per cent at the time of the mid-year review, following two years of decline from the 1966 peak. A number of rubber, textile and metal manufacturing industries increased their investment significantly, but these gains were all but offset by sharp declines in the petroleum and chemical products industries, where existing major developments were nearing completion and work was barely due to begin on new large projects. There was a continued downward drift in the trade, finance and commercial services sector, while utilities raised their expenditures slightly above 1968 levels.

In Ontario, the trade, finance and commercial services group planned capital outlays of \$720 million in 1969, an increase of nearly 23 per cent from the previous year. This amount, nearly one-fifth of business capital expenditures in Ontario, represented 42 per cent of all such outlays in Canada. A large part of the total activity reported was located in major metropolitan areas and involved the construction of new business facilities intended for rental. Manufacturing investment was expected to rise by nearly 40 per cent in Ontario. This represented

85 per cent of the increase for Canada as a whole. Strikes in the construction industry and the steel industry probably resulted in a fairly significant shortfall from the planned program in Ontario, although the actual increases would still have been substantial.

The three prairie provinces taken together were expecting a small increase in business investment in 1969. Within the total, however, Manitoba expected virtually no change, Saskatchewan a decline of some 16 per cent, and Alberta an increase of about 14 per cent. Plans for the development of downtown Winnipeg and continued work on the Nelson River hydro-electric project have been important features of the program in Manitoba. In Saskatchewan, the completion of the present stage of potash development has coincided with the very sharp decline in farm cash income associated with the present state of the world wheat market, which led to a decline of 23.5 per cent in investment in primary industries, particularly agriculture. However, the trade and services group raised its outlays. In Alberta, sharply higher business outlays occurred in the primary sector, utilities and trade. Primary industry expansion continues to be associated with export markets, as does that in the utilities, notably oil and gas pipeline construction. The influence of growing Japanese investment in resource development in the province again contributed to total growth, including further expansion of transportation facilities. Oil exploration and oil field development have been well maintained, despite the uncertainties introduced by the new Arctic oil discoveries.

In British Columbia, business outlays resumed their advance after a temporary decline in 1968, with the primary industries, manufacturing and trade all recording strong advances. Investment in commercial development in the Vancouver area accelerated sharply. New mining development, notably in copper, was an important feature of the 1969 program. Investment in expansion of pulp facilities was also significant. The Japanese interest in investment in resource industries is particularly apparent in this province.

A large proportion of investment is financed by internally generated sources of funds, including retained earnings and capital cost allowances. These sources of funds continued to expand in 1969, but their growth was insufficient to finance the increase in investment. This is apparent in Chart 12, which compares saving with investment in fixed assets and inventories of private corporations. Non-farm business inventories increased by about \$500 million in 1969 compared with \$473 million in 1968. This does not appear to have been disproportionate to the growth of production and trade during the year. Farm inventories and grain in commercial channels rose by about \$400 million in 1969 compared with \$239 million in 1968; the main factor here is of course the limited level of wheat exports in a year of substantial crops. Less is known about the other uses of funds of the business sector, including the purchase of land and other existing physical assets, which are not included in investment in the national accounts, and the extension of trade credit. In the circumstances prevailing in 1969, one would expect these uses of funds also to have expanded.

It is certainly clear that the business sector as a whole borrowed substantially more in 1969 than in 1968, despite the increasing cost and difficulty of financing as the year progressed. Table 4 brings together some of the more important and readily available statistics on the sources of funds to Canadian business.

CHART 12

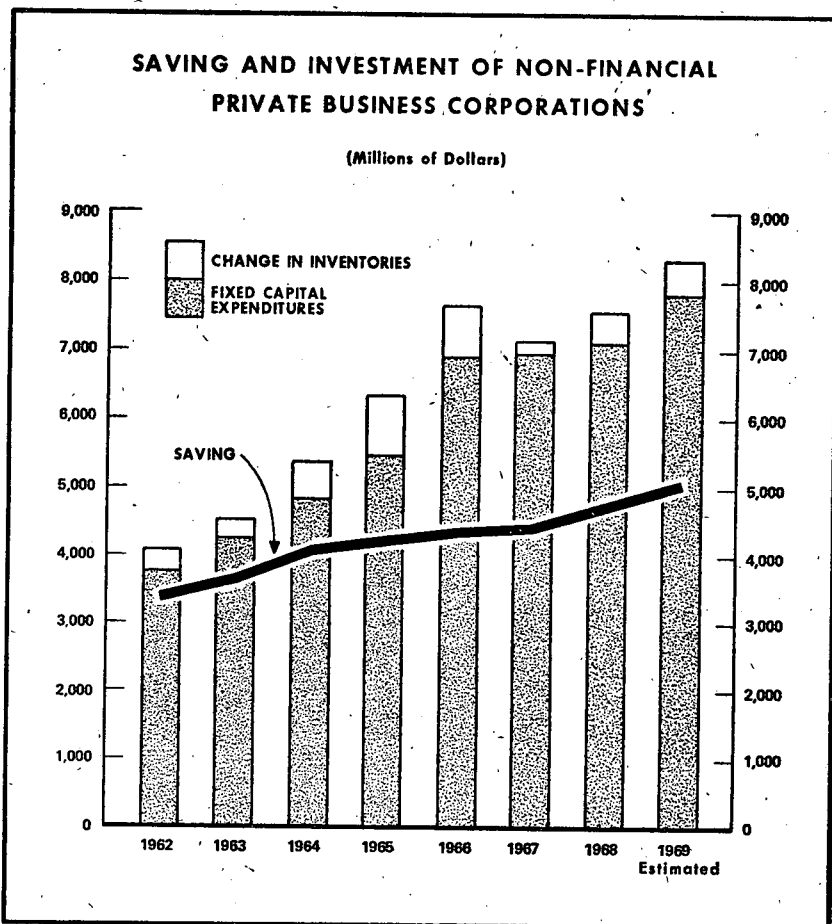


TABLE 4
BUSINESS SECTOR—SELECTED SOURCES OF FUNDS

	1966	1967	1968	first 9 months	
				1968	1969
	(Millions of dollars)				
Increase in chartered bank loans ⁽¹⁾					
Business	398	748	649	527	1,016
Farm and grain dealers	109	383	302	229	335
Increase in IDB loans	44	34	42	29	35
Business financing by sales finance companies ⁽²⁾	-25	-14	188	-28	-8
Bankers' acceptances	20	-24	-30	2	63
Net new issues of commercial paper ⁽³⁾	49	85	115	89	331
Net new issues of:					
Corporate bonds	1,045	947	783	705	689
Stocks	595	504	570	347	799
Direct investment from abroad	790	691	610	427	470
Total	3,025	3,355	3,228	2,325	3,731

⁽¹⁾ Excludes foreign currency loans to Canadian residents.

⁽²⁾ Increase in balances outstanding on wholesale finance and retail sales of commercial and industrial goods.

⁽³⁾ Excluding finance and loan company paper.

This table should be regarded as providing only a general impression of business financing developments; a more precise analysis will only become possible as experience in using the newly published Financial Flow Accounts develops. It is not yet possible to generalize about the liquid asset position of business in 1969. Moreover, this table does not include the major sources of funds to government-owned enterprises which are provided directly or indirectly by their parent governments. The main outlines of private business financing, however, are clear. There was a sharp increase in the total recourse to outside sources of funds in 1969 after a period of little growth. A shift to borrowing on short-term is apparent, owing to the trend of interest rates during the year, and the preferences of investors. Heavy demands were placed upon the chartered banks, which were able to lend large sums to businesses, as their liquid assets were relatively ample at the beginning of the year following the period of monetary easing in mid-1968. The table does not include foreign currency loans to Canadian residents, which also increased in 1969. This situation changed in the course of 1969, however. As bank financing became less readily available, business turned increasingly to other sources, such as the sales finance companies and especially the market for short-term paper and bankers' acceptances. There was no increase in net new issues of corporate bonds in 1969, as a result of the high and rising level of long-term interest rates and the associated expectation of continuing inflation. About half of the issues continued to be placed in foreign capital markets. On the other hand the net new issues of stocks more than doubled in 1969 and surpassed the volume of bond issues. Throughout much of the year it was evident that investors were much more interested in acquiring stocks than bonds. Direct investment from abroad did not increase significantly, reflecting the growing financial pressures on parent corporations, and to some extent the industrial distribution of the 1969 investment program.

Government sector

Perspective on the government sector.

The consolidated net general expenditures of all levels of government in Canada have grown from a little less than 29 per cent of GNE in 1960 to close to 32.5 per cent in 1969. The developments over the decade are the result of the responses of the different levels of government to the changing demands upon them, the productivity of the economy, the rising costs of government and the economic stabilization function performed by the Government of Canada.

The real economic growth and stable prices of the early 1960s rapidly increased public revenues relative to expenditure costs. This apparent fiscal dividend, at a time when the demands for education and other public services were multiplying, helped finance a steady growth in the quantity and an improvement in the quality of public services.

The shift to a much higher rate of price increase in late 1964 was more pronounced in the labour-intensive public sector than in the economy as a whole. Over-all expenditure growth, which had averaged 7.6 per cent annually between the fiscal years 1960-61 and 1964-65, grew by over 10 per cent in 1965-66 and by

17.7 per cent in 1966-67. Growth in that year was led by an increase of almost a third in education costs, but all major functions of expenditure increased substantially.

Neither the revenue system nor the capital markets could sustain such rates. While education and welfare grew by a further 25 per cent in 1967-68, and health costs increased by over 15 per cent, the growth of most other areas of expenditure, and particularly the capital-intensive transport and communications sector, was sharply reduced. By 1968-69 the effects of fiscal policies to reduce the growth of public sector demand, limitations on market borrowing, and public reaction to tax increases combined to reduce the growth of spending on health, welfare and education, and maintain the restrictions on other areas. Only public debt charges, reacting to rising interest rates and earlier heavy borrowing, grew substantially faster than in the previous year. This pattern was continued in the 1969-70 spending plans. The spread of provincial medical care insurance plans boosted health spending. However, this largely represented a transfer from private to public spending, rather than a net increase in demand. Salary and wage increases, particularly at the federal and municipal levels, also raised other expenditure growth slightly above the previous year's levels.

TABLE 5
CONSOLIDATED GOVERNMENT EXPENDITURE
Federal, Provincial and Municipal Governments

	1960-61	1964-65	1965-66	1966-67	1967-68 ⁽¹⁾	1968-69 ⁽¹⁾	1969-70 ⁽¹⁾
	(Millions of dollars)						
Health.....	984	1,604	1,769	2,119	2,450	2,750	3,300
Social Welfare.....	1,629	2,246	2,385	2,641	3,300	3,700	4,050
Education.....	1,578	2,450	2,615	3,481	4,350	4,900	5,500
Debt Charges.....	817	1,147	1,258	1,355	1,450	1,650	1,850
Defence and Veterans.....	1,830	1,919	1,944	2,056	2,200	2,200	2,250
Transport and Communica- tions.....	1,452	1,772	2,035	2,260	2,300	2,300	2,300
Other.....	2,494	3,298	3,903	4,815	5,300	5,800	6,350
Total.....	10,784	14,435	15,909	18,727	21,350	23,300	25,600
	(percentage annual growth)						
Health.....	11.1	13.0	10.3	19.8	15.6	12.2	20.0
Social Welfare.....	8.2	8.4	6.2	10.7	25.0	12.1	9.5
Education.....	18.6	11.6	6.7	33.1	25.0	12.6	12.2
Debt Charges.....	-1.6	8.8	9.7	7.7	7.0	13.8	12.1
Defence and Veterans.....	-0.3	1.2	1.3	5.8	7.0	—	2.3
Transport and Communica- tions.....	3.6	5.1	14.8	11.1	1.8	—	—
Other.....	14.0	7.2	18.3	23.4	10.1	9.4	9.5
Total.....	8.1	7.6	10.2	17.7	14.0	9.1	9.7

⁽¹⁾Estimated by Department of Finance.

In summary, all sectors of public spending grew in the mid-sixties, but as rapid growth in prices and real demand made it impossible to maintain this pattern, objects of expenditure other than health, welfare and education services were cut back sharply. In the final years of the decade virtually all growth rates

were reduced. As Canada enters the 1970s, expenditures related to its people-oriented policies have been growing for two years at rates which maintain established service levels and meet earlier commitments, while the growth of expenditure in other areas of government has been limited to such an extent that real levels of service may have declined.

Meeting the growing costs of these levels of services has altered both the revenue structure of governments and their patterns of borrowing. Perhaps the most remarkable change has been in personal income taxes. Changes in rates and, to a greater extent, the combination of rapidly rising incomes and a progressive rate structure have increased the relative importance of this source of revenue. In 1960-61 personal income taxes accounted for just over 20 per cent of all government revenues. By 1969-70 the proportion has become over 30 per cent. Over the decade they have increased to 40 per cent from 30 per cent of federal revenues, and changes in tax-sharing arrangements have increased their importance as a source of provincial revenues to 22 per cent from 2 per cent. Consumption taxes, on the other hand, even with regular rate increases throughout the period, accounted for roughly 20 per cent of total revenues throughout the period. Both corporation income taxes, with relatively fixed rates, and municipal property taxes, whose rates have increased but whose tax base has no automatic relation to economic growth, have declined relatively.

Government borrowing expanded rapidly with growing expenditures in the mid-sixties, reaching a peak in 1967 and 1968 and then declining rapidly. Within this general pattern, however, dramatic changes were taking place. In particular, provinces and municipalities increasingly drew funds from the Canada and Quebec Pension Plans after 1966 and from foreign as opposed to domestic market issues.

Current developments: the net position

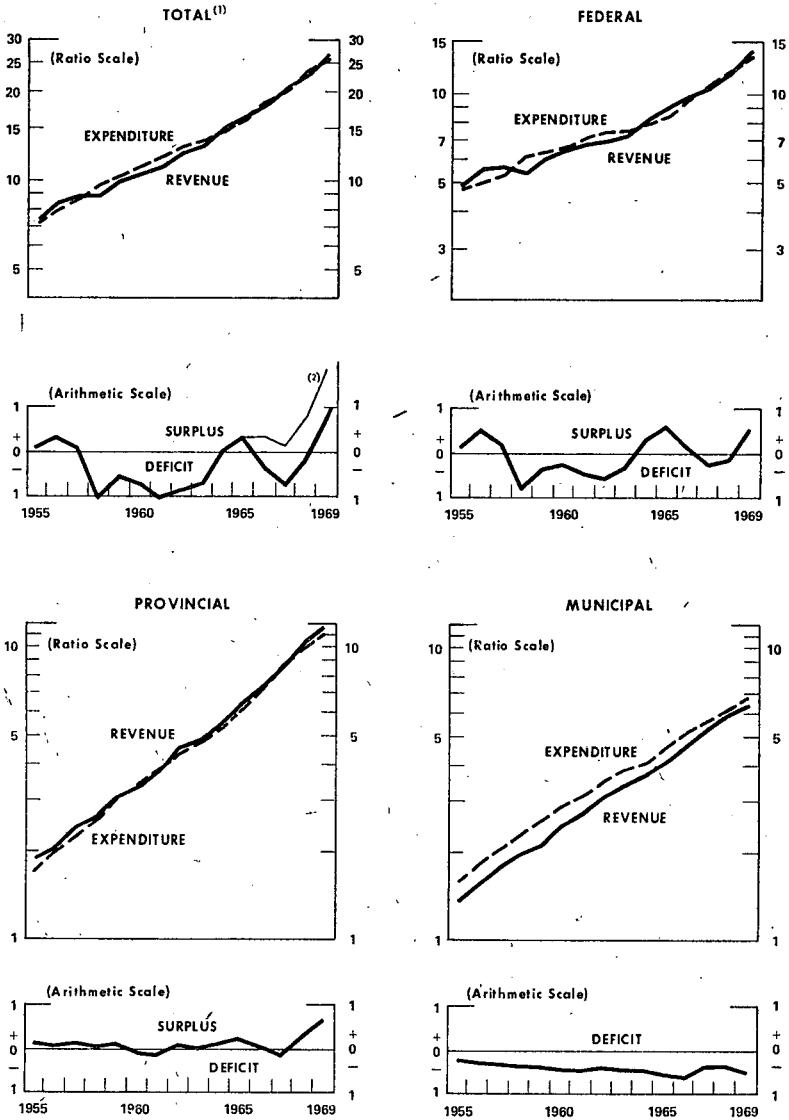
The net positions of governments on a national accounts basis, excluding transactions of the Canada and Quebec Pension Plans, changed from a deficit of \$190 million in 1968 to a surplus of about \$1 billion in 1969. The federal government accumulated a surplus of \$600 million, from a deficit of \$165 million in 1968. The net position of provincial and municipal governments moved from near balance to a \$400 million surplus. At the aggregate level, the surplus was mainly the result of a substantial growth in government revenues whereas the rate of growth in public expenditures was restricted to its 1968 level.

Including the operations of the Canada and Quebec Pension Plans, the position of the government sector, on a national accounts basis, showed a change of approximately \$1.3 billion, from a net surplus of \$800 million to one of about \$2.1 billion. Total receipts of the plans from contributions and investments amounted to \$1.1 billion in 1969, an increase of 12.9 per cent over the preceding year. Increases in employment and income per employed person were responsible for this gain. Total benefits paid under these plans in 1969 amounted to \$50 million.

CHART 13

GOVERNMENT REVENUE AND EXPENDITURE
NATIONAL ACCOUNTS BASIS

(Billions of Dollars)



Note: 1968 and 1969 - Department of Finance Estimates

(1) Excluding Intergovernmental transfers and Canada and Quebec Pension Plans.

(2) Including Canada and Quebec Pension Plans.

Revenues of governments

Government revenues, exclusive of intergovernmental transfers and Canada Pension Plan and Quebec Pension Plan contributions, rose to \$26.8 billion in 1969, an increase of 15.9 per cent over 1968. This increase was the result of a combination of real economic advance, price increases and tax rate increases. During the year federal government transfers to provincial governments and municipal authorities amounted to \$2.7 billion, while net transfers from provincial governments to municipal authorities were \$2.6 billion. These represent increases of about 12.8 per cent and 6 per cent respectively over 1968. The revenues available after transfers between governments were \$11.3 billion for the federal government, \$9.2 billion for the provincial governments and \$6.3 billion for the municipal authorities; these amounts show increases of roughly 20 per cent, 17 per cent and 8.5 per cent respectively over the 1968 levels.

Direct taxes on persons yielded \$8.4 billion, an increase of 26 per cent over the preceding year. This substantial growth is due to a relatively high elasticity with respect to GNP of levies on personal income, to the new federal social development tax, to increases in the provincial personal income tax rates in Newfoundland, New Brunswick and Alberta, and to the introduction of medicare premiums in Ontario and Manitoba. It should be noted that many of these tax increases did not apply for the full year in 1969.

Direct tax liabilities on corporations reached \$2.9 billion in 1969, for an increase of some 11 per cent over their level in 1968. The increase is attributable in part to the gain posted by corporate profits in the first half of 1969, and in part to federal tax changes (taxation of the profits of life insurance companies and to lower excess reserves permitted to other financial institutions), together with increases in the provincial corporation income tax rates of Newfoundland and Alberta. The Alberta change was operative for only half of 1969.

Indirect tax revenues of \$11 billion in 1969 were 10 per cent above the corresponding receipts of 1968. The increase was due to increased consumption of goods as incomes expanded, to particular commodity tax increases in New Brunswick and Ontario, and to real property tax increases in all provinces. Real property taxes in Canada amounted to 5.9 per cent of personal disposable income in 1969. This ratio was 4.6 per cent in 1960, 3.2 per cent in 1950, and 5.1 per cent in 1940.

The investment income of governments rose to \$2.7 billion in 1969, for a gain of 18 per cent over its level of the previous year. This substantial increase is largely attributable to the rise in interest rates of the last two years, since the interest on federal securities held by the Bank of Canada, CMHC mortgages and securities held by governments in employee pension and other accounts form a major part of government sector investment receipts.

Employer and employee contributions (mainly to government employee pension plans, to workmen's compensation and to the Unemployment Insurance Fund) rose by 13 per cent to \$1.5 billion in 1969. This substantial increase reflects the first full-year effect of the higher contributions to the Unemployment Insurance Fund which became effective July 1, 1968.

Expenditures of governments

The growth in government expenditures during 1969, excluding inter-governmental transfers, remained at around 11 per cent, despite higher prices and wage costs and growing demand for public goods and services. Federal expenditures totalled \$13.4 billion, an increase of some \$1.3 billion. The expenditures of provinces and municipalities amounted to \$15.1 billion, an increase of about \$1.4 billion.

Expenditures on goods and services (as opposed to transfers) by all governments in 1969, at \$14.6 billion, accounted for 56.5 per cent of all government expenditures. Their rate of growth amounted to 9 per cent, some 2 per cent more than in 1968. This acceleration is largely attributable to wages and salaries and general government services. Wages and salaries have continued to increase rapidly in 1969, especially at the federal and municipal levels, where increases of 18 per cent and 16 per cent respectively were experienced. Excluding retro-active salary adjustments pertaining to 1967 and 1968, the growth in federal wage payments was around 10 per cent. The dollar amount of general government services increased by 8 per cent in 1969, notably because of the fuller implementation of the Medical Care Insurance Plan. With the entrance of Newfoundland, Nova Scotia, Ontario, Manitoba and Alberta into the Medical Care Insurance Plan in the course of 1969, provincial expenditures for medical care amounted to some \$225 million, of which \$130 million was financed by transfers from the federal government. The growth in government sector capital expenditure slowed to around 2.5 per cent. Federal capital expenditure, which had increased by around 7.5 per cent in 1968, declined by around 10 per cent in 1969, while provincial-municipal capital expenditures increased by between 5 and 6 per cent.

Transfers to persons, excluding debt charges, have continued to represent a substantial portion of the growth in government expenditures. These transfers were increased at the federal level by a further reduction of the minimum age limit for old age security payments, by increased unemployment insurance benefit payments and by additional payments for adult training allowances. Increased transfers for hospital care⁽¹⁾, social services and education account for the major increases in provincial and municipal transfer payments to persons.

Interest on the public debt of all governments increased by 15 per cent over its 1968 level, and now accounts for 10 per cent of all government outlays.

The increase in federal transfers to other levels of government reflects additional contributions to medicare, following the entrance of the five additional provinces into the program, as well as the continuation of rapid increases in the costs of financing federal-provincial shared-cost programs, such as hospital insurance and the Canada Assistance Plan, together with large increases in fiscal transfers for post-secondary education. The increase in net provincial-municipal transfers is largely attributable to the need for more education outlays at the municipal level; it reflects, however, a significant reduction in the rate of growth of general provincial assistance to municipalities.

⁽¹⁾This treatment of transfers in respect of hospital care is based on the old definition of the personal sector in the national accounts. In the revised national accounts, hospitals will be shown as a separate item in the government sector.

Government financing

Reflecting efforts to restrain expenditures, and the limited availability and high cost of funds in the Canadian bond market, net new direct and guaranteed issues of marketable bonds by all levels of government declined in 1969 to about \$1.5 billion, half the level of the previous year. While provincial and municipal governments reduced their reliance on the capital markets, this significant reduction was accounted for almost entirely by the swing in the federal government's position.

In sharp contrast to 1968, when the federal government borrowed heavily in the bond market, in 1969 it was a small net source of funds. The government did, however, receive \$330 million from net sales of non-marketable Canada Savings Bonds.

Provincial governments' direct and guaranteed market issues have consistently exceeded \$1 billion in the past four years. These governments have significantly increased their recourse to foreign markets in this period. Whereas 70 per cent of provincial bond financing was done in Canada in 1966, in 1969 all but a small proportion was done in the United States and Europe. The other major source of funds for the provinces was the Canada Pension Plan which provided \$805 million or almost 40 per cent of their total borrowings in 1969⁽¹⁾. Provinces also reduced their cash balances by about \$200 million, or 50 per cent, over the year.

Total net new issues of securities by municipalities declined by about 14 per cent in 1969, their foreign borrowings declining somewhat more than their new issues in Canada. This is in striking contrast to the provincial experience. Municipalities increased their bank borrowing by about 14 per cent or \$95 million to help meet their financial requirements.

The deterioration of the long-term market in Canada as the inflationary psychology retained its control over investors accounted for the increased reliance of provinces and municipalities on foreign markets. It also meant that to the extent that funds were available in Canada, they were for shorter terms. In an attempt to overcome this problem and to attract lenders, the provinces made considerable use of bonds with an extendible feature.

Government of Canada cash requirements

Our discussion of the current developments in the government sector has used the national accounts framework for the presentation of material. We conclude with a statement of Government of Canada cash requirements and a description of recent developments in lending activities, which comprise the main non-budgetary outlays of the Government of Canada.

⁽¹⁾The operations of the Quebec Pension Plan also provide a source of funds to the Quebec government. The funds are managed by "la Caisse de Dépôt et Placement". To the extent that the funds are used to buy issues of the Quebec government these purchases are reflected in the figures of the province's market issues.

TABLE 6
GOVERNMENT OF CANADA CASH REQUIREMENTS
AND SOURCES OF FINANCING

(Calendar years)

	1967	1968	1969 ^(a)
	(Millions of dollars)		
Cash Requirements			
Budgetary deficit (+) or surplus (-).....	646	733	-441
Non-budgetary excluding all foreign exchange transactions ⁽¹⁾	673	331	336
Sub-total.....	1,319	1,064	-105
Foreign exchange transactions cash requirements (+) or receipts (-).....	158	252	18
Over-all cash requirements.....	1,477	1,316	-87
Sources of Finance			
Market Bonds ⁽¹⁾			
Gross new issues.....	1,935	2,778	1,406
Retirements.....	1,485	1,640	1,497
Net.....	450	1,138	-91
(of which foreign pay).....	(-206)	(266)	(14)
Treasury Bills.....	285	370	70
Canada Savings Bonds.....	230	40	329
Non-marketable and other ⁽²⁾	216	-179	280
Total.....	1,181	1,371	588
Changes in Receiver General bank balances.....	-296	+55	+675

⁽¹⁾This item includes funds used to pay off maturing CNR bonds.

⁽²⁾Includes Unemployment Insurance Commission and Canada Pension Plan bonds, Securities Investment Account and securities held for retirement of unmatured debt.

⁽³⁾Preliminary.

The budgetary position of the Government of Canada swung from a deficit of \$733 million in calendar 1968 to a surplus of \$441 million in 1969. The deficit on non-budgetary account, which had been halved in 1968, remained virtually unchanged at \$336 million in 1969. Taking into account cash requirements for foreign exchange operations, there was a change from a total cash requirement in 1968 of just over \$1.3 billion to a cash surplus in 1969 of a little less than \$100 million. Main features of the financing of these requirements are exhibited in Table 6.

The non-budgetary accounts of the Government of Canada include some very large receipts deriving, for example, from contributions to the federal employees' pension funds and from taxes credited to the Old Age Security Fund. The details may be found in Part II of this White Paper. The economic significance of the non-budgetary loans and investments has special character and deserves discussion here.

Loans, advances and investments by the federal government to Crown corporations and agencies, other governments and their agencies, and international organizations, but excluding Exchange Fund Account transactions, will

amount to about \$1.2 billion in fiscal 1969-70 on a net basis, that is after deducting principal repayments. This total compares with \$981 million in fiscal 1968-69 and \$1,351 million in fiscal 1967-68.

Since fiscal 1963-64, when net non-budgetary expenditures totalled \$232 million, there have been sharp increases in the federal government's lending and investment programs. These increases reflect the government's growing role as a financial intermediary. Almost \$750 million in direct loans to the private sector will be made, net of principal repayments, in the current fiscal year through government lending agencies such as the Central Mortgage and Housing Corporation, the Farm Credit Corporation, Export Development Corporation, and the Veterans' Land Act Fund. The rapid expansion in amounts disbursed on these lending operations, from about \$227 million in fiscal 1963-64 to current levels of expenditure, has been closely associated with the federal government's support of housing programs through CMHC. For example, in the last three years the federal government has lent an average of \$500 million a year to CMHC over and above repayments, compared with about \$200 million a year in the previous three years.

Federal government loans to and investments in Crown corporations carrying out commercial operations account for the bulk of other non-budgetary expenditures, which may total about \$472 million in fiscal 1969-70 compared with \$387 million in fiscal 1968-69 and only \$5 million in fiscal 1963-64. Generally speaking, these expenditures involved capital spending programs carried out by Crown corporations such as Air Canada, Atomic Energy of Canada Limited, and the Canadian National Railways. Advances to CNR are also made to finance maturing CNR loans held by the public.

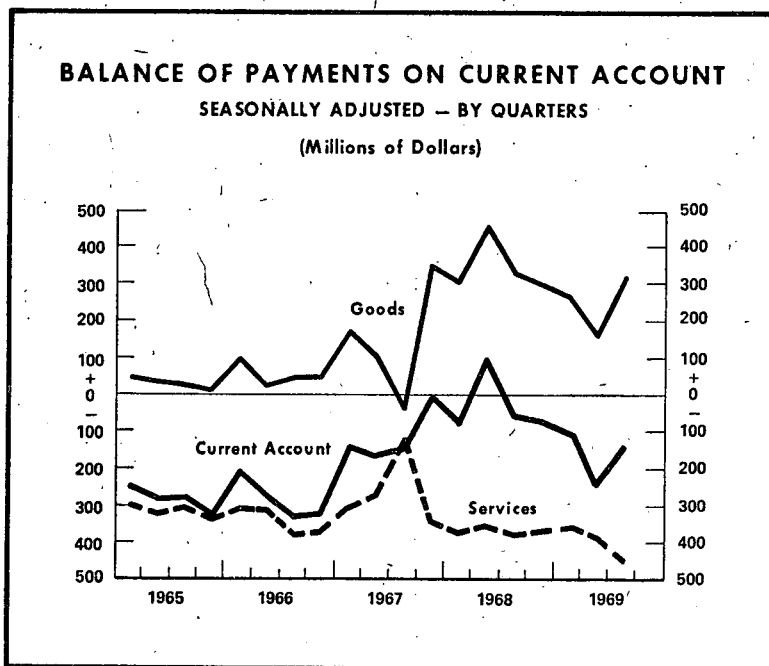
In addition to its role as a financial intermediary, the federal government assists numerous lending operations in the private sector by guaranteeing or insuring loans made under certain federal government-sponsored programs. While no cash outlay is involved, except in the case of a default, these guarantees have resulted in a rapid increase in contingent liabilities of the federal government. At the end of fiscal 1968-69 these amounted to almost \$9 billion and they have been growing at over 6 per cent a year in recent years. These contingent liabilities arise under such programs as National Housing Act insured mortgages, Canadian Wheat Board financing, and Farm Improvement and Student Loans.

The non-resident sector

The current-account deficit, that is, the difference between receipts and expenditures in current transactions with other countries, appears to have been about \$800 million in 1969, compared with the unusually low figure of \$111 million in 1968. This was not quite as rapid a change as in 1965 or as in the period of resource boom of the mid-1950s but is evidence, nevertheless, of both growth and inflation within the Canadian economy. The increase in the deficit occurred between the middle of 1968 and the middle of 1969, as a result of a rapid growth of imports which reflected the continuing expansion of the economy and the consequent upward trend of investment. The growth in both imports and exports flattened out during the course of 1969, but at levels which left the merchandise trade surplus well below the peak attained in 1968. The deficit on non-merchandise transactions continued to increase, with a rather sharper change than usual

due to a sizeable increase in the deficit on travel. The inflows of long-term capital remained substantially in excess of the current account deficit. As in 1968, however, this was offset by a large outflow of short-term funds, and the official reserves increased by only \$65 million.

CHART 14

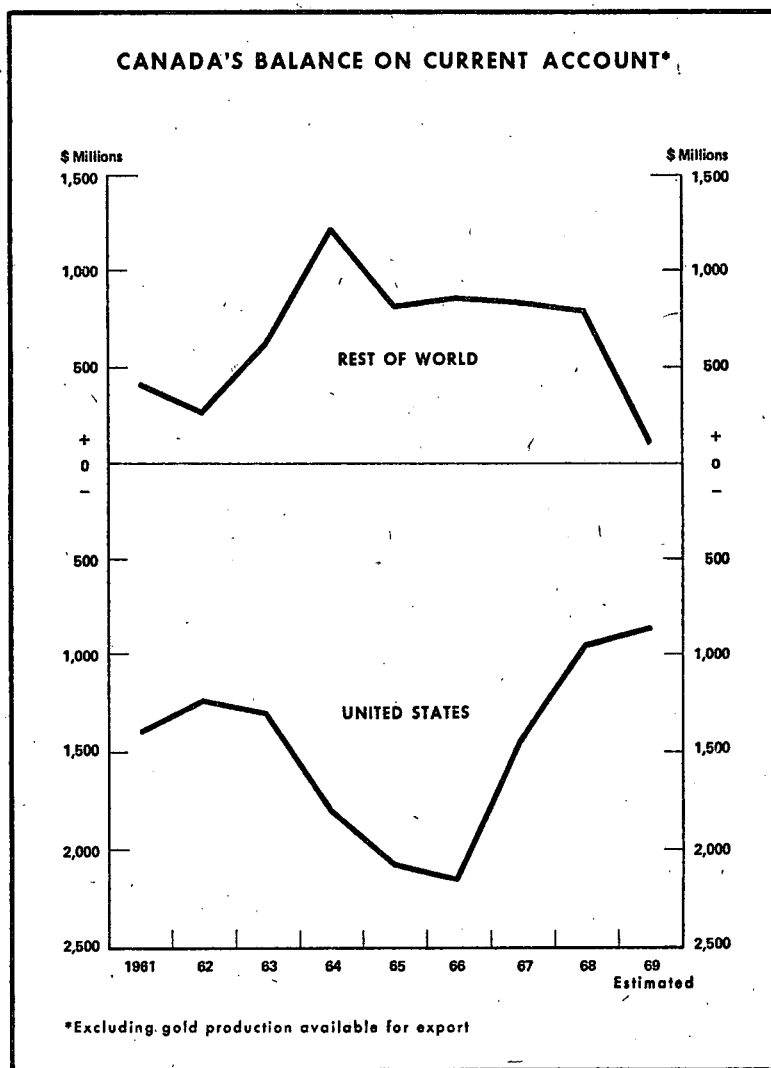


Canada's current account balance with the United States has shown a considerable improvement since 1966, reversing the earlier deterioration. This occurred during a period in which the current surplus of the United States with all countries was disappearing. Canadian costs rose slightly less rapidly after 1967 than those in the United States, and Canadian goods continued to share in the growth of U.S. imports through 1969, partly as a result of special factors such as the rapid expansion of bilateral trade in autos and parts, but also because of the general composition and sheer pressure of U.S. demand. Until the second half of 1968, on the other hand, Canadian demand (and more particularly investment demand, with its high import content) lagged sufficiently far behind that in the United States to retard the growth of imports by comparison with that of exports. These were the major causes of the reduction in Canada's own total current account deficit to only \$111 million in 1968. Despite the more rapid increase of imports after 1968, there was some further slight improvement in Canada's current account with the United States in 1969, so that the whole of the deterioration in Canada's current account took place in its transactions with other countries. Particularly since mid-1968, Canada's balance with the rest of the world has been showing much more clearly the effects of the cyclical pressures within its own economy, and the effects also of the increase in costs which has been taking place in both Canada and the United States. The current account

surplus with the United Kingdom and Continental Europe, which had been \$359 million as recently as 1967, gave way to a small deficit in 1969, while the surplus with all other overseas countries, \$484 million in 1967, fell to less than \$200 million in 1969. In both cases, lower wheat shipments were partly responsible, but Canadian imports from these third countries have risen more sharply than imports from the United States. The non-merchandise balance with the rest of the world has also tended to deteriorate.

At the depressed levels of world wheat prices in 1969, both the volume and value of Canadian wheat exports were lower than they had been for several years; contracts announced since the start of the new crop year, however, imply some recovery in calendar 1970, which would be reflected in the trade balance with countries other than the United States. On the other hand, 1969 also saw the

CHART 15

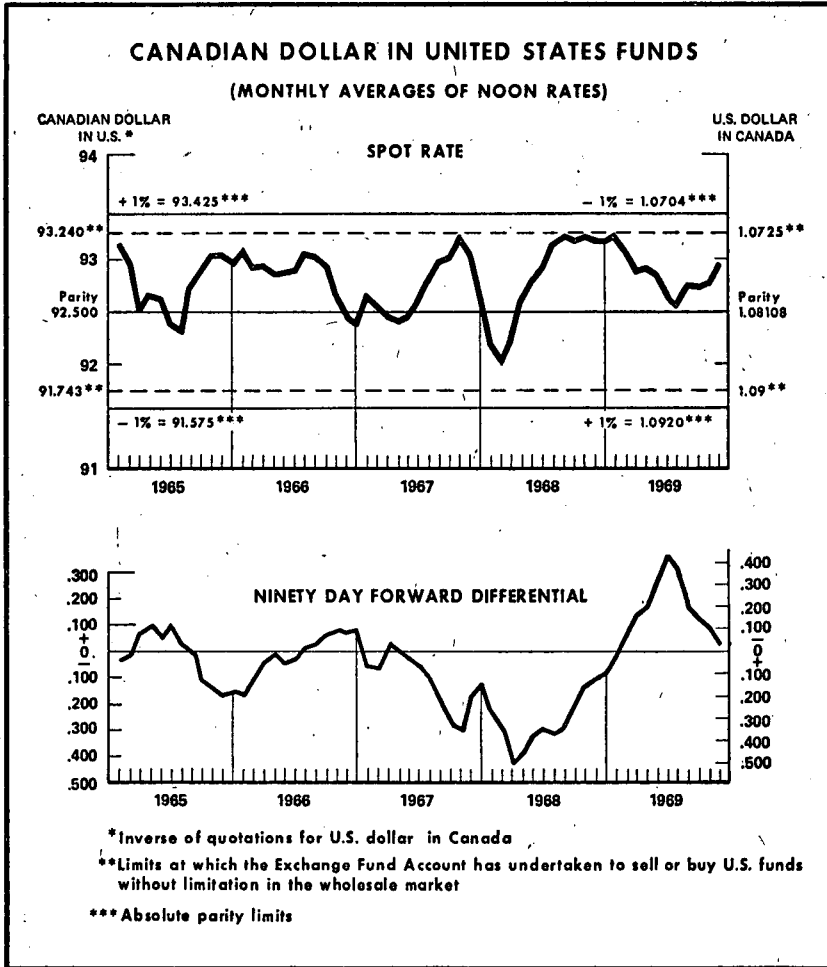


completion of the initial program of rationalization of production and trade under the Canada-U.S. Automotive Products Agreement. A significant sum in potential export earnings was lost to Canada in 1969 through major strikes in the steel and nickel industries. To some extent the lost sales may be recovered in 1970.

The total net inflow of long-term capital into Canada was about \$2 billion in 1969 compared with \$1.6 billion in 1968. Foreign direct investment in Canada was again in excess of \$600 million last year, and there was some growth in investment by other than U.S. residents. Canadian direct investment abroad, the majority of which was in the United States, was at the highest level ever recorded, amounting to well over \$200 million. As usual in recent years, by far the greater part of the total net inflow on long-term capital account was accounted for by net sales of market securities. In marked contrast to the experience of 1967 and 1968, there were virtually no net purchases of foreign securities by Canadian residents over the year as a whole, as the earlier substantial outflow of capital for the purchase of U.S. equities dried up by mid-year owing, in part, to differences in stock market conditions in the two countries during the year. There were also some net sales abroad of outstanding Canadian securities and a marked increase in net new issues of Canadian equities to non-residents. The major element in the inflow continued to arise from the net new issue of debt by provinces and their agencies, municipalities and corporations. Total net new bond issues again exceeded \$1.5 billion. Net new issues of Canadian bonds in the U.S. market remained close to the \$1 billion level first approached in 1966. Canadian bond issues in the European capital markets, which had become a major source of funds for Canadian borrowers in 1968, were again about \$500 million. Provinces and municipalities accounted for about two-thirds of total net borrowing abroad in 1969.

The outflows of short-term capital in 1969 may have exceeded \$1.1 billion, as they did in 1968. There was a fairly heavy inflow of funds into Canadian finance company short-term obligations in the early months of the year, and some borrowing by Canadian residents from foreign banks in the second quarter. Simultaneously, however, Canadian bank balances abroad increased by well over \$500 million in that quarter alone, in response to the rise of 3 per cent or more in Eurodollar rates which occurred between April and June. Identified short-term outflows in the third quarter, prior to the German election and the abandonment of the former parity of the deutsche mark, were more moderate, and little net reflux appears to have taken place in the fourth quarter. But analysis is complicated by large unidentified flows, partly representing changes in leads and lags, which may have been related to the mark crisis. Apart from a minor reflux in the second quarter of 1968, a steady outflow of banking funds has now persisted since the summer of 1967 and there has been an apparent total net build-up of short-term assets held abroad by Canadian residents, over that period, of more than \$3 billion. The very duration of this build-up, together with the experience of other countries in recent years, suggests that a large part of the capital concerned may represent, in practice, a significantly longer-term export than is conventionally assumed from the nominal term of the deposits. As described in earlier Budget White Papers, some part of the apparent outflow may be accounted for by essentially permanent "slippage" between the direct measurements of the current and capital accounts. Nevertheless, a substantial short-term foreign currency net asset position clearly exists.

CHART 16



Those short-term flows which can be identified took place chiefly in response to changes in covered interest-rate differentials and to some extent because of speculation on possible parity changes in Europe, but had no seriously weakening effect upon the exchange value of the Canadian dollar during 1969. On the contrary, although the rate fell fairly slowly from the upper intervention point at which it began the year, and hovered around parity from late June through July, it then rose gradually again and at the end of December was virtually against its ceiling. There was a roughly offsetting movement of the forward differential during the year (first a widening and then a narrowing of the discount on the forward U.S. dollar), leaving the actual forward rate for the Canadian dollar fairly flat and close to the ceiling for the spot rate, throughout the year.

All of the net increase in Canada's official reserve assets in 1969 is attributable to the last quarter of the year, as there was a net rundown of \$100 million to the end of September. Over the year as a whole, there was a net reduction of U.S. \$211 million in official holdings of gold and foreign exchange and an increase of U.S. \$272 million in Canada's reserve position in the International Monetary Fund.

FINANCIAL MARKETS

The economic developments reviewed in this White Paper influenced and were influenced by the course of financial flows and financial markets during 1969, which were characterized by rising interest rates and important shifts among financial channels.

First, there were large changes in the borrowing requirements of the various sectors. The demand for consumer credit by individuals increased, although at a diminishing rate, and business borrowing rose sharply. Mortgage lending increased and the borrowing of provincial and local governments and their enterprises remained at a high level. On the other hand, the federal government reduced its borrowing very substantially. Second, the policies of monetary restraint checked the growth of the chartered banks, with consequences for interest rates, the structure of chartered bank assets and the relative position of other financial institutions. Third, the experience and expectation of inflation contributed to the increase in interest rates, encouraged borrowers to borrow for short-term rather than long, and shifted investors' preferences away from long-term bonds and toward liquid assets and equities. A number of these factors were also felt in the rest of the industrialized world, and the rise in interest rates in Canada was equalled or surpassed elsewhere.

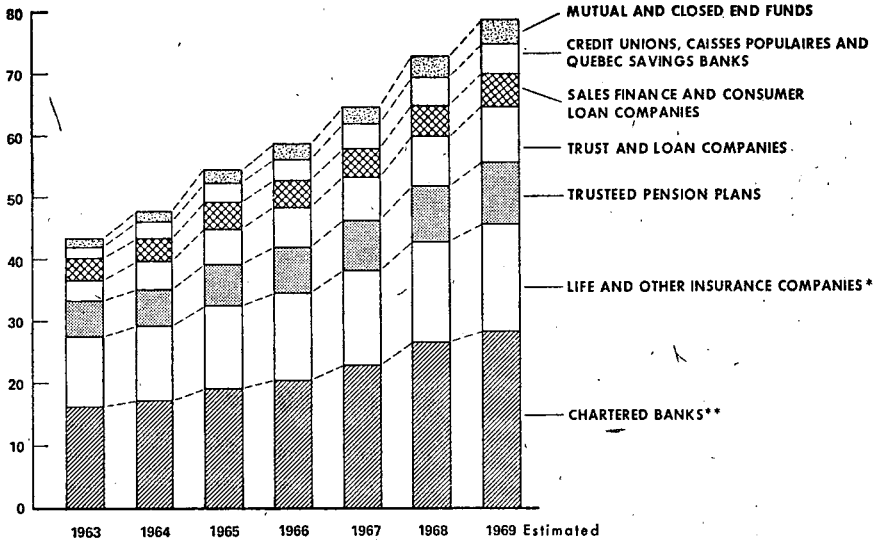
The banking system

The Bank of Canada pursued a policy of monetary restraint throughout 1969. The primary way in which this was done was through restricting the growth of the chartered banks' cash reserves. The Bank of Canada also raised the Bank Rate to 7 per cent in March, to 7.5 per cent in June and to 8 per cent in July; and increased the secondary reserve ratio of chartered banks from 7 per cent to 8 per cent in June. Under this monetary policy, chartered banks' total assets grew less rapidly than those of non-bank financial institutions. Over-all, assets of all major financial intermediaries, including the chartered banks, are estimated to have grown by about 8 per cent over 1969. Total assets of the banking system expanded by 5.2 per cent, those of other financial intermediaries by about 9.4 per cent. Further details as to the relative growth of assets of the financial intermediaries are shown in Chart 17.

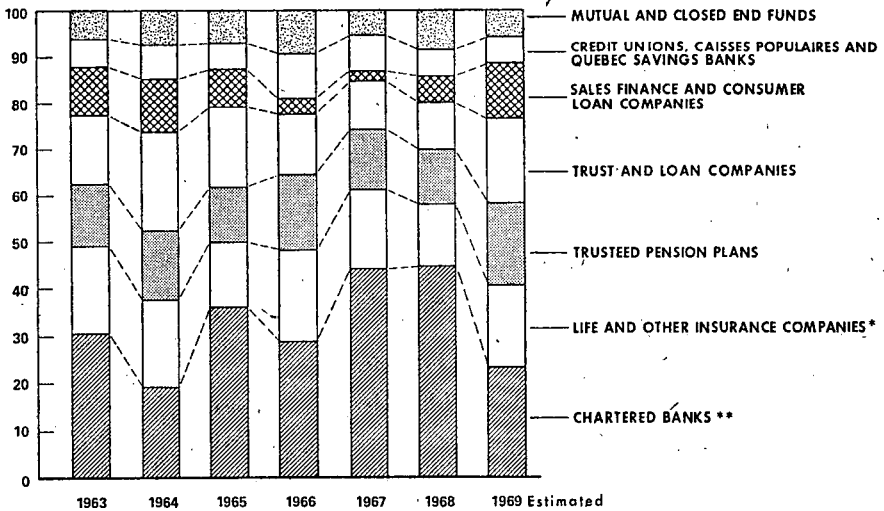
CHART 17

ASSETS OF SELECTED FINANCIAL INSTITUTIONS

(Billions of Dollars)



PERCENTAGE DISTRIBUTION OF TOTAL ANNUAL INCREASE



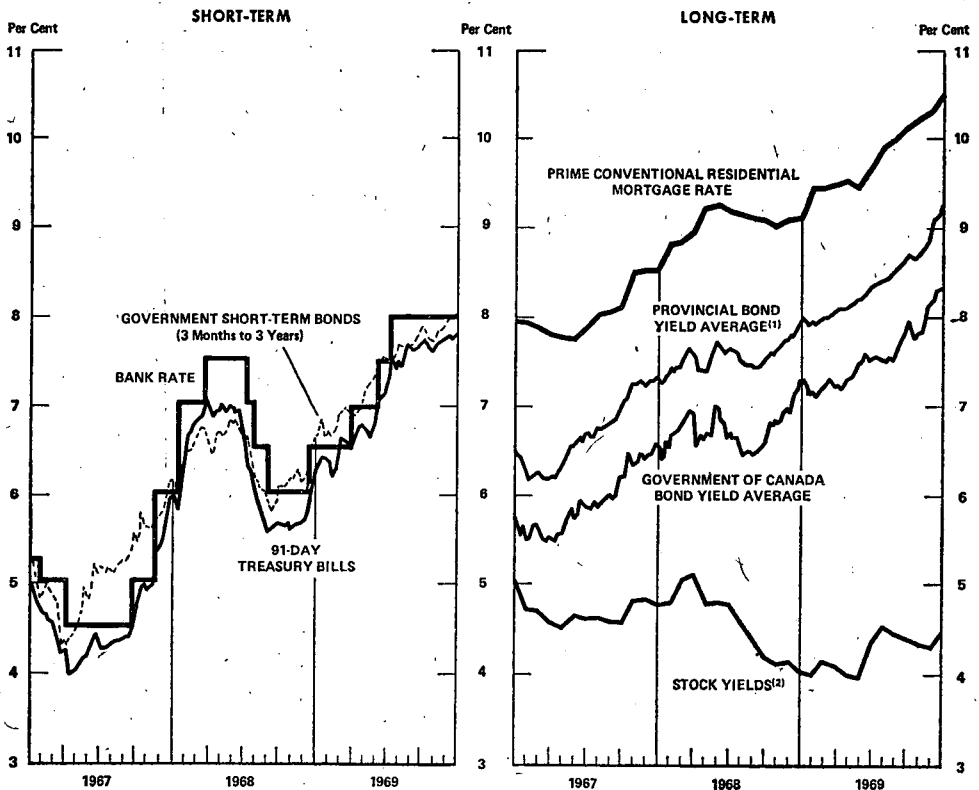
* Canadian assets physically held in Canada of federally-registered life insurance companies. Others includes all assets of both federal and provincial fire and casualty companies in respect of business in Canada.

** Includes foreign currency assets net of foreign currency liabilities.

Monetary policy affected not only the growth of total chartered bank liabilities but also had differential effects on various deposit liabilities and assets. Total Canadian dollar liabilities of the banks continued to expand at relatively high rates early in 1969, but the rate of expansion slowed as the year progressed. Around the middle of the year total liabilities declined, and although they have risen since, they were at year-end only slightly above the level reached at mid-year. Growth of demand deposits was held in check throughout the year while non-personal term and notice deposits declined sharply, the fall being due partly to limitation of the rates that the chartered banks pay on certain large deposit receipts. Foreign currency swapped deposits rose substantially in the first half of the year, but did not grow after July, when the Bank of Canada requested the banks to observe a temporary ceiling on the amounts outstanding.

Marked changes also occurred on the asset side of the chartered banks' balance sheets. The most striking of these was a sharp fall in the liquid asset holdings of the banks in order to meet the demand for loans. Their holdings of

CHART 18
SELECTED INTEREST RATES, CANADA



⁽¹⁾ Average weekly yield on the 10 provincial bonds included in the monthly series published by McLeod, Young, Weir and Co., Ltd.

⁽²⁾ Average stock yield on 114 stocks as compiled by Moss, Lawson and Co., Ltd.

Government of Canada bonds fell by \$450 million during 1969. The banks also reduced their net foreign currency asset position. Chartered bank loans continued to expand until about mid-1969 at relatively high rates. There was a pause in growth around mid-year, which was followed by a resumption of expansion although at reduced rates of growth. This second-half increase includes loans to grain dealers and to the Canadian Wheat Board, and also reflects advances on grain held in inventory on farms or in storage terminals. Unsecured personal loans have shown only a slight increase since about mid-1969. The banks as a whole have substantially increased their mortgage lending. From the end of 1968 to the end of 1969, their outstanding mortgages rose by \$275 million, compared with \$199 million over the previous twelve months. There were small reductions in the banks' holdings of provincial, municipal and corporate bonds.

At the beginning of 1969, the more liquid assets of the banking system were some 30 per cent of the total of their major assets. This percentage fell to about 26 per cent at the close of 1969. Hence, while the banking system did offset to some extent the impact of monetary tightness on its lending in 1969, its increasingly illiquid position was reflected in lending policies. The prime loan rate was increased to 7 per cent in January, 7.5 per cent in March, 8 per cent in June, and 8.5 per cent in July. Moreover, it is likely that an increasing number of borrowers were excluded from this preferential rate and accordingly their cost of borrowing increased even more sharply. Others found it difficult to borrow at all and had to seek funds elsewhere, normally at higher cost, or reduce their spending plans. Large borrowers turned increasingly to the market for short-term paper. Others turned to non-bank financial institutions.

Other financial institutions

Borrowing from the sales finance and consumer loan companies increased substantially. Total assets of these institutions rose by \$442 million in the first three quarters of 1969 compared to an increase of \$232 million during the corresponding period of 1968. Their lending to consumers accelerated until the closing months of 1969, while, as noted, chartered banks' lending slowed down after mid-year. The sales finance and consumer loan companies shifted to alternative sources of funds, reducing their use of domestic and foreign bank credit. Although their short-term market borrowing in Canada expanded at a lower rate than in 1968, they sharply increased their borrowing in the short-term markets in the United States. They have also expanded their long-term debt and have added substantially to their loans from parent and affiliated companies.

The trust and loan companies expanded their financial assets rapidly in 1969. Trust companies' assets rose by \$639 million in the first three quarters of 1969 as compared with \$501 million in the same period of 1968. The mortgage loan companies' assets rose by \$257 million in the first three quarters of 1969 compared with \$155 million in the same period a year earlier. Both groups of institutions increased their mortgage lending as mortgage rates rose. The average rate on conventional mortgages rose from 9.1 per cent at the end of 1968 to 10.5 per cent at the end of 1969. In the competition for funds these companies secured a proportionately larger part of the growth of deposits than did the banks. The banks for their part increased their deposit rates and increased the variety of deposits available. By mid-year, rates as high as 7.75 per cent were

being offered on certificates of deposit maturing within two years. The Governor of the Bank of Canada has recently stated, however, that in response to a request by the Bank of Canada, the large chartered banks have not been competing aggressively for large blocks of short-term funds through the sale of Canadian dollar instruments. The trust and loan companies have been able to offer terms that many depositors have found more attractive. Thus, for example, rates on trust company guaranteed investment certificates rose from an average of 7.19 per cent in December 1968 to an average of 8.58 per cent in December 1969.

The assets of fire and casualty insurance companies expanded by about the same amount in the first three quarters of 1969 as in the same period of 1968. The assets of the credit unions, caisses populaires and mutual funds rose over the same period. Mutual funds increased their holdings of Canadian stocks, and reduced their holdings of foreign stocks in 1969. This shift was due to the relatively better performance of the Canadian rather than the United States stock market, and to the effect of the Canadian guidelines on overseas investments. Life insurance companies grew somewhat more slowly in 1969 than in 1968, while continuing to shift a part of their resources from fixed income securities to equities, a trend which began late in 1968. They reduced their holdings of bonds and invested less in mortgages.

Securities markets

The net amount of securities issues of all kinds by Canadian borrowers fell off quite sharply in 1969, and there were very significant changes in their composition.

TABLE 7
NET NEW ISSUES OF SECURITIES

	1966	1967	1968	1969
	(Millions of dollars)			
Issued or Guaranteed by:				
Government of Canada ⁽¹⁾				
Treasury Bills.....	10	295	360	67
Canada Savings Bonds.....	223	230	40	329
Other bonds, payable in Canadian dollars.....	84	444	718	-104
Bonds payable in foreign currencies.....	-169	-45	266	14
Total.....	148	924	1,384	306
Provincial and Municipal Governments				
Bonds sold to CPP.....	462	669	704	805
Other bonds, payable in Canadian dollars.....	1,031	1,013	612	241
Bonds payable in foreign currencies.....	424	800	900	1,057
Total.....	1,917	2,482	2,216	2,103
Corporations and Others				
Commercial Paper.....	142	76	453	502 ⁽²⁾
Bonds payable in Canadian dollars.....	536	830	517	403
Bonds payable in foreign currencies.....	534	161	368	443
Stocks.....	595	507	598	932
Total.....	1,807	1,574	1,936	2,280
Total net new issues.....	3,872	4,980	5,536	4,687

⁽¹⁾Outside Government Accounts.

⁽²⁾Preliminary.

The change in the total is more than accounted for by the decline in new issues by the Government of Canada, since provincial and municipal direct and guaranteed borrowing was well maintained and corporate issues increased. In the case of the Government of Canada, the change took the form principally of a small net retirement of marketable bonds following the large volume of new issues of such securities in 1968. Net new issues of Treasury Bills declined, but there was a larger net sale of Canada Savings Bonds. Provincial and municipal governments and their enterprises obtained more funds from the sale of bonds to the CPP and from foreign currency issues outside Canada, and sharply reduced their market borrowing in Canada. Corporations also reduced their reliance on the Canadian bond market and raised more funds from foreign issues and from the sale of commercial paper. They greatly increased their net new issues of common and preferred stocks.

Whereas in 1968 Canadian governments and corporations raised \$2.3 billion in new money in the Canadian bond market, they raised less than half of that amount in 1969 (excluding CSBs and bonds sold to the Canada Pension Plan). This striking decline is accounted for, to a significant extent, by the change in the position of the banks, which were net buyers in 1968 and net sellers in 1969. Canadian marketable bonds taken up by resident investors other than the banking system amounted to nearly \$1 billion in 1968 and a little less in 1969, compared with \$1.4 billion in both 1966 and 1967. This reduction is impressive in the light of the very high yields obtainable on such investments. The evident preference of investors for short-term liquid assets and equities illustrates the extent to which the bond market was affected by inflation and the persisting inflationary psychology. In these circumstances, Canadian borrowers were fortunate to be able to continue borrowing on a large scale in foreign capital markets, as described in the discussion of the balance of payments.

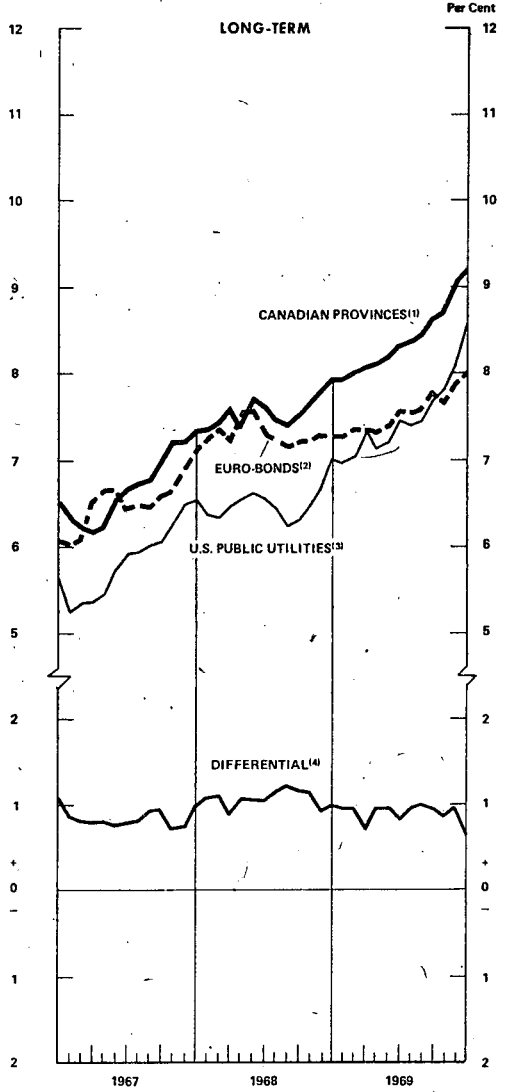
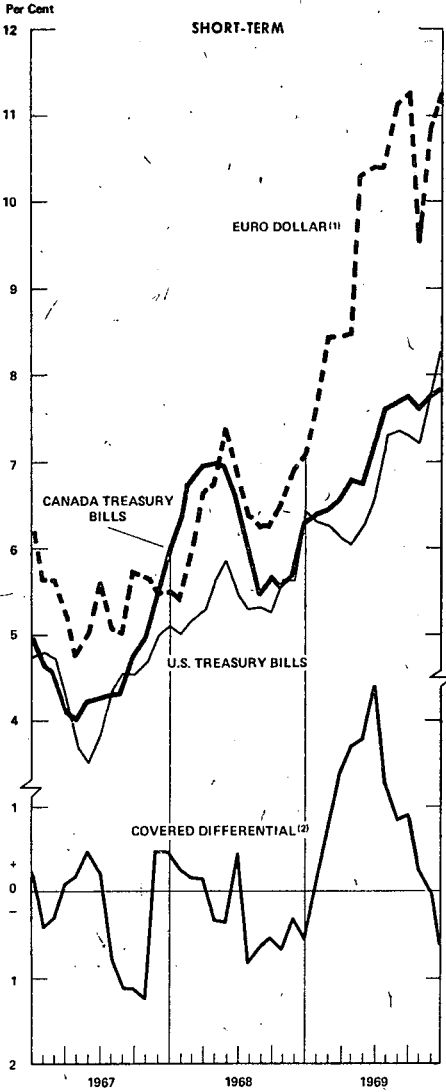
Bond yields in both Canada and the United States reached historic highs in 1969. The average yield on long-term Canadian Government bonds increased a full percentage point to 8.33 per cent during the course of the year. Provincial yields increased by over $1\frac{1}{4}$ points on average to 9.20 per cent in the same period. In the United States the average yield on long-term Treasury bonds rose over $1\frac{1}{8}$ points to 6.91 per cent and the yield on utility issues, which are comparable in the United States market to Canadian provincial issues, rose from 6.75 per cent to 8.40 per cent.

In April, there was some recovery in bond prices in Canada and the United States, which however proved to be short-lived, partly as a result of liquidation of securities by the commercial banks in both countries. During the summer restrictive credit conditions and a persistent, strong demand for credit combined to bring about a series of increases in interest rates. By the end of September, record yields had been established. In October, further signs of a slowdown in the United States economy, rumors of peace in Vietnam and widespread expectations of lower rates in the future combined to produce a dramatic increase in U.S. bond prices, which was followed to some degree in Canada. However, this rally too proved to be premature and bond prices once again declined, to produce record yields in December. Rates on new prime corporate issues in Canada reached 9.5 per cent in this period, while the United States an "Aaa-rated" utility bond was offered on a 9.10 per cent basis.

CHART 19

INTERNATIONAL INTEREST RATE COMPARISONS

(Monthly)



(1) Salomon Brothers and Hutzler three month Eurodollar rate.

(2) Canadian Treasury Bill yield less the U.S. Treasury Bill yield corrected for the cost of forward cover. A plus indicates that the covered differential is favourable to capital inflows into Canada.

(1) Average yield on the 10 provincial bonds included in the monthly series published by McLeod, Young, Weir and Co., Ltd.

(2) Source: O.E.C.D. and the Weekly Bond Buyer Bontrade Index.

(3) Moody's Investors Service Inc., average yield on public utility bonds.

(4) Average yield on Canadian provincial minus average yield on U.S. public utility long-term bonds.

In the stock market in Canada, prices of industrial stocks, after some hesitation in February and March, thrust upward to a peak in May, reaching a level in that month some 6½ per cent higher than the average for the previous December. A sharp fall in stock prices then occurred, as interest rates moved to higher ground. The decline continued into August; thereafter prices climbed again until toward the end of the year, but in their rally did not regain the May peak. In summary, the stock market in Canada was weaker after mid-year.

The desire for liquidity and a more aggressive use of corporate funds, combined with ceilings on commercial bank deposit rates, shifted substantial funds to the money markets in both the United States and Canada. The increased size of the money market served to accommodate many prime borrowers who would normally have obtained their requirements from the banks or the bond market, but this led to rising interest rates and a shortening of terms to maturity. During 1969, prime finance company and corporate paper rates rose in Canada from a 6.50 per cent level at the beginning of the year to about 9.50 per cent at the year-end.

The increased size of the Canadian money market made it particularly susceptible to the influences of short-term rates abroad. The United States banks, restricted by Regulation Q in their access to domestic funds, competed actively for foreign deposits. The New York banks increased their balances due to foreign branches by almost \$5 billion during the course of 1969. Rates payable on Euro-dollar deposits exceeded 10 per cent for most of the year and at one point reached 13 per cent. The resulting bidding for funds by the Canadian chartered banks to employ abroad was reflected in increased swapped deposit rates; rates on fully hedged U.S. dollar deposits rose from a level of 6.5 per cent at the end of 1968 to as high as 9.5 per cent at the end of 1969. From the end of 1968 to the end of July swapped deposits outstanding increased by 96 per cent, or \$807 million. Because of the upward pull of these rates on other rates in the Canadian money market, in July the Bank of Canada arranged a temporary ceiling on the level of swapped deposits outstanding. During the latter part of the year hedged money market rate differentials in favor of investment in Canada had narrowed considerably, until at year-end the Government of Canada 91-day Treasury Bill rate was below the equivalent rate in the United States, and some provinces were borrowing at about the same rate in Canada as in the United States.

ECONOMIC PROSPECTS FOR 1970

We are beginning the year 1970 having made some progress in the effort to re-establish the economy on a non-inflationary upward course. We expect further progress this year.

What we have seen so far, briefly, is a slowing of the growth of demand, a more moderate advance of output, and some reduction, recently, in profits. What we have not seen is the hoped-for slowing of the rise of costs and prices. In 1970 we expect to see signs of more moderate rises of costs and prices.

The growth of demand will probably continue to ease gradually throughout 1970 while policies of restraint continue to be applied. The slower growth of the labour force and of employment we have seen in recent months will continue well into 1970. It has to be expected that, in contrast to 1969, some increase in the seasonally adjusted rate of unemployment will occur.

This broad picture is not dissimilar from that foreseen for the United States, and also for a number of other industrialized countries where inflation has evoked policies of restraint.

Although we expect the demand for goods and services to grow less rapidly, we expect the moderation to be rather evenly spread. Demand by consumers, supported by high incomes, will continue to move ahead. The slowing in this area will probably be felt most noticeably in the sales of durable goods including automobiles, although the demand for services will be increasingly restrained by higher prices. Although the data on intentions are not yet out, they are expected to indicate a considerable advance in capital investment. Housing starts which were over 210,000 last year are expected to be close to 200,000 in 1970, with a larger portion in the public and other low rent categories. We may be fairly optimistic about exports apart from wheat, automobiles and parts. The slowing down of growth in imports is expected to be greater than that of exports, and consequently the increase of the deficit in the current account of the balance of payments should be much smaller in 1970 than it was last year. Government expenditures will rise in 1970; the rate of increase is expected to be higher in the provincial and municipal sectors than that of the federal government. The Canada Pension Plan will again accumulate a large flow of savings to be lent to provincial governments and their agencies.

It is impossible to be precise about the likely course of costs and prices. The government has indicated its determination to slow down the inflationary increases, but a sudden end to the problem of inflation is not to be expected. There are important wage settlements to be made this year. Many of these negotiations will be difficult and some strikes must be expected. A moderation of the rise in wage costs and continued declines in profits per unit of output are likely. It is expected that before the end of the year the continued effect of the slow-down in the growth of demand, the much less buoyant profit situation, and more moderate advances in wage costs will be beginning to show in smaller rates of price increase.

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REFERENCE TABLE 1
 DEMOGRAPHIC DEVELOPMENTS
 1947 to 1969

Years and Quarters	Population as of June 1 ⁽¹⁾	Birth Rate	Death Rate	Natural Rate of Increase	Immigration Rate	Annual Growth Rate of Population	Number of Families	Net Family Formation
	(Thousands of persons)	(Per thousand of population)				(Per cent)	(Thousands)	
1947.....	12,888	28.9	9.4	19.5	5.0	2.1	n.a.	n.a.
1948.....	13,167	27.3	9.3	18.0	9.5	2.2	n.a.	n.a.
1949.....	13,447	27.3	9.3	18.0	7.1	2.1	n.a.	n.a.
1950.....	13,712	27.1	9.1	18.0	5.4	2.0	n.a.	n.a.
1951.....	14,009	27.2	9.0	18.2	13.8	2.2	3,282.4	n.a.
1952.....	14,459	27.9	8.7	19.2	11.3	3.2	3,360.0	77.6
1953.....	14,845	28.1	8.6	19.5	11.4	2.7	3,423.0	63.0
1954.....	15,287	28.5	8.2	20.3	10.1	3.0	3,537.0	114.0
1955.....	15,698	28.2	8.2	20.0	7.0	2.7	3,625.0	88.0
1956.....	16,081	28.0	8.2	19.8	10.3	2.4	3,705.6	80.6
1957.....	16,610	28.2	8.2	20.0	17.0	3.3	3,796.0	90.4
1958.....	17,080	27.5	7.9	19.6	7.3	2.8	3,898.0	102.0
1959.....	17,483	27.4	8.0	19.4	6.1	2.4	3,982.0	84.0
1960.....	17,870	26.8	7.8	19.0	5.8	2.2	4,081.0	99.0
1961.....	18,238	26.1	7.7	18.4	3.9	2.1	4,140.4	59.4
1962.....	18,583	25.3	7.7	17.6	4.0	1.9	4,189.0	48.6
1963.....	18,931	24.6	7.8	16.8	4.9	1.9	4,258.0	69.0
1964.....	19,290	23.5	7.6	15.9	5.9	1.9	4,341.0	83.0
1965.....	19,644	21.3	7.6	13.7	7.5	1.8	4,432.0	91.0
1966.....	20,015	19.4	7.5	11.9	9.7	1.9	4,518.3	86.3
1967.....	20,405	18.2	7.4	10.8	10.9	1.9	4,608.0	89.7
1968.....	20,744	17.6	7.4	10.2	8.9	1.7	4,696.0	88.0
1969.....	21,061	17.6	7.4	10.2	n.a.	1.5	n.a.	n.a.
		(Expressed at annual rates)						
1968 I.....	20,630	17.1	8.1	8.9	6.9	1.9	n.a.	n.a.
II.....	20,700	18.0	7.1	10.8	9.6	1.8	n.a.	n.a.
III.....	20,772	18.5	7.1	11.4	9.8	1.6	n.a.	n.a.
IV.....	20,857	17.1	7.1	10.0	9.1	1.5	n.a.	n.a.
1969 I.....	20,940	17.2	7.8	9.4	5.9	1.6	n.a.	n.a.
II.....	21,007	17.7	7.0	10.6	7.7	1.3	n.a.	n.a.
III.....	21,089	18.4	7.2	11.0	9.2	1.6	n.a.	n.a.
IV.....	21,180	17.3	7.2	10.1	n.a.	1.7	n.a.	n.a.

n.a. = not available

⁽¹⁾Quarterly figures are the estimates for the months of January, April, July and October.

Source: DBS *Vital Statistics*, Annual, Cat. 84-201, Monthly, Cat. 84-001.
 DBS *Estimates of Families in Canada*, Annual, Cat. 91-204.

REFERENCE TABLE 2
GROSS NATIONAL EXPENDITURE
1947 to 1969

Years and Quarters	Personal Expenditure on Consumer Goods and Services	Government Current Expenditure on Goods and Services	Gross Fixed Capital Formation			Value of Physical Change in Inventories ⁽¹⁾	Exports of Goods and Services	Imports of Goods and Services	Residual Error of Estimate	Gross National Expenditure at Market Prices
			Total	Government	Business					
(Millions of dollars)										
1947.....	9,054	1,343	2,350	304	2,046	343	3,661	-3,601	19	13,169
1948.....	10,051	1,454	3,087	424	2,633	97	4,055	-3,630	43	15,127
1949.....	10,892	1,722	3,439	456	2,983	78	4,004	-3,853	18	16,300
1950.....	11,991	1,928	3,662	521	3,341	549	4,158	-4,492	-41	17,955
1951.....	13,399	2,811	4,424	640	3,784	871	5,052	-5,580	83	21,060
1952.....	14,818	3,620	5,096	779	4,317	511	5,568	-5,369	-202	24,042
1953.....	15,717	3,824	5,733	782	4,951	697	5,380	-5,806	-218	25,327
1954.....	16,561	3,825	5,714	873	4,841	-395	5,137	-5,543	-66	25,233
1955.....	17,902	4,036	6,422	948	5,474	275	5,749	-6,390	-99	27,895
1956.....	19,466	4,426	8,000	1,144	6,856	986	6,350	-7,664	-190	31,374
1957.....	20,886	4,573	8,689	1,327	7,362	170	6,379	-7,767	-23	32,607
1958.....	22,211	4,854	8,635	1,397	7,138	-296	6,329	-7,321	-218	34,094
1959.....	23,620	4,976	8,647	1,508	7,139	414	6,674	-8,028	-37	36,266
1960.....	24,705	5,281	8,473	1,560	6,913	409	7,004	-8,092	-5	37,775
1961.....	25,120	6,350	8,317	1,671	6,646	119	7,651	-8,480	3	39,080
1962.....	26,636	6,770	8,823	1,901	6,922	568	8,265	-9,046	336	42,353
1963.....	28,364	7,149	9,522	1,983	7,539	592	9,102	-9,552	298	45,465
1964.....	30,647	7,684	11,173	2,022	9,151	469	10,540	-10,915	185	49,783
1965.....	33,134	8,307	13,251	2,443	10,808	1,172	11,223	-12,343	153	54,897
1966.....	36,057	9,820	15,405	2,845	12,560	1,230	13,088	-14,260	81	61,421
1967.....	38,998	10,875	15,519	3,048	12,471	408	14,708	-15,280	380	65,608
1968.....	42,360	12,078	16,035	3,204	12,831	741	16,692	-16,996	544	71,454
1969 ⁽²⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	78,100
(Seasonally adjusted at annual rates)										
1968 I.....	41,300	11,716	15,812	3,092	12,720	524	16,116	-16,644	256	69,080
II.....	41,576	11,732	15,848	3,280	12,568	400	16,692	-16,484	528	70,292
III.....	42,832	12,020	16,104	3,268	12,836	768	16,592	-17,012	616	71,920
IV.....	43,732	12,844	16,376	3,176	13,200	1,272	17,368	-17,844	776	74,524
1969 I.....	45,068	13,392	16,788	3,088	13,700	1,376	18,340	-19,016	660	76,608
II.....	45,772	13,696	17,652	3,248	14,304	828	17,944	-19,024	664	77,432
III.....	46,460	13,980	17,888	3,116	14,772	820	18,344	-19,228	472	78,736
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

NOTE: These are revised National Accounts figures. Quarterly revised figures prior to 1968 are not available.

⁽¹⁾The book value of inventories is deflated to remove the effect of price changes, and the derived "physical" change is then valued at average prices of the current period to obtain the value of physical change. The difference between this value of physical change and the change in book value is called the inventory valuation adjustment.

⁽²⁾Estimated by the Department of Finance.

SOURCE: DBS, *National Income and Expenditure Accounts 1926-1968*.

DBS, *National Income and Expenditure Accounts, Quarterly, Cat. 13-001*.

REFERENCE TABLE 3
 CHANGES IN GROSS NATIONAL EXPENDITURE
 1947 to 1969

Years and Quarters	Personal Expenditure on Consumer Goods and Services	Government Current Expenditure on Goods and Services	Gross Fixed Capital Formation			Value of Physical Change in Inventories (1)(2)	Exports of Goods and Services	Imports of Goods and Services	Gross National Expenditure at Market Prices
			Total	Government	Business				
(Per cent change from previous period)									
1947	13.0	-18.9	39.7	28.3	41.6	148	11.6	25.9	10.8
1948	11.0	8.3	30.1	39.5	28.7	-246	10.8	0.8	14.9
1949	8.4	18.4	12.5	7.5	18.3	-19	-1.3	6.1	7.8
1950	10.1	12.0	12.3	14.3	12.0	471	3.8	6.6	10.2
1951	11.7	45.8	14.6	22.8	13.3	322	21.5	24.2	17.3
1952	10.6	28.8	15.2	21.7	14.1	-360	10.2	-3.8	14.2
1953	6.1	5.8	12.5	0.4	14.7	186	-3.4	8.1	5.3
1954	5.4	-	-0.3	11.6	-2.2	-1,092	-4.5	-4.5	-0.4
1955	8.1	5.5	12.4	8.6	13.1	670	11.9	15.3	10.5
1956	8.7	9.7	24.6	20.7	25.2	711	10.5	19.9	12.5
1957	7.3	3.3	8.6	16.0	7.4	-816	0.5	1.3	4.9
1958	6.3	6.1	-1.8	5.3	-3.0	-466	-0.8	-5.7	3.6
1959	6.3	2.5	1.3	7.9	-	710	5.5	9.7	6.4
1960	4.6	6.1	-2.0	3.4	-3.2	-5	4.9	0.8	4.2
1961	1.7	20.2	-1.8	7.1	-3.9	-290	9.2	4.8	3.5
1962	6.0	6.6	6.1	13.8	4.2	449	8.0	6.7	8.4
1963	6.5	5.6	7.9	4.3	8.9	24	10.1	5.7	7.3
1964	8.0	7.5	17.3	2.0	21.4	-123	15.8	14.1	9.5
1965	8.1	8.1	18.6	20.8	18.1	703	6.5	13.1	10.3
1966	8.8	18.2	16.3	16.5	16.2	58	16.6	15.5	11.9
1967	8.2	10.7	0.7	7.1	-0.7	-822	12.4	7.2	6.8
1968	8.6	11.1	3.3	5.1	2.9	333	13.5	11.2	8.9
1969 ⁽³⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	9.3
(Seasonally adjusted)									
1968 I	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
II	0.7	0.1	0.2	6.1	-1.2	-124	3.6	-1.0	1.8
III	3.0	2.5	1.6	-0.4	2.1	368	-0.6	3.2	2.3
IV	2.1	6.9	1.7	-2.8	2.8	504	4.7	4.9	3.6
1969 I	3.1	4.3	2.5	-2.8	3.8	104	5.6	6.6	2.8
II	1.6	2.3	4.6	5.2	4.4	-548	-2.2	-	1.1
III	1.5	2.1	1.9	-4.1	3.3	-8	2.2	1.1	1.7
IV	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

NOTE: These are revised National Accounts figures. Quarterly revised figures prior to 1968 are not available.

(1) See footnote (1) on reference table 2.

(2) Expressed in terms of absolute changes (millions of dollars) from the previous period.

(3) Estimated by the Department of Finance.

SOURCE: DBS National Income and Expenditure Accounts.

REFERENCE TABLE 4
GROSS NATIONAL EXPENDITURE IN CONSTANT (1961) DOLLARS

1947 to 1969

Years and Quarters	Personal Expenditure on Consumer Goods and Services	Government Current Expenditure on Goods and Services	Gross Fixed Capital Formation ⁽¹⁾			Value of Physical Change in Inventories	Exports of Goods and Services	Imports of Goods and Services	Residual Error of Estimate	Gross National Expenditure in Constant (1961) Dollars
			Total	Government	Business					
(Millions of dollars)										
1947.....	13,721	2,814	3,796	442	3,390	326	5,018	-5,149	28	20,861
1948.....	13,438	2,682	4,358	549	3,845	51	5,185	-4,643	58	21,374
1949.....	14,083	2,986	4,680	568	4,153	69	4,878	-4,770	23	22,119
1950.....	15,038	3,218	5,029	622	4,449	555	4,844	-5,196	-52	23,809
1951.....	15,224	4,175	5,047	645	4,442	744	5,297	-5,845	93	25,004
1952.....	16,514	5,125	5,635	767	4,907	468	5,905	-6,045	-219	27,398
1953.....	17,538	5,273	6,327	818	5,559	612	5,843	-6,547	-235	28,862
1954.....	18,296	5,070	6,326	912	5,451	-364	5,626	-6,233	-71	28,283
1955.....	19,767	5,174	6,911	921	6,040	339	6,053	-7,067	-105	31,079
1956.....	21,172	5,334	8,174	1,003	7,240	775	6,508	-8,204	-194	33,780
1957.....	22,044	5,240	8,756	1,233	7,581	141	6,568	-8,108	-23	34,710
1958.....	22,846	5,308	8,659	1,367	7,332	-207	6,545	-7,539	-215	35,462
1959.....	24,000	5,354	8,705	1,472	7,263	301	6,799	-8,319	-36	36,929
1960.....	24,866	5,467	8,419	1,508	6,931	344	7,090	-8,310	-5	37,994
1961.....	25,120	6,350	8,317	1,671	6,646	119	7,651	-8,480	3	39,080
1962.....	26,277	6,598	8,692	1,867	6,825	534	8,010	-8,665	332	41,778
1963.....	27,551	6,726	9,144	1,873	7,271	576	8,712	-9,001	288	43,996
1964.....	29,372	6,980	10,437	1,862	8,575	393	9,856	-10,163	175	47,050
1965.....	31,113	7,126	11,797	2,108	9,689	1,095	10,348	-11,470	140	50,149
1966.....	32,771	7,900	13,082	2,326	10,756	1,146	11,714	-13,034	71	53,650
1967.....	34,309	8,094	13,121	2,507	10,614	312	12,949	-13,699	321	55,407
1968.....	35,853	8,463	13,165	2,549	10,616	611	14,456	-14,978	442	58,041
1969 ⁽²⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	60,900
(Seasonally adjusted at annual rates)										
1968 I.....	35,372	8,420	13,196	2,492	10,704	360	14,016	-14,744	212	56,832
II.....	35,332	8,400	12,984	2,560	10,424	356	14,472	-14,552	432	57,424
III.....	36,168	8,300	13,112	2,548	10,564	700	14,396	-15,004	500	58,172
IV.....	36,540	8,732	13,368	2,596	10,772	1,028	15,056	-15,612	624	59,736
1969 I.....	37,348	9,080	13,368	2,356	11,012	1,256	15,728	-16,492	524	60,812
II.....	37,452	9,036	13,752	2,516	11,236	868	15,212	-16,320	520	60,520
III.....	37,740	8,908	13,780	2,336	11,444	856	15,600	-16,316	364	60,932
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

NOTE: These are revised National accounts figures. Quarterly revised figures prior to 1968 are not available.

⁽¹⁾Prior to 1960 gross fixed capital formation included an adjusting entry, thus the sum of business and government does not add to total gross fixed capital formation.

⁽²⁾Estimated by the Department of Finance.

SOURCE: DBS National Income and Expenditure Accounts.

REFERENCE TABLE 5

CHANGES IN THE COMPONENTS OF GROSS NATIONAL EXPENDITURE IN CONSTANT (1961) DOLLARS

1947 to 1969

Years and Quarters	Personal Expenditure on Consumer Goods and Services	Government Current Expenditure on Goods and Services	Gross Fixed Capital Formation ⁽¹⁾			Value of Physical Change in Inventories ⁽²⁾	Exports of Goods and Services	Imports of Goods and Services	Gross National Expenditure in Constant (1961) Dollars
			Total	Government	Business				
(Per cent change from previous period)									
1947.....	3.1	-24.5	26.4	16.9	28.0	185	-0.6	12.3	1.8
1948.....	-2.1	-4.7	14.8	24.2	13.4	-275	3.3	-9.8	2.5
1949.....	4.8	11.3	7.4	3.5	8.0	18	-5.9	2.7	3.5
1950.....	6.8	7.8	7.5	9.5	7.1	486	-0.7	8.9	7.6
1951.....	1.2	29.7	0.4	3.7	-0.2	189	9.4	12.5	5.0
1952.....	8.5	22.8	11.7	18.9	10.5	-276	11.5	3.4	9.6
1953.....	6.2	2.9	12.3	6.6	13.3	144	-1.0	8.3	5.3
1954.....	4.3	-3.8	—	11.5	-1.9	-976	-3.7	-4.8	-2.0
1955.....	8.0	2.0	9.2	1.0	10.8	703	7.6	13.4	9.9
1956.....	7.2	3.1	18.3	8.9	19.9	436	7.5	16.1	8.7
1957.....	4.1	-1.8	7.1	22.9	4.7	-634	0.9	-1.2	2.8
1958.....	3.6	3.0	-1.1	10.9	-3.3	-348	-0.4	-7.0	2.2
1959.....	5.1	-0.8	0.5	7.7	-0.9	508	3.9	10.3	4.1
1960.....	3.6	2.1	-3.3	2.4	-4.6	43	4.3	-0.1	2.9
1961.....	1.0	16.2	-1.2	10.8	-4.1	-225	7.9	2.0	2.9
1962.....	4.6	3.9	4.5	11.7	2.7	415	4.7	2.2	6.9
1963.....	4.8	1.9	5.2	0.3	6.5	42	8.8	3.9	5.3
1964.....	6.6	3.8	14.1	-0.6	17.9	-183	13.1	12.9	6.9
1965.....	5.9	2.1	13.0	13.2	13.0	702	5.0	12.9	6.6
1966.....	5.3	10.9	10.9	10.3	11.0	51	13.2	13.6	7.0
1967.....	4.7	2.5	0.3	7.8	-1.3	-834	10.5	5.1	3.3
1968.....	4.5	4.6	0.3	1.7	—	299	11.9	9.3	4.8
1969 ⁽³⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	4.9
(Seasonally adjusted)									
1968 I.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
II.....	-0.1	-0.2	-1.6	2.7	-2.6	-4	3.3	-1.3	1.0
III.....	2.4	-1.2	1.0	-0.5	1.3	344	-0.5	3.1	1.3
IV.....	1.0	5.2	2.0	1.9	2.0	328	4.6	4.1	2.7
1969 I.....	2.2	4.0	—	-9.2	2.2	228	4.5	5.6	1.8
II.....	0.3	-0.5	2.9	6.8	2.0	-388	-3.3	-1.0	-0.5
III.....	0.8	-1.4	0.2	-7.2	1.9	-12	2.6	—	0.7
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

NOTE: These are revised National Accounts figures. Quarterly revised figures prior to 1968 are not available.

⁽¹⁾See footnote (1) on reference table 4.⁽²⁾See footnote (2) on reference table 3.⁽³⁾Estimated by the Department of Finance.

SOURCE: DBS National Income and Expenditure Accounts.

REFERENCE TABLE 6
STRUCTURAL CHANGES IN DEMAND
 (Per Cent distribution of Gross National Expenditure by Components)
 1947 to 1969

Years and Quarters	Personal Expenditure on Consumer Goods and Services	Government Current Expenditure on Goods and Services	Gross Fixed Capital Formation			Value of Physical Change in Inventories ⁽¹⁾	Exports of Goods and Services	Imports of Goods and Services	Residual Error of Estimate	Gross National Expenditure at Market Prices
			Total	Government	Business					
1947	68.8	10.2	17.8	2.3	15.5	2.6	27.8	-27.3	0.1	100.0
1948	66.5	9.6	20.2	2.8	17.4	0.6	26.8	-24.0	0.3	100.0
1949	66.8	10.5	21.1	2.8	18.3	0.5	24.6	-23.6	0.1	100.0
1950	66.8	10.7	21.5	2.9	18.6	3.0	23.2	-25.0	-0.2	100.0
1951	63.6	13.4	21.0	3.0	18.0	4.1	24.0	-26.5	-0.4	100.0
1952	61.6	15.0	21.2	3.2	18.0	2.1	23.2	-22.3	-0.8	100.0
1953	62.1	15.1	22.6	3.1	19.5	2.8	21.2	-22.9	-0.9	100.0
1954	65.6	15.2	22.6	3.4	19.2	-1.5	20.4	-22.0	-0.3	100.0
1955	64.2	14.5	23.0	3.4	19.6	1.0	20.6	-22.9	-0.4	100.0
1956	62.0	14.1	25.5	3.6	21.9	3.2	20.2	-24.4	-0.6	100.0
1957	65.5	13.9	26.4	4.0	22.4	0.5	19.4	-23.6	-0.1	100.0
1958	65.1	14.2	25.0	4.1	20.9	-0.8	18.6	-21.5	-0.6	100.0
1959	65.1	13.7	23.9	4.2	19.7	1.1	18.4	-22.1	-0.1	100.0
1960	65.4	14.0	22.4	4.1	18.3	1.1	18.5	-21.4	—	100.0
1961	64.3	16.2	21.3	4.3	17.0	0.3	19.6	-21.7	—	100.0
1962	62.9	16.0	20.8	4.5	16.3	1.4	19.5	-21.4	0.8	100.0
1963	62.4	15.7	20.9	4.3	16.6	1.3	20.0	-21.0	0.7	100.0
1964	61.6	15.4	22.4	4.0	18.4	0.9	21.2	-21.9	0.4	100.0
1965	60.4	15.1	24.1	4.4	19.7	2.1	20.5	-22.5	0.3	100.0
1966	58.7	16.0	25.1	4.6	20.5	2.0	21.3	-23.2	0.1	100.0
1967	59.4	16.6	23.7	4.7	19.0	0.6	22.4	-23.3	0.6	100.0
1968	59.3	16.9	22.4	4.4	18.0	1.0	23.4	-23.8	0.8	100.0
(Seasonally adjusted at annual rates)										
1968 I	59.8	17.0	22.9	4.5	18.4	0.7	23.3	-24.1	0.4	100.0
II	59.2	16.7	22.5	4.6	17.9	0.6	23.7	-23.5	0.8	100.0
III	59.5	16.7	22.4	4.5	17.9	1.1	23.1	-23.7	0.9	100.0
IV	58.7	17.2	22.0	4.3	17.7	1.7	23.3	-23.9	1.0	100.0
1969 I	58.8	17.5	21.9	4.0	17.9	1.8	23.9	-24.8	0.9	100.0
II	59.1	17.7	22.7	4.2	18.5	1.1	23.2	-24.6	0.8	100.0
III	59.0	17.8	22.7	3.9	18.8	1.0	23.3	-24.4	0.6	100.0
IV	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

NOTE: These are revised National Accounts figures. Quarterly revised figures prior to 1968 are not available.
 (1) See footnote (1) on reference table 2.

SOURCE: DBS National Income and Expenditure Accounts.

REFERENCE TABLE 7
STRUCTURAL CHANGES IN DEMAND
 (Per Cent distribution of Gross National Expenditure in Constant (1961) Dollars by Components)
 1947 to 1969

Years and Quarters	Personal Expenditure on Consumer Goods and Services	Government Current Expenditure on Goods and Services	Gross Fixed Capital Formation ⁽¹⁾			Value of Physical Change in Inventories	Exports of Goods and Services	Imports of Goods and Services	Residual Error of Estimate	Gross National Expenditure in Constant (1961) Dollars
			Total	Government	Business					
1947	65.8	13.5	18.2	2.1	16.2	1.6	24.1	-24.7	0.1	100.0
1948	62.9	12.5	20.4	2.6	18.0	0.2	24.3	-21.7	0.3	100.0
1949	63.7	13.5	21.2	2.6	18.8	0.3	22.1	-21.6	0.1	100.0
1950	63.2	13.5	21.1	2.6	18.7	2.3	20.3	-21.8	-0.2	100.0
1951	60.9	16.7	20.2	2.6	17.8	3.0	21.2	-23.4	0.4	100.0
1952	60.3	18.7	20.6	2.8	17.9	1.7	21.6	-22.1	-0.8	100.0
1953	60.8	18.3	21.9	2.8	19.3	2.1	20.2	-22.7	-0.8	100.0
1954	64.7	17.9	22.4	3.2	19.3	-1.3	19.9	-22.0	-0.3	100.0
1955	63.4	16.6	22.2	3.0	19.4	1.1	19.5	-22.7	-0.3	100.0
1956	62.7	15.8	24.2	3.0	21.4	2.3	19.3	-24.3	-0.6	100.0
1957	63.5	15.1	25.2	3.6	21.8	0.4	18.9	-23.4	-0.1	100.0
1958	64.4	15.2	24.4	3.9	20.7	-0.6	18.5	-21.3	-0.6	100.0
1959	65.0	14.5	23.6	4.0	19.7	0.8	18.4	-22.5	-0.1	100.0
1960	65.4	14.4	22.2	4.0	18.2	0.9	18.7	-21.9	—	100.0
1961	64.3	16.2	21.3	4.3	17.0	0.3	19.6	-21.7	—	100.0
1962	62.9	15.8	20.8	4.5	16.3	1.3	19.2	-20.8	0.8	100.0
1963	62.6	15.3	20.8	4.3	16.5	1.3	19.8	-20.5	0.7	100.0
1964	62.4	14.8	22.2	4.0	18.2	0.8	21.0	-21.6	0.4	100.0
1965	62.1	14.2	23.5	4.2	19.3	2.2	20.6	-22.9	0.3	100.0
1966	61.1	14.7	24.4	4.3	20.1	2.2	21.8	-24.3	0.1	100.0
1967	61.9	14.6	23.7	4.5	19.2	0.6	23.4	-24.7	0.5	100.0
1968	61.8	14.5	22.7	4.4	18.3	1.0	25.0	-25.8	0.8	100.0
(Seasonally adjusted at annual rates)										
1968 I	62.2	14.8	23.2	4.4	18.8	0.6	24.7	-25.9	0.4	100.0
II	61.5	14.6	22.6	4.5	18.1	0.6	25.2	-25.3	0.8	100.0
III	62.2	14.3	22.5	4.4	18.1	1.2	24.7	-25.8	0.9	100.0
IV	61.2	14.6	22.4	4.3	18.1	1.7	25.2	-26.1	1.0	100.0
1969 I	61.4	14.9	21.9	3.8	18.1	2.1	25.9	-27.1	0.9	100.0
II	62.0	14.9	22.7	4.2	18.5	1.4	25.1	-27.0	0.9	100.0
III	62.0	14.6	22.6	3.8	18.8	1.4	25.6	-26.8	0.6	100.0
IV	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

NOTE: These are revised National Accounts figures. Quarterly revised figures prior to 1968 are not available.
⁽¹⁾See footnote (1) on reference table 4.

SOURCE: DBS National Income and Expenditure Accounts.

REFERENCE TABLE 8
NATIONAL INCOME AND GROSS NATIONAL PRODUCT

1947 to 1969

Years and Quarters	Wages, Salaries and Supplementary Labour Income ⁽¹⁾	Corporation Profits		Interest and Miscellaneous Investment Income	Accrued Net Income of Farm Operators from Farm Production ⁽²⁾	Net Income of Non-Farm Unincorporated Business Including Rents ⁽³⁾	Inventory Valuation Adjustment ⁽⁴⁾	Net National Income at Factor Cost	Indirect Taxes less Subsidies	Capital Consumption Allowances and Miscellaneous Valuation Adjustments	Residual Error of Estimate	Gross National Product at Market Prices
		Corporation Profits Before Taxes	Dividends Paid to Non-Residents ⁽⁵⁾									
(Millions of dollars)												
1947.....	6,482	1,814	-248	197	1,105	1,427	-571	10,206	1,678	1,303	-18	13,169
1948.....	7,496	1,964	-249	239	1,366	1,524	-506	11,834	1,832	1,504	-43	15,127
1949.....	8,115	1,879	-317	276	1,216	1,651	-112	12,708	1,878	1,731	-17	16,300
1950.....	8,766	2,522	-404	372	1,307	1,699	-374	13,888	2,065	1,960	42	17,955
1951.....	10,340	2,874	-379	428	1,868	1,806	-643	16,294	2,548	2,300	-62	21,060
1952.....	11,633	2,791	-343	493	1,878	1,933	-119	18,504	2,799	2,537	202	24,042
1953.....	12,671	2,746	-325	554	1,461	2,161	2	19,270	2,994	2,844	219	25,327
1954.....	13,009	2,447	-336	603	918	2,250	88	18,979	3,042	3,146	66	25,233
1955.....	13,967	3,220	-394	744	1,120	2,475	-184	20,948	3,321	3,527	99	27,895
1956.....	15,815	3,690	-448	843	1,283	2,496	-247	23,432	3,731	4,020	191	31,374
1957.....	17,191	3,424	-494	938	908	2,614	-59	24,522	3,975	4,387	23	32,907
1958.....	17,660	3,498	-490	1,008	1,116	2,707	-41	25,458	4,036	4,381	219	34,094
1959.....	18,862	4,046	-528	1,004	1,008	2,819	-108	27,105	4,401	4,723	37	36,266
1960.....	19,862	3,912	-493	1,074	1,021	2,797	-26	28,147	4,587	5,036	5	37,775
1961.....	20,746	4,075	-618	1,261	839	2,800	-41	29,062	4,838	5,182	-2	39,080
1962.....	22,249	4,607	-619	1,396	1,343	2,791	-118	31,049	5,446	5,694	-336	42,353
1963.....	23,727	5,078	-648	1,534	1,538	3,073	-202	34,100	5,714	5,948	-297	45,465
1964.....	25,886	6,043	-788	1,697	1,284	3,215	-139	37,198	6,441	6,328	-184	49,788
1965.....	28,858	6,574	-815	1,846	1,397	3,424	-315	40,969	7,280	6,800	-152	54,897
1966.....	32,658	6,913	-835	2,015	1,958	3,650	-327	46,032	8,056	7,414	-81	61,421
1967.....	36,114	6,774	-828	2,337	1,306	3,926	-323	49,306	8,786	7,896	-380	65,608
1968.....	39,353	7,442	-876	2,580	1,471	4,218	-317	53,871	9,677	8,449	-543	71,454
1969 ⁽⁶⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	78,100
(Seasonally adjusted at annual rates)												
1968 I.....	37,764	6,744	-836	2,460	1,492	4,040	-296	51,368	9,520	8,444	-252	69,080
II.....	38,884	7,104	-980	2,536	1,304	4,188	-184	52,912	9,488	8,420	-528	70,292
III.....	39,728	7,548	-940	2,600	1,496	4,288	-296	54,424	9,628	8,484	-616	71,920
IV.....	41,036	8,312	-748	2,724	1,592	4,356	-492	56,780	10,072	8,448	-776	74,524
1969 I.....	42,296	8,284	-868	2,952	1,544	4,316	-596	57,928	10,500	8,840	-660	76,608
II.....	43,512	8,312	-856	2,924	1,596	4,252	-760	58,980	10,564	8,548	-660	77,432
III.....	44,636	7,284	-804	3,000	1,504	4,360	-360	59,620	10,612	8,976	-472	78,736
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

NOTE: These are revised National Accounts figures. Quarterly revised figures prior to 1968 are not available.

(1) Includes military pay and allowances.

(2) Includes the withholding tax applicable to this item.

(3) Includes an arbitrary smoothing of crop production and standard seasonal adjustments for withdrawals of grain from farm stocks and the change in livestock items. Because of the arbitrary elements, too precise an interpretation should not be given the seasonally adjusted figures of accrued net income of farm operators.

(4) Includes net income of independent professional practitioners.

(5) In the seasonally adjusted series, the value of grain production in each quarter is taken as one-fourth of the estimated value of crop production for the year as a whole. All other items in the farm inventories series are seasonally adjusted by standard techniques.

(6) Estimated by the Department of Finance.

SOURCE: DBS National Income and Expenditure Accounts.

REFERENCE TABLE 9
 CHANGES IN NATIONAL INCOME AND GROSS NATIONAL PRODUCT
 1947 to 1969

Years and Quarters	Wages, Salaries, and Supplementary Labour Income ⁽¹⁾	Corporation Profits		Interest and Miscellaneous Investment Income	Accrued Net Income of Farm Operators from Farm Production ⁽³⁾	Net Income of Non-farm Unincorporated Business Including Rents ⁽⁴⁾	Net National Income at Factor Cost	Indirect Taxes less Subsidies	Capital Consumption Allowances and Miscellaneous Valuation Adjustments	Gross National Product at Market Prices
		Corporation Profits Before Taxes	Dividends Paid to Non-Residents ⁽²⁾							
(Per cent change from previous period)										
1947.....	11.2	23.1	21.0	15.9	7.2	8.1	9.0	22.4	21.7	10.8
1948.....	15.6	8.3	0.4	21.3	23.6	6.8	16.0	9.2	15.4	14.9
1949.....	8.3	-4.3	27.3	15.5	-11.0	8.3	7.4	2.5	15.1	7.8
1950.....	8.0	34.2	27.4	34.8	7.5	2.9	9.3	10.0	13.2	10.2
1951.....	13.0	14.0	-6.2	15.1	42.9	6.3	17.3	23.4	17.3	17.3
1952.....	12.5	-2.9	-9.5	15.2	0.5	7.0	13.6	9.9	10.3	14.2
1953.....	8.9	-1.6	-5.2	12.4	-22.2	11.8	4.1	7.0	12.1	5.3
1954.....	2.7	-10.9	3.4	8.8	-37.2	4.1	-1.5	1.6	10.6	-0.4
1955.....	7.4	31.6	17.3	23.4	22.0	10.0	10.4	9.2	12.1	10.5
1956.....	13.2	14.6	13.7	13.3	14.6	0.8	11.9	12.3	14.0	12.5
1957.....	8.7	-7.2	10.3	11.3	-29.2	4.7	4.7	6.5	9.1	4.9
1958.....	2.7	2.2	-0.8	7.5	22.9	3.6	3.8	1.5	-0.1	3.6
1959.....	6.8	15.7	7.3	-0.4	-9.7	4.1	6.5	9.0	7.8	6.4
1960.....	5.3	-3.3	-6.3	7.0	-1.3	-0.8	3.8	4.2	6.6	4.2
1961.....	4.5	4.2	25.4	17.4	-17.8	0.1	3.3	5.5	2.9	3.5
1962.....	7.2	13.1	0.2	10.7	60.1	-0.3	8.9	12.6	8.0	8.4
1963.....	6.6	19.2	4.7	9.9	14.5	10.1	7.7	4.9	6.3	7.3
1964.....	9.1	10.0	21.6	10.6	-16.5	4.6	9.1	12.7	6.4	9.5
1965.....	11.5	8.8	3.4	8.8	8.8	6.5	10.1	13.0	7.5	10.3
1966.....	13.2	5.2	2.5	9.2	40.2	6.6	12.4	10.7	9.0	11.9
1967.....	10.6	-2.0	-0.8	16.0	-33.3	7.6	7.1	9.1	6.5	6.8
1968.....	9.0	9.9	5.8	10.4	12.6	7.4	9.3	10.1	7.0	8.9
1969 ⁽⁶⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	9.3
(Seasonally adjusted)										
1968 I.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
II.....	3.0	6.2	17.2	3.1	-12.6	3.7	3.0	-0.3	-0.3	1.8
III.....	2.2	5.4	-4.1	2.5	14.7	2.4	2.9	1.5	0.8	2.3
IV.....	3.3	10.1	-20.4	4.8	6.4	1.6	4.3	4.6	-0.4	3.6
1969 I.....	3.1	-0.3	16.0	8.4	-3.0	-0.9	2.0	4.2	4.6	2.8
II.....	2.9	0.3	-1.4	-0.9	3.4	-1.5	1.8	0.6	-3.3	1.1
III.....	2.6	-12.4	-6.1	2.6	-5.8	2.5	1.1	0.5	5.0	1.7
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

NOTE: These are revised National Accounts figures. Quarterly revised figures prior to 1968 are not available.

(1), (2), (3), (4) See footnotes (1), (2), (3), (4) on reference table 8.
 (6) Estimated by the Department of Finance.

SOURCE: DBS National Income and Expenditure Accounts.

REFERENCE TABLE 10
STRUCTURAL CHANGES IN INCOME
 (Per Cent distribution of Gross National Product by Components)
 1947 to 1969

Years and Quarters	Wages, Salaries and Supplementary Labour Income ⁽¹⁾	Corporation Profits		Interest and Miscellaneous Investment Income	Accrued Net Income of Farm Operations from Farm Production ⁽²⁾	Net Income of Non-Farm Unincorporated Business Including Rents ⁽⁴⁾	Inventory Valuation Adjustment ⁽³⁾	Net National Income at Factor Cost	Indirect Taxes less Subsidies	Capital Consumption Allowances and Miscellaneous Valuation Adjustment	Residual Error of Estimate	Gross National Product at Market Prices
		Corporation Profits Before Taxes	Dividends Paid to Non-Residents ⁽²⁾									
1947.....	49.2	13.8	-1.9	1.5	8.4	10.8	-4.3	77.5	12.7	9.9	-0.1	100.0
1948.....	49.6	13.0	-1.6	1.6	9.0	10.1	-3.5	78.2	12.1	9.9	-0.2	100.0
1949.....	49.8	11.5	-1.9	1.7	7.6	10.1	-0.7	78.0	11.5	10.6	-0.1	100.0
1950.....	48.8	14.0	-2.2	2.1	7.3	9.5	-2.2	77.3	11.5	10.9	0.3	100.0
1951.....	49.1	13.6	-1.8	2.0	8.9	8.6	-3.0	77.4	12.1	10.9	-0.4	100.0
1952.....	48.4	11.6	-1.4	2.1	7.8	8.0	0.5	77.0	11.6	10.6	0.8	100.0
1953.....	50.0	10.8	-1.3	2.2	5.8	8.5	0.1	76.1	11.8	11.2	0.9	100.0
1954.....	51.6	9.7	-1.3	2.4	3.6	8.9	0.3	75.2	12.0	12.5	0.3	100.0
1955.....	50.1	11.5	-1.4	2.7	4.0	8.9	-0.7	75.1	11.9	12.6	0.4	100.0
1956.....	50.4	11.8	-1.4	2.7	4.1	8.0	-0.9	74.7	11.9	12.8	0.6	100.0
1957.....	52.2	10.4	-1.5	2.9	2.8	7.9	-0.2	74.5	12.1	13.3	0.1	100.0
1958.....	51.8	10.3	-1.4	3.0	3.3	7.9	-0.2	74.7	11.8	12.9	0.6	100.0
1959.....	52.0	11.2	-1.5	2.8	2.8	7.8	-0.3	74.8	12.1	13.0	0.1	100.0
1960.....	52.6	10.4	-1.3	2.8	2.7	7.4	-0.1	74.5	12.2	13.3	—	100.0
1961.....	53.1	10.4	-1.6	3.2	2.2	7.2	-0.1	74.4	12.4	13.2	—	100.0
1962.....	52.5	10.9	-1.5	3.3	3.2	6.6	-0.3	74.7	12.9	13.2	-0.8	100.0
1963.....	52.2	11.2	-1.4	3.4	3.4	6.8	-0.6	75.0	12.6	13.1	-0.7	100.0
1964.....	52.0	12.1	-1.6	3.4	2.6	6.5	-0.3	74.7	13.0	12.7	-0.4	100.0
1965.....	52.6	12.0	-1.5	3.4	2.5	6.2	-0.6	74.6	13.3	12.4	-0.3	100.0
1966.....	53.2	11.3	-1.4	3.3	3.2	5.9	-0.6	74.9	13.1	12.1	-0.1	100.0
1967.....	55.0	10.3	-1.3	3.6	2.0	6.0	-0.4	75.2	13.4	12.0	-0.6	100.0
1968.....	55.1	10.4	-1.2	3.6	2.1	5.9	-0.5	75.4	13.6	11.8	-0.8	100.0
(Seasonally adjusted at annual rates)												
1968 I.....	54.7	9.8	-1.2	3.6	2.2	5.8	-0.5	74.4	13.8	12.2	-0.4	100.0
II.....	55.3	10.2	-1.4	3.6	1.9	6.0	-0.3	75.3	13.5	12.0	-0.8	100.0
III.....	55.2	10.5	-1.3	3.6	2.1	6.0	-0.4	75.7	13.4	11.8	-0.9	100.0
IV.....	55.1	11.2	-1.0	3.7	2.1	5.8	-0.7	76.2	13.5	11.3	-1.0	100.0
1969 I.....	55.2	10.8	-1.1	3.9	2.0	5.6	-0.8	75.6	13.7	11.6	-0.9	100.0
II.....	56.2	10.7	-1.1	3.8	2.1	5.5	-1.0	76.2	13.7	11.0	-0.9	100.0
III.....	56.7	9.3	-1.0	3.8	1.9	5.5	-0.5	75.7	13.5	11.4	-0.6	100.0
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

NOTE: These are revised National Accounts figures. Quarterly revised figures prior to 1968 are not available. (1), (2), (3), (4), (5), see footnotes (1), (2), (3), (4), (5) on reference table 8.

SOURCE: DBS National Income and Expenditure Accounts.

REFERENCE TABLE 11
PERSONAL INCOME AND EXPENDITURE
1947 to 1969

	Personal Income	Personal Disposable Income	Personal Expenditure	Personal Saving	Ratio of Personal Saving to Personal Disposable Income	Personal Disposable Income Per Capita	Personal Expenditure Per Capita
	(Millions of dollars)						
1947.....	10,583	9,621	9,054	509	5.3	721	703
1948.....	12,161	11,128	10,051	982	8.8	865	763
1949.....	12,902	11,889	10,892	960	8.1	884	810
1950.....	13,681	12,704	11,991	647	5.1	926	874
1951.....	16,159	14,803	13,399	1,825	9.0	1,057	956
1952.....	17,900	16,230	14,818	1,319	8.1	1,122	1,025
1953.....	18,932	17,100	15,717	1,271	7.4	1,152	1,059
1954.....	19,006	17,157	16,561	465	2.7	1,122	1,083
1955.....	20,573	18,639	17,902	590	3.2	1,187	1,140
1956.....	22,817	20,593	19,466	954	4.6	1,281	1,211
1957.....	24,500	22,044	20,886	950	4.3	1,327	1,257
1958.....	25,893	23,555	22,211	1,124	4.8	1,379	1,300
1959.....	27,425	24,757	23,620	882	3.6	1,416	1,351
1960.....	28,921	25,893	24,705	909	3.5	1,449	1,382
1961.....	29,411	26,211	25,120	792	3.0	1,437	1,377
1962.....	31,966	28,518	26,636	1,565	5.5	1,535	1,433
1963.....	34,109	30,448	28,364	1,749	5.7	1,608	1,498
1964.....	36,618	32,385	30,647	1,379	4.3	1,679	1,589
1965.....	40,591	35,787	33,134	2,249	6.3	1,822	1,687
1966.....	45,702	39,499	36,057	2,999	7.6	1,973	1,802
1967.....	50,207	42,791	38,998	3,295	7.7	2,097	1,911
1968.....	55,170	46,394	42,360	3,516	7.6	2,236	2,042
1969 ⁽¹⁾	60,900	50,200	46,200	3,400	6.8	2,400	2,200

NOTE: These are revised National Accounts figures.

⁽¹⁾ Estimated by the Department of Finance.

SOURCE: DBS National Income and Expenditure Accounts.

REFERENCE TABLE 12
PERSONAL INCOME, CANADA AND BY PROVINCE

1949 to 1968

Years	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. and N.W.T.	Canada
Percentage distribution of Personal Income ⁽¹⁾												
1949.....	1.3	0.4	3.6	2.6	24.2	38.7	5.8	6.2	7.1	10.2	—	100.0
1950.....	1.3	0.4	3.6	2.6	24.5	39.4	5.7	5.2	6.8	10.5	—	100.0
1951.....	1.3	0.4	3.2	2.5	24.3	38.5	5.6	6.5	7.6	9.9	0.2	100.0
1952.....	1.2	0.4	3.3	2.4	24.5	38.5	5.4	6.7	7.3	10.0	0.2	100.0
1953.....	1.3	0.3	3.3	2.3	24.9	39.1	5.2	5.9	7.3	10.1	0.2	100.0
1954.....	1.4	0.4	3.4	2.4	25.5	40.1	5.1	4.2	6.9	10.4	0.2	100.0
1955.....	1.4	0.3	3.2	2.3	24.9	40.0	5.0	5.0	7.0	10.5	0.2	100.0
1956.....	1.4	0.4	3.1	2.3	24.9	39.4	5.1	5.2	7.4	10.5	0.2	100.0
1957.....	1.4	0.3	3.1	2.2	25.3	40.5	4.9	4.2	7.0	10.8	0.2	100.0
1958.....	1.3	0.3	3.1	2.2	25.0	40.4	5.1	4.4	7.4	10.4	0.2	100.0
1959.....	1.4	0.4	3.1	2.2	24.9	40.5	5.1	4.3	7.3	10.4	0.2	100.0
1960.....	1.4	0.3	3.1	2.3	25.1	40.2	5.1	4.6	7.2	10.3	0.2	100.0
1961.....	1.5	0.3	3.2	2.2	26.0	40.5	4.9	3.6	7.3	10.2	0.2	100.0
1962.....	1.4	0.4	3.1	2.2	25.7	39.9	5.1	4.7	7.3	10.0	0.2	100.0
1963.....	1.4	0.3	3.0	2.2	25.5	40.1	4.8	4.9	7.3	10.1	0.2	100.0
1964.....	1.4	0.4	3.0	2.2	26.1	40.2	4.9	4.2	7.1	10.2	0.2	100.0
1965.....	1.4	0.3	2.9	2.2	26.0	40.3	4.7	4.4	7.1	10.3	0.2	100.0
1966.....	1.4	0.3	2.8	2.1	25.9	40.3	4.5	4.5	7.3	10.4	0.2	100.0
1967.....	1.4	0.3	2.9	2.2	26.2	40.5	4.6	4.0	7.2	10.4	0.2	100.0
1968.....	1.4	0.3	2.9	2.2	25.9	40.6	4.7	4.2	7.3	10.3	0.2	100.0
Personal Income Per Capita (Dollars)												
1949.....	475	543	728	667	804	1,140	1,982	958	1,033	1,183	—	967
1950.....	519	552	760	703	845	1,205	1,007	858	1,019	1,264	—	998
1951.....	560	633	804	779	967	1,355	1,169	1,266	1,299	1,375	1,040	1,163
1952.....	588	780	896	810	1,050	1,440	1,218	1,418	1,343	1,479	1,200	1,238
1953.....	650	634	938	816	1,103	1,499	1,211	1,300	1,368	1,528	1,280	1,275
1954.....	666	683	958	841	1,106	1,489	1,173	914	1,236	1,522	1,370	1,243
1955.....	695	650	977	872	1,136	1,561	1,235	1,178	1,318	1,610	1,414	1,311
1956.....	759	838	1,027	937	1,225	1,665	1,374	1,341	1,499	1,716	1,742	1,419
1957.....	797	778	1,096	970	1,300	1,768	1,384	1,158	1,466	1,789	1,774	1,475
1958.....	801	820	1,130	898	1,320	1,798	1,607	1,272	1,580	1,766	1,667	1,516
1959.....	841	941	1,193	1,055	1,361	1,862	1,658	1,302	1,595	1,828	1,647	1,569
1960.....	895	942	1,242	1,104	1,411	1,904	1,613	1,461	1,615	1,856	1,583	1,618
1961.....	932	943	1,256	1,099	1,455	1,908	1,546	1,146	1,607	1,843	1,486	1,613
1962.....	951	1,047	1,307	1,147	1,532	2,007	1,712	1,604	1,711	1,924	1,400	1,721
1963.....	998	1,056	1,370	1,217	1,588	2,111	1,727	1,788	1,767	2,022	1,561	1,802
1964.....	1,070	1,165	1,452	1,311	1,710	2,222	1,853	1,616	1,821	2,145	1,524	1,898
1965.....	1,154	1,248	1,562	1,416	1,857	2,409	1,969	1,879	1,992	2,334	1,610	2,066
1966.....	1,274	1,367	1,713	1,571	2,045	2,648	2,153	2,154	2,281	2,542	1,674	2,283
1967.....	1,398	1,532	1,804	1,737	2,239	2,842	2,407	2,089	2,419	2,693	2,182	2,461
1968.....	1,467	1,632	2,072	1,897	2,406	3,065	2,654	2,386	2,645	2,842	2,326	2,660

REFERENCE TABLE 12 (continued)
 PERSONAL INCOME, CANADA AND BY PROVINCE
 1949 to 1968

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. and N.W.T.	Canada
Annual per cent change of Personal Income Per Capita												
1950.....	9.1	1.8	4.4	5.4	5.1	5.7	2.6	-10.4	-1.4	6.8	—	3.2
1951.....	7.9	14.6	5.8	10.8	14.4	12.4	16.1	47.5	27.6	8.8	—	15.5
1952.....	5.1	23.3	11.4	4.0	8.6	6.4	4.2	12.0	3.4	7.5	15.4	7.3
1953.....	10.5	-18.8	4.7	0.8	5.0	4.0	-0.6	-8.3	1.8	3.3	6.7	3.0
1954.....	2.4	7.8	2.2	3.0	0.3	-0.6	-3.2	-29.7	-9.7	-0.4	7.1	-2.5
1955.....	4.3	-4.9	1.9	3.7	2.7	4.8	5.3	28.8	6.7	5.8	3.2	5.4
1956.....	9.3	29.0	5.2	7.4	7.9	6.7	11.3	13.8	13.7	6.6	23.2	8.3
1957.....	5.0	-7.2	6.6	3.5	6.1	5.6	0.7	-13.6	-2.2	4.3	1.9	3.9
1958.....	0.5	5.4	3.1	2.9	1.5	2.3	8.9	9.8	7.7	-1.9	-6.1	2.8
1959.....	5.0	14.7	5.6	5.7	3.1	3.5	3.3	2.4	1.0	4.1	-1.2	3.4
1960.....	6.4	0.1	4.1	4.6	3.7	2.3	3.5	12.2	1.2	1.5	-3.9	3.2
1961.....	4.2	0.1	1.2	-0.4	3.1	0.2	-4.2	-21.6	-0.5	-0.7	-6.1	-0.4
1962.....	2.0	11.0	4.0	4.4	5.2	5.2	10.7	40.0	6.5	4.4	-5.8	6.7
1963.....	5.0	0.8	4.8	6.1	3.7	5.2	0.9	11.4	3.2	5.1	11.5	4.7
1964.....	7.3	10.4	6.0	7.7	7.7	5.3	7.3	-9.6	3.1	6.1	-2.4	5.4
1965.....	7.8	7.1	7.6	8.0	8.6	8.4	6.3	16.3	9.4	8.8	5.6	8.9
1966.....	10.4	9.6	9.7	11.0	10.1	9.9	9.3	14.6	14.5	8.9	4.0	10.5
1967.....	9.8	12.1	11.1	10.6	9.5	7.3	11.8	8.0	6.0	6.0	30.3	7.8
1968.....	5.0	9.8	8.9	9.2	7.5	7.9	10.3	-14.3	9.3	5.5	6.6	8.1
Personal Income Per Capita by Province as a Percentage of Personal Income Per Capita at the National Level												
1949.....	49	56	75	69	83	118	102	99	107	122	—	100
1950.....	52	55	76	70	85	121	101	86	102	127	—	100
1951.....	49	55	70	68	84	118	101	110	113	119	90	100
1952.....	48	63	72	66	85	117	99	115	109	120	97	100
1953.....	51	50	74	64	87	118	95	102	107	120	101	100
1954.....	54	55	77	68	89	120	94	74	100	123	110	100
1955.....	53	50	75	67	87	119	94	90	101	123	108	100
1956.....	54	59	72	66	86	117	97	95	106	121	123	100
1957.....	54	53	74	66	88	119	94	79	100	121	120	100
1958.....	53	54	75	66	87	119	100	84	104	116	110	100
1959.....	54	60	76	67	87	119	100	83	102	117	105	100
1960.....	55	58	77	68	87	118	100	90	100	115	98	100
1961.....	58	59	78	68	90	119	96	71	100	115	92	100
1962.....	55	61	76	67	89	117	100	93	100	112	82	100
1963.....	56	59	76	68	88	117	96	99	98	113	87	100
1964.....	57	62	77	69	90	117	98	85	96	113	80	100
1965.....	56	61	76	69	90	117	96	91	97	113	78	100
1966.....	56	60	75	69	90	116	94	95	100	112	74	100
1967.....	57	62	78	71	91	116	98	85	99	110	89	100
1968.....	55	63	78	71	91	115	100	90	100	107	88	100

SOURCE: DBS *National Income and Expenditure Accounts*.

NOTE: Canada figure includes personal income of Canadians temporarily abroad (including pay and allowances of Canadian armed Forces abroad).

(1) Figures do not cross-add. See note.

REFERENCE TABLE 13
 VALUE OF RETAIL TRADE, CANADA AND BY REGION

1947 to 1969

Years and Months	Canada	Atlantic Region	Quebec	Ontario	Prairie Region	British Columbia
(Millions of dollars)						
1947	6,963.4 ⁽¹⁾	563.6 ⁽¹⁾	1,621.1	2,721.1	1,320.8	736.9
1948	7,835.0 ⁽¹⁾	607.3 ⁽¹⁾	1,792.0	3,067.2	1,550.7	817.8
1949	8,532.0	734.2	1,872.0	3,293.6	1,758.1	874.1
1950	9,617.2	822.2	2,183.0	3,715.4	1,914.4	982.1
1951	10,693.1	898.5	2,442.6	4,129.8	2,122.3	1,099.8
1952	11,567.2	970.7	2,657.8	4,409.2	2,339.9	1,189.6
1953	12,189.4	1,004.4	2,793.1	4,665.6	2,485.3	1,241.0
1954	12,317.2	1,023.6	2,867.7	4,761.7	2,390.6	1,273.6
1955	13,472.8	1,124.7	3,109.3	5,295.7	2,496.1	1,447.0
1956	14,773.7	1,208.6	3,463.0	5,734.3	2,727.8	1,640.0
1957	15,423.3	1,233.0	3,709.6	5,943.1	2,854.5	1,683.2
1958	16,139.1	1,286.7	3,854.4	6,271.1	3,021.3	1,705.5
1959	17,087.1	1,356.5	4,114.2	6,614.9	3,208.1	1,793.4
1960	17,390.5	1,421.0	4,213.1	6,750.7	3,250.3	1,755.3
1961	17,752.3	1,455.6	4,490.1	6,808.0	3,238.1	1,760.5
1961 ⁽²⁾	16,073.0	1,380.5	4,108.0	6,206.7	2,773.6	1,604.2
1962	17,093.8	1,424.8	4,482.8	6,504.4	2,945.2	1,736.7
1963	18,115.7	1,502.2	4,764.0	6,903.1	3,096.1	1,850.3
1964	19,350.9	1,602.0	5,108.2	7,299.4	3,301.8	2,039.6
1965	20,954.0	1,743.0	5,515.3	7,950.7	3,503.4	2,241.7
1966	22,415.9	1,840.2	5,857.1	8,496.9	3,800.5	2,421.1
1967	23,785.2	1,894.8	6,108.0	8,870.4	4,012.8	2,547.6
1968	25,412.4	2,102.4	6,469.6	9,806.4	4,245.6	2,796.0
1969	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Seasonally adjusted)						
1969 J.	2,213.3	181.9	549.1	879.4	356.6	239.0
F.	2,260.2	185.5	569.9	885.9	378.2	246.8
M.	2,228.0	191.9	553.2	861.9	367.0	250.3
A.	2,211.5	167.5	571.8	868.4	363.7	242.2
M.	2,228.1	171.4	563.5	865.9	368.7	264.2
J.	2,242.0	175.7	559.5	875.2	371.3	253.7
J.	2,242.1	179.6	568.8	883.5	373.8	248.7
A.	2,261.7	181.8	566.5	885.5	376.6	250.4
S.	2,284.4	189.0	585.4	901.1	371.5	256.5
O.	2,314.3	182.4	587.8	892.1	374.4	263.7

NOTE: Figures may not cross-add due to rounding.

⁽¹⁾Excludes Newfoundland.

⁽²⁾Break in series is due to changes in the Standard Industrial Classification.

SOURCE: DBS Retail Trade, Monthly, Cat. 63-005.

REFERENCE TABLE 14
 PRIVATE AND PUBLIC INVESTMENT IN CANADA
 1947 to 1969
 (Millions of dollars)

Years	Capital Expenditures			Repair Expenditures	Total	Capital Expenditures			Repair Expenditures	Total
	Construction	Machinery and Equipment	Sub-Total			Construction	Machinery and Equipment	Sub-Total		
	Primary and Construction Industries					Manufacturing				
1947	87	317	404	195	599	185	343	528	273	801
1948	127	382	509	218	727	181	392	573	339	902
1949	159	461	620	263	883	187	379	536	339	875
1950	173	528	701	292	993	135	367	502	347	849
1951	212	601	813	311	1,124	268	525	793	422	1,215
1952	248	631	879	360	1,239	344	629	973	459	1,432
1953	287	648	935	375	1,310	325	644	969	480	1,449
1954	309	512	821	368	1,189	288	534	822	489	1,311
1955	387	612	999	411	1,410	345	602	947	513	1,460
1956	534	772	1,306	475	1,781	488	906	1,394	578	1,972
1957	544	702	1,246	461	1,707	520	959	1,479	618	2,092
1958	378	619	997	488	1,465	398	697	1,095	572	1,667
1959	396	678	1,074	517	1,591	374	770	1,144	662	1,806
1960	451	683	1,134	522	1,656	335	843	1,178	671	1,849
1961	572	639	1,211	512	1,723	279	806	1,085	682	1,767
1962	568	738	1,306	536	1,842	353	916	1,269	750	2,019
1963	599	879	1,478	586	2,064	365	1,003	1,368	801	2,169
1964	702	1,051	1,753	660	2,413	443	1,388	1,831	896	2,727
1965	869	1,151	2,020	724	2,744	604	1,736	2,340	974	3,314
1966	1,066	1,348	2,414	796	3,210	788	2,126	2,914	1,096	4,010
1967	1,069	1,427	2,496	854	3,350	677	1,857	2,534	1,166	3,699
1968	1,053	1,344	2,397	887	3,284	594	1,634	2,218	1,169	3,377
1969	1,089	1,327	2,416	923	3,339	710	1,962	2,672	1,202	3,874
	Utilities					Trade, Finance and Commercial Services				
1947	174	236	410	373	783	112	90	202	96	298
1948	282	284	566	438	1,004	169	122	281	101	382
1949	376	313	689	465	1,154	142	151	293	120	413
1950	437	322	759	483	1,242	207	192	399	128	527
1951	497	442	939	545	1,484	201	210	411	160	571
1952	701	493	1,194	598	1,792	160	183	343	125	468
1953	692	562	1,254	635	1,889	283	243	526	135	661
1954	610	554	1,164	606	1,770	319	263	582	133	715
1955	649	487	1,136	600	1,736	296	265	561	130	691
1956	1,086	676	1,762	640	2,402	327	284	611	133	749
1957	1,475	833	2,308	677	2,985	383	307	690	146	836
1958	1,405	748	2,153	650	2,803	396	309	705	146	851
1959	1,118	724	1,842	703	2,545	462	371	833	168	1,001
1960	1,074	698	1,772	713	2,485	466	409	875	168	1,043
1961	1,088	610	1,698	723	2,421	451	396	847	162	1,009
1962	982	619	1,601	734	2,335	438	422	860	164	1,024
1963	1,111	660	1,771	774	2,545	468	450	918	183	1,101
1964	1,332	727	2,059	822	2,881	548	494	1,042	195	1,237
1965	1,443	980	2,423	867	3,290	705	564	1,269	220	1,489
1966	1,666	1,260	2,926	945	3,871	860	667	1,527	248	1,775
1967	1,748	1,397	3,145	1,019	4,164	764	770	1,534	272	1,806
1968	1,856	1,412	3,268	983	4,251	707	742	1,449	262	1,711
1969	2,183	1,384	3,567	1,048	4,615	839	890	1,729	276	2,005

REFERENCE TABLE 14 (Continued)
PRIVATE AND PUBLIC INVESTMENT IN CANADA

1947 to 1969
(Millions of dollars)

Years	Capital Expenditures			Repair Expenditures	Total	Capital Expenditures			Repair Expenditures	Total
	Construction	Machinery and Equipment	Sub-Total			Construction	Machinery and Equipment	Sub-Total		
	Institutions					Housing				
1947.....	78	13	91	23	114	526	—	526	155	681
1948.....	126	22	148	37	185	635	—	635	189	824
1949.....	172	23	195	35	230	822	—	822	206	1,028
1950.....	187	26	213	34	247	923	—	923	226	1,149
1951.....	212	30	242	40	282	947	—	947	270	1,217
1952.....	252	33	285	40	325	971	—	971	287	1,258
1953.....	270	33	303	42	345	1,189	—	1,189	304	1,493
1954.....	297	41	338	42	380	1,238	—	1,238	316	1,554
1955.....	367	41	408	49	457	1,397	—	1,397	338	1,735
1956.....	359	43	402	52	454	1,547	—	1,547	355	1,902
1957.....	407	47	454	56	510	1,430	—	1,430	383	1,813
1958.....	457	57	514	57	571	1,782	—	1,782	407	2,189
1959.....	479	57	536	59	595	1,752	—	1,752	431	2,183
1960.....	500	73	573	71	644	1,456	—	1,456	457	1,913
1961.....	536	81	617	78	695	1,467	—	1,467	484	1,951
1962.....	729	105	834	76	910	1,687	—	1,687	513	2,100
1963.....	757	116	873	75	948	1,713	—	1,713	544	2,257
1964.....	648	123	771	79	850	2,028	—	2,028	577	2,605
1965.....	867	145	1,012	82	1,094	2,133	—	2,133	618	2,751
1966.....	1,020	184	1,204	93	1,297	2,181	—	2,181	661	2,842
1967.....	1,107	208	1,315	113	1,428	2,352	—	2,352	713	3,065
1968.....	1,201	214	1,415	121	1,536	2,844	—	2,844	729	3,573
1969.....	1,252	218	1,470	132	1,602	3,258	—	3,258	972	4,030
	Government Departments					Grand Total				
1947.....	235	44	279	145	424	1,397	1,043	2,440	1,280	3,700
1948.....	314	61	375	158	533	1,824	1,263	3,087	1,470	4,557
1949.....	338	46	384	146	530	2,166	1,373	3,539	1,574	5,113
1950.....	391	48	439	185	624	2,453	1,483	3,936	1,695	5,631
1951.....	534	60	594	220	814	2,871	1,868	4,739	1,968	6,707
1952.....	758	88	846	216	1,062	3,434	2,057	5,491	2,085	7,576
1953.....	710	90	800	235	1,035	3,756	2,220	5,976	2,206	8,182
1954.....	676	80	756	268	1,024	3,737	1,984	5,721	2,222	7,943
1955.....	728	68	796	268	1,064	4,169	2,075	6,244	2,309	8,553
1956.....	932	80	1,012	282	1,294	5,273	2,761	8,034	2,520	10,554
1957.....	1,025	85	1,110	288	1,398	5,784	2,933	8,717	2,624	11,341
1958.....	1,014	104	1,118	314	1,432	5,830	2,534	8,364	2,614	10,978
1959.....	1,128	108	1,236	341	1,577	5,709	2,708	8,417	2,881	11,298
1960.....	1,171	103	1,274	383	1,657	5,453	2,809	8,262	2,985	11,247
1961.....	1,125	122	1,247	380	1,627	5,518	2,654	8,172	3,021	11,193
1962.....	1,130	128	1,258	388	1,646	5,787	2,928	8,715	3,161	11,876
1963.....	1,154	128	1,282	393	1,675	6,157	3,236	9,393	3,366	12,749
1964.....	1,303	157	1,460	402	1,862	7,004	3,940	10,944	3,631	14,575
1965.....	1,494	174	1,668	442	2,110	8,115	4,760	12,865	3,927	16,792
1966.....	1,702	222	1,924	526	2,450	9,283	5,807	15,090	4,365	19,455
1967.....	1,731	215	1,946	573	2,519	9,448	5,874	15,322	4,700	20,022
1968.....	1,591	196	1,787	526	2,313	10,136	5,542	15,678	4,667	20,345
1969.....	2,053	191	2,244	550	2,794	11,384	5,972	17,356	4,903	22,259

Note: 1968 figures are preliminary actual and 1969 figures are a revised forecast.

Source: DBS and Department of Trade and Commerce *Private and Public Investment in Canada*, Occasional, Cat. 61-504, Annual, Cat. 61-205.

REFERENCE TABLE 15
PRIVATE AND PUBLIC INVESTMENT BY REGION
1952 to 1969

Years	Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Atlantic Region	Quebec
	(Millions of dollars)					
1952.....	86	17	133	104	340	1,283
1953.....	80	18	167	108	363	1,374
1954.....	73	19	156	119	367	1,362
1955.....	89	21	164	168	442	1,546
1956.....	94	24	183	186	487	1,851
1957.....	100	22	188	159	469	2,029
1958.....	107	30	185	182	504	2,054
1959.....	115	37	226	203	581	2,094
1960.....	146	37	234	180	597	2,007
1961.....	184	38	224	171	617	2,008
1962.....	261	43	223	179	706	2,154
1963.....	236	43	234	189	702	2,301
1964.....	231	39	270	257	797	2,828
1965.....	228	57	318	334	937	3,206
1966.....	341	57	412	391	1,201	3,446
1967.....	359	45	463	377	1,244	3,214
1968.....	414	44	498	333	1,289	3,301
1969.....	454	41	557	383	1,435	3,467
	Ontario	Manitoba	Saskatchewan	Alberta	Prairie Region	British Columbia ⁽¹⁾
	(Millions of dollars)					
1952.....	1,899	242	313	602	1,157	604
1953.....	2,106	286	357	730	1,373	626
1954.....	2,089	270	377	627	1,274	533
1955.....	2,271	301	349	735	1,385	707
1956.....	2,842	364	485	901	1,750	1,089
1957.....	3,266	371	455	834	1,680	1,293
1958.....	3,104	409	477	890	1,776	925
1959.....	2,900	484	467	947	1,598	944
1960.....	2,856	487	474	946	1,907	895
1961.....	2,794	417	454	981	1,852	901
1962.....	3,054	424	513	967	1,874	927
1963.....	3,282	491	603	995	2,089	1,019
1964.....	3,747	528	648	1,100	2,276	1,296
1965.....	4,379	537	773	1,320	2,630	1,713
1966.....	5,261	656	928	1,564	3,148	2,034
1967.....	5,357	719	964	1,675	3,358	2,149
1968.....	5,522	808	982	1,742	3,532	2,034
1969.....	6,422	876	894	1,982	3,752	2,280

NOTE: 1968 figures are preliminary actual and 1969 figures are a revised forecast.

⁽¹⁾Includes Yukon and Northwest Territories.

SOURCE: DBS and Department of Trade and Commerce *Private and Public Investment in Canada*.

REFERENCE TABLE 16
 CHANGES IN PRIVATE AND PUBLIC INVESTMENT, CANADA AND BY REGION
 1953 to 1969

Years	Canada	Atlantic Region	Quebec	Ontario	Prairie Region	British Columbia ⁽¹⁾
(Per cent change from previous year)						
1953	10.6	6.8	7.1	10.9	18.7	3.6
1954	-3.7	1.1	-0.9	-0.8	-7.2	-14.9
1955	12.9	20.4	13.5	8.7	8.7	32.6
1956	26.3	10.2	19.7	25.1	26.4	54.0
1957	8.7	-3.7	9.6	14.9	-5.1	18.7
1958	-4.1	7.5	1.2	-5.0	7.0	-28.5
1959	0.6	15.3	1.9	-6.6	6.9	2.1
1960	-1.8	2.8	-4.2	-1.5	0.5	-5.2
1961	-1.1	3.4	-	-2.2	-2.9	0.7
1962	6.6	14.4	7.3	9.3	1.2	2.9
1963	7.8	-0.6	6.8	7.5	11.5	9.9
1964	16.5	13.5	22.9	14.2	9.0	27.2
1965	17.6	17.6	13.4	16.9	15.6	32.2
1966	17.3	28.2	7.5	20.1	19.7	18.7
1967	1.5	3.6	-6.7	1.8	6.7	5.7
1968	2.3	3.6	2.7	3.1	5.2	-5.4
1969	10.7	11.3	5.0	16.3	6.2	12.1

NOTE: 1968 figures are preliminary actual and 1969 figures are a revised forecast.

⁽¹⁾See footnote (1) on reference table 15.

SOURCE: DBS and Department of Trade and Commerce *Private and Public Investment in Canada*.

REFERENCE TABLE 17
 DWELLING STARTS, COMPLETIONS AND UNDER CONSTRUCTION
 1947 to 1969

Years and Quarters	Starts			Completions			Under Construction ⁽¹⁾	
	Centres of 5,000 Population and Over ⁽²⁾	Other Areas	Total	Centres of 5,000 Population and Over ⁽²⁾	Other Areas	Total	Centres of 5,000 Population and Over ⁽²⁾	Total
	(Number of units)							
1947.....	n.a.	n.a.	74,300	44,600	27,600	72,200	n.a.	42,200
1948.....	57,671	32,523	90,194	48,008	28,091	76,097	39,217	56,456
1949.....	58,370	32,139	90,509	60,262	27,971	88,233	37,344	59,503
1950.....	68,599	23,932	92,531	62,847	26,168	89,015	41,510	60,538
1951.....	47,374	21,205	68,579	61,187	20,143	81,310	26,783	45,926
1952.....	63,443	19,803	83,246	54,346	18,741	73,087	36,998	55,659
1953.....	80,313	22,086	102,409	73,375	23,464	96,839	42,808	59,923
1954.....	89,755	23,772	113,527	80,593	21,372	101,965	51,302	68,641
1955.....	97,386	40,890	138,276	93,942	33,987	127,929	53,677	79,339
1956.....	87,309	40,002	127,311	95,152	40,548	135,700	44,386	68,579
1957.....	84,875	37,465	122,340	80,995	36,288	117,283	49,508	72,573
1958.....	121,695	42,937	164,632	107,839	38,847	146,686	63,080	88,162
1959.....	105,991	35,354	141,345	108,059	37,612	145,671	59,879	81,905
1960.....	76,687	32,171	108,858	90,513	33,244	123,757	44,975	65,773
1961.....	92,741	32,836	125,577	83,148	32,460	115,608	53,195	73,583
1962.....	104,279	25,816	130,095	100,447	26,235	126,682	60,541	76,153
1963.....	120,950	27,674	148,624	101,529	26,662	128,191	79,233	96,613
1964.....	136,206	29,452	165,658	123,902	27,061	150,963	89,950	107,718
1965.....	138,779	27,786	166,565	125,475	27,562	153,037	101,766	119,864
1966.....	108,434	26,040	134,474	135,134	27,058	162,192	71,722	88,621
1967.....	131,858	32,265	164,123	120,163	29,079	149,242	82,616	102,716
1968.....	162,267	34,611	196,878	136,337	34,656	170,993	106,834	126,638
1969.....	169,739	40,676	210,415	159,089	36,737	195,826	114,386	137,367
	(Seasonally adjusted at annual rates)							
1968 I.....	165,300	36,500	201,800	128,900	35,300	164,200	83,500	105,900
II.....	154,100	35,000	189,100	128,200	34,200	162,400	93,200	112,900
III.....	139,900	33,900	173,800	138,500	36,100	174,600	94,000	112,900
IV.....	196,600	34,500	231,100	148,800	33,200	182,000	100,000	120,800
1969 I.....	227,200	47,800	275,000	143,900	31,100	175,000	117,900	143,600
II.....	169,800	43,800	213,600	169,900	36,500	206,400	117,200	142,000
III.....	153,500	40,600	194,100	160,300	41,100	201,400	116,000	140,300
IV.....	155,200	35,000	190,200	160,000	37,900	197,500	130,500	152,500

⁽¹⁾At end of period.

⁽²⁾Data for years 1967 to 1969 and all quarters are based on areas of 10,000 population and over.

SOURCE: CMHC Canadian Housing Statistics.

REFERENCE TABLE 18
 DWELLING STARTS AND COMPLETIONS BY TYPE
 1947 to 1969

Years and Quarters	Starts					Completions				
	Single Detached	Semi-Detached and Duplex	Row	Apartment	Total	Single Detached	Semi-Detached and Duplex	Row	Apartment	Total
(Number of units)										
1947.....	n.a.	n.a.	n.a.	n.a.	74,263	n.a.	n.a.	n.a.	n.a.	72,218
1948.....	73,399	7,488	1,810	7,487	80,184	61,787	4,560	1,607	8,143	76,097
1949.....	71,425	7,536	—	11,548	90,509	68,966	7,309	485	11,473	88,233
1950.....	68,675	8,664	631	14,561	92,531	68,685	7,376	145	12,809	89,015
1951.....	53,002	5,658	54	9,865	68,579	60,366	7,568	585	12,791	81,310
1952.....	60,696	5,360	299	16,891	83,246	55,967	5,314	99	11,707	73,087
1953.....	70,782	7,202	553	23,872	102,409	68,916	7,714	372	19,837	96,839
1954.....	78,574	6,498	1,000	27,465	113,527	71,760	6,098	1,065	23,042	101,965
1955.....	99,003	10,606	1,909	26,758	138,276	90,553	8,278	1,547	27,551	127,929
1956.....	90,620	9,441	2,263	24,987	127,311	95,656	11,872	2,137	26,035	135,700
1957.....	82,965	9,272	2,214	27,899	122,340	81,096	8,464	2,360	25,373	117,283
1958.....	104,508	10,713	2,457	46,954	164,632	96,830	10,004	2,226	37,626	146,686
1959.....	92,178	10,468	1,908	36,791	141,345	95,455	10,923	2,308	36,985	145,671
1960.....	67,171	9,699	2,301	29,687	108,858	78,113	9,911	1,616	34,117	123,757
1961.....	76,430	11,650	1,864	35,633	125,577	76,171	10,593	2,019	26,825	115,608
1962.....	74,443	10,975	3,742	40,935	130,095	75,593	11,922	2,451	36,716	128,682
1963.....	77,158	7,891	3,895	59,680	148,624	71,585	7,150	3,487	45,969	128,191
1964.....	77,079	8,706	4,755	75,118	165,658	76,225	8,091	3,861	62,786	150,963
1965.....	75,441	7,924	5,306	77,894	166,565	75,104	8,730	4,097	65,106	153,037
1966.....	70,642	7,281	5,000	51,551	134,474	73,858	7,707	6,412	74,215	162,192
1967.....	72,534	9,939	7,392	74,268	164,123	73,631	9,089	5,431	61,091	149,242
1968.....	75,339	10,114	8,042	103,383	196,878	74,640	10,098	7,896	78,359	170,993
1969.....	78,404	10,373	10,721	110,917	210,415	78,584	10,483	7,827	98,932	195,826
(Not seasonally adjusted)										
1968 I.....	9,854	1,443	792	14,689	26,778	17,176	2,584	1,553	13,899	35,212
II.....	22,349	2,775	2,225	29,545	56,894	16,721	2,429	2,411	18,881	40,442
III.....	21,596	2,535	2,515	25,928	52,574	19,578	2,376	1,761	20,147	43,862
IV.....	21,540	3,361	2,510	33,221	60,632	21,165	2,709	2,171	25,432	51,477
1969 I.....	13,177	1,892	1,646	22,167	38,882	15,840	2,119	1,319	18,373	37,651
II.....	24,712	3,035	2,922	33,079	63,748	18,368	2,738	1,715	29,732	52,553
III.....	22,447	2,996	2,716	30,484	58,643	21,696	2,649	2,298	23,368	50,011
IV.....	18,068	2,460	3,437	25,187	49,142	22,680	2,977	2,495	27,459	55,611

SOURCE: CMHC Canadian Housing Statistics.
 CMHC Housing in Canada.

REFERENCE TABLE 19
MANUFACTURERS' INVENTORIES, SHIPMENTS AND ORDERS
 (Monthly averages)
 1961 to 1969

Years, Quarters and Months	Manufacturing					Durable Manufacturing			Non-Durable Manufacturing		
	Shipments	New Orders Received	Unfilled Orders	Total Inventories Held	Ratio of Goods in Process + Finished Products to Shipments	Shipments	New Orders Received	Unfilled Orders	Shipments	New Orders Received	Unfilled Orders
(Millions of dollars)											
1961.....	1,953.2	1,985.0 ⁽¹⁾	1,959.9	4,529.4	1.35	769.3	792.1 ⁽¹⁾	1,525.9	1,183.9	1,192.9 ⁽¹⁾	434.0
1962.....	2,149.2	2,158.3	2,177.2	4,866.9	1.34	882.6	894.0	1,747.3	1,266.6	1,264.0	430.0
1963.....	2,334.6	2,344.4	2,198.6	5,085.0	1.31	987.6	994.6	1,783.6	1,347.0	1,349.8	415.0
1964.....	2,571.4	2,600.9	2,497.2	5,435.9	1.26	1,120.7	1,150.9	2,069.4	1,450.7	1,450.0	427.8
1965.....	2,824.1	2,866.9	2,950.3	5,951.7	1.25	1,281.2	1,358.1	2,950.2	1,542.9	1,548.8	459.5
1966.....	3,077.4	3,126.5	3,623.3	6,661.8	1.30	1,404.9	1,455.2	3,043.9	1,672.4	1,671.2	479.4
1967.....	3,211.1	3,211.2	3,740.9	7,178.7	1.33	1,454.3	1,456.2	3,278.1	1,756.8	1,754.9	462.8
1968.....	3,387.4	3,378.6	3,663.8	7,220.7	1.32	1,569.9	1,556.6	3,177.9	1,817.8	1,822.2	488.2
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Seasonally adjusted)											
1968 I.....	3,226.2	3,192.3	3,711.7	7,205.3	1.37	1,445.3	1,401.1	3,237.5	1,780.9	1,791.2	474.2
II.....	3,344.8	3,328.2	3,644.6	7,159.2	1.32	1,534.8	1,523.6	3,164.3	1,809.9	1,804.6	480.3
III.....	3,458.2	3,465.7	3,629.0	7,237.1	1.30	1,644.5	1,640.7	3,142.8	1,813.7	1,824.9	486.1
IV.....	3,521.7	3,529.3	3,679.0	7,288.3	1.28	1,655.1	1,661.1	3,167.0	1,866.6	1,868.2	512.0
1969 I.....	3,602.9	3,595.6	3,674.7	7,425.6	1.27	1,712.0	1,706.4	3,174.0	1,890.9	1,889.2	500.6
II.....	3,585.2	3,615.3	3,695.7	7,546.8	1.31	1,673.7	1,704.1	3,192.9	1,911.5	1,911.1	502.7
III.....	3,674.1	3,734.2	3,850.3	7,720.7	1.31	1,743.6	1,797.2	3,343.6	1,930.5	1,937.0	506.7
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Seasonally adjusted)											
1969 J.....	3,539.2	3,518.3	3,656.8	7,371.6	1.29	1,671.8	1,659.9	3,158.6	1,867.4	1,856.4	498.2
F.....	3,638.5	3,693.2	3,711.5	7,434.5	1.26	1,734.9	1,786.1	3,209.8	1,903.6	1,907.1	501.7
M.....	3,631.1	3,575.3	3,655.7	7,470.6	1.27	1,729.3	1,673.2	3,153.7	1,901.8	1,902.1	502.0
A.....	3,509.6	3,639.1	3,685.2	7,505.5	1.33	1,626.0	1,650.7	3,178.4	1,883.6	1,888.4	506.8
M.....	3,593.3	3,564.0	3,655.9	7,544.3	1.31	1,696.5	1,673.5	3,155.4	1,896.8	1,890.5	500.5
J.....	3,652.7	3,742.7	3,745.9	7,590.5	1.30	1,698.6	1,788.2	3,245.0	1,954.1	1,954.5	500.9
J.....	3,676.3	3,740.7	3,815.9	7,694.6	1.30	1,717.1	1,790.5	3,322.2	1,959.2	1,950.2	493.7
A.....	3,702.6	3,689.6	3,802.9	7,715.1	1.30	1,791.5	1,768.2	3,298.9	1,911.1	1,921.4	504.0
S.....	3,658.0	3,770.2	3,915.1	7,727.5	1.30	1,707.1	1,803.7	3,395.5	1,950.9	1,966.5	519.6
O.....	3,683.1	3,634.3	3,866.3	7,821.0	1.32	1,734.9	1,689.9	3,360.5	1,958.2	1,944.4	505.8
NP.....	3,672.2	3,741.1	3,935.2	7,857.6	1.33	1,692.2	1,746.1	3,414.4	1,980.0	1,995.0	520.8

p=preliminary

⁽¹⁾Eleven month average for 1961 only.

Source: DBS Inventories, Shipments and Orders in Manufacturing Industries, Monthly, Cat. 31-001.

REFERENCE TABLE 20
 MANUFACTURERS' SHIPMENTS, CANADA AND BY REGION

1961 to 1969

Years and months	Nfld.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada ⁽¹⁾
(Millions of dollars)										
1961.....	11.3	31.8	32.5	585.2	963.6	59.7	27.7	77.9	160.6	1,953.2
1962.....	12.0	35.5	33.4	632.5	1,076.6	62.8	29.3	84.6	179.2	2,149.2
1963.....	12.9	38.2	38.0	672.7	1,188.5	66.1	30.9	90.4	193.5	2,334.6
1964.....	13.8	43.6	41.2	731.2	1,320.3	71.8	31.8	99.5	214.5	2,571.4
1965.....	14.5	46.9	42.7	791.0	1,473.0	76.1	35.1	106.9	233.8	2,824.1
1966.....	15.8	49.9	44.5	865.0	1,606.1	84.4	38.5	115.3	253.7	3,077.4
1967.....	14.7	50.6	45.6	912.1	1,666.5	87.7	39.1	123.7	266.8	3,211.1
1968.....	14.0	54.2	47.5	944.5	1,772.9	90.8	39.7	127.3	292.7	3,387.4
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Per cent change from previous year)										
1962.....	6.2	11.6	2.8	8.1	11.7	5.2	5.8	8.6	11.6	10.0
1963.....	7.5	7.6	13.8	6.4	10.4	5.3	5.5	6.9	8.0	8.6
1964.....	7.0	14.1	8.4	8.7	11.1	8.6	2.9	10.1	10.9	10.1
1965.....	5.1	7.6	3.6	8.2	11.6	6.0	10.4	7.4	9.0	9.8
1966.....	9.0	6.4	4.2	9.4	9.0	10.9	9.7	7.9	8.5	9.0
1967.....	-7.0	1.4	2.5	5.4	3.8	3.9	1.6	7.3	5.2	4.3
1968.....	-4.8	7.1	4.2	3.6	6.4	3.5	1.5	2.9	9.7	5.5
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Millions of dollars not seasonally adjusted)										
1968 J.....	11.7	48.5	42.6	838.6	1,610.2	80.8	35.0	113.5	263.5	3,047.7
F.....	12.4	46.4	42.7	881.0	1,587.1	82.9	34.2	116.6	262.9	3,048.9
M.....	12.3	53.8	44.6	916.0	1,680.9	91.2	38.9	128.1	291.9	3,260.7
A.....	12.1	53.9	46.0	912.4	1,794.7	88.2	36.3	129.5	281.4	3,357.3
M.....	14.2	55.4	54.3	974.4	1,898.8	96.2	45.1	137.6	310.0	3,591.6
J.....	14.8	52.7	51.2	942.4	1,818.8	97.6	43.8	135.3	313.2	3,474.4
J.....	15.0	56.9	49.8	887.2	1,664.8	95.2	44.5	137.1	276.0	3,221.0
A.....	15.3	53.6	49.1	977.7	1,585.5	96.2	41.9	138.8	294.2	3,326.8
S.....	13.4	55.2	45.9	1,000.4	1,886.0	91.5	40.8	128.9	299.2	3,566.0
O.....	16.1	59.8	50.4	1,063.4	2,030.0	96.1	43.7	125.9	316.0	3,805.2
N.....	15.0	56.2	47.5	1,002.1	1,957.5	90.4	36.0	121.4	307.8	3,637.3
D.....	15.9	57.4	45.2	938.6	1,810.1	83.8	36.7	114.7	296.4	3,402.1
1969 J.....	13.8	56.0	44.4	901.8	1,782.1	85.0	33.7	118.8	270.4	3,309.6
F.....	12.0	50.0	42.3	918.7	1,740.5	87.7	35.2	124.3	301.8	3,316.2
M.....	15.4	58.9	46.2	999.2	1,972.8	92.9	37.1	132.7	336.1	3,695.0
A.....	11.5	54.2	45.2	982.9	1,914.7	94.4	40.0	132.1	322.2	3,500.8
M.....	14.9	61.8	49.6	1,017.0	1,992.0	96.8	44.2	140.4	343.8	3,764.1
J.....	18.6	60.1	50.9	1,027.0	1,997.0	98.5	45.3	143.7	333.5	3,778.5
J.....	19.0	56.4	51.3	981.3	1,798.7	100.2	45.4	142.0	308.0	3,507.0
A.....	17.9	58.6	52.2	1,003.3	1,643.4	101.6	48.9	145.7	300.8	3,376.8
Sp.....	17.8	57.0	54.2	1,095.1	1,952.5	96.6	47.3	143.4	314.5	3,782.4

p=preliminary

NOTE: Annual figures are twelve month averages.

⁽¹⁾Prince Edward Island, Yukon and Northwest Territories are not published separately. They are included in the total for Canada.SOURCE: DBS *Inventories, Shipments and Orders in Manufacturing Industries*.

REFERENCE TABLE 21 (Continued)
 INDEXES OF REAL DOMESTIC PRODUCT BY INDUSTRY
 1947 to 1969
 (1961=100)

Years and Quarters	Electric Power, Gas and Water Utilities	Transportation, Storage and Communication	Trade			Finance, Insurance and Real Estate	Total Community, Business and Personal Service	Public Administration and Defence
			Total	Wholesale	Retail			
(Weights).....	(2.812)	(9.985)	(12.721)	(4.788)	(7.933)	(12.013)	(13.789)	(7.725)
1947.....	28.4	57.2	57.2	53.8	59.1	n.a.	58.9	n.a.
1948.....	30.0	58.1	56.4	54.2	57.7	n.a.	60.8	n.a.
1949.....	31.6	58.2	58.8	55.6	50.6	n.a.	63.4	n.a.
1950.....	35.8	60.2	63.0	57.7	66.0	n.a.	65.5	n.a.
1951.....	40.9	65.9	63.7	62.5	64.5	n.a.	68.5	n.a.
1952.....	44.5	69.6	68.0	66.4	69.0	n.a.	71.7	n.a.
1953.....	46.7	70.5	72.6	70.3	74.0	n.a.	74.4	n.a.
1954.....	51.1	68.8	73.4	70.7	75.0	n.a.	75.8	n.a.
1955.....	57.9	78.1	81.8	79.9	82.9	n.a.	77.7	n.a.
1956.....	64.6	87.1	89.2	88.3	89.7	n.a.	82.4	n.a.
1957.....	69.5	87.4	89.2	87.3	90.4	n.a.	85.0	n.a.
1958.....	76.3	84.4	91.3	88.9	92.7	n.a.	88.2	n.a.
1959.....	86.6	91.2	97.4	98.0	97.2	n.a.	93.0	n.a.
1960.....	94.4	93.9	97.6	97.3	97.9	n.a.	96.7	n.a.
1961.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1962.....	107.1	104.1	105.6	105.5	105.7	104.0	105.4	103.4
1963.....	112.5	111.1	109.6	109.2	109.9	108.1	109.8	104.0
1964.....	123.3	120.2	116.0	116.1	115.9	112.9	117.0	105.2
1965.....	134.0	127.2	124.3	125.7	123.6	117.2	125.7	106.2
1966.....	147.8	136.4	129.8	130.0	129.7	120.4	132.5	109.3
1967.....	161.3	144.3	135.3	134.5	135.8	125.7	138.8	116.8
1968.....	174.4	150.2	140.1	138.9	140.8	130.6	144.1	120.1
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Seasonally adjusted)								
1968 I.....	169.2	150.0	137.2	136.3	137.8	129.0	141.9	120.3
II.....	170.8	148.8	139.5	142.7	137.7	130.2	142.8	120.1
III.....	177.8	149.8	141.4	138.3	143.2	131.0	144.4	119.8
IV.....	181.6	154.2	141.3	137.2	143.8	132.1	147.3	119.4
1969 I.....	186.1	159.7	143.9	139.6	146.5	133.6	149.9	119.3
II.....	186.6	152.3	144.7	142.2	146.1	135.6	151.3	119.7
III.....	191.2	153.2	147.1	146.4	147.5	137.0	153.2	119.7
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

SOURCE: DBS Indexes of Real Domestic Product by Industry (1961 Base), Occasional, Cat. 61-506.
 DBS Index of Industrial Production, Monthly, Cat. 61-005.

REFERENCE TABLE 22 (Continued)
 CHANGES IN THE INDEXES OF REAL DOMESTIC PRODUCT BY INDUSTRY
 1947 to 1969
 (1961=100)

Years and Quarters	Electric Power, Gas and Water Utilities	Transportation, Storage and Communication	Trade			Finance, Insurance and Real Estate	Community, Business and Personal Service	Public Administration and Defence
			Total	Wholesale	Retail			
(Per cent change from previous period)								
1947.....	13.1	8.5	9.0	7.8	9.4	n.a.	4.1	n.a.
1948.....	5.6	1.6	-1.4	0.7	-2.4	n.a.	3.2	n.a.
1949.....	5.3	0.2	4.3	2.6	5.0	n.a.	4.3	n.a.
1950.....	13.3	3.4	7.1	3.8	8.9	n.a.	3.3	n.a.
1951.....	14.2	9.5	1.1	8.3	-2.3	n.a.	4.6	n.a.
1952.....	8.8	5.6	6.8	6.2	7.0	n.a.	4.7	n.a.
1953.....	4.9	1.3	6.8	5.9	7.2	n.a.	3.8	n.a.
1954.....	9.4	-2.4	1.1	0.6	1.4	n.a.	1.9	n.a.
1955.....	13.3	13.5	11.4	13.0	10.5	n.a.	2.5	n.a.
1956.....	11.6	11.5	9.0	10.5	8.2	n.a.	6.0	n.a.
1957.....	7.6	0.3	-	-1.1	0.8	n.a.	3.2	n.a.
1958.....	9.8	-3.4	2.4	1.8	2.5	n.a.	3.8	n.a.
1959.....	13.5	8.1	6.7	10.2	4.9	n.a.	5.4	n.a.
1960.....	9.0	3.0	0.2	-0.7	0.7	n.a.	4.0	n.a.
1961.....	5.9	6.5	2.5	2.8	2.1	-	3.4	-
1962.....	7.1	4.1	5.7	5.4	5.8	4.0	5.4	3.4
1963.....	5.0	6.7	3.8	3.5	4.0	4.0	4.2	0.6
1964.....	9.7	8.3	5.8	6.4	5.6	4.4	6.6	1.2
1965.....	8.6	5.8	7.2	8.2	6.6	3.8	7.4	0.9
1966.....	10.3	7.2	4.4	3.4	5.0	2.8	5.4	2.9
1967.....	9.2	5.8	4.3	3.5	4.8	4.4	4.8	6.9
1968.....	8.1	4.1	3.5	3.3	3.7	3.9	3.8	2.8
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Seasonally adjusted)								
1968 I.....	2.6	2.6	-0.1	-0.8	0.4	0.9	1.1	2.0
II.....	0.9	-0.8	1.7	4.7	-0.1	0.9	0.6	-0.2
III.....	4.1	0.7	1.4	-3.1	4.0	0.6	1.1	-0.3
IV.....	2.1	2.9	-0.1	-0.8	0.4	0.8	2.0	-0.3
1969 I.....	2.5	3.6	1.8	1.7	1.9	1.1	1.8	-0.1
II.....	0.3	-4.6	0.6	1.9	-0.3	1.5	0.9	0.3
III.....	2.5	0.6	1.7	3.0	1.0	1.0	1.3	-
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

SOURCE: DBS *Indexes of Real Domestic Product by Industry (1961 Base)*.
 DBS *Index of Industrial Production (1961=100)*.

REFERENCE TABLE 23

INDEXES OF REAL DOMESTIC PRODUCT BY MAJOR INDUSTRIAL GROUPING

1947 to 1969

(1961=100)

Years and Quarters	Commercial Industries	Commercial Industries less Agriculture	Goods-Producing Industries	Goods-Producing Industries less Agriculture	Service-Producing Industries	Non-Commercial Industries	Commercial Service-Producing Industries	Index of Industrial Production
(Weights).....	(84.355)	(79.798)	(43.767)	(39.210)	(56.233)	(15.645)	(40.588)	(31.851)
1947.....	55.0	52.1	54.0	48.5	55.7	n.a.	55.8	48.9
1948.....	57.0	54.0	56.8	51.3	56.7	n.a.	56.9	51.5
1949.....	58.5	56.1	57.8	53.3	59.1	n.a.	59.1	53.4
1950.....	62.7	59.9	62.6	57.6	62.2	n.a.	62.2	57.3
1951.....	67.5	64.0	68.6	62.4	65.8	n.a.	65.7	62.7
1952.....	72.5	67.4	74.5	65.5	70.0	n.a.	69.4	65.3
1953.....	75.5	71.5	77.4	70.6	73.3	n.a.	72.4	70.1
1954.....	73.8	72.2	73.9	71.0	74.7	n.a.	73.3	70.0
1955.....	82.1	79.3	83.7	78.8	80.2	n.a.	79.4	77.7
1956.....	89.5	86.8	91.9	87.3	85.7	n.a.	85.6	85.8
1957.....	89.7	88.6	91.0	89.2	87.7	n.a.	87.6	87.2
1958.....	91.0	89.1	92.4	89.1	89.4	n.a.	88.7	86.7
1959.....	95.9	94.7	96.8	94.8	94.4	n.a.	94.1	94.2
1960.....	98.0	96.5	99.0	96.5	96.6	n.a.	96.3	96.2
1961.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1962.....	107.3	106.5	109.9	108.6	104.6	105.0	104.5	109.5
1963.....	113.3	112.0	116.8	114.6	108.8	107.4	109.3	116.5
1964.....	120.8	120.8	125.6	125.9	114.9	112.5	115.6	128.1
1965.....	129.6	129.6	136.4	137.3	121.2	118.4	122.0	139.1
1966.....	137.8	137.4	146.7	146.8	126.8	123.1	128.0	148.9
1967.....	140.7	141.7	146.7	149.3	133.2	130.4	134.0	151.7
1968.....	147.1	147.9	154.7	157.1	138.1	135.9	138.3	159.8
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Seasonally adjusted)								
1968 I.....	144.2	144.6	150.5	152.0	136.6	134.5	n.a.	154.9
II.....	146.4	147.3	154.1	156.8	137.3	135.3	n.a.	158.9
III.....	147.4	148.5	154.9	158.0	138.4	136.2	n.a.	160.3
IV.....	150.7	151.5	159.6	162.1	140.1	137.1	n.a.	165.1
1969 I.....	154.7	154.9	164.3	165.9	142.6	138.4	n.a.	168.4
II.....	153.6	154.0	163.2	165.1	142.3	139.5	n.a.	167.3
III.....	153.5	154.1	161.3	163.4	143.8	140.4	n.a.	165.9
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

SOURCE: DBS Indexes of Real Domestic Product by Industry (1961 Base).
 DBS Index of Industrial Production.
 DBS Aggregate Productivity Trends.

REFERENCE TABLE 24
 CHANGES IN THE INDEXES OF REAL DOMESTIC PRODUCT
 BY MAJOR INDUSTRIAL GROUPING

1947 to 1969

Years and Quarters	Commercial Industries	Commercial Industries less Agriculture	Goods-Producing Industries	Goods-Producing Industries less Agriculture	Service-Producing Industries	Non-Commercial Industries	Commercial Service-Producing Industries	Index of Industrial Production
(Per cent change from previous period)								
1947.....	6.6	8.8	5.9	10.0	2.8	n.a.	7.7	9.4
1948.....	3.6	3.6	5.2	5.8	1.8	n.a.	2.0	5.3
1949.....	2.6	3.9	1.8	3.9	4.2	n.a.	3.9	3.7
1950.....	7.2	6.8	8.3	8.1	5.2	n.a.	5.2	7.3
1951.....	7.7	6.8	9.6	8.3	5.8	n.a.	5.6	9.4
1952.....	7.4	5.3	8.6	5.0	6.4	n.a.	5.6	4.1
1953.....	4.1	6.1	3.9	7.8	4.7	n.a.	4.3	7.4
1954.....	-2.3	1.0	-4.5	0.6	1.9	n.a.	1.2	-0.1
1955.....	11.2	9.8	13.3	11.0	7.4	n.a.	8.3	11.0
1956.....	9.0	9.5	9.8	10.8	6.9	n.a.	7.8	10.4
1957.....	0.2	2.1	-1.0	2.2	2.3	n.a.	2.3	1.6
1958.....	1.4	0.6	1.5	-0.1	1.9	n.a.	1.3	-0.6
1959.....	5.4	6.3	4.8	6.4	5.6	n.a.	6.1	8.7
1960.....	2.2	1.9	2.3	1.8	2.3	n.a.	2.3	2.1
1961.....	2.0	3.6	1.0	3.6	3.5	n.a.	3.8	4.0
1962.....	7.3	6.5	9.9	8.6	4.7	4.9	4.5	9.5
1963.....	5.5	5.1	6.3	5.6	4.0	2.3	4.6	6.4
1964.....	6.7	7.9	7.5	9.9	5.5	4.8	5.8	10.0
1965.....	7.2	7.4	8.6	9.0	5.5	5.2	5.5	8.5
1966.....	6.4	6.0	7.6	6.9	4.7	4.0	4.9	7.1
1967.....	2.1	3.1	—	1.7	5.0	5.9	4.7	1.8
1968.....	4.5	4.4	5.5	5.2	3.7	4.2	3.2	5.3
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Seasonally adjusted)								
1968 I.....	1.4	0.8	1.8	0.7	1.3	1.9	n.a.	0.5
II.....	1.5	1.9	2.4	3.2	0.5	0.6	n.a.	2.6
III.....	0.7	0.8	0.5	0.8	0.8	0.7	n.a.	0.9
IV.....	2.2	2.0	3.0	2.6	1.2	0.7	n.a.	3.0
1969 I.....	2.7	2.2	2.9	2.3	1.8	0.9	n.a.	2.0
II.....	-0.7	-0.6	-0.7	-0.5	-0.2	0.8	n.a.	0.7
III.....	-0.1	0.1	-1.2	-1.0	1.1	0.6	n.a.	-0.8
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

SOURCE: DBS Aggregate Productivity Trends.
 DBS Indexes of Real Domestic Product by Industry (1961 Base).
 DBS Index of Industrial Production (1961=100).

REFERENCE TABLE 25
 MAIN COMPONENTS OF THE LABOUR MARKET⁽¹⁾

1954 to 1969

Years and Months	Population 14 Years and Over	Labour Force			Employment		
		Total	Male	Female	Total	Male	Female
(Thousands of persons)							
1954.....	10,391	5,493	4,263	1,231	5,243	4,044	1,199
1955.....	10,597	5,610	4,341	1,269	5,364	4,128	1,236
1956.....	10,807	5,782	4,437	1,346	5,585	4,266	1,320
1957.....	11,123	6,008	4,573	1,435	5,731	4,329	1,402
1958.....	11,388	6,137	4,641	1,496	5,706	4,263	1,442
1959.....	11,605	6,242	4,687	1,554	5,870	4,363	1,507
1960.....	11,831	6,411	4,754	1,657	5,965	4,368	1,597
1961.....	12,053	6,521	4,782	1,739	6,055	4,381	1,674
1962.....	12,280	6,615	4,819	1,797	6,225	4,488	1,737
1963.....	12,536	6,748	4,879	1,870	6,375	4,567	1,808
1964.....	12,817	6,933	4,961	1,972	6,609	4,698	1,911
1965.....	13,128	7,141	5,065	2,076	6,862	4,842	2,020
1966.....	13,475	7,420	5,193	2,227	7,152	4,983	2,169
1967.....	13,874	7,694	5,329	2,365	7,379	5,083	2,296
1968.....	14,264	7,919	5,443	2,476	7,537	5,146	2,391
1969.....	14,638	8,163	5,560	2,603	7,780	5,272	2,508
(Seasonally adjusted ⁽²⁾)							
1969 J.....	14,470	8,099	5,534	2,583	7,753	5,265	2,486
F.....	14,495	8,128	5,533	2,605	7,779	5,265	2,515
M.....	14,528	8,108	5,529	2,566	7,771	5,287	2,479
A.....	14,557	8,207	5,571	2,647	7,842	5,283	2,554
M.....	14,592	8,244	5,606	2,633	7,840	5,305	2,532
J.....	14,619	8,258	5,626	2,605	7,835	5,316	2,509
J.....	14,651	8,155	5,554	2,594	7,768	5,264	2,504
A.....	14,687	8,143	5,551	2,590	7,745	5,249	2,495
S.....	14,710	8,151	5,527	2,593	7,744	5,243	2,497
O.....	14,748	8,128	5,543	2,607	7,742	5,248	2,504
N.....	14,778	8,162	5,562	2,590	7,747	5,262	2,509
D.....	14,809	8,193	5,579	2,614	7,798	5,279	2,517

REFERENCE TABLE 25 (Continued)
 MAIN COMPONENTS OF THE LABOUR MARKET⁽¹⁾
 1954 to 1969

Years and Months	Unemployment Rate			Participation Rate			Unemployment	Total Immigration	Immigrants Destined to the Labour Force
	Total	Male	Female	Total	Male	Female			
	(Per cent)						(Thousands of persons)		
1954.....	4.6	5.1	2.6	52.9	82.2	23.7	250	154	84
1955.....	4.4	4.9	2.6	52.9	82.1	23.9	245	110	58
1956.....	3.4	3.9	1.9	53.5	82.2	24.9	197	165	91
1957.....	4.6	5.3	2.3	54.0	82.3	25.8	278	282	152
1958.....	7.0	8.1	3.6	53.9	81.7	26.2	432	125	63
1959.....	6.0	6.9	3.0	53.8	81.0	26.7	372	107	54
1960.....	7.0	8.1	3.6	54.2	80.7	27.9	446	104	54
1961.....	7.1	8.4	3.7	54.1	79.8	28.7	466	72	35
1962.....	5.9	6.9	3.3	53.9	79.1	29.0	390	75	37
1963.....	5.5	6.4	3.3	53.8	78.5	29.6	374	93	46
1964.....	4.7	5.3	3.1	54.1	78.1	30.5	324	113	56
1965.....	3.9	4.4	2.7	54.4	77.9	31.3	280	147	74
1966.....	3.6	4.0	2.6	55.1	77.8	32.8	267	195	99
1967.....	4.1	4.6	3.0	55.5	77.5	33.8	315	223	120
1968.....	4.8	5.5	3.4	55.5	77.0	34.4	382	184	95
1969.....	4.7	5.2	3.6	55.8	76.6	35.3	383	n.a.	n.a.
	(Seasonally adjusted ⁽²⁾)								
1969 J.....	4.3	4.7	3.6	56.0	77.1	35.3	346		
F.....	4.3	4.8	3.4	56.1	76.9	35.6	349	31	17
M.....	4.2	4.6	3.2	55.9	76.7	35.0	337		
A.....	4.4	5.0	3.4	56.5	77.2	36.0	365		
M.....	4.9	5.4	3.8	56.4	77.4	35.8	404	40	21
J.....	5.1	5.7	3.6	56.4	77.7	35.4	423		
J.....	4.7	5.3	3.5	55.7	76.5	35.2	387		
A.....	4.9	5.4	3.7	55.3	76.3	35.0	398	49	25
S.....	5.0	5.6	3.7	55.2	75.8	34.9	407		
O.....	5.3	5.9	4.0	55.2	75.9	35.1	436		
N.....	5.1	5.6	4.0	55.1	76.0	34.8	415	n.a.	n.a.
D.....	4.8	5.4	3.7	55.3	76.0	35.0	397		

⁽¹⁾Small differences in totals may arise due to the seasonal adjustment process, or rounding.

⁽²⁾Immigration statistics are by quarters and are not seasonally adjusted. Population figures are not seasonally adjusted.

Source: DBS *The Labour Force*, Monthly, Cat. 71-001.

Department of Manpower and Immigration *Immigration Statistics*.

Department of Manpower and Immigration *Quarterly Immigration Bulletin*.

REFERENCE TABLE 26
 CHANGES IN THE MAIN COMPONENTS OF THE LABOUR MARKET
 1954 to 1969

Years and Months	Population 14 Years and Over	Labour Force			Employment		
		Total	Male	Female	Total	Male	Female
(Per cent change from same period a year ago)							
1954.....	2.2	1.8	1.4	3.4	0.2	-0.5	2.3
1955.....	2.0	2.1	1.8	3.1	2.3	2.1	3.1
1956.....	2.0	3.1	2.2	6.1	4.1	3.3	6.8
1957.....	2.9	3.9	3.1	6.6	2.6	1.5	6.2
1958.....	2.4	2.1	1.5	4.3	-0.4	-1.5	2.9
1959.....	1.9	1.7	1.0	3.9	-2.9	2.3	4.5
1960.....	1.9	2.7	1.4	6.6	1.6	0.1	6.0
1961.....	1.9	1.7	0.6	4.9	1.5	0.3	4.8
1962.....	1.9	1.4	0.8	3.3	2.8	2.4	3.8
1963.....	2.1	2.0	1.2	4.1	2.4	1.8	4.1
1964.....	2.2	2.7	1.7	5.5	3.7	2.9	5.7
1965.....	2.4	3.0	2.1	5.3	3.8	3.1	5.7
1966.....	2.6	3.9	2.5	7.3	4.2	2.9	7.4
1967.....	3.0	3.7	2.6	6.2	3.2	2.0	5.9
1968.....	2.8	2.9	2.1	4.7	2.1	1.2	4.1
1969.....	2.6	3.1	2.1	5.1	3.2	2.4	4.9
(Seasonally adjusted ⁽¹⁾)							
1969 J.....	2.7	4.4	3.4	6.5	4.6	3.9	5.9
F.....	2.7	4.4	3.0	7.1	4.7	3.7	6.7
M.....	2.7	4.3	3.0	6.4	5.0	4.3	6.3
A.....	2.6	4.6	2.7	8.6	4.8	3.1	8.5
M.....	2.7	4.8	3.3	8.2	4.8	3.4	7.8
J.....	2.6	3.0	1.9	5.5	3.3	2.3	5.6
J.....	2.6	2.6	1.7	5.1	3.1	2.1	5.5
A.....	2.6	2.5	1.6	4.5	2.6	1.7	4.6
S.....	2.6	2.0	1.3	3.2	1.8	1.2	3.0
O.....	2.6	1.9	1.2	3.2	1.6	1.1	2.7
N.....	2.6	1.2	1.2	1.1	1.0	1.3	0.6
D.....	2.6	2.0	1.7	2.7	1.9	1.7	2.4

⁽¹⁾Population figures are not seasonally adjusted.

SOURCE: DBS *The Labour Force*.

REFERENCE TABLE 27
 PARTICIPATION RATES BY SEX AND AGE GROUPS
 1954 to 1969

Years and Months	14-19		20-24		25-44		45-64		65+	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
	(Per cent)									
1954.....	50.2	33.6	92.0	46.6	97.3	23.3	91.3	18.1	33.2	3.7
1955.....	48.6	32.9	92.2	46.3	97.6	23.8	91.8	19.0	32.3	3.9
1956.....	48.1	33.9	91.7	47.1	97.6	24.5	92.0	20.8	34.0	4.5
1957.....	47.8	33.1	91.4	46.5	97.7	25.7	92.5	22.9	34.1	5.0
1958.....	45.6	32.1	91.7	47.4	97.8	26.2	92.5	24.1	32.1	5.2
1959.....	43.6	32.1	91.0	46.5	97.8	27.0	92.4	25.1	31.0	5.2
1960.....	42.8	32.6	91.2	47.9	97.8	28.3	92.5	26.7	30.3	5.6
1961.....	40.3	32.3	90.7	48.7	97.7	29.2	92.2	28.5	29.3	5.9
1962.....	39.6	30.9	88.6	49.7	97.7	29.8	91.7	29.4	28.5	5.6
1963.....	39.2	29.9	88.7	50.3	97.7	30.5	91.9	30.5	26.4	5.9
1964.....	38.3	29.9	88.2	51.0	97.7	31.7	91.8	31.6	26.8	6.3
1965.....	38.7	30.2	87.6	52.6	97.6	32.6	91.9	32.9	26.3	6.0
1966.....	38.6	31.4	87.4	55.6	97.6	34.3	91.8	33.9	26.4	5.9
1967.....	39.4	31.6	86.0	56.6	97.3	35.7	91.7	35.1	24.7	5.9
1968.....	39.1	31.3	84.4	58.4	97.0	36.4	91.1	35.4	24.4	5.9
1969.....	38.0	31.1	84.2	59.3	96.8	38.6	91.0	35.5	23.6	5.5
	(Seasonally adjusted)									
1969 J.....	39.0	30.4	84.2	57.6	97.4	38.0	91.1	37.4	24.3	5.6
F.....	38.1	30.4	85.1	58.8	97.1	38.4	91.1	37.0	24.1	6.0
M.....	39.2	31.2	85.1	58.4	96.7	37.8	91.5	35.8	24.0	6.1
A.....	39.4	31.9	84.8	60.0	97.1	39.7	91.6	35.9	24.7	5.7
M.....	39.7	32.7	86.1	60.9	97.2	39.2	91.3	34.8	24.1	5.9
J.....	41.9	33.8	85.6	60.7	96.9	38.1	90.8	34.6	24.5	5.9
J.....	36.7	31.1	85.6	60.9	96.8	38.3	90.8	34.8	23.7	5.7
A.....	34.5	30.9	85.5	60.3	96.7	38.4	90.9	34.7	23.5	5.3
S.....	36.9	30.5	81.5	58.8	96.4	38.3	90.8	35.2	23.1	5.2
O.....	37.0	30.8	82.6	59.0	96.4	38.7	90.8	35.4	22.8	5.2
N.....	37.2	30.4	81.8	58.5	96.6	38.8	91.0	34.8	22.9	4.3
D.....	38.3	29.0	82.1	57.6	96.4	39.0	90.8	35.6	22.0	4.9

SOURCE: DBS *The Labour Force*.

REFERENCE TABLE 28
 UNEMPLOYMENT RATES BY SEX AND AGE GROUPS
 1954 to 1969

Years and Months	14-19		20-24		25-44		45-64	
	Male	Female	Male	Female	Male	Female	Male	Female
	(Per cent)							
1954.....	10.0	5.4	7.6	2.7	4.4	2.0	4.3	1.3
1955.....	10.1	5.0	7.2	2.4	4.1	1.9	4.2	2.0
1956.....	8.1	3.8	5.7	1.9	3.2	1.6	3.3	1.1
1957.....	11.2	4.6	8.2	2.7	4.5	1.7	4.2	1.6
1958.....	16.6	7.4	12.7	4.1	6.9	2.6	6.7	2.4
1959.....	14.3	6.7	10.5	3.7	5.8	2.2	5.8	1.6
1960.....	16.4	8.6	12.2	3.9	6.9	2.5	6.9	1.8
1961.....	16.4	8.6	11.8	4.2	7.3	2.6	7.3	2.3
1962.....	14.4	7.9	10.0	3.7	5.6	2.4	6.1	1.9
1963.....	14.0	7.7	9.6	4.1	5.1	2.2	5.4	2.2
1964.....	12.3	7.6	7.9	3.3	4.1	2.0	4.5	2.1
1965.....	10.2	6.9	5.7	3.1	3.4	1.9	3.9	1.6
1966.....	9.7	6.4	5.3	2.5	2.9	1.9	3.7	1.5
1967.....	10.9	7.3	6.1	3.2	3.5	2.0	3.8	1.7
1968.....	12.7	8.3	7.7	4.2	4.2	2.3	4.3	2.0
1969.....	12.5	8.9	7.5	3.7	3.8	2.5	4.2	2.2
	(Seasonally adjusted)							
1969 J.....	11.3	8.1	7.4	3.9	3.3	2.5	3.6	3.1
F.....	11.8	8.4	7.2	4.0	3.6	2.7	3.6	1.7
M.....	12.0	9.0	6.7	3.0	3.4	2.2	3.4	1.9
A.....	13.0	9.6	7.4	2.9	3.6	2.4	4.1	2.2
M.....	13.9	8.8	7.5	4.2	3.9	2.8	4.1	2.1
J.....	11.9	10.5	7.7	3.3	4.5	2.6	4.3	1.8
J.....	13.4	8.1	7.4	4.0	3.6	2.2	4.5	1.6
A.....	11.2	8.4	7.7	3.1	4.2	2.8	4.6	2.2
S.....	10.3	9.1	7.1	3.5	4.7	2.9	4.6	2.9
O.....	13.4	8.2	9.5	4.3	4.2	2.8	4.5	2.6
N.....	11.8	9.1	8.0	5.3	4.5	2.3	4.4	2.3
D.....	12.5	9.8	7.9	4.0	4.1	2.5	4.7	2.0

SOURCE: DBS *The Labour Force*.

REFERENCE TABLE 29
 PARTICIPATION RATES, CANADA AND BY REGION
 1954 to 1969

Years and Months	Canada	Atlantic Region	Quebec	Ontario	Prairie Region	British Columbia
(Labour Force as a percent of population 14 years and over)						
1954.....	52.9	46.0	53.7	55.9	51.0	50.4
1955.....	52.9	46.4	53.5	55.7	51.4	50.9
1956.....	53.5	46.6	53.1	56.9	52.4	51.5
1957.....	54.0	47.7	53.6	57.2	52.9	51.9
1958.....	53.9	47.0	54.0	56.4	53.8	51.5
1959.....	53.8	47.0	53.5	56.2	54.2	51.7
1960.....	54.2	47.1	53.6	57.0	54.7	51.7
1961.....	54.1	48.1	52.8	56.7	55.6	51.8
1962.....	53.9	47.8	52.5	56.3	55.7	52.3
1963.....	53.8	46.8	52.6	56.5	55.0	52.8
1964.....	54.1	47.0	52.6	57.0	55.1	53.6
1965.....	54.4	48.1	53.2	56.7	55.5	53.8
1966.....	55.1	48.6	54.3	57.2	55.7	54.9
1967.....	55.5	48.5	54.8	57.6	55.8	55.8
1968.....	55.5	48.2	54.3	57.7	56.8	56.0
1969.....	55.8	48.1	54.5	58.0	56.9	56.7
(Seasonally adjusted)						
1969 J.....	56.0	48.6	54.5	58.4	57.6	55.8
F.....	56.1	48.5	54.2	58.7	58.0	56.0
M.....	55.9	48.0	54.4	58.1	57.4	55.7
A.....	56.5	49.1	55.0	58.5	57.5	57.0
M.....	56.4	49.2	54.9	58.9	57.5	57.8
J.....	56.4	48.4	55.5	58.1	57.4	58.4
J.....	55.7	48.2	54.9	57.8	56.6	55.7
A.....	55.3	48.0	55.0	57.2	56.7	55.9
S.....	55.2	47.3	54.2	57.5	54.7	56.8
O.....	55.2	47.6	54.4	57.5	56.0	57.1
N.....	55.1	47.1	54.1	57.4	56.1	57.5
D.....	55.3	47.1	53.9	57.8	56.4	56.8

SOURCE: DBS *The Labour Force*

REFERENCE TABLE 30

LABOUR FORCE, CANADA AND BY REGION

1954 to 1969

Years and Months	Canada	Atlantic Region	Quebec	Ontario	Prairie Region	British Columbia	Canada	Atlantic Region	Quebec	Ontario	Prairie Ontario	British Columbia
	(Thousands of persons)						(Per cent change from same period a year ago)					
1954.....	5,493	501	1,562	2,022	949	461	1.8	-1.0	1.6	3.8	-0.7	2.7
1955.....	5,610	511	1,591	2,059	969	480	2.1	2.0	1.9	1.8	2.1	4.1
1956.....	5,782	520	1,615	2,147	998	503	3.1	1.8	1.5	4.3	3.0	4.8
1957.....	6,008	537	1,678	2,238	1,019	536	3.9	3.3	3.9	4.2	2.1	6.6
1958.....	6,137	535	1,735	2,264	1,055	548	2.1	-0.4	3.4	1.2	3.5	2.2
1959.....	6,242	541	1,758	2,301	1,084	556	1.7	1.1	1.3	1.6	2.7	1.5
1960.....	6,411	550	1,803	2,377	1,115	565	2.7	1.7	2.6	3.3	2.9	1.6
1961.....	6,521	571	1,820	2,401	1,154	575	1.7	3.8	0.9	1.0	3.5	1.8
1962.....	6,615	578	1,852	2,422	1,175	590	1.4	1.2	1.8	0.9	1.8	2.6
1963.....	6,748	577	1,904	2,476	1,181	610	2.0	-0.2	2.8	2.2	0.5	3.4
1964.....	6,933	588	1,951	2,556	1,199	639	2.7	1.9	2.5	3.2	1.5	4.8
1965.....	7,141	611	2,022	2,614	1,228	666	3.0	3.9	3.6	2.3	2.4	4.2
1966.....	7,420	626	2,116	2,719	1,248	710	3.9	2.5	4.6	4.0	1.6	6.6
1967.....	7,694	635	2,196	2,834	1,268	762	3.7	1.4	3.8	4.2	1.6	7.3
1968.....	7,919	643	2,227	2,934	1,318	797	2.9	1.3	1.4	3.5	3.9	4.6
1969.....	8,163	654	2,290	3,032	1,351	836	3.1	1.7	2.8	3.3	2.5	4.9
(Seasonally adjusted)												
1969 J.....	8,099	656	2,261	3,010	1,355	811	4.4	2.2	3.8	5.2	4.9	4.0
F.....	8,128	655	2,256	3,037	1,365	813	4.4	2.0	3.6	5.1	5.6	3.4
M.....	8,108	651	2,275	3,019	1,355	813	4.3	2.5	4.1	5.0	4.3	3.6
A.....	8,207	665	2,302	3,038	1,364	835	4.6	3.9	3.9	5.2	3.5	6.1
M.....	8,244	669	2,290	3,071	1,362	850	4.8	3.6	3.5	5.2	4.2	8.0
J.....	8,258	662	2,324	3,035	1,362	856	3.0	1.5	2.7	2.6	3.2	6.3
J.....	8,155	660	2,303	3,028	1,344	823	2.6	1.7	3.0	3.0	2.0	3.0
A.....	8,143	659	2,318	3,004	1,349	828	2.5	1.4	3.0	2.2	2.0	3.5
S.....	8,151	649	2,293	3,027	1,338	844	2.0	0.2	1.7	2.3	1.0	5.5
O.....	8,178	653	2,308	3,035	1,341	852	1.9	1.4	2.6	1.3	0.4	6.2
N.....	8,162	646	2,297	3,030	1,342	859	1.2	0.5	1.9	0.6	-1.0	5.8
D.....	8,193	646	2,288	3,064	1,352	852	2.0	1.1	1.6	2.9	0.2	3.1

SOURCE: DBS *The Labour Force*.

REFERENCE TABLE 31
 EMPLOYMENT, CANADA AND BY REGION
 1954 to 1969

Years and Months	Canada	Atlantic Region	Quebec	Ontario	Prairie Region	British Columbia	Canada	Atlantic Region	Quebec	Ontario	Prairie Region	British Columbia
	(Thousands of persons)						(Per cent change from same period a year ago)					
1954.....	5,243	468	1,470	1,945	925	437	0.2	-2.1	-0.7	2.0	-1.4	1.2
1955.....	5,364	478	1,493	1,993	939	462	2.3	2.1	1.6	2.5	1.5	5.7
1956.....	5,585	489	1,535	2,096	976	489	4.1	2.3	2.8	5.2	3.9	5.8
1957.....	5,731	492	1,576	2,161	992	509	2.6	0.6	2.7	3.1	1.6	4.1
1958.....	5,706	469	1,582	2,142	1,013	501	-0.4	-4.7	0.4	-0.9	2.1	-1.6
1959.....	5,870	482	1,620	2,198	1,049	521	2.9	2.8	2.4	2.6	3.6	4.0
1960.....	5,965	492	1,639	2,249	1,069	516	1.6	2.1	1.2	2.3	1.9	-1.0
1961.....	6,055	507	1,652	2,269	1,100	527	1.5	3.0	0.8	0.9	2.9	2.1
1962.....	6,225	516	1,713	2,317	1,129	551	2.8	1.8	3.7	2.1	2.6	4.6
1963.....	6,375	522	1,762	2,382	1,138	571	2.4	1.2	2.9	2.8	0.8	3.6
1964.....	6,609	542	1,827	2,473	1,162	605	3.7	3.8	3.7	3.8	2.1	6.0
1965.....	6,802	566	1,912	2,548	1,196	639	3.8	4.4	4.7	3.0	2.9	5.6
1966.....	7,152	586	2,016	2,651	1,222	678	4.2	3.5	5.4	4.0	2.2	6.1
1967.....	7,379	593	2,080	2,745	1,238	723	3.2	1.2	3.2	3.5	1.3	6.6
1968.....	7,537	596	2,082	2,830	1,280	750	2.1	0.5	0.1	3.1	3.4	3.7
1969.....	7,780	605	2,132	2,936	1,312	795	3.2	1.5	2.4	3.7	2.5	6.0
	(Seasonally adjusted)											
1969 J.....	7,753	614	2,114	2,928	1,320	773	4.6	2.8	3.2	5.6	4.9	4.9
F.....	7,779	613	2,117	2,947	1,329	770	4.7	2.3	3.6	5.7	5.5	4.2
M.....	7,771	607	2,136	2,940	1,320	773	5.0	2.4	4.4	6.2	4.6	4.6
A.....	7,842	617	2,150	2,948	1,329	798	4.8	3.7	3.9	5.6	3.4	7.8
M.....	7,840	615	2,128	2,958	1,325	809	4.8	2.5	2.3	5.8	4.6	9.9
J.....	7,835	603	2,152	2,926	1,316	819	3.3	0.8	2.4	3.0	3.6	8.6
J.....	7,768	601	2,148	2,935	1,298	783	3.1	0.7	2.7	4.0	2.4	4.5
A.....	7,745	600	2,150	2,910	1,309	787	2.6	0.7	2.4	2.5	2.7	4.9
S.....	7,744	594	2,113	2,932	1,303	799	1.8	-1.0	-	2.6	1.6	6.4
O.....	7,742	601	2,125	2,930	1,287	806	1.6	1.5	1.3	1.5	-0.7	6.9
N.....	7,747	595	2,126	2,927	1,299	810	1.0	0.5	1.5	0.6	-1.4	6.0
D.....	7,798	598	2,127	2,957	1,315	808	1.9	1.0	1.8	2.7	0.3	3.1

Source: DBS *The Labour Force*.

REFERENCE TABLE 32
 UNEMPLOYMENT, CANADA AND BY REGION
 1954 to 1969

Years and Months	Unemployed						Unemployment Rate					
	Canada	Atlantic Region	Quebec	Ontario	Prairie Region	British Columbia	Canada	Atlantic Region	Quebec	Ontario	Prairie Region	British Columbia
	(Thousands of persons)						(Per cent)					
1954.....	250	33	92	77	24	24	4.6	6.6	5.9	3.8	2.5	5.2
1955.....	245	33	98	66	30	18	4.4	6.5	6.2	3.2	3.1	3.8
1956.....	197	31	80	51	22	14	3.4	6.0	5.0	2.4	2.2	2.8
1957.....	278	45	101	77	27	27	4.6	8.4	6.0	3.4	2.6	5.0
1958.....	432	67	153	122	43	47	7.0	12.5	8.8	5.4	4.1	8.6
1959.....	372	59	138	103	35	36	6.0	10.9	7.8	4.5	3.2	6.5
1960.....	446	59	164	128	47	48	7.0	10.7	9.1	5.4	4.2	8.5
1961.....	466	64	168	132	53	49	7.1	11.2	9.2	5.5	4.6	8.5
1962.....	390	62	139	105	46	39	5.9	10.7	7.5	4.3	3.9	6.6
1963.....	374	55	142	94	44	39	5.5	9.5	7.5	3.8	3.7	6.4
1964.....	324	46	124	83	37	34	4.7	7.8	6.4	3.2	3.1	5.3
1965.....	280	45	109	66	32	28	3.9	7.4	5.4	2.5	2.6	4.2
1966.....	267	40	100	69	26	32	3.6	6.4	4.7	2.5	2.1	4.5
1967.....	315	42	116	89	29	39	4.1	6.6	5.3	3.1	2.3	5.1
1968.....	382	47	145	104	39	47	4.8	7.3	6.5	3.5	3.0	5.9
1969.....	383	49	158	96	39	41	4.7	7.5	6.9	3.2	2.9	4.9
	(Seasonally adjusted)											
1969 J.....	346	42	147	82	35	38	4.3	6.4	6.5	2.7	2.6	4.7
F.....	349	42	139	90	36	43	4.3	6.4	6.2	3.0	2.6	5.3
M.....	337	44	139	79	35	40	4.2	6.8	6.1	2.6	2.6	4.9
A.....	365	48	152	90	35	37	4.4	7.2	6.6	3.0	2.6	4.4
M.....	404	54	162	113	37	41	4.9	8.1	7.1	3.7	2.7	4.8
J.....	423	59	172	109	46	37	5.1	8.9	7.4	3.6	3.4	4.3
J.....	387	59	155	93	46	40	4.7	8.9	6.7	3.1	3.4	4.9
A.....	398	59	168	94	40	42	4.9	9.0	7.2	3.1	3.0	5.1
S.....	407	55	180	95	35	45	5.0	8.5	7.8	3.1	2.6	5.3
O.....	436	52	183	105	54	46	5.3	8.0	7.9	3.5	4.0	5.4
N.....	415	51	171	103	43	49	5.1	7.9	7.4	3.4	3.2	5.7
D.....	395	48	161	107	37	44	4.8	7.4	7.0	3.5	2.7	5.2

SOURCE: DBS *The Labour Force*.

REFERENCE TABLE 33 (Continued)
ESTIMATES OF EMPLOYEES BY INDUSTRY

1961 to 1969

(Thousands)

Years and Months	Forestry	Mines, Quarries and Oil Wells	Total Manufacturing	Construction	Transportation, Communication and Other Utilities	Trade	Finance, Insurance and Real Estate	Total Community, Business and Personal Services	Public Administration and Defence ⁽¹⁾	Grand Total ⁽²⁾
PRAIRIE REGION										
1961.....	3.4	24.5	89.7	48.7	113.9	129.7	27.6	188.9	58.6	685.1
1962.....	3.8	25.0	92.6	51.9	114.3	133.7	29.7	196.5	58.8	708.2
1963.....	4.0	24.8	95.4	51.3	115.7	137.0	30.9	206.6	58.8	724.0
1964.....	3.8	25.9	99.8	52.1	118.2	142.3	32.5	218.4	59.9	753.0
1965.....	4.2	27.8	105.2	57.1	119.3	149.8	33.9	234.8	61.3	793.3
1966.....	4.2	29.2	108.3	62.0	121.0	161.5	35.3	248.2	64.5	834.2
1967.....	3.7	30.4	111.5	66.2	123.0	166.4	37.5	267.2	69.1	874.8
1968.....	2.9	32.1	113.6	67.8	120.3	173.0	38.9	284.3	69.8	903.0
(Not seasonally adjusted)										
1969 J.....	3.0	35.1	112.8	53.1	115.8	170.7	40.2	296.3	67.3	894.3
F.....	3.2	35.0	115.1	58.2	117.7	170.2	39.6	305.7	67.3	911.8
M.....	3.0	35.5	116.3	57.4	118.8	172.4	40.1	303.3	67.5	914.3
A.....	2.4	32.9	117.5	62.5	116.7	174.8	41.6	300.4	68.2	917.0
M.....	3.2	33.7	120.2	69.7	124.9	179.5	40.6	309.9	70.9	952.7
J.....	3.9	35.1	123.9	75.8	129.8	182.9	41.4	315.4	75.3	983.4
J.....	3.9	36.2	122.1	80.4	131.0	179.5	40.4	311.6	77.0	982.2
A.....	4.2	36.4	124.2	81.1	130.5	182.9	41.0	304.9	77.4	982.7
S.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	989.6
BRITISH COLUMBIA										
1961.....	16.7	6.7	100.2	20.7	61.5	71.8	17.2	100.8	30.8	426.4
1962.....	17.9	8.1	104.2	22.4	61.4	74.3	18.4	106.5	31.5	444.7
1963.....	18.7	7.7	108.9	23.5	62.1	77.5	19.8	111.6	31.5	461.4
1964.....	18.6	7.8	111.2	27.6	64.8	82.7	21.3	119.9	31.8	484.8
1965.....	19.7	8.6	117.4	32.5	68.9	87.8	22.9	133.8	33.0	524.6
1966.....	19.6	9.8	122.9	35.8	73.5	94.4	24.3	148.8	34.6	563.6
1967.....	18.2	9.7	122.8	27.6	76.5	99.2	26.2	161.6	37.6	589.3
1968.....	19.0	10.0	123.3	35.5	78.9	103.9	28.2	172.6	38.7	608.1
(Not seasonally adjusted)										
1969 J.....	12.9	9.3	121.8	27.6	75.4	103.2	29.5	182.0	39.3	601.0
F.....	18.8	9.5	125.1	33.2	75.6	105.0	29.2	181.4	39.3	615.2
M.....	19.1	9.4	125.9	33.5	77.2	108.3	29.5	188.4	39.5	630.8
A.....	19.7	9.7	127.8	33.9	78.8	107.6	30.3	189.1	39.0	635.9
M.....	22.6	10.3	131.6	38.0	82.5	108.2	30.3	191.3	40.0	654.6
J.....	23.4	11.1	135.0	43.0	80.4	112.1	30.4	194.7	40.5	670.6
J.....	24.8	10.7	135.2	44.5	78.5	114.7	31.8	187.4	41.0	668.7
A.....	25.4	11.8	136.3	47.2	85.8	115.9	30.1	191.3	41.6	686.0
S.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	687.4

⁽¹⁾Excludes non-civilian employees.⁽²⁾Employees in fishing and trapping are included in the total.

Source: DBS *Estimates of Employees by Province and Industry, Occasional, Cat. 72-508.*
DBS *Estimates of Employees by Province and Industry, Monthly, Cat. 72-008.*

REFERENCE TABLE 34
PRODUCTIVITY AND COSTS
TOTAL ALL INDUSTRIES

1947 to 1969

(1961=100)

Years	Output	Persons Employed ⁽¹⁾	Total Man-Hours ⁽¹⁾	Wages and Salaries ⁽²⁾	Corporation Profits ⁽²⁾	Output Per Person Employed	Output Per Man-Hour	Average Earnings Per Person Employed	Average Hourly Earnings	Wages and Salaries Per Unit of Output	Corporation Profits Per Unit of Output
1947.....	54.8	80.6	89.4	31.2	44.5	68.0	61.3	38.8	34.9	57.0	81.2
1948.....	56.7	82.0	90.9	36.1	48.2	69.1	62.4	44.1	39.7	63.7	85.0
1949.....	58.4	83.4	91.7	39.1	46.1	70.0	63.7	46.9	42.7	67.0	79.0
1950.....	62.4	84.2	90.7	42.3	61.9	74.1	68.8	50.2	46.6	67.7	99.2
1951.....	67.3	86.7	92.8	49.8	70.5	77.6	72.5	57.5	53.7	74.1	104.8
1952.....	72.5	88.0	93.7	56.1	68.5	82.4	77.4	63.7	59.8	77.3	94.5
1953.....	75.5	89.1	94.5	61.1	67.4	84.7	79.9	68.5	64.6	80.9	89.3
1954.....	74.3	89.2	94.2	62.7	60.0	83.3	78.9	70.3	66.6	84.4	80.8
1955.....	82.1	90.7	95.0	67.3	79.0	90.5	86.4	74.2	70.9	82.0	96.2
1956.....	89.1	94.4	98.6	76.2	90.6	94.4	90.4	80.8	77.3	85.6	101.6
1957.....	89.5	96.3	99.5	82.9	84.0	92.9	89.9	86.0	83.3	92.6	93.9
1958.....	91.0	94.8	97.1	85.1	85.8	96.0	93.7	89.8	87.7	93.5	94.3
1959.....	95.7	97.6	99.6	90.9	99.3	98.1	96.1	93.2	91.3	95.0	103.7
1960.....	98.0	98.7	99.9	95.7	96.0	99.3	98.1	97.0	95.8	97.7	98.0
1961.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1962.....	106.9	102.8	102.4	107.2	113.1	104.0	104.4	104.3	104.7	100.3	105.8
1963.....	112.3	104.9	103.5	114.4	124.6	107.1	108.5	109.0	110.5	101.8	111.0
1964.....	119.5	108.6	106.6	124.8	148.3	110.0	112.1	114.9	117.1	104.4	124.1
1965.....	127.8	113.6	110.5	139.1	161.3	112.5	115.7	122.4	125.9	108.8	126.2
1966.....	135.5	118.1	113.5	157.4	169.6	114.7	119.4	133.3	138.7	116.2	125.2
1967.....	139.1	121.1	115.8	174.1	166.2	114.9	120.1	143.7	150.3	125.1	119.5
1968.....	145.4	123.2	116.2	189.7	182.6	118.0	125.1	154.0	163.2	130.5	125.6
1969.....	152.2 ⁽²⁾	128.1	n.a.	212.1	198.2	118.8	n.a.	165.6	n.a.	139.4	130.2
(Percent change from previous year)											
1948.....	3.5	1.7	1.7	15.6	8.3	1.7	1.8	13.7	13.7	11.8	4.6
1949.....	3.0	1.7	0.9	8.3	-4.3	1.3	2.1	6.4	7.3	5.1	-7.1
1950.....	6.8	1.0	-1.1	8.0	34.2	5.8	8.0	7.0	9.2	1.1	25.6
1951.....	7.9	3.0	2.3	18.0	14.0	4.7	5.4	14.6	15.3	9.4	5.7
1952.....	7.7	1.5	1.0	12.5	-2.9	6.1	6.7	10.8	11.4	4.4	-9.9
1953.....	4.1	1.2	0.9	8.9	-1.6	2.9	3.3	7.6	8.0	4.6	-5.5
1954.....	-1.6	0.1	-0.3	2.7	-10.9	-1.7	-1.3	2.6	3.0	4.3	-9.4
1955.....	10.5	1.7	0.8	7.4	31.6	8.7	9.6	5.6	6.5	-2.8	19.1
1956.....	8.5	4.1	3.8	13.2	14.6	4.3	4.6	8.8	9.1	4.3	5.6
1957.....	0.4	2.0	0.9	8.7	-7.2	-1.5	-0.5	6.6	7.7	8.2	-7.6
1958.....	1.7	-1.6	-2.4	2.7	2.2	3.3	4.2	4.4	5.3	1.0	0.5
1959.....	5.2	3.0	2.6	6.8	15.7	2.1	2.5	3.7	4.1	1.6	10.0
1960.....	2.4	1.1	0.3	5.3	-3.3	1.3	2.1	4.1	5.0	2.8	-5.6
1961.....	2.0	1.3	0.1	4.5	4.2	0.7	1.9	3.1	4.3	2.4	2.1
1962.....	6.9	2.8	2.4	7.2	13.1	4.0	4.4	4.3	4.7	0.3	5.8
1963.....	5.1	2.0	1.1	6.6	10.2	2.9	3.9	4.5	5.5	1.5	4.9
1964.....	6.4	3.5	3.0	9.1	19.0	2.8	3.3	5.4	5.9	2.5	11.8
1965.....	6.9	4.6	3.7	11.5	8.8	2.2	3.2	6.6	7.5	4.2	1.7
1966.....	6.0	4.0	2.7	13.2	5.2	2.0	3.2	8.9	10.2	6.7	-0.8
1967.....	2.7	2.5	2.0	10.6	-2.0	0.1	0.6	7.8	8.4	7.7	-4.5
1968.....	4.5	1.7	0.3	9.0	9.9	2.7	4.2	7.1	8.6	4.2	5.1
1969.....	4.7	4.0	n.a.	11.8	8.5	0.7	n.a.	7.5	n.a.	6.8	3.7

⁽¹⁾Estimates based on data from the Dominion Bureau of Statistics.

⁽²⁾Estimated by the Department of Finance.

SOURCE: DBS National Income and Expenditure Accounts.
 DBS Indexes of Real Domestic Product by Industry (1961=100).

REFERENCE TABLE 35
 PRODUCTIVITY AND COSTS
 COMMERCIAL NON-AGRICULTURAL INDUSTRIES
 1947 to 1969
 (1961=100)

Years	Output	Persons Employed	Total Man-Hours	Wages and Salaries ⁽¹⁾	Corporation Profits ⁽²⁾	Output Per Person Employed	Output Per Man-Hour	Average Earnings Per Person Employed	Average Hourly Earnings	Wages and Salaries Per Unit of Output	Corporation Profits Per Unit of Output
1947	62.1	75.9	82.3	32.6	44.5	68.6	63.3	43.0	39.6	62.6	85.4
1948	64.0	78.4	85.0	37.9	48.2	68.9	63.5	48.4	44.6	70.2	89.2
1949	66.1	80.2	86.0	40.7	46.1	70.0	65.2	50.7	47.3	72.5	82.2
1950	69.9	81.8	86.6	43.9	61.9	73.2	69.2	53.7	50.7	73.3	103.3
1951	64.0	86.4	90.7	52.7	70.5	74.1	70.6	60.9	58.1	82.3	110.2
1952	67.4	88.5	92.6	58.9	68.5	76.2	72.8	66.6	63.7	87.5	101.7
1953	71.5	89.9	93.5	64.0	67.4	79.5	76.5	71.2	68.4	89.5	94.3
1954	72.2	88.7	91.3	64.7	60.1	81.4	79.1	72.9	70.8	89.6	83.2
1955	79.3	91.5	93.7	69.5	79.1	86.7	84.6	75.9	74.2	87.6	99.7
1956	86.8	97.0	99.6	79.0	90.6	89.5	87.1	81.5	79.4	91.1	104.4
1957	88.6	99.8	101.8	85.5	84.1	88.8	87.0	85.7	84.0	96.5	94.9
1958	89.1	97.3	98.8	86.7	85.8	91.6	90.2	89.1	87.7	97.3	96.3
1959	94.7	99.7	101.3	92.6	99.4	95.0	93.5	92.8	91.4	97.7	104.9
1960	96.5	99.6	100.6	96.8	96.1	96.9	95.9	97.2	96.2	100.3	99.6
1961	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1962	106.5	103.1	103.1	107.1	113.1	103.3	103.3	103.9	103.9	106.6	106.2
1963	112.0	105.6	105.0	114.3	124.5	106.1	106.7	108.2	108.8	102.0	111.2
1964	120.8	110.2	109.5	124.8	148.3	109.6	110.3	113.3	114.0	103.3	122.7
1965	129.6	116.3	115.0	139.5	161.1	111.4	112.7	119.9	121.3	107.6	124.3
1966	137.4	121.9	119.1	157.2	169.4	112.7	115.4	129.0	132.0	114.4	123.3
1967	141.7	123.9	120.9	172.1	165.9	114.4	117.2	138.9	142.3	121.4	117.1
1968	147.9	125.0	121.0	186.3	182.2	118.3	122.2	149.1	154.0	126.0	123.2
1969	155.0 ⁽²⁾	130.4 ⁽²⁾	n.a.	207.7	197.9	118.9	n.a.	169.3	n.a.	134.0	127.7
(Percent change from previous year)											
1948	3.6	3.3	3.3	16.4	8.2	0.3	0.4	12.6	12.7	12.3	4.4
1949	3.9	2.3	1.2	7.2	-4.3	1.6	2.7	4.8	5.9	3.2	-7.9
1950	6.8	2.0	0.7	8.0	34.3	4.7	6.0	5.9	7.3	1.2	25.7
1951	6.8	5.6	4.7	19.9	14.0	1.2	2.0	13.5	14.4	12.2	6.7
1952	5.3	2.4	2.1	11.9	-2.8	2.8	3.2	9.3	9.6	6.3	-7.7
1953	6.1	1.6	1.0	8.6	-1.6	4.4	5.1	6.9	7.5	2.3	-7.3
1954	1.0	-1.3	-2.4	1.1	-10.9	2.3	3.4	2.5	3.5	0.1	-11.8
1955	9.8	3.2	2.6	7.4	31.5	6.5	7.0	4.2	4.7	-2.2	19.8
1956	9.5	6.0	6.3	13.7	14.6	3.3	3.0	7.3	7.0	3.9	4.7
1957	2.1	2.9	2.2	8.2	-7.2	-0.8	-0.1	5.1	5.8	6.0	-9.1
1958	0.6	-2.5	-2.9	1.4	2.1	3.1	3.6	4.0	4.4	0.8	1.5
1959	6.3	2.5	2.5	6.8	15.8	3.7	3.7	4.2	4.2	0.5	8.9
1960	1.9	-0.1	-0.7	4.6	-3.3	2.0	2.6	4.7	5.3	2.7	-5.1
1961	3.6	0.4	-0.6	3.3	4.1	3.2	4.2	2.9	3.9	-0.3	0.4
1962	6.5	3.1	3.1	7.1	13.1	3.3	3.3	3.9	3.9	0.6	6.2
1963	5.2	2.4	1.8	6.7	10.1	2.7	3.3	4.2	4.8	1.5	4.7
1964	7.9	4.4	4.3	9.2	19.0	3.4	3.4	4.7	4.7	1.3	10.4
1965	7.3	5.5	5.0	11.7	8.7	1.7	2.2	5.9	6.4	4.1	1.3
1966	6.0	4.8	3.6	12.7	5.1	1.1	2.4	7.5	8.8	6.3	-0.8
1967	3.1	1.6	1.5	9.5	-2.0	1.5	1.6	7.7	7.8	6.1	-5.0
1968	4.4	0.9	0.1	8.3	9.8	3.5	4.3	7.3	8.2	3.7	5.2
1969	4.8	4.3	n.a.	11.5	8.6	0.5	n.a.	6.9	n.a.	6.4	3.6

⁽¹⁾Estimated by the Department of Finance.

⁽²⁾Estimates based on data from the Dominion Bureau of Statistics.

SOURCE: DBS Aggregate Productivity Trends.
 DBS Daily Bulletin, Wednesday, December 31, 1969.
 DBS National Income and Expenditure Accounts.

REFERENCE TABLE 36
PRODUCTIVITY AND COSTS
COMMERCIAL NON-AGRICULTURAL GOODS-PRODUCING INDUSTRIES
 1947 to 1969
 (1961=100)

Years	Output	Persons Employed	Total Man-Hours	Wages and Salaries ⁽¹⁾	Corporation Profits ⁽²⁾	Output Per Person Employed	Output Per Man-Hour	Average Earnings Per Person Employed	Average Hourly Earnings	Wages and Salaries Per Unit of Output	Corporation Profits Per Unit of Output
1947.....	48.5	85.9	92.3	35.5	48.6	56.5	52.5	41.3	38.5	73.2	100.2
1948.....	51.3	88.2	94.8	41.4	54.3	58.2	54.1	47.0	43.7	80.8	105.8
1949.....	53.3	89.9	95.3	43.5	52.0	59.3	55.9	48.4	45.6	81.6	97.7
1950.....	57.6	92.1	97.1	47.4	70.5	62.5	59.3	51.4	48.8	82.3	122.4
1951.....	62.4	98.7	103.5	58.6	79.6	63.2	60.3	59.4	56.7	94.0	127.5
1952.....	65.5	100.0	104.4	65.6	72.9	65.5	62.7	65.6	62.8	100.1	111.3
1953.....	70.6	100.8	105.5	71.0	72.9	70.0	66.9	70.5	67.3	100.6	103.2
1954.....	71.0	97.0	99.6	70.1	65.7	73.2	71.3	72.3	70.4	98.7	92.5
1955.....	78.8	100.4	102.7	74.7	85.6	78.5	76.7	74.4	72.7	94.8	108.7
1956.....	87.3	106.3	109.1	85.9	96.1	82.1	80.0	80.8	78.7	98.4	110.1
1957.....	89.2	107.3	109.1	91.8	88.2	83.1	81.8	85.6	84.2	102.9	98.9
1958.....	89.1	101.3	102.6	90.3	84.2	88.0	86.8	89.2	88.1	101.4	94.5
1959.....	94.8	103.3	105.2	95.8	99.6	91.8	90.1	92.8	91.1	101.1	105.1
1960.....	96.5	101.6	102.7	99.4	94.6	95.0	94.0	97.8	96.8	103.0	98.1
1961.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1962.....	108.6	102.8	103.6	107.1	114.9	105.6	104.8	104.2	103.4	98.6	105.8
1963.....	114.6	104.7	105.0	113.8	127.3	109.5	109.1	108.7	108.3	99.3	111.1
1964.....	128.1	109.3	110.0	124.4	149.4	115.4	114.6	113.9	113.1	98.7	118.5
1965.....	137.5	115.3	116.9	140.0	161.3	119.3	118.6	121.4	120.8	101.8	117.3
1966.....	147.0	120.5	120.6	158.4	167.1	122.0	121.9	131.4	131.3	107.8	113.7
1967.....	149.4	120.1	119.9	169.4	155.7	124.4	124.6	141.1	141.3	113.4	104.2
1968.....	157.3	120.7	120.1	179.4	171.3	130.3	131.0	148.6	149.4	114.1	108.9
1969.....	165.5 ⁽²⁾	124.6 ⁽²⁾	n.a.	196.3	188.6	132.8	n.a.	157.5	n.a.	118.6	114.0
(Percent change from previous year)											
1948.....	5.8	2.7	2.7	16.7	11.7	3.0	3.0	13.6	13.6	10.3	5.6
1949.....	3.9	1.9	0.5	4.9	-4.1	1.9	3.4	2.9	4.4	1.0	-7.7
1950.....	8.1	2.4	1.9	9.0	35.4	5.5	6.1	6.4	7.0	0.9	25.3
1951.....	8.3	7.2	6.6	23.8	12.9	1.1	1.6	15.5	16.1	14.2	4.2
1952.....	5.0	1.3	0.9	11.8	-8.4	3.6	4.1	10.3	10.8	6.5	-12.7
1953.....	7.8	0.8	1.1	8.4	-0.1	6.9	6.7	7.5	7.2	0.5	-7.3
1954.....	0.6	-3.8	-5.6	-1.3	-9.9	4.5	6.5	2.5	4.5	-1.9	-10.4
1955.....	11.0	3.5	3.1	6.5	30.4	7.2	7.6	2.9	3.3	-4.0	17.5
1956.....	10.8	5.9	6.2	15.0	12.2	4.6	4.3	8.6	8.3	3.8	1.3
1957.....	2.2	0.9	—	6.9	-8.2	1.2	2.2	5.9	6.9	4.6	-10.2
1958.....	-0.1	-5.6	-6.0	-1.6	-4.5	5.8	6.2	4.2	4.6	-1.5	-4.4
1959.....	6.4	2.0	2.5	6.1	18.3	4.3	3.8	4.0	3.5	-0.3	11.2
1960.....	1.8	-1.6	-2.4	3.7	-5.0	3.5	4.3	5.4	6.2	1.9	-6.7
1961.....	3.6	-1.6	-2.6	0.6	5.7	5.3	6.4	2.2	3.3	-2.9	2.0
1962.....	8.6	2.8	3.6	7.1	14.9	5.6	4.8	4.2	3.4	-1.4	5.8
1963.....	5.5	1.8	1.4	6.2	10.8	3.8	4.1	4.3	4.8	0.7	5.0
1964.....	10.0	4.4	4.8	9.4	17.3	5.4	5.0	4.8	4.4	-0.6	6.6
1965.....	9.0	5.5	5.4	12.5	8.0	3.4	3.5	6.6	6.7	3.1	-1.0
1966.....	6.9	4.5	4.1	13.2	3.6	2.3	2.7	8.3	8.8	5.8	-3.1
1967.....	1.6	-0.3	-0.6	7.0	-6.9	2.0	2.2	7.3	7.6	5.2	-8.4
1968.....	5.3	0.5	0.2	5.9	10.0	4.8	5.1	5.4	5.7	0.6	4.5
1969.....	5.2	3.2	n.a.	9.4	10.1	1.9	n.a.	6.0	n.a.	4.0	4.7

⁽¹⁾Estimated by the Department of Finance.

⁽²⁾Estimates based on data from the Dominion Bureau of Statistics.

SOURCE: DBS *Aggregate Productivity Trends*.
 DBS *Daily Bulletin*, Wednesday, December 31, 1969.
 DBS *National Income and Expenditure Accounts*.

REFERENCE TABLE 37
PRODUCTIVITY AND COSTS
COMMERCIAL SERVICE-PRODUCING INDUSTRIES

1947 to 1969

(1961=100)

Years	Output	Persons Employed	Total Man-Hours	Wages and Salaries ⁽¹⁾	Corporation Profits ⁽¹⁾	Output Per Person Employed	Output Per Man-Hour	Average Earnings Per Person Employed	Average Hourly Earnings	Wages and Salaries Per Unit of Output	Corporation Profits Per Unit of Output
1947.....	55.8	66.6	73.6	29.2	37.7	83.8	75.8	43.8	39.7	52.3	67.6
1948.....	56.9	69.4	76.5	33.8	38.1	82.0	74.4	48.8	44.2	59.5	66.9
1949.....	59.1	71.3	78.0	37.4	36.2	82.9	75.8	52.4	47.9	63.2	61.3
1950.....	62.2	72.4	77.6	39.9	47.7	85.9	80.2	55.1	51.4	64.2	76.6
1951.....	65.7	75.1	79.6	45.7	55.5	87.5	82.5	60.8	57.4	69.5	84.5
1952.....	69.4	78.0	82.4	51.2	61.3	89.0	84.2	65.7	62.2	73.8	88.3
1953.....	72.4	79.9	83.2	55.7	58.4	90.6	87.0	69.8	67.0	77.0	80.7
1954.....	73.3	81.0	84.1	58.3	50.8	90.5	87.2	72.0	69.4	79.6	69.4
1955.....	79.4	83.4	86.0	63.4	68.2	96.6	92.3	76.1	73.8	79.9	85.9
1956.....	85.6	88.6	91.5	71.0	81.6	96.6	93.6	80.1	77.6	83.0	95.3
1957.....	87.6	93.1	95.6	78.1	77.2	94.1	91.6	83.9	81.7	89.2	88.2
1958.....	88.7	93.5	95.3	82.4	88.5	94.9	93.1	88.1	86.4	92.8	99.8
1959.....	94.1	96.4	98.0	88.7	98.9	97.6	96.0	92.0	90.5	94.3	105.1
1960.....	96.3	97.7	98.7	93.8	98.4	98.6	97.6	96.0	95.1	97.4	102.2
1961.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1962.....	104.6	103.3	102.7	107.1	110.0	101.3	101.9	103.7	104.3	102.4	105.1
1963.....	109.4	106.5	105.0	114.9	119.9	102.7	104.2	107.9	109.4	105.0	109.6
1964.....	115.7	111.1	109.0	125.3	146.4	104.1	106.1	112.8	114.9	108.3	126.5
1965.....	122.2	117.3	114.1	138.9	160.8	104.2	107.1	118.4	121.7	113.7	131.6
1966.....	128.1	123.2	117.7	155.8	173.1	104.0	108.8	126.5	132.4	121.6	135.1
1967.....	134.2	127.5	121.8	175.2	182.9	105.3	110.2	137.4	143.8	130.5	136.3
1968.....	138.9	129.1	121.8	194.4	200.3	107.6	114.0	150.6	159.6	139.9	144.2
1969.....	145.0 ⁽²⁾	136.1 ⁽²⁾	n.a.	221.1	213.2	106.5	n.a.	162.5	n.a.	152.5	147.0
(Percent change from previous year)											
1948.....	2.0	4.2	3.9	15.9	0.9	-2.1	-1.9	11.2	11.5	13.7	-1.1
1949.....	3.9	2.7	2.0	10.4	-4.8	1.1	1.9	7.5	8.3	6.3	-8.3
1950.....	5.2	1.5	-0.5	6.8	31.5	3.6	5.8	5.2	7.3	1.5	24.9
1951.....	5.6	3.7	2.6	14.4	16.6	1.8	3.0	10.3	11.6	8.3	10.3
1952.....	5.6	3.9	3.5	12.1	10.3	1.7	2.0	8.0	8.3	6.2	4.4
1953.....	4.3	2.4	1.0	8.8	-4.7	1.8	3.3	6.3	7.8	4.3	-8.6
1954.....	1.2	1.4	1.1	4.7	-12.9	-0.1	0.2	3.2	3.5	3.4	-14.0
1955.....	8.3	3.0	2.3	8.7	34.1	5.2	5.9	5.6	6.3	0.4	23.8
1956.....	7.8	6.2	6.4	11.9	19.6	1.5	1.3	5.4	5.2	3.8	10.9
1957.....	2.3	5.1	4.5	10.0	-5.3	-2.6	-2.1	4.7	5.3	7.5	-7.4
1958.....	1.3	0.4	-0.3	5.4	14.6	0.8	1.6	5.0	5.8	4.1	13.2
1959.....	6.1	3.1	2.8	7.7	11.7	2.9	3.2	4.5	4.7	1.5	5.3
1960.....	2.3	1.3	0.7	5.8	-0.5	1.0	1.6	4.4	5.0	3.3	-2.7
1961.....	3.8	2.4	1.3	6.6	1.6	1.5	2.5	4.1	5.2	2.6	-2.2
1962.....	4.6	3.3	2.7	7.1	-10.0	1.3	1.9	3.7	4.3	2.4	5.1
1963.....	4.6	3.1	2.2	7.3	9.1	1.4	2.3	4.1	4.9	2.6	4.3
1964.....	5.8	4.3	3.8	9.0	22.1	1.4	1.9	4.5	5.0	3.1	15.4
1965.....	5.6	5.6	4.7	10.9	9.8	-	0.9	5.0	5.9	5.0	4.0
1966.....	4.8	5.0	3.2	12.2	7.7	-0.2	1.6	6.8	8.8	7.0	2.7
1967.....	4.8	3.5	3.5	12.4	5.7	1.2	1.2	8.6	8.6	7.3	0.9
1968.....	3.5	1.3	-	11.0	9.5	2.2	3.5	9.6	11.0	7.2	5.8
1969.....	4.4	5.4	n.a.	13.8	6.4	-1.0	n.a.	7.9	n.a.	9.0	1.9

⁽¹⁾Estimated by the Department of Finance.⁽²⁾Estimates based on data from the Dominion Bureau of Statistics.

SOURCE: DBS *Aggregate Productivity Trends*,
DBS *Daily Bulletin*, Wednesday, December 31, 1969.
DBS *National Income and Expenditure Accounts*.

REFERENCE TABLE 38
PRODUCTIVITY AND COSTS
MANUFACTURING INDUSTRIES

1947 to 1969

(1961=100)

Years	Output	Persons Employed	Total Man-Hours	Wages and Salaries ⁽¹⁾	Corporation Profits ⁽¹⁾	Output Per Person Employed	Output Per Man-Hour	Average Earnings Per Person Employed	Average Hourly Earnings	Wages and Salaries Per Unit of Output	Corporation Profits Per Unit of Output
1947.....	55.4	86.8	93.4	36.7	52.8	63.8	59.3	42.2	39.2	66.2	95.2
1948.....	57.8	88.8	95.9	42.4	57.7	65.1	60.3	47.7	44.2	73.3	99.8
1949.....	59.5	90.2	95.6	44.7	55.2	66.0	62.2	49.5	46.7	75.1	92.8
1950.....	63.4	91.7	96.3	47.9	74.5	69.1	65.8	52.2	49.7	75.5	117.5
1951.....	68.9	97.3	100.3	59.2	83.0	70.8	68.7	60.9	59.0	85.9	120.4
1952.....	71.5	99.9	101.9	66.2	77.6	71.6	70.2	66.2	64.9	92.6	108.5
1953.....	76.6	103.0	105.6	72.3	78.0	74.4	72.5	70.2	68.4	94.3	101.8
1954.....	74.9	98.6	99.2	71.5	67.6	76.0	75.5	72.6	72.1	95.5	90.3
1955.....	82.2	101.1	102.3	76.3	88.1	81.3	80.4	75.4	74.6	92.8	107.2
1956.....	89.9	105.3	107.3	84.7	96.9	85.4	83.8	80.4	78.9	94.2	107.7
1957.....	89.7	105.8	106.4	89.0	87.5	84.8	84.3	84.9	84.5	100.2	97.5
1958.....	88.0	100.5	101.2	89.8	84.9	87.6	87.0	89.4	88.8	102.1	96.5
1959.....	94.5	101.7	103.0	95.2	102.6	92.9	91.7	93.6	92.4	100.8	108.6
1960.....	96.1	100.5	101.0	98.6	95.7	95.6	95.1	98.1	97.6	102.6	99.6
1961.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1962.....	110.5	102.7	103.1	107.1	118.2	107.6	107.2	104.3	103.9	97.0	107.0
1963.....	118.0	105.2	105.6	114.6	132.6	112.2	111.7	109.9	108.5	97.1	112.4
1964.....	129.2	110.0	111.0	125.2	149.9	117.5	116.4	113.9	112.8	96.9	116.0
1965.....	141.0	115.7	116.1	138.9	163.4	121.9	121.4	120.1	119.7	98.5	115.9
1966.....	151.2	121.2	120.7	155.9	165.1	124.8	125.3	128.6	129.1	103.1	109.2
1967.....	151.7	121.6	121.5	166.9	142.0	124.8	124.9	137.3	137.4	110.0	93.6
1968.....	169.4	122.9	122.6	178.2	156.0	129.7	130.0	145.0	145.3	111.8	97.8
1969.....	168.8 ⁽²⁾	127.3 ⁽²⁾	n.a.	197.2	170.2	132.6	n.a.	154.9	n.a.	116.8	100.8
(Percent change from previous year)											
1948.....	4.3	2.3	-2.7	15.6	9.3	2.0	1.6	13.0	12.6	10.8	4.7
1949.....	2.9	1.6	-0.3	5.4	-4.2	1.3	3.3	3.8	5.7	2.4	-7.0
1950.....	6.6	1.7	0.7	7.2	34.9	4.8	5.8	6.4	6.4	0.6	26.6
1951.....	8.7	6.1	4.2	23.6	11.4	2.4	4.3	16.5	18.7	13.8	2.5
1952.....	3.8	2.7	1.6	11.8	-6.5	1.1	2.1	8.9	10.0	7.7	-9.9
1953.....	7.1	3.1	3.6	9.2	0.5	3.9	3.4	5.9	5.4	1.9	-6.2
1954.....	-2.2	-4.3	-6.1	-1.0	-13.3	2.1	4.1	3.4	5.4	1.3	-11.3
1955.....	9.7	2.5	3.1	6.6	30.4	7.0	6.4	4.0	3.4	-2.8	18.8
1956.....	9.4	4.2	4.9	11.0	9.9	5.0	4.3	6.6	5.9	1.5	0.5
1957.....	-0.2	0.5	-0.8	6.1	-9.7	-0.7	0.6	5.6	7.0	6.3	-9.5
1958.....	-1.9	-5.0	-4.9	-	-2.9	3.3	3.1	-5.3	5.1	1.9	-1.0
1959.....	7.4	1.2	1.8	6.0	20.8	6.1	5.5	4.7	4.1	-1.3	12.5
1960.....	1.7	-1.2	-1.9	3.6	-6.7	2.9	3.7	4.8	5.6	1.8	-8.2
1961.....	4.1	-0.5	-1.0	1.4	4.4	4.6	5.1	1.9	2.4	-2.5	0.4
1962.....	10.5	2.7	3.1	7.1	18.2	7.6	7.2	4.3	3.9	-3.0	7.0
1963.....	6.8	2.4	2.4	7.0	12.1	4.2	4.3	4.4	4.4	0.2	5.0
1964.....	9.5	4.6	5.1	9.3	13.0	4.7	4.2	4.5	4.0	-0.2	3.2
1965.....	9.1	5.2	4.6	10.9	9.0	3.8	4.3	5.5	6.1	1.7	-0.1
1966.....	7.2	4.8	4.0	12.2	1.0	2.4	3.1	7.1	7.9	4.6	-5.8
1967.....	0.3	0.3	0.7	7.1	-14.0	-	-0.3	6.7	6.4	-6.7	-14.3
1968.....	5.1	1.1	0.9	6.8	9.9	4.0	4.1	5.6	5.8	1.6	4.5
1969.....	5.9	3.6	n.a.	10.6	9.1	2.2	n.a.	6.8	n.a.	4.5	3.1

⁽¹⁾Estimated by the Department of Finance.⁽²⁾Estimates based on data from the Dominion Bureau of Statistics.

SOURCE: DBS *Aggregate Productivity Trends*.
 DBS *Daily Bulletin*, Wednesday, December 31, 1969.
 DBS *National Income and Expenditures Accounts*.

REFERENCE TABLE 39
GROSS NATIONAL EXPENDITURE IMPLICIT PRICE INDEXES^(a)

1947 to 1969

(1961 = 100)

Years and Quarters	Personal Expenditure on Consumer Goods and Services	Government Current Expenditure on Goods and Services	Gross Fixed Capital Formation			Value of Physical Change in Inventories	Exports of Goods and Services	Imports of Goods and Services	Residual Error of Estimate	Gross National Expenditure
			Total	Government	Business					
1947.....	66.0	47.7	61.9	68.8	60.4	105.2	73.0	69.9	67.9	63.1
1948.....	74.8	54.2	70.1	77.2	68.5	190.2	78.2	78.2	74.1	70.6
1949.....	77.3	57.7	73.5	80.3	71.8	113.0	82.1	80.8	78.3	73.7
1950.....	79.7	59.9	76.8	83.8	75.1	98.9	85.8	86.5	78.8	75.4
1951.....	88.0	67.3	87.7	99.2	85.2	117.1	95.4	95.5	89.2	84.2
1952.....	89.7	70.6	90.4	101.6	88.0	109.2	94.3	88.8	92.2	87.8
1953.....	89.6	72.5	90.6	95.6	89.1	113.9	92.1	88.7	92.8	87.8
1954.....	90.5	75.4	90.3	95.7	88.8	108.5	91.3	88.9	93.0	89.2
1955.....	90.6	78.0	92.9	102.9	90.6	81.1	95.0	90.4	94.3	89.8
1956.....	91.9	83.0	97.9	114.1	94.7	127.2	97.6	93.4	97.9	92.9
1957.....	94.7	87.3	99.2	107.6	97.1	120.6	97.1	95.8	100.0	94.8
1958.....	97.2	89.9	98.6	102.2	97.4	143.0	96.7	97.1	101.4	96.1
1959.....	98.4	92.9	99.3	102.4	98.3	137.5	98.2	96.5	102.8	98.2
1960.....	99.4	96.6	100.6	103.4	99.7	118.9	98.8	97.4	100.0	99.4
1961.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1962.....	101.4	102.6	101.5	101.8	101.4	106.4	103.2	104.4	101.2	101.4
1963.....	103.0	106.3	104.1	105.9	103.7	102.8	104.5	106.2	103.5	103.3
1964.....	104.3	110.1	107.1	108.6	106.7	119.3	106.9	107.4	105.7	105.8
1965.....	106.5	116.6	112.3	115.9	111.5	107.0	108.5	107.6	109.3	109.5
1966.....	110.0	124.3	117.8	122.3	116.8	107.3	111.7	109.4	114.1	114.5
1967.....	113.7	134.4	118.3	121.6	117.5	130.8	113.6	111.5	118.4	118.4
1968.....	118.1	142.7	121.8	125.7	120.9	121.3	115.2	113.5	123.1	123.1
1969 ^(b)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	128.8
(Seasonally adjusted at annual rates)										
1968 I.....	116.8	139.1	119.8	124.1	118.8	145.6	115.0	112.9	120.8	121.6
1968 II.....	117.7	139.7	122.1	128.1	120.6	112.4	115.3	113.3	122.2	122.4
1968 III.....	118.4	144.8	122.8	128.3	121.5	109.7	115.3	113.4	123.2	123.6
1968 IV.....	119.7	147.1	122.5	122.3	122.5	123.7	115.4	114.3	124.4	124.8
1969 I.....	120.7	147.5	125.6	131.1	124.4	109.6	116.6	115.3	126.0	126.0
1969 II.....	122.2	151.6	127.6	129.1	127.3	95.4	118.0	116.6	127.7	127.9
1969 III.....	123.1	156.9	129.8	133.4	129.1	95.8	117.6	117.8	129.7	129.2
1969 IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Notes: These are revised national accounts figures. Quarterly revised figures prior to 1968 are not available.

^(a)These implicit price indexes are currently weighted price indexes. They reflect not only pure price change, but also changing expenditure patterns within and between major groups. The implicit price index for gross national expenditure is derived by dividing the total of current dollars by the total of constant dollars.

^(b)Estimated by the Department of Finance.

Sources: DBS National Income and Expenditure Accounts.

REFERENCE TABLE 40
 CHANGES IN GROSS NATIONAL EXPENDITURE IMPLICIT PRICE INDEXES⁽¹⁾
 1947 to 1969
 (1961=100)

Years and Quarters	Personal Expenditure on Consumer Goods and Services	Government Current Expenditure on Goods and Services	Gross Fixed Capital Formation			Value of Physical Change in Inventories	Exports of Goods and Services	Imports of Goods and Services	Residual Error of Estimate	Gross National Expenditure
			Total	Government	Business					
(Per cent change from previous period)										
1947	9.6	7.4	10.5	9.7	10.6	-23.9	12.3	12.0	12.6	8.8
1948	13.3	13.6	13.2	12.2	13.4	80.8	7.1	11.9	9.1	12.2
1949	3.3	6.5	4.9	4.0	4.8	-40.6	5.0	3.3	5.7	4.1
1950	3.1	3.8	4.5	4.4	4.6	-12.5	4.5	7.1	0.6	2.3
1951	10.4	12.4	14.2	18.4	13.4	18.4	11.2	10.4	13.2	11.7
1952	1.9	4.9	3.1	2.4	3.3	-6.7	-1.2	-7.0	3.4	4.3
1953	-0.1	2.7	0.2	-5.9	1.2	4.3	-2.3	-0.1	0.7	—
1954	1.0	4.0	-0.3	0.1	-0.3	-4.7	-0.9	0.2	0.2	1.6
1955	0.1	3.4	2.9	7.5	2.0	-25.3	4.1	1.7	1.4	0.7
1956	1.4	6.4	5.4	10.9	4.5	56.8	2.7	3.3	3.8	3.5
1957	3.0	5.2	1.3	-5.7	2.5	-5.2	-0.5	2.6	2.1	2.0
1958	2.6	3.0	-0.6	-5.0	0.3	18.6	-0.4	1.4	1.4	1.4
1959	1.2	3.3	0.7	0.2	0.9	-3.8	1.6	-0.6	1.4	2.2
1960	1.0	4.0	1.3	1.0	1.4	-13.5	0.6	0.9	-2.7	1.2
1961	0.6	3.5	-0.6	-3.3	0.3	-15.9	1.2	2.7	—	0.6
1962	1.4	2.6	1.5	1.8	1.4	6.4	3.2	4.4	1.2	1.4
1963	1.6	3.6	2.6	4.0	2.3	-3.4	1.3	1.7	2.3	1.9
1964	1.3	3.6	2.9	2.5	2.9	16.1	2.3	1.1	2.1	2.4
1965	2.1	5.9	4.9	6.7	4.5	-10.3	1.5	0.2	3.4	3.5
1966	3.3	6.6	4.9	5.5	4.8	0.3	2.9	1.7	4.4	4.6
1967	3.4	8.1	0.4	-0.6	0.6	21.9	1.7	1.9	3.8	3.4
1968	3.9	6.2	3.0	3.4	2.9	-7.3	1.4	1.8	4.0	4.0
1969 ⁽²⁾	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	4.3
(Seasonally adjusted)										
1968. I	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
II	0.8	0.4	1.9	3.2	1.5	-22.8	0.3	0.4	1.2	0.7
III	0.6	3.7	0.6	0.2	0.7	-2.4	—	0.1	0.8	1.0
IV	1.1	1.6	-0.2	-4.7	0.8	12.8	0.1	0.8	1.0	1.0
1969. I	0.8	0.3	2.5	7.2	1.6	-11.4	1.0	0.9	1.3	1.0
II	1.2	2.8	1.6	-1.5	2.3	-13.0	1.2	1.1	1.3	1.5
III	0.7	3.5	1.7	3.3	1.4	0.4	-0.3	1.0	1.6	1.0
IV	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

NOTE: These are revised National Accounts figures. Quarterly revised figures prior to 1968 are not available.

⁽¹⁾See footnote (1) on reference table 39.

⁽²⁾Estimated by the Department of Finance.

SOURCE: DBS National Income and Expenditure Accounts.

REFERENCE TABLE 41
 CONSUMER PRICE INDEXES: STANDARD CLASSIFICATIONS
 1947 to 1969
 (1961=100)

Years and Months	All Items	Food	Housing	Clothing	Transportation	Health and Personal Care	Recreation and Reading	Tobacco and Alcohol
(Weights).....	(100.0)	(26.7)	(32.2)	(11.3)	(12.0)	(6.6)	(4.7)	(6.5)
1947.....	65.6	64.1	n.a.	70.1	n.a.	n.a.	n.a.	n.a.
1948.....	75.1	78.6	n.a.	85.0	n.a.	n.a.	n.a.	n.a.
1949.....	77.4	80.6	75.1	88.9	71.1	64.4	68.4	86.0
1950.....	79.6	82.7	78.2	88.6	75.0	65.6	69.8	88.3
1951.....	88.0	94.4	85.4	97.6	80.4	71.5	75.1	95.9
1952.....	90.2	94.2	88.6	99.4	83.5	75.9	79.2	97.4
1953.....	89.4	90.8	90.1	97.9	84.8	77.3	79.9	92.9
1954.....	89.9	90.5	91.3	97.2	85.3	80.2	81.8	92.3
1955.....	90.1	90.4	91.9	96.0	84.3	81.6	83.9	92.3
1956.....	91.4	91.5	93.2	96.5	87.7	83.7	85.8	92.6
1957.....	94.3	95.6	95.1	96.4	92.4	89.0	88.8	94.1
1958.....	96.8	98.5	96.8	97.5	95.2	93.6	94.7	95.1
1959.....	97.9	97.7	98.6	97.7	98.4	96.7	97.0	98.0
1960.....	99.1	98.5	99.6	98.6	99.8	99.5	98.8	99.6
1961 ⁽¹⁾	100.0	100.0 ⁽²⁾	100.0	100.0	100.0	100.0	100.0	100.0
1962.....	101.2	101.8	101.2	100.9	99.9	102.0	100.8	101.3
1963.....	103.0	105.1	102.3	103.4	99.9	104.6	102.2	101.5
1964.....	104.8	106.8	103.9	106.0	101.0	108.0	103.9	103.4
1965.....	107.4	109.6	105.8	107.9	104.8	113.0	105.6	105.1
1966.....	111.4	116.6	108.7	112.0	107.3	116.5	108.6	107.6
1967.....	115.4	118.1	113.4	117.6	111.8	122.5	114.1	110.4
1968.....	120.1	122.0	118.6	121.1	114.7	127.4	119.7	120.4
1969.....	125.5	127.1	124.7	124.5	120.0	133.6	126.8	125.0
(Not seasonally adjusted)								
1969 J.....	122.6	125.1	121.9	121.5	116.3	129.5	124.2	121.3
F.....	122.6	123.9	122.3	121.8	117.3	129.6	124.7	121.9
M.....	123.2	123.8	122.8	123.8	118.3	129.5	125.1	121.9
A.....	124.6	125.0	123.7	124.3	119.9	133.7	125.4	125.5
M.....	124.9	125.1	124.2	123.8	120.4	134.2	127.4	125.8
J.....	125.9	127.8	124.7	124.9	120.6	134.2	127.4	125.8
J.....	126.4	128.8	125.2	124.8	120.7	134.2	127.4	126.3
A.....	126.9	130.6	125.4	125.0	120.5	134.2	127.6	126.4
S.....	126.6	128.5	125.7	125.2	120.9	135.0	128.0	126.4
O.....	126.8	127.8	126.4	126.1	120.9	136.1	128.1	126.4
N.....	127.4	128.8	126.9	126.3	121.8	136.4	128.5	126.3
D.....	127.9	129.8	127.6	126.4	122.0	136.8	128.1	126.3

⁽¹⁾1957 weights replace 1947-48 weights beginning January 1961.

⁽²⁾The system of variable weights for seasonal foods was revised beginning January 1961.

Source: DBS Prices and Price Indexes, Monthly, Cat. 62-002.

REFERENCE TABLE 42
 CHANGES IN THE CONSUMER PRICE INDEXES: STANDARD CLASSIFICATIONS
 1947 to 1969
 (1961=100)

Years and Months	All Items	Food	Housing	Clothing	Transportation	Health and Personal Care	Recreation and Reading	Tobacco and Alcohol
(Per cent change from same period a year ago)								
1947.....	9.4	13.6	n.a.	14.0	n.a.	n.a.	n.a.	n.a.
1948.....	14.5	22.6	n.a.	21.3	n.a.	n.a.	n.a.	n.a.
1949.....	3.1	2.5	n.a.	4.6	n.a.	n.a.	n.a.	n.a.
1950.....	2.8	2.6	4.1	-0.3	5.5	1.9	2.0	2.7
1951.....	10.6	14.1	9.2	10.2	7.2	9.0	7.6	8.6
1952.....	2.5	-0.2	3.7	1.8	3.9	6.2	5.5	1.6
1953.....	-0.9	-3.6	1.7	-1.5	1.6	1.8	0.9	-4.6
1954.....	0.6	-0.3	1.3	-0.7	0.6	3.8	2.4	-0.6
1955.....	0.2	-0.1	0.7	-1.2	-1.2	1.7	2.6	—
1956.....	1.4	1.2	1.4	0.5	4.0	2.6	2.3	0.3
1957.....	3.2	4.5	2.0	-0.1	5.4	6.3	3.5	1.6
1958.....	2.7	3.0	1.8	1.1	3.0	5.2	6.6	1.1
1959.....	1.1	-0.8	1.9	0.2	3.4	3.3	2.4	3.0
1960.....	1.2	0.8	1.0	0.9	1.4	2.9	1.9	1.6
1961 ⁽¹⁾	0.9	1.5 ⁽²⁾	0.4	1.4	0.2	0.5	1.2	0.4
1962.....	1.2	1.8	1.2	0.9	-0.1	2.0	0.8	1.3
1963.....	1.8	3.2	1.1	2.5	—	2.5	1.4	0.2
1964.....	1.7	1.6	1.6	2.5	1.1	3.3	1.7	1.9
1965.....	2.5	2.6	1.8	1.8	3.8	4.6	1.6	1.6
1966.....	3.7	6.4	2.7	3.8	2.4	3.1	2.8	2.4
1967.....	3.6	1.3	4.3	5.0	4.2	5.2	5.1	2.6
1968.....	4.1	3.3	4.6	3.1	2.6	4.0	4.9	9.1
1969.....	4.5	4.2	5.1	2.8	4.6	4.9	5.9	3.7
(Not seasonally adjusted)								
1969 J.....	3.8	3.1	5.0	2.4	2.2	3.8	6.6	3.5
F.....	3.7	2.6	4.8	2.3	3.6	3.0	6.0	3.9
M.....	3.9	3.3	4.9	2.7	3.8	3.5	5.9	2.4
A.....	4.4	3.5	5.2	2.6	4.8	5.4	6.5	3.5
M.....	4.7	4.2	5.3	2.6	5.2	5.3	6.9	3.7
J.....	5.2	6.1	5.4	3.1	4.8	5.3	6.9	3.7
J.....	5.0	5.1	5.4	3.1	4.9	4.8	6.5	4.1
A.....	5.1	5.4	5.5	3.6	4.7	4.7	6.4	4.2
S.....	4.5	4.1	4.9	3.3	4.8	5.1	5.8	4.2
O.....	4.4	4.0	5.1	2.7	5.2	5.5	5.5	4.2
N.....	4.5	4.4	5.0	2.4	5.3	5.4	4.2	4.1
D.....	4.6	4.3	5.5	2.4	5.4	5.7	3.9	4.1

⁽¹⁾, ⁽²⁾ See footnotes (1) and (2) on reference table 41.

SOURCE: DBS Prices and Prices Indexes.

REFERENCE TABLE 43
CONSUMER PRICE INDEXES: SUPPLEMENTARY CLASSIFICATIONS

1949 to 1969

(1961=100)

Years and Months	Total Consumer Price Index	Total Commodities	Total Commodities Excluding Food	Non-Durables	Non-Durables Excluding Food	Durables	Total Services	Services Excluding Shelter
(Weights).....	(100.0)	(70.2)	(49.5)	(57.9)	(31.2)	(12.3)	(22.3)	(12.7)
1949.....	77.4	83.3	84.9	82.9	84.5	86.1	64.4	61.5
1950.....	79.6	85.0	86.2	84.5	85.9	87.6	68.0	63.9
1951.....	88.0	95.0	94.9	94.3	93.5	99.7	72.5	68.6
1952.....	90.2	95.8	96.8	94.9	95.4	101.8	77.2	73.4
1953.....	89.4	93.7	95.8	92.6	94.3	100.9	79.9	75.7
1954.....	89.9	93.4	95.4	92.4	94.1	100.1	82.7	78.4
1955.....	90.1	92.8	94.4	92.0	93.5	97.5	84.6	80.1
1956.....	91.4	93.5	94.8	92.8	94.2	97.2	87.3	83.4
1957.....	94.3	96.2	96.4	95.6	95.5	99.7	90.8	88.0
1958.....	96.8	98.4	98.0	97.9	97.2	101.2	94.0	91.9
1959.....	97.9	98.7	99.3	98.1	98.6	102.1	96.6	95.3
1960.....	99.1	99.5	99.9	99.0	99.4	101.8	98.7	98.1
1961 ⁽¹⁾	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1962.....	101.2	100.9	100.2	101.2	100.7	99.3	101.4	102.1
1963.....	103.0	102.6	101.0	103.3	101.7	99.5	102.8	104.1
1964.....	104.8	103.9	102.1	104.9	103.4	98.6	105.4	107.9
1965.....	107.4	105.6	103.2	107.0	104.9	98.7	109.8	114.6
1966.....	111.4	109.6	105.3	111.7	107.7	99.1	113.6	119.6
1967.....	115.4	112.4	109.2	114.6	111.9	102.1	119.7	127.0
1968.....	120.1	116.4	113.2	119.0	116.9	103.9	125.0	132.6
1969.....	125.5	120.3	116.2	123.6	120.5	104.9	132.3	141.8
(Not seasonally adjusted)								
1969 J.....	122.6	118.1	114.3	121.0	118.1	104.3	127.8	135.7
F.....	122.6	118.1	114.7	120.9	118.6	104.3	128.5	136.7
M.....	123.2	118.4	115.3	121.3	119.3	104.6	129.3	137.9
A.....	124.6	119.4	116.0	122.4	120.3	105.1	131.4	141.3
M.....	124.9	119.8	116.1	122.9	120.4	105.0	132.2	142.4
J.....	125.9	121.4	116.4	124.9	120.8	105.0	133.0	143.1
J.....	126.4	121.5	116.4	125.1	120.8	104.8	133.4	143.4
A.....	126.9	121.6	116.4	125.3	121.0	104.5	133.6	143.5
S.....	126.6	121.0	116.7	124.5	121.3	104.5	134.1	144.1
O.....	126.8	120.9	116.9	124.4	121.6	104.6	134.5	144.4
N.....	127.4	121.5	117.4	124.8	121.7	106.2	134.5	144.3
D.....	127.9	122.1	117.7	125.5	122.0	106.3	135.0	144.6

⁽¹⁾See footnote (1) on reference table 41.

Source: DBS Prices and Price Indexes.

REFERENCE TABLE 44¹
 CHANGES IN THE CONSUMER PRICE INDEXES: SUPPLEMENTARY CLASSIFICATIONS
 1950 to 1969

Years and Months	Total Consumer Price Index	Total Commodities	Total Commodities Excluding Food	Non-Durables	Non-Durables Excluding Food	Durables	Total Services	Services Excluding Shelter
(Per cent change from same period a year ago)								
1950.....	2.8	2.0	1.5	1.9	1.7	1.7	5.6	3.9
1951.....	10.6	11.8	10.1	11.6	8.8	13.8	6.6	7.4
1952.....	2.5	0.8	2.0	0.6	2.0	2.1	6.5	7.0
1953.....	-0.9	-2.2	-1.0	-2.4	-1.2	-0.9	3.5	3.1
1954.....	0.6	-0.3	-0.4	-0.2	-0.2	-0.8	3.5	3.6
1955.....	0.2	-1.6	-1.0	-0.4	-0.6	-2.6	2.3	2.2
1956.....	1.4	0.8	0.8	0.9	0.7	-0.3	3.2	4.1
1957.....	3.2	2.9	1.7	3.0	1.4	2.6	4.0	5.5
1958.....	2.7	2.3	1.7	2.4	1.8	1.5	3.5	4.4
1959.....	1.1	0.3	1.3	0.2	1.4	0.9	2.8	3.7
1960.....	1.2	0.8	0.6	0.9	0.8	-0.3	2.2	2.9
1961 ⁽¹⁾	0.9	0.5	0.1	1.0	0.6	-1.8	1.3	1.9
1962.....	1.2	0.9	0.2	1.2	0.7	-0.7	1.4	2.1
1963.....	1.8	1.7	0.8	2.1	1.0	0.2	1.4	2.0
1964.....	1.7	1.3	1.1	1.5	1.7	-0.9	2.5	3.7
1965.....	2.5	1.6	1.1	2.0	1.5	0.1	4.2	6.2
1966.....	3.7	3.7	2.0	4.4	2.7	0.4	3.5	4.4
1967.....	3.6	2.6	3.7	2.6	3.9	3.0	5.4	6.2
1968.....	4.1	3.6	3.7	3.8	4.5	1.8	4.4	4.4
1969.....	4.5	3.4	2.7	3.9	3.1	1.0	5.8	6.9
(Not seasonally adjusted)								
1969 J.....	3.8	3.0	2.6	3.4	3.3	0.6	4.3	4.4
F.....	3.7	2.7	2.3	3.1	3.2	0.9	4.9	5.4
M.....	3.9	2.8	2.4	3.1	2.8	0.7	5.2	5.8
A.....	4.4	3.2	2.6	3.6	3.1	1.1	6.2	7.6
M.....	4.7	3.5	2.6	4.1	3.1	1.1	6.4	7.8
J.....	5.2	4.7	2.7	5.4	3.3	1.1	6.2	7.7
J.....	5.0	4.3	2.6	4.0	3.1	1.0	6.2	7.6
A.....	5.1	4.1	2.6	4.8	3.2	1.3	6.1	7.5
S.....	4.5	3.2	2.6	3.7	3.1	0.9	6.2	7.6
O.....	4.4	2.7	2.4	3.2	2.8	0.9	6.3	7.8
N.....	4.5	3.2	2.4	3.6	2.6	1.6	5.7	6.9
D.....	4.6	3.3	2.5	3.7	2.8	1.6	6.0	7.1

⁽¹⁾See footnote (1) on reference table 41.

SOURCE: DBS Prices and Price Indexes.

REFERENCE TABLE 45
 CONTRIBUTIONS TO CHANGES IN THE CONSUMER PRICE INDEX,
 1963 to 1969

	1963	1964	1965	1966	1967	1968	1969
	(Percentage points)						
All items.....	1.8	1.8	2.4	3.7	3.5	4.1	4.5
Food.....	0.9	0.4	0.7	1.6	0.4	0.9	1.1
Housing.....	0.4	0.5	0.6	0.9	1.4	1.5	1.6
Clothing.....	0.2	0.3	0.2	0.4	0.5	0.3	0.3
Transportation.....	—	0.2	0.4	0.3	0.5	0.3	0.5
Health and personal care.....	0.2	0.2	0.3	0.3	0.4	0.3	0.4
Recreation and reading.....	0.1	0.1	0.1	0.1	0.2	0.2	0.3
Tobacco and alcohol.....	—	0.1	0.1	0.1	0.1	0.6	0.3
All items.....	1.8	1.8	2.4	3.7	3.5	4.1	4.5
All commodities.....	1.2	0.9	1.0	2.4	1.6	2.4	2.3
Durables.....	—	-0.1	—	—	0.3	0.2	0.1
Non-durables.....	1.2	1.0	1.0	2.4	1.3	2.2	2.2
Non-durables excluding food.....	0.3	0.5	0.4	0.8	1.0	1.4	0.9
Services.....	0.3	0.7	1.1	1.0	1.4	1.0	1.4
Portion of shelter excluded ⁽¹⁾	0.3	0.2	0.3	0.3	0.5	0.7	0.8

⁽¹⁾Includes new houses, property taxes and mortgage interest.

Source: DBS Prices and Price Indexes.

REFERENCE TABLE 46
OTHER PRICES INDEXES

1947 to 1969

Years and Months	Prices of Commodities and Services Used by Farmers	Farm Prices of Agricultural Products ⁽¹⁾	Wholesale Price Indexes		Thirty Industrial Materials	Building Materials		Merchandise Export Prices	Merchandise Import Prices	Terms of Trade ⁽²⁾
			Raw and Partly Manufactured Goods ⁽³⁾	Fully and Chiefly Manufactured Goods ⁽³⁾		Residential	Non-Residential			
	(1935-39)=100	(1961)=100	(1935-39=100)			(1961=100)		(1948=100)		
1947.....	157.5	83.6	164.3	162.4	187.0	61.7	64.5	91.6	88.0	104.1
1948.....	183.7	99.1	196.3	192.4	222.7	74.4	73.2	100.0	100.0	100.0
1949.....	191.7	98.9	197.1	199.2	218.0	77.9	76.3	103.3	102.6	100.7
1950.....	197.3	101.0	212.8	211.0	244.6	83.0	80.1	108.3	110.3	98.2
1951.....	217.5	115.0	237.9	242.4	296.1	97.8	90.5	123.9	126.2	98.2
1952.....	229.8	106.3	218.7	230.7	252.6	97.4	93.9	121.8	110.4	110.3
1953.....	225.3	97.0	207.0	228.8	232.3	96.6	94.8	118.3	109.4	108.1
1954.....	224.2	91.7	204.8	224.2	223.7	94.9	92.9	115.1	109.5	105.1
1955.....	224.5	90.1	209.7	224.5	236.0	96.9	94.2	117.7	110.5	106.5
1956.....	230.3	90.9	215.8	231.5	248.2	100.1	97.7	121.3	113.0	107.3
1957.....	235.7	91.2	209.4	237.9	240.3	100.1	99.2	121.3	116.4	104.2
1958.....	242.7	95.2	209.3	238.3	239.8	99.2	99.0	120.6	116.5	103.5
1959.....	249.7	95.2	210.9	241.6	240.2	101.3	100.5	122.8	114.4	107.3
1960.....	254.7	96.1	209.6	242.2	240.4	100.7	101.0	123.0	115.5	106.5
1961.....	259.0	100.0	212.6	244.5	243.2	100.0	100.0	124.0	119.1	104.1
1962.....	265.8	104.3	225.8	249.0	248.0	101.1	100.6	128.1	124.5	102.9
1963.....	273.8	102.9	228.9	254.2	258.5	104.4	103.0	128.9	129.4	99.6
1964.....	281.6	101.3	225.7	256.4	258.3	111.1	106.5	130.7	130.8	99.9
1965.....	289.3	107.8	231.2	261.3	258.7	116.1	112.0	132.4	130.8	101.2
1966.....	305.2	117.0	242.7	268.6	261.4	120.0	115.4	137.9	132.5	104.1
1967.....	322.6	116.0	246.1	274.2	253.1	124.8	117.8	140.6	133.5	105.3
1968.....	338.9	113.7	249.1	281.6	254.0	131.3	120.6	145.6	135.7	107.3
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Not seasonally adjusted)										
1969 J.....	344.1	112.2	255.4	290.8	261.4	138.2	123.1	147.6	137.4	107.4
F.....	n.a.	112.4	255.9	292.0	263.5	139.8	123.8	149.0	139.0	107.2
M.....	n.a.	112.2	255.0	293.7	264.1	143.2	125.5	150.2	140.0	107.3
A.....	355.2	113.4	256.6	296.6	267.7	146.0	126.5	151.3	139.5	108.5
M.....	n.a.	117.0	260.4	295.7	271.8	145.0	128.7	152.0	139.5	109.0
J.....	n.a.	119.3	263.2	296.2	270.6	142.4	128.2	152.5	139.7	109.2
J.....	n.a.	119.6	262.6	294.0	269.2	141.3	128.0	153.2	140.4	109.1
A.....	356.8	115.8	262.0	293.8	269.2	140.4	128.4	153.0	141.1	109.4
S.....	n.a.	115.8	261.8	295.4	270.4	138.9	126.6	152.7	141.8	107.7
O.....	n.a.	113.3	261.5	295.4	266.8	137.9	126.8	153.0	142.5	107.4
N.....	n.a.	114.3	261.1	296.2	267.8	138.4	127.6	153.5	142.7	107.6

⁽¹⁾Exclusive of Newfoundland. Western grain prices used in the construction of the index prior to August 1, 1967 are final prices. From August 1, 1968 to date, the western grain prices used in the index are initial prices only for wheat, oats and barley. For the period August 1, 1967 to July 31, 1968, the western grain prices used in the construction of the index are final prices for oats and barley and initial prices for wheat.

⁽²⁾These two series comprise the general wholesale price index.

⁽³⁾The index of the ratio of merchandise export prices to merchandise import prices.

Source: DBS Prices and Price Indexes.

DBS Trade of Canada Exports, Monthly, Cat. 65-004.

DBS Trade of Canada Imports, Monthly, Cat. 65-007.

DBS Price Index Numbers of Commodities and Services Used by Farmers, Monthly, Cat. 62-004.

DBS Index Numbers of Farm Prices of Agricultural Products, Monthly, Cat. 62-003.

REFERENCE TABLE 47
 CHANGES IN OTHER PRICE INDEXES
 1947 to 1969

Years and Months	Prices of Commodities and Services Used by Farmers	Farm Prices of Agricultural Products ⁽¹⁾	Wholesale Price Indexes		Thirty Industrial Materials	Building Materials		Merchandise Export Prices	Merchandise Import Prices	Terms of Trade ⁽³⁾
			Raw and Partly Manufactured Goods ⁽²⁾	Fully and Chiefly Manufactured Goods ⁽²⁾		Residential	Non-Residential			
(Per cent change from same period a year ago)										
1947.....	8.6	5.7	17.3	17.7	25.8	16.7	12.7	14.6	15.0	-0.3
1948.....	16.6	18.5	19.5	18.5	19.1	20.6	13.5	9.2	13.6	-3.9
1949.....	4.4	-0.2	0.4	3.5	-2.1	4.7	4.2	3.3	2.6	0.7
1950.....	2.9	2.1	8.0	5.9	12.2	6.5	5.0	4.8	7.5	-2.5
1951.....	10.2	13.9	11.8	14.9	21.1	17.8	13.0	14.4	14.4	—
1952.....	5.7	-7.6	-3.1	-4.8	-14.7	-0.4	3.8	-1.7	-12.5	13.1
1953.....	-2.0	-8.7	-5.3	-0.8	-8.0	-0.8	1.0	-2.9	-0.9	-2.0
1954.....	-0.5	-5.5	-1.1	-2.0	-3.7	-1.8	-2.0	-2.7	0.1	-2.8
1955.....	0.1	-1.7	2.4	0.1	5.5	2.1	1.4	2.8	0.9	1.3
1956.....	2.6	0.9	2.9	3.1	5.2	3.3	3.7	3.1	2.3	0.8
1957.....	3.6	0.3	-3.0	2.8	-3.2	—	1.5	—	3.0	-2.9
1958.....	1.7	4.4	—	0.2	-4.4	-0.9	-0.2	-0.6	0.1	-0.7
1959.....	2.9	—	0.8	1.4	4.5	2.1	1.5	1.8	-1.8	3.7
1960.....	2.0	0.9	-0.6	0.2	0.1	-0.6	0.5	0.2	1.0	-0.7
1961.....	1.7	4.1	1.4	0.9	1.2	-0.7	-1.0	0.8	3.1	-2.3
1962.....	2.6	4.3	5.3	1.8	2.0	1.1	0.6	3.3	4.5	-1.2
1963.....	3.0	-1.3	1.4	2.1	2.2	3.3	2.4	0.6	3.9	-3.2
1964.....	2.8	-1.6	-0.5	0.9	1.9	6.4	3.4	1.4	1.1	0.3
1965.....	2.7	6.4	2.4	1.9	0.2	4.5	5.2	1.3	—	1.3
1966.....	5.5	8.5	5.0	2.8	1.0	3.4	3.0	4.2	1.3	2.9
1967.....	5.7	-0.9	1.4	2.1	-3.2	3.6	2.1	2.0	0.8	1.2
1968.....	5.1	-2.0	1.2	2.7	0.4	5.6	2.4	3.6	1.6	1.9
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Not seasonally adjusted)										
1969 J.....	4.7	-0.4	2.6	4.8	3.0	8.1	2.8	3.4	1.3	2.0
F.....	n.a.	-0.1	3.3	5.0	4.4	9.0	3.2	4.0	1.7	2.3
M.....	n.a.	—	1.9	5.5	4.2	11.0	4.3	4.4	2.7	1.6
A.....	3.8	1.0	3.5	6.4	6.7	12.2	5.0	4.6	2.4	2.2
M.....	n.a.	3.4	4.5	5.7	8.0	11.4	5.1	4.4	2.8	1.6
J.....	n.a.	4.1	4.9	5.3	7.1	8.4	4.6	4.5	2.7	1.8
J.....	n.a.	2.8	5.8	4.6	6.2	7.5	4.9	4.7	3.8	0.8
A.....	3.2	0.7	5.5	4.1	5.9	6.4	5.0	4.8	4.4	0.3
S.....	n.a.	-0.2	5.0	3.9	6.6	4.3	4.9	4.2	4.6	-0.3
O.....	n.a.	-0.2	5.7	3.7	4.5	3.3	5.0	4.6	4.9	-0.3
N.....	n.a.	0.9	4.6	3.6	4.1	3.4	5.0	4.8	4.5	0.4

⁽¹⁾, ⁽²⁾, ⁽³⁾See footnotes (1), (2) and (3) on reference table 46.

SOURCE: DBS *Prices and Price Indexes*.
 DBS *Trade of Canada Exports*.
 DBS *Trade of Canada Imports*.
 DBS *Price Index Numbers of Commodities and Services Used by Farmers*.
 DBS *Index Numbers of Farm Prices of Agricultural Products*.

REFERENCE TABLE 48
TOTAL GOVERNMENT EXPENDITURES
(Unrevised National Accounts Basis)
1947 to 1969

Years and Quarters	Goods and Services	Transfer Payments to Persons	Interest on the Public Debt	Subsidies	Capital Assistance ⁽¹⁾	Canada and Quebec Pension Plans	Total Expenditures ⁽²⁾	Deficit (-) or Surplus
(Millions of dollars)								
1947.....	1,541	839	559	177	—	—	3,116	753
1948.....	1,797	862	558	75	—	—	3,292	708
1949.....	2,127	948	572	77	—	—	3,724	373
1950.....	2,344	1,030	545	63	—	—	3,982	585
1951.....	3,271	1,032	553	128	—	—	4,984	985
1952.....	4,279	1,369	580	100	—	—	6,318	253
1953.....	4,432	1,461	610	110	—	—	6,613	175
1954.....	4,461	1,634	669	86	—	—	6,850	-131
1955.....	4,792	1,737	669	82	—	—	7,280	106
1958.....	5,386	1,766	714	123	—	—	7,989	350
1957.....	5,722	2,076	739	116	—	—	8,653	100
1958.....	6,180	2,637	782	146	—	—	9,745	-1,007
1959.....	6,490	2,755	963	205	—	—	10,413	-556
1960.....	6,769	3,120	1,095	235	—	—	11,219	-717
1961.....	7,236	3,441	1,170	251	6	—	12,104	-1,005
1962.....	7,717	3,725	1,305	292	27	—	13,066	-854
1963.....	8,075	3,848	1,423	311	61	—	13,718	-690
1964.....	8,654	4,133	1,526	323	82	—	14,718	36
1965.....	9,614	4,574	1,645	326	84	—	16,243	325
1966.....	11,286	5,047	1,805	516	59	—	18,713	348
1967.....	12,377	6,223	1,982	522	65	—	21,169	157
1968.....	13,329	7,179	2,262	500	70	15	23,355	800
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Seasonally adjusted at annual rates)								
1968 I.....	12,840	6,632	2,092	444	80	4	22,092	1,168
II.....	13,112	7,160	2,260	472	36	12	23,052	220
III.....	13,408	7,388	2,364	532	108	16	23,816	436
IV.....	13,956	7,536	2,332	552	56	28	24,460	1,376
1969 I.....	14,228	7,680	2,448	496	56	32	24,940	1,908
II.....	14,752	8,064	2,604	568	96	48	26,132	1,468
III.....	14,948	8,092	2,568	488	64	60	26,220	1,404
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

⁽¹⁾From 1961 on, this item is treated as government current expenditure; prior to 1961, it was treated as capital transfer.

⁽²⁾Excludes inter-governmental transfers.

Source: DBS *The National Accounts*.

REFERENCE TABLE 49
 FEDERAL GOVERNMENT EXPENDITURES
 1947 to 1969

Years and Quarters	Goods and Services	Transfer Payments to Persons	Interest on the Public Debt	Subsidies	Capital Assistance ⁽¹⁾	Transfers to Other Levels of Government	Total Expenditures	Deficit (-) or Surplus
(Millions of dollars)								
1947.....	629	611	453	171	—	192	2,056	684
1948.....	673	570	453	71	—	150	1,917	760
1949.....	870	583	461	73	—	187	2,174	480
1950.....	977	615	427	60	—	251	2,380	635
1951.....	1,702	577	427	124	—	259	3,089	1,021
1952.....	2,489	979	441	96	—	368	4,373	253
1953.....	2,559	1,046	461	106	—	412	4,584	142
1954.....	2,449	1,161	504	84	—	430	4,628	-100
1955.....	2,510	1,232	494	75	—	450	4,761	176
1956.....	2,683	1,224	524	118	—	485	5,034	544
1957.....	2,728	1,463	519	108	—	521	5,339	249
1958.....	2,854	1,899	544	131	—	663	6,091	-757
1959.....	2,832	1,791	678	189	—	880	6,370	-327
1960.....	2,730	1,976	753	209	—	994	6,662	-251
1961.....	2,982	2,006	786	221	6	1,128	7,129	-481
1962.....	3,025	2,112	866	260	27	1,134	7,424	-565
1963.....	2,934	2,133	935	275	61	1,169	7,507	-330
1964.....	3,046	2,239	995	277	82	1,262	7,891	344
1965.....	3,293	2,312	1,052	259	84	1,434	8,434	625
1966.....	3,920	2,478	1,151	375	59	1,662	9,645	164
1967.....	4,259	2,936	1,245	390	65	1,992	10,887	-256
1968.....	4,475	3,277	1,409	375	70	2,452	12,058	-165
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Seasonally adjusted at annual rates)								
1968 I.....	4,384	3,064	1,256	328	80	2,324	11,436	108
II.....	4,348	3,400	1,424	352	36	2,564	12,124	-936
III.....	4,376	3,292	1,500	398	108	2,376	12,040	-80
IV.....	4,792	3,352	1,456	432	56	2,544	12,632	248
1969 I.....	5,132	3,536	1,436	376	56	2,728	13,264	48
II.....	5,108	3,684	1,604	456	96	2,780	13,628	76
III.....	5,120	3,696	1,600	348	64	2,684	13,512	280
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

⁽¹⁾See footnote (1) on reference table 48.

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 50
 PROVINCIAL-MUNICIPAL GOVERNMENT EXPENDITURES
 1947 to 1989

Years and Quarters	Goods and Services	Transfer Payments to Persons	Interest on the Public Debt	Subsidies	Total Expenditures	Deficit (-) or Surplus
(Millions of dollars)						
1947.....	912	228	106	6	1,252	69
1948.....	1,124	292	105	4	1,525	-52
1949.....	1,257	365	111	4	1,737	-107
1950.....	1,367	415	118	3	1,903	-50
1951.....	1,569	455	126	4	2,154	-36
1952.....	1,790	380	139	4	2,313	—
1953.....	1,873	415	149	4	2,441	33
1954.....	2,012	473	165	2	2,652	-31
1955.....	2,282	505	175	7	2,969	-70
1956.....	2,703	542	190	5	3,440	-194
1957.....	2,994	613	220	8	3,835	-149
1958.....	3,326	738	238	15	4,317	-250
1959.....	3,658	904	285	16	4,923	-229
1960.....	4,039	1,144	342	26	5,551	-466
1961.....	4,254	1,435	384	30	6,103	-544
1962.....	4,692	1,613	439	32	6,776	-289
1963.....	5,141	1,715	488	36	7,380	-360
1964.....	5,608	1,894	531	46	8,079	-308
1965.....	6,321	2,262	593	67	9,243	-300
1966.....	7,366	2,569	654	141	10,730	-535
1967.....	8,118	3,297	737	132	12,274	-473
1968.....	8,854	3,902	853	125	13,734	-25
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Seasonally adjusted at annual rates)						
1968 I.....	8,456	3,568	836	116	12,976	108
II.....	8,764	3,780	836	120	13,490	168
III.....	9,032	4,096	864	144	14,136	-460
IV.....	9,164	4,184	876	120	14,344	84
1969 I.....	9,096	4,144	1,012	120	14,372	780
II.....	9,644	4,480	1,000	112	15,236	276
III.....	9,828	4,396	968	140	15,332	24
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

SOURCE: DBS, *The National Accounts*.

REFERENCE TABLE 51
TOTAL GOVERNMENT REVENUES
 (Unrevised National Accounts Basis)
 1947 to 1969

Years and Quarters	Direct Taxes		Withholding Taxes	Indirect Taxes	Investment Income ⁽¹⁾	Employer and Employee Contributions to Social Insurance and Government Pension Funds ⁽²⁾	Canada and Quebec Pension Plans ⁽³⁾	Total Revenues ⁽¹⁾⁽³⁾
	Persons	Corporations						
(Millions of dollars)								
1947.....	791	702	35	1,785	375	181	—	3,869
1948.....	822	687	41	1,840	386	224	—	4,000
1949.....	789	718	47	1,885	419	239	—	4,097
1950.....	740	983	54	2,063	471	256	—	4,567
1951.....	1,030	1,416	56	2,597	534	338	—	5,969
1952.....	1,323	1,384	55	2,817	617	375	—	6,571
1953.....	1,432	1,220	54	3,021	651	410	—	6,788
1954.....	1,437	1,082	58	3,033	687	422	—	6,719
1955.....	1,499	1,272	67	3,319	753	476	—	7,386
1956.....	1,732	1,413	69	3,759	834	532	—	8,339
1957.....	1,917	1,337	83	3,977	849	590	—	8,753
1958.....	1,795	1,315	48	4,028	937	615	—	8,738
1959.....	2,088	1,581	74	4,464	998	652	—	9,867
1960.....	2,360	1,544	79	4,705	1,063	751	—	10,502
1961.....	2,511	1,612	116	4,947	1,126	787	—	11,099
1962.....	2,729	1,710	125	5,585	1,251	812	—	12,212
1963.....	2,916	1,827	127	5,911	1,395	862	—	13,028
1964.....	3,428	2,053	140	6,695	1,526	912	—	14,754
1965.....	3,913	2,225	168	7,564	1,671	1,027	—	16,568
1966.....	4,484	2,252	203	8,466	1,808	1,129	719	19,061
1967.....	5,493	2,208	218	9,227	2,112	1,182	886	21,326
1968.....	6,660	2,593	209	10,021	2,294	1,373	1,005	24,155
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Seasonally adjusted at annual rates)								
1968 I.....	6,412	2,396	220	9,812	2,160	1,304	956	23,260
II.....	6,235	2,480	208	9,768	2,292	1,288	1,000	23,272
III.....	6,716	2,608	232	10,044	2,308	1,352	992	24,252
IV.....	7,276	2,888	176	10,460	2,416	1,548	1,072	25,836
1969 I.....	7,588	2,976	212	10,860	2,600	1,500	1,112	26,848
II.....	8,200	2,832	240	10,960	2,644	1,560	1,164	27,600
III.....	8,584	2,396	264	11,012	2,636	1,572	1,160	27,624
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

⁽¹⁾ Excludes inter-governmental transfers.

⁽²⁾ Excludes receipts from Canada and Quebec Pension Plans.

⁽³⁾ Includes receipts from Canada and Quebec Pension Plans.

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 52
 FEDERAL GOVERNMENT REVENUES
 1947 to 1969

Years and Quarters	Direct Taxes		Withholding Taxes	Indirect Taxes	Investment Income	Employer and Employee Contributions to Social Insurance and Government Pension Funds	Total Revenues
	Persons	Corporations					
(Millions of dollars)							
1947.....	729	631	35	1,136	109	109	2,740
1948.....	752	568	41	1,086	101	129	2,677
1949.....	707	588	47	1,048	123	141	2,654
1950.....	654	837	54	1,115	146	159	2,965
1951.....	931	1,227	55	1,495	180	221	4,110
1952.....	1,223	1,275	55	1,595	231	247	4,626
1953.....	1,329	1,144	54	1,697	232	270	4,726
1954.....	1,319	1,018	58	1,612	234	287	4,528
1955.....	1,325	1,210	67	1,744	267	324	4,937
1956.....	1,550	1,334	69	1,972	296	357	5,578
1957.....	1,723	1,132	83	1,990	276	384	5,588
1958.....	1,581	1,075	48	1,912	327	391	5,334
1959.....	1,770	1,310	74	2,125	350	414	6,043
1960.....	2,017	1,266	79	2,180	382	487	6,411
1961.....	2,132	1,311	116	2,190	409	510	6,668
1962.....	2,088	1,279	125	2,401	448	518	6,859
1963.....	2,193	1,362	127	2,451	510	534	7,177
1964.....	2,558	1,546	140	2,847	570	574	8,235
1965.....	2,716	1,675	168	3,252	630	618	9,059
1966.....	2,955	1,696	203	3,575	690	690	9,809
1967.....	3,572	1,630	218	3,707	800	704	10,631
1968.....	4,283	1,932	209	3,764	878	827	11,893
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Seasonally adjusted at annual rates)							
1968 I.....	4,260	1,788	220	3,716	784	776	11,544
II.....	3,952	1,852	208	3,576	844	756	11,188
III.....	4,272	1,944	232	3,772	952	788	11,960
IV.....	4,648	2,144	176	3,992	932	988	12,880
1969 I.....	4,976	2,216	212	3,924	1,044	940	13,312
II.....	5,368	2,112	240	3,988	1,004	992	13,704
III.....	5,656	1,784	264	4,040	1,068	980	13,792
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 53
 PROVINCIAL-MUNICIPAL GOVERNMENT REVENUES
 1947 to 1969

Years and Quarters	Direct Taxes		Indirect Taxes	Investment Income	Employer and Employee Contributions to Social Insurance and Government Pension Funds	Transfers from Federal Government	Total Revenues
	Persons	Corporations					
(Millions of dollars)							
1947.....	62	71	649	266	81	192	1,321
1948.....	70	119	754	285	95	150	1,473
1949.....	82	130	837	296	98	187	1,630
1950.....	86	146	948	325	97	251	1,853
1951.....	99	189	1,102	354	115	259	2,118
1952.....	100	109	1,222	386	128	368	2,313
1953.....	103	76	1,324	419	140	412	2,474
1954.....	118	64	1,421	453	135	430	2,621
1955.....	174	62	1,575	486	152	450	2,899
1956.....	182	79	1,787	538	175	485	3,246
1957.....	194	205	1,987	573	206	521	3,686
1958.....	214	240	2,116	610	224	663	4,067
1959.....	318	271	2,339	648	238	880	4,694
1960.....	343	278	2,525	681	264	994	5,085
1961.....	379	301	2,757	717	277	1,128	5,559
1962.....	641	431	3,184	803	294	1,134	6,487
1963.....	723	465	3,460	885	318	1,169	7,020
1964.....	870	507	3,848	956	338	1,252	7,771
1965.....	1,197	550	4,312	1,041	409	1,434	8,943
1966.....	1,629	556	4,891	1,118	439	1,662	10,195
1967.....	1,921	578	5,520	1,312	478	1,992	11,801
1968.....	2,377	661	6,257	1,416	546	2,452	13,709
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Seasonally adjusted at annual rates)							
1968 I.....	2,152	608	6,096	1,376	528	2,324	13,084
II.....	2,284	628	6,192	1,448	532	2,564	13,648
III.....	2,444	664	6,272	1,356	564	2,376	13,676
IV.....	2,628	744	6,468	1,484	560	2,544	14,428
1969 I.....	2,612	760	6,936	1,556	560	2,728	15,152
II.....	2,832	720	6,972	1,640	568	2,780	15,512
III.....	2,928	612	6,972	1,568	592	2,684	15,356
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

SOURCE: DBS *The National Accounts*.

REFERENCE TABLE 54 (Continued)
 INTERNATIONAL PAYMENTS: CURRENT ACCOUNT
 1947 to 1969

Years and Quarters	Current Payments:							
	Merchandise Imports (Adjusted)	Travel Expenditures	Interest and Dividends	Freight and Shipping	Inheritances and Emigrants' Funds	Official Contributions	Other Current Payments ⁽¹⁾	Total Current Payments
	(Millions of dollars)							
1947.....	2,535	167	337	278	49	38	295	3,699
1948.....	2,598	134	325	279	50	23	287	3,696
1949.....	2,696	193	390	253	59	6	315	3,912
1950.....	3,132	226	475	301	61	5	349	4,549
1951.....	4,101	260	482	354	70	9	393	5,659
1952.....	3,854	341	413	375	94	16	393	5,486
1953.....	4,212	365	406	374	96	25	463	5,941
1954.....	3,916	389	424	356	99	11	477	5,672
1955.....	4,543	449	473	415	116	24	526	6,546
1956.....	5,565	498	524	502	131	30	597	7,847
1957.....	5,488	528	594	515	157	40	661	7,980
1958.....	5,086	542	614	460	169	53	695	7,589
1959.....	5,572	598	671	525	165	72	697	8,300
1960.....	5,540	627	656	533	184	61	768	8,369
1961.....	5,716	642	764	568	176	56	794	8,716
1962.....	6,203	605	783	595	175	36	856	9,253
1963.....	6,579	585	860	648	185	65	888	9,810
1964.....	7,537	712	1,010	679	201	69	963	11,171
1965.....	8,627	796	1,086	761	211	93	1,037	12,611
1966.....	10,102	900	1,140	823	198	166	1,229	14,558
1967.....	10,772	895	1,211	861	213	182	1,460	15,884
1968.....	12,162	1,015	1,290	937	209	133	1,485	17,231
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	(Seasonally adjusted at annual rates)							
1968 I.....	11,868	960	1,284	912	224	n.a.	1,540	16,788
II.....	11,632	956	1,348	928	232	n.a.	1,588	16,684
III.....	12,028	1,112	1,344	928	192	n.a.	1,672	17,276
IV.....	13,120	1,032	1,184	980	188	n.a.	1,672	18,176
1969 I.....	13,936	1,160	1,362	976	212	n.a.	1,640	19,276
II.....	13,820	1,284	1,384	992	216	n.a.	1,704	19,400
III.....	13,856	1,368	1,364	984	180	n.a.	1,808	19,560
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

⁽¹⁾Includes official contributions from 1968 to 1969 quarterly.

Source: DBS Quarterly Estimates of the Canadian Balance of International Payments, Quarterly, Cat. 67-001, Occasional, Cat. 67-505.

REFERENCE TABLE 55
NET BALANCES ON SELECTED NON-MERCHANDISE ACCOUNTS

1947 to 1969

Years and Quarters	Travel Expenditures			Inheritances and Migrants' Funds			Freight and Shipping	Interest and Dividends
	United States	Rest of World	All Countries	United States	Rest of World	All Countries	All Countries	All Countries
	(Millions of dollars)							
1947.....	89	- 5	84	-19	39	20	44	-273
1948.....	154	- 9	145	-19	53	34	57	-255
1949.....	102	-10	92	-26	35	9	50	-307
1950.....	67	-18	49	-16	12	- 4	-17	-381
1951.....	12	-18	- 6	-23	30	7	- 3	-337
1952.....	-37	-29	-66	-39	30	- 9	8	-261
1953.....	-25	-38	-63	-37	32	- 5	-56	-243
1954.....	-37	-47	-84	-36	26	-10	-43	-277
1955.....	-60	-61	-121	-45	15	-30	-17	-312
1956.....	-82	-79	-161	-63	31	-32	-45	-382
1957.....	-78	-84	-162	-77	44	-33	-70	-441
1958.....	-104	-89	-193	-57	5	-62	-59	-447
1959.....	-97	-110	-207	-71	15	-56	-105	-491
1960.....	-87	-120	-207	-92	10	-82	-91	-485
1961.....	-24	-136	-160	-85	13	-72	-82	-551
1962.....	93	-136	-43	-78	27	-51	-86	-581
1963.....	161	-137	24	-87	53	-34	-85	-630
1964.....	109	-159	-50	-80	48	-32	-35	-678
1965.....	112	-161	-49	-69	74	5	-93	-164
1966.....	102	-162	-60	-39	109	70	-65	-822
1967.....	549	-122	427	n.a.	n.a.	124	-39	-896
1968.....	n.a.	n.a.	-23	n.a.	n.a.	161	-43	-959
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
	(Seasonally adjusted at annual rates)							
1968 I.....	n.a.	n.a.	4	n.a.	n.a.	84	-32	-1,000
II.....	n.a.	n.a.	72	n.a.	n.a.	128	-36	-1,008
III.....	n.a.	n.a.	-104	n.a.	n.a.	244	-40	-968
IV.....	n.a.	n.a.	-64	n.a.	n.a.	188	-64	-860
1969 I.....	n.a.	n.a.	-60	n.a.	n.a.	136	-56	-964
II.....	n.a.	n.a.	-172	n.a.	n.a.	144	-72	-888
III.....	n.a.	n.a.	-304	n.a.	n.a.	168	-60	-984
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

SOURCE: DBS Quarterly Estimates of the Canadian Balance of International Payments.

REFERENCE TABLE 56
SUMMARY OF BALANCE OF PAYMENTS
1947 to 1969

Years and Quarters	Merchandise Trade Balance	Deficit on Non-Merchandise Transactions ⁽¹⁾	Current Account Balance ⁽¹⁾	Gold Production Available for Export	Capital Movements Inflows and Outflows (-):		Total	of which:		
					Long-term Forms	Short-term Forms		Increase or Decrease (-) in Official Holdings of Gold and Foreign Exchange	Net International Monetary Fund Position	Reciprocal Swap Facility With Federal Reserve System
(Millions of dollars)										
1947.....	188	-238	- 50	99	-721	4	-668	-742	74	-
1948.....	432	-100	332	119	43	2	492	492	-	-
1949.....	293	-255	38	139	- 29	- 20	128	128	-	-
1950.....	7	-489	-482	163	610	431	722	722	-	-
1951.....	-151	-511	-662	150	666	- 98	56	56	-	-
1952.....	485	-448	37	150	455	-605	37	37	-	-
1953.....	- 60	-532	-592	144	649	-289	- 38	- 38	-	-
1954.....	18	-597	-579	155	599	- 51	124	124	-	-
1955.....	-211	-631	-842	155	414	229	- 44	- 44	-	-
1956.....	-728	-791	-1,519	147	1,490	- 70	48	38	15	-
1957.....	-594	-1,001	-1,595	144	1,320	26	-105	-105	-	-
1958.....	-176	-1,118	-1,294	157	1,153	93	109	109	-	-
1959.....	-421	-1,214	-1,635	148	1,179	297	- 11	- 70	59	-
1960.....	-148	-1,247	-1,395	162	929	265	- 39	- 39	-	-
1961.....	173	-1,263	-1,090	162	930	288	290	229	61	-
1962.....	184	-1,169	-985	155	688	297	155	537	-378	- 4 ⁽²⁾
1963.....	503	-1,178	-675	154	637	36	146	60	86	-
1964.....	701	-1,270	-569	145	820	-33	363	86	277	-
1965.....	118	-1,386	-1,268	138	864	423	157	- 11	168	-
1966.....	224	-1,513	-1,289	127	1,061	-258	-359	-462	103	-
1967.....	566	589	-611	112	1,347	-830	18	34	- 16	-
1968.....	1,376	-1,607	-231	120	1,590	-1,126	353	604	-249	- 2 ⁽²⁾
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Not seasonally adjusted)										
1968 I.....	263	-524	-261	33	132	-669	-765	- 23	-471	-271
II.....	372	-418	-46	27	742	-103	620	355	130	135
III.....	483	-182	301	32	360	-532	161	- 43	70	134
IV.....	258	-483	-225	28	356	178	337	315	22	-
1969 I.....	243	-539	-296	31	549	-321	-37	- 53	16	-
II.....	97	-450	-353	28	481	-215	-59	-168	109	-
III.....	366	-255	111	29	605	-749	- 4	- 91	87	-
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

⁽¹⁾Excluding gold production available for export.

⁽²⁾Represent differences in Canadian dollar equivalents as between receipt and repayment of special international assistance denominated in US dollars, including, in 1962, a swap with the UK authorities.

SOURCE: DBS Quarterly Estimates of the Canadian Balance of International Payments.

REFERENCE TABLE 57 (Continued)
INTERNATIONAL PAYMENTS: CAPITAL MOVEMENTS
1947 to 1968

Years and Quarters	Change in Certain Canadian Assets of Foreigners:						Bank Balances and Other Short-term Funds Abroad	All Other Transactions	Net Capital Movements Excluding Monetary Items shown in the following columns	Official Monetary Movements in the Form of:		
	Canadian Dollar Deposits	Government of Canada Demand Liabilities	Canadian Treasury Bills	Short-term Funds		Canadian Finance Company Obligations not included elsewhere				Change in the Official Holdings of Gold and Foreign Exchange	Change in Net International Monetary Fund Position	Other Special International Financial Assistance
(Millions of dollars)												
1947.....	-26	33	—	— ^(a)	— ^(a)	— ^(a)	-8	5	-717	-742	74	—
1948.....	-21	—	—	—	—	—	-2	21	41	492	—	—
1949.....	33	—	8	—	—	—	-2	-69	-49	128	—	—
1950.....	235	-4	-3	—	—	—	11	192	1,041	722	—	—
1951.....	-190	-8	2	—	—	—	-14	112	568	56	—	—
1952.....	-66	-5	1	— ^(a)	— ^(a)	35	-165	-405	-150	37	—	—
1953.....	-22	-11	-2	—	—	-2	-80	-122	410	-38	—	—
1954.....	27	-15	8	—	—	—	10	-6	548	124	—	—
1955.....	60	-9	29	—	—	23	91	35	643	-44	—	—
1956.....	-30	—	3	—	—	64	-216	109	1,420	33	15	—
1957.....	-15	—	-18	—	—	4	-274	329	1,346	-105	—	—
1958.....	39	45	21	—	—	24	-58	22	1,246	109	—	—
1959.....	10	-8	14	—	—	68	-119	332	1,476	-70	59	—
1960.....	79	-12	56	—	—	59	-60	143	1,194	-39	—	—
1961.....	33	-2	-58	—	—	95	140	80	1,218	229	61	—
1962.....	-10	-4	4	—	—	119	93	95	985	537	-378	-4 ^(c)
1963.....	43	1	-27	-23	93	35	-258	166	667	60	86	—
1964.....	28	—	-16	-11	196	52	-528	246	787	86	277	—
1965.....	31	2	12	10	-162	209	138	183	1,287	-11	168	—
1966.....	10	5	-15	—	-4	154	-601	193	803	-462	103	—
1967.....	24	-4	4	11	-54	34	-286	-569	517	34	-16	—
1968.....	70	21	-48	3	-131	19	-405	-751	464	604	-249	-2 ^(c)
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Not seasonally adjusted)												
1968 I.....	8	-4	23	6	-60	-6	-125	-548	-537	-23	-471	-271
II.....	4	-3	1	-18	-35	-7	-27	-53	639	355	130	135
III.....	4	1	11	-2	-36	-2	-149	-345	-172	-43	70	134
IV.....	54	27	13	-13	—	34	-158	195	534	315	22	—
1969 I.....	-11	-2	13	-3	159	23	-155	-345	228	-53	16	—
II.....	25	-30	-5	-3	71	28	-584	233	266	163	109	—
III.....	-4	1	-3	-15	-71	3	-233	-427	-144	-91	87	—
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

^(a)From 1947 to 1961, includes export credits extended from Canada directly or indirectly at risk of the Government of Canada.

^(b)Included in "all other transactions" from 1947 to 1951.

^(c)Included in "Canadian finance company obligations n.i.e." from 1952 to 1962.

^(d)Represent differences in Canadian dollar equivalents as between receipt and repayment of special international assistance, denominated in U.S. dollars, including, in 1962, a swap with the U.K. authorities.

SOURCE: DBS Quarterly Estimates of the Canadian Balance of International Payments.

REFERENCE TABLE 58 (Continued)

NET PROCEEDS FROM NEW ISSUES OF CANADIAN BONDS AND DEBENTURES TO NON-RESIDENTS

1947 to 1969

Years and Quarters	Total Governments			Corporations (Including Railroads)			Total		
	New Issues	Retirements	Net Proceeds	New Issues	Retirements	Net Proceeds	New Issues	Retirements	Net Proceeds
(Millions of dollars)									
1947.....	n.a.	39	n.a.	n.a.	n.a.	n.a.	95	n.a.	n.a.
1948.....	150	36	114	—	n.a.	n.a.	150	n.a.	n.a.
1949.....	105	96	9	—	n.a.	n.a.	105	n.a.	n.a.
1950.....	178	159	19	28	n.a.	n.a.	206	n.a.	n.a.
1951.....	341	149	192	28	n.a.	n.a.	369	n.a.	n.a.
1952.....	163	73	90	136	15	121	299	88	211
1953.....	225	127	98	64	13	51	289	140	149
1954.....	180	160	20	133	35	98	313	195	118
1955.....	52	137	-85	51	41	10	103	178	-75
1956.....	345	116	229	252	20	232	597	136	461
1957.....	275	78	197	464	31	433	739	109	630
1958.....	392	100	292	253	42	211	645	142	503
1959.....	547	175	372	114	66	48	661	241	420
1960.....	268	153	115	154	104	50	422	257	165
1961.....	160	110	40	354	136	218	504	246	258
1962.....	378	149	229	331	140	191	709	289	420
1963.....	578	223	355	392	101	291	970	324	646
1964.....	664	207	457	414	117	297	1,078	324	754
1965.....	409	169	240	807	214	593	1,216	383	833
1966.....	657	364	293	751	131	620	1,408	495	913
1967.....	943	209	734	312	129	183	1,255	338	917
1968.....	1,275	193	1,082	597	201	396	1,872	394	1,478
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Not seasonally adjusted)									
1968 I.....	289	47	242	110	77	33	399	124	275
II.....	458	60	396	244	60	184	700	120	580
III.....	275	19	256	152	18	134	427	37	390
IV.....	255	67	188	91	46	45	46	113	233
1969 I.....	391	42	349	178	27	151	569	69	500
II.....	304	80	224	115	45	70	419	125	294
III.....	380	32	348	171	17	154	551	49	502
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

SOURCE: DBS Sales and Purchases of Securities Between Canada and Other Countries, Monthly, Cat. 67-002.

REFERENCE TABLE 59

CANADIAN CHARTERED BANKS' HEAD OFFICES AND BRANCHES IN CANADA—NET CHANGE IN FOREIGN CURRENCY POSITIONS⁽¹⁾
1967 to 1969

(Not seasonally adjusted)

	1967	1968	1969	1968				1969			
				I	II	III	IV	I	II	III	IV
	(Millions of dollars)										
With U.S. residents:											
Assets.....	268	152	815	-224	248	212	-84	247	3	276	289
Liabilities.....	77	-297	339	-98	38	-147	-91	170	79	-56	147
Net.....	191	449	476	-126	210	358	7	78	-76	332	142
Other non-residents:											
Assets.....	340	636	1,405	127	17	113	350	464	687	227	28
Liabilities.....	158	701	1,361	47	97	-285	272	478	304	438	141
Net.....	182	-65	45	80	-81	-172	108	-14	383	-211	-113
Total non-residents:											
Assets.....	608	788	2,220	-97	264	325	-296	711	690	503	317
Liabilities.....	234	404	1,700	-51	135	139	181	648	383	381	288
Net claims ⁽²⁾	374	385	521	-46	129	186	115	63	307	122	29
With Canadian residents:											
Assets ⁽³⁾	84	-48	215	-28	-19	-6	5	-61	217	10	49
Liabilities ⁽⁴⁾	306	98	1,252	-57	9	106	39	166	789	381	-83
Net.....	-223	-146	-1,037	28	-29	-112	-34	-226	-572	-371	132
Changes in banks' own position⁽⁵⁾.....	152	239	-517	-17	100	74	81	-163	-265	-250	161

⁽¹⁾Adjusted for variations in exchange rates.

Balance of payments effects:

^(a)1 + ^(a)2, with sign reversed, is major component of D.17. 1, "bank balances and other short-term funds-abroad" as follows:

-[(^(a) 1) + (^(a) 2)].....	-458	-337	-735	74	-109	-180	-120	-3	-524	-131	-78
D.17.1.....	-286	-405	n.a.	-125	27	-149	-158	-155	-584	-233	n.a.

^(b)is divided between D.17.5 and D.13 respectively short and long-term residual capital items.^(c)with sign reversed is net balance of payments effect of banks foreign-currency operations.

SOURCE: Department of Finance.

REFERENCE TABLE 60
FINANCING OF CANADA'S BILATERAL ACCOUNT WITH THE UNITED STATES
1947 to 1969

Years and Quarters	Transactions with U.S. (Excluding International Financial Agencies):		Net Amount to be Financed by Other Transactions	Other Transactions:			Increase(-) in Canadian Holdings of Gold and Foreign Exchange	Change in Canada's Position with the international Monetary Fund ⁽¹⁾	Reciprocal Swap Facility with Federal Reserve System	Total Financing
	Current Account Deficit (Excluding Gold)	Capital Inflow from U.S.		Current Account Surplus with Rest of World	Net Capital Movement from or to Rest of World	New Gold Production Available for Export				
(Millions of dollars)										
1947.....	-1,233	-163	-1,396	1,183	-554	99	742	-74	-	1,396
1948.....	-512	111	-401	844	-70	119	-492	-	-	401
1949.....	-740	64	-676	778	-113	139	-128	-	-	676
1950.....	-548	946	-398	66	95	163	-722	-	-	398
1951.....	-1,095	556	-639	433	-12	150	-56	-	-	539
1952.....	-980	-106	-1,086	1,017	-44	160	-37	-	-	1,086
1953.....	-1,051	199	-852	459	211	144	38	-	-	852
1954.....	-955	379	-576	376	169	155	-124	-	-	576
1955.....	-1,184	366	-818	342	277	155	-44	-	-	818
1956.....	-1,797	891	-906	278	529	147	-33	-15	-	906
1957.....	-1,723	942	-781	128	404	144	105	-	-	781
1958.....	-1,324	1,045	-279	30	201	157	-109	-	-	279
1959.....	-1,369	1,312	-57	-266	164	148	70	-59	-	57
1960.....	-1,521	974	-547	126	220	162	39	-	-	547
1961.....	-1,503	1,311	-192	413	-93	162	-229	-61	-	192
1962.....	-1,247	1,073	-174	262	-88	155	-537	378	4 ⁽²⁾	174
1963.....	-1,302	829	-473	627	-162	154	-60	-86	-	473
1964.....	-1,780	1,639	-141	1,211	-852	145	-86	-277	-	141
1965.....	-2,075	437	-1,638	807	850	138	11	-168	-	1,638
1966.....	-2,157	1,059	-1,098	868	-256	127	462	-103	-	1,098
1967.....	-1,454	300	-1,154	843	217	112	-34	16	-	1,154
1968.....	-958	-159	-1,117	727	623	120	-604	249	2 ⁽²⁾	1,117
1969.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
(Not seasonally adjusted)										
1968 I.....	-454	-381	-835	193	-156	33	23	471	271	835
II.....	-316	167	-149	270	472	27	-355	-130	-135	149
III.....	124	-472	-348	177	300	32	43	-70	-134	348
IV.....	-312	527	215	87	7	28	-315	-22	-	-215
1969 I.....	-420	197	-223	124	31	31	53	-16	-	223
II.....	-344	624	280	-9	-376	28	168	-109	-	-280
III.....	216	-516	-300	-105	372	29	91	-87	-	300
IV.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

⁽¹⁾Improvement, (-) in Canadian position represents net provision of resources by Canada to the IMF.

⁽²⁾Represent differences in Canadian dollar equivalents as between receipt and repayment of special international assistance, denominated in US dollars, including, in 1962, a swap with the UK authorities.

SOURCE: DBS Quarterly Estimates of the Canadian Balance of International Payments.

REFERENCE TABLE 61

CANADA'S RESERVE POSITION WITH THE INTERNATIONAL MONETARY FUND⁽¹⁾⁽²⁾

1946 to 1969

Years and Quarters	Increase in Gold Subscriptions	Drawings by Canada (-)	Repurchases (Repayments of Drawings) by Canada	Net Fund Sales or Repurchases (-) of Canadian Dollars to or from Third Countries	Fund Sales of Gold for Canadian Dollars	Reserve Position at end of Period ⁽³⁾
(Millions of U.S. dollars)						
1946.....	1.0	—	—	—	—	1.0
1947.....	74.0	—	—	—	—	75.0
1956.....	—	—	—	15.0	—	90.0
1958.....	—	—	—	-0.1	—	90.0
1959.....	62.5	—	—	—	—	152.5
1961.....	—	—	—	84.6	25.0	212.1
1962.....	—	-300.0	—	-50.3	—	-138.2
1963.....	—	—	79.7	—	—	-58.5
1964.....	—	—	166.0	99.0	-9.0	197.5
1965.....	—	—	—	183.4	-27.5	353.4
1966.....	47.5	—	—	47.6	—	448.5
1967.....	—	—	—	-15.1	—	433.4
1968.....	—	-426.0 ⁽⁴⁾	64.8	131.2	—	206.2 ⁽⁵⁾
1969.....	—	—	—	280.3 ⁽⁶⁾	-8.6	478.1 ⁽⁶⁾
1968 I.....	—	-426.0 ⁽⁴⁾	—	-7.3	—	0.1
II.....	—	—	—	121.0	—	121.1
III.....	—	—	64.8	—	—	185.9
IV.....	—	—	—	17.5	—	206.2 ⁽⁶⁾
1969 I.....	—	—	—	15.0	—	221.2
II.....	—	—	—	103.5	-2.5	322.2
III.....	—	—	—	86.2	-6.1	402.3
IV.....	—	—	—	75.6 ⁽⁶⁾	—	478.1 ⁽⁶⁾

NOTE: Fund borrowing under the General Arrangements to Borrow (GAB) does not affect the reserve position.

⁽¹⁾Only those years in which transactions take place are shown.

⁽²⁾Columns may not cross-add due to rounding.

⁽³⁾A negative figure indicates the amount by which the credit tranche position falls short of the quota.

⁽⁴⁾Includes the Fund's repayment of its 1965 borrowing from Canada (\$35 million).

⁽⁵⁾Includes Canada's share in IMF dividends paid to members in their own currencies, amounting to \$2.8 million in October 1968, and \$2 million in October 1969.

⁽⁶⁾Includes a transfer to Canada of \$30 million in GAB notes formerly issued to the Federal Republic of Germany in connection with the German drawing of November 1969.

SOURCE: IMF *International Financial Statistics*, Monthly.

REFERENCE TABLE 62
 CANADA'S OFFICIAL INTERNATIONAL RESERVES⁽¹⁾
 1961 to 1970

Years and Months	Foreign Currencies ⁽²⁾		Gold	Special Drawing Rights	Reserve Position in IMF	Total
	U.S. Dollars	Other ⁽³⁾				
(Millions of U.S. dollars)						
1961	1,123.0	10.7	946.2	—	212.1	2,292.0
1962	1,842.8	9.2	708.5	—	—	2,560.5
1963	1,786.6	9.5	817.2	—	—	2,613.3
1964	1,654.5	11.8	1,025.7	—	197.5	2,889.5
1965	1,519.9	12.8	1,150.8	—	353.4	3,036.9
1966	1,195.4	12.4	1,045.6	—	448.5	2,701.9
1967	1,255.2	13.4	1,014.9	—	433.4	2,716.9
1968	1,964.9	11.6	863.1	—	206.2	3,045.8
1969	1,743.6	12.3	872.3	—	478.1	3,106.3
1969 January	2,002.6	12.0	863.1	—	212.2	3,089.9
February	1,958.2	11.2	863.1	—	212.2	3,044.7
March	1,917.4	9.0	863.1	—	221.2	3,010.7
April	1,920.4	16.1	863.1	—	231.2	3,030.8
May	1,898.2	14.4	863.1	—	236.2	3,011.9
June	1,758.1	14.8	865.8	—	322.2	2,960.9
July	1,700.1	12.8	865.8	—	355.7	2,934.4
August	1,729.3	10.8	865.8	—	360.7	2,966.6
September	1,667.5	14.3	872.0	—	402.3	2,956.1
October	1,758.2	13.3	872.0	—	406.5	3,050.0
November	1,742.0	16.5	872.2	—	444.5	3,075.2
December	1,743.6	12.3	872.3	—	478.1	3,106.3
1970 January	1,827.8	11.6	869.9	129.3	472.6	3,311.2

⁽¹⁾At end of period.

⁽²⁾Convertible foreign currency holdings of the Exchange Fund Account, the Receiver General for Canada and the Bank of Canada.

⁽³⁾Valued at official parity rates in terms of U.S. dollars.

Source: Department of Finance.

REFERENCE TABLE 63

**DETAILS OF NEW ISSUES AND RETIREMENTS OF GOVERNMENT OF CANADA
DIRECT AND GUARANTEED MARKETABLE BONDS FROM JANUARY 1, 1969 to FEBRUARY 15, 1970**

(Millions of dollars par value)

Date	Retirements	Amount	Sub-total	New Bonds	Amount Delivered	Sub-total	Net Change in Amount Outstanding	Term of New Bonds	Yield to Maturity
January 15				6½% June 1, 1988	16 ⁽¹⁾	16	+ 16	20 years	6.80
March 14	5% July 1, 1969	100 ⁽²⁾	100				-100		
April 1	5½% April 1, 1969	410		7% May 1, 1970	125			1 yr. 1 mo.	7.09
			410	7½% April 1, 1972	235 ⁽³⁾			3 yrs.	7.29
				7½% April 1, 1974	125 ⁽⁴⁾	485	+ 75	5 yrs.	7.25
April 15	5% Oct. 15, 1987 ⁽⁵⁾	1	1				- 1		
July 1	5% July 1, 1969	225		7½% July 1, 1970	130			1 yr.	7.75
	6½% July 1, 1969	75	300	8% July 1, 1978	125	255	- 45	9 yrs.	8.00
July 25	5½% Oct. 1, 1969	75 ⁽²⁾	75				- 75		
August 15				7½% Oct. 1, 1970	40			1 yr. 1½ mo.	7.88
				8% Feb. 1, 1973	110	150 ⁽⁶⁾	+150	3 yrs. 5½ mo.	8.00
September 15	CNR 2½% Sept. 15/69	70							
	5½% Oct. 1, 1969	50 ⁽²⁾	120				-120		
October 1	5½% Oct. 1, 1969	175		8% Oct. 1, 1970	30			1 yr.	8.00
	5½% Oct. 1, 1969	175		8% Oct. 1, 1971	45			2 yrs.	8.00
			350	8% Oct. 1, 1974	225 ⁽⁷⁾	300	- 50	5 yrs.	8.00
October 15	5% Oct. 15, 1987 ⁽⁵⁾	1	1				- 1		
December 15	5½% Dec. 15, 1969	175		8% Dec. 15, 1970	75			1 yr.	8.11
	6½% Dec. 15, 1969	35	210	8% Dec. 15, 1971	125	200 ⁽⁸⁾	- 10	1 yr. 9½ mos.	8.14
December 31	5½% Dec. 15, 1971	4							
	5% May 15, 1977	2							
	5½% Jan. 1, 1985	2							
	5% Oct. 1, 1987	3	11 ⁽⁹⁾				-11		
TOTAL (Calendar 1969)			1,578			1,406	-172		
February 15	6% Feb. 15, 1970	285	285	8% June 1, 1971	75			1 yr. 3¼ mos.	8.11
				8% Oct. 1, 1974	200 ⁽¹⁰⁾	275	- 10	4 yrs. 7¼ mos.	8.13
TOTAL (Fiscal 1969-70)			1,763			1,665	- 98		

⁽¹⁾ U.S. pay issue in principal amount U.S. \$100 million, subject to delayed delivery contracts.⁽²⁾ Cancellation of securities held in the Securities Investment Account.⁽³⁾ Includes \$50 million 7½% bonds due 1972 and \$25 million 7½% bonds due 1974 exchanged directly with Bank of Canada for \$75 million 5½% bonds maturing October 1, 1969 and cancelled on July 25, 1969.⁽⁴⁾ Exchangeable into an equal par value of 10 year 7½% bonds to be dated April 1, 1974 and due April 1, 1984, yielding 7.50% for the 10 years commencing April 1, 1974 and about 7.39% for the full 15 year period commencing April 1, 1969.⁽⁵⁾ U.S. pay issue subject to partial redemption for sinking fund on prorated basis.⁽⁶⁾ Includes \$50 million of bonds exchanged directly with Bank of Canada for \$50 million 5½% bonds maturing October 1, 1969 and cancelled on September 15, 1969.⁽⁷⁾ Exchangeable into an equal par value of 8% bonds due October 1, 1986 to yield 8.00% for 17 years.⁽⁸⁾ Includes \$25 million 8% bonds due 1970 and \$25 million 8% bonds due 1971 exchanged directly with Bank of Canada for \$50 million 3½% bonds maturing May 1, 1970 which were placed in the Securities Investment Account.⁽⁹⁾ Cancellation of securities held by CN purchase funds.⁽¹⁰⁾ Exchangeable into an equal par value of 8% bonds due October 1, 1986 to yield about 8.05% for 16 years 7¼ months.

Source: Department of Finance.

REFERENCE TABLE 64
 CHANGES IN MARKET BONDS AND CANADA SAVINGS BONDS OUTSTANDING
 1964 to 1969

	1964	1965	1966	1967	1968	1969
	(Millions of dollars)					
New Issues in Canadian dollars:						
Government of Canada—market ⁽¹⁾	-45	-380	82	800	1,177	-109
Canada Savings Bonds.....	480	253	223	230	40	329
Sub-total.....	435	-127	305	1,030	1,217	220
Provinces and municipalities ⁽²⁾	868	742	1,031	1,013	612	241
Corporations.....	617	981	536	832	486	403
Total.....	1,920	1,601	1,872	2,875	2,315	864
Foreign-Pay Bond Issues:						
Government of Canada.....	-	-5	-5	-205	266	14
Provinces and municipalities.....	471	267	424	800	901	1,057
Corporations.....	211	394	542	161	372	443
Total.....	682	656	961	756	1,539	1,514
TOTAL BOND ISSUES.....	2,602	2,257	2,833	3,631	3,854	2,378
Taken up by:						
Bank of Canada.....	29	352	3	329	137	173
Chartered Banks.....	-191	54	113	873	1,092	-456
Non-bank holders:						
Market bonds.....	1,602	942	1,533	1,443	1,046	818
Canada Savings Bonds.....	480	253	223	230	40	329
Holders of Canadian foreign-pay.....	682	656	961	756	1,539	1,514
TOTAL.....	2,602	2,257	2,833	3,631	3,854	2,378

⁽¹⁾Includes Treasury bills and excludes non-marketable bonds.

⁽²⁾Excludes securities bought by the Canada Pension Plan.

SOURCES: Bank of Canada and Department of Finance.

REFERENCE TABLE 65
MORTGAGE LOAN APPROVALS⁽¹⁾
1962 to 1969

	Private Lending Institutions							CMHC ⁽⁴⁾	Total Private and Public	
	Conventional Mortgages			NHA	Total Private Lending	of which:				
	Non-Residential	Residential				Banks	Life Cos.			Trust Cos., etc. ⁽³⁾
		Existing ⁽²⁾	New							
	(Millions of dollars)									
1962-1964 Average.....	397	476	638	383	1,894	3	900	991	313	2,207
1965.....	581	749	902	320	2,552	6	1,158	1,388	513	3,065
1966.....	382	471	574	191	1,618	—	804	814	593	2,211
1967.....	369	655	745	356	2,124	253	800	1,071	737	2,861
1968.....	335	572	963	832	2,702	446	845	1,410	503	3,205
1968 I.....	98	128	243	188	657	88	261	307	84	741
II.....	74	143	235	205	657	82	237	338	94	751
III.....	83	138	208	257	686	95	179	412	75	761
IV.....	80	163	277	182	702	181	168	353	250	952
1969 I.....	90	153	266	152	661	93	141	427	83	744
II.....	129	227	362	231	949	150	224	575	119	1,068
III.....	113	158	199	167	637	79	152	406	154	791

⁽¹⁾Data are on a gross basis, i.e., they do not necessarily take account of cancellations or alterations of loans after initial approval.

⁽²⁾Includes data on farm property.

⁽³⁾Includes loan and trust companies, Quebec saving banks, fraternal and mutual benefit societies.

⁽⁴⁾Includes student housing.

Source: Central Mortgage and Housing Corporation.

REFERENCE TABLE 66
 SUMMARY OF SOURCES OF NET NEW FINANCING IN CANADA
 1965 to 1969

	1965	1966	1967	1968	1969*
	(Millions of dollars)				
Government of Canada					
Market securities ⁽¹⁾	-380	82	800	1,177	-109
Canada Savings Bonds.....	253	223	230	40	329
Sub-total.....	-127	305	1,030	1,217	220
Provinces ⁽²⁾ and Municipalities					
Bonds.....	742	1,493	1,682	1,316	1,046
Bank loans.....	198	137	80	28	74
Sub-total.....	940	1,630	1,762	1,344	1,120
Corporations and others ⁽³⁾					
Bonds.....	986	536	832	517	403
Stocks.....	465	588	502	555	777
Commercial and Industrial credit and Bankers' Acceptances.....	214	22	-53	-3	100
Short-term commercial paper.....	-116	40	91	136	234
Bank loans.....	1,210	548	1,161	1,029	1,100
Sub-total.....	2,759	1,734	2,533	2,234	2,614
Individuals					
Mortgages.....	1,574	1,057	1,006	1,265	1,500
Consumer credit.....	887	613	816	1,212	1,400
Sub-total.....	2,461	1,670	1,822	2,477	2,900
TOTAL.....	6,033	5,339	7,147	7,272	6,854

⁽¹⁾Includes Treasury bills and excludes non-marketable bonds.

⁽²⁾Includes securities purchased by Canada Pension Plan.

⁽³⁾Others include unincorporated business, farmers, non-financial, religious and non-profit institutions.

* = estimated.

Source: Bank of Canada and Department of Finance.

REFERENCE TABLE 67
FINANCIAL FLOWS: CHARTERED BANKS
1966 to 1969

	1966	1967	1968	1968				1969			9 months ending Sept. 30	
				I	II	III	IV	I	II	III	1968	1969
	(Millions of dollars)											
Gross domestic savings.....	76	117	208	47	51	53	47	62	58	66	151	186
Non-financial capital formation.....	42	41	46	12	11	12	11	15	15	15	35	45
Net lending (+) or borrowing (-).....	34	76	162	35	40	41	36	47	43	51	116	141
Net financial investments.....	46	75	153	-11	-	-9	173	-4	-6	-12	-20	-22
Net increase in financial assets.....	1,237	2,686	3,501	489	789	1,090	1,133	563	264	-236	2,368	591
Currency and bank deposits.....	138	-13	168	-246	12	254	148	-160	103	26	20	-31
Consumer credit.....	217	518	689	77	188	166	258	202	303	-57	431	448
Loans.....	663	1,262	1,076	451	214	-167	578	493	389	32	498	914
Provinces.....	42	104	-61	-98	70	-85	52	-62	-16	-4	-113	-82
Municipalities.....	95	-24	89	256	-96	-105	34	237	-104	-90	55	43
Grain dealers.....	19	267	294	90	210	-54	48	78	53	128	246	259
Sales finance companies.....	-106	-3	-4	-20	-59	-35	110	-72	7	-7	-114	-72
Other loans to persons.....	3	8	67	-89	-65	-38	259	-46	-65	-92	-192	-203
Farmers.....	90	116	8	-62	14	31	25	-43	100	19	-17	76
Business.....	398	748	649	444	-66	148	122	491	445	80	526	1,016
Stock brokers and investment dealers.....	78	44	180	34	104	46	-4	-154	3	-18	184	-169
Day-to-day loans.....	27	28	-113	-98	101	-65	-51	54	-34	21	-62	41
Other loans.....	17	-26	-33	-6	1	-10	-17	10	-	-5	-15	5
Government of Canada Treasury bills.....	191	177	399	-141	224	210	-176	31	65	-56	575	40
Mortgages.....	-32	57	203	43	60	32	68	75	90	64	135	229
Government of Canada bonds.....	-40	567	537	-9	15	395	136	21	-325	-30	401	-334
Provincial bonds.....	-58	63	30	9	-18	51	-12	8	-35	-9	42	-36
Municipal bonds.....	-11	21	18	4	-2	17	-1	6	-4	-5	19	-3
Other Canadian bonds.....	31	45	107	-10	11	54	52	32	-35	9	55	6
Claims on associated enterprises.....	11	12	16	-1	5	2	10	2	3	31	6	36
Net foreign currency assets.....	121	-52	260	39	86	77	58	-142	-295	-233	202	-670
Other financial assets.....	6	29	-2	-9	-6	-1	14	-5	5	-8	-16	-8

REFERENCE TABLE 67 (Continued)
FINANCIAL FLOWS: CHARTERED BANKS

1966 to 1969

	1966	1967	1968	1968				1969			9 months ending Sept. 30	
				I	II	III	IV	I	II	III	1968	1969
(Millions of dollars)												
Gross domestic savings (Continued)												
Net increase in liabilities.....	1,191	2,611	3,348	500	789	1,099	980	567	270	-224	2,388	613
Currency and bank deposits.....	1,178	2,580	3,309	498	786	1,087	940	539	238	-246	2,369	531
Government of Canada ⁽¹⁾	93	-303	203	383	-766	63	533	-254	201	-193	-330	-246
Personal savings												
Chequable ⁽¹⁾			-1,011	-289	-367	-141	-214	-175	-157	-320	-797	-652
Non-chequable ⁽¹⁾	498	1,488	1,565	509	482	304	270	358	317	445	1,295	1,150
Fixed-term ⁽¹⁾			1,278	245	593	351	89	336	265	368	1,189	969
Non-personal term and notice ⁽¹⁾	177	1,172	743	-10	538	284	-49	509	-666	-324	792	-481
Demand ⁽¹⁾	436	354	480	-790	357	564	349	-638	348	38	131	-252
Float ⁽¹⁾	-17	21	-191	302	-202	-97	-194	365	-129	-39	3	197
Adjustment.....	-9	-172	242	146	151	-211	156	8	59	-221	86	-154
Loans.....	—	3	2	-3	—	—	5	-4	-1	—	—	-5
Bonds.....	—	40	—	—	—	—	—	—	—	—	—	—
Stocks.....	—	3	12	—	—	12	—	7	35	2	12	44
Other liabilities.....	13	5	25	7	3	—	15	25	-2	20	10	43
Discrepancy ⁽²⁾	12	1	9	46	40	50	-137	51	49	63	136	163

⁽¹⁾The break down of currency and bank deposits is based on the average of Wednesdays in the last month of the quarter. The difference between these data and the month-end data used in the financial flows is shown in the item "adjustment".

⁽²⁾Part of the discrepancy is due to the fact that the banks' earnings are reflected both in the savings and investments accounts of the Chartered Bank sector. Double counting is inevitable because the "balance of revenue", as indicated by the banks, is not allocable to a specific item on a uniform basis during their fiscal year.

SOURCE: DBS *Financial Flow Accounts*, occasional, Cat. 13-530, Quarterly, 13-002.
 Bank of Canada.

REFERENCE TABLE 68
FINANCIAL FLOWS: TRUST COMPANIES
 1966 to 1969

	1966	1967	1968	1968				1969			9 months ending Sept. 30	
				I	II	III	IV	I	II	III	1968	1969
(Millions of dollars)												
Gross domestic saving.....	19	15	14	3	2	3	6	4	5	4	8	13
Non-financial capital formation.....	3	9	5	2	2	—	1	-1	1	3	4	3
Net lending (+) or borrowing (-).....	16	6	9	1	—	3	5	5	4	1	4	10
Net financial investment.....	16	4	8	1	—	2	5	4	3	1	3	8
Net increase in financial assets.....	429	422	613	106	126	269	112	234	190	215	501	639
Currency and deposits.....	23	96	34	-101	19	46	70	99	-41	-74	-36	-16
Loans.....	16	-4	28	27	-38	40	-1	—	-17	5	29	-12
Short-term notes and bills.....	27	-46	79	56	28	56	-61	42	12	59	140	113
Mortgages.....	213	247	304	53	84	96	71	74	133	181	233	388
Government of Canada bonds.....	46	22	63	23	27	-39	52	17	51	11	11	79
Provincial bonds.....	34	57	-1	-20	-7	32	-6	3	3	-18	5	-12
Municipal bonds.....	1	-17	10	7	1	-1	3	-5	1	-5	7	-9
Other Canadian bonds.....	33	50	29	24	12	5	-12	-5	20	—	41	15
Claims on associated enterprises.....	11	1	27	—	4	19	4	22	3	23	23	48
Stocks.....	8	—	8	3	-3	4	4	1	2	6	4	9
Foreign investments.....	14	7	22	26	-1	7	-10	-19	18	15	32	14
Other financial assets.....	3	9	10	8	—	4	-2	5	5	12	12	22
Net increase in liabilities.....	413	418	605	105	126	267	107	230	187	214	498	631
Demand and savings deposits.....	-19	67	61	-1	-3	11	54	25	66	-17	7	74
Certified debentures and term deposits.....	420	314	467	78	115	229	45	199	122	203	422	524
Bank loans.....	-1	-2	1	2	3	-2	-4	1	4	—	3	5
Other loans.....	-18	3	3	16	3	-5	-11	1	-3	—	14	-2
Claims on associated enterprises.....	—	3	27	-1	8	12	8	-7	9	5	19	7
Stocks.....	14	6	23	1	4	4	14	3	8	3	9	14
Other liabilities.....	17	25	25	10	-4	18	1	8	-19	20	24	9
Discrepancy.....	—	2	1	—	—	1	—	1	1	—	1	2

SOURCE: DBS *Financial Flow Accounts*.
 DBS *Financial Institutions*, Quarterly, Cat. 61-006.

REFERENCE TABLE 69
FINANCIAL FLOWS: MORTGAGE LOAN COMPANIES
 1966 to 1969

	1966	1967	1968	1968				1969			9 months ending Sept. 30	
				I	II	III	IV	I	II	III	1968	1969
	(Millions of dollars)											
Gross domestic savings.....	5	12	8	-4	-5	2	5	2	2	1	3	5
Non-financial capital formation.....	10	4	1	-	-	1	1	1	11	2	-	14
Net lending (+) or borrowing (-).....	-5	8	7	-4	5	2	4	1	-9	-1	3	-9
Net financial investment.....	-5	6	7	-4	4	2	5	1	-10	-2	2	-11
Net increase in financial assets.....	93	197	217	18	41	96	62	58	119	80	155	257
Currency and deposits.....	-18	16	36	-3	8	7	24	-32	-10	-3	12	-45
Loans.....	2	1	4	3	-1	6	-4	3	-	-1	8	2
Short-term notes and bills.....	11	10	-7	6	-12	15	-16	12	-9	-8	9	-5
Mortgages.....	101	125	166	11	32	72	51	25	75	100	115	200
Government of Canada bonds.....	1	7	-2	-12	3	-	7	-5	3	1	-9	-1
Provincial bonds.....	5	3	-2	9	-3	-7	-1	1	-1	-1	-1	-1
Municipal bonds.....	-	1	-2	-1	-1	-	-	-	-	-1	-2	-1
Other Canadian bonds.....	-5	4	5	5	-2	1	1	-2	3	-	4	1
Claims on associated enterprises.....	-7	12	10	-	7	-	3	11	52	-6	7	57
Stocks.....	3	9	3	-1	3	2	-1	32	-1	-1	4	30
Foreign investments.....	-	1	-	1	1	-2	-	4	9	-	-	11
Other financial assets.....	-	8	6	-	6	2	-2	9	-2	2	8	9
Net increase in liabilities.....	98	191	210	22	37	94	57	57	129	82	153	268
Demand and savings deposits.....	19	11	52	3	15	11	23	-2	-16	-12	29	-30
Certified debentures and term deposits.....	114	168	175	62	27	44	42	16	69	26	133	111
Bank loans.....	-3	-6	-12	-7	-3	18	-20	-10	15	11	8	16
Other loans.....	-9	-15	-5	-1	4	-5	-3	12	8	18	-2	33
Claims on associated enterprises.....	-	3	1	-	1	4	-4	10	-8	22	5	19
Stocks.....	-1	25	17	1	1	9	6	1	84	-4	11	81
Other liabilities.....	-22	5	-18	-36	-8	13	13	30	-18	21	-31	33
Discrepancy.....	-	-2	-	-	-1	-	-1	-	1	1	1	-2

Source: DBS Financial Flow Accounts.
 DBS Financial Institutions.

REFERENCE TABLE 70
FINANCIAL FLOWS: MUTUAL FUNDS

1966 to 1969

	1966	1967	1968	1968				1969			9 months ending Sept. 30	
				I	II	III	IV	I	II	III	1968	1969
	(Millions of dollars)											
Gross domestic saving.....	3	-3	-3	—	1	-4	—	-1	3	-4	-3	-2
Non-financial capital.....	—	—	—	—	—	—	—	—	—	—	—	—
Net lending (+) or borrowing (-).....	3	-3	-3	—	1	-4	—	-1	3	-4	-3	-2
Net financial investment.....	3	-3	-3	-1	2	-4	—	-1	3	-4	-3	-2
Net increase in financial assets.....	313	150	377	48	134	56	139	114	72	49	238	235
Currency and deposits.....	14	-4	77	13	23	11	30	54	4	19	47	77
Foreign currency and deposits.....	-2	9	2	27	-25	5	-5	6	11	11	7	28
Trade receivables.....	-3	22	31	19	4	-21	29	8	-6	-22	2	-20
Short-term notes and bills.....	9	38	-13	-52	37	47	-45	33	-32	56	32	57
Mortgages.....	-1	-2	-4	-2	2	-3	-1	-1	1	1	-3	1
Government of Canada bonds.....	3	-38	2	6	-1	-2	-1	-1	-1	-3	3	-5
Provincial bonds.....	-8	-10	-14	-4	-1	-8	-1	1	-3	3	-13	1
Municipal bonds ⁽¹⁾	—	—	—	—	—	—	—	2	—	—	—	2
Other Canadian bonds.....	-5	-2	-7	-2	-1	-4	—	5	-1	3	-7	8
Claims on associated enterprises ⁽²⁾	—	—	—	—	—	—	—	2	-1	—	—	1
Stocks.....	77	-86	-81	-37	-11	-37	4	12	38	22	-85	72
Foreign investments.....	223	224	384	80	107	68	129	-5	60	-46	255	9
Other financial assets.....	1	-1	—	—	—	—	—	-2	1	5	—	4
Net increase in liabilities.....	310	153	380	49	132	60	139	115	69	53	241	237
Trade payables.....	8	18	58	-16	37	6	31	-37	2	9	27	-26
Bank loans.....	—	1	3	—	—	—	3	-3	2	-3	—	-4
Other loans.....	-1	—	1	-1	—	2	—	-2	2	-2	1	-2
Stocks.....	302	133	318	66	95	52	105	158	64	46	213	268
Other liabilities.....	1	1	—	—	—	—	—	-1	-1	3	—	1
Discrepancy.....	—	—	—	1	-1	—	—	—	—	—	—	—

⁽¹⁾Included in provincial government bonds prior to 1969.

⁽²⁾Included in stocks prior to 1969.

SOURCE: DBS Financial Flow Accounts.

REFERENCE TABLE 71
 FINANCIAL FLOWS: CLOSED-END FUNDS
 1966 to 1969

	1966	1967	1968	1968				1969			9 months ending Sept. 30	
				I	II	III	IV	I	II	III	1968	1969
	(Millions of dollars)											
Gross domestic savings.....	-6	-17	1	-	-	3	-2	-11	1	-1	3	-11
Non-financial capital acquisition.....	-6	-17	1	-	-	3	-2	-11	1	-1	3	-11
Net lending (+) or borrowing (-).....	-6	-17	1	-	-	3	-2	-11	1	-1	3	-11
Net financial investment.....	-6	-16	2	-	-	4	-2	-11	1	-1	4	-11
Net increase in financial assets.....	21	-11	35	-14	43	-2	8	-48	16	-9	27	-41
Currency and deposits.....	-4	1	30	-3	1	27	5	-11	-7	-5	25	-23
Foreign currency and deposits.....	-4	-4	1	1	-1	-1	2	-	-	2	-1	2
Trade receivables.....	1	-	2	-	3	-3	2	-	-1	-	-	-1
Short-term notes and bills.....	2	-4	1	9	-1	-12	5	-8	8	-1	-4	-1
Mortgages.....	-	-	-	-	-	-	-	-	-	-	-	-
Government of Canada bonds.....	3	-2	-2	-1	-	-1	-	-	3	2	-2	5
Provincial bonds.....	-	-	-	-	-	-	-	-	-	1	-	1
Municipal bonds.....	-	-	-	-	-	-	-	-	-	-	-	-
Other Canadian bonds.....	10	-10	6	-1	-	8	-1	-11	-	-	7	-11
Claims on associated enterprises ⁽¹⁾	-	-	-	-	-	-	-	-	14	-12	-	2
Stocks.....	5	-	-13	-21	36	-24	-4	-13	6	6	-9	-1
Foreign investments.....	1	7	8	1	5	3	-1	-2	-5	-2	9	-9
Other financial assets.....	-1	1	2	1	-	1	-	-3	-2	-	2	-5
Net increase in liabilities.....	27	5	33	-14	43	-6	10	-37	15	-8	23	-30
Trade payables.....	-1	2	9	-1	1	-	9	-6	-2	-	-	8
Bank loans.....	3	-3	-12	-12	-	-1	1	-	14	-8	-13	6
Other loans.....	9	8	-15	-2	-1	-11	-1	-	-1	-1	-14	-
Bonds.....	-1	-5	-	-	-	-	-	-	-	-	-	-
Stocks.....	17	4	51	1	43	6	1	-33	2	-	50	-31
Other liabilities.....	-	-1	-1	-	-	-	-	2	-	1	-	3
Discrepancy.....	-	-1	-1	-	-	-1	-	-	-	-	-1	-

⁽¹⁾Included in stocks prior to 1969.

SOURCE: DBS Financial Flow Accounts.

REFERENCE TABLE 72

FINANCIAL FLOWS: LIFE INSURANCE COMPANIES

1966 to 1969

	1966	1967	1968	1968				1969			9 months ending Sept. 30	
				I	II	III	IV	I	II	III	1968	1969
	(Millions of dollars)											
Gross domestic savings.....	15	11	12	2	4	4	2	2	4	3	10	9
Non-financial capital acquisitions.....	45	33	31	9	6	6	10	34	17	14	21	65
Net lending (+) or borrowing (-).....	-30	-22	-19	-7	-2	-2	-8	-32	-13	-11	-11	-56
Net financial investment.....	-30	-22	-19	-7	-2	-2	-8	-32	-13	-11	-11	-56
Net increase in financial assets.....	637	700	709	209	163	192	145	143	143	125	564	411
Currency and deposits.....	2	7	5	-16	-22	20	23	-20	-3	-6	-18	-29
Consumer credit.....	36	28	62	16	22	14	10	12	25	35	52	72
Short-term notes and bills.....	1	-22	5	72	-24	-4	-39	68	-12	26	44	82
Mortgages.....	498	315	368	43	116	98	111	44	76	73	257	193
Government of Canada bonds.....	-83	-4	7	27	-5	-20	5	-3	-5	-3	2	-11
Provincial bonds.....	13	71	52	27	9	35	-19	2	7	-20	71	-11
Municipal bonds.....	-8	18	-16	-3	1	2	-16	-6	2	-3	-	-7
Other Canadian bonds.....	139	210	114	20	47	28	19	10	15	6	95	31
Stocks.....	39	77	112	23	19	19	51	36	38	17	61	91
Net increase in liabilities.....	667	722	728	216	165	194	153	175	156	136	575	467
Life insurance and pensions.....	667	722	728	216	165	194	153	175	156	136	575	467

Source: DBS Financial Flow Accounts.

REFERENCE TABLE 73
FINANCIAL FLOWS: SALES FINANCE AND CONSUMER LOAN COMPANIES
1966 to 1969

	1966	1967	1968	1968				1969			9 months ending Sept. 30	
				I	II	III	IV	I	II	III	1968	1969
	(Millions of dollars)											
Gross domestic saving.....	-52	38	38	11	7	11	9	14	13	17	29	44
Non-financial capital acquisition.....	7	13	14	4	3	3	4	4	5	4	10	13
Net lending (+) or borrowing (-).....	-59	25	24	7	4	8	5	10	8	13	19	31
Net financial investment.....	-59	26	24	8	6	3	7	10	8	13	17	31
Net increase in financial assets.....	158	166	439	19	252	-39	207	81	173	188	232	442
Currency and deposits.....	19	-	-29	-19	-7	18	-21	-4	2	-1	-8	-3
Foreign currency and deposits.....	33	-2	17	9	-1	2	7	-4	9	8	10	13
Consumer credit.....	173	61	229	-5	129	55	50	15	166	143	179	324
Other loans.....	-115	80	221	48	90	-124	207	57	-33	-32	14	-8
Short-term notes and bills.....	6	20	-16	-16	21	19	-40	46	1	-2	24	45
Mortgages.....	28	4	23	10	7	-	6	-42	22	27	17	7
Government of Canada bonds.....	11	-4	7	-2	5	-6	10	-	-	-	-3	-
Provincial bonds.....	-5	42	-3	-8	-2	-3	10	-	-18	-8	-13	-26
Other bonds.....	-	-	-	-	-	-	-	-7	-8	4	-	-11
Claims on associated enterprises.....	6	-35	-13	-	-	-2	-11	23	17	21	-2	61
Stocks.....	-	2	-2	-	-	-	-2	-	-	-	-	-
Foreign investments.....	3	-5	-	-	4	-1	-3	-	-	-	3	-
Other financial assets.....	-1	3	5	2	6	3	-6	-3	15	28	11	40
Net increase in liabilities.....	217	140	415	11	246	-42	200	71	165	175	215	411
Trade payables.....	7	2	3	-53	57	7	-8	-1	3	4	11	6
Bank loans.....	-106	-6	-26	-18	-40	-72	104	-119	82	-32	-130	-69
Other loans.....	-34	-38	-21	-14	-7	-1	1	8	27	-8	-22	27
Demand and short-term notes (Canadian).....	152	-33	344	177	170	-8	5	117	-123	143	339	137
Demand and short-term notes (Foreign).....	-59	24	-15	-25	-4	-16	30	21	38	-5	-45	54
Mortgages.....	-2	-1	-	-	-	-	-	1	-	-	-	1
Long-term bonds (Canadian).....	24	109	60	-58	15	28	75	-79	48	-21	-15	-52
Long-term bonds (Foreign).....	73	5	-27	-6	12	10	-43	78	5	-9	16	74
Claims on associated enterprises.....	105	11	26	2	4	-8	28	21	34	26	-2	81
Stocks.....	31	14	1	-	-1	-	2	2	10	-2	-1	10
Unearned income.....	21	66	67	4	32	12	-19	9	44	46	48	99
Other liabilities.....	5	-13	3	2	8	6	-13	13	-3	33	16	43
Discrepancy.....	-	-1	-	-1	-2	5	-2	-	-	-	2	-

SOURCE: DBS *Financial Flow Accounts*.
DBS *Financial Institutions*.

REFERENCE TABLE 74
FINANCIAL FLOWS: FIRE AND CASUALTY INSURANCE COMPANIES
 1966 to 1969

	1966	1967	1968	1968				1969			9 months ending Sept. 30	
				I	II	III	IV	I	II	III	1968	1969
(Millions of dollars)												
Gross domestic savings.....	52	31	94	14	45	23	12	8	22	4	82	34
Non-financial capital acquisition.....	4	-2	6	—	3	—	3	-1	-1	—	3	-2
Net lending (+) or borrowing (-).....	48	33	88	14	42	23	9	9	23	4	79	36
Net financial investment.....	48	33	88	14	42	23	9	9	23	4	79	36
Net increase in financial assets.....	268	268	205	16	83	62	44	-3	76	81	161	154
Currency and deposits.....	5	1	4	-51	13	40	2	-48	14	19	2	-15
Trade receivables.....	1	-21	30	20	52	-26	-16	31	31	5	46	67
Short-term notes and bills.....	19	-10	3	-3	-3	9	—	9	-1	19	3	27
Mortgages.....	—	4	5	2	1	—	2	-1	1	2	3	2
Government of Canada bonds.....	32	8	8	16	-4	2	-6	-19	8	31	14	20
Provincial bonds.....	58	75	50	10	3	19	18	18	-7	-13	32	-2
Municipal bonds.....	25	17	6	-2	1	3	4	4	-3	5	2	6
Other Canadian bonds.....	43	59	27	6	—	15	6	4	15	12	21	31
Claims on associated enterprises.....	—	1	7	—	—	1	6	-5	1	—	1	-4
Stocks.....	57	50	53	5	14	13	21	9	11	8	32	28
Foreign investments.....	7	-3	4	3	4	-2	-1	-1	-4	—	5	-5
Other financial assets.....	21	87	8	10	2	-12	8	-4	10	-7	—	-1
Net increase in liabilities.....	220	235	117	2	41	39	35	-12	53	77	82	118
Trade payables.....	—	12	8	-12	10	-2	12	-5	-4	-3	-4	-12
Claims on associated enterprises.....	—	5	-10	4	1	-6	-9	-19	—	2	-1	-17
Stocks.....	—	4	-1	-2	1	—	—	1	1	2	—	4
Other liabilities.....	220	214	120	12	29	47	32	11	56	76	88	143
Discrepancy.....	—	—	—	—	—	—	—	—	—	—	—	—

Source: DBS Financial Flow Accounts.

REFERENCE TABLE 75
FINANCIAL FLOWS: CREDIT UNIONS AND CAISSES POPULAIRES
 1966 to 1969

	1966	1967	1968	1968				1969			9 months ending Sept. 30	
				I	II	III	IV	I	II	III	1968	1969
(Millions of dollars)												
Gross domestic savings	25	49	34	-24	14	25	19	-31	14	27	15	10
Non-financial capital acquisitions	13	16	15	3	3	9	-	1	3	-	15	4
Net lending (+) or borrowing (-)	12	33	19	-27	11	16	19	-32	11	27	-	6
Net financial investment	10	35	15	-28	10	15	18	-33	10	29	-3	6
Net increase in financial assets	321	492	335	97	127	65	46	-26	172	96	289	242
Currency and deposits	38	-32	44	10	1	21	12	-10	19	13	32	22
Consumer credit	123	188	152	24	58	29	41	-25	72	39	111	86
Loans	23	38	17	1	5	6	5	-18	8	7	12	-3
Mortgages	116	169	129	57	41	30	1	7	31	26	128	64
Government of Canada bonds	-	23	-8	-10	-1	1	2	-3	4	3	-10	4
Provincial bonds	3	43	1	9	-2	3	-9	18	10	1	10	29
Municipal bonds	17	55	11	7	7	-	-3	-4	-	10	14	6
Other Canadian bonds	11	-13	7	5	6	-3	-1	-10	16	-6	8	-
Claims on associated enterprises	-	-	-	-	-	-	-	-	-	-	-	-
Other financial assets	-10	21	-18	-6	12	-22	-2	19	12	3	-16	34
Net increase in liabilities	311	457	320	125	117	50	28	7	162	67	292	236
Currency and deposits	312	463	312	121	96	38	57	18	124	77	255	219
Bank loans	-7	20	-1	-3	20	1	-19	-6	24	-7	18	11
Other loans	-4	-3	5	5	1	9	-10	-6	12	-4	15	2
Other liabilities	10	-23	4	2	-	2	-	1	2	1	-4	4
Discrepancy	2	-2	4	1	1	1	1	1	1	-2	3	-

SOURCE: DBS. *Financial Flow Accounts*.

PART II
REVIEW OF GOVERNMENT ACCOUNTS 1969-70

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PART II
REVIEW OF GOVERNMENT ACCOUNTS
1969-70

INTRODUCTION

This Part of the Budget Papers presents in summary form a review of the accounts of the Government of Canada for the fiscal year 1969-70.

Although the fiscal year of the government ends on March 31, the books must remain open for some time after that date to record adjusting entries and to take into account payments during the thirty days after March 31 pursuant to section 35 of the Financial Administration Act which provides that for thirty days after the end of each fiscal year payments for the discharge of debts properly applicable to the old year may be made and charged to that year.

Consequently the figures used in this report are estimated and are based on ten months actual and two months estimated and the final figures when they become available next July or August will vary to some extent from those given in the following pages.

The presentation of expenditures in this report follows the departmental structure as set out in The Government Organization Act, 1969.

**HIGHLIGHTS OF THE GOVERNMENT'S FINANCIAL
OPERATIONS DURING 1969-70**

This section outlines the financial operations of the government in 1969-70 giving a brief summary of the budgetary and non-budgetary transactions, the unmatured debt transactions and the changes in the cash position and the debt position during the fiscal year. More detailed explanations are given in subsequent sections of this review.

The following table summarizes the budgetary and non-budgetary transactions for 1969-70 with comparative figures for 1968-69 and indicates how these transactions affected the government's cash balances.

TABLE 1
(in millions of dollars)

SUMMARY OF BUDGETARY AND NON-BUDGETARY TRANSACTIONS AND CHANGES IN CASH POSITION	Fiscal year ending March 31	
	1970 (estimated)	1969
Budgetary transactions—		
Revenue—		
Tax.....	10,987	8,986
Non-tax.....	1,283	1,205
	12,270	10,191
Expenditure.....	11,815	10,767
Surplus or deficit (—).....	455	—576
Non-budgetary transactions (excluding unmatured debt transactions)		
Receipts and credits—		
Net annuity, insurance and pension accounts receipts.....	773	627
Canada pension plan account.....	821	755
Old age security fund.....	104	85
Investments in United States dollar securities issued by other than the Government of Canada.....	32	32
Repayment of loans, investments and advances.....	163	81
Other.....	340	416
	2,233	1,996
Disbursements and charges—		
Advances to exchange fund.....	129	834
Loans, investments and advances.....	1,230	1,147
Canada pension plan investment fund.....	801	742
Decrease in non-interest-bearing notes payable on demand.....	223	216
Other.....	429	418
	2,812	3,357
Net amount available from, or required for (—), non-budgetary transactions.....	—579	—1,361
Overall cash requirement to be financed by increase in unmatured debt or decrease in cash balances.....	—124	—1,937
Net increase in unmatured debt outstanding in hands of the public.....	463	1,523
Net increase or decrease (—) in Receiver General bank balances...	339	—414

Budgetary transactions

The budgetary revenue, expenditure and surplus as forecast in the budget speech of June 3, 1969 and the actual figures as now estimated are shown in the following table:

TABLE 2
(in millions of dollars)

BUDGETARY TRANSACTIONS FOR FISCAL YEAR 1969-70	Budget forecast June 3, 1969	Actual (estimated)	Increase or decrease (—) compared with June 3, 1969 forecast	
			Amount	Per cent
Revenue.....	12,025	12,270	245	2.04
Expenditure.....	11,775	11,815	40	0.34
Surplus.....	250	455	205	

Revenue

Budgetary revenue is estimated at \$12,270 million for 1969-70. This is \$245 million or approximately two per cent more than the figure of \$12,025 million forecast on June 3, 1969 and \$2,079 million or 20 per cent more than the total collected in 1968-69.

Tax revenue accounted for \$2,001 million of the increase and non-tax revenue accounted for \$78 million of the increase over 1968-69 receipts.

The yield from personal income taxes was \$759 million higher, from corporation income tax \$575 million higher, and from return on investments \$106 million higher than in 1968-69.

Expenditure

Budgetary expenditure is estimated at \$11,815 million, \$40 million or one-third of one per cent more than forecast on June 3, 1969 and \$1,048 million or 10 per cent higher than expenditure in 1968-69.

The main changes over 1968-69 expenditure were increases of \$224 million in public debt charges, \$83 million in payments to provinces, \$148 million in respect of the Medical Care Act, \$40 million for regional economic expansion and a charge of \$123 million in respect of the EXPO deficit.

Surplus

On the basis of these estimated figures, revenue of \$12,270 million and expenditure of \$11,815 million, there will be a surplus of \$455 million compared with a surplus of \$250 million as forecast on June 3, 1969 and a deficit of \$576 million in 1968-69.

Non-budgetary transactions (excluding unmatured debt transactions)

Non-budgetary transactions are those which increase or decrease the government's asset and liability accounts and do not enter into the calculation of the annual budgetary surplus or deficit.

In 1969-70 it is estimated that net disbursements and charges of \$2,812 million will exceed net receipts and credits of \$2,233 million, resulting in a net requirement of \$579 million. In 1968-69 net disbursements and charges were \$3,357 million and net receipts and credits were \$1,996 million resulting in a net requirement of \$1,361 million.

Old age security fund

Receipts by the fund in 1969-70 are estimated at \$1,823 million and payments are estimated at \$1,719 million resulting in a net gain in the fund of \$104 million. In 1968-69 receipts of \$1,626 million exceeded payments of \$1,541 million by \$85 million.

The transactions in the fund during 1969-70 compared with those for 1968-69 are shown in the following table:

	Fiscal year ending March 31	
	1970 (estimated)	1969
	(in millions of dollars)	
Balance in fund at beginning of fiscal year.....	621	536
Receipts—		
Sales tax.....	569	528
Personal income tax.....	1,027	915
Corporation income tax.....	227	183
	2,444	2,162
Disbursements—		
Pension payments.....	-1,450	-1,297
Guaranteed income supplement.....	-269	-244
Balance in fund at end of fiscal year.....	725	621

Canada pension plan account

Receipts during 1969-70 are estimated at \$889 million and disbursements at \$68 million resulting in a net gain of \$821 million. In 1968-69 receipts of \$785 million exceeded disbursements of \$30 million by \$755 million.

The transactions in the fund for 1969-70 compared with those for 1968-69 are shown in the following table:

	Fiscal year ending March 31	
	1970 (estimated)	1969
	(in millions of dollars)	
Balance at beginning of fiscal year.....	2,108	1,353
Receipts.....	889	785
Disbursements—		
Benefit payments.....	-50	-16
Administrative expenses.....	-18	-14
Balance at end of fiscal year.....	2,929	2,108

The balance in the fund at March 31, 1970 includes investments of \$2,809 million in provincial government securities, \$15 million in federal government securities and an operating balance of \$105 million on deposit with the Receiver General for Canada.

Unmatured debt transactions

It is estimated that these transactions will result in an increase of \$463 million in unmaturing debt outstanding in the hands of the public compared with an increase of \$1,523 million in 1968-69.

Change in cash position

Receiver General bank balances in current deposits including those in foreign currencies are estimated to be \$939 million at March 31, 1970 compared with \$600 million at March 31, 1969.

The budgetary surplus of \$455 million plus the increase of \$463 million in outstanding unmaturing debt exceeded non-budgetary requirements of \$579 million by \$339 million.

The implication of the level of government balances at any given time can be misinterpreted because of their wide fluctuations throughout the year, as is illustrated in the following table. Furthermore, because many cheques are issued at the end of a month and are redeemed in the first few days of the following month, whereas the largest percentage of receipts are not received until later, cash balances may drop in the early days of each month by as much as \$125 million to \$300 million.

Government of Canada
CANADIAN CASH BALANCES

	1965	1966	1967	1968	1969
January.....	857.1	925.6	670.5	1,065.2	853.5
February.....	867.3	807.7	823.4	940.6	761.2
March.....	652.0	603.8	795.7	997.2	587.0
April.....	528.7	496.4	594.7	609.7	713.0
May.....	729.9	600.4	866.7	458.4	804.1
June.....	639.6	561.3	650.4	328.6	879.8
July.....	787.4	687.3	686.7	248.4	874.4
August.....	675.2	503.1	661.5	381.2	841.9
September.....	509.6	491.5	367.0	190.8	636.4
October.....	504.7	530.9	194.9	391.8	479.0
November.....	984.8	1,048.9	607.1	995.0	1,537.0
December.....	895.3	941.8	650.1	706.6	1,377.0

Change in debt position

As a result of the estimated budgetary and non-budgetary transactions the gross liabilities will increase by \$2,099 million and net recorded assets will increase by \$2,554 million and the net debt of Canada will be reduced by \$455 million.

	Fiscal year ending March 31		
	1970 (estimated)	1969	Increase or decrease (-)
	(in millions of dollars)		
Gross liabilities.....	38,018	35,919	2,099
Less net recorded assets.....	21,137	18,583	2,554
Net debt.....	<u>16,881</u>	<u>17,336</u>	<u>-455</u>

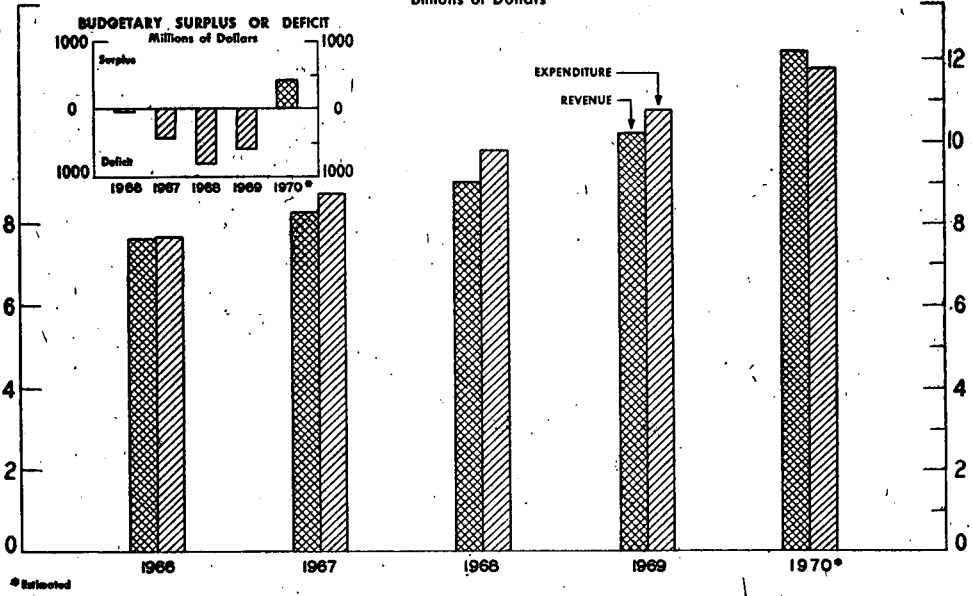
THE BUDGETARY ACCOUNTS

Total budgetary revenue is estimated at \$12,270 million and budgetary expenditure at \$11,815 million resulting in a budgetary surplus of \$455 million.

TABLE 3
BUDGETARY REVENUE, EXPENDITURE AND SURPLUS OR DEFICIT
(in millions of dollars)

FISCAL YEAR ENDING MARCH 31	Budgetary revenue	Budgetary expenditure	Surplus or deficit (-)
1961.....	5,617.7	5,958.1	-340.4
1962.....	5,729.6	6,520.6	-791.0
1963.....	5,878.7	6,570.3	-691.6
1964.....	6,253.2	6,872.4	-619.2
1965.....	7,180.3	7,218.3	-38.0
1966.....	7,695.8	7,734.8	-39.0
1967.....	8,376.2	8,797.7	-421.5
1968.....	9,076.6	9,871.4	-794.8
1969.....	10,191.1	10,767.2	-576.1
1970 (estimated).....	12,270.0	11,815.0	455.0

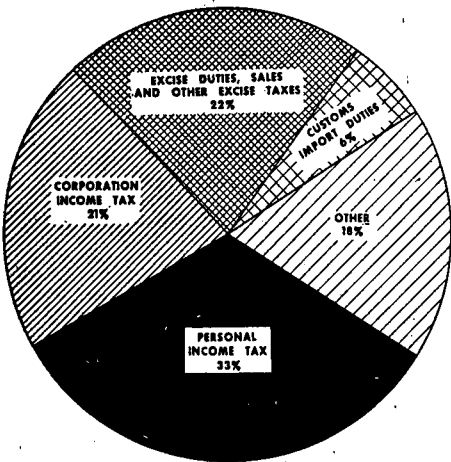
BUDGETARY REVENUE AND EXPENDITURE
Fiscal Years Ending March 31
Billions of Dollars



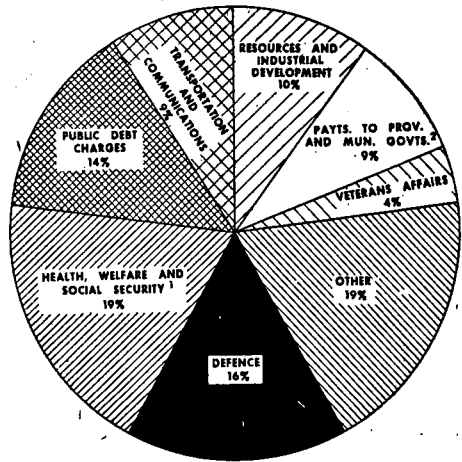
BUDGETARY REVENUE BY MAJOR SOURCE

For Fiscal Year Ending March 31, 1970

Estimated



BUDGETARY EXPENDITURE BY MAJOR FUNCTION



1. Does not include payments out of old age security fund.
2. Does not include those payments made to provincial and municipal governments for specific purposes.

REVENUE

Budgetary revenue is estimated at \$12,270 million, \$2,079 million or 20 per cent over the total of \$10,191 million received in 1968-69. Tax revenue at \$10,987 million accounted for 89 per cent of the total revenue for the year and non-tax revenue at \$1,283 million accounted for 11 per cent.

Increases of \$759 million in the yield from personal income taxes, \$575 million in the yield from corporation income taxes, \$414 million in the yield from the social development tax, \$155 million from the yield from the sales tax and \$106 million in returns from investments are the main items resulting in the higher total in 1969-70.

TABLE 4
BUDGETARY REVENUE BY MAJOR SOURCES
(in millions of dollars)

SOURCE	Fiscal year ending March 31				Increase or decrease (-)	
	1970 (estimated)		1969		Amount	Per cent
	Amount	Per cent	Amount	Per cent		
Tax revenue—						
Income tax—						
Personal ⁽¹⁾⁽²⁾	4,115.0	33.5	3,356.4	33.0	758.6	22.6
Corporation ⁽¹⁾⁽²⁾	2,605.0	21.2	2,030.0	19.9	575.0	28.3
On dividends, interest, etc., going abroad.....	240.0	2.0	205.6	2.0	34.4	16.7
Social development tax.....	477.0	3.9	63.0	0.6	414.0	657.1
Excise taxes—						
Sales ⁽¹⁾⁽²⁾	1,725.0	14.1	1,569.8	15.4	155.2	9.9
Other ⁽²⁾	380.0	3.1	377.9	3.7	2.1	0.6
Customs import duties ⁽²⁾	815.0	6.6	761.7	7.5	53.3	7.0
Excise duties ⁽²⁾	525.0	4.3	509.3	5.0	15.7	3.1
Estate tax.....	104.8	0.8	112.4	1.1	-7.6	-6.8
Other taxes.....	0.2		0.2			
	10,987.0	89.5	8,986.3	88.2	2,000.7	22.3
Non-tax revenue—						
Return on investments.....	801.0	6.5	695.1	6.8	105.9	15.2
Post office—net postal revenue.....	353.0	2.9	310.6	3.0	42.4	13.7
Other non-tax revenue.....	129.0	1.1	199.1	2.0	-70.1	-35.2
	1,283.0	10.5	1,204.8	11.8	78.2	6.5
Total budgetary revenue.....	12,270.0	100.0	10,191.1	100.0	2,078.9	20.4

1969-70

1968-69

(1) Excluding credits to:

The old age security fund—

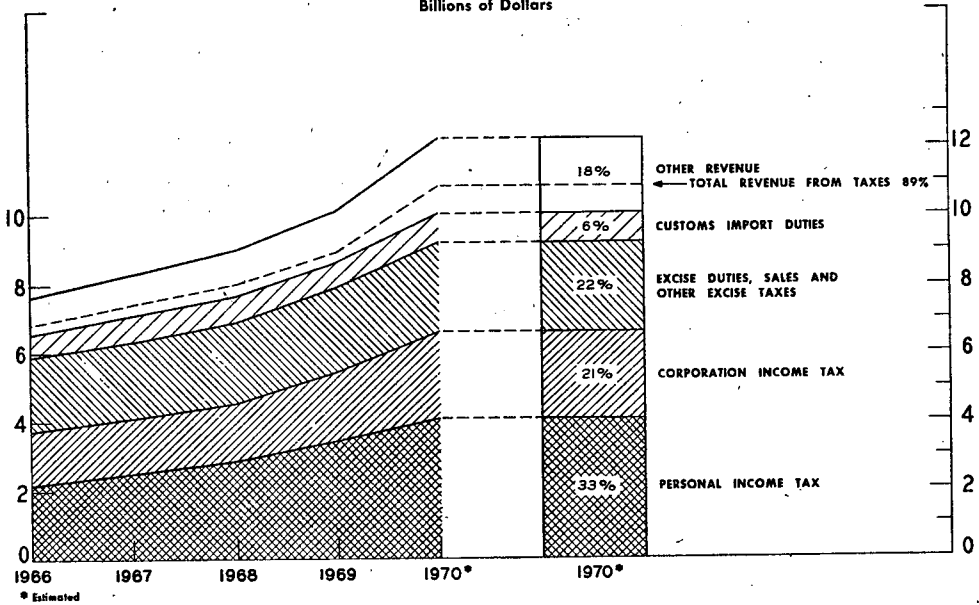
Personal income tax.....	1,027.0	915.0
Corporation income tax.....	227.0	183.0
Sales tax.....	569.0	528.1

1,823.0

1,626.1

(2) Net after deduction of refunds and drawbacks.

Budgetary Revenue by Source
Fiscal Years Ending March 31
Billions of Dollars



TAX REVENUE

Federal-provincial fiscal arrangements

Under fiscal arrangements, that became operative in 1962, the federal government withdrew in part from the field of direct taxation and left the vacated area to the provinces. The federal government offered to collect the provincial income taxes without charge provided that provincial personal income tax was expressed as a percentage of federal personal income tax otherwise payable and provincial corporation income tax applied to taxable income calculated in the same way as for federal income tax purposes. To allow for the imposition of the provincial income taxes, the Income Tax Act was amended to abate the federal income tax otherwise payable by individuals in all provinces. The abatement in 1967, 1968, 1969 and 1970 was 28 per cent for taxpayers in all provinces except Quebec and 50 per cent for taxpayers in the Province of Quebec. The higher abatement for Quebec is in compensation of the fact that the payment of youth allowances and full cost of certain programs which are supported jointly by federal and provincial governments in the other provinces have been assumed by Quebec. The federal corporation income tax rates were abated by 10 percentage points for taxable income earned in all provinces in the years 1967, 1968, 1969 and 1970. The federal government has entered into tax-collection agreements under which it collects the provincial personal income taxes of all provinces except Quebec and the provincial corporation income taxes of all provinces except Ontario and Quebec.

Under these collection agreements, payments are made monthly to each province based on an estimate of that province's tax revenue. The actual amounts due based on assessed returns are established as at December 31 following the end of the fiscal year and adjustments are made with the provinces.

Under the present fiscal arrangements, the federal government agreed to abate its estate tax by 50 per cent in the fiscal years 1962-63 and 1963-64, and by 75 per cent thereafter, in any province that imposed its own succession duties. To a province that did not wish to re-enter the succession duty field the federal government agreed to pay 50 per cent of the federal estate tax revenue from within the province in 1962-63 and 1963-64 and 75 per cent thereafter. During 1962-63, Quebec and Ontario collected their own succession duties while the other provinces received a payment in lieu of imposing duties. Starting in 1963-64 British Columbia joined Ontario and Quebec in imposing its own succession duties. When the estate tax abatement was raised to 75 per cent in 1964-65, British Columbia increased its succession duty rates accordingly but Quebec and Ontario preferred to take in lieu of the extra abatement a payment equivalent to 25 per cent of the federal estate tax in those provinces. This arrangement also carried into 1965-66, 1966-67, 1967-68, 1968-69 and 1969-70.

Tax on personal income

In 1969-70 personal income tax is again the largest source of government revenue. Its yield (excluding the old age security tax) is expected to be \$4,115 million or 33 per cent of all budgetary revenue compared with \$3,356 million or 33 per cent in 1968-69. The increase of \$759 million was due mainly to a higher level of personal incomes in 1969-70 and partly due to a temporary surtax of 3 per cent on the basic tax in excess of \$200 applied in respect of tax imposed on 1968 and 1969 income. A full year's yield from the tax was not received in 1968-69.

In addition to the federal revenue, it is estimated that \$1,312 million will be allocated to the provincial tax collection agreements account under the terms of federal-provincial fiscal arrangements compared with \$1,089 million in 1968-69.

The tax on personal incomes levied under the Old Age Security Act and credited to the old age security fund is estimated at \$1,027 million compared with \$915 million in 1968-69. This increase of \$112 million is due mainly to higher levels of personal income in 1969-70.

Corporation income tax

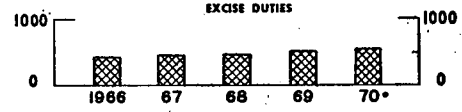
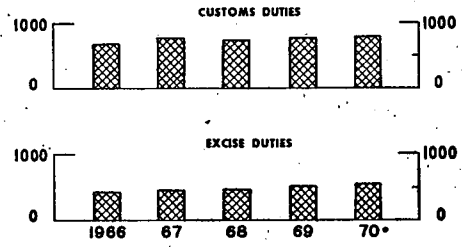
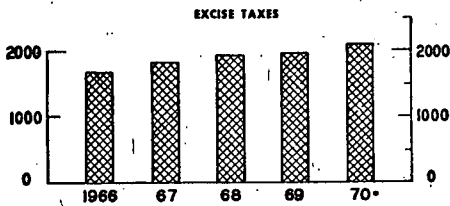
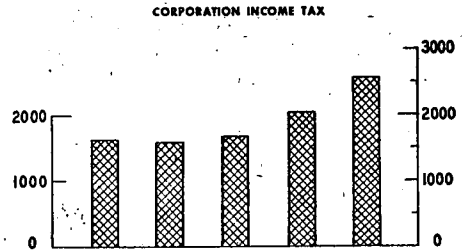
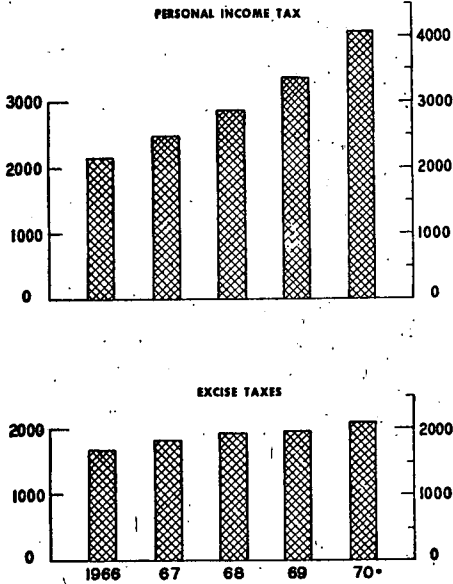
Corporation income tax was the second largest source of government revenue. The yield (excluding the old age security tax) is estimated at \$2,605 million or 21 per cent of total budgetary revenue compared with \$2,030 million or 20 per cent in 1968-69. The increase of \$575 million was due to higher corporation incomes during the year.

In addition to the federal revenue, it is estimated that \$249 million will be allocated to the provincial tax collection agreements account under terms of federal-provincial fiscal arrangements compared with \$171 million in 1968-69.

The tax on incomes of corporations levied under the Old Age Security Act and credited to the old age security fund is estimated at \$227 million compared with \$183 million in 1968-69.

PRINCIPAL SOURCES OF TAX REVENUE

Fiscal Years Ending March 31
Millions of Dollars



* Estimated

Taxes on dividends, interest, etc., going abroad

Revenue in this category is derived from taxes withheld from dividends, interest, rents, royalties, alimony and income from estates and trusts paid to non-residents.

Collections of \$240 million are \$34 million higher than in 1968-69.

Social development tax

This is a new tax which first took effect for the taxation year 1969. The tax, which is imposed on individuals, is the lesser of 2 per cent of the taxable income or \$120. During 1969-70, its yield is expected to be \$477 million compared with \$63 million in 1968-69.

Excise taxes

From a revenue standpoint the general sales tax is the most important tax levied under the Excise Tax Act. Receipts (excluding the old age security tax) are estimated at \$1,725 million compared with \$1,570 million in 1968-69.

The sales tax levied under the Old Age Security Act and credited to the old age security fund is expected to be \$569 million compared with \$528 million in 1968-69.

The yield of \$380 million from other excise taxes is \$2 million more than in 1968-69.

Customs import duties

Receipts from this source in the amount of \$815 million are \$53 million more than in 1968-69.

Excise duties

Excise duties are levied on alcoholic beverages (other than wines) and tobacco products. (Additional taxes on tobacco products are levied under the Excise Tax Act.) Net receipts of \$525 million are \$16 million higher than in 1968-69.

Gross receipts of \$334 million from duties on alcoholic beverages consist of \$195 million in respect of spirits and \$139 million in respect of beer and are \$14 million higher than collections of \$320 million in 1968-69 of which \$185 million was in respect of spirits and \$135 million in respect of beer.

Gross receipts of \$199 million from duties on tobacco products are \$3 million more than in 1968-69.

Refunds and drawbacks of \$9 million bring net excise duty collections to \$525 million. In 1968-69 refunds and drawbacks were \$8 million and net receipts were \$509 million.

Estate tax

Revenue in this category is derived under the Estate Tax Act. Net receipts of \$105 million are \$7 million less than receipts of \$112 million in 1968-69.

Other taxes

Revenue under this heading of \$200 thousand is approximately the same as in 1968-69.

NON-TAX REVENUE

Non-tax revenue in the amount of \$1,283 million is \$78 million more than in 1968-69. The main changes are increases of \$106 million in return on investments and \$42 million in post office revenue and a decrease of \$67 million in bullion and coinage.

TABLE 5
(in millions of dollars)

NON-TAX REVENUE	Fiscal year ending March 31		Increase or decrease (-)	
	1970 (estimated)	1969	Amount	Per cent
Return on investments.....	801.0	695.1	105.9	15.2
Post Office—net postal revenue.....	353.0	310.6	42.4	13.7
Refunds of previous years' expenditure.....	24.0	23.8	0.2	0.8
Services and service fees.....	29.0	30.7	-1.7	-5.5
Proceeds from sales.....	17.5	17.4	0.1	0.6
Privileges, licences and permits.....	34.0	35.0	-1.0	-2.9
Bullion and coinage.....	8.0	74.8	-66.8	-89.3
Premium, discount and exchange.....		0.5	-0.5	-100.0
Other.....	16.5	16.9	-0.4	-2.4
	1,283.0	1,204.8	78.2	6.5

Return on investments

These receipts, amounting to \$801 million, consist of income derived from loans and advances made by the government and from investments by the government in productive or earning assets. In 1968-69 receipts totalled \$695 million.

TABLE 6
(in millions of dollars)

RETURN ON INVESTMENTS	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Loans to, and investments in, Crown corporations—			
Bank of Canada—profits.....	229.0	186.2	42.8
Canadian Broadcasting Corporation.....	7.0	4.8	2.2
Canadian Corporation for the 1967 World Exhibition.....		7.9	-7.9
Canadian National Railways.....	45.0	35.9	9.1
Central Mortgage and Housing Corporation—			
Interest on debentures.....	221.0	190.6	30.4
Net profit.....	13.0	8.5	4.5
Export Development Corporation ⁽¹⁾	13.0	11.1	1.9
Farm Credit Corporation.....	60.0	50.5	9.5
Northern Canada Power Commission.....	8.4	4.5	3.9
The St. Lawrence Seaway Authority.....	10.0	13.3	-3.3
Other.....	8.6	15.4	-6.8
	615.0	528.7	86.3
Other loans and investments—			
Exchange fund account.....	85.0	84.5	0.5
Interest-bearing deposits with chartered banks.....	40.0	20.1	19.9
Municipal Development and Loan Board.....	14.0	14.2	-0.2
Soldier and general land settlement loans and veterans land act advances.....	20.0	16.1	3.9
United Kingdom.....	21.0	2.7	18.3
Other.....	6.0	28.8	-22.8
	186.0	166.4	19.6
	801.0	695.1	105.9

⁽¹⁾ Formerly the Export Credits Insurance Corporation.

Receipts from Crown corporations at \$615 million are \$86 million more than in 1968-69. The main changes are increases of \$43 million in Bank of Canada profits paid to the government and \$35 million in payments by the Central Mortgage and Housing Corporation.

The yield from other loans and investments at \$186 million is \$20 million more than in 1968-69. The main changes are increases of \$20 million in interest in Receiver General deposits with chartered banks, and \$18 million in interest received on the loan to the United Kingdom. In 1968-69 the interest due on that loan was deferred in accordance with a special agreement.

Post office revenue

Gross receipts from post office operations are estimated at \$407 million for 1969-70 but authorized disbursements from revenue, for salaries and allowances at semi-staff and revenue offices, transit charges on Canadian mail forwarded through and delivered in foreign countries, in the amount of \$54 million resulted in net receipts of \$353 million. In 1968-69 gross receipts were \$363 million, authorized disbursements were \$53 million and net receipts were \$310 million.

TABLE 7
(in millions of dollars)

POST OFFICE REVENUE	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Postage—			
In Canada.....	384.0	342.9	41.1
From foreign countries.....	6.0	6.0	
Commission on money orders.....	11.1	10.0	1.1
Rental of post office boxes.....	5.0	3.1	1.9
Other.....	0.8	1.8	-0.5
	<i>406.9</i>	<i>363.5</i>	<i>43.6</i>
Less—			
Salaries and allowances.....	-47.8	-47.2	-0.6
Transit charges to or through foreign countries.....	-4.2	-3.8	-0.4
Other.....	-1.9	-1.7	-0.2
	<i>-53.9</i>	<i>-52.7</i>	<i>-1.2</i>
	353.0	310.6	42.4

Net costs of operating the Post Office for 1969-70 are expected to be \$350 million (excluding the \$54 million charged to revenue). As net revenue is expected to be \$353 million there is an estimated operating surplus of \$3 million. In 1968-69 net costs of \$342 million exceeded net receipts of \$310 million by \$32 million.

It should be noted that the total shown for post office revenue does not reflect any payment for the franking privilege covering parliamentary and departmental mail or for certain miscellaneous services provided for other government departments and agencies nor do the operating costs include any charges for premises occupied by the Post Office or for accounting and special services provided by other departments.

Refunds of previous years' expenditure

Revenue under this heading in the amount of \$24 million includes \$7 million in receipts by the Department of National Defence, mainly from adjustments to cost audits and to adjustments on contracts with the United States government, and \$5 million in receipts by the Department of Veterans Affairs mainly from refunds of veterans pensions, allowances and re-establishment credits. In 1968-69 receipts totalled \$24 million.

Services and service fees

Revenue from this source of \$29 million includes \$10 million in receipts by the Department of Agriculture mainly for services in connection with the inspection, weighing, storage and elevation of grain and \$3 million in receipts by the Department of Consumer and Corporate Affairs for electricity, gas, weights and measures inspection fees. In 1968-69 receipts totalled \$31 million.

Proceeds from sales

Revenue of \$18 million includes receipts of \$5 million by the Department of Supply and Services mainly from the sale of surplus Crown assets and \$3 million in receipts by Central Mortgage and Housing Corporation from the sales of properties. In 1968-69 receipts totalled \$17 million.

Privileges, licences and permits

Revenue of \$34 million from this category includes \$13 million in receipts by the Department of Indian Affairs and Northern Development from fees, leases and royalties in respect of oil, gas and gold and receipts of \$6 million by the Department of Consumer and Corporate Affairs from patents, trade marks, charters, etc. and \$5 million in receipts by the Department of Public Works for rental of public buildings and sites. In 1968-69 receipts totalled \$35 million.

Bullion and coinage

This revenue which is derived from the operation of the Royal Canadian Mint is \$8 million compared with \$75 million in 1968-69. The decrease is due to the fact that the 1968-69 total included a net gain of \$66 million in nickel coinage mainly accounted for by the change in the composition of the 10 cent, 25 cent and 50 cent coins.

Premium, discount and exchange

These transactions reflect a net expenditure of \$5 million compared with net revenue of \$500 thousand in 1968-69.

Other non-tax revenue

Other non-tax revenue in the amount of \$17 million is approximately the same as in 1968-69.

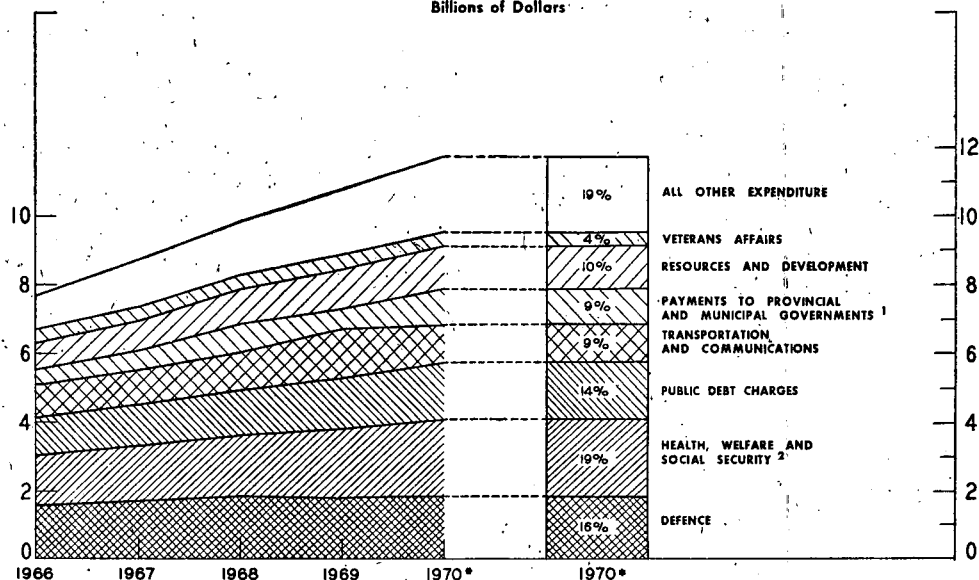
EXPENDITURE

Budgetary expenditure for 1969-70 is estimated at \$11,815 million, an increase of \$1,048 million over the 1968-69 total of \$10,767 million.

BUDGETARY EXPENDITURE, CLASSIFIED BY FUNCTION

Fiscal Years Ending March 31

Billions of Dollars



1. Does not include those payments made to provincial and municipal governments for specified purposes.
 2. Does not include pension payments out of the old age security fund not charged to budgetary expenditure in the year in which they were paid.
 * Estimated

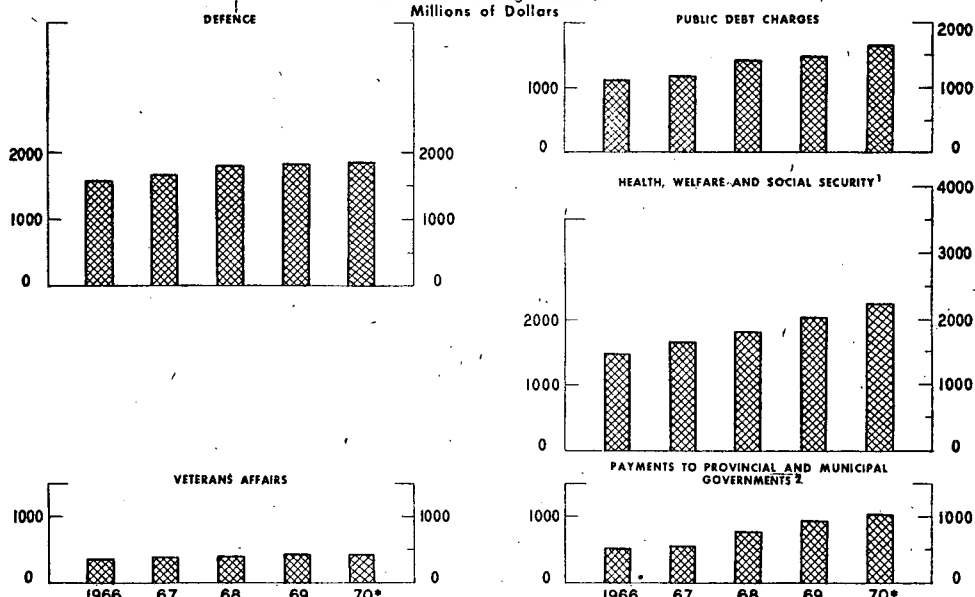
TABLE 8
 STATEMENT OF BUDGETARY EXPENDITURE BY DEPARTMENTS
 (in millions of dollars)

	Fiscal year ending March 31				Increase or decrease (-)	
	1970 (estimated)		1969		Amount	Per cent
	Amount	Per cent	Amount	Per cent		
Agriculture.....	285.0	2.4	286.9	2.7	-1.9	-0.7
Communications.....	364.0	3.1	354.5	3.3	9.5	2.7
Consumer and Corporate Affairs.....	17.0	0.1	13.7	0.1	3.3	24.1
Energy, Mines and Resources.....	187.0	1.6	179.7	1.7	7.3	4.1
External Affairs.....	248.0	2.1	226.1	2.1	21.9	9.7
Finance.....	2,859.0	24.2	2,420.7	22.5	438.3	18.1
Fisheries and Forestry	76.0	0.6	79.0	0.7	-3.0	-3.8
Governor General and Lieutenant-Governors	1.0		1.0			
Indian Affairs and Northern Development.....	304.0	2.6	267.0	2.5	37.0	13.9
Industry, Trade and Commerce.....	294.0	2.5	203.9	1.9	90.1	44.2
Justice.....	20.0	0.2	16.9	0.2	3.1	18.3
Labour.....	158.0	1.3	136.6	1.3	21.4	15.7
Manpower and Immigration.....	455.0	3.9	418.1	3.9	38.9	9.3
National Defence.....	1,785.0	15.1	1,760.8	16.3	24.2	1.4
National Health and Welfare.....	1,950.0	16.5	1,668.7	15.5	281.3	16.9
National Revenue.....	143.0	1.2	120.0	1.1	23.0	19.2
Parliament.....	22.0	0.2	18.6	0.2	3.4	18.3
Privy Council.....	11.0	0.1	9.3	0.1	1.7	18.3
Public Works.....	298.0	2.5	284.8	2.6	13.2	4.6
Regional Economic Expansion.....	221.0	1.9	180.8	1.7	40.2	22.2
Secretary of State.....	542.0	4.6	522.6	4.8	19.4	3.7
Solicitor General.....	176.0	1.5	165.9	1.5	10.1	6.1
Supply and Services.....	80.0	0.7	65.7	0.6	14.3	21.8
Transport.....	514.0	4.3	508.1	4.7	5.9	1.2
Treasury Board.....	381.0	3.2	432.2	4.0	-51.2	-11.8
Veterans Affairs.....	424.0	3.6	427.6	4.0	-3.6	-0.8
	11,815.0	100.0	10,767.2	100.0	1,047.8	9.7

PRINCIPAL CLASSES OF BUDGETARY EXPENDITURE

Fiscal Years Ending March 31

Millions of Dollars



1. The unshaded areas of the columns in the chart for health, welfare and social security represent pension payments out of old age security fund not charged to budgetary expenditure.

2. Does not include those payments made to provincial and municipal governments for specific purposes.

* Estimated

Agriculture

Expenditures of the Department of Agriculture estimated in the amount of \$285 million are \$2 million less than in 1968-69.

TABLE 9
(in millions of dollars)

AGRICULTURE	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Production and marketing—			
Agricultural stabilization board—net operating loss.....	125.0	145.4	-20.4
Other.....	40.0	33.4	6.6
	165.0	178.8	-13.8
Research.....	46.0	45.3	0.7
Canadian livestock feed board.....	22.0	18.2	3.8
Farm Credit Corporation—net operating loss.....	7.9	6.0	1.9
Administration and general.....	44.1	38.6	5.5
	285.0	286.9	-1.9

Outlays for production and marketing at \$165 million are \$14 million less than in 1968-69. The charge to expenditure in 1969-70 in respect of the operations of the Agricultural Stabilization Board is expected to be \$125 million compared with \$145 million in 1968-69.

Expenditures for research at \$46 million are approximately the same as in 1968-69, and the estimated loss of \$8 million of the Farm Credit Corporation is \$2 million more than in the previous year.

Communications

Expenditures in respect of Communications, including the Post Office, in the amount of \$364 million are \$10 million higher than in 1968-69.

TABLE 10
(in millions of dollars)

COMMUNICATIONS AND POST OFFICE	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Post Office—			
Operations—			
Salaries and other expenses of staff post offices, district offices and railway mail services; and supplies and equipment and other items for revenue post offices.....	243.0	243.0	
Salaries of postmasters and staff at revenue and semi-staff offices, commissions paid at sub-offices, and other disbursements.....	53.9	52.7	1.2
Transportation—movement of mail by land, air and water.....	94.0	89.0	5.0
Financial services.....	4.0	3.6	0.4
Administration and general.....	9.0	6.1	2.9
Gross post office expenditure.....	403.9	394.4	9.5
Less: charged to revenue.....	-53.9	-52.7	-1.2
Communication—			
Research satellite program.....	5.0	3.5	1.5
Administration and general.....	9.0	9.3	-0.3
	364.0	354.5	9.5

Costs of the Post Office, charged to budgetary expenditure, at \$350 million include \$243 million for operations and \$94 million for transportation. In 1968-69 costs of \$342 million included \$243 million for operations and \$89 million for transportation.

Remuneration of postmasters and staff at revenue and semi-staff offices and certain other disbursements are paid from revenue. These payments at \$54 million (\$53 million in 1968-69) brings gross post office expenditure to \$404 million in 1969-70 compared with \$394 million in 1968-69.

Expenditures for Communications of \$14 million include \$5 million for the research satellite program. In 1968-69 other expenditures were \$13 million of which \$4 million was for the research satellite program.

Consumer and Corporate Affairs

Expenditures of the Department of Consumer and Corporate Affairs are \$17 million, \$3 million higher than comparable figures for 1968-69.

TABLE 11

(in millions of dollars)

CONSUMER AND CORPORATE AFFAIRS	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Consumer affairs.....	6.7	5.9	0.8
Corporate affairs.....	6.9	5.5	1.4
Combines investigations and research.....	1.6	1.2	0.4
Prices and incomes commission.....	0.6		0.6
Administration and general.....	1.2	1.1	0.1
	17.0	13.7	3.3

Energy, Mines and Resources

Expenditures of the Department of Energy, Mines and Resources, including Atomic Energy of Canada Limited, the Atomic Energy Control Board, the Dominion Coal Board and the National Energy Board, total \$187 million, an increase of \$7 million over 1968-69 expenditures.

TABLE 12

(in millions of dollars)

ENERGY, MINES AND RESOURCES	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Mines, minerals, energy and geosciences—			
Emergency gold mining assistance.....	15.2	14.7	-0.5
Field and air surveys, mapping and aeronautical charting.....	11.0	11.5	-0.5
Geological research.....	10.0	11.2	-1.2
Other.....	16.4	17.4	-1.0
	52.6	54.8	-2.2
Water and co-ordination of renewable resources programs—			
Marine surveys and research.....	19.5	18.3	1.2
Research and investigations on water resources.....	18.1	16.4	1.7
Other.....	6.4	4.0	2.4
	44.0	38.7	5.3
Administration and general.....	5.7	4.9	0.8
	102.3	98.4	3.9
Atomic Energy of Canada Limited.....	69.0	68.6	0.4
Atomic Energy Control Board.....	6.0	4.0	2.0
Dominion Coal Board.....	8.2	7.2	1.0
National Energy Board.....	1.5	1.5	
	187.0	179.7	7.3

Expenditures for mines, minerals, energy and geosciences amount to \$53 million, of which \$15 million was emergency gold mining assistance, \$11 million was for field and air surveys and \$10 million for geological research. In 1968-69 expenditures of \$55 million included \$15 million for emergency gold mining assistance, \$12 million for field and air surveys and \$11 million for geological research.

Expenditures for water and co-ordination of renewable resources programs of \$44 million include \$20 million for marine surveys and research and \$18 million for research and investigations on water resources. In 1968-69 expenditures of \$39 million included \$18 million for marine surveys and research and \$16 million for research and investigations on water resources.

Expenditures for Atomic Energy of Canada Limited amount to \$69 million, compared with \$69 million in 1968-69, for Atomic Energy Control Board \$6 million, compared with \$4 million and for the Dominion Coal Board \$8 million, compared with \$7 million.

External Affairs

Expenditures of the Department of External Affairs, including the Canadian International Development Agency and the International Joint Commission, in the amount of \$248 million are \$22 million more than the total for the previous year.

Expenditures of the Canadian International Development Agency are \$175 million compared with \$157 million in 1968-69. Included in these expenditures are \$82 million for the international food aid program (\$69 million in 1968-69), \$57 million for the international development assistance (\$63 million in 1968-69) and \$25 million for grants to international organizations (\$15 million in 1968-69).

TABLE 13

(in millions of dollars)

EXTERNAL AFFAIRS	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Grants, contributions and assessments for membership in international and commonwealth organizations—			
United nations and its agencies.....	8.3	9.7	-1.4
Commonwealth organizations.....	0.3	0.3	
Other.....	8.1	5.2	2.9
	16.7	15.2	1.5
Construction, acquisition or improvement of buildings, works, land, equipment and furnishings.....	6.9	6.7	0.2
Administration, operation and maintenance.....	49.0	47.0	2.0
	72.6	68.9	3.7
Canadian International Development Agency—			
Economic, technical, educational and other assistance—			
International food aid program.....	81.8	68.9	12.9
International development assistance.....	56.9	62.9	-6.0
Grants to international organizations.....	25.0	15.3	9.7
Contributions to approved development assistance projects undertaken by Canadian non-governmental organizations.....	6.0	5.5	0.5
Other.....		0.3	-0.3
Administration.....	5.3	3.9	1.4
	175.0	166.8	18.2
International Joint Commission.....	0.4	0.4	
	248.0	226.1	21.9

Expenditures of the department in the amount of \$73 million include \$49 million for administration, operation and maintenance, \$7 million for construction and acquisition and \$17 million in respect of international and commonwealth organizations. In 1968-69 these expenditures totalled \$69 million of which \$47 million was for administration, operation and maintenance, \$7 million for construction and acquisition and \$15 million in respect of international and commonwealth organizations.

Finance

Expenditures of the Department of Finance are estimated at \$2,859 million compared with \$2,421 million in 1968-69. Also reported under this heading are expenditures of the Auditor General and the Department of Insurance.

The main changes are increases of \$224 million in public debt charges, \$83 million in payments to provinces and a charge of \$123 million to cover the federal share of the EXPO deficit.

TABLE 14
(in millions of dollars)

FINANCE	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Public debt charges.....	1,704.0	1,480.0	224.0
Fiscal, subsidy and other payments to provinces.....	950.2	867.1	83.1
Municipal grants.....	50.0	45.1	4.9
Canadian Corporation for the 1967 World Exhibition—deficit	123.0		123.0
Administration and general.....	27.8	24.2	3.6
	2,855.0	2,416.4	438.6
Auditor General.....	2.5	2.4	0.1
Insurance.....	1.5	1.9	-0.4
	2,859.0	2,420.7	438.3

Public debt charges

Public debt charges consist of interest on the public debt, the annual amortization of bond discounts and commissions, the cost of issuing new loans and other costs incurred in servicing the public debt. These charges in the amount of \$1,704 million include interest on public debt of \$1,663 million of which \$1,284 million is in respect of unmatured debt and \$379 million in respect of other liabilities.

The increase of \$148 million in interest on unmatured debt reflects an increase in unmatured debt and higher interest rates. The increase in interest on other liabilities is attributable mainly to the superannuation accounts.

Other public debt charges of \$41 million are \$4 million higher than in 1968-69.

When considering the magnitude of these public debt charges and the burden they place upon the public treasury, it must be borne in mind that a substantial portion of the debt is attributable to, or is invested in, productive or earning assets. Therefore, in calculating the *net* burden of the government's

annual interest charges, the income derived from loans, investments and other productive assets must be taken into account. For 1969-70 this income is estimated at \$801 million as shown in the non-tax revenue section under the heading "return on investments". This amount deducted from the gross total of \$1,663 million for interest as shown in the table leaves a net amount of \$862 million compared with a net of \$747-million in 1968-69. Measured as a percentage of the net debt the burden of the net annual interest charges is 5.10 per cent in 1969-70 compared with 4.31 per cent in 1968-69. As a percentage of the gross national product for the calendar year ending within the fiscal year, the relative burden is 1.17 per cent compared with 1.11 per cent in 1968-69.

TABLE 15
(in millions of dollars)

INTEREST AND OTHER PUBLIC DEBT CHARGES	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Interest on public debt—			
Unmatured debt including treasury bills—			
Payable in Canadian dollars.....	1,259.5	1,115.6	143.9
Payable in foreign currencies.....	24.5	20.5	4.0
	1,284.0	1,136.1	147.9
Other liabilities—			
Annuity, insurance and pension accounts.....	365.0	289.9	75.1
Deposit and trust accounts.....	8.0	5.9	2.1
Refundable portion of corporation income tax.....	6.0	10.6	-4.6
	379.0	306.4	72.6
Total interest on public debt.....	1,663.0	1,442.5	220.5
Other public debt charges—			
Annual amortization of bond discounts and commissions	34.0	30.1	3.9
Cost of issuing new loans.....	4.0	3.8	0.2
Servicing of public debt.....	3.0	2.9	0.1
Commitment fees.....	0.0	0.7	-0.7
	41.0	37.5	3.5
	1,704.0	1,480.0	224.0

TABLE 16
(in millions of dollars)

NET BURDEN OF ANNUAL INTEREST CHARGES	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Total interest on public debt.....	1,663.0	1,442.5	220.5
Less return on investments.....	801.0	695.1	105.9
Net interest cost.....	862.0	747.4	114.6
Net interest cost as a percentage of net debt.....	5.10	4.31	

Fiscal, subsidy and other payments to provinces

Budgetary expenditure for payments to the provinces is \$950 million, \$83 million more than in 1968-69.

Payments of \$751 million under the Federal-Provincial Fiscal Arrangements Act are \$107 million higher than in 1968-69.

Payments of \$167 million under the Established Programs (Interim Arrangements) Act to the Province of Quebec are in compensation to that province for its opting out of the following programs: hospital insurance and diagnostic services, old age assistance, disabled persons allowances, blind persons allowances, unemployment assistance and Canada assistance plan; and in part, the general health grants program. Payments totalled \$187 million in 1968-69.

Subsidies to provinces payable under the British North America Acts and other statutory authority are \$32 million, the same as in 1968-69.

The transfers of certain public utility tax receipts of \$24 million in 1969-70, are \$3 million more than in 1968-69 and represent the transferable portion of income tax received from corporations whose main business is the distribution to, or generation for distribution to, the public of electrical energy, gas and steam.

The Federal-Provincial Fiscal Revision Act, 1964, provides that where, in any fiscal year commencing on or after April 1, 1964, the federal savings in respect of a province providing schooling allowances exceeds the federal revenue abatement in respect of that province for the taxation year ending in that fiscal year, the Minister of Finance may, out of the consolidated revenue fund, pay to that province in respect of that fiscal year an amount equal to the excess and where for a taxation year ending in any fiscal year commencing on or after April 1, 1964 the federal revenue abatement in respect of a province providing schooling allowances exceeds the federal savings in that fiscal year in respect of that province, the amount of the excess may be deducted from any payment to that province under the Federal-Provincial Fiscal Arrangements Act or under any subsequent act of the Parliament of Canada substituted therefor, or may be otherwise recovered as a debt due to Canada by that province. The abatement for the taxation year 1969 and the revised abatement for the taxation year 1968 in respect of the Province of Quebec exceeds the federal savings by \$24 million which has been recovered from payments to the province under the Federal-Provincial Fiscal Arrangements Act; in 1968-69 the abatement for the taxation year 1968 exceeded the federal savings by \$17 million and was recovered.

TABLE 17.
(in millions of dollars)

FISCAL, SUBSIDY AND OTHER PAYMENTS TO PROVINCES	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Payments under the Federal-Provincial Fiscal Arrangements Act	751.2	644.3	106.9
Payments under the Established Programs (Interim Arrangements) Act	166.8	186.9	-20.1
Statutory subsidies	31.8	31.7	0.1
Transfer of certain public utility tax receipts	24.1	21.0	3.1
Federal-Provincial Fiscal Revision Act (youth allowances)	-23.7	-16.8	-6.9
	950.2	867.1	83.1

A summary of payments by provinces is given in the following table:

TABLE 18
(in millions of dollars)

FISCAL, SUBSIDY AND OTHER PAYMENTS TO PROVINCES	Fiscal year ended March 31, 1970 (estimated)					
	Payments under fiscal arrange- ments	Payments under Interim Arrange- ments Act	Statutory subsidies	Recovery under the Federal- Provincial Fiscal Revision Act (youth allow- ances)	Transfer of certain public utility tax receipts	Total
Newfoundland.....	86.5		9.7		1.3	97.5
Nova Scotia.....	92.7		2.1		2.0	96.8
Prince Edward Island.....	17.2		0.7		0.2	18.1
New Brunswick.....	84.4		1.8		0.1	86.3
Quebec.....	373.8	166.8	4.0	-23.7	3.1	524.0
Ontario.....	26.8		4.6		7.8	39.2
Manitoba.....	47.9		2.1		1.0	51.0
Saskatchewan.....	14.4		2.1		(¹)	16.5
Alberta.....	7.5		3.0		7.7	18.2
British Columbia.....			1.7		0.7	2.4
Yukon and Northwest Territories.....					0.2	0.2
	751.2	166.8	31.8	-23.7	24.1	950.2

(¹) Less than \$50,000.

Municipal grants

Payments to municipalities and provinces in lieu of taxes on federal property are \$50 million compared with \$45 million in 1968-69.

Fisheries and Forestry

Expenditures for the Department of Fisheries and Forestry in the amount of \$76 million are \$3 million less than in 1968-69.

Fisheries management and development costs are \$32 million compared with \$37 million in 1968-69 and include \$9 million for conservation and protection compared with \$9 million in 1968-69 and \$8 million for resource development compared with \$8 million in 1968-69. The charge to expenditure to cover the losses in the fisheries prices support account is \$2 million compared with \$7 million in 1968-69.

TABLE 19
(in millions of dollars)

FISHERIES AND FORESTRY	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Fisheries management and development—			
Conservation and protection service.....	9.0	8.7	0.3
Resource development service.....	8.0	7.9	0.1
Fisheries prices support account—losses.....	2.0	6.5	-4.5
Grants, contributions and subsidies.....	2.0	4.1	-2.1
Inspection service.....	3.5	3.1	0.4
Industrial development service.....	3.0	2.9	0.1
Canadian share of the expenses of international commis- sions.....	1.5	1.3	0.2
Other.....	3.0	2.9	0.1
	32.0	37.4	-5.4
Fisheries Research Board of Canada.....	16.0	15.7	0.3
Forestry—			
Regional research and services.....	13.6	12.7	0.9
Research institutes.....	7.3	7.3	
Contributions to provinces.....	1.5	1.2	0.3
Other.....	1.6	1.6	
	24.0	22.8	1.2
Administration and general.....	4.0	3.1	0.9
	76.0	79.0	-3.0

The fisheries research board expenditures are expected to be \$16 million, approximately the same as in 1968-69 and forestry expenditures are \$24 million compared with \$23 million in the previous year.

Governor General

Included in these expenditures are the salaries of the Governor General of Canada and the Lieutenant-Governors of the provinces and other expenses of these offices. Expenditures of \$1 million are approximately the same as in 1968-69.

Indian Affairs and Northern Development

Expenditures of the Department of Indian Affairs and Northern Development at \$304 million are \$37 million higher than in 1968-69.

These expenditures include \$185 million for the social program, \$70 million for the development program and \$42 million for the conservation program. Comparative amounts in 1968-69 were \$142 million, \$79 million and \$42 million, respectively.

Expenditures for the social program consist of \$97 million in respect of education (\$69 million in 1968-69), \$77 million for community affairs (\$66 million in 1968-69) and \$11 million for general administration (\$7 million in 1968-69).

TABLE 20
(in millions of dollars)

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Social program—			
Education.....	97.0	69.0	28.0
Community affairs.....	77.0	66.3	10.7
Administration and general.....	11.0	6.6	4.4
	<i>185.0</i>	<i>141.9</i>	<i>43.1</i>
Development program—			
Northern economic development.....	17.9	23.5	-5.6
Indian and Eskimo economic development.....	12.5	16.6	-4.1
Territorial governments.....	17.4	23.5	-6.1
Payments to the Governments of the Yukon and North- west Territories.....	17.0	11.8	5.2
Northern mineral assistance grants.....	5.2	4.1	1.1
	<i>70.0</i>	<i>79.5</i>	<i>-9.5</i>
Conservation program—			
National parks.....	27.0	26.2	0.8
Historic sites.....	7.0	7.0	
Canadian wildlife service.....	5.0	5.5	-0.5
Administration and general.....	3.0	3.4	-0.4
	<i>42.0</i>	<i>42.1</i>	<i>-0.1</i>
Administration and general.....	7.0	3.5	3.5
	<i>304.0</i>	<i>267.0</i>	<i>37.0</i>

Expenditures for the development program consist of \$18 million for northern economic development (\$23 million in 1968-69), \$13 million for Indian and Eskimo economic development (\$16 million in 1968-69), \$17 million in respect of territorial governments (\$23 million in 1968-69), \$17 million in payments to the Governments of the Northwest Territories and the Yukon Territory (\$12 million in 1968-69) and \$5 million for northern mineral assistance grants (\$4 million in 1968-69).

Expenditures for the conservation program consist of \$27 million in respect of national parks (\$26 million in 1968-69), \$7 million for historic sites (the same as in 1968-69), \$5 million for wildlife services (\$6 million in 1968-69) and \$3 million for general administration (approximately the same as in 1968-69).

Industry, Trade and Commerce

Expenditures of this department, including those of the Dominion Bureau of Statistics, in the amount of \$294 million are \$90 million higher than the 1968-69 total.

TABLE 21

(in millions of dollars)

INDUSTRY, TRADE AND COMMERCE	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Trade and industrial development—			
Administration and operations—			
Trade and industry services.....	6.8	3.3	3.5
External services.....	13.8	12.4	1.4
Operations.....	9.0	7.7	1.3
Other.....	4.4	4.2	0.2
	34.0	27.6	6.4
Grants—			
Technological capability (defence).....	34.0	29.6	4.4
Technological capability (non-defence).....	5.3	4.3	1.0
Construction of commercial and fishing vessels.....	15.0	22.3	-7.3
Other.....	1.0	1.0	
	55.3	57.2	-1.9
General incentives to industry for the expansion of scientific research and development in Canada.....	20.0	19.6	0.4
	109.3	104.4	4.9
Tourism development.....	10.1	10.1	
World exhibitions.....	3.9	2.4	1.5
Carrying costs of temporary wheat reserves.....	66.3	48.9	17.4
Prairie Grain Advance Payments Act.....	12.0	2.6	9.4
Payments to the Canadian Wheat Board.....	55.0	7.1	47.9
Administration and general.....	5.4	3.7	1.7
	262.0	179.2	82.8
Dominion Bureau of Statistics.....	32.0	24.7	7.3
	294.0	203.9	90.1

Expenditures of \$109 million in respect of trade and industrial development include \$55 million for grants, \$34 million for administration and operation and \$20 million for general incentives to industry for the expansion of scientific research and development in Canada. In 1968-69 comparative expenditures of \$104 million included \$57 million for grants, \$28 million for administration and operation and \$19 million for general incentives to industry.

Payments of \$133 million in respect of grains are \$75 million higher than in the previous year.

Dominion Bureau of Statistics expenditures of \$32 million are \$7 million higher than in 1968-69.

Justice

Expenditures of the Department of Justice are \$20 million compared with \$17 million in 1968-69.

Judges salaries, travelling allowances and pensions are \$13 million compared with \$12 million in 1968-69 and administration and general costs are \$7 million compared with \$5 million in 1968-69.

TABLE 22
(in millions of dollars)

JUSTICE	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Judges salaries, travelling allowances and pensions.....	13.0	12.4	0.6
Administration and general.....	7.0	4.5	2.5
	20.0	16.9	3.1

Labour

Expenditures of the Department of Labour including the Unemployment Insurance Commission are \$158 million compared with \$137 million in 1968-69.

TABLE 23
(in millions of dollars)

LABOUR	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Unemployment, Insurance Commission—			
Government's contribution to the unemployment insurance fund.....	100.0	86.6	13.4
Administration of the Unemployment Insurance Act.....	45.0	38.8	6.2
	145.0	126.4	19.6
Department.....	13.0	11.2	1.8
	158.0	136.6	21.4

Expenditures in respect of the unemployment insurance commission in the amount of \$145 million include the government's contribution of \$100 million to the fund and \$45 million for administration costs. In 1968-69 comparative amounts were \$86 million and \$39 million respectively.

Other expenditures of the department total \$13 million compared with \$11 million in 1968-69.

Manpower and Immigration

Expenditures of the Department of Manpower and Immigration at \$455 million are \$39 million more than in 1968-69.

Development and utilization of manpower is \$410 million compared with \$378 million in the previous fiscal year. The main items are \$252 million for the adult occupational training program, \$61 million more than in 1968-69; \$97 million for capital assistance in the provision of training facilities, \$9 million less than in 1968-69; \$39 million for employment services, \$2 million more than in 1968-69 and outlays for the municipal winter works program are \$400 thousand compared with \$22 million in 1968-69.

Outlays for immigration are \$26 million compared with \$29 million in 1968-69 and costs of program development are \$6 million compared with \$4 million.

TABLE 24

(in millions of dollars)

MANPOWER AND IMMIGRATION	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Development and utilization of manpower—			
Adult occupational training program.....	252.0	191.1	60.9
Capital assistance in the provision of training facilities.....	97.0	105.9	-8.9
Employment services.....	39.0	37.4	1.6
Municipal winter works incentive program.....	0.4	21.5	-21.1
Other.....	21.6	21.6	
	410.0	377.5	32.5
Immigration.....	26.4	29.4	-3.0
Program development.....	6.4	4.4	2.0
Immigration appeal board.....	0.7	0.5	0.2
Administration and general.....	11.5	4.3	7.2
	455.0	416.1	38.9

National Defence

Expenditures of the Department of National Defence in the amount of \$1,785 million for 1969-70 are \$24 million more than the total of \$1,761 million for 1968-69.

TABLE 25

(in millions of dollars)

NATIONAL DEFENCE	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Defence services—			
Administration, operation and maintenance.....	1,293.2	1,226.8	66.4
Construction or acquisition of buildings, works, land and major equipment.....	225.7	261.1	-35.4
Development.....	14.5	18.2	-3.7
Grant to Town of Oromocto, N.B.....	0.7	1.6	-0.9
	1,534.1	1,507.7	26.4
Pensions and other benefits—			
Canadian forces superannuation account—			
Government's contributions.....	63.1	57.0	6.1
Amortization of deferred charges.....	92.9	104.5	-11.6
Government's contribution as an employer to the Can- ada pension plan and the Quebec pension plan.....	8.3	7.7	0.6
Payments under Parts I-IV of the Defence Services Pen- sion Continuation Act.....	9.6	9.2	0.4
Other.....	0.4	0.4	
	174.3	178.8	-4.5
Defence Research.....	47.4	44.1	3.3
Mutual aid to NATO countries including contributions to- wards military costs of NATO.....	14.2	15.3	-1.1
Canada Emergency Measures Organization.....	5.0	6.3	-1.3
Defence Construction (1951) Limited.....	2.2	2.3	-0.1
Administration and general.....	7.8	6.3	1.5
	1,785.0	1,760.8	24.2

Expenditures of \$1,534 million for defence services include \$1,293 million for administration, operation and maintenance, \$226 million for construction or acquisition of buildings, works, land and major equipment and \$15 million for development. In 1968-69 expenditure of \$1,508 million included \$1,227 million for operation and maintenance, \$261 million for construction or acquisition and \$18 million for development.

Expenditures for pensions and other benefits are \$174 million and include \$156 million in respect of the Canadian forces superannuation account, \$8 million for the government's contribution as an employer to the Canada pension plan and the Quebec pension plan and \$10 million in payments under Parts I-IV of the Defence Services Pension Continuation Act. In 1968-69 expenditures totalled \$179 million of which \$161 million was in respect of the superannuation account, \$8 million for the government's contribution as an employer to the Canada pension plan and the Quebec pension plan and \$9 million for payments under Parts I-IV of the Defence Services Pension Continuation Act.

The government's contribution to the Canadian forces superannuation account, of an amount equal to $1\frac{2}{3}$ times the contributions of the permanent services personnel for the first quarter of 1969-70 and at $1\frac{1}{4}$ times commencing with the second quarter, was \$63 million compared with \$57 million in 1968-69. An amount of \$93 million, in respect of the actuarial deficiency arising out of pay increases was also charged to budgetary expenditure in 1969-70.

Defence research costs of \$47 million are \$3 million more than in 1968-69.

Mutual aid to NATO countries including contributions towards military costs of NATO at \$14 million are \$1 million less than 1968-69.

Expenditures in respect of the Canada Emergency Measures Organization are \$5 million, a decrease of \$1 million from the previous fiscal year.

National Health and Welfare

Expenditures of the Department of National Health and Welfare including the Medical Research Council are \$1,950 million compared with \$1,669 million in 1968-69.

Outlays for welfare services amount to \$938 million compared with \$901 million in 1968-69; outlays for health insurance and resources are \$913 million compared with \$674 million; outlays for medical services are \$43 million compared with \$45 million; and outlays in respect of the medical research council are \$31 million compared with \$27 million.

TABLE 26

(in millions of dollars)

NATIONAL HEALTH AND WELFARE	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Welfare services—			
Family allowances.....	560.4	560.2	0.2
Family assistance.....	2.9	3.5	-0.6
Youth allowances.....	55.1	52.4	2.7
Canada assistance plan—payments to provinces.....	295.3	257.9	37.4
Disabled persons allowances.....	4.0	6.4	-2.4
Old age assistance.....	0.9	3.4	-2.5
Blind persons allowances.....	1.5	2.0	-0.5
Fitness and amateur sport.....	5.0	4.0	1.0
National welfare grants.....	2.0	2.0	
Other.....	11.0	8.9	2.1
	958.1	900.7	57.4
Health insurance and resources—			
Hospital Insurance and Diagnostic Services Act.....	625.0	561.9	63.1
Medical Care Act.....	180.9	33.0	147.9
Health resources fund.....	37.0	33.9	3.1
Grants to provinces—			
General health.....	23.7	30.0	-6.3
Hospital construction.....	44.2	14.0	30.2
Other.....	2.0	1.6	0.4
	912.8	674.4	238.4
Medical services.....	42.6	45.4	-2.8
Health services.....	8.5	7.7	0.8
Food and drug services.....	12.0	9.1	2.9
Administration and general.....	5.0	4.2	0.8
	1,919.0	1,641.5	277.5
Medical Research Council.....	31.0	27.2	3.8
	1,950.0	1,668.7	281.3

(1) Less than \$50,000.

Family allowances, family assistance and youth allowances

These expenditures total \$618 million of which \$560 million is family allowances, \$55 million is youth allowances and \$3 million is family assistance. In 1968-69 the total was \$616 million of which \$560 million was family allowances, \$52 million was youth allowances and \$4 million was family assistance.

Family allowances are payable in respect of all children under sixteen years of age, resident in Canada, with minor exceptions such as in the case of children of immigrants who must reside in Canada one year before family allowance is payable. The monthly allowance is \$6 if the child is under 10 years of age and \$8 in the age group 10 to 15.

Family assistance is payable at the same rates to children of immigrants and settlers during their first year of residence in Canada.

Youth allowances are payable at the rate of \$10 per month in respect of persons resident in Canada who have attained the age of 16 years and have not attained the age of 18 years and who are in full-time attendance at a school or university or are by reason of mental or physical infirmity precluded from attend-

ing school or university. No payments were made in respect of persons resident in the Province of Quebec. However, under authority of the Federal-Provincial Fiscal Revision Act, 1964, abatements in federal income tax otherwise payable by individuals resident in that province were allowed in compensation of the fact that the payment of youth allowances had been assumed by the province and to allow for the imposition of the required provincial income taxes.

TABLE 27
(in millions of dollars)

FAMILY ALLOWANCES, FAMILY ASSISTANCE AND YOUTH ALLOWANCES PAYMENTS	Fiscal year ending March 31, 1970 (estimated)			
	Family allowances	Family assistance	Youth allowances	Total
Newfoundland.....	17.0	(¹)	2.0	19.0
Nova Scotia.....	21.2	(¹)	2.9	24.1
Prince Edward Island.....	3.1	(¹)	0.4	3.5
New Brunswick.....	18.2	(¹)	2.6	20.8
Quebec.....	162.0	0.5		162.5
Ontario.....	190.2	1.5	26.8	218.5
Manitoba.....	25.3	0.2	3.6	29.1
Saskatchewan.....	26.3	0.1	3.8	30.2
Alberta.....	44.3	0.2	5.8	50.3
British Columbia.....	51.3	0.4	7.1	58.8
Northwest and Yukon Territories.....	1.5		0.1	1.6
	560.4	2.9	55.1	618.4

(¹) Less than \$50,000.

Canada assistance plan

Payments to provinces under the Canada assistance plan totalled \$295 million compared with \$258 million in 1968-69. The Canada Assistance Plan Act, which was enacted in 1966 authorized the federal government to enter into agreements with the provinces for sharing the costs of assistance and welfare services provided by the provinces, territories and municipalities to persons in need, including the costs of food, shelter, clothing, fuel and utilities, essential household supplies, expenses incidental to a trade, care in a home for special care, travel and transportation, funerals and burials, health care services, prescribed welfare services including rehabilitation, and comfort allowances. The rate of federal contribution is 50 per cent of the shareable costs; the rates of assistance granted and the specific conditions of eligibility applied are determined by the provinces and their municipalities and take into account the budgetary requirements as well as the income and resources of the applicants. Contributions under this plan have replaced certain contributions which formerly had been made under the Old Age Assistance Act, the Disabled Persons Act, the Blind Persons Act and the Unemployment Assistance Act.

Under federal-provincial agreement the Province of Quebec has opted out of this program.

TABLE 28

(in millions of dollars)

CANADA ASSISTANCE PLAN	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Newfoundland.....	20.7	21.1	- 0.4
Nova Scotia.....	14.8	11.1	3.7
Prince Edward Island.....	2.9	2.6	0.3
New Brunswick.....	10.4	9.9	0.5
Ontario.....	132.7	118.9	13.8
Manitoba.....	20.9	14.0	6.9
Saskatchewan.....	15.0	14.1	0.9
Alberta.....	30.0	28.8	1.2
British Columbia.....	47.1	37.2	9.9
Northwest and Yukon Territories.....	0.8	0.2	0.6
	295.3	257.9	37.4

Old age assistance, disabled persons allowances and blind persons allowances

Contributions to the provinces for old age assistance total \$1 million in 1969-70 compared with \$3 million in 1968-69, for disabled persons allowances \$4 million compared with \$6 million and for blind persons allowances \$1 million compared with \$2 million.

The decreases noted above are due mainly to the fact that certain contributions to the provinces which in prior years were made under the Old Age Assistance Act, the Blind Persons Act and the Disabled Persons Act are now being made under the Canada assistance plan. The decrease in old age assistance payments was also due to the lowering of the age limit for old age security benefits.

Under the Old Age Assistance Act, the federal government reimburses the provinces by paying 50 per cent of the lesser of \$75 monthly or the amount of assistance given by the provinces in the form of monthly pensions to eligible persons in need who have attained the age of 65 years. (Under the Old Age Security Act, all persons who satisfy the residence requirements of the act may receive a pension of \$79.58 (\$75 up to January 1, 1968, \$76.50 to January 1, 1969, and \$78 to January 1, 1970) per month from the federal government out of the old age security fund provided that no pension is paid in any month before January 1966 in which the person had not attained 70 years of age, the age limit being reduced by one in each subsequent year until 1970. An amendment to the Old Age Security Act authorizes the payment of a monthly guaranteed income supplement to eligible pensioners. The amount of the supplement that may be paid to a pensioner for a month is (a) in the year 1967, \$30 and (b) in any year after 1967, 40 per cent of the amount of the pension that may be paid to him for that month, dependent upon the amount of his income for the preceding year.)

Similarly, the federal government reimburses the provinces under the Blind Persons Act for allowances of not more than \$75 per month to blind persons in need 18 years of age or over by paying 75 per cent of the total payments, and under the Disabled Persons Act by paying 50 per cent of not more than \$75 per month for allowances to disabled persons in need 18 years of age or over.

Hospital Insurance and Diagnostic Services Act

Contributions of \$625 million to the provinces in 1969-70 under this act are \$63 million more than in 1968-69. Under federal-provincial agreement the Province of Quebec has opted out of this program.

TABLE 29
(in millions of dollars)

GOVERNMENT'S CONTRIBUTIONS UNDER THE HOSPITAL INSURANCE AND DIAGNOSTIC SERVICES ACT	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Newfoundland.....	21.0	19.0	2.0
Nova Scotia.....	32.0	28.2	3.8
Prince Edward Island.....	4.1	3.7	0.4
New Brunswick.....	25.2	22.7	2.5
Ontario.....	317.7	284.7	33.0
Manitoba.....	38.8	35.5	3.3
Saskatchewan.....	39.6	33.0	6.6
Alberta.....	67.3	61.6	5.7
British Columbia.....	77.7	71.9	5.8
Northwest and Yukon Territories.....	1.6	1.6	
	625.0	561.9	63.1

Medical Care Act

The Medical Care Act authorizes the payment of contributions by Canada towards the cost of insured medical care services incurred by provinces pursuant to provincial medical care insurance plans.

The Provinces of Saskatchewan and British Columbia became participating provinces effective July 1, 1968, Nova Scotia, Newfoundland and Manitoba effective April 1, 1969, Alberta effective July 1, 1969 and Ontario effective October 1, 1969.

Payments of \$181 million in 1969-70 are \$148 million higher than in 1968-69.

TABLE 30
(in millions of dollars)

CONTRIBUTIONS TO PROVINCES UNDER THE MEDICAL CARE ACT	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Newfoundland.....	9.4		9.4
Nova Scotia.....	13.7		13.7
Ontario.....	65.0		65.0
Manitoba.....	17.8		17.8
Saskatchewan.....	17.7	11.3	6.4
Alberta.....	21.2	21.7	- 0.5
British Columbia.....	36.1		36.1
	180.9	33.0	147.9

Health resources fund

The Health Resources Fund Act provides for the establishment of a health resources fund to assist provinces in the acquisition, construction and renovation of health training facilities and research institutions.

Expenditures in 1969-70 amount to \$37 million compared with \$34 million in the previous fiscal year.

TABLE 31
(in millions of dollars)

CONTRIBUTIONS TO PROVINCES UNDER THE HEALTH RESOURCES FUND ACT	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Newfoundland.....	0.9	0.1	0.8
Nova Scotia.....	3.3	3.6	- 0.3
Prince Edward Island.....	0.2	0.1	0.1
New Brunswick.....	1.4	1.3	0.1
Quebec.....	10.1	9.7	0.4
Ontario.....	12.0	14.8	- 2.8
Manitoba.....	1.7	0.2	1.5
Saskatchewan.....	1.7	0.1	1.6
Alberta.....	2.5	2.5	
British Columbia.....	3.2	1.5	1.7
	37.0	33.9	3.1

General health grants and hospital construction grants to provinces

Grants to provinces for general health services total \$24 million compared with \$30 million in 1968-69 and for hospital construction they total \$44 million compared with \$14 million. Under federal-provincial agreement the Province of Quebec has opted out of a portion of this program.

TABLE 32
(in millions of dollars)

GENERAL HEALTH GRANTS AND HOSPITAL CONSTRUCTION GRANTS	Fiscal year ending March 31, 1970 (estimated)		
	General health grants	General construction grants	Total
Newfoundland.....	0.8	0.9	1.7
Nova Scotia.....	1.3	1.4	2.7
Prince Edward Island.....	0.3	0.2	0.5
New Brunswick.....	0.9	3.2	4.1
Quebec.....	2.1	19.6	21.7
Ontario.....	9.5	7.6	17.1
Manitoba.....	1.7	2.4	4.1
Saskatchewan.....	1.7	2.2	3.9
Alberta.....	2.1	1.5	3.6
British Columbia.....	3.2	4.8	8.0
Northwest and Yukon Territories.....	0.1	0.4	0.5
	23.7	44.2	67.9

National Revenue

Expenditures of the Department of National Revenue are \$143 million, an increase of \$23 million over the 1968-69 total of \$120 million.

Outlays of \$69 million in respect of the collection of customs import duties, excise taxes and excise duties are \$9 million higher and outlays of \$74 million in respect of taxation are \$14 million higher than in 1968-69.

TABLE 33
(in millions of dollars)

NATIONAL REVENUE	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Customs and excise.....	68.8	59.5	9.3
Taxation.....	73.9	60.2	13.7
Income tax appeal board.....	0.3	0.3	
	143.0	120.0	23.0

Parliament

Costs of Parliament in the amount of \$22 million are \$3 million higher than in 1968-69.

TABLE 34
(in millions of dollars)

PARLIAMENT	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
House of Commons.....	16.9	14.3	2.6
The Senate.....	4.4	3.6	0.8
Library of Parliament.....	0.7	0.7	
	22.0	18.6	3.4

Privy Council

Expenditures for Privy Council, including the Economic Council of Canada, the Public Service Staff Relations Board and the Science Council of Canada, at \$11 million are \$2 million higher than in 1968-69.

TABLE 35
(in millions of dollars)

PRIVY COUNCIL	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Administration and general.....	6.7	6.3	0.4
Economic Council of Canada.....	1.6	1.5	0.1
Public Service Staff Relations Board.....	1.4	1.1	0.3
Science Council of Canada.....	1.3	0.4	0.9
	11.0	9.3	1.7

Public Works

Expenditures in 1969-70 are \$298 million compared with \$285 million in 1968-69.

TABLE 36
(in millions of dollars)

PUBLIC WORKS	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Accommodation services—			
Maintenance and operation of public buildings and grounds—			
National capital region.....	44.0	40.4	3.6
Other than national capital region.....	64.0	56.6	7.4
Acquisition of equipment and furnishings other than office furnishings.....	1.5	1.4	0.1
Construction, acquisition, major repairs, etc. of public buildings—			
Ottawa.....	45.0	40.1	4.9
Other than Ottawa.....	34.5	30.2	4.3
	189.0	168.7	20.3
Roads, bridges and other engineering services—			
Operation and maintenance.....	7.0	7.1	-0.1
Construction, acquisition, major repairs and improvements of, and plans and sites for, roads, bridges and other engineering works.....	10.0	9.2	0.8
Trans-Canada highway—			
Contributions to provinces under terms of the Trans-Canada Highway Act.....	35.0	37.3	-2.3
Construction through national parks.....		0.1	-0.1
	52.0	53.7	-1.7
Harbours and rivers engineering services—			
Operation and maintenance.....	8.0	8.6	-0.6
Construction or acquisition of equipment.....	0.2	0.6	-0.4
Construction, acquisition, major repairs, etc. of harbour and river works.....	23.6	22.1	1.5
Dry dock subsidies.....	0.2	0.2	
	32.0	31.5	0.5
Canadian Government Exhibition Commission.....	1.0	4.8	-3.8
Testing laboratories.....	1.0	1.1	-0.1
Administration and general.....	23.0	25.0	-2.0
	298.0	284.8	13.2

Accommodation services

Expenditures for these services are \$189 million, \$20 million higher than the 1968-69 total.

Costs of maintenance and operation of public buildings and grounds are \$108 million compared with \$97 million in the previous year, costs of construction, acquisition, major repairs, etc. of public buildings are \$80 million compared with \$70 million in 1968-69, and costs of acquisition of equipment and furnishings other than office furnishings are \$1 million, the same as in 1968-69.

Roads, bridges and other engineering services

Expenditures for these services are \$52 million, \$2 million less than in 1968-69. Contributions of \$35 million to provinces in respect of the Trans-Canada highway are \$2 million less than in 1968-69.

Harbours and rivers engineering services

Expenditures for these services in the amount of \$32 million are \$1 million more than in 1968-69.

Canadian Government Exhibition Commission

Expenditures of this commission are \$1 million compared with \$5 million in 1968-69.

Regional Economic Expansion

Expenditures for the Department of Regional Economic Expansion, including those for the National Capital Commission and the Cape Breton Development Corporation, total \$221 million compared with \$181 million in 1968-69.

The increase of \$40 million is due mainly to higher expenditures for incentives to industry for the development of employment opportunities and to higher payments to provinces in accordance with development programs.

TABLE 37
(in millions of dollars)

REGIONAL ECONOMIC EXPANSION	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Grants and contributions—			
Agricultural and Rural Development Act.....	22.0	32.5	-10.5
Development agreements with the provinces.....	30.0	9.5	20.5
Payments to provinces re industrial research.....	21.0	20.8	0.2
Incentives to industry for the development of employ- ment.....	49.0	14.6	34.4
Other.....	14.0	4.4	9.6
	136.0	81.8	54.2
Irrigation and water storage projects.....	10.0	10.1	-0.1
Federal share of the cost of a trunk highway system.....	8.1	16.9	-8.8
Administration and general.....	12.9	16.9	-4.0
	167.0	125.7	41.3
National Capital Commission.....	20.5	25.0	-4.5
Cape Breton Development Corporation.....	33.5	30.1	3.4
	221.0	180.8	40.2

Secretary of State

Included under this heading are expenditures of the Department of the Secretary of State and those in respect of the Canada Council, the Canadian Broadcasting Corporation, the Canadian Film Development Corporation, the Canadian Radio-Television Commission, the Office of the Chief Electoral Officer, the Company of Young Canadians, the National Arts Centre Corporation, the National Film Board, the National Library, the National Museums of Canada, Public Archives, the Public Service Commission and the Office of the Representation Commissioner.

Expenditures total \$542 million compared with \$523 million in 1968-69.

TABLE 38
(in millions of dollars)

SECRETARY OF STATE	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Post-secondary education payments to provinces.....	287.0	276.6	10.4
Construction or acquisition of buildings, works, land and equipment—National Arts Centre.....		13.6	-13.6
Citizenship.....	5.0	4.4	0.6
Translation bureau.....	6.0	4.6	1.4
Administration and general.....	4.6 302.6	1.9 301.1	2.7 1.5
Canada Council.....	24.5	20.6	3.9
Canadian Broadcasting Corporation.....	166.5	148.3	18.2
Canadian Film Development Corporation.....	0.3	0.2	0.1
Canadian Radio-Television Commission.....	2.2	1.9	0.3
Office of the Chief Electoral Officer.....	1.0	13.5	-12.5
Company of Young Canadians.....	2.0	1.9	0.1
National Arts Centre Corporation.....	2.1	1.1	1.0
National Film Board.....	11.1	10.0	1.1
National Library.....	2.1	1.7	0.4
National Museums of Canada.....	7.4	7.1	0.3
Public Archives.....	4.1	2.2	1.9
Public Service Commission.....	16.0	12.9	3.1
Office of the Representation Commissioner.....	0.1	0.1	
	542.0	522.6	19.4

Post-secondary education payments to provinces of \$287 million are \$10 million higher than in 1968-69 and expenditures in respect of the Canadian Broadcasting Corporation at \$167 million are \$18 million higher.

Solicitor General

Expenditures of the Department of the Solicitor General including those of the Royal Canadian Mounted Police in the amount of \$178 million are \$10 million more than the previous year's total. There are increases of \$7 million in respect of the Royal Canadian Mounted Police and \$3 million in respect of correctional services.

TABLE 39
(in millions of dollars)

SOLICITOR GENERAL	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Royal Canadian Mounted Police—			
National police services, federal law enforcement duties and provincial and municipal policing under contract—			
Administration, operation and maintenance.....	78.0	74.2	3.8
Construction or acquisition of buildings, works, land and equipment.....	6.6	6.2	0.4
Pensions and other benefits—			
Pensions.....	6.0	5.9	0.1
Royal Canadian Mounted Police superannuation account—			
Government's contribution.....	7.0	6.6	0.4
Amortization of deferred charges.....	10.4	7.8	2.6
Other.....	1.0	1.0	
	109.0	101.7	7.3
Correctional services—			
Administration of the Canadian penitentiary service...	1.3	1.3	
Operation and maintenance of penitentiaries.....	47.6	46.0	1.6
Parole Act administration.....	2.0	2.0	
Construction or acquisition of buildings, works, land and equipment.....	15.0	13.8	1.2
	65.9	63.1	2.8
Office of the Solicitor General.....	1.1	1.1	
	176.0	165.9	10.1

Royal Canadian Mounted Police

Gross expenditures are \$145 million in 1969-70 but receipts of \$36 million arising from services provided by those expenditures will bring the net amount charged to budgetary expenditure to \$109 million.

In 1968-69 gross expenditures were \$135 million and receipts were \$33 million resulting in a charge of \$102 million to budgetary expenditures.

Correctional services

Expenditures in respect of these services at \$66 million are \$3 million more than in 1968-69 and include outlays of \$48 million for operation and maintenance of penitentiaries compared with \$46 million in 1968-69 and \$15 million for construction or acquisition of buildings, works, land and equipment compared with \$14 million in the previous fiscal year.

Supply and Services

Expenditures for this department in the amount of \$80 million are \$14 million higher than in 1968-69 due mainly to increases of \$6 million for the services component of the department and \$6 million for the supply component of the department, the latter for the reimbursement of the revolving fund for losses sustained therein.

TABLE 40
(in millions of dollars)

SUPPLY AND SERVICES	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Services—			
Central office and branch office administration.....	37.5	31.9	5.6
Superannuation and Retirement Acts administration....	1.0	1.1	-0.1
Management advisory services.....	1.0	0.8	0.2
Other.....	0.1	0.1	
	39.6	33.9	5.7
Supply—			
Administration.....	21.8	21.5	0.3
Revolving fund.....	5.7		5.7
	27.5	21.5	6.0
Public Printing and Stationery.....	4.0	3.5	0.5
Canadian Commercial Corporation.....	3.5	2.1	1.4
Canadian Arsenal Limited.....	0.2	0.3	-0.1
Administration and general.....	5.2	4.4	0.8
	80.0	65.7	14.3

Transport

Expenditures of the Department of Transport including those in respect of the Central Mortgage and Housing Corporation, the Canadian National Railways, the Canadian Transport Commission, the National Harbours Board and the St. Lawrence Seaway Authority in the amount of \$514 million are \$6 million higher than in 1968-69.

TABLE 41
(in millions of dollars)

TRANSPORT	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Marine services—			
Administration, operation and maintenance.....	65.5	50.1	15.4
Construction or acquisition.....	31.5	41.4	- 9.9
	97.0	91.5	5.5
Railways and steamships—			
Maritime Freight Rates Act.....	14.5	13.9	0.6
Construction or acquisition.....	11.0	10.1	0.9
Railway to Great Slave Lake.....		1.1	- 1.1
Victoria bridge.....	0.9	0.9	
Operating deficits—			
Newfoundland ferry and terminals.....	16.0	16.7	- 0.7
Prince Edward Island car ferry and terminals.....	5.0	5.0	
Yarmouth, N.S.-Bar Harbour, Maine, U.S.A. ferry service.....	0.6	0.3	0.3
Railway employees' provident fund—deficit.....	6.5	6.5	
Other.....	0.5	0.5	
	55.0	55.0	
Air services—			
Administration, operation and maintenance.....	106.5	87.9	18.6
Construction or acquisition.....	36.0	59.1	-23.1
Grants, contributions, subsidies and other payments.....	3.5	3.3	0.2
	146.0	150.3	- 4.3
Administration and general.....	8.0	7.9	0.1
	306.0	304.7	1.3
Canadian National Railways deficit.....	25.0	29.2	- 4.2
Canadian Transport Commission—			
Payments under the National Transportation Act.....	83.5	93.7	-10.2
Contributions to the railway grade crossing fund.....	15.0	15.0	
Steamship subventions.....	12.4	12.2	0.2
Payments under the Atlantic Region Freight Assistance Act.....	4.5		4.5
Subsidies to air carriers.....	3.0	1.3	1.7
Administration and general.....	4.6	4.2	0.4
	123.0	126.4	- 3.4
Central Mortgage and Housing Corporation—			
Urban renewal.....	19.0	15.1	3.9
Loans forgiven by the corporation.....	9.0	6.1	2.9
Losses sustained on federal-provincial projects.....	7.9	4.4	3.5
Housing research and community planning.....	6.1	4.2	1.9
	42.0	29.8	12.2
National Harbours Board.....	8.0	6.6	1.4
The St. Lawrence Seaway Authority—			
Welland canal deficit.....	8.0	9.0	- 1.0
Other operating deficits and capital requirements.....	2.0	2.4	- 0.4
	10.0	11.4	- 1.4
	514.0	508.1	5.9

Marine services

Net expenditures are \$97 million, \$6 million more than in 1968-69 and include \$66 million for administration, operation and maintenance compared with \$50 million in 1968-69 and \$32 million for construction or acquisition compared with \$41 million in the previous year.

Railways and steamships

These expenditures total \$55 million compared with \$55 million in 1968-69. Payments under the Maritime Freight Rates Act are \$15 million compared with \$14 million in 1968-69 and payments for operating deficits are \$22 million in each fiscal year.

Air services

Expenditures of \$146 million are \$4 million less than in 1968-69 and include \$107 million for administration, operation and maintenance compared with \$88 million in 1968-69 and \$36 million for construction or acquisition compared with \$59 million.

Canadian National Railways

The 1969 operating deficit of the Canadian National Railways of \$25 million is \$4 million less than the 1968 deficit charged to budgetary expenditure in 1968-69.

Canadian Transport Commission

Expenditures of the Canadian Transport Commission at \$123 million are \$3 million less than in 1968-69. Payments to railway and transportation companies pursuant to the National Transportation Act total \$84 million compared with \$94 million in 1968-69.

Central Mortgage and Housing Corporation

Budgetary expenditure of the government in respect of Central Mortgage and Housing Corporation is \$42 million compared with \$30 million in 1968-69. Urban renewal at \$19 million accounted for \$4 million of the increase, losses sustained on federal-provincial projects accounted for \$4 million of the increase and loans forgiven by the corporation for \$3 million of the increase over 1968-69 figures.

National Harbours Board

Non-active advances to the board to be charged to budgetary expenditure are \$8 million compared with \$7 million in 1968-69. Net increases reflect additional expenditures for reconstruction and capital expenditures of the Halifax, Churchill and Quebec harbours.

The St. Lawrence Seaway Authority

Budgetary expenditures in respect of The St. Lawrence Seaway Authority are \$10 million, \$1 million less than in 1968-69. The 1969 operating deficit of the Welland canal, charged to budgetary expenditure, is \$8 million compared with the 1968 deficit of \$9 million charged in 1968-69 and other operating deficits and capital requirements totalled \$2 million in each fiscal year.

Treasury Board

Expenditures of the Treasury Board, including the National Research Council, are \$381 million compared with \$432 million in 1968-69.

Public service superannuation account

The government's contribution to the public service superannuation account, in an amount equal to the estimated current and prior service payments of individuals in 1968-69, is \$74 million compared with \$66 million in 1968-69.

A further amount of \$102 million, to cover the annual amortization charge in respect of the actuarial deficiencies arising out of pay increases and the actuarial deficiency revealed by the quinquennial evaluation made as at December 31, 1967, will be charged to budgetary expenditure. In 1968-69 amortization charged to budgetary expenditure was \$85 million.

Reserve for salary revisions

An amount of \$35 million is included in budgetary expenditures and will be credited to the liability account "reserve for salary revisions" to cover salary revisions in respect of 1969-70 and prior fiscal years.

Canada's contributions as an employer

These contributions total \$41 million, \$6 million more than in 1968-69. The main items are \$22 million to the Canada and Quebec pension plans compared with \$18 million in the previous year and \$15 million in respect of surgical-medical insurance premiums compared with \$13 million in 1968-69.

TABLE 42
(in millions of dollars)

TREASURY BOARD	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Public service superannuation account—			
Government's contribution.....	73.5	66.0	7.5
Amortization of deferred charges.....	102.0	84.8	17.2
	175.5	150.8	24.7
Reserve for salary revisions.....	35.0	120.5	-85.5
Government's contributions as an employer—			
Canada pension plan and the Quebec pension plan.....	21.8	18.0	3.8
Unemployment insurance fund.....	1.7	1.7	
Death benefit account.....	1.7	1.7	
Pension plans for employees engaged locally outside Canada.....	0.1	0.1	
Hospital insurance (outside Canada) plan.....	0.4		0.4
Government's share of surgical-medical insurance pre- miums.....	14.8	13.1	1.7
	40.5	34.6	5.9
Payments under Public Service Pension Adjustment Act....	1.8	1.8	
Administration and general.....	6.2	6.7	- 0.5
	259.0	314.4	-55.4
National Research Council—			
Scholarships and grants in aid of research.....	60.0	59.0	1.0
Construction or acquisition of buildings, works, land and equipment.....	6.0	5.2	0.8
Assistance towards research in industry.....	6.0	6.1	-0.1
Administration, operation and maintenance.....	50.0	47.5	2.5
	122.0	117.8	4.2
	381.0	432.2	-51.2

National Research Council

Expenditures of the National Research Council at \$122 million are \$4 million more than in 1968-69.

Outlays for scholarships and grants in aid of research at \$60 million are \$1 million higher than in the previous year and costs of administration, operation and maintenance at \$50 million are \$3 million more than in 1968-69.

Veterans Affairs

Expenditures of the Department of Veterans Affairs total \$424 million compared with \$428 million in the previous fiscal year.

Welfare services, allowances and other benefits at \$113 million are slightly less than in 1968-69, pensions for disability and death at \$220 million are \$3 million less and costs of \$71 million for treatment services are \$1 million less than in the previous fiscal year.

TABLE 43
(in millions of dollars)

VETERANS AFFAIRS	Fiscal year ending March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Pensions—			
Disability and death.....	220.0	223.3	-3.3
Administration and general.....	3.2	3.1	0.1
	223.2	226.4	-3.2
Welfare services, allowances and other benefits—			
War veterans allowances and civilian allowances.....	95.0	95.5	-0.5
Assistance under provisions of the Assistance Fund (War Veterans Allowances) Regulations.....	7.0	6.9	0.1
Other benefits.....	3.2	3.2	
Administration and general.....	7.3	7.3	
	112.5	112.9	-0.4
Treatment services.....	71.0	71.6	-0.6
Soldier settlement and veterans land act—			
Provision for reserve for conditional benefits.....	4.3	4.3	
Administration and general.....	6.0	5.3	0.7
	10.3	9.6	0.7
Administration and general.....	7.0	7.1	-0.1
	424.0	427.6	-3.6

ASSET AND LIABILITY ACCOUNTS

The government's asset and liability account balances at March 31, 1970, as now estimated, the balances at March 31, 1969 and the net increases or decreases during 1969-70 are summarized in the following table:

TABLE 44
(in millions of dollars)

	Balance at March 31		Increase or decrease (-)
	1970 (estimated)	1969	
LIABILITIES			
Current and demand liabilities.....	2,322.0	2,219.1	102.9
Deposit and trust accounts.....	501.8	511.8	-10.0
Annuity, insurance and pension accounts.....	12,218.3	10,520.1	1,698.2
Undisbursed balances of appropriations to special accounts.....	127.5	235.5	-108.0
Refundable corporation tax.....	26.8	140.8	-114.0
Provision for compound interest on Canada savings bonds.....	20.4	12.4	8.0
Deferred credits.....	183.4	174.3	9.1
Suspense accounts.....	4.2	4.2	
Unmatured debt.....	22,613.6	22,101.0	512.6
Total liabilities.....	38,018.0	35,919.2	2,098.8
ASSETS			
Current assets.....	1,370.4	981.4	389.0
Departmental working capital advances.....	202.9	188.9	14.0
Cash in blocked currency.....	1.7	1.9	-0.2
Advances to the exchange fund account.....	2,996.4	2,867.0	129.4
Investments in United States dollar securities issued by other than the Government of Canada.....	58.0	90.3	-32.3
Canada pension plan investment fund.....	2,824.1	2,022.9	801.2
Investments held for the retirement of unmatuired debt.....	6.4	6.4	
Loans to, and investments in, Crown corporations.....	9,635.8	8,767.8	868.0
Loans to national governments.....	1,333.2	1,269.2	64.0
Other loans and investments.....	2,246.0	2,114.3	131.7
Securities held in trust.....	129.5	111.5	18.0
Deferred charges.....	784.4	613.4	171.0
Capital assets.....	(1)	(1)	
Inactive loans and investments.....	94.8	94.8	
Total recorded assets.....	21,633.6	19,129.8	2,553.8
Less reserve for losses on realization of assets.....	-546.4	-546.4	
Net recorded assets.....	21,137.2	18,583.4	2,553.8
Net debt represented by excess of liabilities over net recorded assets.....	16,880.8	17,335.8	(2) -455.0

(1) Shown at nominal value of \$1.

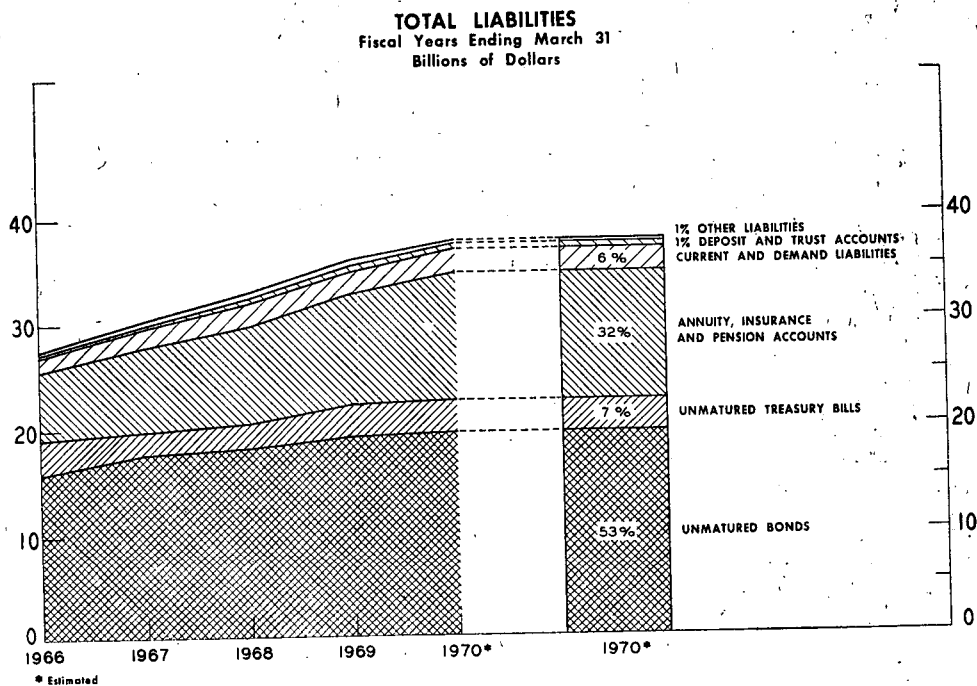
(2) Reflecting the budgetary surplus of \$455 million.

SUMMARY

The gross liabilities of the government are estimated at \$38,018 million as at March 31, 1970 compared with \$35,919 million at March 31, 1969. The increase of \$2,099 million is due mainly to annuity, insurance and pension accounts which are \$1,698 million higher than at March 31, 1969.

Net recorded assets at \$21,137 million are \$2,554 million higher than the previous year-end total of \$18,583 million. The main changes are increases of \$868 million in loans to, and investments in, Crown corporations and \$801 million in the Canada pension plan investment fund.

The net debt of Canada, or the excess of liabilities over net recorded assets, is estimated at \$16,881 million as at March 31, 1970 compared with \$17,336 million at March 31, 1969.



LIABILITY ACCOUNTS

Current and demand liabilities

These liabilities, which consist of obligations of the government payable currently or on demand, in the amount of \$2,322 million are \$103 million more than the total at March 31, 1969.

There are increases of \$15 million in outstanding cheques and \$135 million in accounts payable and a decrease of \$223 million in non-interest-bearing notes.

Non-interest-bearing notes represent those portions of Canada's equities in the capital of certain international agencies which are not covered by cash or gold. Notes in respect of the international monetary fund in the amount of \$361 million are \$191 million less and those in respect of the international development association at \$11 million are \$34 million less than at March 31, 1969.

Special Drawing Rights in the international monetary fund represent an allocation of the equivalent of U.S. \$124 million = Can. \$134 million to Canada by the international monetary fund of a newly created international reserve asset. These Special Drawing Rights have been advanced to the exchange fund account and are included therein.

TABLE 45
(in millions of dollars)

CURRENT AND DEMAND LIABILITIES	Balance at March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Outstanding cheques.....	517.5	502.5	15.0
Accounts payable.....	605.2	470.2	135.0
Non-interest-bearing notes payable to—			
The international monetary fund.....	361.0	552.0	-191.0
The international development association.....	11.3	45.0	- 33.7
The Asian development bank.....	5.4	4.0	1.4
	377.7	601.0	-223.3
Allocation of Special Drawing Rights.....	134.4		134.4
Matured debt outstanding.....	40.7	39.7	1.0
Interest due and outstanding.....	164.9	162.9	2.0
Interest accrued.....	423.4	399.4	24.0
Post office outstanding money orders.....	50.9	34.9	16.0
Outstanding letter of credit cheques.....	5.1	5.1	
Other current liabilities.....	2.2	3.4	-1.2
	2,322.0	2,219.1	102.9

Deposit and trust accounts

Sundry funds deposited with, or held in trust by, the Receiver General for Canada for various purposes are recorded in these accounts.

There is a net decrease of \$10 million from the previous fiscal year-end balance bringing the total to \$502 million as at March 31, 1970.

The main changes are increases of \$17 million in guarantee deposits and \$6 million in the provincial tax collection agreements account and decreases of \$19 million in the Canadian Dairy Commission account and \$9 million in the Canadian Commercial Corporation account.

TABLE 46
(in millions of dollars)

DEPOSIT AND TRUST ACCOUNTS	Balance at March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Canadian Commercial Corporation—special deposit.....	5.0	14.2	-9.2
Canadian Dairy Commission.....	5.5	24.5	-19.0
Canadian Pension Commission—administration trust fund..	17.7	17.2	0.5
Contractors holdbacks—sundry departments.....	13.4	13.4	
Contractors securities—sundry departments.....	3.3	3.3	
Crown corporations deposits.....	16.2	16.2	
Guarantee deposits—sundry departments.....	121.0	104.5	16.5
Indian trust funds.....	34.3	34.3	
Instalment purchase of bonds.....	16.0	15.6	0.4
National Harbours Board—special accounts.....	24.8	22.7	2.1
Prairie farm emergency fund.....	15.9	14.5	1.4
Provincial tax collection agreements account.....	177.4	171.4	6.0
Other.....	51.3	60.0	-8.7
	501.8	511.8	-10.0

Annuity, insurance and pension accounts

This category records the government's liability in respect of various annuity, insurance and pension accounts.

It is estimated that these account balances will total \$12,218 million at March 31, 1970, an increase of \$1,698 million during the fiscal year.

TABLE 47
(in millions of dollars)

ANNUITY, INSURANCE AND PENSION ACCOUNTS	Balance at March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Unemployment insurance fund.....	496.4	398.9	97.5
Less investments and accrued interest.....	-482.5	-386.8	-95.7
Uninvested funds on deposit with the government.....	13.9	12.1	1.8
Superannuation accounts—			
Public service.....	3,648.4	3,178.4	470.0
Canadian forces.....	3,303.6	3,023.6	280.0
Royal Canadian Mounted Police.....	164.8	130.8	34.0
	7,116.8	6,332.8	784.0
Canada pension plan account.....	2,929.0	2,107.8	821.2
Government annuities.....	1,320.5	1,324.6	-4.1
Old age security fund.....	724.9	620.9	104.0
Other.....	113.2	121.9	-8.7
	12,218.3	10,520.1	1,698.2

Unemployment insurance fund

The unemployment insurance fund is expected to increase by \$98 million bringing the balance to \$496 million at March 31, 1970. Of this amount \$483 million will be invested in bonds and accrued interest and \$14 million will be held by the Receiver General.

TABLE 48
(in millions of dollars)

UNEMPLOYMENT INSURANCE FUND	Fiscal year ending March 31				
	1966	1967	1968	1969	1970 (estimated)
Receipts—					
Contributions—					
Employees and employers ⁽¹⁾	328.3	343.8	347.4	433.1	498.7
Government ⁽²⁾	65.7	68.8	69.5	86.6	99.8
Net income from investments.....	4.7	10.9	15.9	18.9	23.7
Other income.....	0.1	0.2	0.2	0.2	0.2
	398.8	423.7	433.0	538.8	622.4
Disbursements—					
Benefit payments.....	-297.8	-307.0	-388.6	-459.1	-527.1
Excess of receipts over disbursements.....	101.0	116.7	44.4	79.7	95.3
Balance at credit of fund at fiscal year-end.....	141.5	258.2	302.7	382.4	478.4
Unredeemed benefit warrants and deposits from employers.....	20.7	22.2	17.6	16.5	18.0
Balance in fund at March 31.....	162.2	280.4	320.3	398.9	496.4
Investment in bonds and accrued interest.....	-148.6	-266.6	-303.9	-386.8	-482.5
Balance on deposit with the government.....	13.6	13.8	16.4	12.1	13.9

⁽¹⁾Contributions by employees and employers on an equal basis.

⁽²⁾Government contribution is equal to 20 per cent of the combined employee-employer contributions.

Public service superannuation account

The balance of \$3,648 million in this account is \$470 million higher than at March 31, 1969. Receipts of \$564 million include employee contributions of \$94 million, the government's contribution of \$73 million, interest of \$131 million, an actuarial liability adjustment of \$260 million and a contribution of \$6 million by Crown corporations. Contributions by the government and Crown corporations are equal to the estimated current and prior service payments by individuals in 1968-69.

The actuarial adjustment of \$260 million is comprised of \$51 million to cover the deficit revealed by the quinquennial valuation of the account as at December 31, 1967 and \$209 million to provide for additional liabilities arising out of salary increases in 1969-70.

Disbursements of \$94 million include \$82 million for annuities and \$10 million for withdrawals of contributions.

In 1968-69 receipts were \$390 million and disbursements were \$87 million.

TABLE 49
(in millions of dollars)

PUBLIC SERVICE SUPERANNUATION ACCOUNT	Fiscal year ending March 31				
	1966	1967	1968	1969	1970 (estimated)
Receipts—					
Contributions—					
Employees—					
Government.....	①63.4	②55.5	66.0	71.6	87.0
Crown corporations.....	3.3	3.8	5.2	5.1	7.0
Government.....	57.8	59.3	59.6	66.0	73.5
Crown corporations.....	3.7	3.8	5.0	4.8	6.0
Interest.....	89.5	98.5	110.9	118.0	130.5
Actuarial liability.....	79.6	152.2	21.5	121.0	260.0
Other.....	1.2	0.9	2.2	3.0	
	298.5	374.0	270.4	389.5	564.0
Disbursements—					
Annuities.....	-57.7	-62.8	-68.2	-74.7	-82.0
Withdrawals of contributions.....	-11.3	-11.1	-10.8	-10.3	-10.0
Other.....	-0.9	-1.0	-5.1	-1.9	-2.0
	-69.9	-74.9	-84.1	-86.9	-94.0
Excess of receipts over disbursements.....	228.6	299.1	186.3	302.6	470.0
Balance in fund brought forward.....	2,161.8	2,390.4	2,689.5	2,875.8	3,178.4
Balance at credit of fund.....	2,390.4	2,689.5	2,875.8	3,178.4	3,648.4

①Includes \$4.1 million due to dual contributions temporarily required in respect of the Canada and Quebec pension plans.

②Net after deduction of \$4.1 million referred to in footnote ①.

Canadian forces superannuation account

The balance of \$3,304 million reflects an increase of \$280 million during the fiscal year.

Receipts of \$354 million include \$38 million in contributions by personnel, \$62 million in contributions by the government, \$125 million in interest and \$129 million to provide for additional liabilities arising from salary increases. Government contributions were made at the rate of one and two-thirds times the current and prior service contributions by personnel and increased to one and four-fifths times effective with the second quarter of the fiscal year.

Disbursements of \$74 million include \$67 million in pensions and retiring allowances and \$7 million in cash termination allowances and return of contributions.

In 1968-69 receipts were \$363 million and disbursements were \$62 million.

TABLE 50
(in millions of dollars)

CANADIAN FORCES SUPERANNUATION ACCOUNT	Fiscal year ending March 31				
	1966	1967	1968	1969	1970 (estimated)
Receipts—					
Contributions—					
Personnel.....	(1)34.1	(2)25.1	33.1	33.9	38.0
Government.....	58.8	42.6	58.4	57.0	62.0
Interest.....	83.2	91.7	105.2	112.1	125.0
Actuarial liability.....	16.6	279.2		159.6	129.0
Other.....	0.3	0.3	1.4		
	193.0	438.9	198.1	362.6	354.0
Disbursements—					
Pensions and retiring allowances.....	-26.7	-36.8	-45.7	-55.2	-67.0
Cash termination allowances and return of contributions.....	-10.1	-9.2	-6.0	-7.0	-7.0
Other.....	-0.1	-0.1	-0.1	-0.1	
	-36.9	-46.1	-51.8	-62.3	-74.0
Excess of receipts over disbursements.....	156.1	392.8	146.3	300.3	280.0
Balance in fund brought forward.....	2,028.1	2,184.2	2,577.0	2,723.3	3,023.6
Balance at credit of fund.....	2,184.2	2,577.0	2,723.3	3,023.6	3,303.6

(1) Includes \$2.1 million due to dual contributions temporarily required in respect of the Canada and Quebec pension plans.

(2) Net after deduction of \$2.1 million referred to in footnote (1).

Royal Canadian Mounted Police superannuation account

The balance of \$165 million in this account is \$34 million higher than the balance at March 31, 1969:

Receipts during the year of \$35 million include contributions of \$4 million by personnel, the government's contribution of \$7 million, interest of \$5 million and \$19 million to provide for additional liabilities arising from salary increases.

Disbursements of \$1 million consist mainly of annuities and allowances.

In 1968-69 receipts were \$27 million and disbursements were \$1 million.

TABLE 51
(in millions of dollars)

ROYAL CANADIAN MOUNTED POLICE SUPERANNUATION ACCOUNT	Fiscal year ending March 31				
	1966	1967	1968	1969	1970 (estimated)
Receipts—					
Contributions—					
Personnel.....	(1)2.2	(2)2.2	2.8	3.4	4.0
Government.....	3.9	4.5	4.2	6.6	7.0
Interest.....	2.4	2.9	3.5	4.5	5.0
Actuarial liability.....		11.1	10.1	12.7	19.0
	8.5	20.7	20.6	27.2	35.0
Disbursements—					
Annuities and allowances.....	-0.5	-0.7	-0.8	-0.9	-1.0
Cash termination allowances and return of contributions.....	-0.3	-0.3	-0.2	-0.2	
	-0.8	-1.0	-1.0	-1.1	-1.0
Excess of receipts over disbursements.....	7.7	19.7	19.6	26.1	34.0
Balance in fund brought forward.....	57.7	65.4	85.1	104.7	130.8
Balance at credit of fund.....	65.4	85.1	104.7	130.8	164.8

(1)Includes \$0.2 million due to dual contributions temporarily required in respect of the Canada and Quebec pension plans.

(2)Net after deduction of \$0.2 million referred to in footnote (1).

Canada pension plan account

The balance of \$2,929 million is \$821 million higher than the March 31, 1969 balance of \$2,108 million.

Credits to the account of \$889 million include \$745 million in contributions under the act, \$140 million in interest on investments and \$4 million in interest on the operating balance on deposit with the Receiver General. Charges of \$68 million include \$50 million in benefit payments and \$18 million in administrative expenses.

In 1968-69 receipts were \$785 million and disbursements were \$30 million.

The amount by which the operating balance of the Canada pension plan in any month exceeds the estimated amount required to meet all payments in the following three month period is available for the purchase of securities of participating provinces. Securities of Canada are purchased with the excess remaining after purchasing securities of each province as required.

It is estimated that securities totalling \$801 million will have been purchased during the year bringing the total amount invested to \$2,824 million at March 31, 1970. These are recorded in the asset account "Canada pension plan investment fund".

TABLE 52
(in millions of dollars)

CANADA PENSION PLAN ACCOUNT	Fiscal year ending March 31				
	1966	1967	1968	1969	1970 (estimated)
Receipts—					
Contributions.....	94.9	587.2	640.2	698.0	745.0
Interest on investments.....		11.0	42.2	84.4	140.0
Interest on operating balance.....	(1)	1.1	1.4	2.4	4.0
Other.....		0.6	0.9	0.2	
	94.9	599.9	684.7	785.0	889.0
Payments—					
Benefit payments.....		-0.1	-1.3	-15.6	-50.0
Administration expenses.....	-5.5	-8.3	-11.5	-14.4	-17.8
	-5.5	-8.4	-12.8	-30.0	-67.8
Excess of receipts over payments.....	89.4	591.5	671.9	755.0	821.2
Balance in fund brought forward.....		89.4	680.9	1,352.8	2,107.8
Balance at credit of fund.....	89.4	680.9	1,352.8	2,107.8	2,929.0
Less investments in securities held in the Canada pension plan investment fund.....	-34.8	-615.5	-1,280.8	-2,023.0	-2,824.2
Operating balance on deposit with the government.....	54.6	65.4	72.0	84.8	104.8

(1) Less than \$50,000.

Government annuities account

The balance of \$1,321 million in this account is \$4 million less than the balance at March 31, 1969.

Receipts of \$64 million include \$13 million from premiums and \$51 million in interest. Disbursements of \$68 million consist mainly of vested annuity and commuted value payments and refunds of premiums.

In 1968-69 receipts totalled \$66 million and disbursements were \$67 million.

Old age security fund

The Old Age Security Act, 1951 directed that this fund be established and that credits to the fund should consist of a 2 per cent sales tax, a 2 per cent tax (maximum \$60) on individual incomes and a 2 per cent tax on corporation incomes, and that pension payments of \$40 per month be paid to all eligible persons over 70 years of age. Payments were effective from January 1, 1952.

Amendments to the act have increased the tax rates: on individual incomes to 3 per cent effective January 1, 1959 and to 4 per cent effective January 1, 1964 (maximum tax \$120 increased to \$240 effective January 1, 1967); on corporation incomes to 3 per cent effective January 1, 1959; and on sales to 3 per cent effective April 10, 1959.

Pension rates have also been increased by amendments to the act to \$75 per month effective October 1, 1963; to \$76.50 per month effective January 1, 1968; to \$78 per month effective January 1, 1969; and to \$79.58 effective January 1, 1970.

The act was further amended to authorize pension payments effective January 1, 1966 to all persons who satisfied the residence requirements of the act who had attained the age of 69 years on or before January 1, 1966; the age limit being reduced by one year on January 1 of each subsequent year until 1970. A further amendment to the act in 1966-67 authorized the payment of a monthly guaranteed income supplement to eligible pensioners. The amount of the supplement that may be paid to a pensioner for a month is 40 per cent of the amount of the pension that may be paid to him for that month dependent upon the amount of his income for the preceding year.

Receipts of \$1,823 million include \$569 million from sales tax, \$1,027 million from the tax on personal incomes and \$227 million from the tax on corporation incomes.

Payments of \$1,719 million consist of \$1,450 million in pension payments and \$269 million in guaranteed income supplements.

In 1968-69 receipts were \$1,626 million and payments were \$1,541 million.

TABLE 53
(in millions of dollars)

OLD AGE SECURITY FUND	Fiscal year ending March 31				
	1966	1967	1968	1969	1970 (estimated)
Tax receipts—					
Sales tax.....	522.1	559.5	544.5	528.1	569.0
Personal income tax.....	494.9	576.6	800.1	915.0	1,027.0
Corporation income tax.....	152.3	149.5	150.0	183.0	227.0
Total tax receipts.....	1,169.3	1,285.6	1,494.6	1,626.1	1,823.0
Pension payments.....	-927.3	-1,033.4	-1,153.3	-1,296.8	-1,450.0
Guaranteed income supplement ⁽¹⁾		-39.6	-234.8	-244.5	-269.0
Excess of receipts over payments.....	242.0	212.6	106.5	84.8	104.0
Temporary loans brought forward.....	-25.0				
Balance in fund brought forward.....		217.0	429.6	536.1	620.9
Balance in fund.....	217.0	429.6	536.1	620.9	724.9

⁽¹⁾Effective January 1, 1967.

A distribution of payments, by provinces, is shown in the following table:

TABLE 54
(in millions of dollars)

OLD AGE SECURITY PAYMENTS ⁽¹⁾	Fiscal year ending March 31		Increase or decrease (—)
	1970 (estimated)	1969	
Newfoundland.....	36.1	32.3	3.8
Nova Scotia.....	77.7	69.3	8.4
Prince Edward Island.....	14.2	12.6	1.6
New Brunswick.....	58.5	52.0	6.5
Quebec.....	405.6	364.1	41.5
Ontario.....	610.1	550.6	59.5
Manitoba.....	99.1	88.4	10.7
Saskatchewan.....	97.6	86.9	10.7
Alberta.....	116.6	103.9	12.7
British Columbia.....	202.1	180.0	22.1
Northwest and Yukon Territories.....	1.4	1.2	0.2
	1,719.0	1,541.3	177.7

⁽¹⁾ Includes \$269 million in 1969-70 and \$244.5 million in 1968-69 for guaranteed income supplement.

Undisbursed balances of appropriations to special accounts

This category records the undisbursed balances of appropriations to special accounts from which disbursements may be made for authorized purposes. They fall into two classes. The first of these, comprising the majority of the accounts, consists of those cases where parliament has appropriated moneys for specific purposes. The other class consists of accounts to which is credited moneys received from the sale of materials, supplies, equipment, land, works and buildings and which are available for purposes of the Department of National Defence.

The balance of \$128 million is \$108 million less than the balance of \$236 million at March 31, 1969.

The main change was a decrease of \$86 million in the reserve for salary revisions.

TABLE 55
(in millions of dollars)

UNDISBURSED BALANCES OF APPROPRIATIONS TO SPECIAL ACCOUNTS	Balance at March 31		Increase or decrease (—)
	1970 (estimated)	1969	
Reserve for salary revisions.....	35.0	120.5	-85.5
International assistance account.....	82.4	86.4	-4.0
Centennial of confederation fund.....	2.4	2.4	
National capital fund.....	3.8	3.8	
Railway grade crossing fund.....	3.2	8.2	-5.0
Surplus Crown assets.....		13.1	-13.1
Other.....	0.7	1.1	-0.4
	127.5	235.5	-108.0

Refundable corporation tax

This account records the refundable corporation tax on cash profits of businesses that is payable by all corporations not exempt from tax under section 62 of the Income Tax Act and by certain types of trusts on specified types of income.

The balance of \$27 million is \$114 million less than the balance at March 31, 1969. The decrease represents refunds made during the year.

Provision for compound interest on Canada savings bonds

This account records the estimated amount for the prorated provision for the special compound interest feature applicable to certain Canada savings bonds.

The balance of \$20 million is \$8 million higher than the balance at March 31, 1969.

Deferred credits

Recorded in these accounts are amounts due the government in respect of which payment is deferred. These are contra accounts to corresponding items under the asset categories: "loans to, and investments in, Crown corporations", "loans to national governments" and "other loans and investments".

The balance of \$183 million is \$9 million more than at March 31, 1969.

Also included in this category are premiums, received on the issue of Government of Canada bonds, which are being credited to public debt charges on a monthly amortization basis.

Deferred interest of \$70 million in respect of The St. Lawrence Seaway Authority is \$9 million higher than at March 31, 1969.

TABLE 56
(in millions of dollars)

DEFERRED CREDITS	Balance at March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Deferred interest—			
Atomic Energy of Canada Limited.....	0.2	0.2	
Northern Canada Power Commission.....	3.9	3.9	
The St. Lawrence Seaway Authority.....	70.0	60.6	9.4
United Kingdom Financial Agreement Act, 1946.....	101.1	101.1	
	175.2	165.8	9.4
Balances receivable under agreements of sale of Crown assets..	0.3	0.3	
Crown Assets Disposal Corporation—government equity....	7.8	7.8	
Unamortized premium on loans.....	0.1	0.4	-0.3
	183.4	174.3	9.1

Suspense accounts

These consist of balances where some uncertainty as to disposition exists. The balance of \$4 million is slightly higher than at March 31, 1969.

Unmatured debt

The unmaturred debt of Canada is estimated at \$22,613 million as at March 31, 1970, and is comprised of \$22,166 million payable in Canadian dollars, \$265 million payable in United States dollars, \$74 million payable in German deutsche marks and \$108 million payable in Italian lire.

This is \$512 million more than the balance at March 31, 1969. The increase is due mainly to securities payable in Canadian dollars.

Details of the various loan issues, maturities, cancellations and redemptions resulting in the net increase are described more fully in the section "The Public Debt".

TABLE 57
(in millions of dollars)

UNMATURED DEBT	Balance at March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Payable in Canadian dollars—			
Marketable bonds.....	12,248.0	12,263.0	-15.0
Non-marketable bonds—			
Canada savings bonds.....	6,542.3	6,168.3	374.0
Canada pension plan.....	15.3	11.3	4.0
Unemployment insurance commission.....	466.0	376.0	90.0
	19,271.6	18,818.6	453.0
Treasury bills.....	2,895.0	2,840.0	55.0
	22,166.6	21,658.6	508.0
Payable in United States dollars ^{(1) (2)}	265.0	266.7	-1.7
Payable in German deutsche marks ^{(1) (2)}	73.9	67.6	6.3
Payable in Italian lire ^{(1) (2)}	108.1	108.1	
	22,613.6	22,101.0	512.6

⁽¹⁾Marketable bonds.

⁽²⁾Converted at the official parity rates.

ASSET ACCOUNTS

Current assets

These accounts consist of various cash accounts and the securities investment account.

Total current assets at \$1,370 million are \$389 million more than at March 31, 1969. The main change was an increase of \$339 million in cash in current deposits.

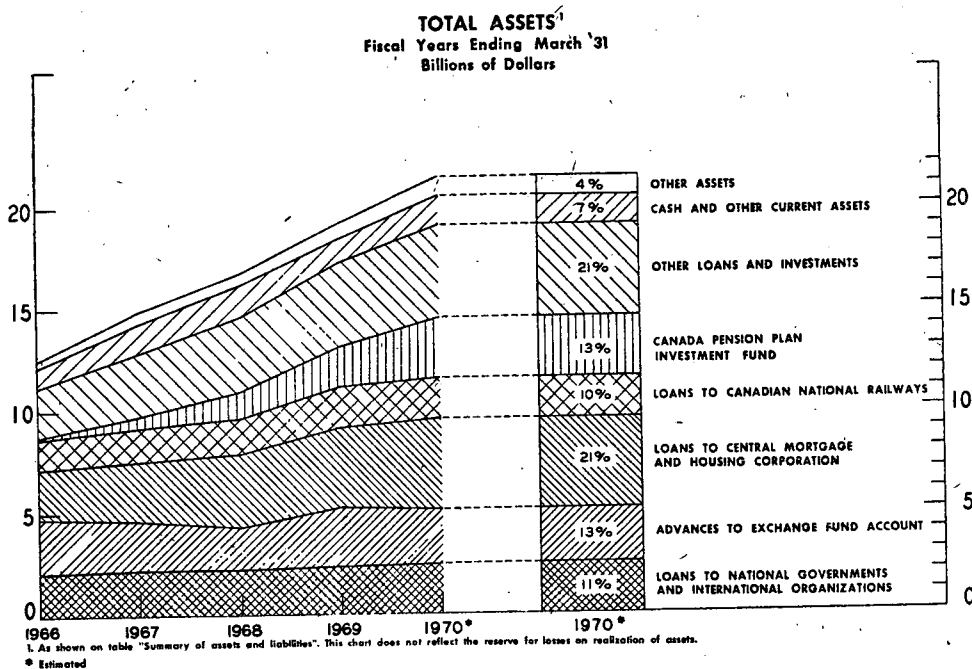


TABLE 58

(in millions of dollars)

CURRENT ASSETS	Balance at March 31		Increase or decrease (—)
	1970 (estimated)	1969	
Cash accounts—			
Cash in current deposits ⁽¹⁾	939.1	600.1	339.0
Cash in special deposits.....	1.4	1.4	
Cash in hands of collectors and in transit.....	284.5	282.5	2.0
Customs and excise temporary deposits.....	0.6	0.6	
Indian agencies revenue trust bank accounts.....	0.4	0.4	
Moneys received after March 31 but applicable to the current year.....	33.3	33.3	
Post office—cash on hand and in transit.....	16.7	18.7	—2.0
	1,276.0	937.0	339.0
Securities investment account.....	94.4	44.4	50.0
	1,370.4	981.4	389.0

⁽¹⁾ Receiver General year-end balances in London, New York, Paris, Brussels, Bonn, Rome and Frankfurt are at the Canadian dollar equivalent of exchange rates at March 31.

Departmental working capital advances

These accounts record advances outstanding at the close of the fiscal year for working funds for certain departmental activities.

The balance of \$203 million is \$14 million more than at March 31, 1969. The main changes were an increase of \$4 million in the stockpiling of uranium concentrates account, a new account "airports revolving fund" in the amount of \$13 million and a decrease of \$7 million in the Royal Canadian Mint account.

TABLE 59
(in millions of dollars)

DEPARTMENTAL WORKING CAPITAL ADVANCES	Balance at March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Agricultural commodities stabilization account.....	1.0		1.0
Defence production revolving fund.....	32.5	34.5	-2.0
Miscellaneous departmental imprest and standing advances..	13.4	13.4	
Miscellaneous departmental accountable advances.....	15.0	15.0	
Royal Canadian Mint.....	7.9	14.9	-7.0
Stockpiling of uranium concentrates.....	91.2	87.2	4.0
Transport stores account.....	9.0	8.0	1.0
Airports revolving fund.....	13.0		13.0
Other.....	19.9	15.9	4.0
	202.9	188.9	14.0

The agricultural commodities stabilization account records the operations of the agricultural stabilization board which was established under provisions of the Agricultural Stabilization Act to take such action as necessary to stabilize the price of agricultural commodities at their respective prescribed prices. It is estimated that the Board's operations will result in a net increase of \$1 million in the account during 1969-70.

The stockpiling of uranium concentrates account records the acquisition of uranium concentrates in accordance with contracts entered into with the approval of the Governor in Council by Eldorado Nuclear Limited on behalf of Her Majesty in right of Canada with certain mining companies. The balance of \$91 million is \$4 million higher than the balance at March 31, 1969.

The defence production revolving fund records the cost of materials procured for use in the manufacture of defence equipment until such time as they are billed to the Department of National Defence or sold to defence contractors for use in the manufacture of defence equipment, as well as working capital loans and advances for their production. The balance of \$33 million in the account is \$2 million less than at the previous year end.

Cash in blocked currency

The balance of \$2 million in the account is slightly less than the balance at the end of the previous fiscal year.

Notes of Industrias Forestales, S.A. and Compania Manufacturera de Papeles y Cartones, S.A., held by the Export Development Corporation (formerly the Export Credits Insurance Corporation) and which were due in 1965 and 1966, could not be paid in accordance with their terms because the Chilean Government was unable to make available the necessary Canadian currency. An alternate scheme was devised whereby the debtors could make their payments on the notes.

The corporation received the payments in Chile in Canadian dollars and the amount upon receipt was paid into a blocked account established by the Receiver General for Canada with the Central Bank of Chile, the Government of Chile to pay in Canadian dollars interest at 6 per cent per annum on the sums held in this account directly to the Receiver General in Ottawa.

The Government of Chile agreed to the withdrawal of 20 per cent of the deposits made to the account in 1965 in each of the years 1968 to 1972 and 20 per cent of the deposits made to the account in 1966 in each of the years 1969 to 1973.

Advances to the exchange fund

Advances during the year to finance the purchase of gold and foreign exchange are estimated at \$1,471 million and repayments are estimated at \$1,342 million resulting in a balance of \$2,996 million in the account at March 31, 1970. Included in these advances is \$134 million (U.S. \$124 million) in special drawing rights issued by the international monetary fund.

Investments in special United States of America securities issued by other than the Government of Canada

This account records the special securities issued by the Government of the United States of America and purchased by Canada pursuant to agreements made to carry out the Columbia River Treaty between the Government of the United States and the Government of Canada. During 1969-70 securities in the amount of \$32 million have been redeemed leaving a balance of \$58 million in the account at March 31, 1970.

Canada pension plan investment fund

This account records securities purchased under the Canada Pension Plan Act and the sale of these securities. The amount by which the operating balance of the Canada pension plan fund in any month exceeds the estimated amount

required to meet all payments in the following three-month period is available for the purchase of securities of participating provinces. Securities of Canada shall be purchased with the excess remaining after purchasing securities of each province as required. The estimated holdings in the account as at March 31, 1970 are \$2,824 million of which \$2,809 million is provincial government securities and \$15 million is federal government securities.

TABLE 60
(in millions of dollars)

CANADA PENSION PLAN INVESTMENT FUND	Balance at March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Securities of—			
Newfoundland.....	53.4	37.9	15.5
Nova Scotia.....	108.4	77.1	31.3
Prince Edward Island.....	10.3	7.1	3.2
New Brunswick.....	82.7	58.8	23.9
Quebec.....	7.6	4.6	3.0
Ontario.....	1,581.7	1,140.6	441.1
Manitoba.....	165.9	118.7	47.2
Saskatchewan.....	131.5	91.5	40.0
Alberta.....	257.9	181.7	76.2
British Columbia.....	409.4	293.6	115.8
Government of Canada.....	15.3	11.3	4.0
	2,824.1	2,022.9	801.2

Investments held for retirement of unmatured debt

The balance in this account at \$6 million is unchanged from the balance at March 31, 1969.

Loans to, and investments in, Crown corporations

Loans and investments in this category are estimated at \$9,636 million as at March 31, 1970, an increase of \$868 million over the March 31, 1969 balance.

The main changes were increases of \$476 million in loans to Central Mortgage and Housing Corporation, \$190 million to the Canadian National Railways (including Air Canada), \$137 million to Atomic Energy of Canada Limited, \$90 million to the Farm Credit Corporation and \$49 million to the Export Development Corporation (formerly Export Credits Insurance Corporation) and the liquidation of the loans to the Canadian Corporation for the 1967 World Exhibition.

TABLE 61
(in millions of dollars)

LOANS TO, AND INVESTMENTS IN, CROWN CORPORATIONS	Balance at March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Atomic Energy of Canada Limited.....	344.4	207.4	137.0
Bank of Canada.....	5.9	5.9	
Canada Deposit Insurance Corporation.....	23.5	23.5	
Canadian Arsenals Limited.....	5.0	5.0	
Canadian Broadcasting Corporation.....	9.0	9.0	
Canadian Commercial Corporation.....	15.5	15.5	
Canadian Corporation for the 1967 World Exhibition.....		25.1	-25.1
Canadian Dairy Commission.....	42.0	42.0	
Canadian National Railways.....	2,029.4	1,927.4	102.0
Air Canada.....	146.1	58.1	88.0
	2,175.5	1,985.5	190.0
Canadian Overseas Telecommunication Corporation.....	50.3	49.3	1.0
Cape Breton Development Corporation.....	10.0	10.0	
Central Mortgage and Housing Corporation.....	4,436.6	3,960.6	476.0
Eldorado Nuclear Limited.....	22.2	8.2	14.0
Export Development Corporation ⁽¹⁾	280.6	231.6	49.0
Farm Credit Corporation.....	1,139.9	1,049.9	90.0
National Capital Commission—excluding Greenbelt.....	28.2	28.2	
National Harbours Board.....	265.2	261.2	4.0
Northern Canada Power Commission.....	42.1	42.1	
Northern Transportation Company Limited.....	5.0	2.0	3.0
Polymer Corporation Limited.....	30.0	30.0	
The St. Lawrence Seaway Authority—			
Loans.....	404.2	385.6	18.6
Deferred interest.....	70.0	60.6	9.4
Interest-free loans.....	75.0	75.0	
	549.2	521.2	28.0
Recovery likely to require parliamentary appropriations—			
Canadian Broadcasting Corporation.....	116.4	92.4	24.0
Canadian Corporation for the 1967 World Exhibition.....		122.9	-122.9
National Capital Commission—Greenbelt.....	37.7	37.7	
	154.1	253.0	-98.9
Other Crown Corporations.....	1.6	1.6	
	9,635.8	8,767.8	868.0

⁽¹⁾ Formerly the Export Credits Insurance Corporation.

Atomic Energy of Canada Limited

The balance of \$344 million, which is \$137 million higher than at March 31, 1969, consists of \$15 million in capital stock and loans of \$329 million.

At March 31, 1969 the balance of \$207 million consisted of \$15 million in capital stock and \$192 million in loans.

Canadian National Railways (including Air Canada)

Outstanding advances to the Canadian National Railways (including Air Canada) of \$2,176 million are \$190 million higher than at March 31, 1969.

TABLE 62
(in millions of dollars)

ADVANCES TO THE CANADIAN NATIONAL RAILWAYS (INCLUDING AIR CANADA)	Balance at March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Capital Revision Act, 1952—			
Preferred stock	1,185.2	1,133.3	31.9
Twenty-year obligation	100.0	100.0	
Financing and Guarantee Acts	223.0	197.4	25.6
Interim financing		5.0	-5.0
Refunding Act, 1955	501.1	451.1	50.0
Loans for maintenance, repair and acquisition of passenger equipment	1.9	2.4	-0.5
Temporary loans—acquisition of bonds	21.2	21.2	
Canadian Government Railways	17.0	17.0	
	2,029.4	1,927.4	102.0
Air Canada—			
Financing and Guarantee Acts	146.1	54.8	91.3
Interim financing		3.3	-3.3
	146.1	58.1	88.0
	2,175.5	1,985.5	190.0

During 1969-70 the government will make an estimated amount of \$232 million available to the Canadian National Railways (including Air Canada) and will receive repayments of \$42 million.

TABLE 63
(in millions of dollars)

ADVANCES TO, AND REPAYMENTS BY, THE CANADIAN NATIONAL RAILWAYS (INCLUDING AIR CANADA)	Balance at March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Advances—			
Canadian National Railways—			
For the refunding of debt	50.0	55.8	-5.8
Financing and Guarantee Acts	25.6	65.0	-39.4
Temporary loans—acquisition of bonds		9.9	-9.9
Interim financing	20.0	21.2	-1.2
	95.6	151.9	-56.3
Air Canada—			
Financing and Guarantee Acts	91.3	54.8	36.5
Interim financing	13.2	7.1	6.1
	104.5	61.9	42.6
Purchase of 4 per cent preferred stock (C.N.R. Capital Revision Act)	31.9	28.1	3.8
	232.0	241.9	-9.9
Repayments—			
Canadian National Railways—			
Maintenance, repair and acquisition of passenger equipment	-0.5	-0.5	
Interim financing	-25.0	-29.2	4.2
	-25.5	-29.7	4.2
Air Canada—			
Interim financing	-16.5	-11.8	-4.7
	-42.0	-41.5	-0.5
Net increase during the year	190.0	200.4	-10.4

During the year 1969-70 the government will have made advances in an estimated amount of \$76 million to the Canadian National Railways for capital purposes and the refunding of debt in the hands of the public and loans of \$91 million to Air Canada for capital purposes.

To assist the railway company to finance further capital expenditure the government will have purchased \$32 million of the 4 per cent preferred stock of the company. This stock is issued under the authority of the Canadian National Railways Capital Revision Act, 1952 in an amount equal to 3 per cent of the gross revenue of the company.

At March 31, 1969 temporary loans of \$5 million were outstanding to the railway company in respect of its 1969 deficit. Additional loans of \$20 million were advanced during the year for its 1969 operations. These will be charged to 1969-70 budgetary expenditures on parliamentary approval.

At March 31, 1969 temporary loans of \$3 million were outstanding to Air Canada in respect of its 1969 operations. An additional \$13 million was advanced during the year for its 1969 operations. These have been repaid by the company.

Canadian Corporation for the 1967 World Exhibition

This account recorded the purchase by the federal government of securities issued by the corporation in accordance with the Canadian Corporation for the 1967 World Exhibition Act. The balance at March 31, 1969 was \$148 million of which \$123 million was guaranteed by the federal government, \$14 million was guaranteed by the City of Montreal and \$11 million by the Province of Quebec.

The Expo Winding-up Act passed by the House of Commons on November 24, 1969 provided for the dissolution of the corporation and the write-off of Canada's share of the deficit of the corporation.

Also during the year the loans guaranteed by the Province of Quebec have been transferred to the asset category "loans to provinces" and those guaranteed by the City of Montreal have been transferred to the asset category "miscellaneous loans and investments".

Central Mortgage and Housing Corporation

The balance shown in this account at March 31, 1970 is \$4,437 million, \$476 million higher than at March 31, 1969.

Loans and advances of \$608 million are partly offset by repayments of \$132 million.

Advances include \$457 million for direct lending, limited dividend and public housing, \$39 million for sewage treatment projects, \$57 million for university housing projects, \$49 million for federal-provincial projects and \$7 million for urban renewal.

Repayments include \$113 million for direct lending, limited dividend and public housing, \$10 million for sewage treatment projects, \$5 million for federal-provincial projects and \$2 million for acquisition or construction of real estate.

TABLE 64

(in millions of dollars)

ADVANCES TO CENTRAL MORTGAGE AND HOUSING CORPORATION	Balance at March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Direct lending, limited dividend and public housing.....	3,640.0	3,296.1	343.9
Federal-provincial projects—housing.....	211.2	167.2	44.0
Loan and mortgage purchase fund.....	4.9	5.1	-0.2
Municipal sewage treatment.....	194.0	165.7	28.3
University housing.....	290.4	234.5	55.9
Housing projects.....	62.8	65.1	-2.3
Urban renewal.....	8.3	1.9	6.4
Capital stock.....	25.0	25.0	
	4,436.6	3,960.6	476.0

TABLE 65

(in millions of dollars)

ADVANCES TO, AND REPAYMENTS BY, CENTRAL MORTGAGE AND HOUSING CORPORATION	Balance at March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Advances—			
Direct lending, limited dividend and public housing....	456.9	376.0	80.9
Federal-provincial projects.....	49.0	29.0	20.0
Sewage treatment projects.....	38.6	31.4	7.2
University housing projects.....	57.0	67.0	-10.0
Urban renewal.....	6.5	1.5	5.0
	608.0	504.9	103.1
Repayments—			
Direct lending, limited dividend and public housing....	-113.0	-101.6	-11.4
Federal-provincial projects.....	-5.0	-3.8	-1.2
Loan and mortgage purchase fund.....	-0.2	-0.2	
Sewage treatment projects.....	-10.3	-10.5	0.2
University housing projects.....	-1.1	-1.2	0.1
Acquisition or construction of real estate.....	-2.3	-2.3	
Urban renewal.....	-0.1	-0.1	
	-132.0	-119.7	-12.3
	476.0	385.2	90.8

Export Development Corporation (formerly Export Credits Insurance Corporation)

The Export Development Corporation was established by the Export Development Act as passed by the House of Commons on June 5, 1969.

The Export Development Act as passed by the House of Commons on June 5, 1969 established the Export Development Corporation and declared it to be the successor to the Export Credits Insurance Corporation and transferred all property rights, obligations and liabilities of the Export Credits Insurance Corporation to the Export Development Corporation; and that upon surrender by the Minister of shares in the Export Credits Insurance Corporation the Minister shall be issued an equivalent number of shares in the Export Development Corporation.

The authorized capital of the new corporation is \$25 million (250,000 shares at the par value of \$100 each) and the Minister of Finance shall subscribe for all the shares of the corporation at par and shall pay to the corporation the amount of such subscriptions out of the consolidated revenue fund at such times and in such amounts as the board requires.

Whenever the Minister of Finance pays any part of a subscription for shares he shall in addition pay to the corporation out of the consolidated revenue fund an equal amount to be credited to the capital surplus account of the corporation, which account shall not exceed in the aggregate \$25 million.

The balance of \$281 million consists of \$5 million in capital shares, \$5 million in the capital surplus account and \$271 million in loans.

Farm Credit Corporation

The government provides loans to the corporation which makes loans on farm property. The balance of \$1,140 million shown in the account consists of the Crown's investment of \$40 million in the capital of the corporation and \$1,100 million in loans. At March 31, 1969 the balance of \$1,050 million consisted of \$40 million capital and \$1,010 million in loans.

The St. Lawrence Seaway Authority

Outstanding obligations in this account in the amount of \$549 million consist of \$404 million in interest-bearing loans, \$75 million in interest-free loans and \$70 million in deferred interest. At March 31, 1969 outstanding obligations were \$521 million of which \$386 million were interest-bearing loans, \$75 million were interest-free loans and \$60 million was deferred interest.

Loans to national governments

It is expected that these loans will increase by \$64 million during the year bringing the balance to \$1,333 million at March 31, 1970.

An increase of \$86 million in special loan assistance to developing countries was partly offset by repayments of \$20 million by the United Kingdom and \$2 million by Belgium.

TABLE 66
(in millions of dollars)

LOANS TO NATIONAL GOVERNMENTS	Balance at March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Loans to United Kingdom—			
The United Kingdom Financial Agreement Act, 1946...	937.3	957.0	-19.7
Deferred interest.....	101.1	101.1	
	1,038.4	1,058.1	-19.7
Loans under the Export Credits Insurance Act, Part II—			
Belgium.....	16.2	18.5	-2.3
France.....	66.9	66.9	
The Netherlands.....	32.1	32.1	
	115.2	117.5	-2.3
Miscellaneous—			
France—interim credits—consolidated interest.....		0.7	-0.7
Special loan assistance—developing countries.....	178.6	92.6	86.0
Other.....	1.0	0.3	0.7
	179.6	93.6	86.0
	1,333.2	1,269.2	64.0

Other loans and investments

Balances in these accounts amount to \$2,246 million, \$132 million higher than at March 31, 1969.

TABLE 67
(in millions of dollars)

OTHER LOANS AND INVESTMENTS	Balance at March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Subscriptions to capital of, and working capital advances and loans to, international organizations—			
Canada's subscription to capital of—			
Asian development bank.....	10.8	8.1	2.7
International bank for reconstruction and development.....	85.0	85.0	
International development association.....	139.8	112.8	27.0
International finance corporation.....	3.5	3.5	
International monetary fund.....	782.7	782.7	
Total.....	1,021.8	992.1	29.7
Working capital advances and loans to international organizations.....	7.0	7.0	
Loans to provincial governments.....	1,028.8	999.1	29.7
Veterans land act fund.....	281.3	270.3	11.0
Less reserve for forgiveness of indebtedness.....	503.1	446.1	57.0
Municipal development and loan board advances.....	-21.4	-24.4	3.0
Miscellaneous—	481.7	421.7	60.0
Assisted passage scheme.....	273.3	281.3	-8.0
Crown Assets Disposal Corporation—			
Government equity in agency account.....	12.0	12.0	
Defence plant modernization.....	7.8	7.8	
Housing projects for Canadian forces.....	23.6	14.6	9.0
Loans to manufacturers of automotive products in Canada.....	21.7	21.7	
Northwest Territories.....	32.6	21.6	11.0
Yukon Territory.....	21.8	16.8	5.0
Other.....	17.6	13.6	4.0
Total.....	43.8	33.8	10.0
Total.....	180.9	141.9	39.0
	2,246.0	2,114.3	131.7

Canada's subscriptions to the capital of international organizations at \$1,029 million are \$30 million higher, due mainly to additional subscriptions to the international development association.

Loans to provincial governments at \$281 million are \$11 million higher due in part to the fact that the federal government accepted notes in the amount of \$11 million from the Province of Quebec to cover the provinces share of the EXPO deficit.

Advances under the Veterans Land Act at \$482 million are \$60 million higher and advances under the Municipal Development and Loan Act at \$273 million are \$8 million less than at March 31, 1969.

Miscellaneous loans and advances in the amount of \$181 million are \$39 million higher than at the previous year-end, due mainly to increases of \$9 million for loans for defence plant modernization and \$11 million for loans to manufacturers of automotive products in Canada.

Securities held in trust

Recorded herein are the security holdings in connection with various deposit and trust accounts and annuity, insurance and pension accounts. Bonds and certified cheques held in connection with contractors securities are also recorded under this heading. The balance at March 31, 1970 is estimated at \$130 million compared with \$112 million at March 31, 1969.

Deferred charges

These consist of the unamortized balances of actuarial deficiencies in the superannuation accounts and the outstanding unamortized loan flotation costs.

The balances in these accounts in the amount of \$784 million are \$171 million more than at March 31, 1969.

TABLE 68
(in millions of dollars)

DEFERRED CHARGES	Balance at March 31		Increase or decrease (-)
	1970 (estimated)	1969	
Unamortized portions of actuarial deficiencies—			
Canadian forces superannuation account.....	254.7	242.7	12.0
Public service superannuation account.....	319.5	186.5	133.0
Royal Canadian Mounted Police superannuation account.....	28.7	20.7	8.0
	602.9	449.9	153.0
Unamortized loan flotation costs.....	181.5	163.5	18.0
	784.4	613.4	171.0

Unamortized portions of actuarial deficiencies

Any actuarial deficiency revealed by quinquennial valuations is credited to the superannuation accounts and charged to these accounts and amortized to budgetary expenditure in five equal annual instalments commencing in the fiscal year in which the report is laid before Parliament. Also the cost of benefits payable under the superannuation acts as a result of the authorization of salary increases are credited to the superannuation accounts and charged to these accounts and amortized to budgetary expenditure over a period of five years commencing in the year in which the increase is authorized.

The unamortized portion of the actuarial deficiency in the Canadian forces superannuation account is expected to be \$255 million at March 31, 1970 compared with \$243 million at March 31, 1969. During the year \$129 million was charged thereto as a result of salary increases and \$117 million was amortized to budgetary expenditure of which \$24 million was charged to interest on public debt.

The unamortized portion of the actuarial deficiency in the public service superannuation account is expected to be \$320 million at March 31, 1970 compared with \$187 million at March 31, 1969. During the year \$209 million as a result of salary increases and \$51 million as a result of the quinquennial valuation as at December 31, 1967 was charged thereto and \$127 million was amortized to budgetary expenditure of which \$25 million was charged to interest on public debt.

The unamortized portion of the actuarial deficiency in the Royal Canadian Mounted Police superannuation account is expected to be \$29 million compared with \$21 million at March 31, 1969. During the year \$19 million was charged thereto as a result of salary increases and \$11 million was amortized to budgetary expenditure of which \$1 million was charged to interest on public debt.

Unamortized loan flotation costs

This account records the residual balances of discounts, commissions, redemption bonuses and conversion premiums on loan flotations that have not been charged to budgetary expenditure. The balance of \$182 million is \$18 million higher than at March 31, 1969.

TABLE 69
(in millions of dollars)

UNAMORTIZED LOAN FLOTATION COSTS	Fiscal year ending March 31	
	1970 (estimated)	1969
Balance of account at beginning of fiscal year.....	163.5	138.2
New loan flotation costs to be amortized—		
7% loan April 1, 1969—May 1, 1970.....	0.3	
7½% loan April 1, 1969—April 1, 1972.....	0.6	
7½% loan April 1, 1969—April 1, 1974.....	0.4	
7½% loan July 1, 1969—July 1, 1970.....	(*)	
8% loan July 1, 1969—July 1, 1978.....	0.3	
7½% loan August 15, 1969—October 1, 1970.....	0.1	
8% loan August 15, 1969—February 1, 1973.....	0.2	
8% loan October 1, 1969—October 1, 1970.....	(*)	
8% loan October 1, 1969—October 1, 1971.....	0.5	
8% loan October 1, 1969—October 1, 1974.....	0.7	
8% loan December 15, 1969—December 15, 1970.....	0.1	
Adjustments.....	0.1	
Treasury bills discounts.....		
Canada savings bonds—new issues.....	38.2	
7% loan April 1, 1968—April 1, 1973.....	43.3	3.5
6½% loan May 24, 1968—June 1, 1973 ⁽¹⁾		1.2
6½% loan June 1, 1968—June 1, 1983 ⁽²⁾		1.2
6½% loan June 15, 1968—July 1, 1969.....		0.3
7% loan June 15, 1968—October 1, 1970.....		1.2
7% loan June 15, 1968—June 15, 1974.....		3.5
6½% loan August 1, 1968—December 15, 1969.....		0.1
6½% loan August 1, 1968—October 1, 1970.....		0.2
6½% loan October 1, 1968—October 1, 1971.....		0.2
6½% loan October 1, 1968—April 1, 1975.....		1.5
6½% loan October 1, 1968—October 1, 1995.....		1.9
6½% loan December 16, 1968—May 1, 1970.....		0.1
6½% loan December 16, 1968—April 1, 1971.....		0.7
Adjustments ⁽³⁾		0.9
Treasury bills discounts.....		32.8
Canada savings bonds—new issues.....		36.1
	84.8	85.4
Less—		
Amortization applicable to fiscal year—		
Canada savings bonds and general loans.....	-34.0	-30.0
Discounts on treasury bills charged to interest on public debt.....	-32.8	-30.1
	-66.8	-60.1
Increase during year.....	18.0	25.3
Balance of account at end of fiscal year.....	181.5	163.5

(1) Loan issued in Germany.

(2) Loan issued in New York.

(3) Adjustments due to cancellations and additional issues of existing loans.

(4) Less than \$50,000.

Cost of new loans issued during 1969-70 and charged to this account is \$85 million, of which \$38 million is in respect of treasury bills discounts which will be charged to interest on public debt in 1970-71. Credits of \$67 million to the account include \$33 million (representing discount applicable to 1969-70 on treasury bills sold in 1968-69) charged to the budgetary item "interest on public debt".

Treasury bills discounts applicable to the current fiscal year are charged to interest on public debt at the time of sale. That portion of the discounts applicable to the subsequent fiscal year is charged to this account and transferred to interest on public debt in the following year.

Capital assets

Assets of the government such as land, buildings, works and equipment, etc. that are charged to budgetary expenditure at the time of acquisition or construction, are included in this category and are shown on the statement of assets and liabilities at a nominal value of \$1.

Inactive loans and investments

Loans and investments which are not currently revenue-producing or realizable are recorded herein. Included are the loan of \$49 million to China under the Export Credits Insurance Act, loans totalling \$24 million and \$7 million made to Roumania and Greece, respectively, in 1919-20 and 1920-21 and advances of \$15 million in respect of the implementation of guarantees (Ming Sung Industrial Company Limited).

Reserve for losses on realization of assets

There has been no change in this reserve since the fiscal year 1956-57. The balance is \$546 million.

NET DEBT

The net debt of Canada, or the excess of liabilities over net recorded assets, is estimated at \$16,881 million as at March 31, 1970 compared with \$17,336 million at March 31, 1969. The decrease of \$455 million reflects the estimated 1969-70 budgetary surplus.

THE CASH POSITION

The government's cash account represents balances of current and special deposits to the credit of the Receiver General for Canada in the Bank of Canada, chartered banks in Canada and certain banks in London, New York, Brussels, Bonn, Frankfurt and Rome. These balances are expected to amount to \$941 million at March 31, 1970 an increase of \$339 million over the balance at March 31, 1969.

The following statement summarizes both the budgetary and non-budgetary transactions in 1969-70 and indicates how they affected the government's cash position. For purposes of comparison the corresponding figures for 1968-69 are also shown.

TABLE 70
(in millions of dollars)

CHANGES IN CASH POSITION	Fiscal year ending March 31	
	1970 (estimated)	1969
Budgetary transactions—		
Revenue.....	12,270.0	10,191.1
Expenditure.....	-11,815.0	-10,767.2
Surplus or deficit (-).....	455.0	-576.1
Non-budgetary transactions (excluding unmatured debt transactions)—		
Receipts and credits (net).....	2,233.0	1,740.3
Disbursements and charges (net).....	-2,811.6	-3,101.6
Net amount available from, or required for (-), non-budgetary transactions.....	-578.6	-1,361.3
Overall cash requirement to be financed by increase in unmatured debt or decrease in cash balances.....	-123.6	-1,937.4
Net increase in unmatured debt outstanding in the hands of the public—		
Unmatured debt—		
Marketable bonds.....	-10.4	1,003.7
Canada savings bonds.....	374.0	71.8
Treasury bills.....	55.0	360.0
Special issues—		
Unemployment Insurance Commission.....	90.0	80.0
Canada pension plan.....	4.0	5.6
	512.6	1,521.1
Securities investment account.....	-50.0	-0.1
Investments held for retirement of unmatured debt.....		1.8
	462.6	1,522.8
Net increase or decrease (-) in Receiver General bank balances.....	339.0	-414.6

The cash position of the government is affected not only by budgetary transactions but also by changes in the government's unmatured debt and other non-budgetary transactions. Non-budgetary transactions are those which affect the government's asset and liability accounts and must be taken into account when considering the full scope of the government's financial operations and their effect on the economy of the country.

On the asset side, the non-budgetary transactions consist, for the most part, of loans and advances to, and repayments by, Crown corporations and other government agencies and funds, national, provincial and municipal governments, international organizations, veterans and other borrowers. On the liability side they relate mainly to receipts and payments in connection with the many deposit and trust accounts, and annuity, insurance and pension funds held or administered by the government.

In 1969-70 an estimated surplus of \$455 million in budgetary transactions and an estimated net requirement of \$579 million for non-budgetary transactions (excluding unmatured debt transactions) will result in a net cash requirement of

\$124 million. As transactions in unmatured debt during the year are expected to result in an increase of \$463 million in outstanding unmatured debt as at March 31, 1970, Receiver General bank balances will increase by \$339 million. In 1968-69 the budgetary deficit of \$576 million and net requirements of \$1,361 million for non-budgetary transactions resulted in a cash requirement of \$1,937 million which was financed by an increase of \$1,523 million in outstanding unmatured debt and a decrease of \$414 million in Receiver General bank balances.

Non-budgetary receipts and credits (excluding unmatured debt transactions)

Non-budgetary receipts and credits of \$2,233 million include \$1,698 million in respect of annuity, insurance and pension accounts, \$195 million in repayments of loans, investments and advances and \$340 million in sundry other accounts.

Further details are given in the following table:

TABLE 71
(in millions of dollars)

NON-BUDGETARY RECEIPTS AND CREDITS (NET)	Fiscal year ending March 31	
	1970 (estimated)	1969
Repayment of loans, investments and advances—		
Royal Canadian Mint.....	7.0	0.7
Investments in United States dollar securities issued by other than the Government of Canada.....	32.3	32.3
Canadian Corporation for the 1967 World Exhibition.....	148.0	57.0
Municipal Development and Loan Board advances.....	8.0	-1.6
	195.3	88.4
Annuity, insurance and pension accounts—		
Superannuation accounts—		
Public service.....	470.0	302.6
Canadian forces.....	280.0	300.3
Royal Canadian Mounted Police.....	34.0	28.1
Canada pension plan account.....	821.2	755.0
Old age security fund.....	104.0	84.8
Other.....	-11.0	-1.7
	1,698.2	1,467.1
Other receipts and credits—		
Outstanding cheques.....	15.0	75.1
Accounts payable.....	135.0	-50.0
Allocation of Special Drawing Rights.....	134.4	
Deferred credits.....	9.1	24.4
Interest accrued.....	24.0	84.1
Post office outstanding money orders.....	16.0	
Provincial tax collection agreements account.....	6.0	51.2
	339.5	184.8
	2,233.0	1,740.3

Non-budgetary disbursements and charges (excluding unmatured debt transactions)

Non-budgetary disbursements and charges of \$2,812 million include \$1,359 million for loans, investments and advances and \$1,453 million for sundry other accounts.

Further details are given in the following table:

TABLE 72
(in millions of dollars)

NON-BUDGETARY DISBURSEMENTS AND CHARGES (NET)	Fiscal year ending March 31	
	1970 (estimated)	1969
Loans, investments and advances—		
Agricultural commodities stabilization account.....	1.0	-1.4
Stockpiling of uranium concentrates.....	4.0	12.2
Atomic Energy of Canada Limited.....	137.0	68.5
Canadian Broadcasting Corporation.....	24.0	18.3
Canadian Dairy Commission.....		19.8
Canadian National Railways (including Air Canada).....	190.0	200.4
Central Mortgage and Housing Corporation.....	476.0	385.2
Eldorado Nuclear Limited.....	14.0	
Export Development Corporation.....	49.0	32.5
Farm Credit Corporation.....	90.0	128.2
National Harbours Board.....	4.0	11.1
Northern Transportation Company Limited.....	3.0	2.0
The St. Lawrence Seaway Authority.....	28.0	28.8
Exchange fund account.....	129.4	833.7
National governments.....	64.0	63.1
Subscriptions to capital of international organizations.....	29.7	29.5
Veterans land act advances.....	60.0	38.7
Defence plant modernization.....	9.0	4.4
Loans to manufacturers of automotive products in Canada.....	11.0	1.1
Provincial governments.....	11.0	82.6
Miscellaneous.....	24.8	-2.2
	<i>1,358.9</i>	<i>1,956.5</i>
Other disbursements and charges—		
Non-interest-bearing notes.....	223.3	215.7
Cash in hands of collectors and in transit.....		38.2
Canadian Commercial Corporation—special deposit.....	9.2	24.0
Canadian Dairy Commission—deposit account.....	19.0	0.7
Deferred charges.....	171.0	121.4
Undisbursed balances of appropriations to special accounts.....	108.0	-110.7
Refundable corporation tax.....	114.0	94.5
Canada pension plan investment fund.....	801.2	742.1
Other.....	5.0	19.2
	<i>1,452.7</i>	<i>1,145.1</i>
	2,811.6	3,101.6

THE PUBLIC DEBT

Gross and net debt

The gross debt of Canada, or the total of liabilities as recorded on the statement of assets and liabilities, is estimated to be \$38,018 million as at March 31, 1970, an increase of \$2,099 million over the total at March 31, 1969. The main

changes are increases of \$1,698 million in annuity, insurance and pension accounts and \$512 million in unmatured debt and decreases of \$108 million in undisbursed balances of appropriations to special accounts and \$114 million in refundable corporation tax. Unmatured debt at \$22,613 million represents 60 per cent of the total and annuity, insurance and pension accounts at \$12,218 million represents 32 per cent. At March 31, 1969 unmatured debt was \$22,101 million or 61 per cent and annuity, insurance and pension accounts in the amount of \$10,520 million were 29 per cent of total liabilities.

The government's net recorded assets are estimated to amount to \$21,137 million as at March 31, 1970 an increase of \$2,554 million over the total at March 31, 1969. The main changes are increases of \$868 million in loans to, and investments in, Crown corporations, \$801 million in the Canada pension plan investment fund, \$132 million in other loans and investments, \$389 million in current assets, \$129 million in advances to the exchange fund account and \$171 million in deferred charges. Loans to, and investments in, Crown corporations at \$9,636 million represent 46 per cent, the Canada pension plan investment fund at \$2,824 million represents 13 per cent and advances to the exchange fund account at \$2,996 million represents 13 per cent. At March 31, 1969, loans to, and investments in, Crown corporations were \$8,768 million or 47 per cent, the Canada pension plan investment fund was \$2,023 million or 11 per cent and advances to the exchange fund account at \$2,867 million was 15 per cent of the total.

Based on the above figures the net debt of Canada will be \$16,881 million at March 31, 1970 reflecting a decrease of \$455 million, equivalent to the 1969-70 estimated surplus.

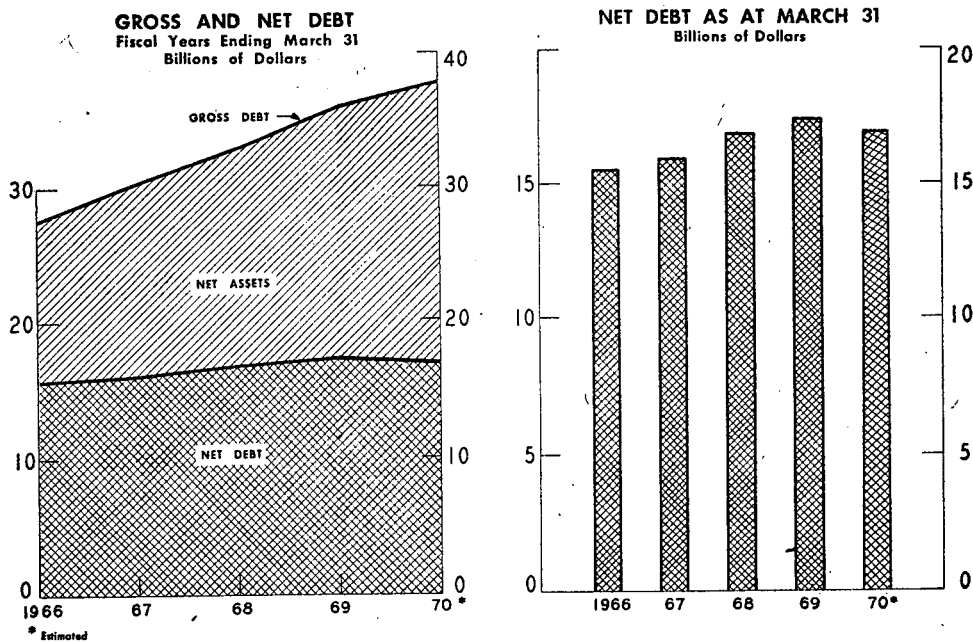


TABLE 73

STATEMENT OF PUBLIC DEBT, NET RECORDED ASSETS AND NET DEBT OF CANADA

(in millions of dollars)

As at March 31	Gross public debt			Less net recorded assets	Net debt	Increase or decrease (-) in net debt during the fiscal year
	Unmatured debt	Other liabilities	Total			
1966.....	19,109.7	8,373.1	27,482.9	11,939.5	15,543.4	39.0
1967.....	19,940.2	10,399.9	30,340.1	14,375.2	15,964.9	421.5
1968.....	20,579.9	12,344.3	32,924.2	16,164.5	16,759.7	794.8
1969.....	22,101.0	13,818.2	35,919.2	18,583.4	17,335.8	576.1
1970 (estimated).....	22,613.6	15,404.4	38,018.0	21,137.2	16,880.8	-455.0

Unmatured debt

Total unmaturred debt of \$22,613 million is \$512 million more than at March 31, 1969.

The government's holdings of its own securities as at March 31, 1970 are estimated to be \$101 million comprised of \$95 million in the securities investment account (of which \$43 million is Canada savings bonds held in respect of the employees instalment purchase plan) and \$6 million in investments held for retirement of unmaturred debt. This is an increase of \$51 million over the previous year-end total, when holdings were \$44 million in the securities investment account (\$41 million in investments in the employees instalment purchase plan account) and \$6 million in investments held for retirement of unmaturred debt.

Of the total unmaturred debt, \$22,166 million is payable in Canadian dollars, \$265 million in United States dollars, \$108 million in Italian lire and \$74 million in German deutsche marks. Securities payable in foreign currencies have been valued at official parity rates.

Summary of security issues, maturities, cancellations and redemptions

Excluding the refunding of treasury bills which mature weekly, it is expected that the government will issue securities in an amount of \$6,632 million and maturities, cancellations and redemptions will total \$6,120 million.

Net sales of Canada savings bonds series 24 of \$4,704 million and additional net sales of series 23 of \$29 million exceed maturities and redemptions of \$4,359 million by \$374 million bringing the total to \$6,542 million at March 31, 1970.

Treasury bills in the amount of \$2,895 million are \$55 million more than at March 31, 1969 and consist of \$1,755 million in three-month bills, \$870 million in six-month bills and \$270 million in special bills.

TABLE 74
(in millions of dollars)

UNMATURED DEBT TRANSACTIONS	Fiscal year ending March 31	
	1970 (estimated)	1969
Balance at beginning of year.....	22,101	20,580
New issues—		
Canada savings bonds—		
S. 22.....		278
S. 23.....	29	3,204
Special replacement series.....		802
S. 24.....	4,704	
Marketable bonds.....	1,665	2,344
Unemployment insurance commission bonds.....	169	163
Canada pension plan bonds.....	4	5
Treasury bills (net).....	55	380
Revaluation of bonds payable in deutsche marks.....	6	
	<u>6,632</u>	<u>7,156</u>
Maturities, redemptions, cancellations and conversions—		
Marketable bonds—		
Matured.....	-1,555	-954
Redeemed.....	-2	-2
Cancelled.....	-125	-384
Unemployment insurance commission bonds—		
Redeemed.....	-79	-83
Canada savings bonds—		
Matured.....	-19	-158
Redeemed.....	-4,340	-3,516
Converted.....		-538
	<u>-6,120</u>	<u>-5,635</u>
Increase in unmatured debt.....	512	1,521
Balance at end of year.....	<u>22,613</u>	<u>22,101</u>

TABLE 75
DEBT MATURED, REDEEMED, CONVERTED OR CANCELLED DURING THE FISCAL YEAR
ENDING MARCH 31, 1970 (estimated)
(in millions of dollars)

	Matured	Redeemed	Cancelled	Total
Marketable bonds—				
5½% 1960-69..... T 39	80.0			80.0
5½% 1962-69..... AT 16	100.0			100.0
5½% 1965-69..... CT 23	100.0			100.0
5½% 1967-69..... F 16	130.0			130.0
5% 1964-69..... CT 11	225.0			225.0
6½% 1968-69..... F 26	75.0			75.0
5½% 1962-69..... AT 13	80.0			80.0
5½% 1965-69..... CT 21	95.0		50.0	145.0
5½% 1966-69..... F 5	175.0		75.0	250.0
5½% 1967-69..... F 19	175.0			175.0
6½% 1968-69..... F 29	35.0			35.0
6% 1968-70..... F 24	285.0			285.0
5% 1962-87 (NY).....		1.7		1.7
	<u>1,555.0</u>	<u>1.7</u>	<u>125.0</u>	<u>1,681.7</u>
Non-marketable bonds—				
Canada savings bonds.....	19.0	4,340.3		4,359.3
Unemployment insurance.....		79.0		79.0
	<u>1,574.0</u>	<u>4,421.0</u>	<u>125.0</u>	<u>6,120.0</u>

AVERAGE INTEREST RATE ON UNMATURED DEBT

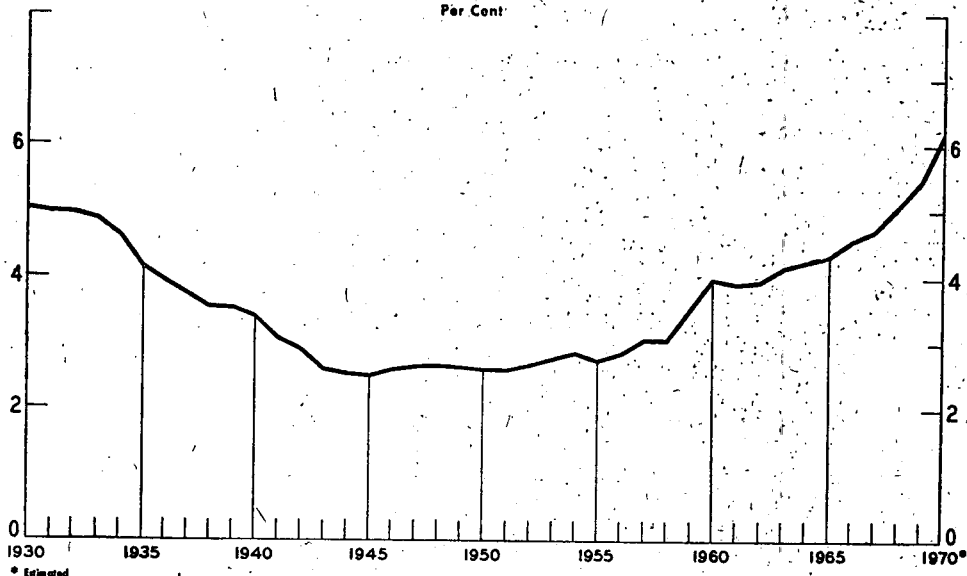
As At March 31
Per Cent

TABLE 76

NEW SECURITIES ISSUED DURING FISCAL YEAR ENDING MARCH 31, 1970
(in millions of dollars)

		Total amount issued
Marketable bonds—		
7%	1969-70..... F 36	125.0
7½%	1969-72..... F 37	235.0
7½%	1969-74..... F 38	125.0
7½%	1969-70..... F 40	130.0
8%	1969-78..... F 41	125.0
7½%	1969-70..... F 42	40.0
8%	1969-73..... F 43	110.0
8%	1969-70..... F 44	30.0
8%	1969-71..... F 45	170.0
8%	1969/70-74..... F 46	425.0
8%	1969-70..... F 48	75.0
8%	1970-71..... F 49	75.0
6½%	Germany ⁽¹⁾	6.3
		1,671.3
Non-marketable bonds—		
Unemployment Insurance Commission—		
7½%	100.0
8%	69.0
		169.0
Canada savings bonds—		
	Nov. 1, 1968—Nov. 1, 1983..... S 23	29.0
	Nov. 1, 1969—Nov. 1, 1978..... S 24	4,704.3
		4,733.3
Canada pension plan.....		
		4.0
Treasury bills (net).....		
		55.0
		6,632.6

⁽¹⁾ Revaluation adjustment in 1969-70.

Interest rates

The estimated average interest rate on the government's unmatured debt is 6.14 per cent compared with 5.46 per cent at March 31, 1969.

The average yield on three-month treasury bills was 7.74 per cent at tender on February 12, 1970 compared with 6.58 per cent at tender on March 27, 1969; on six-month bills it was 7.74 per cent at tender on February 12, 1970 compared with 6.80 per cent at tender on March 27, 1969; and on one-year treasury bills it was 8.01 per cent at tender on November 27, 1969 compared with 5.90 per cent at tender on November 28, 1968.

The following table shows the average high and low yields together with the average yield on the latest issues for the fiscal years 1965-66 to 1969-70 inclusive:

TABLE 77
TREASURY BILLS AVERAGE YIELDS AT TENDER

FISCAL YEAR ENDING MARCH 31	High	Low	Last issue
	per cent	per cent	per cent
Three-month bills—			
1966.....	5.06	3.61	5.06
1967.....	5.20	4.10	4.13
1968.....	7.01	3.96	6.98
1969.....	7.00	5.48	6.58
1970.....	7.83	6.54	(1)7.74
Six-month bills—			
1966.....	5.30	3.71	5.30
1967.....	5.33	4.04	4.11
1968.....	7.02	3.97	6.98
1969.....	7.01	5.43	6.80
1970.....	7.93	7.46	(1)7.74
365-day bills—			
1968.....	5.65	5.65	5.65
1969.....	6.53	5.90	5.90
1970.....	8.01	7.46	8.01

(1) At tender on February 12, 1970.

Indirect debt or contingent liabilities

In addition to the direct debt set out in the statement of assets and liabilities, the government has assumed certain indirect or contingent obligations. These consist of securities of the Canadian National Railways, guaranteed as to principal and interest, and a number of miscellaneous guarantees, the chief of which are the guarantee of insured loans made by chartered banks and other approved lending institutions under the National Housing Act, 1954, deposits maintained by the chartered banks in the Bank of Canada, advances under the Export Credits Insurance Act, bank loans under the Canada Student Loans Act and the Farm Improvement Loans Act and bank loans to the Canadian Wheat Board.

TABLE 78
CONTINGENT LIABILITIES

	Amount of guarantee	Amount outstanding
	\$	\$
Railway securities guaranteed as to principal and interest—		
Canadian National 2½% due January 16, 1971.....	40,000,000	40,000,000
Canadian National 5½% due December 15, 1971.....	180,973,500	180,973,500
Canadian National 3½% due February 1, 1974.....	200,000,000	200,000,000
Canadian National 2½% due June 15, 1975, U.S. \$6,000,000 ⁽¹⁾	6,486,486	6,486,486
Canadian National 5% due May 15, 1977.....	79,955,000	79,955,000
Canadian National 4% due February 1, 1981.....	300,000,000	300,000,000
Canadian National 5½% due January 1, 1985.....	93,575,000	93,575,000
Canadian National 5% due October 1, 1987.....	149,486,000	149,486,000
	1,050,475,986	1,050,475,986
Other outstanding guarantees and contingent liabilities—		
Deposits maintained by the chartered banks in the Bank of Canada ⁽²⁾	Unstated	1,123,100,000
Loans made by lenders under Part IV of the National Housing Act, 1954 for home extensions and improvements ⁽³⁾	27,500,000	22,048,000
Insured loans made by approved lenders under the National Housing Act, 1954 ⁽³⁾⁽⁴⁾	11,000,000,000	7,327,000,000
Liability for insurance and guarantees under the Export Develop- ment Act ⁽⁵⁾	900,000,000	317,029,000
Loans made by chartered banks under the Farm Improvement Loans Act.....	221,279,000	89,932,000
Loans made by chartered banks and credit unions under the Fish- eries Improvement Loans Act.....	3,775,000	926,787
Loans made by chartered banks under the Small Businesses Loans Act.....	46,033,844	18,923,000
Loans made by chartered banks and credit unions under the Canada Student Loans Act ⁽⁶⁾	373,000,000	358,000,000
Loans made by chartered banks to the Canadian Wheat Board ⁽⁷⁾	655,000,000	558,531,604
		9,813,490,391
Loans maintained by approved lending institutions under National Housing Acts prior to 1954 Act.....	Unstated	Indeterminate
Guarantees to owners of returns from moderate rental housing projects ⁽⁷⁾	Unstated	Indeterminate

⁽¹⁾Converted at \$1.08108 Canadian official parity rate.

⁽²⁾As of February 11, 1970.

⁽³⁾As of December 31, 1969.

⁽⁴⁾As reported (in accordance with section 45, National Housing Regulations) by approved lenders as of December 31, 1969.

⁽⁵⁾Includes contingent liability in respect of alternative payments to non-participating province.

⁽⁶⁾As of January 31, 1970.

⁽⁷⁾As of December 31, 1969, funds totalling \$5,359,283 were held by the Central Mortgage and Housing Corporation for the purpose of settling claims. In 1969 rental contracts totalled \$11,520,000.

SUPPLEMENTARY DETAILED TABLES**REVENUE****EXPENDITURE****ANNUAL CHANGES IN LOANS AND INVESTMENTS****UNMATURED DEBT**

STATEMENT OF REVENUE FOR THE LAST FIVE FISCAL YEARS

(in millions of dollars)

	1965-66	1966-67	1967-68	1968-69	1969-70 (estimated)
Tax revenue—					
Income tax—					
Personal ⁽¹⁾⁽²⁾	2,142.5	2,473.8	2,849.6	3,356.4	4,115.0
Corporation ⁽¹⁾⁽²⁾	1,606.6	1,593.2	1,670.6	2,030.0	2,605.0
On dividends, interest, etc., going abroad.....	170.0	203.6	220.5	205.6	240.0
	<i>3,919.1</i>	<i>4,270.6</i>	<i>4,740.7</i>	<i>5,592.0</i>	<i>6,960.0</i>
Social development tax.....				63.0	477.0
Excise taxes—					
Sales tax ⁽¹⁾⁽²⁾	1,395.1	1,513.6	1,601.1	1,569.8	1,725.0
Other taxes—					
Cigarettes, tobacco and cigars.....	238.1	251.4	266.7	304.2	295.0
Jewellery, watches, ornaments, etc.....	7.9	8.9	10.2	9.5	10.5
Matches and lighters.....	1.2	1.2	1.2	1.1	1.3
Television sets, radios and phonographs.....	27.0	31.2	32.6	35.3	41.0
Toilet preparations.....	14.1	15.5	17.9	18.6	21.0
Wines.....	4.4	4.8	5.3	5.9	7.0
Sundry commodities.....	2.2	1.2	1.5	1.7	2.0
Interest and penalties.....	1.6	1.9	2.2	2.4	2.7
Less refunds.....	-0.3	-0.5	-0.6	-0.8	-0.5
	<i>296.2</i>	<i>315.6</i>	<i>337.0</i>	<i>377.9</i>	<i>380.0</i>
Customs import duties⁽²⁾.....	685.5	777.6	746.4	761.7	815.0
Excise duties—					
Spirits.....	157.0	158.2	180.5	185.4	195.2
Beer.....	107.9	113.3	120.2	135.0	139.3
Cigarettes, tobacco and cigars.....	187.1	196.4	194.6	196.6	199.2
Less refunds.....	-6.1	-6.9	-6.7	-7.7	-8.7
	<i>445.9</i>	<i>461.0</i>	<i>488.6</i>	<i>509.3</i>	<i>525.0</i>
Estate tax.....	108.3	101.1	102.2	112.4	104.8
Miscellaneous tax revenue.....	0.2	0.2	0.3	0.2	0.2
Total tax revenue.....	6,850.3	7,439.7	8,016.3	8,986.3	10,987.0
Non-tax revenue—					
Return on investments.....	438.3	519.1	612.3	695.1	801.0
Post office—net postal revenue.....	237.5	253.3	281.6	310.6	353.0
Other.....	118.1	106.4	119.1	199.1	129.0
Total non-tax revenue.....	791.9	878.8	1,013.0	1,204.8	1,283.0
Total revenue.....	7,642.2	8,318.5	9,029.3	10,191.1	12,270.0

⁽¹⁾Excluding credits to the old age security fund—

	1965-66	1966-67	1967-68	1968-69	1969-70 (estimated)
Personal income tax.....	494.9	576.6	800.1	915.0	1,027.0
Corporation income tax.....	152.3	149.5	150.0	183.0	227.0
Sales tax.....	522.1	559.5	544.5	528.1	569.0

⁽²⁾Net after deduction of refunds and drawbacks as well as transfers to the old age security fund.

STATEMENT OF EXPENDITURE BY DEPARTMENTS AND MAJOR CATEGORIES
FOR THE LAST FIVE FISCAL YEARS

(in millions of dollars)

	1965-66	1966-67	1967-68	1968-69	1969-70 (estimated)
AGRICULTURE—					
Administration and general.....	48.3	51.0	60.4	62.8	74.0
Production and marketing, including grants and other assistance—					
Administration and general.....	58.1	50.9	36.7	33.4	40.0
Agricultural commodities stabilization ac- count—net operating loss.....	39.4	88.7	139.7	145.4	125.0
Research.....	32.6	35.4	39.7	45.3	46.0
	178.4	226.0	276.5	286.9	286.0
COMMUNICATIONS—					
Administration and general.....	7.6	9.5	14.5	12.8	14.0
Post Office.....	240.2	268.5	301.8	341.7	350.0
	247.8	278.0	316.3	354.5	364.0
CONSUMER AND CORPORATE AFFAIRS.....	9.0	10.4	12.9	13.7	17.0
ENERGY, MINES AND RESOURCES—					
Administration and general.....	2.7	3.1	4.2	4.9	5.7
Atomic Energy.....	54.5	60.2	69.3	72.6	75.0
Dominion Coal Board.....	22.7	38.0	33.6	7.2	8.2
Mines, minerals, energy and geosciences.....	52.2	53.9	53.9	54.8	52.6
National Energy Board.....	0.9	1.1	1.6	1.5	1.5
Water and coordination of renewable re- sources programs.....	25.5	31.3	40.8	38.7	44.0
	158.6	187.6	203.4	179.7	187.0
EXTERNAL AFFAIRS—					
Administration and general.....	34.5	39.6	48.9	54.1	56.3
Canadian International Development Agency Assessments, contributions and other pay- ments to international organizations and international multilateral economic and special programs.....	90.5	173.8	150.1	156.8	175.0
	27.5	17.1	16.7	15.2	16.7
	152.5	230.5	215.7	226.1	248.0
FINANCE—					
Administration and general.....	9.8	21.3	19.5	22.0	27.8
Canadian Corporation for the 1967 World Exhibition—deficit.....					123.0
Grants to municipalities and provinces in lieu of taxes.....	36.8	37.6	41.5	45.1	50.0
Municipal Development and Loan Board.....	33.9	41.8	17.4	2.2	
Public debt charges including interest and amortization.....	1,110.9	1,190.5	1,300.8	1,480.0	1,704.0
Subsidies and fiscal arrangements payments to provinces.....	466.0	515.5	737.5	867.1	950.2
Auditor General.....	1.7	2.1	2.3	2.4	2.5
Insurance.....	1.5	1.7	1.9	1.9	1.5
	1,660.6	1,810.5	2,120.9	2,420.7	2,859.0
FISHERIES AND FORESTRY—					
Fisheries.....	34.5	41.5	52.6	56.2	52.0
Forestry.....	21.4	24.8	21.2	22.8	24.0
	55.9	66.3	73.8	79.0	76.0
GOVERNOR GENERAL AND LIEUTENANT-GOV- ERNORS.....	0.7	0.8	1.0	1.0	1.0
INDIAN AFFAIRS AND NORTHERN DEVELOP- MENT—					
Administration and general.....	4.5	4.3	5.3	6.1	7.0
Conservation program.....	28.3	34.8	35.8	40.9	42.0
Social program.....	93.0	118.9	139.4	161.5	185.0
Development program.....	30.6	39.4	50.9	58.5	70.0
	156.4	197.4	231.4	267.0	304.0

STATEMENT OF EXPENDITURE BY DEPARTMENTS AND MAJOR CATEGORIES
FOR THE LAST FIVE FISCAL YEARS

(in millions of dollars)

	1965-66	1966-67	1967-68	1968-69	1969-70 (estimated)
INDUSTRY, TRADE AND COMMERCE—					
Department.....	134.5	143.4	163.9	179.2	262.0
Dominion Bureau of Statistics.....	15.6	26.6	22.5	24.7	32.0
	150.1	170.0	186.4	203.9	294.0
JUSTICE.....	11.4	12.2	15.4	16.9	20.0
LABOUR.....					
Unemployment Insurance Commission—	24.0	24.9	10.9	11.2	13.0
Administration and general.....	32.4	37.3	37.6	38.8	45.0
Government's contribution to the fund.....	65.6	68.8	69.5	86.6	100.0
	122.0	131.0	118.0	136.6	158.0
MANPOWER AND IMMIGRATION—					
Administration and general.....	5.0	7.9	20.6	23.4	33.8
Adult occupational training program.....			105.1	191.1	252.0
Capital assistance retraining facilities and manpower training research.....	104.1	136.2	119.3	105.9	97.0
Employment services.....	22.7	32.8	32.3	37.4	39.0
Immigration.....	14.3	20.5	21.6	29.4	26.4
Municipal winter works incentive program.....	41.1	37.8	30.5	21.5	0.4
Program development.....			2.9	4.4	6.4
Technical and vocational training assistance payments to provinces.....	48.7	85.2	85.6	3.0	
	236.5	320.4	417.9	416.1	455.0
NATIONAL DEFENCE—					
Administration and general.....	15.3	27.0	25.8	25.9	28.3
Canadian forces superannuation account—					
Government's contribution.....	58.8	42.6	58.4	57.0	63.1
Amortization of deferred charges.....	16.8	72.6	72.6	104.5	92.9
Defence services including development.....	1,401.3	1,435.3	1,528.2	1,507.7	1,534.1
Defence research.....	37.0	38.2	40.6	44.1	47.4
Mutual aid to NATO countries.....	14.6	18.7	18.0	15.3	14.2
Canada Emergency Measures Organization.....	7.7	9.2	8.0	6.3	5.0
	1,551.5	1,643.6	1,751.6	1,760.8	1,785.0
NATIONAL HEALTH AND WELFARE—					
Administration and general.....	2.5	3.0	3.9	4.2	5.0
Food and drug services.....	5.2	6.5	7.9	9.1	12.0
Health insurance and resources—					
General health and hospital construction grants to provinces.....	45.5	45.1	46.0	44.0	67.9
Government's contributions under the Hospital Insurance and Diagnostic Ser- vices Act.....	319.6	397.4	468.6	561.9	625.0
Health resources fund.....		4.7	32.7	33.9	37.0
Medical Care Act.....				33.0	180.9
Other.....		0.2	1.3	1.6	2.0
Health services.....	7.6	8.4	8.6	7.7	8.5
Medical Research Council.....	10.8	14.8	20.7	27.2	31.0
Medical services.....	37.5	38.5	42.5	45.4	42.6
Welfare services—					
Family allowances.....	551.7	555.8	558.8	560.2	560.4
Youth allowances.....	46.5	47.4	49.4	52.4	55.1
Fitness and amateur sports payments.....	2.5	4.7	3.6	4.0	5.0
Old age assistance, blind persons and disabled persons allowances.....	45.5	38.1	18.3	11.8	6.4
Unemployment assistance.....	101.7	143.3	6.1	1.1	
Canada assistance plan.....		10.5	225.6	256.8	295.3
Other.....	9.1	12.0	14.7	14.4	15.9
	1,185.7	1,330.4	1,508.7	1,668.7	1,950.0
NATIONAL REVENUE.....	95.0	105.9	115.1	120.0	143.0

STATEMENT OF EXPENDITURE BY DEPARTMENTS AND MAJOR CATEGORIES
FOR THE LAST FIVE FISCAL YEARS

(in millions of dollars)

	1965-66	1966-67	1967-68	1968-69	1969-70 (estimated)
PARLIAMENT—					
House of Commons.....	11.5	13.9	14.3	14.3	16.9
Senate.....	2.7	3.3	3.4	3.6	4.4
Library of Parliament.....	0.5	0.6	0.6	0.7	0.7
	14.7	17.8	18.3	18.6	22.0
PRIVY COUNCIL.....					
Economic Council of Canada.....	4.8	5.6	8.1	6.3	6.7
Public Service Staff Relations Board.....	1.1	1.4	1.5	1.5	1.6
Science Council of Canada.....		0.1	1.0	1.1	1.4
	5.9	7.1	11.0	9.3	11.0
PUBLIC WORKS—					
Administration and general.....	38.9	38.0	48.4	47.3	42.0
Accommodation services.....	101.7	108.5	133.8	168.7	189.0
Harbours and rivers engineering services.....	35.4	38.1	43.9	31.5	32.0
Trans-Canada highway—contributions to provinces.....	83.4	81.0	64.7	37.3	35.0
	259.4	265.6	290.8	284.8	298.0
REGIONAL ECONOMIC EXPANSION—					
Department.....	70.5	90.2	134.8	125.7	167.0
Cape Breton Development Corporation.....			1.6	30.1	33.5
National Capital Commission.....	18.6	33.0	23.2	25.0	20.5
	89.1	123.2	159.6	180.8	221.0
SECRETARY OF STATE—					
Administration and general.....	9.3	13.7	28.8	24.5	15.6
Canadian Broadcasting Corporation.....	97.5	115.2	143.3	148.3	166.5
Canadian Film Development Corporation.....				0.2	0.3
Canadian Radio-Television Commission.....	0.4	0.6	1.0	1.9	2.2
Centennial Commission.....	14.6	30.2	31.2		
Chief Electoral Officer.....	13.0	0.9	0.7	13.5	1.0
Company of Young Canadians.....		0.8	2.4	1.9	2.0
Grant to Canada Council.....			16.9	20.6	24.5
National Arts Centre Corporation.....			1.0	1.1	2.1
National Film Board.....	6.9	8.0	9.3	10.0	11.1
National Library.....	0.8	1.1	1.6	1.7	2.1
National Museums of Canada.....	3.5	4.5	6.7	7.1	7.4
Office of the Representation Commissioner.....	0.8	0.2	0.1	0.1	0.1
Post-secondary education payments to provinces pursuant to the Federal-Provincial Fiscal Arrangements Act, 1967.....			108.0	276.6	287.0
Public Archives.....	1.2	1.6	2.0	2.2	4.1
Public Service Commission.....	7.5	10.1	12.7	12.9	16.0
University grants.....	27.7	87.1	0.2		
	183.2	274.0	365.9	522.6	542.0
SOLICITOR GENERAL—					
Administration and general.....	0.4	0.6	0.9	1.1	1.1
Correctional services.....	56.5	59.6	64.9	63.1	65.9
Royal Canadian Mounted Police.....	64.4	84.1	87.7	101.7	109.0
	121.3	144.3	153.5	165.9	176.0
SUPPLY AND SERVICES—					
Administration and general.....	3.2	3.9	5.4	6.7	8.9
Services.....	25.9	30.0	32.8	34.0	39.6
Supply.....	17.1	20.3	21.5	21.5	27.5
Public Printing and Stationery.....	3.0	4.0	4.7	3.5	4.0
	49.2	58.2	64.4	65.7	80.0
TRANSPORT—					
Administration and general.....	4.6	6.3	7.1	7.9	8.0
Air services.....	110.7	129.5	132.1	150.4	146.0
Canadian Transport Commission— Administration and general.....	2.6	3.0	3.6	4.2	9.1

STATEMENT OF EXPENDITURE BY DEPARTMENTS AND MAJOR CATEGORIES
FOR THE LAST FIVE FISCAL YEARS

(in millions of dollars)

	1965-66	1966-67	1967-68	1968-69	1969-70 (estimated)
TRANSPORT—Concluded					
Payments to railways and transportation companies under the National Transportation Act.....	94.7	120.9	126.0	93.7	83.5
Contributions to the railway grade crossing fund.....	14.0	15.0	15.0	15.0	15.0
Steamship subventions.....	9.4	10.8	11.1	12.2	12.4
Subsidies to air carriers.....	0.4	0.4	1.2	1.3	3.0
Canals and works entrusted to The St. Lawrence Seaway Authority.....	10.1	12.9	10.6	11.4	10.0
Marine services.....	77.4	91.9	92.0	91.5	97.0
Non-active assets—National Harbours Board	4.8	7.0	4.8	6.6	8.0
Railways and steamships—					
Maritime Freight Rates Act.....	15.1	14.4	14.2	13.9	14.5
Deficits—					
Canadian National Railways.....	33.4	24.6	35.8	29.2	25.0
Newfoundland ferry and terminals.....	12.4	13.0	16.5	16.7	16.0
Prince Edward Island car ferry and terminals.....	4.2	4.6	4.8	5.0	5.0
Yarmouth-Bar Harbour ferry service.....		(1)	0.4	0.3	0.6
Other.....	35.0	30.3	37.0	19.0	13.9
Central Mortgage and Housing Corporation.....	21.6	20.1	23.1	29.8	42.0
	460.4	504.7	535.3	508.1	514.0
TREASURY BOARD—					
Administration and general.....	19.0	37.8	38.3	163.6	83.5
Public service superannuation account—					
Government's contribution.....	57.8	59.3	59.6	66.0	73.5
Amortization of deferred charges.....	25.9	56.3	60.6	84.8	102.0
National Research Council.....	63.6	79.9	101.0	117.8	122.0
	166.3	233.3	259.5	432.2	381.0
VETERANS AFFAIRS—					
Administration and general.....	10.7	9.6	10.1	10.2	10.2
Pensions for disability and death.....	185.6	195.9	205.6	223.3	220.0
Provision for reserve for conditional benefits.....	3.2	3.5	4.0	4.3	4.3
Soldier settlement and veterans land act.....	4.5	5.2	5.5	5.3	6.0
Treatment services.....	49.9	57.9	61.4	71.6	71.0
Welfare services, allowances and other benefits.....	115.8	118.7	114.2	112.9	112.5
	369.7	390.8	400.8	427.6	424.0
	7,681.2	8,740.0	9,824.1	10,767.2	11,815.0

(1) Less than \$50,000.

ANNUAL CHANGES IN LOANS AND ADVANCES FOR THE LAST FIVE FISCAL YEARS

(in millions of dollars)

	1965-66	1966-67	1967-68	1968-69	1969-70 (estimated)
Loans to, and investments in, Crown corporations—					
Air Canada.....	0.7	3.1	0.6	50.1	88.0
Atomic Energy of Canada Limited.....	11.9	28.4	32.9	68.5	137.0
Canada Deposit Insurance Corporation.....			29.4	-5.9	
Canadian Arsenals Limited.....	-2.5				
Canadian Broadcasting Corporation.....	12.5	35.0	18.4	18.3	24.0
Canadian Commercial Corporation.....	2.0	4.5	6.5	-1.0	
Canadian Corporation for the 1967 World Exhibition.....	44.0	131.0	30.0	-57.0	-148.0
Canadian Dairy Commission.....		0.1	22.1	19.8	
Canadian National Railways.....	59.1	124.2	163.2	150.3	102.0
Canadian Overseas Telecommunication Corporation.....	-2.6	-2.7	2.6	-3.1	1.0
Cape Breton Development Corporation.....			5.2	4.8	
Central Mortgage and Housing Corporation.....	315.1	488.6	633.9	385.2	476.0
Eldorado Nuclear Limited.....					14.0
Export Development Corporation ⁽¹⁾	36.4	36.2	34.7	32.5	49.0
Farm Credit Corporation.....	147.0	164.1	169.2	128.2	90.0
National Capital Commission.....	7.4	7.0	0.8	-9.2	
National Harbours Board.....	3.0	19.5	27.8	11.1	4.0
Northern Canada Power Commission.....	2.1	0.8	2.9	8.5	
Northern Transportation Company Limited.....				2.0	3.0
St. Lawrence Seaway Authority ⁽²⁾	26.7	29.8	26.7	28.8	28.0
Other.....				0.3	
	662.8	1,069.6	1,206.9	832.2	868.0
Loans to national governments—					
United Kingdom.....	⁽³⁾ 19.2	-18.9	-19.2	⁽³⁾ 18.1	-19.7
Export Credits Insurance Act.....	-2.3	-2.3	-2.3	-2.3	-2.3
Special loans to Colombo plan countries to finance the purchase of wheat and flour from Canada.....	-1.3	-9.9	-0.3		
Loans to India for the purchase in Canada of aircraft and associated spare parts and equipment.....	-2.2	-2.4	-2.7	-1.3	
Special loan assistance—developing countries.....	5.2	9.8	29.1	48.5	86.0
Other.....	18.6	-23.6	4.5	63.1	64.0
Other loans and investments—					
Subscriptions to capital of, and working capital advances and loans to, international organizations—					
Canada's subscription to capital of—					
Asian development bank.....		2.7	2.7	2.7	2.7
International monetary fund.....		205.4			
International bank for reconstruction and development.....		4.5			
International development association.....	15.0	15.0	15.0	27.1	27.0
Working capital advances and loans to international organizations.....	-0.1	-0.1	-0.3	-0.3	
Loans to provincial governments.....	-1.7	26.8	64.2	82.6	11.0
Municipal development and loan board.....	101.3	122.3	48.5	1.6	-8.0
Veterans land act advances.....	24.1	55.2	71.5	38.7	60.0
Balances receivable under agreements of sale of Crown assets.....	-1.7	-1.2	0.1	-0.2	
Housing projects for Canadian forces.....	0.2	-0.1	1.1	0.1	
Old age security fund.....	-25.0				
Loans to manufacturers of automotive parts in Canada.....	0.1	12.5	7.9	1.1	11.0
Defence plant modernization.....			10.2	4.4	9.0
Other.....	10.9	7.8	10.3	11.3	19.0
	123.1	450.8	231.2	169.1	131.7
Net total of changes in loans and investments..	804.5	1,496.8	1,442.6	1,064.4	1,063.7

⁽¹⁾ Formerly the Export Credits Insurance Corporation.⁽²⁾ Includes deferred interest.⁽³⁾ Deferred interest.

UNMATURED DEBT INCLUDING TREASURY BILLS AS AT MARCH 31, 1970
AND THE ANNUAL INTEREST THEREON (estimated)

		Date of maturity	Rate per cent	Amount of loan	Annual interest
				\$	\$
Payable in Canadian dollars—					
Loan of 1936.....	P 1	Perpetual	3	55,000,000	1,650,000
Loan of 1958.....	T, 24	1970 May 1	3½	200,000,000	7,000,000
Loan of 1968.....	F 34	May 1	6½	50,000,000	3,125,000
Loan of 1969.....	F 36	May 1	7	125,000,000	8,750,000
Loan of 1965 and 1966.....	CT 19	July 1	5	175,000,000	8,750,000
Loan of 1966 and 1967.....	F 2	July 1	5	140,000,000	7,000,000
Loan of 1969.....	F 40	July 1	7½	130,000,000	10,075,000
Loan of 1968.....	F 27	Oct. 1	7	275,000,000	19,250,000
Loan of 1968.....	F 30	Oct. 1	6½	105,000,000	7,087,500
Loan of 1969.....	F 42	Oct. 1	7½	40,000,000	3,100,000
Loan of 1969.....	F 44	Oct. 1	8	30,000,000	2,400,000
Canada savings bonds, 1957.....	S 12	Nov. 1	4½	40,300,000	1,914,250
Canada savings bonds, 1960.....	S 15	Nov. 1	5	44,900,000	2,245,000
Loan of 1966.....	F 8	Dec. 15	5½	300,000,000	17,250,000
Loan of 1969.....	F 48	Dec. 15	8	75,000,000	6,000,000
Loan of 1967.....	F 20	1971 Apr. 1	6	225,000,000	13,500,000
Loan of 1968.....	F 35	Apr. 1	6½	200,000,000	12,500,000
Loan of 1964.....	CT 15	June 1	5	350,000,000	17,500,000
Loan of 1970.....	F 49	June 1	8	75,000,000	6,000,000
Loan of 1968.....	F 21	Oct. 1	6½	200,000,000	12,500,000
Loan of 1969.....	F 45	Oct. 1	8	170,000,000	13,600,000
Canada savings bonds, 1961.....	S 16	Nov. 1	5	44,200,000	2,210,000
Loan of 1967 and 1968.....	F 17	Dec. 15	6	285,000,000	17,100,000
Loan of 1969.....	F 37	1972 Apr. 1	7½	235,000,000	17,037,500
Conversion loan, 1958.....	T 23	Sept. 1	4½	1,267,203,100	53,856,132
Loan of 1969.....	F 43	1973 Feb. 1	8	110,000,000	8,800,000
Loan of 1968.....	F 25	Apr. 1	7	475,000,000	33,250,000
Loan of 1965.....	CT 17	Oct. 1	5	275,000,000	13,750,000
Loan of 1967.....	F 11	Oct. 1	5	200,000,000	10,000,000
Canada savings bonds, 1958.....	S 13	1973 Nov. 1	4½	20,100,000	854,250
Loan of 1967.....	F 22	Dec. 1	6½	225,000,000	14,062,500
Loan of 1969.....	F 38	1974 Apr. 1	7½	125,000,000	9,062,500
Loan of 1968.....	F 28	June 15	7	250,000,000	17,500,000
Loan of 1969 and 1970.....	F 46	Oct. 1	8	425,000,000	34,000,000
Canada savings bonds, 1964.....	S 19	Nov. 1	5	71,000,000	3,550,000
Loan of 1967.....	F 14	Dec. 1	5½	100,000,000	5,500,000
Loan of 1968.....	F 32	1975 Apr. 1	6½	200,000,000	13,000,000
Loan of 1959.....	T 36	Oct. 1	5½	310,361,000	17,069,855
Loan of 1965.....	CT 24	Oct. 1	5½	50,000,000	2,750,000
Loan of 1967.....	F 9	Oct. 1	5½	70,000,000	3,850,000
Canada savings bonds, 1963.....	S 18	Nov. 1	5	75,800,000	3,790,000
Loan of 1960.....	T 38	1976 Apr. 1	5½	436,198,000	23,990,890
Loan of 1954.....	T 11	June 1	3½	247,046,500	8,029,011
Canada savings bonds, 1962.....	S 17	Nov. 1	5½	118,600,000	6,523,000
Canada savings bonds, 1965.....	S 20	1977 Nov. 1	5	66,500,000	3,325,000
Loan of 1953 and 1958.....	T 5	1978 Jan. 15	3½	207,911,500	7,796,681
Loan of 1969.....	F 41	July 1	8	125,000,000	10,000,000
Special replacement series.....		1978 Oct. 1	7	261,400,000	13,298,000
Canada savings bonds, 1969.....	S 24	Nov. 1	7	4,704,300,000	329,301,000
Loan of 1954.....	T 13	1979 Oct. 1	3½	343,246,500	11,155,511
Canada savings bonds, 1966.....	CS	Nov. 1	5	277,200,000	13,860,000
Loan of 1962.....	AT 14	1980 Aug. 1	5½	112,396,000	6,181,780
Loan of 1966.....	CT 26	Aug. 1	5½	78,929,000	4,341,095
Loan of 1966 and 1967.....	F 3	Aug. 1	5½	160,000,000	8,800,000
Canada savings bonds, 1967.....	S 22	Nov. 1	5½	167,000,000	8,767,500
Canada savings bonds, 1968.....	S 23	1982 Nov. 1	6½	651,000,000	42,315,000
Conversion loan, 1958.....	T 29	1983 Sept. 1	4½	1,992,679,450	89,670,575
Loan of 1963.....	AT 21	1988 June 1	5	100,000,000	5,000,000
Loan of 1964.....	CT 9	June 1	5	50,000,000	2,500,000
Loan of 1964 and 1965.....	CT 12	1990 May 1	5½	225,000,000	11,812,500
Loan of 1967.....	F 12	May 1	5½	125,000,000	6,562,500
Loan of 1966 and 1967.....	F 6	1992 Sept. 1	5½	225,000,000	12,937,500
Loan of 1968.....	F 33	1995 Oct. 1	6½	100,000,000	6,500,000
Conversion loan, 1956.....	T 15	1998 Mar. 15	3½	197,045,000	7,389,188
Three-month treasury bills.....			various	1,755,000,000	135,805,000
Six-month treasury bills.....			various	870,000,000	67,948,500
268-day treasury bills.....			7.50	20,000,000	1,500,000
308-day treasury bills.....			7.46	175,000,000	13,055,000

UNMATURED DEBT INCLUDING TREASURY BILLS AS AT MARCH 31, 1970
AND THE ANNUAL INTEREST THEREON (estimated)—*Concluded*

	Date of maturity	Rate per cent	Amount of loan	Annual interest
			\$	\$
Payable in Canadian dollars— <i>Concluded</i>				
364-day treasury bills.....		8.01	75,000,000	6,007,500
Special non-marketable bonds—				
Unemployment Insurance Commission		5	68,000,000	3,400,000
Unemployment Insurance Commission		5½	12,000,000	660,000
Unemployment Insurance Commission		5¾	54,000,000	3,105,000
Unemployment Insurance Commission		6	92,000,000	5,520,000
Unemployment Insurance Commission		6½	71,000,000	4,615,000
Unemployment Insurance Commission		7½	100,000,000	7,500,000
Unemployment Insurance Commission		8	69,000,000	5,520,000
Unemployment Insurance Commission		various	15,300,000	1,000,000
Canada pension plan investment fund..				
			22,166,616,050	1,362,882,218
Payable in United States dollars—				
Loan of 1949.....	1974 Sept. 1	2½	48,755,627	1,340,780
Loan of 1950.....	1975 Sept. 15	2½	30,301,591	833,294
Loan of 1962.....	1987 Oct. 15	5	77,837,760	3,891,888
Loan of 1968.....	1988 June 1	6½	108,108,000	7,432,425
			265,002,978	13,498,387
Payable in German deutsche marks—				
Notes of 1968.....	1973 June 1	6½	73,844,250	4,984,487
Payable in Italian lire—				
Notes of 1968.....	1970 May 15	5½	34,594,560	1,989,187
Notes of 1968.....	1971 May 15	5½	36,324,288	2,134,052
Notes of 1968.....	1972 May 15	6	37,189,152	2,231,349
			108,108,000	6,354,588
			22,613,571,278	1,387,719,680

The interest shown is a projection for one year at the annual rates on principal amounts outstanding at March 31, 1970. Where various rates of interest are applicable during the term of a loan the interest rate in effect at March 31, 1970 has been used.

Bonds payable in New York, Germany and Italy have been converted at the official parity rate.