

in a position to make assertions about the overall performance and competitive status of the Canadian economy.

To this end, we in the Canadian Department of Labour are engaged in the development of a series of data that will enable us to see more clearly the relation between recent wage trends on the one hand, and costs of production and the competitive position of the Canadian economy on the other. I should like to spend the remainder of the time allotted to me to describe this work on wages and costs in the international trade sector of the Canadian economy. The study is still in a preliminary stage and I shall be able to report on it in only a general way.

The first part of the study encompasses an investigation of a series of wage, productivity, and cost data for 22 "import-competing", "export" and "domestic" manufacturing industries. The industries were chosen on the basis of their importance in the manufacturing sector and the availability of data necessary for the analysis. In 1958, these 22 industries accounted for the production of \$12.7 billion worth of goods or 57 per cent of the value of all manufacturing output in that year.

There are no published data in Canada for industries classified into the three trade categories: Import-competing, export, or domestic. We therefore developed our own classification for the study. The method followed was first to allocate import and export items which are listed either in the Trade of Canada statistics or in annual industry