

CANADIAN STURGEON FOR U.S.S.R.

Last month, at the request of Dr. A. Bogdanov, director of the All-Union Research Institute of Marine Fisheries and Oceanography in Moscow, 15 sturgeon from the Westport hatchery of the Ontario Department of Lands and Forests were sent by air to the Soviet Union.

The purpose of the shipment is to help Russian scientists with genetic studies they are conducting by the cross-breeding of different species. Ontario has conducted similar experiments with its splake (brook trout-lake trout hybrid).

The sturgeon, which were up to 32 inches in length, some weighing as much as eight pounds, were sent on their long journey in individual plastic bags filled with pure oxygen, packed in styrofoam-lined boxes made of 1/4-inch plywood. The bags were lined so that they would not be pierced by the sharp scales of the fish, and were surrounded by ice to lower the water temperature to reduce the movements of the fish.

The Ontario Department of Lands and Forests has not attempted to raise sturgeon in its hatcheries because they are poor sport fish. They take about 19 years to mature and then only spawn about every seven.

GROSS NATIONAL PRODUCT

After five quarters of rapid growth, the pace of economic activity in Canada levelled off in the strike-affected second quarter of 1969. The gross national product at market prices rose by 0.9 per cent, to reach a level of \$77.3 billion, seasonally adjusted at annual rates. With price increases of 1.1 per cent absorbing all this gain, the volume of physical production remained virtually level, with a decline of 0.2 per cent.

A lessening in demand pressure was evident in all major components except government capital expenditure, which rose by 6.5 per cent. The percentage gains shown by personal expenditure (2 per cent), and by government current expenditure on goods and services (1.5 per cent), were markedly lower than the corresponding increases of 3 and 4.5 per cent in the first quarter. The rise in the value of business gross-fixed-capital formation was mainly caused by higher prices; in real terms, it rose by half of 1 per cent, compared to 2 per cent in the first quarter. Declines occurred in exports of goods and services and in non-farm business inventory investment; the former declined by 2 per cent, while the latter showed a small liquidation compared to substantial accumulation in the three previous quarters.

PERSONAL EXPENDITURE

Services continued to increase at about the same rate as in previous quarters, but there was a sharp

slowdown in purchase of goods. Durable goods showed a decline, mainly the result of sharply curtailed consumer expenditure on new cars of North American manufacture, while non-durable goods eased markedly. Large price increases accounted for two-thirds of the increased expenditures.

A 6 per cent increase in housing construction accounted for most of the addition to business-capital formation. Spending on plant and equipment rose by 1.5 per cent and was centered in machinery and equipment. Industrial disputes contributed to a slowdown in non-residential construction. The 1 per cent increase in outlays was entirely due to sharply rising material prices and wage rates; in constant dollars, non-residential construction showed a 2 per cent decline.

All the inventory build-up in the second quarter took place in the farm sector and reflected accumulation in farm-held grain stocks associated with the slowdown in grain sales and in higher-valued livestock inventories. Non-farm business inventories showed a small depletion after a \$1-billion accumulation in the first quarter. The decline in business investment in non-farm inventories was widespread.

TRADE

In the external sector, the net effect of a decline in exports and an unchanged level of imports was a widening in the deficit on current account (on a national accounts basis) from an annual rate of \$676 million in the previous quarter to \$1,080 million. The merchandise surplus dropped from \$1,056 to \$624 million, while the non-merchandise deficit narrowed slightly. Wheat and iron ore led the decline in merchandise exports.

On the income side, for the second consecutive quarter, there was practically no change in corporation profits. Wages and salaries continued to advance rapidly, by about 3 per cent, with higher average weekly earnings accounting for most of the rise. Employment slowed down, largely as a result of a number of strikes in the construction, mining and transportation industries. The unemployment rate, which had declined to 4.2 per cent in the first quarter from its high level of about 5 per cent through the last three quarters of 1968, rose in the second quarter to 4.8 per cent.

CANADA-GERMANY PUBLICATION SWAP

An agreement for the exchange of publications by Canada and the Federal Republic of Germany has been concluded in Ottawa. This agreement follows a visit to Germany last summer of the National Librarian, Dr. Guy Sylvestre. Under its terms, copies of specified official publications will be sent to the National Library in Ottawa and the Staatsbibliothek in Berlin by the West German and Canadian Governments respectively.