

Government Monetary Policy

At page 2 of the dominion bureau of statistics release, we find this statement:

The labour force was 3.1 per cent higher than a year earlier, a substantially greater increase than the 0.8 per cent rise in employment.

Following that we find the figures in respect of the labour force, employment and unemployment. Comparing them between January, 1960 and January, 1961, we find that the labour force increased from 6,203,000 to 6,396,000, representing an increase of 193,000 in the labour force in Canada in that year. The number of persons employed from January, 1960 to January, 1961 has also increased from 5,656,000 to 5,703,000, representing an increase of 47,000. I might say that this increase has taken place during a period when ruin has been shouted across the country. The unemployed have also increased in number from 547,000 to 693,000, showing an increase of 146,000 which does not represent as great an increase as that in the labour force. Therefore, when we look at unemployment and say, yes we have unemployment and it has increased, we have also to look at the fact that there are more people working. There are in fact 47,000 more people working in spite of the fact that the labour force in Canada has increased 193,000 during that period of time.

We should look at the business conditions in this country. First, if we look at page 1 of the dominion bureau of statistics release under the subheading "Merchandising" we find the following statement:

Department store sales in the week ended February 4 were 8.9 per cent higher in value as compared to the like 1960 period. Chain store sales in 1960 reached a new peak of \$3,441,775,000, up 4.9 per cent from 1959's previous high of \$3,280,263,000. Sales were larger for 7 of the 11 specified trades.

Looking at the details on this item at page 15, we find that the following statement is made:

Department store sales in the week ended February 4 were 8.9 per cent higher in value than in the corresponding period last year, according to a special D.B.S. statement. All regions posted increases as follows: Atlantic provinces, 19.0 per cent; Quebec, 9.5 per cent; Ontario, 6.3 per cent; Manitoba, 3.0 per cent; Saskatchewan, 9.3 per cent; Alberta, 5.6 per cent; and British Columbia, 13.6 per cent.

Turning again to chain store sales in 1960 we find that the following appears:

Chain store sales in 1960 advanced 4.9 per cent to an all-time high of \$3,441,775,000 from 1959's previous peak of \$3,280,263,000. Sales were higher than a year earlier in all months except May and October.

Finally, sales were larger in 1960 than in 1959 for seven of the 11 specified trades which the dominion bureau of statistics investigated.

Having looked at these particular items of business conditions I think we should look at another matter that causes us concern and that is border crossings: vehicles entering Canada from the United States.

Vehicles entering Canada from the United States in November numbered 1,203,600, an increase of 10.7 per cent over the corresponding 1959 month. Entries in the January-November period rose 2.3 per cent to 17,524,100.

In looking at the details of these on page 14 we find that border crossings in the January to November period were 17,524,100 versus 17,132,700 a year earlier, a rise of 2.3 per cent.

Just incidentally, Mr. Speaker, may I say that there is an extremely interesting item—I do not know whether or not there is any direct connection—on page 10 of the D.B.S. release, namely "Shipments of foundation garments". The D.B.S. release shows that foundation garments are up and that raw hides and skins, the next item, are down. To complete the picture, we find that the population of Canada, as of January 1 this year, has reached an estimated 18,041,000 representing a rise of 2.1 per cent from a year earlier and a gain of 12.2 per cent from the 1956 census. I do not think the population increase is directly attributable to the government but since everything else that goes down is charged against the government, perhaps when something like population goes up they can take a little bit of credit for it.

The other item with which we are very much concerned is the premium on the Canadian dollar. It is not long since the premium was about 5 per cent and 6 per cent, a matter causing great concern to our exporters, our tourist operators and other persons who were deeply affected by the high value of the Canadian dollar. Today the Canadian dollar is 1.1 cents higher than the United States dollar. There is no need to point out the advantages that are accruing and will accrue from this fact. The export trade is going to benefit. The figures that I am about to quote in connection with the export trade were arrived at before the so-called baby budget at the end of this year and their effect had not yet been felt by the time these trades statistics had been compiled.

I should like to look for a moment, in connection with external trade, to the D.B.S. weekly bulletin, issue of Friday, February 3, 1961. Under the item "External Trade" we find the following:

Canada's trade with other countries reached a new peak in 1960, being valued at \$10,891,100,000, an increase of 2.3 per cent over the 1959 value of \$10,649,200.00. Total exports in 1960 were valued at \$5,395,300,000, a rise of 5 per cent over the previous record attained in the preceding year, while imports at \$5,495,800,000 were fractionally less than in 1959.