

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.