$192·15, up 10·5 per cent.

The figures include workers in forestry, mining, manufacturing, construction, transportation, communications, trade, finance, insurance, real estate and service industries.

Employment

Unemployment in Canada dropped to 5·3 per cent in April as the level of employment increased for the seventh consecutive month, Statistics Canada reported at mid-May.

The seasonally-adjusted April figures compare with 5·4 per cent for March while actual unemployment dropped to six per cent from 6·4. Young women improved their job situations dramatically during the month and, regionally, Ontario made the best gains. In Quebec, there was a significant increase in employment levels, but this was balanced by a higher participation rate.

Actual unemployment totalled 568,000 out of 9,441,000 in the labour force. That labour force total meant that 57·4 per cent of the population — the participation rate — had or were seeking jobs.

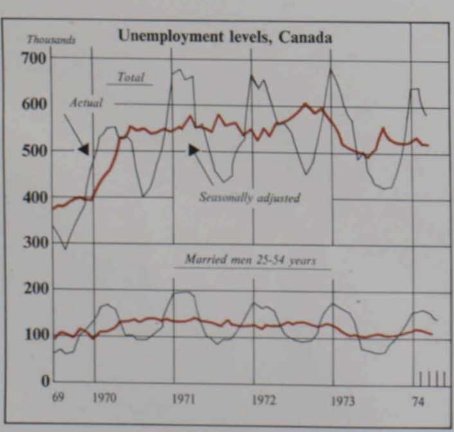
The seasonally-adjusted unemployment rate — the one considered most significant by economists for assessing performance of the Canadian economy — compares with 5·5 per cent in February and January and 5·4 in April, 1973.

The rate for women went to 4·8 per cent in April from 5·2 per cent in March while the rate for men was unchanged at 5·6 per cent.

Women in the 14—24 age group showed an improvement to 7·9 per cent unemployed in April compared with nine per cent in March. The more-than-25 age group was unchanged at 3·2 per cent.

Unemployment for men in the 14—24 age group went to 10·6 per cent from 10·1 while for the more-than-25 group there was an improvement to four per cent from 4·2.

Regionally there were these changes comparing April and March: Atlantic provinces, 9·2 per cent and 9·3 per cent; Quebec, 7·4 and 7·3; Ontario, 3·6 and 4·2; Prairie provinces, 2·9 and 3·0; and British Columbia, 5·7 and 5·5.



Cost of living

The April figures on consumer prices in Canada were released in May. The Statistics Canada findings provided a good news - bad news report.

The good news was a slight decline in the index for prices of food consumed in the home. The bad news was that prices in all other categories were up. The April consumer price index was up seven-tenths of one per cent compared with March and 9·9 per cent compared with April of last year.

The annual rate was down slightly from March when for the first time the Canadian rate for year-over-year changes moved into double figures and was 10·4 per cent above March, 1973.

The clothing and transportation components of the price index led April price increases. The average price of gasoline declined during April by eight-tenths of one per cent because of a cut in provincial taxes in Alberta. Higher product prices across Canada went into effect in mid-May, however, as producers implemented higher wholesale prices.

The 1·2 per cent increase in transportation was in part due to higher fares for train and international air travel and in part due to a 1·4 per cent gain in the cost of maintaining a car.

The clothing index advanced by nine-tenths of one per cent as prices rose for a variety of products.

The index for food consumed in the home declined by two-tenths of one per cent while prices of restaurant foods rose by 1·8 per cent. The combined food index — which accounts for one quarter of the consumer price index — went up by one-tenth of one per cent. Declines in beef and pork prices were the major influences on the easing of the rate of increase in food prices. Dairy and bakery products were among commodity groups with rising prices. Fresh vegetable prices were down and fruit prices up.

The April increase brought the consumer price index to 161·9, up from 160·8 in March and 147·3 in April, 1973. The index is based on 1961 equalling 100. Put another way, it now would take $161·90 to buy what could have been bought for $100 in 1961, or what would have cost $160·80 a month before and $147·30 a year before.

The purchasing price of the 1961 dollar was down to 62 cents, compared with 68 cents a year earlier, Statistics Canada said.

Credit unions

Any further increase in bank lending rates would put Canadian credit unions in real trouble, Robert Ingram, general manager of the National Association of Canadian Credit Unions, said recently in Calgary, Alberta.

Since the Bank of Canada raised its interest rate in mid-May and chartered banks set the prime lending rate at 11 per cent, the squeeze is on the credit unions, he said.

In most provinces, credit unions can legally charge a maximum of 12 per cent on loans, he said in an interview during the association's annual meeting. The exceptions are Alberta, British Columbia and Nova Scotia.

Now that credit unions must borrow at 11 per cent, most had only a one-per-cent margin to cover administration costs. Except for very large credit unions a two- to three-per-cent margin between borrowing and lending rates was needed to cover administration costs, he said.

This meant credit unions face a serious cutback in lending, Mr. Ingram said.

The association is the central organization for provincial credit union associations. There are more than 6·5 million members in 4,128 credit unions across Canada. The members hold approximately C.$8 billion in savings.

The National Credit Union Association and the Canadian Cooperative Credit Society are in the process of merging into one organization. The merger is expected to take place in 1975.

Bank Rate

The Bank of Canada announced on May 12 that the Canadian Bank Rate has been increased by ½ per cent to 8¾ per cent effective May 13, 1974. The Bank Rate had been set at 8¼ per cent on April 15.

The Governor of the Bank of Canada, Mr. Gerald K. Bouey, noted that a further upward adjustment of short-term interest rates in Canada had occurred in recent weeks, in part reflecting further increases in short-term interest rates in the United States and in the Euro-dollar market. During the same period, the pace of monetary and bank credit expansion in Canada had been much more rapid than needed to sustain the continued expansion of the economy.

Although temporary influences including the recent interruption of mail service provided a partial explanation for the recent very high rates of monetary and bank credit expansion, there was no doubt that they also reflected the continuing intensity of underlying credit demands in Canada. In these circumstances no responsible course of action was open to the Bank of Canada which could have prevented this latest rise in short-term interest rates, and accordingly the Bank Rate has been increased.