

C\$9,864 million (up to 24.2 per cent) of Canada's total exports of C\$14,039 million in the period.

### Housing

Canada's housing starts were at a seasonally-adjusted annual rate of 273,200 for all areas in September, according to preliminary figures released by Central Mortgage and Housing Corporation.

In July the rate reached an unprecedented 304,200 following first and second quarter levels of 262,500 and 284,300 respectively.

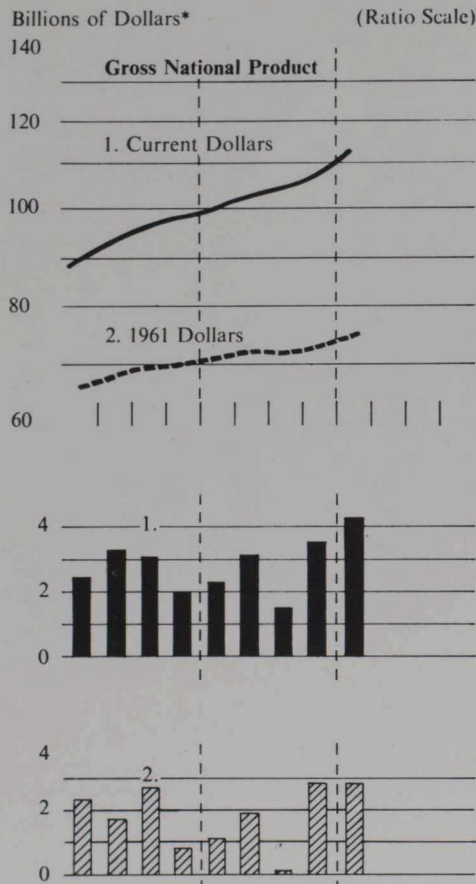
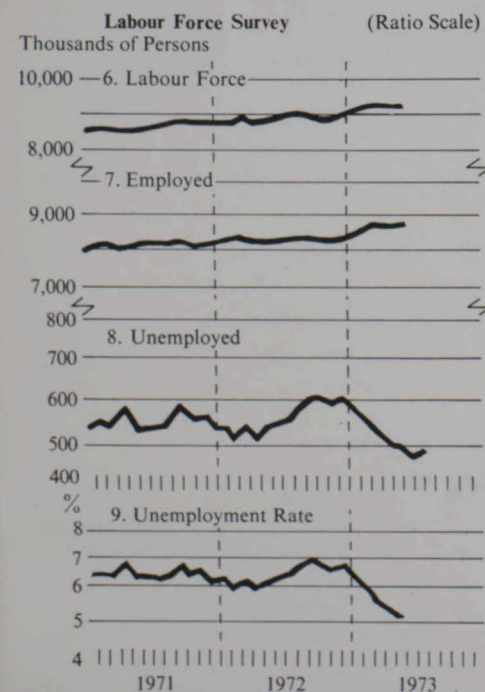
The CMHC survey indicated total housing starts for 1973 could climb above 260,000 units. Canada's annual record was set in 1972 when starts numbered 249,914.

Actual starts in August totalled 19,924 in the urban areas alone, up four per cent from the August, 1972 figure of 19,082. For the first eight months of 1973, actual urban starts numbered 134,563, an increase of three per cent over the 130,470 total for the same period last year. Single-family housing activity increased six per cent while multiples were up one per cent.

### Productivity

Labour productivity (output per worker) increased notably more in the 1950s than in the 1960s in most Canadian manufacturing industries, according to a study released in September by the Canada Department of Labour, but showed a better rate of increase again through 1968 to 1970.

The study covers 22 manufacturing



industries and all manufacturing for the period from 1949 to 1968, with additional data for 1969 and 1970 added in supplementary tables.

Over the entire period, 1949 to 1968, productivity for all labour in all manufacturing, increased at an annual rate of 5.8 per cent. For the 1961-1968 period it was 3.9 per cent, but supplementary data for 1961 to 1970 show a somewhat higher annual rate of increase, at 4.4 per cent.

Compensation (wages and salaries) per worker increased at about the same annual rate in the 1960s as in the previous decade. This, combined with somewhat lower rates of increase in labour productivity in the sixties in most of the industries studied, meant that unit labour costs of production increased more rapidly in the more recent period. Thus, for total labour in all manufacturing, the annual rate of increase for the whole 1949-1968 period was 0.7 per cent, but for 1961-1968 it was 1.9 per cent, and supplementary data for 1961-1970 show a slightly higher rate, at 2.2 per cent.

Unit cost of production for other than labour, described as unit residual cost, increased much more than unit labour costs for all manufacturing over the full period, but during the 1960s, many of the industries studied experienced a greater

climb in labour than in residual costs.

On the average, costs of raw materials, wholesaling and retailing rose more rapidly than costs of production in the plant.

Copies of *Productivity, Costs and Prices*, Catalogue Number L41-1173, are available from Information Canada, Ottawa, at \$3.75 each. The supplementary tables may be obtained, upon request, from the Canada Department of Labour.

### Cost of living

The Canadian consumer price index (1961=100), spurred by a 3.2 per cent surge in food prices, advanced 1.3 per cent in August to 153 from 151 in July. Nearly two-thirds of the advance was due to increased food prices. The movement represented an increase of 8.3 per cent, Statistics Canada reported, from the level 12 months earlier. Sharply increased meat poultry and egg prices were major contributors to the larger-than-usual rise in the index, which is treated as a major indicator of the rate of inflation in the Canadian economy. The index rose at a slower rate in September, up six-tenths of one per cent at 153.9

### Pensions

Increases in family allowances and old age and civil service pensions in Canada were approved by Parliament in September.

Effective October 1, the basic old age pension for a single person rose to C\$105.3 a month from C\$100. This is universally available to Canadians at age 65. Persons receiving the guaranteed income supplement to the basic pension, as most Canadian pensioners do because of their income level, received an increase to C\$179.16 from the previous rate of C\$170.14.

Parliament also legislated that hereafter, these pensions will be increased quarterly at the same rate as increases in the consumer price index - Canada's main indicator of living costs. Should a day come when this index goes down, the pensions would remain at their latest level.

Also effective October 1, the family allowance, paid universally without regard to income, was raised from an average of C\$7.21 monthly per child to C\$12 monthly for every dependent child up to age 18. (check) A proposal still before Parliament would raise this further to C\$20 monthly per child effective 1 January 1974.

Another bill removed a two-per-cent ceiling on annual increases in pensions for retired civil servants. The increases now will be by the full percentage of increase in the consumer price index in a year.