



CANADIAN WEEKLY BULLETIN

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

Vol. 12 No. 3

January 16, 1957

PHENOMENAL GROWTH FORECAST

A remarkable increase in living standards and in the level of per capita net disposable income of Canadians over the period of the next 25 years was predicted in the preliminary report of the Royal Commission on Canada's Economic Prospects, made public in Ottawa, January 10.

Forecasting Canada's growth during the next 25 years, the Commission estimated that:

- the Canadian population will increase from 15,575,000 in 1955 to about 26,650,000 in 1980, assuming an average net immigration of 75,000 persons per annum;
- the labour force will grow at about the same rate as the population as a whole. Average hours per week in agriculture are expected to decrease from 55.3 to 43.75 and, in business, from 41.3 to 34.3 in 1980;
- the Gross National Product may increase from \$26.8 billion in 1955 to about \$76 billion in 1980, i.e., by roughly three times. The principal variables in this estimate are the growth in population and the increased rate of productivity, particularly for the business sector of the economy. The forecast for 1980 is an average of two calculations based on increases in productivity of 2.5 per cent and 3.25 per cent per annum for the business sector and net immigration annually of 75,000 persons;

- if the forecast of the increase in Gross National Product is borne out by events, the average Canadian in 1980, after paying income tax, will probably have about two-thirds again as much income in real terms for his own use as he had in 1955.
- while the output of all sectors of the economy is expected to increase, that of agriculture may decline in relative terms from about 13 per cent of the total in 1955 to about 6 per cent in 1980. On the other hand, the output of the resource industries (particularly mining, oil and gas, and electric light and power) is expected to increase from about 10 per cent of the total in 1955 to about 15 per cent in 1980; and the output of secondary manufacturing is expected to increase from about 22 per cent in 1955 to about 25 per cent in 1980;
- the percentage of the total labour force employed in agriculture will decline from about 15 per cent in 1955 to about 7 per cent in 1980. The resource industries, primary and secondary manufacturing, and construction, are expected to employ roughly the same proportion of the total labour force in 1980 as they do today. The proportion of the number of workers employed in the tertiary or service sectors of the economy is expected to increase considerably;

(Over)

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