

interesting enough to merit a special study, and we recommend that it be undertaken.

17. There is a need for more statistical information on borrowing and lending rates. We also think that the Bank of Canada should ask the chartered banks to examine the practicability of reporting their borrowings and their loans on a regional basis.

#### APPENDIX A

*Extract from the Brief of the Economic Council of Canada, presented to the Committee October 6, 1969:*

“With unemployment in the range of 4 to 5 per cent of the labour force through 1968 and early 1969, the Council argues that it is difficult to maintain that such inflation is merely a reflection of recent general excessive demand pressures—and that this situation is quite different from that of 1966 when a sudden surge of demand emerged and drove the unemployment rate rapidly down to less than 3½ per cent. In this context, the Council notes important differences between the experiences of Canada and the United States. In 1965-66, Canada had significantly more price increase than the United States, but lower rates of unemployment and generally stronger demand pressures. In 1968-69, these positions are reversed: Canada has had slightly less general price increase than the United States, but considerably higher unemployment, and it is the United States which has recently had much stronger demand pressures. These facts are set out briefly in Table 1. In terms of the GNP price index—the broadest index of price increases taking place in the whole economy—it might be noted that the highest rate of price increase in Canada occurred in 1966.

From the table it will be seen that the GNP price index increased 4.6 per cent in 1966. For the first half of 1969, as against the first half of 1968, the rate is 3.7. In the United States the highest rate of such increase has occurred in 1969. In the United States there has been a more steady build-up towards higher rates of price increase.”

“(Text)

TABLE I  
Percentage Change in Gross National Product Price  
Index 1965 to First Half 1969

Year	Canada	United States
1965	3.5	1.9
1966	4.6	2.7
1967	3.4	3.2
1968	4.0	4.0
1969 (First Half)	3.7*	4.5

\* On the basis of the unrevised National Accounts; quarterly figures on the revised basis have not yet been published by the Dominion Bureau of Statistics.”