

For the most part, the increase in farm cash income between 1960 and 1961 was attributable to increased returns from the sale of wheat, flaxseed, tobacco, hogs and poultry products. Lesser amounts were also contributed by oats, barley and dairy products. Offsetting these gains, to some extent, were smaller returns from marketings of potatoes and cattle, reduced Canadian Wheat Board participation payments and substantially larger repayments of cash advances on farm-stored grains in Western Canada.

In addition to income from the sale of farm products, farmers in Western Canada received supplementary payments totalling \$7.6 million during the first six months of 1961 as against \$29.6 million in the corresponding period a year earlier. Payments for the current year were made up almost entirely of payments made under the provisions of the Prairie Farm Assistance Act whereas, in 1960, they included \$17 million worth of PFAA payments and \$12 million paid out in connection with the Federal-Provincial Emergency Unthreshed Grain Assistance Act.

When combined, the cash income from the sale of farm products and supplementary payments amounted to \$1,337.0 million for the first half of 1961. This was above the estimate of \$1,305.7 million realized in 1960, but slightly below the figure of \$1,339.5 million for the January-June period of 1959.

All provinces, except Prince Edward Island and New Brunswick, shared varying amounts of the increase of farm cash income. In the case of the two Maritime Provinces, a substantial reduction in income from the sale of potatoes was almost entirely responsible for the decline in total income of about 25 per cent and 16 per cent, respectively. The gains recorded for the remaining provinces ranged from less than 1 per cent for Alberta to over 9 per cent for Saskatchewan.

Cash income for the half-year period was as follows by provinces (thousands): Prince Edward Island, \$12,254 (\$16,489 in 1960); Nova Scotia, \$20,511 (\$18,924); New Brunswick, \$20,015 (\$23,891); Quebec, \$202,205 (\$187,708); Ontario \$436,581 (\$419,284); Manitoba, \$100,724 (\$97,371); Saskatchewan, \$264,425 (\$242,059); Alberta \$220,855 (\$220,172); and British Columbia, \$51,797 (\$50,185).

EXPORTS AND IMPORTS

Canada's total exports in July were valued at \$529,700,000, an increase of 13.9 per cent from last year's corresponding total of \$465 million, according to preliminary Dominion Bureau of Statistics figures. With a decrease of 2.5 per cent in the first quarter and an increase of 8.3 per cent in the second quarter, value of exports in the January-July period rose 4.4 per cent to \$3,202,400,000 from \$3,067,200,000 in the like 1960 span. Imports, released on September 21, were valued at \$465,800,000 in the month versus \$423,800,000 and at \$3,240,300,000 in the seven months versus \$3,229,400,000. Part of the increased values in July over a year ago both in exports and imports reflects changes in the foreign exchange value of the Canadian dollar.

The resulting export balance in July was \$63,900,000, up sharply from last year's corresponding export balance of \$41,200,000. There were also export balances in January, April and June which reduced the January-July import balance to \$37,900,000 from \$162,600,000 in the same 1960 period.

U.S. EXPORTS AND IMPORTS

Exports to the United States in July climbed 15.4 per cent to \$287,600,000 from \$249,300,000 a year earlier. Increases in April and June were more than offset by decreases in the remaining months of the year, and value of exports in the January-July period fell 3.4 per cent to \$1,722,800,000 from \$1,783,400,000. Imports rose 9.8 per cent in the month to \$312,200,000 from \$284,300,000, but declined 1.0 per cent in the cumulative period to \$2,200,900,000 from \$2,222,300,000. The usual import balance with this country was down in July to \$24,600,000 from \$35 million but was up in the January-July period to \$478,100,000 from \$438,900,000.

U.K. EXPORTS AND IMPORTS

Shipments to the United Kingdom declined 11.6 per cent in July to \$78,600,000 from \$88,900,000 a year earlier, and 3.0 per cent in the January-July period to \$509,400,000 from \$525,200,000. Purchases from the United Kingdom advanced 20.0 per cent in the month to \$51,500,000 from \$42,900,000 and 3.2 per cent in the seven months to \$364,700,000 from \$353,400,000. The export balance was smaller in July, compared to a year earlier at \$27,100,000 versus \$46 million and also lower in the January-July period at \$144,700,000 versus \$171,800,000. July exports to the rest of the Commonwealth were down slightly to \$28 million from \$28,200,000 a year earlier, while January-July exports were up 2.0 per cent to \$186,900,000 from \$183,300,000. Value of the month's imports was up 3.2 per cent to \$22,900,000 from \$22,200,000, and the seven-month value was up 2.2 per cent to \$151,100,000 from \$147,900,000. The export balance was little changed in July at \$5,100,000 against \$6 million a year earlier, and in the January-July period at \$35,800,000 against \$35,400,000.

PRODUCTION OF MOTOR VEHICLES

Production of passenger cars and commercial vehicles in September totalled 21,258 units, an advance of 24.9 per cent from last year's September figure of 17,023 units. With decreases in all previous months of the year except August, output in the January-September period fell 9.5 per cent to 271,839 units from 300,365 a year ago.

September production of passenger cars increased by more than a third to 17,069 units from 12,447 a year earlier. Decreases in all previous months except June and August offset the increases and output in the January-September period decreased 8.0 per cent to 223,721 units from 243,278 last year. The month's production of commercial vehicles fell 8.5 per cent to 4,189 units from 4,576, and, with a lone increase in August, output in the nine months declined 15.7 per cent to 48,118 units from 57,087.