

(C.W.B. March 14, 1962)

The clothing index rose 0.2 per cent to 111.8 from 111.6, as a number of items of men's, women's and children's wear and piece goods, moved up from January sales levels; other items in this group reflected continuing mid-winter sales. Shoe prices rose slightly

The transportation index edged up 0.1 per cent to 140.7 from 140.6, as all three component indexes moved higher. The automobile-operation index rose as a result of higher gasoline prices; the local-transportation index increased because of higher taxi fares; and increases in inter-urban bus fares pushed the travel index up.

The health-and-personal-care index rose 0.3 per cent to 157.2 from 156.8, owing to higher doctors'

Through the establishment of an office of the Trade Commissioner in Tel Aviv in January, a wealth of information on economic conditions in Israel and the market for products available in Canada is being supplied to firms in this country that can meet the material requirements of Israel. The Canadian Trade Commissioner in Tel Aviv is co-ordinating arrangements for the visit of the mission to his territory, and making arrangements for meetings with trade associations, government officials and businessmen who may be interested in the purchase of Canadian commodities and the utilization of engineering services that can be provided by Canada. On their return home, members of the mission will prepare a report on their observations and their respective trade associations provide information on their exports with a better understanding of the many factors that can contribute to the development of closer commercial relations between Canada and Israel.

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COMMITTEE TO STUDY CONSUMER PRICE INDEX

The Canada's consumer price index (1955=100) edged up 0.1 per cent in January and February to 130.8 from 130.7. Increases occurred in the food, clothing and transportation, health-and-personal-care, and recreation-and-reading indexes, while the tobacco-and-alcohol index decreased and the housing index remained steady. The food index increased 0.2 per cent in January and February to 124.0 from 123.8. Most notably, prices were reported for a number of fresh vegetables mainly imported, including carrots, cabbage, lettuce and onions. Prices were also higher for bread, skim milk, oranges, coffee, tea, yeast, turkey and powdered skim milk. Prices were lower for beef, pork, chicken, frozen orange juice, fresh tomatoes, and lettuce. The housing index was unchanged in the month at 134.0. The shelter component was unchanged while the household-operation component declined to 133.0. In shelter, both rent and home-ownership remained at January levels. In household operations, prices for furniture, floor coverings, and utensils and plumbing, offset increasing prices for fuel and lighting

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fees in the health-care index, which more than balanced lower prices for pharmaceuticals, including prescriptions. The personal-care index was unchanged, with lower prices for supplies, including toothpaste, tooth-brushes and face cream, offsetting higher prices for men's haircuts.

The recreation-and-reading index was up 0.1 per cent to 146.7 from 146.6. The recreation component was unchanged, but the reading component rose as a result of higher prices for newspapers.

The tobacco-and-alcohol index declined 0.1 per cent to 117.2 from 117.3. Lower cigarette prices in the tobacco index more than offset slightly higher prices for alcoholic beverages that reflected tax changes in Saskatchewan.

CAUSE OF FALL IN TRAFFIC

The general decline in traffic was owing to a decrease in local air traffic movements at most airports. Local movements are those of traffic remaining under local control for practice landings and take-offs and other airwork in the vicinity of the airport. At Toronto Island, 168,272 movements were for local traffic (1960 figure not available) while Greater Toronto's total in this category was 143,723 (1960 figure not available). In this category, which is the largest in our country, it is not surprising that the decline in traffic was greatest in the provincial-province-leased airports where the capital assistance is provided.

RAILWAY REVENUES

The Railway Operating Expenses (ROE) which include October and initial payments related to recommendations of the Royal Commission on Railway Problems, increased 6.8 per cent in October 1961 to \$101,850,000 from \$95,400,000 in the corresponding month of 1960. Operating expenses rose 2.1 per cent to \$96,474,000 from \$94,477,500. Net railway operating income rose in the month to \$5,375,000 from \$5,222,000 a year earlier. The operating revenue of the railway to generate revenues, comprising railway, express, commercial, communications and highway transport (all services) rose 8.8 per cent from the year-earlier total of \$105,110,100 and operating expenses at \$106,210,900 were up 3.4 per cent from the October 1960 figure of \$102,265,900. Net rail operating income advanced in the month to \$5,210,000 from \$1,820,000. Revenue from freight carried in September 1961 declined 6.4 per cent to 16,171,400 tons from 17,266,600 in September 1960, while the average length of haul rose to 373 miles from 358. The number of passenger ton-miles reported declined 4.1 per cent to 1,545,000 from 1,611,500 and the average journey to 110 miles from 114.