

As for employment and income in Canada generally, two features that became apparent in 1955 are particularly encouraging.

New job opportunities developing have been rising at a more rapid rate than the number of persons entering the labour force. Canada's civilian labour force rose by about 150,000 from December 1954 to December 1955, new jobs by about 200,000, resulting in a drop in the number of unemployed of about 50,000. In December 1955 persons without jobs and seeking work numbered 200,000, or 3.6 per cent of the civilian labour force. This is the same proportion recorded in Canada's previous peak year of economic activity in 1953.

Personal income in 1955 reached a record total of better than \$19½ billion, about 8 per cent ahead of 1954. The income of wage earners and salaried personnel, which represents the bulk of personal income, has been on a rising trend throughout 1955. Running ahead about 5 per cent at the beginning of the year, it was running ahead about 10 per cent at the end of the year.

As a result of higher levels of employment and income and the generally prosperous conditions in the country, the Canadian standard of living rose notably. This is reflected in record expenditures by Canadians on consumer goods and services, about \$16½ billion, or about one billion dollars more than in 1954. This works out to a per capita increase in consumer spending of 3.6 per cent from 1954 to 1955, or a greater improvement in living standards in real terms than in most other post-war years.

Future Prospects

Looking ahead at what might happen during the coming year, we have good reason to expect a further expansion of the Canadian economy. Two of the most important dynamic elements in our economic outlook are our foreign trade situation and capital expenditures.

In 1955, new peaks were established in both the value and volume of our commodity trade, and the total value of goods exchanged between Canada and the rest of the world was of the order of \$9 billion. This represents an increase of about \$1 billion over the value of the goods imported and exported during 1954.

Total exports did not increase quite as much as did imports, despite significant gains in our sales to both the United States and the United Kingdom. The encouraging strength of the 1955 export market stemmed largely from the persistent world-wide demand for forest products, iron ore, base metals, petroleum and certain chemicals. Total commodity exports during 1955 were about 12 per cent higher in value than during the corresponding period in 1954.