

More manpower has become available in 1957 than in any previous post-war year, Canada's labour force having increased by more than 200,000 persons. Approximately 280,000 immigrants entered Canada during 1957 compared with 165,000 in 1956 and 194,000 in 1951, the previous post-war high. More than one-half of this number represents employable persons, the rest consisting of dependents. The great bulk of these new Canadians arrived during the spring and summer months, and despite softer labour market conditions nearly all were quickly absorbed into jobs.

### Incomes and Consumption

Personal incomes, in aggregate, continued upward during 1957. Despite shorter working hours, increased employment and higher wage rates have given a further substantial boost to employee earnings. Total labour income, though now levelling off, rose by 9 per cent in the first three-quarters of this year, compared to last. Interest, dividends and other forms of personal investment income increased by about the same percentage. Earnings in the professions and in small businesses generally have been sustained. Social security payments, which normally reflect population changes, have been bolstered by higher pension rates. Alone of the principal forms of personal income, returns to farmers have been lower during the past year. However, improved market prospects for wheat and rising production of animal products may soon reverse this trend. Meanwhile advances on farm-stored grain will give support to the cash position of Western farmers.

Overall personal income in the first nine months of 1957 has increased by nearly 7 per cent compared with last year. Consumer prices between these two periods rose by more than 3 per cent. Accordingly, real purchasing power was higher by about 3 per cent and on a per capita basis almost held even. Most of this change was reflected in spending on consumer items, particularly services, food and other soft goods. Outlays for durable items, as a group, changed little compared with the previous year. Consumer credit, which had risen markedly in preceding years, showed little further increase during 1957. Personal saving in all forms rose moderately.

### Capital Investment

On the basis of intentions at mid-year, capital outlays planned for 1957, both private and public, amounted to \$8.8 billion, 11 per cent above the 1956 figure. Housebuilding has proceeded more rapidly than anticipated at that time. Non-residential construction appears to have gone ahead about as planned. On the other hand acquisition of new machinery and equipment has not held up to the levels indicated earlier. It now appears that overall capital expenditure may fall a little short of mid-year intentions. Investment costs have increased about 2½ per cent between the two years.