

The volume of activity in trade was up about 1.5 p.c. in 1960, with wholesale and retail trade showing the same rates of increase. Within retail trade, movements were mixed—food chains continued their steady expansion, raising the volume of their activity by 5 p.c., but gains in other trades were for the most part small. One of the more important trades recording less activity in 1960 was lumber and building material dealers, which was down 10 p.c.

Output of the utilities continued to make relatively large gains in 1960. The 11-p.c. increase reflected an advance of 9 p.c. in the production of electricity and another major increase in the distribution of natural gas.

The volume of traffic handled by the transportation industry as a whole rose nearly 2 p.c., despite a 3-p.c. decline in railways and in bus systems. Railway revenue carloadings of all major commodities except pulpwood and ores and concentrates were lower in volume; the largest declines were in livestock, iron ore, building materials other than lumber and timber, and automobiles, trucks and parts. The other components of the transportation industry—trucking, oil pipelines, shipping, and air transport—recorded gains ranging from 3 p.c. in trucking to 13 p.c. in air transport. The volume of output in the communications industry continued to rise and was up 5 p.c. in 1960. The other service-producing industries also recorded further expansion in activity, amounting to 3 p.c. in financial services and to about 2 p.c. in government service and in other services as a group.

The moderate increase in the volume of the nation's production in 1960 was accompanied by a roughly equivalent gain in employment, which was up 1.7 p.c. in total. An outstanding feature of the labour market was the continued strength of demand in those areas of employment—notably trade and services—where women constitute a large proportion of the labour force, as contrasted with the weakness of demand in those areas—notably durable goods manufacturing and construction—where the work force is predominantly male. The consequence of this pattern in the demand for labour was that there was only a fractional gain in the number of men employed in 1960 in contrast to a 6-p.c. increase in the number of women employed.

The increase in employment in 1960 of 1.7 p.c. fell somewhat short of the growth of the labour force, which amounted to 2.8 p.c. Unemployment as a percentage of the labour force rose from an average of 6 p.c. in 1959 to 7 p.c. in 1960. Participation rates for the population 14 years of age or over rose from 53.9 p.c. to 54.3 p.c., reflecting a slight decline in the male participation rate and a considerable increase in the female participation rate. This development was associated with the relatively favourable opportunities in the market for women workers.

Final product prices drifted upward slightly between 1959 and 1960, the aggregate increase being about 1.5 p.c. This was the smallest year-over-year price increase for any year since 1955 when the increase was 1.3 p.c., and compares with an average annual price rise of 2.5 p.c. for the years 1956 to 1960. The increase in the price of consumer goods and services was small and was virtually unchanged from the increase that occurred between 1958 and 1959. The prices of both capital goods and exports showed a more moderate advance than between 1958 and 1959. Prices of imported goods, however, which declined fractionally in 1959, rose somewhat in 1960, reflecting, in large part, a lower rate of exchange on the Canadian dollar.

Components of Gross National Expenditure.—While consumer spending rose somewhat more than consumer disposable income in 1960, it failed to match the gains of the two preceding years. The increase in 1960 amounted to 4 p.c., compared with nearly 6 p.c. in 1958 and 1959. Whereas in these two years, and in 1959 particularly, the market for consumer durables expanded, in 1960 there were important areas of weakness and spending on durables showed only a fractional gain. At the same time, expenditure on non-durable goods rose about 4 p.c., the same rate of increase as in 1959, while expenditure on services rose by more than 5 p.c. compared with a gain of nearly 8 p.c. in the preceding year.