

Public utilities continued their expansionary trend; electric power production recorded a gain of more than 10 p.c. and gas distribution was up 7 p.c. compared with 1954.

In total, the volume of production of the primary industries, which account for about one-fifth of the Gross National Product, rose more sharply in 1955 than that of the secondary and service industries. Manufacturing production, representing about 30 p.c. of the total output, advanced by over 7 p.c. in 1955 and all major groups with the exception of transportation equipment contributed. As a result of the distinct gain in personal expenditure on consumer durables and in investment in new housing, plant, equipment and business inventories, output of durable manufactured goods rose by over 9 p.c.; non-durables increased 6 p.c. Among the durable industries, gains of between 10 and 15 p.c. were shown by wood products, iron and steel products, non-ferrous metal products, electrical apparatus and supplies and non-metallic mineral products. Production of primary iron and steel rose by 41 p.c. Despite a 30 p.c. increase in the output of motor vehicles, the transportation equipment industry was down by about 2 p.c. compared with 1954, largely as a result of major declines in shipbuilding, aircraft and railway rolling stock. All the principal industries within the non-durable manufacturing group increased their output, the major gains being shown by the rubber, textile and petroleum and coal industries. Beverages and tobacco products each advanced about 9 p.c. and pulp and paper nearly 6 p.c. Increases in other non-durable industries were more moderate.

Related indicators suggest that the construction industry recorded a marked gain over the preceding year. Residential starts and completions rose by 22 p.c. and 25 p.c., respectively. Reflecting the sharp advance in industrial activity and the accompanying pressure on existing capacity, the value of new non-residential construction rose by 7 p.c. in the same comparison.

The service industries as a whole continued their steady expansion as activity in all groups was at a higher level in 1955. The volume of retail trade was up about 9 p.c.; all major trades recorded increases, motor vehicle dealers showing the sharpest gain, followed by furniture and appliance stores and department stores.

The transportation, storage and communication group of industries was at a considerably advanced level of activity in 1955. The number of railway revenue cars loaded was 10 p.c. higher than in the preceding year as a result of major increases in the transportation of iron ore, motor vehicles, building materials, lumber and timber, woodpulp, fertilizers and petroleum products; by contrast, grain, grain products and farm machinery were down from a year earlier. Among the other transportation industries, air transport and oil pipelines continued their spectacular growth while trucking and shipping showed more moderate advances. Storage activity was at a lower level because of reduced receipts and shipments of grain. The communications group continued to expand as the result of increased demand for telephone and telegraph service and further major advances in radio and television transmission services.

The majority of other service industries recorded advances over 1954; among these were finance, insurance and real estate services, government service, education and health services and business services.

NATIONAL INCOME AND GROSS NATIONAL PRODUCT

Labour income rose to nearly \$12,900,000,000 in 1955 or more than 7 p.c. above the level of 1954, after having gained only 2 p.c. between 1953 and 1954. The rise in 1955 was associated with a 5 p.c. increase in the number of paid workers and a 3 p.c. advance in average weekly earnings in the major non-agricultural industries. The 3 p.c. gain in average weekly earnings reflects both an increase in average hours worked per week and in average rates of pay. Since average consumer prices remained relatively unchanged in 1955, the increase in labour income from the previous year represented a further advance in "real" earnings.