Consumer Price Index

The Consumer Price Index (CPI) for Canada stood at 114.4 (1981=100) in January 1983, down 0.3% from 114.1 in December 1982. The decline of 0.3% in January was the first decline in consumer prices since September 1981 and further extended the trend of moderating prices which has been observed since July 1982.

The year-over-year increase decreased to 3.0% down from the 3.3% increase registered between December 1981 and December 1982. In the latest month, lower clothing prices, transportation costs and recreation, reading and education expenses more than offset increases in the other components. The all-items-excluding-food index declined 0.3% after advancing by 0.2% in December. The food index, which declined by 0.5% in December, increased by 0.2% in January.

Within food, the food-purchased-from-restaurants index remained unchanged from the level registered in December. In January, the index stood 5.6% above its level of January 1982. The food-purchased-from-restaurants index advanced by 0.8% in January, up 1.3% above its level of January 1982. As a result, the aggregate food index advanced 6.7% over its level of January 1982.

The decline of 0.3% in the all-items-excluding-food index was largely attributable to seasonal promotions for certain goods and developments affecting prices of energy-related products. Clothing prices declined, on average, 2.3%, largely reflecting post Christmas sales. Furniture prices also declined as did air fares and prices for package holiday trips. On January 1, 1983, the federal government reduced the Petroleum Compensation Charge by $2.50 per barrel. This resulted in a decline in fuel oil and gasoline prices. As well, local "price wars" in several urban centres reduced gasoline prices in these centres. Between January 1982 and January 1983, the all-items-excluding-food index advanced 2.7%, down from the 9.8% increase registered between December 1981 and December 1982.

Viewed in terms of goods and services, the price level for goods declined by 0.5%, while that for services increased 0.1%. As a result, between January 1982 and January (continued on next page)

LATEST MONTHLY STATISTICS

<table>
<thead>
<tr>
<th>EMPLOYMENT, INCOME</th>
<th>Previous</th>
<th>% Change From Year Ago</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Weekly Earnings ($)</td>
<td>398.7p</td>
<td>399.95p</td>
</tr>
<tr>
<td>Labour Income ($ million)</td>
<td>16,666p</td>
<td>16,850p</td>
</tr>
<tr>
<td>Persons with Jobs (million)</td>
<td>10.0p</td>
<td>10.25</td>
</tr>
<tr>
<td>Unemployed</td>
<td>Jan. 1, 1,598,000</td>
<td>1,494,000</td>
</tr>
</tbody>
</table>

| INVENTORIES | |
| Department Store ($ million) | Dec. 2,939 | 3,324.7 | 3.3 |
| Manufacturers Owned ($ million) | Dec. 3,179.0 | 317570 | -6.3 |
| Manufacturers New Orders ($ million) | Dec. 13,968.1 | 15,401.9 | 4.7 |
| Manufacturers Unfilled Orders ($ million) | Dec. 16,448.1 | 16,327.0 | 3.4 |

| PRICES | |
| Consumer Price Index (1961=100) | Jan. 114.1 | 114.4 | 3.3 |
| New House Price Index (1976=100) | Dec. 129.6 | 129.7 | -3.9 |
| Raw Materials Price Index (1977=100) | Dec. 201.0p | 200.7p | -1.5 |
| Excl. oil, crude oil, nat gas | Dec. 144.0p | 142.7p | -8.6 |
| Industry Selling Price Index (1971=100) | Dec. 293.2p | 291.2p | 4.4 |

CONSTRUCTION

| Monthly Payments ($ million) | Nov. 964.6p | 11,498p | -3.1 |
| Housing Starts — Urban Centres (units) | Dec. 10,496 | 104,792 | -26.4 |

ENERGY

| Coal Production (thousand tonnes) | Dec. 3,806 | 42,814 | 6.8 |
| Electricity Generation (terawatt hours) | Dec. 35 | 375.4 | -0.8 |
| Natural Gas Production (million cubic metres) | Nov. 9,044 | 88,815 | 1.0 |
| Petroleum Refining (million cubic metres) | Dec. 7,598 | 90.4p | -13.2 |

FOREIGN TRADE

| Exports (Balance of Payments Basis ($ million) | Dec. 7,026p | 84,253p | 0.0 |
| Imports (Balance of Payments Basis ($ million) | Dec. 5,000 | 66,436p | -1.6 |

PRODUCTION

| Railway Carloadings (million tonnes) | Jan. 13 | 13.6p | -7.7 |
| Steel Ingots — thousand tonnes | Jan. 842.4p | 842.4p | -3.0 |

SALES

| Department Store Sales ($ million) | Dec. 1,608.3 | 10,206 | -0.1 |
| Manufacturers' Shipments ($ million) | Dec. 14,447.1p | 182,996p | -3.3 |
| New Motor Vehicle Sales ($ million) | Dec. 729.5 | 9,824 | -17.6 |
| Retail Sales ($ million) | Dec. 10,612.7p | 97,356 | 3.2 |

Statistics are in current dollars and are not seasonally adjusted.

p — preliminary; r — revised; * — new this week.

Percentage Change in the Consumer Price Index and its Major Components

<table>
<thead>
<tr>
<th>Year</th>
<th>Tobacco and alcohol</th>
<th>Health and personal care</th>
<th>Housing</th>
<th>ALL ITEMS</th>
<th>Recreation, reading and education</th>
<th>Transportation</th>
<th>Food</th>
<th>Clothing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan. 1982 to Jan. 1983</td>
<td>12.6%</td>
<td>10.4%</td>
<td>6.7%</td>
<td>8.3%</td>
<td>8.1%</td>
<td>1.4%</td>
<td>4.7%</td>
<td>4.5%</td>
</tr>
</tbody>
</table>

Source: Statistics Canada, Consumer Prices and Price Indexes (62-010)
Manufacturing Industries

Preliminary estimates show the seasonally adjusted value of new orders received in all Canadian manufacturing industries in December 1982 dropped 4.3% to $14,394.6 million from the revised estimate of $15,048.4 million in November. In durable goods industries, new orders with an estimated value of $5,568.8 million were down steeply, showing a 9.0% fall from $6,121.0 million in November. Most of the decrease was attributable to a drop of $848.9 million (37.3%) in the transportation equipment group of industries which followed an unusually large advance in November in non-durable goods industries. New orders had an estimated value of $8,825.8 million down 1.1% from $8,927.4 million in November.

The seasonally adjusted preliminary estimate of the value of the unfilled orders backlog at the end of December was $16,921.9 million, down 2.8% from the revised November estimate of $17,412.4 million. Unfilled orders in durable goods industries were down 2.9% to $14,792.5 million from $15,048.4 million, and those in non-durable goods industries decreased 2.2% to $2,129.4 million from $2,178.3 million a month earlier.

Seasonally adjusted, the value of Canadian manufacturers' shipments in December was $14,885.1 million, up 0.6% from November's revised value of $14,790.7 million. Shipments of durable goods industries were up 3.5% to $6,010.4 million from $5,806.7 million, a $140.5 million increase in the metal fabricating group of industries which accounted for almost 70% of this gain. A $78.5 million increase in the petroleum and coal products group of industries was the major contributor to a 1.2% drop in shipments in the non-durable goods industries which declined to $8,874.7 million in December from $8,984.0 million in November.

Seasonally adjusted inventory owned by manufacturers at the end of December was $31,551.2 million, down 2.6% from the preceding month's revised value of $32,378.3 million.

The seasonally adjusted ratio of total inventory owned to shipments at the end of December was 2.12:1, down from 2.19:1 in November. The ratio of finished products to shipments declined to 0.74:1 from 0.77:1.

Not adjusted for seasonal variation manufacturers' shipments in December 1982 were estimated at $14,447.1 million. Cumulative shipments for the year 1982 at an estimated $182,996.6 million were 3.3% below the 1981 total of $189,312.7 million.

For further information, order the January 1983 issue of the Consumer Price Index (62-001, $2.65/$26.50).

Wholesale Trade

Sales by Canadian wholesale merchants in December 1982 decreased by 1.1% from the December 1981 level. Lower sales were recorded in four provinces, losses ranging from -0.8% for Ontario to -21.4% for Saskatchewan. Significant sales increases were recorded in Prince Edward Island (+21.9%), New Brunswick (+11.3%) and Quebec (+16%).

Wholesale inventories in December 1982 showed a decrease of 7.9% from a year earlier.

Annual 1982

Sales by wholesale merchants during 1982 dropped by 6.1% from the 1981 total. Nine of the provinces recorded decreased sales, drops ranging from -1.3% for Quebec to -13.4% for British Columbia. Only New Brunswick registered a marginal increase of 0.9%.

For further information, order the December 1982 issue of Wholesale Trade (63-008, $1.55/$15.50).

International Travel Account

Preliminary estimates for 1982 show that Canada's deficit on international travel amounted to $1,282 million, an increase of 14.9% from the 1981 deficit level of $1,134 million. This country earned $3,724 million from international travel, slightly less than the $3,760 million in 1981, while Canadians travelling abroad increased their payments by 2.7% to $5,068 million.

In the fourth quarter of 1982, preliminary estimates show that Canada posted a deficit of $340 million, slightly less than the $348 million deficit recorded in the year earlier quarter. Receipts from the United States amounted to $382 million, while receipts from all other countries totalled $192 million. Payments by Canadians abroad were estimated at $566 million to the U.S. and $348 million to other countries.

For further information, order the October-December 1982 issue of Travel Between Canada and Other Countries (66-001, $7.95/$31.80), or contact Paul L. Paradis (613-995-0847), International Travel Section, Statistics Canada, Ottawa K1A 0Z8.

Security Transactions

Transactions with non-residents in outstanding Canadian securities produced a net outflow of capital from Canada of $411 million in December 1982, down from a $1,131 million net outflow in November.

Non-residents reduced their holdings of outstanding Canadian bonds by a further $37 million in December, below the level of disinvestment recorded in the previous four months, which totalled almost $600 million. A small net outflow was also recorded from trading in outstanding Canadian equities, similar to the previous month.

Residents of Canada stepped up their purchases of foreign equities during December, resulting in a net capital outflow of $122 million, nearly twice the net outflow of the previous month. Canadians also increased their holdings of foreign bonds by $19 million during the latest month.

During the year 1982, non-residents reduced their holdings of outstanding Canadian bonds by some $100 million in sharp contrast to net purchases exceeding $1 billion in each of the previous two years. This development arose from a sharp reduction in net bond sales to residents of Japan and a large disinvestment in bond holdings by U.S. investors.

In 1982 the net outflow from the disposal of Canadian equities by non-residents moderated to about $400 million, well below the $1.2 billion disinvestment recorded in 1981. Included in the latest year were outflows relating to the redemption of preferred shares by a major Canadian petroleum company.

For further information, order the December 1982 issue of Security Transactions with Non-residents (67-002, $2.65/$26.50), or contact Don Granger (613-996-2545), Balance of Payments Division.
Canadian Leading Indicator

The composite leading indicator (1971=100) rose by 0.69% to a level of 109.40 in November 1982, representing the second straight month of increase after 15 consecutive months of decline. The non-filtered version rose by 2.0% to 113.4 in November, as seven components increased. The upturn of the composite indicator is so far less rapid and less broadly based than at a comparable stage in 1975 and 1980, largely due to continued weakness exhibited by indicators of labour income and manufacturing activity and the relatively weak upturn in the United States leading indicator. The indicators of final domestic demand posted increases comparable to the gains during the past two recoveries, led by the rapid expansion of housing demand in central Canada. The sharp drop in interest rates in North America in December and the firming of employment in Canada in December and January should help to sustain this trend. Overall, the leading indicator results support an impression that an end of the current severe recession may be nearing.

The indicators of personal expenditure improved in November. Sales of new furniture and household appliances rose by 2.05%, while the rate of decline of new motor vehicle sales slowed considerably from -2.42% to -1.10%. The non-filtered data in November indicated upturns of 6.3% for furniture and appliances and 21.3% for cars. The upturn in personal expenditure remains tentative as it appears to be mainly due to price reductions in the form of rebates and reduced financing rates. Consumer demand for other goods and services that have not been subject to rebates nor are interest rate-sensitive was weak in the fourth quarter. Reflecting the continued decline in real wages and salaries, the reduction in interest rates in December and the firming of employment in December and January, however, should help to sustain a generally improving trend in consumer demand.

The index of residential construction rose strongly in November (+2.86%), a reversal from the trend of the last 16 months. The 80% increase in the non-filtered version of residential building permits since last July indicates the strength of the recovery in this sector. Housing starts began to reflect this upturn beginning in October, which has led to increases in the non-filtered index of residential construction activity in October and November. Up to November, the improvement was concentrated in single homes in central Canada, especially Quebec, which probably is due to the provincial government aid programs specifically for new housing in this region of the country. The sharp drop in mortgage rates during the autumn and the reappearance of some long-term mortgage rates improve the prospects for a more sustained and diffuse recovery across Canada, as these factors will come to play a greater role in the housing recovery.

Following marked declines in September and October, the rate of decrease of indicators of manufacturing activity slowed in November. The change is attributable to higher new orders for durable goods (+0.06%), particularly transportation equipment, although orders in industries related to housing and consumer goods also seem to be firming in line with the indicators of final demand. The indicators of production such as the average workweek (-0.09%) and employment in manufacturing (-1.13%) remained weak, as most of the increase in new orders was, oddly, reflected as an increase in unfilled orders in the non-filtered data, the first since 1979. Total shipments continued to decline at a rapid rate as well, although the non-filtered version rose by 1.4%, with an impressive diffusion of the gains, notably among non-durables. The ratio of shipments to inventories of finished goods was unchanged for the fourth straight month at 1.36.

The improvement of the indicators of profit margins in manufacturing continued in November, as the percentage change in price per unit labour cost rose 0.15% from -0.43% to -0.28%. The rate of increase slowed down somewhat reflecting the behaviour of the non-filtered version, which was unchanged in November. The slowdown is also partly explained by large cutbacks in out put in automotive and business investment-related industries in September and October. The cutbacks resulted in large drops in output-per-person-employed in these industries, and consequently also pulled down profit margins. Also, as these industries pay relatively high wage rates, measured average hourly earnings for manufacturing were held back, contributing to the improvement in profit margins. The ongoing trend of moderate wage settlements should help to sustain a recovery of profit margins.

The recovery of financial markets continued in November, as reflected in the 5.38% increase in the Toronto Stock Exchange Index. The real money supply fell by 1.09% comparable to the declines in the last three months.

The leading indicator for the U.S. registered its sixth consecutive increase in November (+0.15%), although the rate of growth continued to be little changed from preceding months. The non-filtered version was virtually unchanged in November (+0.2%), and the indicators of financial markets and building permits remain the most positive influences. In December, however, the published version recorded a more substantial and diffuse gain, while the downward trend of the coincident indicators slowed considerably by the end of the fourth quarter. This evolution may indicate an upcoming recovery of our exports to the U.S.

For further information, order Current Economic Analysis (13-004E). Canada: $2.65/$26.50.

Price Increase: Infomat

On February 1, Statistics Canada increased the prices of all its monthly, quarterly, annual and non-census occasional publications. In keeping with government guidelines, the increase was limited to no more than 6%.

Effective immediately, the subscription price of the Infomat Weekly Bulletin will be $26.50 a year for subscribers in Canada and $31.80 a year for subscribers in other countries.

Refined Petroleum Products

Preliminary data show that sales in Canada of all refined petroleum products amounted to 7,128.3 thousand cubic metres, a drop of 11.5% from 8,057.2 thousand cubic metres a year earlier. Canadian refineries produced 7,714.0 thousand cubic metres of refined petroleum products in the latest month, down 16.1% from 9,193.8 thousand cubic metres in December 1981.
### AGRICULTURE STATISTICS

<table>
<thead>
<tr>
<th>Catalogue No.</th>
<th>In Canada: Price per issue/year</th>
<th>Elsewhere: Price per issue/year</th>
</tr>
</thead>
<tbody>
<tr>
<td>72-007</td>
<td>$2.65/$26.50</td>
<td>$3.20/$31.80</td>
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<tr>
<td>62-003</td>
<td>$1.55/$15.50</td>
<td>$1.85/$18.60</td>
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<tr>
<td>23-001</td>
<td>$2.65/$26.50</td>
<td>$3.20/$31.80</td>
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</tbody>
</table>

### BUSINESS FINANCE

- Cheques Cashed: December 1982

### CENSUS

- Occupied Private Dwellings: Type and Tenure (also Showing Collective Dwellings): 1981 Census of Canada
- Population, Occupied Private Dwellings, Private Households, Census Families in Private Households, Selected Characteristics, Alberta
- Population, Occupied Private Dwellings, Private Households, Census Families in Private Households, Selected Characteristics, British Columbia
- Population, Occupied Private Dwellings, Private Households, Census Families in Private Households, Selected Characteristics, Manitoba
- Population, Occupied Private Dwellings, Private Households, Census Families in Private Households, Selected Characteristics, New Brunswick
- Population, Occupied Private Dwellings, Private Households, Census Families in Private Households, Selected Characteristics, Nova Scotia
- Population, Occupied Private Dwellings, Private Households, Census Families in Private Households, Selected Characteristics, Ontario
- Population, Occupied Private Dwellings, Private Households, Census Families in Private Households, Selected Characteristics, Prince Edward Island
- Population, Occupied Private Dwellings, Private Households, Census Families in Private Households, Selected Characteristics, Quebec
- Population, Occupied Private Dwellings, Private Households, Census Families in Private Households, Selected Characteristics, Saskatchewan
- Population, Occupied Private Dwellings, Private Households, Census Families in Private Households, Selected Characteristics, Yukon

### EDUCATION, SCIENCE AND CULTURE

- Teachers in Universities: 1981-82
- Population. Occupied Private Dwellings, Private Households, Census Families in Private Households, Selected Characteristics, Alberta
- Population. Occupied Private Dwellings, Private Households, Census Families in Private Households, Selected Characteristics, British Columbia
- Population. Occupied Private Dwellings, Private Households, Census Families in Private Households, Selected Characteristics, Manitoba
- Population. Occupied Private Dwellings, Private Households, Census Families in Private Households, Selected Characteristics, New Brunswick
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- Population. Occupied Private Dwellings, Private Households, Census Families in Private Households, Selected Characteristics, Prince Edward Island
- Population. Occupied Private Dwellings, Private Households, Census Families in Private Households, Selected Characteristics, Quebec
- Population. Occupied Private Dwellings, Private Households, Census Families in Private Households, Selected Characteristics, Saskatchewan
- Population. Occupied Private Dwellings, Private Households, Census Families in Private Households, Selected Characteristics, Yukon

### EXTERNAL TRADE

- Summary of External Trade: December 1982

### FINANCIAL FLOWS AND MULTINATIONAL ENTERPRISES

- International Travel — Advance Information: December 1982

### MANUFACTURING AND PRIMARY INDUSTRIES

- Cemented Tungsten Carbide Blanks and Tools: Quarter Ending December 1982
- Construction Type Plywood: December 1982
- Consumption, Production and Inventories of Rubber: December 1982
- Industrial Chemicals and Synthetic Resins: December 1982
- Monthly Production of Soft Drinks: January 1983
- Oils and Fats: December 1982
- Particleboard, Waferboard and Hardboard: December 1982
- Production and Shipments of Steel Pipe, Tubing and Fittings: December 1982
- Plywood and Wood Residue Statistics: December 1982
- Refined Petroleum Products: November 1982
- Shipments of Solid Fuel Burning Heating Products: Quarter Ending December 1982
- Steel Wire and Specified Wire Products: December 1982
- The Sugar Situation: December 1982

### PRICES

- The Consumer Price Index: January 1983

### TRANSPORTATION AND COMMUNICATIONS

- Railway Carloadings: December 1982
- Telephone Statistics: December 1982
- Urban Transit: December 1982