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Infomat

A Weekly Review

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- **Department store sales up for two straight months**

  Consumer spending in department stores increased for the second month in a row in July.

- **Undergraduate university tuition fees rise more slowly**

  Undergraduate students in all faculties will pay an average of 4.5% more in university fees this academic year, compared with 2001/02. Although the rate of increase has been slower in the past three years than it was in the 1990s, tuition fees continue to rise more quickly than inflation.

Job growth steams ahead

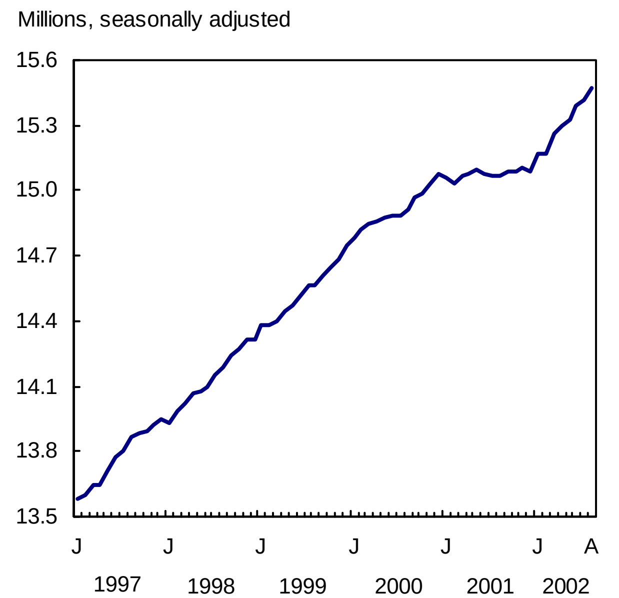
Employment surged by 59,000 in August, continuing the upward trend that began at the start of the year. So far in 2002, employment has grown 2.6% (+386,000), the fastest growth in any eight-month period since 1994.

Despite the increase in employment, the unemployment rate edged down only 0.1 percentage points to 7.5% as 53,000 people entered the labour market looking for work. A sign of increased confidence in the economy, the participation rate continued to rise, jumping 0.2 percentage points to 67.0%, the highest rate since November 1990.

Economic growth in Canada remained strong in the second quarter, driven by domestic demand and a build-up of inventories by manufacturers, wholesalers and retail outlets. The current account and investment in residential construction also remained strong.

(continued on page 2)

Employment



Job growth steams... *(continued from page 1)*

In the labour market, this was reflected by strength in manufacturing, with 21,000 more jobs, and in construction, with 12,000 more. So far in 2002, manufacturing grew 6.7% and construction increased 5.3%.

So far in 2002, employment and labour force growth has been strong in Canada but remained weak in the United States. Much of this divergence can be attributed to the relative strength of manufacturing in Canada. Manufacturing shipments in Canada increased 7.0% since the start of 2002, much stronger than the 1.4% gain in the United States. As a result, manufacturers in Canada have hired workers at an extremely fast pace, while manufacturing employment in the United States has been flat.

Of the 59,000 jobs added in August, 25,000 were full-time and 34,000 were part-time. The gain was equally distributed among youths, adult women and adult men. The 2002 summer job market for students was the best in the last decade. For June, July and August, the employment rate averaged 55.0%, up 1.4 percentage points from the same period of 2001.

Propelled by a gain of 18,000 manufacturing jobs in August, employment in Ontario rose by 44,000, much stronger than the average monthly gains of 10,000 from January to July. However, a substantial increase in labour force participation kept the unemployment rate unchanged at 7.2%.

In British Columbia, employment increased by 16,000 in August. After falling by 61,000 from December 2000 to December 2001, employment has jumped 4.6% (+88,000) so far in 2002. The unemployment rate fell 0.4 percentage points to 7.8%.

Employment declined by 6,000 in Quebec. However, as labour market participation fell more than employment, the unemployment rate fell 0.2 percentage points to 8.5%.

Labour Force Survey, August 2002
Seasonally adjusted[1]

	Labour force		Employment		Unemployment	
	’000	% change, previous month	’000	% change, previous month	’000	rate (%)
Canada	**16,738.0**	**0.3**	**15,476.0**	**0.4**	**1,262.0**	**7.5**
Newfoundland and Labrador	257.3	0.9	217.0	0.1	40.3	15.7
Prince Edward Island	76.9	1.5	67.4	1.5	9.5	12.4
Nova Scotia	476.3	1.2	429.8	1.5	46.4	9.7
New Brunswick	383.3	-0.1	343.0	-0.1	40.3	10.5
Quebec	3,929.2	-0.3	3,593.8	-0.2	335.4	8.5
Ontario	6,558.7	0.7	6,086.9	0.7	471.8	7.2
Manitoba	596.2	-0.4	566.1	-0.4	30.1	5.0
Saskatchewan	509.0	0.6	481.4	0.4	27.6	5.4
Alberta	1,780.3	-0.1	1,689.4	-0.1	90.9	5.1
British Columbia	2,170.9	0.4	2,001.2	0.8	169.7	7.8

[1] *Data are for both sexes aged 15 and over.*

Employment jumped by 6,000 in Nova Scotia, almost entirely offsetting losses in June and July. The unemployment rate fell 0.3 percentage points to 9.7%. In Prince Edward Island, employment grew by 1,000 with gains concentrated in manufacturing. The unemployment rate was unchanged at 12.4%.

A detailed summary, ***Labour force information****, is available for the week ending August 17 (Internet: 71-001-XIE, $8/$78). For general information, contact Client Services (1-866-873-8788; 613-951-4090; labour@statcan.ca). For analytical information, contact Vincent Ferrao (613-951-4750), Labour Statistics Division. (See also “Current trends” on page 6.)*

Weekly earnings unchanged

Average weekly earnings for all employees totalled $676.61 in June, virtually unchanged from May. Compared with June 2001, average weekly earnings were up 2.0%, compared with the 1.3% increase in the Consumer Price Index for the same period.

Earnings growth since June 2001 was strongest in accommodation and food services, health and social services, and transport and warehousing.

In accommodation and food, earnings strength was concentrated in food services and drinking places, and was the result of increases in both hours and hourly earnings. Earnings growth in health and social services reflected some large contract settlements, especially for health services, in the past year. Gains for employees in transportation and warehousing were led by strong increases among those paid by piecework and commissions.

Growth in payroll employment slowed slightly in June. However, payroll employment remains up sharply since December 2001. Most of the strength was in retail trade, wholesale trade, manufacturing, and administrative and support services.

For general information, contact Robert Frindt (613-951-4069), Labour Statistics Division.

Residential sector fuels record high for building permits

The value of building permits reached an all-time high in July, totalling $4.0 billion, up 3.0% from June, the third increase in four months. High construction intentions in the residential sector were responsible for this new record.

These positive figures are attributed to improved consumer confidence, advantageous mortgage rates, strong employment numbers and a scarcity of existing vacant dwellings.

Halting two consecutive monthly declines, the value of housing permits reached $2.4 billion in July, up 6.2% from June, on the back of a strong increase in multi-family permits. Single-family construction intentions retreated for a third consecutive month. In July, 18,250 new dwellings units were authorized.

The value of multi-family permits reached $748 million in July, up 25.9% from June. This figure is the second highest on record, surpassed only by the $893 million figure posted in April, 2002. The value of single-family permits declined a slight 0.8% to $1.7 billion. Despite the decline, the value of single-family permits in July was still 26.3% higher than the average monthly level in 2001.

On a year-to-date basis, municipalities issued building permits worth $26.6 billion in the first seven months of 2002, up 15.1% from the same period of 2001. Pushed by the frenetic demand for new housing, the residential sector recorded a 34.2% gain, whereas the non-residential sector was down 7.9% from the same period of 2001.

Tremendous rises in single (+35.7%) and multi-family (+30.6%) building permits issued from January to July clearly demonstrate the strong demand for new housing. Nearly 125,000 new dwelling units have been authorized by municipalities so far in 2002.

All 10 provinces have posted double-digit advances in the residential sector in 2002 to date; the largest gains were in Ontario and Quebec.

Builders in Quebec took out $488 million worth of residential permits in July, up from $417 million in June. This gain was the largest in absolute dollars among the provinces and led the value of residential construction intentions in Quebec to its highest level since March 1987. Alberta also posted an important advance, as the value of housing permits increased 12.8% in July.

Value of building permits by census metropolitan area
Seasonally adjusted

	July 2002[p]	June to July 2002	January to July 2002	January-July 2001 to January-July 2002
	$ millions	% change	$ millions	% change
St. John's	24.0	4.1	148.3	44.0
Halifax	56.1	16.7	280.4	43.9
Saint John	12.1	70.6	55.7	24.2
Chicoutimi- Jonquière	10.3	-74.2	100.8	-6.5
Québec	79.2	59.1	410.7	-4.3
Sherbrooke	12.0	-41.7	130.0	47.2
Trois-Rivières	17.0	17.7	90.1	31.0
Montréal	392.0	7.7	2,626.5	7.1
Hull	60.0	3.4	287.4	34.9
Ottawa	231.8	81.9	1,044.9	10.1
Kingston	13.9	-22.1	163.3	46.0
Oshawa	84.8	58.4	402.2	22.0
Toronto	742.4	6.5	5,124.2	4.5
Hamilton	119.1	99.8	654.9	34.6
St. Catharines-Niagara	25.0	-85.6	444.8	104.6
Kitchener	95.5	-0.1	616.5	14.2
London	62.3	13.2	397.9	-10.2
Windsor	60.9	-27.5	448.1	47.2
Sudbury	11.9	-53.6	90.3	115.6
Thunder Bay	9.5	-66.7	127.2	117.7
Winnipeg	37.4	0.8	263.2	-0.4
Regina	11.0	-8.1	82.2	-35.8
Saskatoon	27.9	2.3	187.5	29.3
Calgary	239.8	1.8	1,593.1	24.6
Edmonton	159.2	25.0	946.5	34.5
Abbotsford	21.7	87.5	100.3	16.3
Vancouver	265.7	-15.1	2009.0	5.3
Victoria	33.6	-8.8	264.7	33.5

[p] *Preliminary data.*

Of the 28 census metropolitan areas, 23 showed growth in the year-to-date value of building permits. Calgary and Edmonton had the strongest gains in dollars among the metropolitan areas, as a result of their dynamic housing markets.

The July 2002 issue of ***Building permits*** *(Internet: 64-001-XIE, $14/$145) is now available. For general information, contact Vere Clarke (613-951-6556 or 1-800-579-8533; clarver@statcan.ca). For analytical information, contact Étienne Saint-Pierre (613-951-2025; saineti@statcan.ca), Investment and Capital Stock Division.*

Department store sales up for two straight months

Consumer spending in department stores increased for the second month in a row in July. Consumers purchased goods and services worth $1.80 billion on a seasonally adjusted basis, up 0.6% from June.

This followed the much larger increase of 3.2% in June, and a 2.7% decline in May.

Since the substantial gain of 5.0% in January, department store sales have fluctuated from month to month around an average of $1.77 billion. Prior to January, sales had been growing since the spring of 2000.

In July, average department store sales per location totalled $2.43 million, up 3.8% from July 2001, the peak for that year. There were 739 locations in July 2002, up from 728 in July 2001.

On a year-over-year basis, department store sales (unadjusted for seasonality) advanced 8.4% in July 2002 from the same month last year. Sales rose in all provinces.

Department stores in both the Atlantic provinces and Quebec posted increases of more than 10.0%. The remaining provinces posted year-over-year increases of at least 6.0%, except Manitoba, where the gain was 4.6%, and the region formed by British Columbia and the territories, where it was 2.8%.

For general information, contact Client Services (1-877-421-3067; 613-951-3549; retailinfo@statcan.ca). For analytical information, contact Elton Cryderman (613-951-0669; elton.cryderman@statcan.ca), Distributive Trades Division.

Investment in housing sector at record high

The total value of investment in the housing sector reached a record $13.7 billion in the second quarter, up 18.7% from $11.5 billion in the second quarter of 2001. This substantial gain was led by investment in new housing.

Among the factors that drew consumers to the new housing market were low mortgage rates, high employment levels, buoyant consumer confidence and the small number of dwelling units available for rent or purchase.

Consequently, investment in new housing construction jumped to $7.4 billion in the second quarter, up 31.7% from the second quarter of 2001. Because of an extraordinary rise in housing starts, investment in new single-family units, which made up 67% of the new housing component, was the biggest contributor to the increase.

Spending on renovations to existing housing stock totalled $5.2 billion in the second quarter, up 4.4% from the second quarter of 2001. Acquisition costs rose 17.7% to $1.1 billion.

Among the provinces and territories, only Nunavut reported a decrease. Quebec had the largest gain in dollar terms, as residential construction investment soared from $2.6 billion to $3.4 billion, a 31.9% increase. Substantial advances were also recorded in Ontario (+11.5%) and Alberta (+24.7%).

For more information, contact Étienne Saint-Pierre (613-951-2025; saineti@statcan.ca), Investment and Capital Stock Division.

Undergraduate university tuition fees rise more slowly

In the 2002/03 academic year, undergraduate students in all faculties will pay an average of 4.5% more in university fees than in 2001/02. Although the rate of increase has been slower in the past three years than it was in the 1990s, average tuition fees continue to rise more quickly than inflation.

This fall, undergraduate students will pay an average of $3,738 in tuition, up from $3,577 in 2001/02. This is almost double the average tuition of $1,872 in 1992/93, the result of significant increases during the 1990s. From 1990/91 to 2000/01, average undergraduate tuition fees rose 135.4%, more than six times faster than the 20.6% increase in inflation.

The increase in 2002/03, which follows a 4.0% increase in 2001/02, is the largest in three years. However, the rate of increase of tuition fees has slowed in the past decade. During the last three years, tuition rose an average of 3.9% per year, a rate less than half that recorded in the 1990s. From 1990/91 to 1999/2000, tuition fees rose by an annual average of 9.6%.

Tuition fees for undergraduate students will increase at universities in seven provinces: Prince Edward Island, Nova Scotia, New Brunswick, Ontario, Saskatchewan, Alberta and British Columbia. The largest average tuition fee increase will be in British Columbia at 25.2%, followed by Saskatchewan at 10.5%. The increase in British Columbia follows a tuition freeze in the province over the previous seven years.

Undergraduate tuition fees will drop 10.1% in Newfoundland and Labrador. This is the third consecutive year that the university in Newfoundland and Labrador has frozen or lowered tuition fees. Manitoba universities have also frozen their tuition fees for the second year in a row.

For the sixth consecutive year, tuition fees will be frozen at Quebec universities for residents of Quebec. Quebec residents attending university in that province will pay an average of $1,675, the lowest tuition in Canada.

Average undergraduate tuition fees

	1993-94	2001-02	2002-03	1993-94 to 2002-03	2001-02 to 2002-03
	$			% change	
Canada	**2,023**	**3,577**	**3,738**	**84.8**	**4.5**
Newfoundland and Labrador	2,000	3,036	2,729	36.5	-10.1
Prince Edward Island	2,509	3,710	3,891	55.1	4.9
Nova Scotia	2,701	4,855	5,214	93.0	7.4
New Brunswick	2,385	3,863	4,186	75.5	8.4
Quebec	1,550	1,842	1,851	19.4	0.5
Ontario	2,076	4,492	4,634	123.2	3.2
Manitoba	2,272	3,243	3,248	43.0	0.2
Saskatchewan	2,341	3,879	4,286	83.1	10.5
Alberta	2,209	4,030	4,165	88.5	3.3
British Columbia	2,240	2,527	3,165	41.3	25.2

Average undergraduate tuition fees of $5,214 in Nova Scotia remain the highest in Canada. At $4,634, Ontario students continue to pay the second highest fees. However, the 3.2% increase in average undergraduate tuition fees in 2002/03 in Ontario is the smallest since the late 1970s.

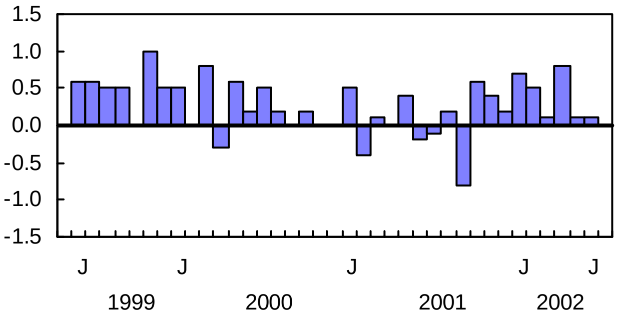
The most expensive programs at universities in Canada, measured by average tuition, continue to be dentistry, medicine and law. Students in dentistry will pay $9,703 on average this year, more than double the average $3,608 that arts students will pay. Students in medicine will pay $8,062 on average, up 8.1% from 2001/02. Law students will pay $5,020 on average this year, up 15.0% from 2001/02.

For general information, contact Client Services (1-800-307-3382; 613-951-7608; educationstats@statcan.ca). For analytical information, contact Bernard Bourgoin (613-951-1506; bernar.bourgoin@statcan.ca), Centre for Education Statistics.

Current trends

Gross domestic product

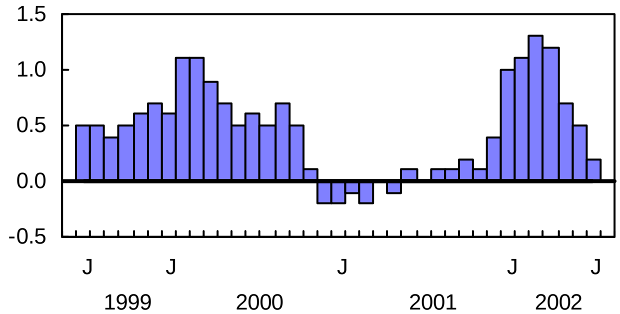
% change, previous month



Total economic activity rose 0.1% in June, the same as in May.

Composite Index

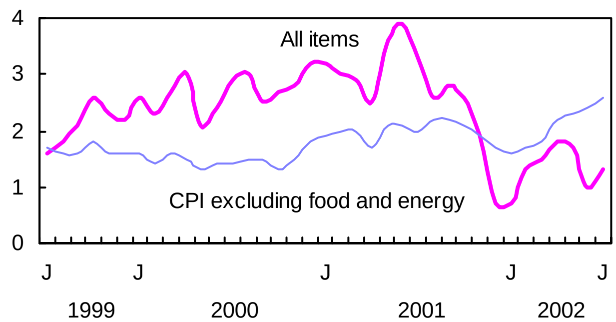
% change, previous month



The leading indicator gained 0.2% in July. The rise would have matched June's had the stock market not tumbled again.

Consumer Price Index

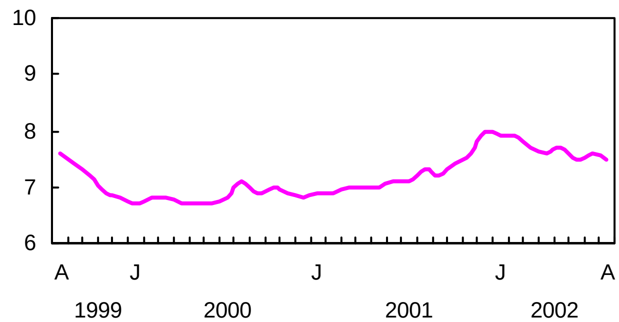
% change, previous year



Consumer prices for goods and services were 2.1% higher in July than they were a year earlier. Excluding food and energy, prices rose 2.9%.

Unemployment rate

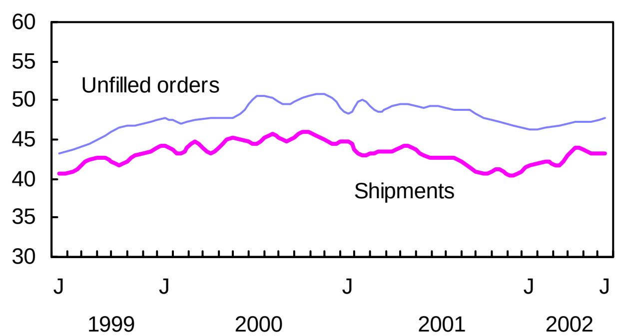
%



In August, the unemployment rate edged down 0.1 percentage points to 7.5%.

Manufacturing

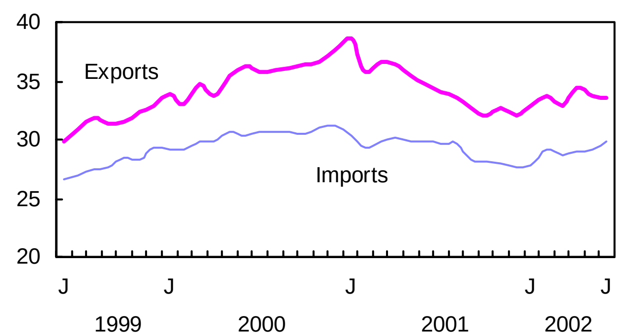
$ billions



Manufacturers' shipments edged down 0.1% in June to $43.2 billion. The backlog of unfilled orders rose 0.8% to $47.8 billion.

Merchandise trade

$ billions



In June, the value of merchandise exports declined 0.5% to $33.6 billion. Imports rose 2.1% to $29.8 billion.

Note: All series are seasonally adjusted except the Consumer Price Index.

Latest statistics

	Period	Level	Change, previous period	Change, previous year
GENERAL				
Gross domestic product ($ billions, 1997)[1]	June	967.4	0.1%	2.9%
Composite Index (1992=100)	July	177.6	0.2%	6.9%
Operating profits of enterprises ($ billions)	Q2 2002	38.8	10.7%	-0.2%
Capacity utilization rate (%)[2]	Q2 2002*	83.2	1.3†	-0.1†
DOMESTIC DEMAND				
Retail trade ($ billions)	June	25.6	1.8%	6.2%
New motor vehicle sales (thousands of units)	June	142.7	-2.0%	7.6%
Wholesale trade ($ billions)	June	34.5	0.1%	3.7%
LABOUR				
Employment (millions)	August*	15.5	0.4%	2.7%
Unemployment rate (%)	August*	7.5	-0.1†	0.2†
Participation rate (%)	August*	67.0	0.2†	1.1†
Average weekly earnings ($)	June	676.61	0.10%	2.03%
Help-wanted Index (1996=100)	August	126.9	-1.1%	-11.9%
Regular Employment Insurance beneficiaries (in thousands)	June	551.5	-0.5%	8.1%
INTERNATIONAL TRADE				
Merchandise exports ($ billions)	June	33.6	-0.5%	-2.9%
Merchandise imports ($ billions)	June	29.8	2.1%	0.1%
Merchandise trade balance (all figures in $ billions)	June	3.8	-0.8	-1.0
MANUFACTURING				
Shipments ($ billions)	June	43.2	-0.1%	0.8%
New orders ($ billions)	June	43.6	0.2%	2.8%
Unfilled orders ($ billions)	June	47.8	0.8%	-2.7%
Inventory/shipments ratio	June	1.43	0.00	-0.09
PRICES				
Consumer Price Index (1992=100)	July	119.6	0.5%	2.1%
Industrial Product Price Index (1997=100)	July	106.9	0.2%	-0.3%
Raw Materials Price Index (1997=100)	July	114.7	2.6%	0.3%
New Housing Price Index (1992=100)	July*	110.5	0.2%	4.0%

Note: *All series are seasonally adjusted with the exception of the price indexes.*
* *new this week*
† *percentage point*
[1] *1997 replaces 1992 as the base year used in determining prices for gross domestic product by industry. Also, valuation has been changed from factor cost to basic prices.*
[2] *Calculation of the rates of capacity use is now based on the 1997 North American Industrial Classification System (NAICS), which has replaced the 1980 Standard Industrial Classification.*

Infomat
A weekly review

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Products released from September 5 to 11, 2002

SUBJECT AREA Title of product	Period	Catalogue number	Price ($) (issue/subscription)
AGRICULTURE			
Agriculture and rural working paper series	1966-1996	21-601-MIE2002055	free
Field crop reporting series: Stocks of Canadian grain	at July 31, 2002	22-002-XIB	11/66
Field crop reporting series: Stocks of Canadian grain	at July 31, 2002	22-002-XPB	15/88
BALANCE OF PAYMENTS AND FINANCIAL FLOWS			
Canada’s international transactions in securities	June 2002	67-002-XIB	14/132
Canada’s international transactions in securities	June 2002	67-002-XPB	18/176
INDUSTRY MEASURES AND ANALYSIS			
Gross domestic product by industry	June 2002	15-001-XIE	11/110
INTERNATIONAL TRADE			
Exports by commodity	June 2002	65-004-XMB	37/361
Exports by commodity	June 2002	65-004-XPB	78/773
INVESTMENT AND CAPITAL STOCK			
Building permits	July 2002	64-001-XIE	14/145
LABOUR STATISTICS			
Employment, earnings and hours	June 2002	72-002-XIB	24/240
Labour force information, week ending August 17, 2002		71-001-XIE	8/78
MANUFACTURING, CONSTRUCTION AND ENERGY			
Cement	July 2002	44-001-XIB	5/47
Industrial chemicals and synthetic resins	July 2002	46-002-XIB	5/47
Production and shipments of steel pipe and tubing	July 2002	41-011-XIB	5/47
Refined petroleum products	May 2002	45-004-XIB	16/155
PRICES			
Industry price indexes	June 2002	62-011-XPB	22/217
SERVICE INDUSTRIES			
A profile of the childcare services industry		63F0002XIB2002040	free
A profile of the childcare services industry		63F0002XPB	10/35

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