



# Infommat

## A Weekly Review

Friday, December 18, 1998

### OVERVIEW

◆ **Capacity use slips another notch**

Industrial capacity use dropped for a second consecutive quarter in the third quarter, as additional capacity coming on stream magnified a slight decrease in industrial production.

◆ **Farm revenues and incomes hit by low prices**

As world grain stocks expand and prices weaken, farmers' cash receipts are declining this year. This is occurring in the wake of total net farm income that tumbled 53.4% from 1996 to 1997.

◆ **Sales of new cars and trucks tumble**

Sales of new motor vehicles tumbled virtually across the board in October.

◆ **Value of building permits drops**

The value of building permits dropped in October, as the value of permits for housing and for non-residential structures both fell.

◆ **More homeowners doing their own repairs and renovations**

Last year, Canadians increased their spending on home repairs and renovations for the first time in three years. And the faster pace of spending on building materials indicates that the do-it-yourself market is growing.

◆ **New housing prices move higher**

The New Housing Price Index moved higher in October. However, competitive factors kept new housing prices stable in nearly half the cities surveyed.

◆ **Fewer charitable donors, but greater generosity**

Fewer Canadians gave money to charities in 1997, but those that did gave more.

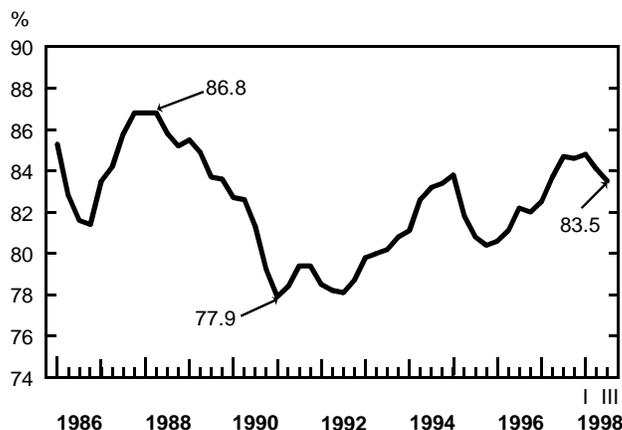
### Capacity use slips another notch

Industries operated at 83.5% of capacity in the third quarter of 1998, down 0.6 percentage points from the previous quarter. The third quarter's rate of capacity use fell in the third quarter because production capacity grew while industrial production fell slightly. Industrial capital investment has been growing strongly in recent years. In 1998, businesses reported they planned to spend nearly \$50 billion, an increase of 5.6% from 1997.

Manufacturers reduced their rate of capacity use to 85.3%, cutting it by 0.5 percentage points for a second consecutive quarter. Strikes in the auto industry and in the pulp and paper industries were partly responsible for keeping manufacturing production unchanged from the second quarter. Of the 22 industry groups in manufacturing, 12 raised their capacity use rates. Manufacturing production might rise during the rest of 1998, since the automotive industries returned to more normal production levels by September.

In the transportation industries, output was down in the third quarter even though the strike of GM autoworkers in the United States, which shut down Canadian plants, ended in July. Production capacity increased in the quarter as well, so the rate of capacity use fell 2.1 percentage points to 79.6%. Labour disputes also affected output in the paper and paper-related industries. September marked the fourth month of a strike at several mills. The industry's rate of

Industrial capacity utilization rates



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### ... Capacity use slips another notch

capacity use fell 2.6 percentage points to 88.3%. The machinery industries lowered production in the third quarter. This coincided with capacity growth, so the machinery industries' rate of capacity use fell 6.1 percentage points to 78.5%. Manufacturers of chemicals and chemical products also reduced their rate of capacity use (-1.2 percentage points to 88.6%), as a slight increase in production was more than absorbed by greater capacity.

On a positive note, producers of office machines and computers contributed to higher output in the electrical and electronic products industry, where capacity use rose 2.4 percentage points to 95.2% — a record high for this group. Benefiting from strong residential construction activity in the United States, the rate of capacity use in the wood industries rose 1.6 percentage points to 86.2%. Distilleries and breweries were chiefly responsible for the quarter's increased output in the beverage industries, where the rate of capacity use climbed 1.7 percentage points to 87.9%. The rubber products industries hit a record high capacity use rate of 98.5% in the third quarter.

Rates of capacity use fell in all non-manufacturing industries except electric power systems and gas distribution systems. Capacity use grew 2.0 percentage points to 87.6% in electric power systems, where output grew in part because of greater demand from U.S. customers in August. In gas distribution systems, higher production raised capacity use 2.7 percentage points to 68.3%.

Weak commodity prices continued to depress the output from mines and to reduce oil and gas drilling and exploration. As a

#### Note to readers

*An industry's capacity use is the ratio of its actual output to its estimated potential output. Statistics Canada derives estimates of an industry's potential output from measures of its capital stock. Since 1987, Statistics Canada has surveyed companies for their estimates of annual capacity use, in order to produce survey-based industry measures. A company's measure of its level of operation, as a percentage of potential, takes into account changes in the obsolescence of facilities, capital-to-labour ratios and other characteristics of production techniques. The surveyed rates anchor the calculated quarterly series and ensure that the data series reflect such changes.*

result, capacity use in the mining and quarrying industries sagged 4.7 percentage points to 76.5%. In the crude petroleum and natural gas industries, capacity use declined 1.4 percentage points to 75.2%. Reduced output in the construction industries was largely due to strikes in several trades affecting residential construction. Capacity use in construction fell 0.9 percentage points to 83.8%. Output in the logging and forestry industries declined for a third consecutive quarter, and capacity use fell 3.7 percentage points to 74.6% in the third quarter.

**Available on CANSIM: matrix 3140.**

*For further information, contact Susanna Wood (613-951-0655) or Richard Landry (613-951-2579), Investment and Capital Stock Division.*

## Farm revenues and incomes hit by low prices

**F**armers' cash receipts are declining this year in the wake of expanding global grain stocks and weak prices. In the third quarter alone, total crop receipts tumbled 9.2% to \$3.2 billion — well below the same quarter a year earlier. And during the first nine months of 1998, farmers sold agricultural commodities worth \$21.6 billion, down 2.6% from the same period in 1997.

If receipts continue to decline in 1998, which can be expected given current prices, net cash income this year will be down substantially. In 1997, the net cash income of farm businesses reached a record \$6.8 billion, up 4.9% from 1996 (record receipts of \$29.6 billion minus operating expenses of \$22.8 billion).

However, several major expenses increased during the 1990s. Farmers paid \$2.8 billion in wages in 1997, a 35.4% surge from 1990. Machinery costs such as fuel and repairs rose 26.9%. Livestock expenses such as feed, livestock purchases and veterinary fees jumped 46.8%. Expenses directly associated with crops such as crop insurance, pesticides, fertiliser and seed vaulted 57.3%. And in the third quarter of this year, the cost of non-mortgage interest was 25.2% higher than it was a year earlier.

The financial picture for farmers looks worse from the point of view of total net farm income (see Note to readers). Total net farm income shrank by more than half from 1996 to 1997 (-53.4% from \$4.3 billion to \$2.0 billion). This plunge can be attributed to a 16.0% drop in December 31 inventories of major grains and oilseeds. Cattle inventories also fell, as that sector has been

#### Note to readers

*Farm cash receipts measure the gross revenue of farm businesses in current dollars. They include sales of crops and livestock products (except sales between farms in the same province) and program payments. They also include Canadian Wheat Board and Ontario Wheat Producers' Marketing Board payments and deferred grain receipts.*

*Net cash income is farm cash receipts minus operating expenses. It represents the amount of cash that is available for debt repayment, investment or withdrawal by the owner.*

*Total net income is net cash income adjusted for the value of inventory change, depreciation and income-in-kind. It represents the return to owners for investment, unpaid labour, management and risk. Total net income accounts for production during the year that the agricultural goods were produced.*

contracting for the past two years. And depreciation rose in 1997. Producers made significant purchases of machinery and equipment during the previous four years, leading to a 32.0% increase in depreciation charges this decade.

The largest decline in receipts from January to September 1998 occurred for crops (-4.2% from year earlier, to \$10.2 billion), which have been particularly affected by over-supply. Feed grain receipts have also tumbled — barley receipts fell 28.7% and corn receipts dropped 25.0% — in the wake of lower sales and prices. Abundant world supplies of feed grains, the result of bumper corn harvests in the United States, have put downward pressure on prices for the last two years. Livestock receipts were down

*(continued on page 3)*

### ... Farm revenues and incomes hit by low prices

marginally (-1.3% to \$10.7 billion), while direct program payments to farmers remained virtually unchanged at \$727 million. Escalating payments from federal and provincial stabilisation programs offset large declines in crop insurance and other payments. Annual program payments peaked at \$3.8 billion in 1992.

The shrinking revenue from crops has hit farmers in the three Prairie provinces particularly hard. During the first nine months of 1998, total farm cash receipts declined 6.7% in Manitoba, 9.0% in Saskatchewan and 2.9% in Alberta. In Ontario, which is less dependent on grain receipts than the Prairies, cash receipts were up 1.1%. Overall, farm cash receipts surged during the 1990s, reaching a peak of \$29.6 billion in 1997, up 34.9% from 1990. This year, however, commodity prices for most major crops and livestock have hovered at low levels, and recently oilseed prices have started to decline as well. It is noteworthy that some special crops and the sectors governed by supply management (such as dairy, poultry and eggs) have not been affected by low prices.

World markets have had a major impact on Canadian farmers' crop receipts in 1998, especially for cereal grains such as wheat, barley and corn. Declining revenue from wheat has been largely responsible for the drop in crop receipts so far this year. Farmers' income from the sale of wheat was worth \$2.6 billion between January and September this year, down 22.0% from the same period in 1997. Rising sales of durum wheat, used to make pastas, could not offset plunging revenues for wheat used to make bread.

The world wheat supply has been building for the last two years because production has outpaced demand: Stocks rose from 106 million tonnes in 1996 to 134 million tonnes in 1998. Wheat stocks are expected to shrink during the 1998/99 crop year. As a result, the Canadian Wheat Board's initial spring wheat prices for 1998/99 (August 1) were \$130 a tonne for the top grade, down from \$172 at the end of the previous crop year. In particular, initial prices for durum (\$135) have been cut almost in half this year. (Wheat prices peaked in 1995/96, when the initial prices were \$246.) Oilseeds have fared better despite recent lower prices for canola.

Overall, the decline in revenue for farmers in the livestock sector was less substantial in the third quarter of 1998 (-1.4% from a year earlier to \$3.6 billion). Receipts grew from January to September for the cattle industry and for the supply-managed sector (poultry and milk producers). However, hog producers' revenues were especially hard hit during the first nine months of

### Farm cash receipts

	Jan.-Sept. 1997 to 1998	July-Sept. 1997 to 1998
	% change	
<b>Canada</b>	<b>-2.6</b>	<b>-5.5</b>
Newfoundland	3.8	5.3
Prince Edward Island	19.5	9.5
Nova Scotia	3.0	5.1
New Brunswick	9.9	11.5
Quebec	-0.7	-5.7
Ontario	1.1	5.1
Manitoba	-6.7	-5.0
Saskatchewan	-9.0	-22.0
Alberta	-2.9	-4.5
British Columbia	2.1	3.7
All wheat	-22.0	-40.3
Wheat excluding durum <sup>1</sup>	-30.4	-45.5
Durum wheat <sup>1</sup>	9.8	-21.3
Barley <sup>1</sup>	-28.7	-48.8
Canola	43.1	61.0
Soybeans	2.3	16.0
Corn	-25.0	-29.7
Other cereals and oilseeds	-11.7	6.1
Other crops	7.1	7.6
<b>Total crop receipts</b>	<b>-4.2</b>	<b>-9.2</b>
Cattle and calves	7.0	9.3
Hogs	-21.6	-26.1
Dairy products	3.5	6.5
Poultry	2.3	--
Other livestock	-3.8	-10.2
<b>Total livestock receipts</b>	<b>-1.3</b>	<b>-1.4</b>
<b>Total payments</b>	<b>-0.1</b>	<b>-14.1</b>

<sup>1</sup> Includes Canadian Wheat Board payments.

-- Amount too small to be expressed.

1998 (-21.6%) despite higher sales. Low prices have dealt a heavy blow. Moreover, hog production continued to expand despite prices that declined an average of 27.6% between January and September 1998, compared with the same period in 1997.

**Available on CANSIM: matrices 171-172, 208-215, 225, 244, 263-272, 3571-3603 and 5678.**

The January-September 1998 issue of *Farm cash receipts* (21-001-XIB, \$15/\$48) is now available on the Internet at [www.statcan.ca](http://www.statcan.ca). **Agriculture economic statistics supplement** (21-603-UPE, Issue 98-002, \$26/\$52) will be released in January. For further information, contact Paul Murray (613-951-0065; [murrpau@statcan.ca](mailto:murrpau@statcan.ca)), Agriculture Division.

## Sales of new cars and trucks tumble

Sales of new motor vehicles plunged 10.9% in October as incentives were reduced and weak commodity prices may have hurt sales in the West. October's decline followed a 5.5% increase in September, which was the only monthly sales increase since May. Sales were 7.2% lower this October than last. After advancing at the start of the year, sales of new vehicles have been declining since last summer. (All figures are seasonally adjusted unless otherwise specified).

### Note to readers

Passenger cars include those used for personal and commercial purposes (such as taxis or rental cars). Trucks include minivans, sport-utility vehicles, light and heavy trucks, vans, coaches and buses.

The Big Three automakers are General Motors, Ford and Chrysler. The Big Three may sell new vehicles manufactured in North America as well as those made overseas (imports).

For reasons of confidentiality, data for the Yukon and Northwest Territories are included with British Columbia data.

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### ... Sales of new cars and trucks tumble

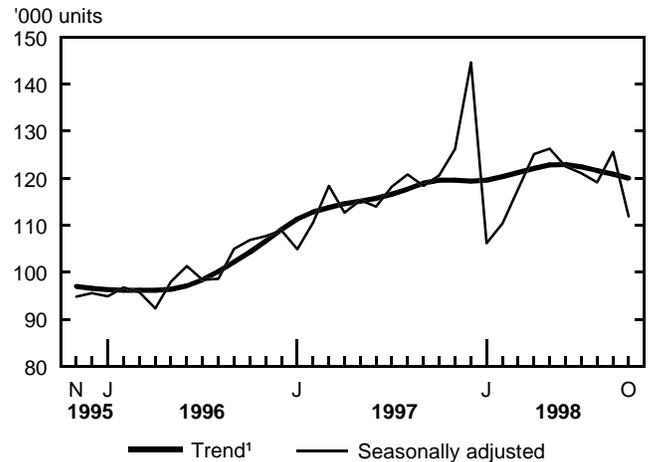
The Big Three saw new car sales drop 12.5% in October to 30,383 units, erasing an 11.6% advance in September. Industry sources suggest that September sales were bolstered by strong incentives, which were discontinued in October. October sales for the Big Three were down 11.2% from a year earlier.

Overall, sales of new cars sank 10.6% in October to 56,012 units (-5.4% from October 1997). Sales were 5.4% lower than in October 1997. New car sales have generally been declining since last summer. Truck sales tumbled 11.3% in October to 55,864 units (-9.0%). This followed a strong 9.1% increase in September. Apart from the big decline in January 1998, October's was the largest monthly decline in truck sales since January 1993. Generally, new truck sales have been flat since the end of 1997.

Sales of new cars made in North America dove 14.1% in October to 43,116 units (-12.8%). This was the second largest month-to-month decline in 1998. Monthly sales this year have not kept pace with the levels reached last year, as year-to-date sales were 7.8% behind the same 10 months in 1997. Virtually the only positive note, cars made overseas fared better, as sales rose 3.5% in October to 12,895 units (+32.7%). Moreover, the year-to-date sales figures were 42.7% ahead of last year. Sales of cars made overseas have grown steadily since the fall of 1996.

October sales of all new vehicles were down from October 1997 in most provinces (unadjusted for seasonality). Dealers recorded double-digit declines in Saskatchewan (-23.6%), Manitoba (-20.8%), Alberta (-15.1%) and British Columbia (-13.7%). Only in Newfoundland was a modest gain posted (+1.1%). New car sales declined in all provinces except Prince Edward Island (+6.5%). The largest declines were in Saskatchewan (-26.0%), Manitoba (-20.3%) and British Columbia (-17.6%). Truck sales fell in all provinces except Newfoundland (+5.3%).

### Sales of new motor vehicles



<sup>1</sup> The short-term trend represents a moving average of the data.

Leading that decrease were dealers in Saskatchewan (-22.4%), Manitoba (-21.1%), Alberta (-18.1%), New Brunswick (-12.9%) and British Columbia (-11.0%).

**Available on CANSIM: matrix 64.**

The October 1998 issue of *New motor vehicle sales* (63-007-XIB, \$13/\$124) will be available shortly. To order data, or for general information, contact Client Services (613-951-3549; 1 877 421-3067; [logener@statcan.ca](mailto:logener@statcan.ca)), Distributive Trades Division. For analytical information, contact Jeff Fritzsche (613-951-2812; [fritjef@statcan.ca](mailto:fritjef@statcan.ca)), Distributive Trades Division.

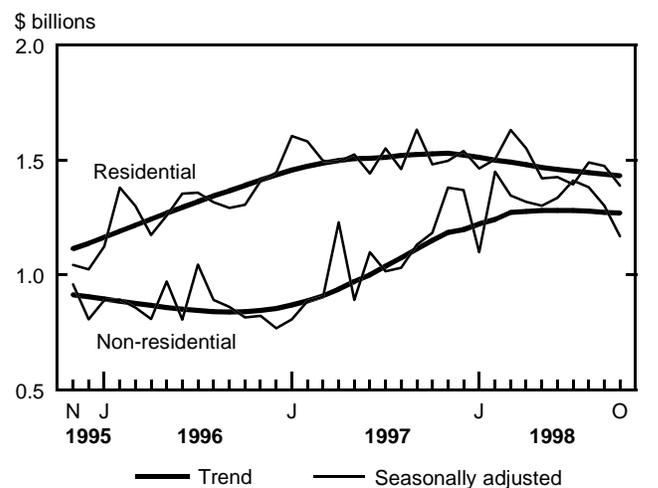
### Value of building permits drops

Municipalities issued \$1.4 billion worth of building permits for housing in October, down 5.8% from September and the second straight decline. It also was the lowest level for residential construction intentions since October 1996. In the non-residential sector, the value of permits dropped 10.2% to \$1.2 billion. Declines in commercial and institutional intentions more than offset an increase in the industrial component, resulting in a third consecutive monthly decline for the sector.

Both single- and multi-family housing components contributed to October's decline in the residential sector. Permits for multi-family housing fell a sharp 20.2% to \$323 million, the lowest level since April 1996. The single-family sector dipped 0.4% to \$1.1 billion. The multi-family component shows significant monthly fluctuations because of large individual projects. The residential sector has been slowing since the beginning of the year, a result of lagging intentions to build single-family dwellings, which represent about 70% of the sector. To illustrate, municipalities issued permits worth \$10.6 billion for single-family dwellings during the first 10 months of 1998, down 4.4% compared with 1997. By contrast, permits for multi-family housing edged down just 0.8% to \$4.1 billion.

Provincially, the largest increases in housing permits in October occurred in Quebec and Manitoba. The most significant declines

### Value of building permits



were in Ontario, Alberta and British Columbia. Housing permits in British Columbia were down 34.2% compared with October 1997 to their lowest level since December 1990.

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### ... Value of building permits drops

Although momentum in the non-residential sector has been slowing for three months, the value of permits issued in the first 10 months of 1998 was up 28.8% compared with the same period in 1997. This was the sector's best performance in the first 10 months of a year since 1989. The industrial component was the only increase in October (+16.2% to \$356 million). Most of that activity came from large projects in the utilities and transportation category. The commercial component's decline in October was the second in a row (-14.8% to \$602 million). Mostly it reflected a decrease in projects for trade and services and for office buildings. The institutional component dropped the most (-27.0% to \$211 million). This decline was due to slowdowns in medical and government building projects.

On the non-residential side, October's decreases in Quebec, Ontario and British Columbia were led by the commercial component. A sharp rise in Alberta reflected a large jump in industrial intentions. In Saskatchewan, the value of non-residential

#### Note to readers

The monthly Building and Demolitions Permits Survey covers 2,600 municipalities and represents 94% of the population. It is an early indicator of building activity. The value of planned construction activities shown in this release excludes engineering projects (waterworks, sewers, culverts etc.) and land. Unless otherwise stated, the data are seasonally adjusted.

permits more than doubled, reflecting increases in all three components.

Available on CANSIM: matrices 80 (levels 3-7 and 33-48), 129, 137, 443, 989-992, 994, 995 and 4073.

The October 1998 issue of *Building permits* (64-001-XIB, \$19/\$186) is now available via the Internet at [www.statcan.ca](http://www.statcan.ca). For further information, contact Joanne Bureau (613-951-9689; [burejoa@statcan.ca](mailto:burejoa@statcan.ca)) or Ginette Gervais (613-951-2025; [gervgin@statcan.ca](mailto:gervgin@statcan.ca)), Investment and Capital Stock Division.

### Building permits<sup>1</sup>, October 1998

Seasonally adjusted

	Total		Residential		Non-residential	
	\$ millions	% change, previous month	\$ millions	% change, previous month	\$ millions	% change, previous month
<b>Canada</b>	<b>2,554.1</b>	<b>-7.9</b>	<b>1,388.5</b>	<b>-5.8</b>	<b>1,168.6</b>	<b>-10.2</b>
Newfoundland	22.5	39.9	8.9	-2.3	13.6	94.8
Prince Edward Island	12.1	-26.3	5.9	40.8	6.2	-49.1
Nova Scotia	54.9	8.3	29.1	-13.9	25.8	52.9
New Brunswick	37.4	-7.5	17.9	-11.8	19.5	-3.2
Quebec	415.0	-18.8	241.7	6.1	173.3	-38.9
Ontario	1,058.1	-10.5	613.1	-6.0	445.0	-16.1
Manitoba	96.0	-10.8	36.9	15.0	59.0	-21.8
Saskatchewan	77.0	36.0	21.8	-26.0	55.2	103.6
Alberta	455.8	7.7	234.8	-10.3	221.0	36.8
British Columbia	318.2	-12.8	173.6	-13.1	144.7	-12.3
Yukon	3.0	5.2	1.5	-20.7	1.5	53.4
Northwest Territories	7.1	159.4	3.3	109.5	3.8	227.2

<sup>1</sup> Data may not add to totals due to rounding. Some percentage changes should be interpreted with caution because of the small numbers involved.

## More homeowners doing their own repairs and renovations

Spending on home repairs and renovations increased last year for the first time since 1994. In 1997, Canada's 7.5 million homeowners spent \$12.8 billion to improve and maintain their dwellings, up 7.3% from 1996. On average, that works out to \$1,712 per homeowner in 1997, up \$95 from the previous year. However, this average was still considerably below the peak of \$2,197 in 1989.

Spending increased faster on building materials than it did on contractors, indicating a movement toward "do-it-yourself" activity. Homeowners, on average, allocate about \$6 to contractors out of every \$10 they spend on repairs and renovations. On average, homeowners spent \$1,056 on contract work in 1997 (+2.5% from 1996). The average amount spent on building materials was \$655 (+11.6%). Homeowners in urban areas contracted out two-thirds of their repair and renovation budget, whereas those in rural areas contracted out only half.

#### Note to readers

The data from the Homeowner Repair and Renovation Survey were collected from a sample of approximately 20,300 homeowners, which represent about 70% of the total home renovation market. Contract work includes contract (including labour and materials) and/or separate hired labour costs. Materials include all building supplies purchased by the homeowner. All the data presented in this article are in current dollars.

The larger increase in spending on building materials may be a result of a number of factors, including activity in the housing market. According to the Canadian Real Estate Association, resales advanced 3% in 1997. At the same time, new housing construction climbed 18%, according to Canada Mortgage and Housing Corporation. Homeowners who move tend to make changes to the new home that tailor it to their taste.

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### ... More homeowners doing their own repairs and renovations

Owners of single-family detached dwellings accounted for the lion's share of repairs and renovations in 1997. They spent 86% of the \$12.8 billion total or an average of \$1,821. By comparison, apartment owners spent an average of \$934, while owners of other types of housing (such as townhouses) spent \$1,365.

Within five broad expenditure categories, homeowners spent the most (an average of \$642) on renovations and alterations. This category includes remodelling rooms such as bathrooms and kitchens, upgrading doors or windows, and adding eavestroughs. They spent the least (\$102) on new installations, such as electrical and plumbing fixtures, heating and air conditioning, and carpeting.

Homeowners in the 35-to-44 age group spent (on average) the most on home improvements in 1997 (\$2,077), possibly because they were renovating to meet the needs of an expanding family. Those aged 45 to 54 followed closely, with average spending of \$1,927. By comparison, homeowners aged 65 and over spent on average only \$1,110, three-quarters of it going to contractors.

Homeowners in British Columbia spent the highest average on repairs and renovations in 1997, followed closely by those in Ontario. By contrast, homeowners in New Brunswick spent the lowest average per household. Do-it-yourself activity had the largest share of the market in Newfoundland, where homeowners allocated 66 cents of every repair and renovation dollar to buying building materials. In Ontario, on the other hand, homeowners allocated only 30 cents of every dollar to buy materials.

### Homeowner repair and renovation expenditures, 1997

	Average expenditure	Contract work	Materials
	\$		
<b>Canada</b>	<b>1,712</b>	<b>1,056</b>	<b>655</b>
Newfoundland	1,451	487	964
Prince Edward Island	1,599	989	610
Nova Scotia	1,527	894	633
New Brunswick	1,303	755	547
Quebec	1,625	844	781
Ontario	1,814	1,270	544
Manitoba	1,377	776	601
Saskatchewan	1,567	874	693
Alberta	1,756	1,092	664
British Columbia	1,863	1,130	732

The publication *Homeowner repair and renovation expenditure in Canada, 1997* (62-201-XPB) will be released in February 1999. It is also possible to order custom and semi-custom tables (62C0011). The semi-custom tables present data by level of expenditure, province, the size of the region of residence, the type of dwelling, period of construction and the age of reference person. For further information, contact Client Services (1 888 297-7355 or 613-951-7355; [income@statcan.ca](mailto:income@statcan.ca)), Income Statistics Division.

## New housing prices move higher

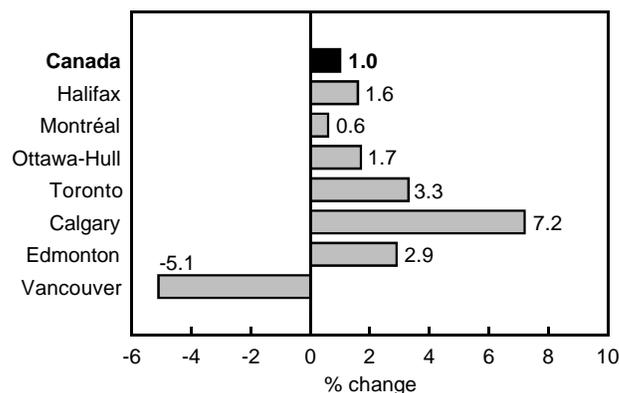
The New Housing Price Index was 1.0% higher in October compared with the same period a year earlier. This index, which measures contractors selling prices for new houses, increased 0.1% between September and October 1998. The index (1992=100) stood at 100.2 in October.

The largest monthly increases were noted in Charlottetown (+1.0%) and London (+0.7%), where some builders passed on higher construction costs to buyers of new homes. Smaller increases were also noted in several of the cities surveyed. However, these increases were almost completely offset by a monthly decrease in Vancouver (-0.6%), which carries a large weight in the index. There were no other decreases this month, but 10 of the 21 cities surveyed showed no monthly change either in October. Generally, contractors attributed these stable prices to competitive factors.

Year-over-year changes in new house prices varied considerably among the cities surveyed. The largest annual increase was observed in the active Calgary market (+7.2%). The largest annual decreases were noted in Victoria (-6.5%) and Vancouver (-5.1%), where market conditions remain very competitive.

Available on CANSIM: matrix 9921.

### New housing price indexes, October 1997 to October 1998



The fourth quarter 1998 issue of *Construction price statistics* (62-007-XPB, \$24/\$79) will be available in March 1999. For further information, contact Louise Chainé (613-951-3350; fax: 613-951-1539; [infounit@statcan.ca](mailto:infounit@statcan.ca)), Prices Division.

## Fewer charitable donors, but greater generosity

**F**ewer Canadians gave money to charities in 1997, but those that did gave more. Just under 5.3 million taxfilers reported charitable deductions on their 1997 personal income tax returns, down 3.1% from the year before. However, these individuals gave \$4.3 billion, up 6.0% from 1996.

The decline in the number of donors was the largest this decade, while the increase in donations was the second largest. Part of the greater generosity can be attributed to the new, higher maximum deduction limit (75% of net income, compared with the previous limit of 50%) allowed by Revenue Canada as of the 1997 tax year.

For most of the decade, both the number of donors and their donations have remained fairly stable. The number of donors has tended to stay around 5.4 million and donations were consistently around \$3.5 billion until 1996, when donations climbed 11% to just more than \$4 billion.

Compared with 1996, the number of taxfilers who reported charitable donations in 1997 increased in only Alberta and in the Yukon. Quebec was the province where the number of donors showed the sharpest drop (-8.0% to just under 1.2 million). Meanwhile, the amount donated grew in six provinces: Nova Scotia, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia. In Ontario, the amount donated to charities vaulted 9.9% to almost \$2.0 billion, the largest increase among the provinces.

The median donation (the point at which half of the donations are above and half below) was \$170 in 1997. Once again, charitable donors in Newfoundland had the highest median donation in the country (\$270), despite having the lowest median total income (\$27,900). Quebec taxfilers had the lowest median donation (\$100); the median total income of the province's donors was \$34,900.

### Note to readers

*Only donations made to approved organizations and for which official tax receipts were provided are allowed as deductions in the tax system. It is possible to carry donations forward for up to five years after the year in which they were made. Accordingly, the charitable donations declared on tax returns in 1997 might reflect donations that were made in the past five years and were only just claimed for tax purposes in 1997. Also, tax laws allow taxfilers to combine their charitable donations with those of their spouse to get the maximum tax benefit. Consequently, the number of individuals who give to charity may be larger than the number who report donations.*

*All figures in this article have been adjusted for inflation as measured by the Consumer Price Index.*

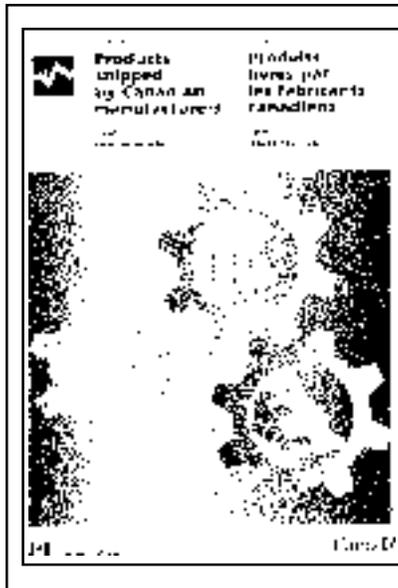
The people who donate to charitable organizations tend to do so later in life. In 1997, about 37% of individuals aged 65 and over reported charitable donations, compared with only 18.8% of those aged 25 to 34. As people grow older, the tendency to donate money to charity rises, as does the amount they give. For example, taxfilers aged 65 and over gave more than \$1.4 billion to charity last year, compared with \$310.1 million donated by those aged 25 to 34.

*The charitable donors databank provides information on taxfilers who claimed charitable donations on their 1997 tax returns. Databanks for **Charitable donors** (13C0014) are available for Canada, the provinces/territories, cities, towns, census metropolitan areas, census divisions and for areas as small as forward sortation areas (the first three characters of the postal code) and letter carrier routes. For further information, contact Client Services (613-951-9720; fax: 613-951-4745; saadinfo@statcan.ca), Small Area and Administrative Data Division.*

### Donors and donations, 1997

	Donors			Donations	
	% of taxfilers	Count	1996 to 1997	Amount \$ 000s	1996 to 1997
			% change		% change
<b>Canada</b>	<b>25.7</b>	<b>5,285,560</b>	<b>-3.1</b>	<b>4,273,085</b>	<b>6.0</b>
Newfoundland	21.2	80,310	-5.4	49,343	-3.8
Prince Edward Island	27.8	26,160	-5.8	18,061	-0.6
Nova Scotia	24.5	154,850	-5.3	107,727	2.6
New Brunswick	23.5	123,320	-5.7	99,072	-0.3
Quebec	23.0	1,183,330	-8.0	471,157	-3.3
Ontario	28.1	2,154,150	-1.6	1,989,245	9.9
Manitoba	29.6	231,870	-1.5	203,040	5.0
Saskatchewan	27.9	190,420	-1.8	171,261	3.6
Alberta	25.9	501,550	0.4	518,176	5.7
British Columbia	20.0	630,840	-0.2	639,349	5.5
Yukon	19.3	3,660	1.7	2,704	-2.3
Northwest Territories	14.2	5,120	-3.8	3,950	-7.8

## New from Statistics Canada



### Products shipped by Canadian manufacturers 1996

This edition of *Products shipped by Canadian manufacturers* presents an analysis of manufacturers' product shipments (the values and quantities) at the national and provincial/territorial levels for 1995 and 1996. The data, which are derived from the Annual Survey of Manufacturers, are based on the Standard Classification of Goods and cover about 93% of all manufacturing shipments.

The report also features an article titled "Stages of processing and economic trends in the manufacturing sector, 1988-1996". It looks at patterns in manufacturing output and compares the data to the United States by stage of processing over the 1988-to-1996 period.

*The publication **Products shipped by Canadian manufacturers, 1996** (31-211-XPB, \$67) is now available. A CD-ROM version of this publication will be available shortly. For further information, contact Bruno Pépin (613-951-3529; fax: 613-951-3522; [manufact@statcan.ca](mailto:manufact@statcan.ca)), Manufacturing, Construction and Energy Division.*

### Are there high-tech industries or only high-tech firms?

1996

This research investigates what it means to be high-tech. Its findings, which are relevant to the ongoing debate over the nature of the new knowledge economy, suggest that firms that develop high-tech competencies are found in many different sectors of the economy — and many do not conform to popular notions of high-tech. In fact, high-tech firms are active in virtually all industries. This study argues for a definition of high-tech that considers innovation, advanced technology use and investment in worker skills, and a move away from simplistic definitions of high-tech that are often only related to research and development expenditures.

*The research study "**Are there high-tech industries or only high-tech firms?: Evidence from new-technology based firms**" is now available. To obtain a paper copy (\$5), contact Louise Laurin (613-951-4676), Micro-economic Analysis Division. The paper is also available free on the Internet at [www.statcan.ca](http://www.statcan.ca). For further information, contact John Baldwin (613-951-8588) or Guy Gellatly (613-951-3758), Micro-economic Analysis Division.*

## New from Statistics Canada



### Canadian social trends Winter 1998

The winter 1998 issue of *Canadian social trends* features the following articles: “Canada’s aboriginal languages”, “Paying off student loans”, “Literacy: Does language make a difference?”, “Skill deficits among the young,” and “Ice storm ’98!”.

Each quarter, *Canadian social trends* integrates data from many sources to examine emerging social trends and issues. It also features the latest social indicators, as well as information about Statistics Canada’s products and services.

*The winter 1998 issue of Canadian social trends (11-008-XPE, \$11/\$36) is now available. For further information, contact Susan Crompton (613-951-2556), Housing, Family and Social Statistics Division.*

### Portrait of official language communities 1996 Census

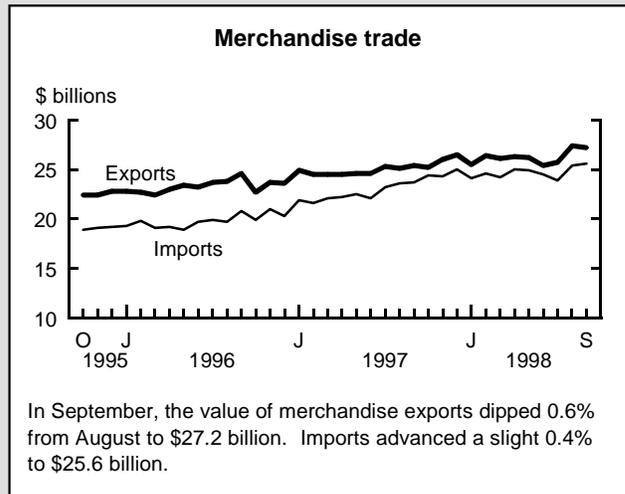
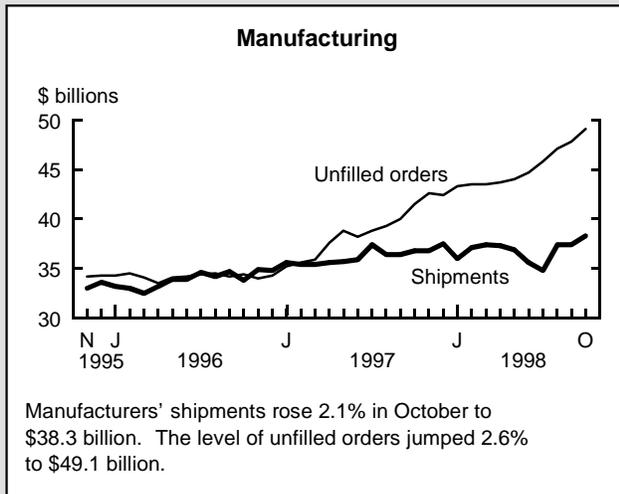
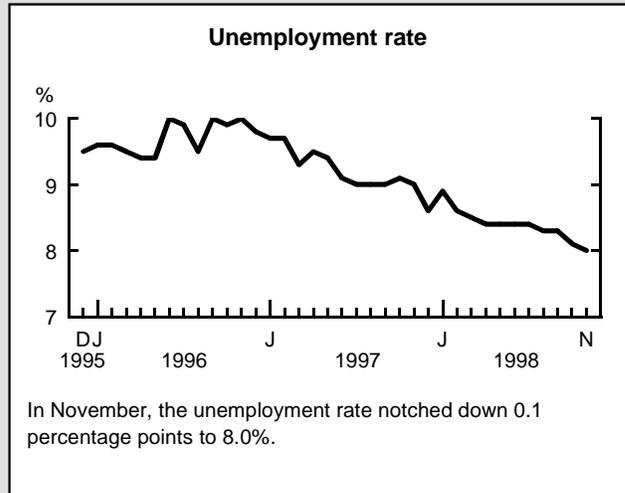
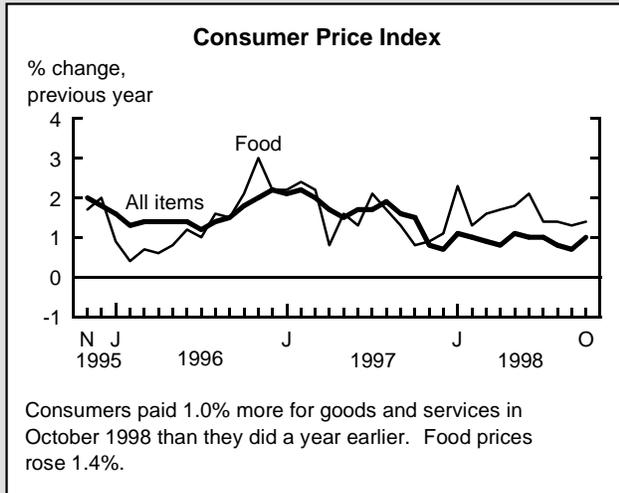
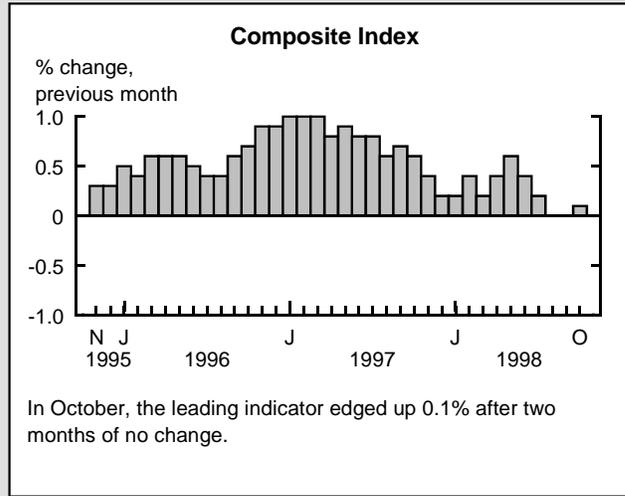
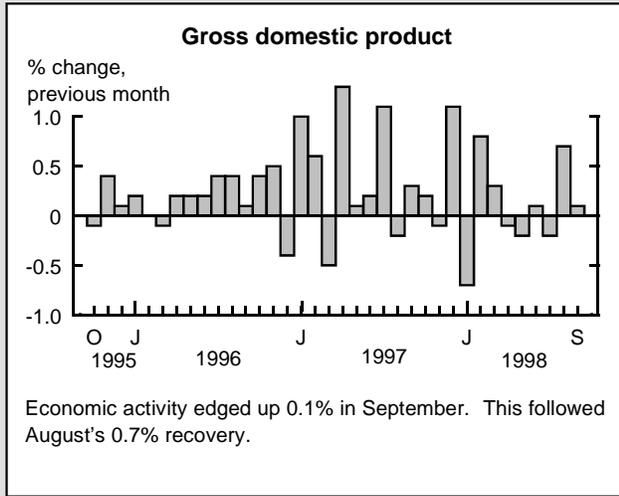
This new CD-ROM profiles the demographic, cultural, linguistic and socio-economic characteristics of English and French communities in almost 6,000 towns, villages and cities. It also presents these data at the level of Canada, the provinces and the territories. For the first time, a profile of both official language groups is available that covers a wide range of characteristics in the geographic areas mentioned. These characteristics include age groups, home language, knowledge of languages, marital status, ethnic origin, period of immigration, mobility status, citizenship, highest level of schooling, labour force activity, occupation, industry and income distribution.

These data allow analysis of all of the profiled characteristics to be done at local levels — as well as at the national, provincial/territorial levels — for either official language group by sex. The language groups are defined according to one of two criteria — mother tongue or first official language spoken.

This CD-ROM includes the Beyond 20/20 browser, making it a snap to search and sort data and to copy tables and charts to other Windows applications.

*Profile of official language communities (94F0010XCB, \$60) is now available. It is part of the Dimensions Series of CD-ROM products. To order, contact your nearest Statistics Canada Regional Reference Centre. For further information, contact Jean-Pierre Corbeil (613-951-2315; corbjea@statcan.ca), Demography Division.*

## Current trends



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

## Latest statistics

	Period	Level	Change, previous period	Change, previous year
<b>GENERAL</b>				
Gross domestic product (\$ billion, 1992)	September	719.2	0.1%	2.1%
Composite Index (1981=100)	October	207.3	0.1%	3.3%
Operating profits of enterprises (\$ billion)	Q3 1998	25.6	3.7%	- 9.1%
Capacity utilization (%)	Q3 1998	83.5	- 0.6†	- 1.2†
<b>DOMESTIC DEMAND</b>				
Retail trade (\$ billion)	September	21.0	1.1%	4.9%
New motor vehicle sales (thousand of units)	October*	111.9	- 10.9%	- 7.2%
<b>LABOUR</b>				
Employment (millions)	November	14.54	0.7%	3.4%
Unemployment rate (%)	November	8.0	- 0.1†	- 1.0†
Participation rate (%)	November	65.6	0.4†	0.7†
Labour income (\$ billion)	September	38.9	0.1%	3.0%
Average weekly earnings (\$)	September	604.28	- 0.2%	1.2%
<b>INTERNATIONAL TRADE</b>				
Merchandise exports (\$ billion)	September	27.2	- 0.6%	7.2%
Merchandise imports (\$ billion)	September	25.6	0.5%	7.9%
Merchandise trade balance (all figures in \$ billion)	September	1.6	- 0.3	- 0.1
<b>MANUFACTURING</b>				
Shipments (\$ billion)	October*	38.3	2.1%	3.9%
New orders (\$ billion)	October*	39.5	4.1%	3.1%
Unfilled orders (\$ billion)	October*	49.1	2.6%	18.5%
Inventory/shipments ratio	October*	1.31	- 0.03	0.02
<b>PRICES</b>				
Consumer Price Index (1992=100)	October	109.0	0.4%	1.0%
Industrial Product Price Index (1992=100)	October	120.2	0.7%	0.7%
Raw Materials Price Index (1992=100)	October	107.9	- 0.3%	- 14.0%
New Housing Price Index (1992=100)	October*	100.2	0.1%	1.0%

*Note: All series are seasonally adjusted with the exception of the price indexes.*

\* new this week

† percentage point

# Infomat

## A weekly review

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## Publications released from December 10 to 16, 1998

Division/Title of publication	Period	Catalogue number	Price: Issue/Subscription	
			Canada (C\$)	Outside Canada (US\$)
<b>AGRICULTURE</b>				
Farm Financial Survey (FFS)	1997	21F0008XIB	Free	Free
<b>BALANCE OF PAYMENTS AND FINANCIAL FLOWS</b>				
Canada's international transactions in securities	September 1998	67-002-XPB	18/176	18/176
<b>CANADIAN CENTRE FOR JUSTICE STATISTICS</b>				
A profile of youth justice in Canada	1997			
Internet		85-544-XIE	30	30
Papier		85-544-XPE	40	40
<b>HOUSING, FAMILY AND SOCIAL STATISTICS</b>				
Canadian social trends	Winter 1998	11-008-XPE	11/36	11/36
<b>INTERNATIONAL TRADE</b>				
Exports by country	Jan.-Sept. 1998			
Microfiche		65-003-XMB	62/206	62/206
Papier		65-003-XPB	124/412	124/412
<b>INVESTMENT AND CAPITAL STOCK</b>				
Building permits	October 1998	64-001-XIB	19/186	19/186
<b>MANUFACTURING, CONSTRUCTION AND ENERGY</b>				
Cement	October 1998	44-001-XIB	5/47	5/47
Industrial chemicals and synthetic resins	October 1998	46-002-XPB	7/62	7/62
Oil and fats	October 1998	32-006-XIB	5/47	5/47
Oil pipeline transport	September 1998	55-001-XPB	12/114	12/114
Production and shipments of steel pipe and tubing	October 1998	41-011-XPB	7/62	7/62
Products shipped by Canadian manufacturers	1996	31-211-XPB	67	67
<b>TRANSPORTATION</b>				
Surface and marine transport service bulletin, Vol. 14, no. 4	Second quarter 1998	50-002-XIB	10/62	10/62

Catalogue numbers with an -XIB or an -XIE extension are Internet versions (B signifies bilingual, E signifies English); those with -XMB or -XME are microfiche; and -XPB or -XPE denote the paper version. XDB means the electronic version on diskette or compact disc.

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