



# The Daily

Statistics Canada

Friday, November 21, 1997

For release at 8:30 a.m.

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## MAJOR RELEASES

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- **Wholesale trade, September 1997**  
Total sales by wholesalers were up 1.8% in September, more than offsetting the 0.6% decline in August. Wholesale sales have been on an upward trend since January 1996, after a relatively flat 1995.

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- **Composite Index, October 1997**  
The growth of the Composite Index eased to 0.6% in October, below its average of 0.8% so far this year. Much of the slowdown originated in the weakness in stock market prices.

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## OTHER RELEASES

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Construction Union Wage Rate Index, October 1997 8

*(continued on following page)*

### Focus on culture

Autumn 1997

The lead article in the Autumn 1997 issue of the quarterly bulletin *Focus on culture* examines changing patterns of financial support for culture in the 1990s. With reduced government funding, private sector support is increasingly important to the health of cultural companies and organizations. Levels of personal consumption of cultural goods and services appear to have held their own even through the recessionary years of this decade. In addition to exploring these trends, the article reviews the changes in the cultural labour force as the sector positions itself to remain competitive and financially healthy.

A second article presents a new framework for identifying all those activities and outputs considered as cultural for the purposes of the analytical and data products of the Culture Statistics Program. This framework will ensure consistency across all data applications.

The final article clarifies the meaning of two of Statistics Canada's hottest acronyms — PIPES (Project to Improve Provincial Economic Statistics) and NAICS (North American Industrial Classification System). PIPES is an approach to surveying all businesses in Canada, centralizing survey operations, harmonizing definitions and standards and improving provincial level statistics. Starting in 1999, industry data will be collected and analysed following the codes of NAICS.

The Autumn 1997 issue of *Focus on culture*, Vol. 9, no. 3 (87-004-XPB, \$9/\$27) is now available. See *How to order publications*.

For further information on this release, contact Mary Cromie (613-951-6864), Culture Statistics Program.



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## MAJOR RELEASES

### Wholesale trade

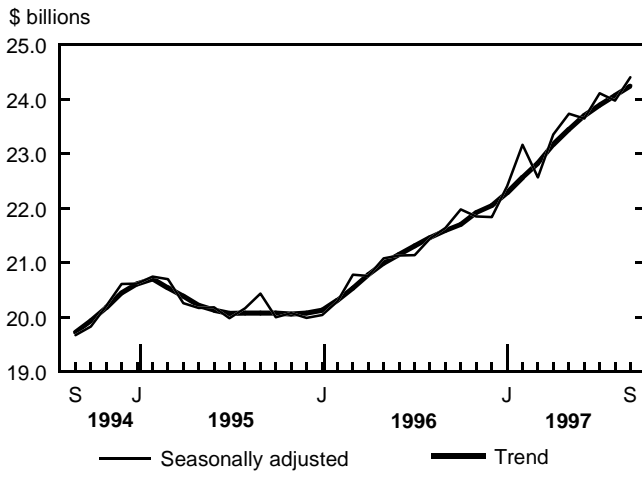
September 1997 (preliminary)

Total sales by wholesalers were up 1.8% in September, more than offsetting the 0.6% decline in August. Wholesale sales have been on an upward trend since January 1996, after a relatively flat 1995.

Wholesalers sold \$24.4 billion worth of goods and services in September. The majority of trade groups showed moderate to strong increases in sales for September, led by computers and electronic equipment, and by beverage, drug and tobacco products.

So far this year, the wholesaling industry has performed extremely well. In the first nine months of 1997, total sales by wholesalers increased 12.2% from the same period in 1996. This is much larger than the total annual change of 4.4% for 1996 over 1995.

#### Wholesale sales still on the rise

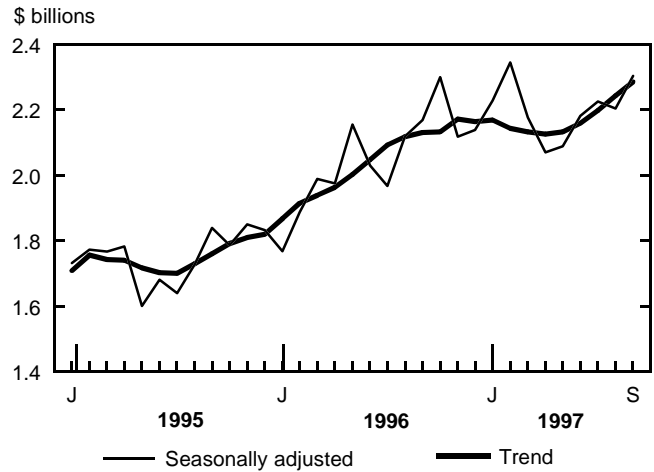


### Important gains in computers and electronic equipment ...

Sales of computers and electronic equipment increased 4.5% in September, after a decline of 0.9% in August. January-to-September sales were up 9.8% from the same period in 1996. Sales of computers and electronic equipment have been increasing in the last few months after a slowdown in demand at the beginning of 1997. Most of September's increase can

be attributed to higher computer sales, which account for about 60% of the trade group.

#### Sales of computers and electronic equipment bounce back from slowdown of early 1997



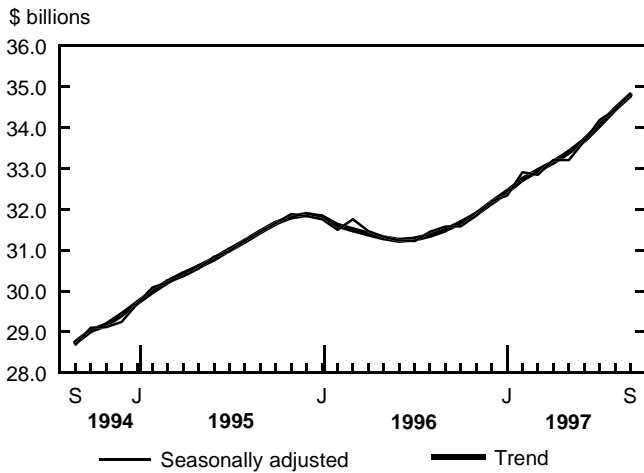
### ... and in beverage, drug and tobacco products

For the fourth consecutive month, wholesalers of beverage, drug and tobacco products reported increasing sales in September. All products in that trade group contributed to the 4.5% increase. Sales for the first nine months of 1997 were 7.5% higher than the same period in 1996. Wholesale sales of beverage, drug and tobacco products have generally been increasing since the end of 1996 following a pause throughout 1996.

### Wholesale inventories keep pace with higher sales

Wholesalers increased inventories by 1.2% in September to \$34.8 billion. Except for a 0.2% decline in March 1997, inventories have been continuously increasing since August 1996.

**Wholesalers generally increased inventories since August 1996**



The bulk of the increase in September came from a 6.5% rise in inventories of motor vehicles and parts.

Wholesalers of motor vehicles and parts are stocking up in anticipation of a good year in 1998. In the first nine months of 1997, wholesale sales of motor vehicles and parts increased 17.5% over the same period in 1996.

In September, the inventories-to-sales ratio declined to 1.43 from 1.44 in August. On a trade group basis, the inventories-to-sales ratio ranged from 0.64 for food products to 2.47 for farm machinery. The inventories-to-sales ratio is usually set by the nature of the product, its storage cost, the time needed for its production and by other factors.

**Available on CANSIM: matrices 59, 61, 648 and 649.**

The September 1997 issue of *Wholesale trade* (63-008-XPB, \$19/\$186) will be available shortly. See *How to order publications*.

For further information on this release, contact Paul Gratton (613-951-3541) or Ruth Neveu (613-951-7375), Wholesale Trade Section, Distributive Trades Division. □

Wholesale merchants' sales and inventories

	Sept. 1996	June 1997 <sup>r</sup>	July 1997 <sup>r</sup>	Aug. 1997 <sup>r</sup>	Sept. 1997 <sup>p</sup>	Aug. 1997 to Sept. 1997	Sept. 1996 to Sept. 1997
	seasonally adjusted						
	\$ millions					% change	
<b>Sales, all trade groups</b>	<b>21,637</b>	<b>23,643</b>	<b>24,110</b>	<b>23,976</b>	<b>24,399</b>	<b>1.8</b>	<b>12.8</b>
Food products	3,749	3,969	4,002	3,955	3,995	1.0	6.6
Beverage, drug and tobacco products	1,320	1,412	1,482	1,484	1,550	4.5	17.5
Apparel and dry goods	453	517	511	527	520	-1.3	14.8
Household goods	680	750	747	739	741	0.3	9.0
Motor vehicles, parts and accessories	2,364	2,643	2,701	2,724	2,791	2.5	18.1
Metals, hardware, plumbing and heating equipment and supplies	1,659	1,684	1,818	1,714	1,780	3.8	7.3
Lumber and building materials	1,862	2,106	2,141	2,147	2,165	0.8	16.3
Farm machinery, equipment and supplies	673	788	802	812	842	3.6	25.1
Industrial and other machinery, equipment and supplies	3,241	3,608	3,699	3,735	3,812	2.1	17.6
Computers, packaged software and other electronic machinery	2,169	2,182	2,226	2,205	2,304	4.5	6.2
Other products	3,468	3,984	3,981	3,934	3,900	-0.9	12.5
Newfoundland	185	194	196	195	194	-0.5	4.7
Prince Edward Island	45	50	56	49	51	3.0	14.1
Nova Scotia	475	531	499	485	505	4.0	6.2
New Brunswick	306	303	318	307	312	1.5	1.8
Quebec	4,660	4,901	4,977	4,881	4,946	1.3	6.1
Ontario	9,506	10,457	10,708	10,782	10,991	1.9	15.6
Manitoba	795	934	924	937	956	1.9	20.2
Saskatchewan	722	923	903	891	887	-0.4	22.9
Alberta	2,117	2,522	2,604	2,533	2,635	4.0	24.4
British Columbia	2,801	2,802	2,899	2,891	2,894	0.1	3.3
Yukon	11	12	12	11	13	11.4	9.7
Northwest Territories	13	14	14	13	17	32.4	34.7
<b>Inventories, all trade groups</b>	<b>31,573</b>	<b>33,669</b>	<b>34,176</b>	<b>34,427</b>	<b>34,830</b>	<b>1.2</b>	<b>10.3</b>
Food products	2,429	2,541	2,548	2,558	2,559	0.0	5.4
Beverage, drug and tobacco products	1,599	1,755	1,789	1,792	1,830	2.1	14.5
Apparel and dry goods	1,022	1,097	1,083	1,088	1,099	1.0	7.5
Household goods	1,471	1,444	1,458	1,514	1,490	-1.6	1.3
Motor vehicles, parts and accessories	3,911	3,882	3,933	4,036	4,299	6.5	9.9
Metals, hardware, plumbing and heating equipment and supplies	2,688	3,011	3,157	3,066	3,081	0.5	14.6
Lumber and building materials	3,041	3,217	3,216	3,275	3,302	0.8	8.6
Farm machinery, equipment and supplies	1,600	2,002	2,010	2,050	2,083	1.6	30.2
Industrial and other machinery, equipment and supplies	7,094	7,609	7,722	7,738	7,687	-0.7	8.4
Computers, packaged software and other electronic machinery	1,946	1,969	2,006	2,044	2,099	2.7	7.8
Other products	4,773	5,142	5,253	5,266	5,302	0.7	11.1

<sup>r</sup> Revised figures.

<sup>p</sup> Preliminary figures.

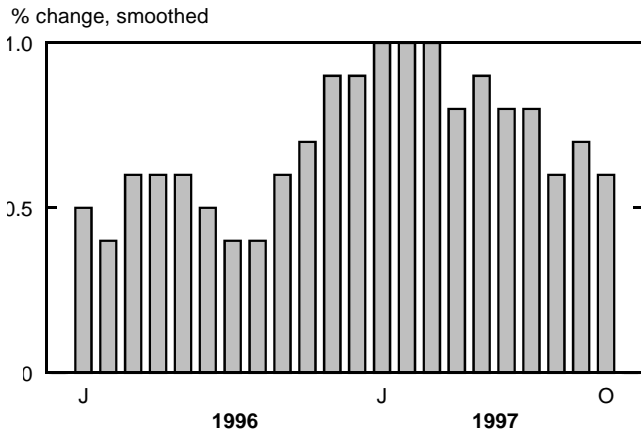


## Composite Index

October 1997

The growth of the Composite Index eased to 0.6% in October, below its average of 0.8% so far this year. Much of the slowdown originated in the weakness in stock market prices. Business investment remained the main engine of growth.

Composite Index



Investment demand by firms powered the longest and strongest gain in new orders in over two years. At the same time, the average workweek in

manufacturing continued to lengthen. Investment spending also supported steady growth in employment in business services. Manufacturing and business services have contributed most of the recent gain in overall employment.

Financial markets buckled in October as a result of the worldwide turbulence in stock markets. The losses in natural resource stocks were amplified by further downward commodity prices.

The growth of the U.S. leading index remained modest, as has Canada's recent export performance. Growth was buttressed by a sharp drop in new claims for unemployment insurance, while building permits also rose steadily.

In Canada, household spending remained mixed. Sales of durable goods slowed, with new auto sales slipping after several rebate programs expired. Conversely, housing snapped out of a five-month slide. Existing house sales picked up in October after mortgage rates were cut in September. Furniture and appliance sales firmed in tandem with housing.

**Available on CANSIM: matrix 191.**

For further information on the economy, the November 1997 issue of *Canadian economic observer* (11-010-XPB, \$23/\$227) is now available. See *How to order publications*.

For further information on this release, contact Francine Roy (613-951-3627), Current Economic Analysis Group. □

**Composite Index**

	May 1997	June 1997	July 1997	Aug. 1997	Sept. 1997	Oct. 1997	Last month of data available
							% change
<b>Composite leading indicator (1981=100)</b>	<b>193.9</b>	<b>195.5</b>	<b>197.0</b>	<b>198.2</b>	<b>199.6</b>	<b>200.8</b>	<b>0.6</b>
Housing index (1981=100) <sup>1</sup>	135.1	133.9	132.6	131.5	130.3	130.3	0.0
Business and personal services employment ('000)	2,089	2,105	2,114	2,124	2,134	2,147	0.6
TSE 300 stock price index (1975=1,000)	6,101	6,194	6,340	6,462	6,611	6,730	1.8
Money supply, M1 (\$ millions, 1981) <sup>2</sup>	36,904	37,107	37,230	37,436	37,559	37,637	0.2
U.S. composite leading indicator (1967=100) <sup>3</sup>	221.1	221.4	221.7	222.0	222.4	222.7	0.1
<b>Manufacturing</b>							
Average workweek (hours)	39.2	39.3	39.5	39.6	39.7	39.8	0.3
New orders, durables (\$ millions, 1981) <sup>4</sup>	13,253	13,575	13,847	13,975	14,187	14,348	1.1
Shipments/inventories of finished goods <sup>4</sup>	1.67	1.68	1.68	1.68	1.69	1.69	0.00 <sup>5</sup>
<b>Retail trade</b>							
Furniture and appliance sales (\$ millions, 1981) <sup>4</sup>	1,217.1	1,227.7	1,239.0	1,249.9	1,260.0	1,272.3	1.0
Other durable goods sales (\$ millions, 1981) <sup>4</sup>	4,174.4	4,210.5	4,257.3	4,287.1	4,322.7	4,343.7	0.5
Unsmoothed composite	198.6	198.3	199.2	199.6	203.1	202.9	-0.1

<sup>1</sup> Composite Index of housing starts (units) and house sales (multiple listing service).

<sup>2</sup> Deflated by the Consumer Price Index for all items.

<sup>3</sup> The figures in this row reflect data published in the month indicated but the figures themselves refer to data for the month immediately preceding.

<sup>4</sup> The figures in this row reflect data published in the month indicated but the figures themselves refer to data for two preceding months.

<sup>5</sup> Difference from previous month.



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## OTHER RELEASES

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### Construction Union Wage Rate Index

October 1997

The Construction Union Wage Rate Index (including supplements) for Canada remained unchanged in October from September's revised level of 143.4. On a year-over-year basis, the index increased 2.4% to 143.4 in October from 140.0 in October 1996.

**Note:** Union wage rates are published for 16 trades in 20 metropolitan areas for both the basic rates and rates including selected supplementary payments. Indexes (1986=100) are estimated for the same metropolitan areas and are published for those where a majority of trades are covered by current collective agreements.

**Available on CANSIM: matrices 956, 958 and 2033-2038.**

The fourth quarter 1997 issue of *Construction price statistics* (62-007-XPB, \$24/\$79) will be available in March 1998. See *How to order publications*.

For further information on this release, contact Elvira Marinelli (613-951-3350; Internet: [marielv@statcan.ca](mailto:marielv@statcan.ca); fax: 613-951-2848) Client Services Unit, Prices Division. ■

### Selected financial indexes

October 1997

October 1997 figures are now available for the selected financial indexes (1986=100).

**Available on CANSIM: matrix 2031.**

The fourth quarter 1997 issue of *Construction price statistics* (62-007-XPB, \$24/\$79) will be available in March 1998. See *How to order publications*.

For further information on this release, contact Elvira Marinelli (613-951-3350; Internet: [marielv@statcan.ca](mailto:marielv@statcan.ca); fax: 613-951-2848), Client Services Unit, Prices Division. ■

### For-hire motor carriers of freight — top carriers

Third quarter 1997

In the third quarter of 1997, the top 73 for-hire motor carriers based in Canada (those earning \$25 million

or more annually) generated \$1.24 billion in operating revenues and \$1.17 billion in operating expenses. The operating ratio (operating expenses divided by operating revenues) improved to 0.94, up from 0.95 in the third quarter of 1996 (any ratio over 1.00 represents an operating loss).

The operating ratio for carriers of general freight in the third quarter decreased by 2 points to 0.94 from the third quarter of 1996, while the operating ratio of specialized freight carriers increased by 1 point to 0.95 over the same period.

The 1997 third quarter data for the top for-hire carriers, taken from the Quarterly Motor Carriers of Freight Survey, provided results from 54 general freight carriers (compared with 50 carriers in 1996) and 19 specialized freight carriers (compared with 17 carriers in 1996).

For further information, contact Gilles Paré (613-951-2517; Internet: [paregil@statcan.ca](mailto:paregil@statcan.ca); fax: 613-951-0579), Transportation Division. ■

### Biotechnology research and development in Canadian industry

1995

Biotechnology research and development (R&D) expenditures reached \$341 million in 1995, up 52% from 1993. From 1989 to 1995, biotechnology R&D expenditures increased at an annual compound rate of 19.6%, which is more than twice as fast as the 8% annual growth rate of total industrial R&D spending. Biotechnology R&D represented 4.5% of total industrial R&D in 1995 compared with 3% in 1993 and 2% in 1989.

Biotechnology is an enabling technology — one that has been compared with electricity or micro-electronics — which has the potential to transform production processes, products and services in a wide range of sectors of the economy. Major applications of biotechnology are currently taking place in health, agriculture and agri-food, and natural resources (e.g., forestry and mining). This survey quantifies the level of investment in biotechnology R&D by sector of application and reveals spending trends.

For further information on biotechnology R&D in Canadian industry consult *Science statistics: Service bulletin, Vol. 21, no. 11* (88-001-XPB, \$8/\$79), which is now available. See *How to order publications*. The report is also available via the Internet @ <http://www.statcan.ca/english/IPS/Data/88-001-XIB.htm>.



For further information on this release, contact John Jaworski (613-954-1035; 1 800 267-6677; Internet: [jaworski.john@ic.gc.ca](mailto:jaworski.john@ic.gc.ca)) or Michel Boucher (613-951-7683; Internet: [boucmic@statcan.ca](mailto:boucmic@statcan.ca)). ■

### **Potato production**

1997, 1996, 1985 to 1995

Revised data for the 1997 potato area are now available as well as preliminary data for yield and production. Revised 1996 area, production and value are also available. Revisions to the 1986 to 1995 amounts sold, consumed, seeded and fed and to livestock farm value are also available. Data are tabulated by province.

### **Available on CANSIM: matrix 1044.**

These data are available in *Canadian potato production* (22-008-UPB, \$21). See *How to order publications*. These data are also available on the Internet @ [www.statcan.ca](http://www.statcan.ca), under *Products and services, Downloadable publications (free), Canadian potato production*.

For further information on this release, contact Barb McLaughlin, (902-893-7251), Agriculture Division. ■

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## PUBLICATIONS RELEASED

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**Infomat — A weekly review**, November 21, 1997  
**Catalogue number 11-002-XPE**  
(Canada: \$4/\$145; outside Canada: US\$4/US\$145).

**The dairy review**, third quarter 1997  
**Catalogue number 23-001QXPB**  
(Canada: \$36/\$119; outside Canada: US\$36/US\$119).

**Monthly Survey of Manufacturing**, September 1997  
**Catalogue number 31-001-XPB**  
(Canada: \$20/\$196; outside Canada: US\$20/US\$196).

**Telephone statistics**, September 1997  
**Catalogue number 56-002-XPB**  
(Canada: \$10/\$93; outside Canada: US\$10/US\$93).

**Focus on culture**, Autumn 1997  
**Catalogue number 87-004-XPB**  
(Canada: \$9/\$27; outside Canada: US\$9/US\$27).

**Service bulletin, Science statistics**, Biotechnology research and development in Canadian industry, 1995, Vol. 21, no. 11  
**Catalogue number 88-001-XPB**  
(Canada: \$8/\$79; outside Canada: US\$8/US\$79).

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## RELEASE DATES

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**November 24-28**  
(Release dates are subject to change.)

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<b>Release date</b>	<b>Title</b>	<b>Reference period</b>
24	<b>Canada's international transaction in securities</b>	September 1997
24	<b>Retail trade</b>	September 1997
25	<b>Employment, earnings and hours</b>	September 1997
25	<b>Farm cash receipts</b>	Q3 1997
25	<b>Net farm income</b>	1996 (revised)
26	<b>Industrial Product Price Index</b>	October 1997
26	<b>Raw Materials Price Index</b>	October 1997
27	<b>1996 Charitable donors</b>	1996
27	<b>Employment Insurance</b>	September 1997
27	<b>Household facilities and equipment</b>	1997
28	<b>Characteristics of international travellers</b>	Q2 1997
28	<b>International travel account</b>	Q3 1997

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