



# The Daily

Statistics Canada

Wednesday, July 23, 1997

For release at 8:30 a.m.

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## MAJOR RELEASES

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- **Private and public investment, 1997**  
Business and government plan to invest a record \$110.9 billion in plant and equipment in 1997, an 11% increase from 1996.

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- **Composite Index, June 1997**  
The leading index maintained steady growth in June, increasing 0.8% for the third straight month.

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### Inventory of Statistics Canada's questionnaires on CD-ROM

1996

The *Inventory of Statistics Canada's questionnaires* is now available on CD-ROM. The disc contains scanned images of questionnaires used to conduct questionnaire-based surveys in 1996.

The product provides full text retrieval, allowing for searches by word or subject. It also has a viewer for displaying page-by-page images of the questionnaires.

Each questionnaire-based survey is listed with the titles of the questionnaires used, their form numbers and the frequency of the study. Information is also given about the printed and electronically available data series. The names and telephone numbers of contact persons are also provided.

The *Inventory of Statistics Canada's questionnaires on CD-Rom, 1996* (12-205-XCB, \$150) is now available. The price is subject to Statistics Canada's discount policy.

For further information on this release, or to order this product, contact Michael Webber (613-951-3458; fax: 613-951-8578; Internet: [webbmik@statcan.ca](mailto:webbmik@statcan.ca)), Standards Division.



## MAJOR RELEASES

### Private and public investment

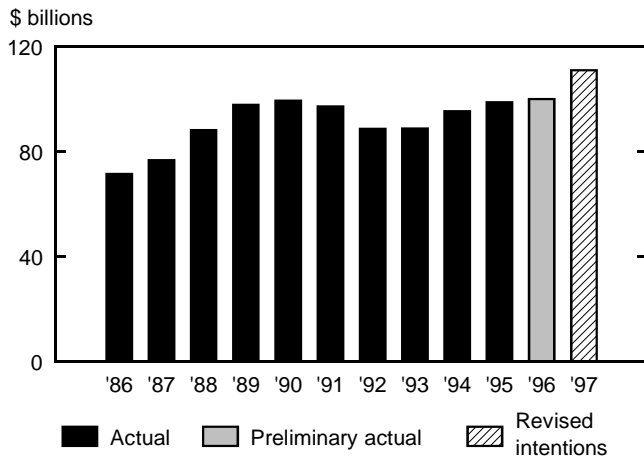
1997 (revised intentions)

Business and government plan to invest a record \$110.9 billion in plant and equipment in 1997, an 11% increase from 1996. This is the fourth consecutive gain and the largest annual increase in investment since 1993. The growth is evident in many sectors of the economy, most notably the service-producing industries which account for 54% of the increase. This latest survey shows much stronger investment for 1997 with an increase of \$6.6 billion from what was originally planned earlier this year.

With solid gains in production, accompanied by healthy profits and rising rates of capacity use, companies are spending in plant and equipment at record levels. The bullish spending represents increased investment not only in machinery and equipment (up 13% over 1996), but also in building and engineering assets (+ 9%). Leading the spending spree are companies involved in crude oil exploration, leasing, telecommunications, pipelines and manufacturing.

Investment in housing is also strong and is expected to increase 13.3% to reach \$35.7 billion in 1997, the highest level since 1990.

#### Continued spending growth in plant and equipment



### Petroleum and natural gas companies lead the investment drive

Petroleum and natural gas exploration companies plan a record investment of \$13.4 billion in 1997. The increase of \$2.8 billion over 1996 is the second largest

#### Note to readers

Revised spending intentions are based on a sample survey of 23,000 businesses, governments and institutions. The survey, conducted from April to June 1997, had a 77% response rate. Severe flooding in Manitoba hampered data collection activities; as a result, the response rate for Manitoba was 62%. The coefficient of variation, which measures the precision of the estimated data, is 0.6% at the Canada level. Data in this release are in current dollars.

ever. Alberta leads the increase (67%) followed by Saskatchewan (17%). The historically high operating profits reported in the latest quarterly financial statistics and the continued growth in crude oil exports are some of the factors fuelling this investment drive.

### Leasing companies lead growth in machinery and equipment

Investment by leasing companies in cars and trucks is expected to reach \$9.0 billion in 1997, a significant increase of \$2.4 billion. Ontario leads with 56% of the growth, followed by Quebec and Alberta (each at 10%). Since 1993, investment by leasing companies has more than doubled, reflecting the increasing consumer interest in leasing as an alternative to purchasing new vehicles.

### Continuing competition among cable and telephone companies

The continuing competition between cable and telephone companies is leading to planned investment of \$6.0 billion in 1997, a 29% increase over 1996. The convergence of the two technologies along with the arrival of new firms has maintained the investment momentum in the industry. Ontario accounts for 55% of the increase.

### Manufacturers continue investing in machinery and equipment

Investment by manufacturing companies in machinery and equipment is anticipated to increase 15% in 1997, led by producers of chemicals, primary metal and transportation equipment. Alberta accounts for 70% of the \$776 million planned increase in the chemical industries.

**Housing investment is getting stronger**

Investment in residential housing is expected to increase 13.3% in 1997 and reach \$35.7 billion. This is the second consecutive increase since the trough in 1995. Ontario and Alberta lead the way with expected increases of 20% and 19% respectively. The increased demand for new housing is a reflection of the low mortgage rates, gains in employment and rising consumer confidence.

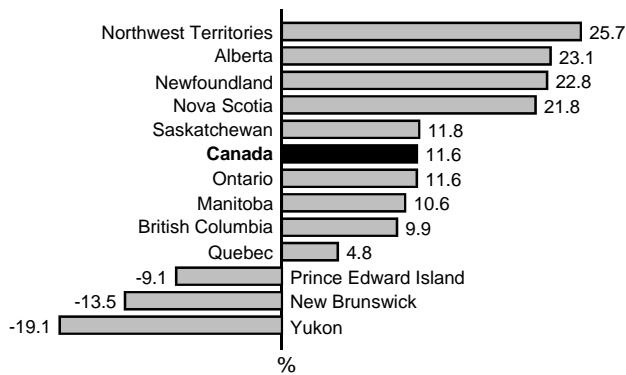
The latest Building Permit Monthly Survey, which provides an early indication of future building activity, also confirms comparable growth for residential construction.

the total \$15.2 billion increase in 1997. With the national growth rate at 11.6%, the Northwest Territories and Alberta are outpacing the other provinces with 26% and 23% growth in total investment respectively. The growth in the Northwest Territories is due to the construction of a new diamond mine. In Alberta, a large portion of the increase comes from petroleum firms and chemical manufacturers.

Decreased investment plans are observed in the Yukon, Prince Edward Island and New Brunswick. The decreases in Prince Edward Island and, to a lesser extent, in New Brunswick reflect the completion of the Confederation Bridge.

The expected growth rate of 4.8% in Quebec is not as strong as the double-digit growth rate anticipated in the remaining provinces.

**Growth in the Northwest Territories and Alberta outpaces the other provinces**



**Available on CANSIM: matrices 3101-3132, 3134 and 3135.**

*Private and public investment in Canada, revised intentions 1997 (61-206-XPB, \$44)* will be available shortly. A special analysis on the changes to the investment data series for the agriculture and related service industries is included. See *How to order publications*.

For further information on this release, contact Gilbert Paquette (613-951-9818; 1 800 571-0494; Internet: [gilbert@statcan.ca](mailto:gilbert@statcan.ca)). For analytical information contact Mychèle Gagnon (613-951-9815; ext. 122; Internet: [gagnmyc@statcan.ca](mailto:gagnmyc@statcan.ca)) or Irfan Hashmi (613-951-9815, ext. 120; Internet: [hashirf@statcan.ca](mailto:hashirf@statcan.ca)), Investment and Capital Stock Division.

Ontario and Alberta, with \$5.7 billion and \$4.6 billion increases respectively, account for two-thirds of

Capital spending intentions of private and public organizations

		Construc- tion	Machinery and Equipment	Total	1997 intentions to 1997 revised intentions	1996 preliminary actual to 1997 revised intentions
		\$ millions				% change
<b>Canada<sup>1</sup></b>	<b>1996</b>	<b>76,076.6</b>	<b>55,329.0</b>	<b>131,405.6</b>		
	1997	78,698.4	59,554.6	138,253.1		
	1997	84,279.7	62,339.0	146,618.6	6.0	11.6
Newfoundland	1996	1,836.0	478.5	2,314.6		
	1997	1,987.8	466.8	2,454.6		
	1997	2,223.2	618.4	2,841.6	15.7	22.8
Prince Edward Island	1996	364.1	148.0	512.1		
	1997	307.3	126.9	434.2		
	1997	350.5	114.9	465.4	7.1	-9.1
Nova Scotia	1996	1,826.3	1,175.4	3,001.6		
	1997	1,845.0	1,700.2	3,545.1		
	1997	1,955.0	1,702.5	3,657.5	3.1	21.8
New Brunswick	1996	1,846.9	842.3	2,689.2		
	1997	1,586.9	806.0	2,392.9		
	1997	1,518.4	806.7	2,325.1	-2.8	-13.5
Quebec	1996	14,610.8	11,060.0	25,670.8		
	1997	14,009.4	12,028.5	26,037.9		
	1997	14,599.8	12,304.3	26,904.1	3.3	4.8
Ontario	1996	23,555.0	25,305.3	48,860.3		
	1997	24,537.0	26,275.4	50,812.3		
	1997	26,490.4	28,059.5	54,549.9	7.3	11.6
Manitoba	1996	2,313.6	1,769.7	4,083.3		
	1997	2,252.5	2,006.3	4,258.8		
	1997	2,498.5	2,019.4	4,517.9	6.0	10.6
Saskatchewan	1996	3,134.9	2,204.6	5,339.5		
	1997	3,130.3	2,472.8	5,603.1		
	1997	3,574.6	2,393.8	5,968.4	6.5	11.8
Alberta	1996	13,348.7	6,387.5	19,736.2		
	1997	15,347.2	7,331.4	22,678.7		
	1997	16,306.6	7,996.0	24,302.6	7.1	23.1
British Columbia	1996	12,766.4	5,804.7	18,571.1		
	1997	13,295.4	6,222.0	19,517.4		
	1997	14,230.2	6,174.4	20,404.5	4.5	9.9
Yukon	1996	187.7	49.8	237.4		
	1997	163.5	46.9	210.5		
	1997	149.0	43.2	192.1	-8.7	-19.1
Northwest Territories	1996	286.3	103.2	389.6		
	1997	236.2	71.4	307.6		
	1997	383.4	106.1	489.5	59.1	25.7

<sup>1</sup> 1996 preliminary actual, followed by 1997 intentions, then 1997 revised intentions.

**Note:** Figures may not add to totals due to rounding.

**Capital spending intentions of private and public organizations**

	1996 preliminary actual	1997 intentions	1997 revised intentions	1997 intentions to 1997 revised intentions	1996 preliminary actual to 1997 revised intentions
	\$ millions			% change	
<b>Total</b>	<b>131,405.6</b>	<b>138,253.0</b>	<b>146,618.6</b>	<b>6.1</b>	<b>11.6</b>
Plant and equipment	99,885.2	104,298.8	110,918.3	6.3	11.0
Housing	31,520.4	33,954.2	35,700.3	5.1	13.3
Goods-producing industries	45,621.7	47,344.5	50,743.7	7.2	11.2
Services-producing industries	54,263.6	56,954.3	60,174.7	5.7	10.9
<b>Divisions</b>					
Agriculture	3,691.9	3,594.5	3,548.2	-1.3	-3.9
Fishing and trapping	116.8	114.0	114.0	0.0	-2.4
Logging and forestry	384.9	352.7	344.1	-2.4	-10.6
Mining, quarrying and oil wells	13,311.0	14,746.5	16,425.4	11.4	23.4
Manufacturing	18,321.7	19,174.2	19,929.7	3.9	8.8
Construction	1,948.5	1,977.0	2,686.8	35.9	37.9
Transportation and storage	6,215.2	6,951.8	7,419.4	6.7	19.4
Communications and other utilities	13,644.2	14,201.0	14,973.6	5.4	9.7
Wholesale trade	2,815.9	3,266.4	3,321.5	1.7	18.0
Retail trade	2,779.0	2,629.5	3,038.1	15.5	9.3
Finance and insurance	9,246.4	11,915.5	11,916.1	0.0	28.9
Real estate operators	1,421.5	1,454.1	1,664.4	14.5	17.1
Business services	2,088.1	1,990.5	2,132.0	7.1	2.11
Government	13,124.9	12,274.1	13,160.6	7.2	0.3
Educational	2,630.3	2,639.0	2,906.9	10.2	10.5
Health and social	2,116.2	1,684.4	1,850.4	9.9	-12.6
Accommodation, food and beverage	1,033.2	800.0	955.1	19.4	-7.6
Other services	4,995.4	4,533.7	4,532.1	0.0	-9.3

**Note:** Figures may not add to totals due to rounding.

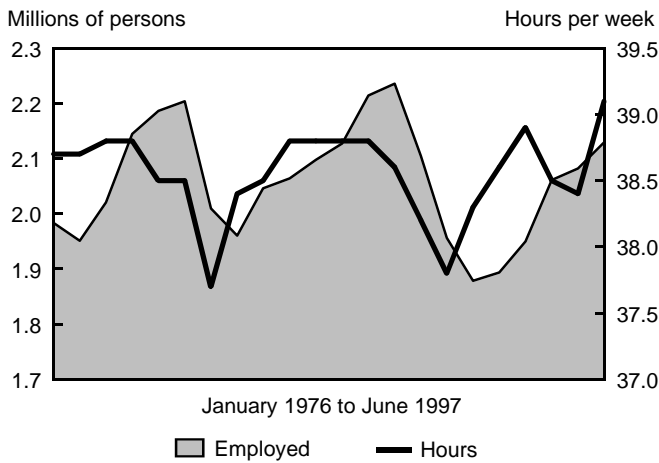


## Composite Index

June 1997

The leading index maintained steady growth in June, increasing 0.8% for the third straight month. Nine of the ten components rose, one more than in May, as growth spread in the manufacturing sector. Manufacturing led the large gain in employment in June.

Hours and employment, manufacturing



Business spending continued to be the driving force behind gains in manufacturing demand, leading to the first rise in the ratio of shipments to stocks in five months, an accelerated trend in new orders, and growing labour needs. The average work week has risen by almost one hour since the turn of the year,

its strongest period of growth in over 10 years and surpassing its previous peak in 1994. Transportation equipment and capital goods experienced the largest gains in hours and, subsequent to these increases, manufacturing employment also rose sharply in June.

Historically low interest rates also encouraged steady growth in financial markets. The Toronto stock market added to its earlier gains in June, encouraging firms to raise more equity funds. The real money supply was up another 0.9%.

Households were more cautious about spending than businesses. The housing index posted a second straight decrease in June (-1.0%), as existing home sales have levelled off while housing starts softened. As a result, furniture and appliances sales have moderated. Sales of other durable goods regained only some of the ground lost this spring. Demand for services is the fastest-growing component for consumers, reflecting the large gain in employment in the second quarter.

The U.S. leading indicator continued to advance steadily. The increase originated in a continued firming of consumer confidence at a time of constant employment growth.

**Available on CANSIM: matrix 191.**

For further information on the economy, refer to the July issue of *Canadian economic observer* (11-010-XPB, \$23/\$227), which will be available shortly. See *How to order publications*.

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

**Composite Index**

	Jan. 1997	Feb. 1997	March 1997	April 1997	May 1997	June 1997	Last month of data available	
								% change
<b>Composite leading indicator (1981=100)</b>	<b>187.0</b>	<b>188.8</b>	<b>190.5</b>	<b>192.0</b>	<b>193.6</b>	<b>195.1</b>	<b>0.8</b>	
Housing index (1981=100) <sup>1</sup>	129.7	133.3	134.9	135.2	134.8	133.4	-1.0	
Business and personal services employment ('000)	2,059	2,062	2,069	2,077	2,090	2,105	0.7	
TSE 300 stock price index (1975=1,000)	5,715	5,876	5,966	6,021	6,101	6,194	1.5	
Money supply, M1 (\$ millions, 1981) <sup>2</sup>	34,939	35,555	36,137	36,521	36,904	37,226	0.9	
U.S. composite leading indicator (1967=100) <sup>3</sup>	219.6	219.9	220.3	220.7	221.1	221.4	0.1	
<b>Manufacturing</b>								
Average work week (hours)	38.5	38.6	38.8	38.9	39.0	39.1	0.3	
New orders, durables (\$ millions, 1981) <sup>4</sup>	12,764	12,768	12,904	13,064	13,247	13,470	1.7	
Shipments/inventories of finished goods <sup>4</sup>	1.68	1.67	1.67	1.67	1.67	1.68	0.01 <sup>+</sup>	
<b>Retail trade</b>								
Furniture and appliance sales (\$ millions, 1981) <sup>4</sup>	1,168.3	1,180.0	1,191.8	1,205.8	1,216.3	1,225.7	0.8	
Other durable goods sales (\$ millions, 1981) <sup>4</sup>	4,035.8	4,074.6	4,110.1	4,143.5	4,169.2	4,197.5	0.7	
Unsmoothed composite	191.9	192.2	193.8	194.2	197.0	198.1	0.6	

\* Difference from previous month.

<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.



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## OTHER RELEASES

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### Railway carloadings

Seven-day period ending July 7, 1997

Carloadings of freight (excluding intermodal traffic) during the seven-day period ending July 7, 1997, increased 17.4% to 4.8 million tonnes from the same period of last year. The number of cars loaded increased 16.1%.

Intermodal traffic (piggyback) tonnage totalled 293 000 tonnes, down 2.3% from the same period of last year. The year-to-date figures show an increase of 14.3%.

Total traffic (carloadings of freight and intermodal traffic) increased 16.1% during the period. This brought the year-to-date total to 133 million tonnes, up 5.9% from the previous year.

All year-to-date figures have been revised.

For further information on this release, contact Angus MacLean (613-951-2528; fax: 613-951-0579), Railway Transport Unit, Transportation Division. ■

### Mineral wool including fibrous glass insulation

June 1997

Manufacturers shipped 2 391 951 square metres of R12 factor (RSI 2.1) mineral wool batts in June, up 34.6% from 1 776 494 (revised) square metres a year earlier and up 9.4% from the 2 185 874 square metres a month earlier.

Year-to-date shipments to the end of June 1997 totalled 11 444 100 square metres, down 2.9% from the same period in 1996.

**Available on CANSIM: matrices 40 and 122 (series 32 and 33).**

The June 1997 issue of *Mineral wool including fibrous glass insulation* (44-004-XPB, \$7/\$62) is now available. See *How to order publications*.

For further information on this release, contact Roland Joubert (613-951-3527; Internet: [rjoubert@statcan.ca](mailto:rjoubert@statcan.ca)) Manufacturing, Construction and Energy Division. ■

### Production and disposition of tobacco products

June 1997

Cigarette production reached 4.8 billion in June, somewhat higher than during the previous month. This brought year-to-date production to 26.7 billion cigarettes — 3% above last year's level.

Manufacturers' shipments rebounded to 4.7 billion cigarettes in June, up 44% from the unusually low level in May. Despite this increase, 1997 shipments to-date are still 7% below last year, at 22.7 billion. The decline is due to a drop in the domestic market.

Month-end inventories decreased to 7.9 billion cigarettes, down 4% from a month earlier, but still 39% higher than a year ago. Inventories have been relatively high for the last five months and reached their highest level in almost seven years in May.

**Note:** Since January 1997, the publication *Production and disposition of tobacco products* has included a table of seasonally adjusted data on the production and disposition (domestic shipments, exports and changes in inventories) of cigarettes.

**Available on CANSIM: matrix 46.**

The June 1997 issue of *Production and disposition of tobacco products* (32-022-XPB, \$7/\$62) will be available shortly. See *How to order publications*.

For further information on this release, contact Peter Zylstra (613-951-3511; Internet: [zylstra@statcan.ca](mailto:zylstra@statcan.ca)), Manufacturing, Construction and Energy Division. ■

### Telephone statistics

May 1997

Canada's 15 major telephone systems reported monthly revenues of \$1,394.6 million in May, down 0.4% from the previous month.

Operating expenses were \$1,108.0 million, down 0.8% from April. Net operating revenue totalled \$286.6 million, up 0.9% from the previous month.

**Available on CANSIM: matrix 355.**



The May 1997 issue of *Telephone statistics* (56-002-XPB, \$10/\$93) will be available shortly. See *How to order publications*.

For further information on this release, contact Daniel April (613-951-3177), Science and Technology Redesign Project. ■

### **Restaurants, caterers and taverns**

May 1997 (preliminary)

The receipts of restaurants, caterers and taverns totalled an estimated \$2.09 billion in May.

For further information on this release, contact William Birbeck (613-951-3506), Services Division. ■

## PUBLICATIONS RELEASED

**Mineral wool including fibrous glass insulation,**  
June 1997  
**Catalogue number 44-004-XPB**  
(Canada: \$7/\$62; outside Canada: US\$7/US\$62).

**Quarterly demographic statistics,** January -  
March 1997  
**Catalogue number 91-002-XPB**  
(Canada: \$10/\$33; outside Canada: US\$10/US\$33).

**Industry price indexes,** May 1997  
**Catalogue number 62-011-XPB**  
(Canada: \$22/\$217; outside Canada: US\$22/US\$217).

**All prices exclude sales tax.**

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Statistics Canada

Thursday, June 5, 1997  
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**MAJOR RELEASES**

- **Urban transit, 1995** 2  
Despite the emphasis on taking urban transit, Canadians are using it less and less. In 1995, 68% of Canadians took the average of about six trips on some form of urban transit, the lowest level in the past 25 years.
- **Productivity, hourly compensation and unit labour cost, 1996** 4  
Growth in productivity among Canadian businesses was notably weak again in 1996, accompanied by sluggish gains in employment and slow economic growth during the year.

**OTHER RELEASES**

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- **Short-term Expectations Survey** 3
- **Steel primary forms, season ending May 31, 1997** 12
- **Egg production, April 1997** 13

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### Statistics Canada's official release bulletin

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