

The Daily

Statistics Canada

Monday, February 16, 1998

For release at 8:30 a.m.

MAJOR RELEASES

- **Monthly Survey of Manufacturing, December 1997**
Manufacturers finished the year on a high, posting a 2.0% increase in December after no growth in November. Shipments increased 6.9% in 1997, led by strong growth in the motor vehicle sector.

2
- **Travel between Canada and other countries, 1997 and December 1997**
In 1997, Americans continued to make an increasing number of car excursions and overnight trips to Canada. Meanwhile, Canadians travelled to overseas countries more than ever and there was a reversal from the strong growth in trips by overseas residents to Canada.

5

OTHER RELEASES

- | | |
|---|---|
| Pulpwood and wood residue statistics, December 1997 | 9 |
| Shipments of rolled steel, December 1997 | 9 |
| Household spending — Erratum, 1996 | 9 |
| Annual Survey of Manufactures, 1995 | 9 |

PUBLICATIONS RELEASED

11

Census results

1996

On Tuesday, February 17, 1998, *The Daily* will release information from the 1996 Census on ethnic origin and visible minorities.

Products will include tables from *The Nation* series, which provide data for Canada, the provinces and territories, and census metropolitan areas. Data will also be available in electronic profiles for census divisions and subdivisions from the *Area Profiles* series.

For further information, contact Media Relations (613-951-4636), Communications Division.

MAJOR RELEASES

Monthly Survey of Manufacturing

December 1997

Manufacturers posted a 2.0% increase in December to finish the year on a high. Shipments increased 6.9% in 1997, led by strong growth in the motor vehicle sector. This compares with increases of 2.4% in 1996 and 12.5% in 1995. As noted in the recent release of the Business Conditions Survey, where most responses were obtained before the full impact of the ice storm was apparent, manufacturers were generally positive about production prospects for the first quarter of 1998.

After posting strong gains throughout almost all of 1997, unfilled orders fell back 0.4% in December to end the year 24.2% higher. Roughly half of 1997's growth in unfilled orders was in the aircraft and parts industry. Inventories declined 0.4% in December, the first decrease since July when there was also a strong increase in shipments.

Manufacturers experienced robust growth in December

Manufacturers experienced robust growth in December (+2.0%) to finish the year at \$37.6 billion. Shipments increased in 19 of the 22 major groups in December, representing 92.4% of total shipments.

The largest increase in December occurred in the motor vehicle industry (+7.2%), where plants that experienced shutdowns and supplier delays throughout the fall had unseasonably high shipments in December. Other major contributors to December's increase were the aircraft and parts (+12.8%), electrical and electronic products (+3.9%) and machinery industries (+5.7%).

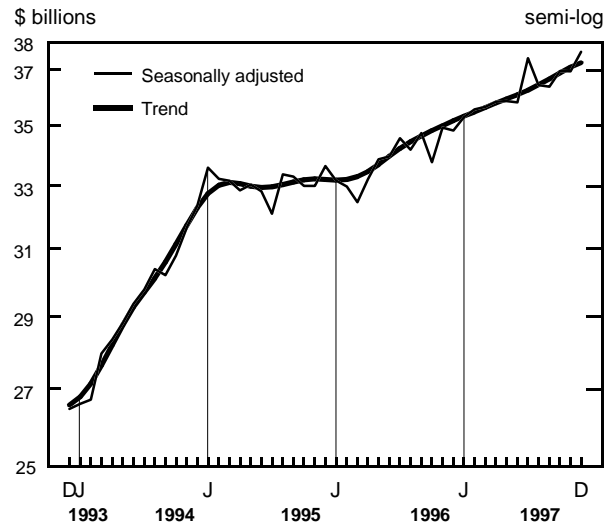
Note to readers

Unfilled orders are a stock of orders that will contribute to future shipments, assuming that orders are not cancelled.

New orders represent orders received whether shipped in the current month or not. They are measured as the sum of shipments for the current month (i.e., orders received this month and shipped within the same month) plus the change in unfilled orders. Some people interpret new orders as orders that will lead to future demand. This is not appropriate since the new orders variable includes orders that have already been shipped. Users should be aware that the month-to-month change in new orders may be volatile, particularly if the previous month's change in unfilled orders is large in relation to the current month's change.

Not all orders will be translated into Canadian factory shipments because portions of large contracts can be subcontracted out to other countries.

Shipments cap off a good year with a strong December



The largest contributors to the 6.9% annual increase in 1997 were the motor vehicle (+14.0%), wood (+9.8%), machinery (+14.8%) and motor vehicle parts (+9.1%) industries.

The only offsetting decrease at the major group level in 1997 was the paper and allied products (-1.5%) industry. However, as noted in the recent release of

the December Industrial Product Price Index, this was primarily due to price decreases and not lower volumes.

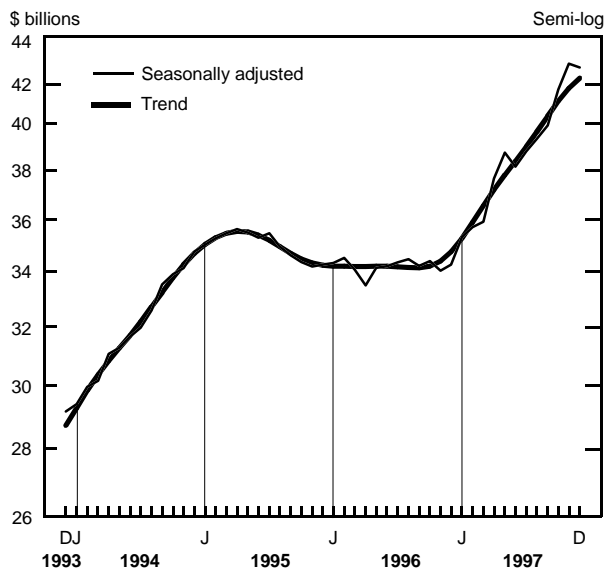
Unfilled orders decline

Manufacturers' backlog of unfilled orders declined 0.4% in December to end the year at \$42.5 billion. The December decline, only the second of the year, did little to offset the torrid pace at which the backlog of unfilled orders accumulated in 1997.

Unfilled orders increased by 24.2% in 1997, a marked departure from a flat performance in 1996. Despite the strong growth in unfilled orders in 1997, manufacturers indicated in the recent release of the January Business Conditions Survey that overall they were satisfied with the current level of unfilled orders.

Unfilled orders are often considered to be a key determinant of future shipments. However, roughly half of the year-to-date increase in unfilled orders was recorded in the aircraft and parts industry, where some orders can span a number of years before they are completed. In addition, large orders in any industry may occasionally have a component that is manufactured in other countries.

Unfilled orders decline in December



The largest decrease in unfilled orders in December was in the aircraft and parts industry (-4.4%). Despite December's decline, the aircraft and parts industry still

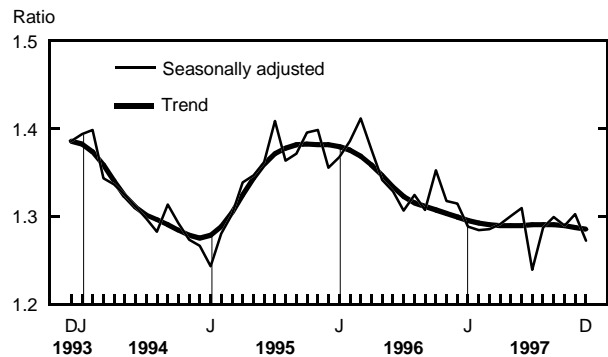
has over a full year's worth of shipments on the order books. The largest offsetting increase was in the motor vehicle industry (+6.6%).

Inventories edge down

Manufacturers' inventories slipped slightly by 0.4% in December to \$47.9 billion, the first decrease since July when shipments were also up strongly. Inventories have been edging up gradually since a downward adjustment by manufacturers in the spring of 1996 checked the steep growth of the 1993-to-1995 period.

December's increase in shipments and decline in inventories resulted in a decreased inventory-to-shipments ratio of 1.27, down from 1.30 in November. While the inventories-to-shipments ratio fluctuated between the 1.24 to 1.31 range during 1997, the trend for the year was flat at historically low levels.

Inventory-to-shipments ratio flat in 1997



The major contributors to December's decrease in inventories were the machinery (-6.1%), motor vehicle (-6.8%) and electronic products (-1.3%) industries. The largest offsetting increases were observed in the motor vehicle parts (+4.0%) and paper and allied products (+1.3%) industries.

Available on CANSIM: matrices 9550-9555, 9558, 9559, 9562-9565, 9568-9579 and 9581-9595.

For more information, consult the December 1997 issue of *Monthly Survey of Manufacturing* (31-001-XPB, \$20/\$196), which will be available shortly. See *How to order publications*.

Data for shipments by province in greater detail than normally published may be available on request. For further information, contact Craig Kuntz

(613-951-7092), Monthly Survey of Manufacturing Section.

Shipments, inventories and orders in all manufacturing industries

Period	Shipments		Inventories		Unfilled orders		New orders		Inventories-to-shipments ratio
	\$ millions	% change	\$ millions	% change	\$ millions	% change	\$ millions	% change	
	Seasonally adjusted								
December 1996	34,832	-0.3	45,767	-0.5	34,265	0.7	35,062	1.5	1.31
January 1997	35,301	1.3	45,471	-0.6	35,325	3.1	36,361	3.7	1.29
February 1997	35,574	0.8	45,683	0.5	35,704	1.1	35,953	-1.1	1.28
March 1997	35,663	0.3	45,845	0.4	35,924	0.6	35,883	-0.2	1.29
April 1997	35,845	0.5	46,262	0.9	37,655	4.8	37,576	4.7	1.29
May 1997	35,856	0.0	46,597	0.7	38,736	2.9	36,936	-1.7	1.30
June 1997	35,821	-0.1	46,873	0.6	38,149	-1.5	35,234	-4.6	1.31
July 1997	37,415	4.4	46,361	-1.1	38,799	1.7	38,065	8.0	1.24
August 1997	36,433	-2.6	46,874	1.1	39,330	1.4	36,965	-2.9	1.29
September 1997	36,366	-0.2	47,224	0.7	39,905	1.5	36,941	-0.1	1.30
October 1997	36,940	1.6	47,611	0.8	41,507	4.0	38,541	4.3	1.29
November 1997	36,927	0.0	48,089	1.0	42,708	2.9	38,128	-1.1	1.30
December 1997	37,649	2.0	47,896	-0.4	42,543	-0.4	37,484	-1.7	1.27



Travel between Canada and other countries

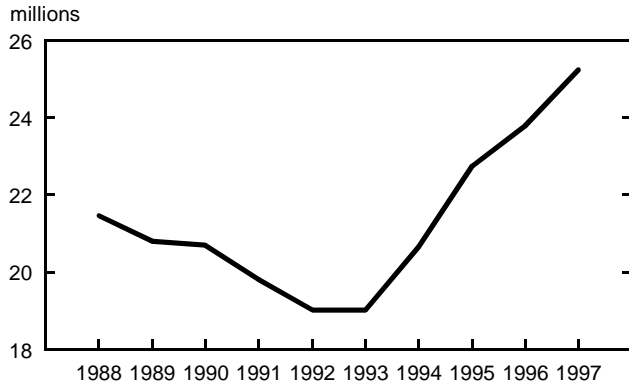
1997 and December 1997

In 1997, Americans continued to make an increasing number of car excursions and overnight trips to Canada. Meanwhile, Canadians travelled to overseas countries more than ever and there was a reversal from the strong growth in trips by overseas residents to Canada.

Americans' car excursions to Canada increased

Americans made 25.3 million car excursions to Canada in 1997, up 6.1% from the previous year. This fourth consecutive annual increase brought the number of such excursions to their highest level since 1981, when they made 27.1 million trips.

Americans continued to make more car excursions to Canada in 1997



The increase in car excursions Americans made into Canada was not evenly distributed among all provinces. Americans made substantially more border crossings into Ontario and British Columbia but travelled on fewer occasions through Quebec and New Brunswick ports of entry.

The increase was mainly concentrated in the Niagara Falls region where a casino opened on the Ontario side in December 1996. The number of excursions Americans made into Canada via the Rainbow Bridge (located near the casino) jumped 55% in 1997. Between 1996 and 1997, the proportion of same-day car trips Americans made to Canada using this bridge increased by 3.4 percentage points.

Note to readers

Month-to-month comparisons use seasonally adjusted data (data adjusted for variations that repeat annually and for variability caused by the different volumes of travellers associated with different days of the week).

Year-over-year comparisons use unadjusted data (the actual traffic counts).

A tourist is a traveller who spends at least one night in a place visited. An excursion is a same-day trip.

Meanwhile, Canadians made 4.2 % fewer car excursions into the United States in 1997 compared with the previous year. Since 1991, when the Canadian dollar was worth US\$0.87, the number of trips of this type dropped from 59 million to 35 million in 1997. On average, the Canadian dollar was worth US\$0.72 in 1997.

Canadian customs officers registered fewer Canadians returning from a same-day car trip to the United States through border ports of Yukon and all provinces except New Brunswick.

Americans make record number of overnight trips by plane to Canada

Americans stayed at least one night in Canada on 13.3 million occasions in 1997, up 3.4% from the previous year. It was the greatest number of overnight trips since Expo '86 was held in Vancouver.

The number of overnight trips by Americans flying to Canada was up 4.8% from 1996, to a record 3.2 million. However, the growth was more modest than during the two years following the signing of the Open Skies agreement in February 1995. This bilateral agreement liberalized plane travel between Canada and the United States.

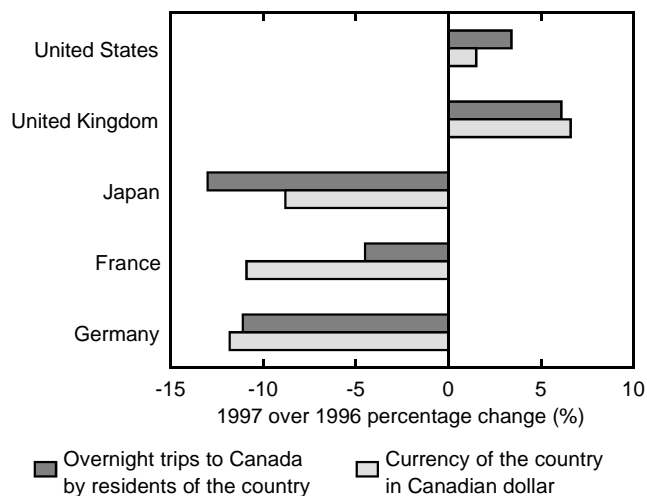
The proportion of overnight trips Americans make to Canada by plane increased by 5 percentage points from 1994 to 24% in 1997. However, the favourite mode of transportation of Americans travelling into Canada remains the automobile (+0.9% to 8.4 million overnight trips).

Overseas residents' make fewer overnight trips to Canada

Residents of countries other than the United States made 4.3 million trips of one or more nights to Canada in 1997, down 3.4% from 1996. The strong growth over the last three years — which surpassed 10% annually — had continued in the first quarter of 1997. However, the strengthening of the Canadian dollar

compared with the currency of most of Canada's main European markets and the Japanese yen, combined with the economic difficulties experienced by many Asian countries, contributed to the decrease observed during the rest of the year.

Change in the number of overnight trips and the value of the currency of Canada's main tourism markets



Among Canada's 10 most important markets other than the United States, tourists from Hong Kong and Japan recorded the largest reduction in the number of trips to Canada, while only residents of the United Kingdom and Taiwan made substantially more overnight trips to Canada than in 1996. Among the secondary markets, significant increases were registered by tourists from Mexico (+19%), Mainland China (+24%) and New Zealand (+21%).

Overnight trips to Canada by overseas residents¹

Country of residence	1997 ^P	1996 to 1997
	Thousands	% change
United Kingdom	744	6.1
Japan	566	-13.0
France	440	-4.5
Germany	403	-11.1
Australia	151	0.3
South Korea	147	-7.6
Hong Kong	147	-27.0
Taiwan	143	5.8
The Netherlands	115	-1.5
Italy	103	-4.8

^P Preliminary estimates

¹ Estimates do not include travellers entering Canada via the United States by land for a same-day trip.

Overall, foreigners made a record 17.6 million trips of at least one night to Canada, up 1.6% from 1996.

Canadians travelled more to overseas destinations

Canadians continued to travel more to destinations other than the United States in 1997, making a record 4.0 million trips. It was the largest increase (+8.5%) since 1992, the year following the Persian Gulf conflict. In the last quarter century, the growth in this type of travel has been practically uninterrupted. Meanwhile, Canadians reduced the number of overnight trips they make to the United States for the fifth time in the last six years. Canadians made 15.1 million overnight trips to the United States in 1997, the smallest number since 1988.

The decrease was entirely attributable to fewer car trips. However, Canadians flew a record 4.6 million times to the United States to spend at least one night. The proportion of air travel in overnight trips has increased from 25% in 1994 to 31% in 1997.

December 1997

Foreigners made 1.5 million trips of at least one night to Canada in December, up 3.7% from November and the highest level in 26 years.

Americans, our most important source of visitors, made 1.2 million overnight trips to Canada in December, the largest number since September 1986.

Meanwhile, overseas residents made 354,000 overnight trips to Canada, the largest monthly increase (+5.8%) since May 1993. The recent trend in this type of travel has generally been downward since the February 1997 peak.

Canadians made 347,000 trips to destinations other than the United States, unchanged from the peak reached the previous month. They also made 1.3 million overnight trips to the United States, up 0.7% from November. The trends in cross-border car excursions between Canada and the United States continued to move in opposite directions in December.

Americans crossed the border by car on 2.2 million occasions for a same-day trip into Canada in December, the same level as in November and the most same-day car trips since June 1981. The number of Americans car excursions into Canada has been growing since hitting a low of 1.4 million in January 1994. Meanwhile, Canadians made 2.8 million same-day car trips, the lowest level since February 1988, following a fourth consecutive monthly decrease (down 1.2% from November).

Since early 1996, the monthly number of same-day car trips by Canadians to the United States has been

decreasing slightly. When the Canadian dollar was worth US\$0.88 in November 1991, Canadians made 5.4 million trips same-day car trips to the United States.

Available on CANSIM: matrices 2661-2697, 5780-6046 and 8200-8328.

The December 1997 issue of *International travel: Advance information* (66-001-PPB, \$8/\$73) will be available shortly. See *How to order publications*.

For further information on this release, contact Luc Dubois (613-951-1674; fax: 613-951-2909; Internet: duboluc@statcan.ca), International Travel Section, Culture, Tourism and the Centre for Education Statistics. □

Travel between Canada and other countries

	Oct. 1997 ^r	Nov. 1997 ^r	Dec. 1997 ^p	Nov. 1997 to Dec. 1997
seasonally adjusted				
	'000			% change
Canadian trips abroad				
Car trips to the United States				
Same-day	2,838	2,801	2,767	-1.2
One or more nights	748	760	761	0.1
Total trips, one or more nights				
United States ¹	1,247	1,265	1,274	0.7
Other countries	336	347	347	-0.1
Travel to Canada				
Car trips from the United States				
Same-day	2,106	2,150	2,153	0.1
One or more nights	714	720	739	2.6
Total trips, one or more nights				
United States ¹	1,123	1,142	1,177	3.1
Other countries ²	343	335	354	5.8
	Dec. 1997 ^p	Dec. 1996 to Dec. 1997 ^p	Jan.- Dec. 1997 ^p	Jan. - Dec. 1996 to Jan.- Dec. 1997
unadjusted				
	'000	% change	'000	% change
Canadian trips abroad				
Car trips to the United States				
Same-day	2,475	-7.3	34,758	-4.2
One or more nights	447	-9.4	9,203	-3.9
Total trips, one or more nights				
United States ¹	877	-3.4	15,130	-1.1
Other countries	270	6.9	3,984	8.5
Travel to Canada				
Car trips from the United States				
Same-day	1,804	3.3	25,252	6.1
One or more nights	428	9.9	8,399	0.9
Total trips, one or more nights				
United States ¹	714	12.0	13,342	3.4
Other countries ²	225	-4.1	4,267	-3.4

^r Revised figures.

^p Preliminary figures.

¹ Estimates for the United States include counts of cars and buses, and estimated numbers for planes, trains, boats and other methods.

² Figures for other countries exclude same-day entries by land only, via the United States.

OTHER RELEASES

Pulpwood and wood residue statistics

December 1997

Pulpwood receipts in December totalled 4 076 079 cubic metres, up 13.2% from 3 598 045 cubic metres in December 1996. Wood residue receipts totalled 5 263 651 cubic metres, up 3.9% from 5 063 845 cubic metres in December 1996. Consumption of pulpwood and wood residue totalled 8 391 155 cubic metres, down 1.5% from 8 518 310 cubic metres in December 1996.

The closing inventory of pulpwood and wood residue decreased 8.1% to 13 104 733 cubic metres, down from 14 265 154 cubic metres in December 1996. Year-to-date consumption of pulpwood and wood residue (108 225 750 cubic metres) increased 1.3% from 106 853 242 cubic metres a year earlier. Figures for 1996 have been revised.

Available on CANSIM: matrix 54.

The December 1997 issue of *Pulpwood and wood residue statistics* (25-001-XPB, \$8/\$73) will be available shortly. See *How to order publications*.

For further information on this release, contact Gilles Simard (613-951-3516; Internet: simales@statcan.ca), Manufacturing, Construction and Energy Division. ■

Shipments of rolled steel

December 1997

Rolled steel shipments totalled 1 175 131 tonnes in December, down 2.1% from 1 199 872 tonnes in November 1997 and up 14.4% from 1 027 590 tonnes in December 1996.

Year-to-date shipments at the end of December totalled 14 497 841 tonnes, up 2.6% from 14 130 314 tonnes during December 1996.

Available on CANSIM: matrices 58 and 122 (series 22-25).

The December 1997 issue of *Primary iron and steel* (41-001-XPB, \$7/\$62) will be available shortly. See *How to order publications*.

For further information on this release, contact Andy Shinnan (613-951-3515; Internet: shinand@statcan.ca), Manufacturing, Construction and Energy Division. ■

Household spending — Erratum

1996

The expenditure totals for Whitehorse and Yellowknife were reversed in the February 12 *Daily* release on household spending. The correct average household expenditures for these centres are: Whitehorse (\$60,700) and Yellowknife (\$79,700).

For further information on this release, contact the Dissemination Unit (1 888 297-7355; 613-951-7355; Internet: Expenditures@statcan.ca), Household Surveys Division. ■

Annual Survey of Manufactures

1995

The Annual Survey of Manufactures provides information on over 200 different industries. Principal statistics for each industry are released on CANSIM as they become available. Data for the industries listed in the following table are now available. Data for 26 industries have now been released.

Available on CANSIM: matrices 5462, 5469, 5486, 5513 and 5553

Data for the industries listed in the table will appear in *Wood industries* (35-250-XPB, \$55), *Paper and allied products industries* (36-250-XPB, \$40), *Primary metal industries* (41-250-XPB, \$40) and *Transportation equipment industries* (42-251-XPB, \$40). The 1995 issue of *Products shipped by Canadian manufacturers* is now available. The 1995 issues of the remaining publications will be released shortly. See *How to order publications*.

For further information, look under *Contact* in the following table (fax: 613-951-9499; Internet: Pentlii@statcan.ca). □

Value of shipments

	1995	1996	1995 to 1996 %	Publication catalogue number	Contact
	\$ millions		change		
Industry (Standard Industrial Classification)					
Softwood veneer and plywood (2522)	1077.8	1108.4	2.8	35-250-XPB	G. Simard (613-951-3516)
Wood preservation (2591)	425.9	404.6	-5.0	35-250-XPB	G. Simard (613-951-3516)
Building board (2714)	184.9	259.7	40.4	36-250-XPB	G. Simard (613-951-3516)
Copper and copper alloy rolling, casting and extruding (2971)	609.2	823.5	35.2	41-250-XPB	A. Shinnan (613-951-3515)
Non-commercial trailer (3243)	396.8	401.5	1.2	42-251-XPB	A. Shinnan (613-951-3515)



PUBLICATIONS RELEASED

Employment, earnings and hours, November 1997

Catalogue number 72-002-XPB

(Canada: \$32/\$320; outside Canada: US\$32/US\$320).

All prices exclude sales tax.

How to order publications

Simplify your data search with the *Statistics Canada Catalogue* (11-204-XPE, \$16; outside Canada: US\$16).

Its keyword index will guide you to statistics on Canada's social and economic activity.

Order publications by phone:

Please refer to the • Title • Catalogue number • Volume number • Issue number • Your VISA or MasterCard number.

In Canada and the United States call:

1-800-267-6677

From other countries call:

1-613-951-7277

To fax your order:

1-800-889-9734

Address changes or account inquiries:

1-800-700-1033

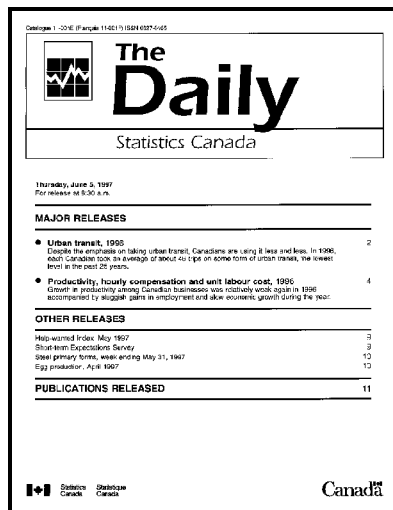
Internet:

order@statcan.ca

To order a publication by mail write: Statistics Canada, Circulation Management, Operations and Integration Division, Ottawa, K1A 0T6.

Include a cheque or money order payable to **Receiver General of Canada/Publications**. Canadian customers add 7% GST and applicable PST.

Authorized agents and bookstores also carry Statistics Canada's catalogued publications.



Statistics Canada's official release bulletin

Catalogue 11-001E.

Published each working day by the Communications Division, Statistics Canada, 10-H, R.H. Coats Bldg., Tunney's Pasture, Ottawa, Ontario K1A 0T6.

To access *The Daily* on the Internet, visit our site at <http://www.statcan.ca>. To receive *The Daily* each morning by E-mail, send an E-mail message to listproc@statcan.ca. Leave the subject line blank. In the body of the message, type "subscribe daily firstname lastname".

Editor: Duncan Currie (613-951-1103, currdun@statcan.ca)

Head of Official Release: Chantal Prévost (613-951-1088, prevcha@statcan.ca)

Published by authority of the Minister responsible for Statistics Canada. © Minister of Industry, 1998. Citation in newsprint, magazine, radio, and television reporting is permitted subject to the requirement that Statistics Canada is acknowledged as the source. Any other reproduction is permitted subject to the requirement that Statistics Canada is acknowledged as the source on all copies as follows: Statistics Canada, *The Daily*, catalogue 11-001E, along with date and page references.