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July 10, 1981

Automotive Trade

(Figures rounded to nearest $5 million)

Canada's deficit in merchandise trade in automotive products was $555 million in the first quarter of 1981, up $70 million from a year ago.

Exports increased 5.9% ($150 million) to $2,750 million, while imports rose 7.2% ($220 million) to $3,305 million. The surplus on cars decreased $75 million to $150 million, as exports fell 6.8% ($75 million) to $1,035 million and imports remained stable at $885 million. However, the surplus on trucks and other motor vehicles grew by $160 million to $365 million; exports were up by 39% ($190 million) to $685 million, while imports increased 11% ($30 million) to $320 million. There was an increase of $195 million in the deficit on parts, from $920 million to $1,115 million. This was due to a $10 million decline in exports to $930 million and a $185 million rise in imports to $2,050 million. The surplus on tires and tubes was up from $43 million to $45 million.

Trade in Automotive Products between Canada and Overseas Countries

The deficit in trade with other countries registered a slight decrease of $11 million to $142 million during the first quarter of 1981, compared with $153 million for the same period in 1980 (Table 2). The improvement in the deficit was due to a strong increase for exports (57.7% or $130 million to $360 million, from $225 million last year) and a more moderate rise for imports (31.6% or $120 million to $500 million). The deficit in passenger cars increased $50 million to $185 million as exports climbed by 64% ($50 million) to $130 million and imports rose 47.4% ($100 million) to $310 million. However, other components helped to improve the balance. The surplus on trucks and other motor vehicles was up by $17 million to $36 million. Exports increased 102% ($42 million) to $83 million while imports increased 114% ($25 million) to $50 million. The surplus on parts improved from $3 million to $33 million as exports grew by $23 million to $120 million and imports fell by $7 million to $85 million. The deficit on tires and tubes decreased by $6 million, from $50 million to $44 million.

Trade (Customs Basis) with the United States by Car Size

(In this text, numbers of vehicles are generally rounded to the nearest 1,000 units.)

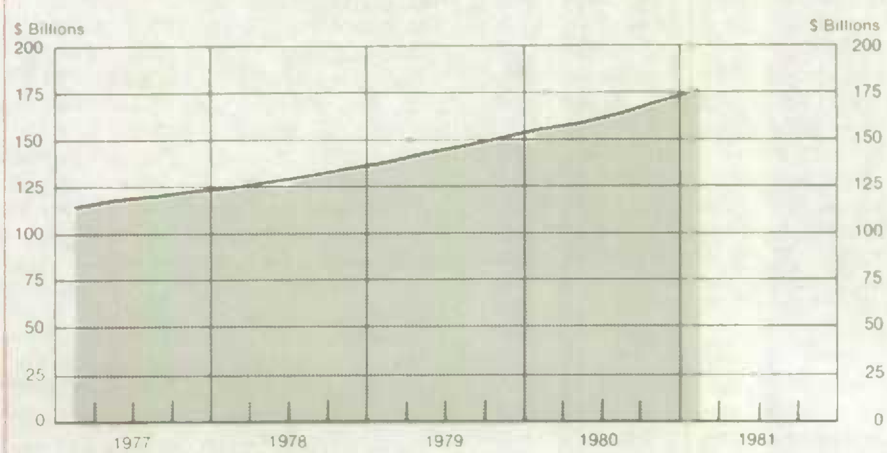
LATEST MONTHLY STATISTICS

			Previous Month	% Change From Year Ago
EMPLOYMENT, INCOME				
Average Weekly Earnings ($)	Mar.	343.93p	341.70p	10.9
Labour Income ($ million)	Apr.*	14,591.4p	14,301.3p	12.5
Persons with Jobs (million)	May	11.03	10.70	3.9
Unemployed	May	854,000	886,000	-5.5
INVENTORIES				
Department Store ($ million)	Apr.	3,104.4	2,626.3	13.4
Manufacturers' Owned ($ million)	Apr.	31,548.4p	30,728.6r	12.6
Wholesale ($ million)	Apr.	16,923.1p	16,799.6p	..
ORDERS				
Manufacturers' New Orders ($ million)	Apr.	16,363.6p	16,510.2r	24.0
Manufacturers' Unfilled Orders ($ million)	Apr.	19,894.5p	19,657.1r	4.3
PRICES				
Consumer Price Index (1971=100)	May	233.2	231.1	12.3
Non-food Component (CPI)	May	215.9	213.1	12.2
New House Price Index (1976=100)	Apr.	132.3	130.0	13.7
22-city Composite Wage, Building (1971=100)	Jan.	253.6p	253.5r	9.7
Industry Selling Price Index (1971=100)	May*	269.6p	267.5r	11.2
CONSTRUCTION			**Year-to-date**	
Building Permits ($ million)	Apr.*	1,709.4p	*4,974.1p*	*27.5*
Housing Starts — Urban Centres (units)	May	16,985	*54,377*	*28.4*
ENERGY				
Coal Production (thousand metric tonnes)	Apr.	3 473.9	*13 815.2*	*21.7*
Electricity Generation (terawatt hours)	Mar.	34.7	*104.0*	*0.5*
Natural Gas Production (million cubic metres)	Mar.*	8 857.2	*27 418.7*	*-4.2*
Petroleum Refining (million cubic metres)	Apr.	8.3p	*35.4p*	*-6.4*
FOREIGN TRADE				
Exports — Balance of Payments Basis ($ million)	May*	7,276p	*34,292p*	*11.0*
Imports — Balance of Payments Basis ($ million)	May*	6,953p	*32,393p*	*11.3*
PRODUCTION				
Steel (ingots — thousand metric tonnes)	May	1 484.4	*7 103.2*	*5.4*
SALES				
Department Store Sales ($ million)	May*	823.0	*3,518.8*	*11.5*
Manufacturers' Shipments ($ million)	Apr.	16,126.2p	*59,994.5p*	*12.2*
New Motor Vehicle Sales ($ million)	May	1,207.1	*5,362.6*	*10.3*
Retail Sales ($ million)	Apr.	7,733.5p	*27,768.8p*	*15.1*
Wholesale Sales ($ million)	Apr.	9,782.5p	*34,868.5p*	..

*Statistics are not seasonally adjusted. p - preliminary. r - revised. * - new this week.*

Wages, Salaries and Supplementary Labour Income

Data Seasonally Adjusted at Annual Rates



Source: **Statistics Canada,** National Income and Expenditure Accounts (13-001)

On a unit basis, exports of passenger cars classified by car size based on interior volume (excluding station wagons and passenger cars n.e.s.) were down by 23.6% or 29,000 units from 122,000 units in the first quarter of 1980 to 93,000 units for the first quarter of 1981. Imports decreased 21.1% (26,000 units) from 125,000 units to 99,000 units.

A study of the various categories reveals that intermediate cars continue to be adversely affected, since exports have fallen by 35,000 units or 43% (from 81,000 units to 46,000 units) and imports dropped 16,000 units or 38.4% (from 42,000 units to 26,000 units). Average prices of intermediate car exports did not improve the situation, having increased by 24.4% while prices of imports rose 25.8%. It must be kept in mind, however, that some models may have been transferred from one class to another between the first quarters of 1980 and 1981. The export market share of intermediate cars has fallen steadily from 72% in the first quarter of 1979 to 66% a year later to stand at 49.3%.

Small car exports grew from 18,000 units to 19,000 units, but imports declined from 68,000 to 58,000 units. Average prices of small car exports rose 31.8%, whereas those for imports were up 15.6%. There was an increase of 20.3% or 5,000 units for exports of large cars to 28,000 units and almost no change for imports which fell 600 units to 15,100 units. As a result, exports of small cars continued to increase their market share, from 0.4% in the first quarter of 1979 to 15% in 1980 and 21% in 1981. Exports of station wagons decreased by 9,000 to 11,000 units, while imports increased by 4,000 units to 14,000 units. Average prices rose 20.5% for imports and 25.6% for exports.

Sources of Canadian Passenger Car Imports Based on Number of Vehicles

Following an increase of 6.8% or 11,000 units between the first quarters of 1979 and 1980, imports of passenger cars (based on the number of vehicles) declined by 3.3% or 6,000 units between the corresponding annual periods of 1980 and 1981. Imports from the United States fell 16.5% (22,000 units to 114,000 units) while average prices for American cars climbed by 19.9%, despite the fact that the U.S. dollar appreciated by only 2.5% against its Canadian counterpart. As a result, the market share of passenger cars imported from the United States shrank from 77% to 66.6%.

On the other hand, overseas countries increased their shipments by 40.8% (16,000 units), improving their market share from 23% to 33.4%. Japan was the major contributor to the rise, even though the average price of Japanese cars rose 33.3%, aided by a 21.4% appreciation in the value of the yen against the Canadian dollar. Imports of Japanese cars grew by 86.7% (21,000 units to 46,000 units), which increased their market share from 13.9% to 26.9%. West German imports dropped heavily by 55.8% (5,000 units) to 4,000 units.

Building Permits

The authorization of major commercial projects in Alberta caused the total value of building permits to rise 11.3% to an unprecedented level of $1,831.2 million in April from a revised seasonally-adjusted $1,644.9 million in March. In April of last year, Canadian municipalities had authorized building construction estimated at $1,140.9 million.

During April 1981, residential permits, which continued to exhibit strength in Quebec, Ontario and the Prairie provinces, reached a seasonally-adjusted level of $1,020.3 million, up 2.7% from $992.6 million the preceding month. Municipal officials processed builders' applications for 10,551 single-detached and 9,670 multiple dwellings compared to 11,082 singles and 8,879 multiples in March.

The value of non-residential permits, estimated at $810.9 million in April, was 24.3% higher than in March ($652.3 million) reflecting buoyant activity in the commercial sector ($493.5 million). This is particularly true in Alberta where permits were issued for several office buildings, including a $108 million tower for Petro-Canada. In March, proposed commercial construction was estimated at $287.6 million (seasonally adjusted). However, the value of new industrial developments was down to $177.8 million in April ($192.9 million in March) and that of institutional buildings dropped to $139.6 million ($171.8 million in March).

For the four month period ending April 30, preliminary estimates of proposed building construction ($4.97 billion) show a 27.5% improvement over the $3.9 billion of last year, with housing showing a 53.0% increase and commercial construction a 13.9% increase. Provincially, major improvements occurred in New Brunswick (35.3%), Quebec (47.5%), Ontario (36.1%), Manitoba (73.9%), Saskatchewan (36.9%) and Alberta (39.5%).

For additional information, order the April issue of Building Permits (64-001, $3.50/$35), or contact J.P. Delisle (613-995-8213), Construction Division, Statistics Canada, Ottawa K1A 0Z7.

Railway Carloadings

Revenue freight loaded by railways in Canada totalled 21.7 million short tons (19.7 million t) in May 1981, a decrease of 11.1% from the previous year. The carriers received an additional 1.6 million short tons (1.5 million t) from the United States, down 5.1% from May 1980.

Commodities registering notable changes in volumes loaded for the latest month were: wheat, down 14.5%; iron ore and concentrates, down 37.7%; coal, down 12.1%; grain (other than wheat), up 36.9%.

The total loadings in Canada for the year-to-date showed a decrease of 2.8% from the 1980 period while receipts from United States connections declined by 4.8%.

For further information, order the May issue of Railway Carloadings (52-001, $1.50/$15). For seasonally adjusted revenue freight loadings, contact C.S. Cannif (613-996-9271).

Industry Selling Price Index

The Industry Selling Price Index for Manufacturing (1971=100) increased 0.8% in May 1981 to a preliminary level of 269.6 from its revised level of 267.5 in April 1981. The index now stands 11.2% higher than a year ago. While most major groups showed increases of less than 1.0% in May, four major groups posted relatively larger increases: petroleum and coal products (3.0%), wood industries (1.4%), transportation equipment industries (1.6%), and non metallic mineral products (1.5%).

The petroleum and coal products group is estimated to have increased 3.0% in May 1981 to stand approximately 40% higher than a year earlier. The main contributor to the price change was a $1.15 per barrel charge on crude oil.

Wood industries increased 1.4% in May 1981 to stand 9.0% higher than a year earlier. The two main contributors to this price increase were: sawmills and planing mills (1.0%), reflecting changes in softwood products, most notably spruce (1.5%) and cedar (2.9%); and veneer and plywood mills (3.9%), largely reflecting a 3.7% increase in Douglas Fir plywood. Also affecting the industry movement were spruce plywood (6.5%) and yellow birch veneer (2.8%).

Transportation equipment industries increased in May 1981, the main contributor being motor vehicle manufacturers (1.4%), which posted price increases of approximately 1.0% for cars and increases for heavy trucks. Other industries having a lesser effect on the major group movement were miscellaneous vehicle manufacturers (11.8%) and motor vehicle parts and accessories (0.7%).

The non metallic mineral products industry increased 1.5% in May to a level 15.5% higher than a year earlier. Main contributor to the price increase was glass manufacturers. Miscellaneous products increased 0.9% reflecting an increase in insulation material.

Many other major groups showed some price movement in May 1981. Of these, the most notable increases occurred in: pulp and allied products (0.5%), largely because of increases in pulp and paper products (reacting to a change in the exchange rate); primary metals (0.5%), reflecting activity in the metal markets; chemical and chemical products industries (0.7%), mainly because of an increase in organic industrial chemicals; and food and beverages industries (0.1%), reflecting increases in slaughtering and meat processors (1.0%), dairy products (0.7%) and confectionery manufacturers (4.1%). Decreases were posted for fish products (3.5%) and sugar products (approximately 12.0%).

For further information, order the May issue of Industry Price Indexes (62-011, $3.50/$35), or contact the Information Unit (613-995-5738), Industrial Prices Section, Prices Division, Statistics Canada, Ottawa K1A 0V5.

New Motor Vehicle Sales

New motor vehicles sold in May totalled 122,053, up 7.5% from a year earlier. This included 65,351 passenger cars (down 2.9%) and 27,279 commercial vehicles (down 1.9%) manufactured in Canada and the U.S., and 26,095 passenger cars (up 57.1%) and 3,328 commercial vehicles (up 86.2%) manufactured overseas.

Total sales value increased 19.6% to $1,207.1 million. Canadian and U.S. passenger cars sold for $604.4 million (up 9.3%) and commercial vehicles for $350.0 million (up 8.9%). Sales of passenger cars from overseas increased 83.9% to $224.0 million and those of commercial vehicles increased 117.4% to $28.7 million. Included in total commercial vehicles sold were 411 coaches and buses valued at $14.4 million.

Seasonally-adjusted May sales of passenger cars manufactured in Canada and the U.S. decreased 11.5% from April to 53,010 and those of passenger cars from overseas decreased 1.7% to 21,730. Sales of all commercial vehicles were down 6.9% to 26,102.

For the first five months of 1981, total sales reached 548,659 (551,969 in 1980), with an accumulated value of $5,362.6 million. This represented an increase of 10.3% in value over sales for January-May 1980.

For further information, order the May issue of New Motor Vehicle Sales (63-007, $2.50/$25), or contact M. Kwilecki (613-996-9304), Retail Trade Section, Merchandising and Services Division, Statistics Canada, Ottawa K1A 0V4.

Department Store Sales by Regions

Department store sales totalled $823.0 million for May, up 7.2% from a year earlier. Cumulative sales for January to May 1981 were $3,518.8 million, an 11.5% increase over last year.

Sales by regions for May 1981, with percentage changes from May 1980 in brackets, were as follows:

- Ontario, $290.0 million (8.5%)
- British Columbia, $145.6 million (10.8%)
- Quebec, $154.9 million (2.9%)
- Alberta, $118.2 million (8.9%)
- Atlantic provinces, $50.1 million (3.8%)
- Manitoba, $40.5 million (-0.2%)
- Saskatchewan, $23.7 million (12.0%).

Data users should note that figures for the Yukon and Northwest Territories are included with British Columbia. See the May issue of Department Store Sales by Regions (63-004, $1.50/$15).

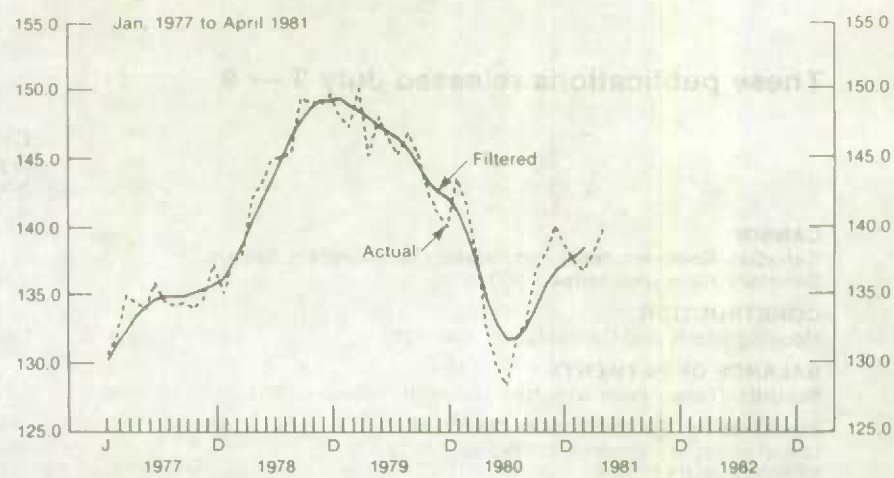
Telephone Statistics

Thirteen major telephone systems reported monthly revenues of $549.2 million in May 1981, up 18.8% over May 1980.

Operating expenses were $391.4 million, an increase of 15.6% over May 1980. Net operating revenue was $157.8 million, an increase of 27.5% over May 1980. Telephone toll messages increased 9.8% to 121.7 million.

For further information, order Telephone Statistics, May 1981 (56-002, $1.50/$15), or contact J.R. Slattery (613-996-9271), Transportation and Communications Division, Statistics Canada, Ottawa K1A 0V1.

The Canadian Composite Leading Index



Source: **Statistics Canada,** Current Economic Analysis (13-004E)

Composite Leading Indicator

In April, the composite leading index grew at about the same rate as in the two preceding months rising 0.40% from a level of 137.92 to 138.48. The non-filtered index increased for the second consecutive month, rising 1.1% to a level of 139.9. Stabilization of the growth rate at the 0.40% level, following a significant deceleration since November 1980, suggests that the economy will continue to grow at moderate rates over the next few months.

Indicators of consumer demand remained sluggish in April. Furniture and appliance sales decelerated for the third consecutive month, rising 0.92%. The slowdown was due to drops in the non-filtered series in February and March, while a moderate increase in April (2.3%) was not sufficiently large to reverse the decelerating trend of the filtered series. New motor vehicle sales increased a moderate 0.93%. To a large extent, however, this gain reflects the sharp rise in the non-filtered series in March (up 8.1%), but in April the non-filtered data was up a more modest 0.4%.

The residential construction index continued to soar, climbing 6.43% in April, its eighth consecutive increase. Strong gains in building permits recorded in the past few months accelerated in April and, in spite of high mortgage rates, housing starts reflected the strength in building permits. Mortgage loan approvals, however, decelerated for the second consecutive month in April suggesting that the demand for housing may be on the point of responding to the high mortgage rates. Furthermore, in May, mortgage rates increased to a record 18.75% and housing starts in urban areas fell 17%.

Manufacturing, along with residential construction, contributed most to the gain in the composite leading index in April. The growth rate of new orders for durable goods accelerated for the third consecutive month, recording a 1.63% gain in April. Investment related industries were mainly responsible for the gain. The ratio of shipments to finished goods inventories continued to climb as shipments recorded strong gains. Unit labor costs grew faster than prices for the third consecutive month and price per unit labor costs in manufacturing fell 0.04% following drops of 0.02% and 0.03% in the preceding two months. The average workweek was up a moderate 0.06% as the non filtered series registered no change.

The Toronto index of stock prices grew 0.79%, a growth rate considerably lower than the 4.74% recorded last November just before interest rates surged to their now record levels. The non-filtered index fell 2.1% following a strong 9.5% gain in March. The money supply fell for the fourth consecutive month (down 0.38%) although the non-filtered version increased by 1.06%.

The U.S. leading indicator continued to decelerate, rising 0.4% in April, about the same rate of growth as the Canadian leading index. However, the deceleration of the U.S. index since last November, when both indexes reached a peak in their growth rates, has been greater than the slowdown in the Canadian index.

For further information, order Current Economic Analysis (13-004E, Canada: $2.50/$25; Other Countries: $3/$30), or contact D. Rhoades (613-992-4441), Current Economic Analysis Staff, Statistics Canada, Ottawa K1A 0T6.

Oil Pipeline Transport

Net receipts of crude oil, condensates, pentanes plus, liquefied petroleum gases and petroleum products passing through Canadian oil pipelines during April 1981 increased 4.6% to 12 275 486 cubic metres from 11 733 218 cubic metres for the same month of 1980.

For further information, order the April 1981 issue of Oil Pipeline Transport (55-001, $2.50/$25), or contact I. Cavanagh (613-996-3139), Manufacturing and Primary Industries, Statistics Canada, Ottawa K1A 0T6.

These publications released July 3 — 9

	Catalogue No.	In Canada: Price per issue/year	Elsewhere Price per issue/year
CANSIM			
Canadian Socio-economic Information Management System Summary Reference Index, 1980	12-202	$8	$9.60
CONSTRUCTION			
Housing Starts and Completions, April 1981	64-002	$3/$30	$3.60/$36
BALANCE OF PAYMENTS			
Security Transactions with Non-residents, February 1981	67-002	$2.50/$25	$3/$30
EDUCATION, SCIENCE AND CULTURE			
Universities: Enrolment and Degrees, 1979	81-204	$6	$7.20
SERVICE BULLETINS			
Science Statistics, Vol. 5, No. 5, Federal Government Activities in the Social Sciences, 1972-73 to 1981-82	13-003	$1.50/$15	$1.80/$18
EXTERNAL TRADE			
Imports by Countries, January-March 1981	65-006	$7.50/$30	$9/$36
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Indexes of Real Domestic Product by Industry, March 1981	61-005	$3/$30	$3.60/$36
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Estimates of Employees by Province and Industry, March 1981	72-008	$3/$30	$3.60/$36
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Clay Products Manufacturers, from Domestic Clays, 1979	44-215	$4.50	$5.40
Coal and Coke Statistics, April 1981	45-002	$2.50/$25	$3/$30
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Gas Utilities, March 1981	55-002	$2.50/$25	$3/$30
Hardboard (Wood Fibre), May 1981	36-001	$1.50/$15	$1.80/$18
Manufacturers of Toilet Preparations, 1979	46-215	$4.50	$5.40
Metal Stamping, Pressing and Coating Industry, 1979	41-227	$4.50	$5.40
Mineral Wool Including Fibrous Glass Insulation, May 1981	44-004	$1.50/$15	$1.80/$18
Miscellaneous Non-metallic Mineral Products Industries, 1979	44-210	$4.50	$5.40
Oil Pipe Line Transport, February 1981	55-001	$2.50/$25	$3/$30
Primary Iron and Steel, April 1981	41-001	$2.50/$25	$3/$30
Stocks of Frozen Meat Products, June 1981	32-012	$2.50/$25	$3/$30
Stone Products Manufacturers, 1979	44-213	$4.50	$5.40
MERCHANDISING AND SERVICES			
Merchandising Inventories, March 1981	63-014	$2.50/$25	$3/$30
Retail Trade, March 1981	63-005	$3.50/$35	$4.20/$42
Wholesale Trade, April 1981	63-008	$1.50/$15	$1.80/$18
PRICES			
Construction Price Statistics, April 1981	62-007	$3/$30	$3.60/$36
TRANSPORTATION AND COMMUNICATIONS			
SERVICE BULLETINS			
Aviation Statistics Centre, Vol. 13, No. 6, Canadian Air Transport Industry, Summary Statistics	51-004	$1.50/$15	$1.80/$18
Communications, Vol. 11, No. 2, Telecommunication Statistics, First Quarter, 1981	56-001	$1.50/$15	$1.80/$18

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