

infomat

Weekly Bulletin



December 2, 1983

Unemployment Insurance

Disbursements to unemployment insurance claimants in September 1983 amounted to \$663 million, a decrease of 18% from the previous month and down 6% from the year-earlier level of \$703 million. Benefits for the January-September period of 1983 rose 31% to \$8 billion from the \$6.13 billion paid out in the same period of 1982.

Claimants drawing unemployment insurance benefits for the week ended September 17 totalled 951,000, a drop of 9% from August and down 11% from September 1982. This marks the first month since December 1981 that the number of beneficiaries has fallen below one million.

Some 276,000 claims were filed by persons seeking unemployment insurance benefits in September, up 12% from August but 20% fewer than the 345,000 claims recorded in September 1982. Claims for 1983-to-date numbered 2,405,000, a decrease of 12% from January-September 1982.

For further information, order the July-September 1983 issue of Statistical Report on the Operation of the Unemployment Insurance Act (73-001, \$6.35/\$25.40), or contact H. Stiebert (613-995-8445), Labour Division, Statistics Canada, Ottawa K1A 0V1.

Industrial Corporations, Financial Statistics

According to preliminary results, the strong profits recovery of Canadian industrial corporations that began at the start of 1983 continued for the third consecutive quarter during July-September 1983: on a seasonally adjusted, quarter-to-quarter basis, profits before taxes and extraordinary items rose 13.2%, following increases of 12.9% in the second and 19.7% in the first quarter of the year. As in the earlier quarters, the underlying reasons for the increased profits were higher sales (up 3.4%) coupled with reduced interest expenses and improved operating margins. (It should be noted that seasonally adjusted profits data are highlighted because the elimination of seasonal fluctuations permits a more valid comparison on a quarter-to-quarter basis. This in turn can better reveal the current profit picture as distinct from the effects of last year's situation.)

Compared to the year-earlier level, pre-
(continued on next page)

LATEST MONTHLY STATISTICS

EMPLOYMENT, INCOME

		Aug.	Previous Month	% Change From Year Ago
Average Weekly Earnings (\$)	Aug.	389.78p	389.28r	
Labour Income (\$ million)	Aug.	18,679.4p	18,755.9p	8.2
Persons with Jobs (million)	Oct.	10.82	10.87	2.9
Unemployed	Oct.	1,238,000	1,257,000	-10.8

INVENTORIES

		Sept.	Previous Month	% Change From Year Ago
Department Store (\$ million)	Sept.	3,310.4	3,213.6	16.9
Manufacturers' Owned (\$ million)	Sept.	30,210.6p	29,991.0r	-9.2

ORDERS

		Sept.	Previous Month	% Change From Year Ago
Manufacturers' New Orders (\$ million)	Sept.	21,557.1p	17,134.6r	36.5
Manufacturers' Unfilled Orders (\$ million)	Sept.	20,382.3p	16,935.7r	26.2

PRICES

		Oct.	Previous Month	% Change From Year Ago
Consumer Price Index (1981=100)	Oct.	119.2	118.5	4.9
New House Price Index (1976=100)	Sept.	131.3	131.0	0.5
Raw Materials Price Index (1977=100)	Oct.*	211.1p	211.3p	5.1
Excl. coal, crude oil, nat. gas	Oct.*	152.9p	153.3p	6.2
Industry Selling Price Index (1971=100)	Oct.*	301.7p	301.0p	3.3

CONSTRUCTION

		Aug.	Year-to-date	% Change From Year Ago
Building Permits (\$ million)	Aug.	1,188.8p	9,531.2p	14.6
Housing Starts — Urban Centres (units)	Sept.	9,904	104,486	41.2

ENERGY

		Aug.	Year-to-date	% Change From Year Ago
Coal Production (thousand tonnes)	Aug.	3,406.3	27,820.8	-3.6
Electricity Generation (terawatt hours)	Aug.	30.7	255.2	2.1
Natural Gas Production (million cubic metres)	Aug.	6,608.5	61,091.6	-6.0
Petroleum Refining (million cubic metres)	Sept.	8.1p	63.4p	-6.5

FOREIGN TRADE

		Sept.	Previous Month	% Change From Year Ago
Exports — Balance of Payments Basis (\$ million)	Sept.	7,719p	65,676p	3.0
Imports — Balance of Payments Basis (\$ million)	Sept.	6,309p	52,741p	3.9

PRODUCTION

		Oct.	Year-to-date	% Change From Year Ago
Railway Carloadings (million tonnes)	Oct.	20.1p	170.7p	0.3
Steel (ingots — thousand tonnes)	Oct.	1,230.1p	10,482.7p	0.9

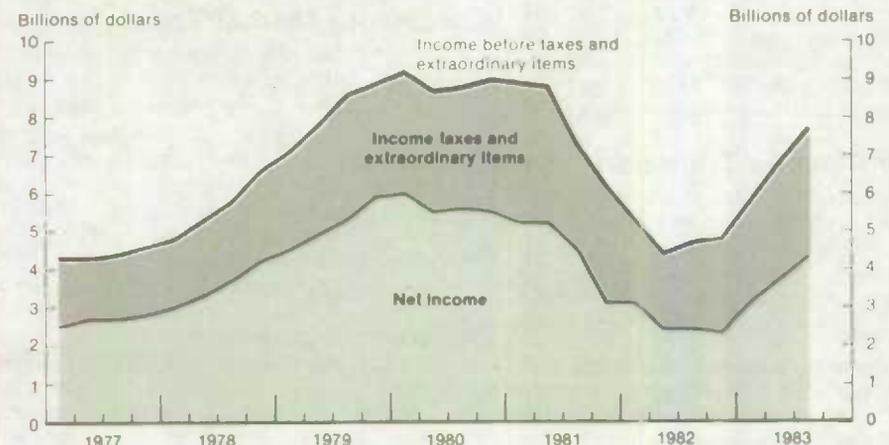
SALES

		Sept.	Year-to-date	% Change From Year Ago
Department Store Sales (\$ million)	Sept.	922.1	7,137.6	7.1
Manufacturers' Shipments (\$ million)	Sept.	18,110.6p	146,656.5p	5.6
New Motor Vehicle Sales (\$ million)	Sept.	906.7	8,933.8	17.6
Retail Sales (\$ million)	Sept.	8,858.7p	75,212.0p	7.1

Statistics are in current dollars and are not seasonally adjusted.
p - preliminary, r - revised, * - new this week.

Quarterly Corporation Profits Industrial Corporations Sector

(Seasonally Adjusted)



... Industrial Corporations

tax profits increased 64.4% to reach \$7.4 billion in the third quarter of 1983, while net profits after taxes rose even more dramatically by 92.2% to stand at \$4.1 billion. Although net profits in the current quarter are at their highest point in eight quarters, the figures are still some 25% below the pre-recession levels; the large year-over-year percentage increases this quarter are based upon the dismal mid-recession results of a year ago.

The continued strength of the recovery is illustrated by the fact that 38 of the 44 industrial groups posted increases in year-over-year profits, compared to 32 industries in the preceding quarter. No industry incurred a significant profit decline over the period. Four industries alone (transportation equipment, mineral fuels, metal mining and other wholesale) had increases of over \$200 million.

Again this quarter, declining interest rates had a profound effect upon corporation profits: the decline in interest expense to \$3.7 billion in the third quarter of 1983 from \$4.7 billion a year ago boosted profits by almost one billion dollars. The favourable interest rate environment, coupled with the increase in corporate profits, is borne out in the interest coverage ratio: this ratio — which measures the ability of corporations to cover their financing charges with currently generated profits — has risen four consecutive quarters from the third quarter 1982 low of 1.97 times, to stand at 2.99 times in the current quarter.

Sales of industrial corporations climbed 9.2% from the year-earlier quarter, compared to year-over-year increases of 5.1% and 2.6% in the two preceding quarters. Along with increasing sales, corporations are reaping the benefits of extensive cost-cutting measures implemented to cushion the effects of the recession. This is reflected in the fourth straight increase in the operating margin ratio, doubling to 4.0% currently from 2.0% in the third quarter of 1982.

These preliminary data cover all non-government owned corporations in Canada except those in the agriculture, fishing, real estate, construction and finance industries. More detailed statistics for the 47 industry groups are now on CANSIM and will be available in catalogue no. 61-003. For further information, contact Tom Maxwell or Gail Campbell (613-995-9751), Business Finance Division, Statistics Canada, Ottawa K1A 0T6.

Oil Pipeline Transport

Net receipts of crude oil, condensates, pentanes plus, liquefied petroleum gases and petroleum products through Canadian oil pipelines increased 9.6% in September 1983 to 12 192 489 cubic metres from 11 122 365 cubic metres a year earlier.

For further information, order the September 1983 issue of Oil Pipeline Transport (55-001, \$2.65/\$26.50), or contact Richard Godin (613-996-3139), Manufacturing and Primary Industries Division.

infomat

Weekly Bulletin

Published by the Federal and Media Relations Division, Statistics Canada.

Senior Editor Greg Thomson
(613-593-7444)

Editor Brian Huggins (613-593-6971).
3J.R.H. Coats Building, Tunney's Pasture,
Ottawa K1A 0T6.

Catalogue 11-002E Price: Canada,
\$26.50 a year; other countries, \$31.80 a
year. To subscribe: send money order or
cheque payable to the Receiver General
for Canada to Publication Sales and Ser-
vices, Statistics Canada, Ottawa
K1A 0T6.

Population Estimates

Canada's population at October 1, 1983 totalled an estimated 24,963,200 persons.

Population figures for the provinces and territories were as follows:

- Ontario, 8,854,700
- Quebec, 6,530,000
- British Columbia, 2,837,700
- Alberta, 2,345,500
- Manitoba, 1,049,600
- Saskatchewan, 997,400
- Nova Scotia, 863,000
- New Brunswick, 709,200
- Newfoundland, 580,800
- Prince Edward Island, 124,500
- Northwest Territories, 48,700
- Yukon, 22,100.

Data users should note that the estimates are based on the June 3, 1981 Census adjusted to June 1.

These preliminary postcensal estimates which will be published in the next few weeks in catalogue 91-001 are available from CANSIM. Current quarterly figures on immigration and interprovincial migration can also be retrieved from CANSIM. To obtain information on population estimates, contact Lise Ofori-Attah (613-995-2212), Demography Division, Statistics Canada.

Labour Market Trends

Labour market conditions in 1981 and 1982 generated heightened interest in monthly unemployment data, and particularly in the estimates of persons not actively looking for work because of their perception of current labour market conditions.

An article entitled "Labour Market-Related Reasons for Suspending Job Search", published in the October 1983 issue of *The Labour Force* (catalogue no. 71-001, \$3.70/\$37) examines the demographic characteristics of persons not in the labour force who had suspended their job search activities in the preceding six months due to market-related reasons. Seasonal patterns evident in the data are also examined.

Current Economic Analysis

The Canadian economy continued to expand at a rapid rate in the third quarter of 1983. There are signs, however, of a redistribution of the sources of growth during the quarter away from household and export demand and towards business investment and inventory accumulation, which appears to be leading to a slowdown of growth of real economic activity. The rate of growth of retail sales appears to have tapered off, as demand in September was below the level in June, and housing demand continued to weaken as housing starts declined into October. At the same time, there are indications that the upturn in business investment and stock-building initiated in the third quarter will be limited by the substantial excess capacity and relatively high inventory-to-sales ratios in most manufacturing industries. United States demand for manufactured goods appeared to be stabilizing by the end of the third quarter, although growth prospects for most primary commodities appear weak. The softening of commodity prices and the signs of a downshifting of the growth of final sales, however, have led to a further moderation in inflation.

The indicators for household expenditure weakened during the summer months, as housing starts continued to retrench into October while retail sales declined between June and September — notably as furniture and appliance sales dropped in Ontario and as demand for semi-durable goods remained weak. The weakness in household outlays was accentuated in the short term by the termination of temporary government stimulus programs, notably the CHOSP in May and the repeal of the sales tax in Ontario on furniture and appliances in August. A firming of sales in these areas can be expected in the fourth quarter, when the initial drop reflecting the short-term reaction to the end of these stimuli is over, but there are few signs of renewed growth entering the fourth quarter. The outlook for a rebound is restrained by the small drop in employment in October, as widespread declines in other sectors outweighed a further gain in manufacturing. One result of the sluggish demand for labour in many industries apparently has been to induce an increase in discouraged workers and a drop in labour force participation in October, which may indicate a decline in consumer confidence following a tapering-off of growth in the third quarter. Nevertheless, the strength of manufacturing activity anticipated by new orders and production plans for the fourth quarter, notably in the transportation equipment and business investment-related industries, should provide ongoing support to household incomes. Weak commodity prices, notably for food, should lead to restraint in consumer prices in the quarter, while lower mortgage rates also should increase income for discretionary expenditures.

Industry Selling Price Index

Preliminary estimates show that the Industry Selling Price Index (ISPI) for manufacturing (1971=100) stood at 301.7 in October 1983, up 0.2% over the revised level of 301.0 in September. With this increase, the year-over-year advance — from October 1982 to October 1983 — was 3.3%, the tenth consecutive month in which the annual movement has been between 3% and 4%.

The paper and allied industries component index rose 0.5% in October but still stood 0.8% lower than a year earlier. The main stimulus for the monthly increase was a 0.7% gain in the pulp and paper mills index, reflecting price increases for white newsprint in rolls (0.4%) and fine papers (4.7%). (Newsprint prices were nevertheless about 4% lower than 12 months earlier.)

The chemicals and chemical products index jumped 0.9% in October to a level 3.7% higher than in October 1982. The increase for the month can be traced to price rises of 4.7% for paint and varnish, 4.4% for toilet preparations and 0.8% for organic industrial chemicals.

For further information, order the October 1983 issue of *Industry Price Indexes* (62-011, \$3.70/\$37), or contact the Information Unit (613-995-5738), Industrial Prices Section, Prices Division, Statistics Canada, Ottawa K1A 0V5.

Raw Materials Price Index

The Raw Materials Price Index (1977=100) stood at a preliminary 211.1 in October 1983, down 0.1% from the revised September level of 211.3. Over the 12-month period between October 1982 and October 1983, the index posted an increase of 5.1%. The raw materials price index excluding coal, crude oil, and natural gas declined by 0.3% in October but was still 6.2% higher than in October 1982.

Three components of the Raw Materials Price Index provided significant but largely offsetting contributions to the October change: the animals and animal products index edged down by 0.9% and the non-ferrous metals index decreased by 1.8% while the vegetable products index rose by 1.8%.

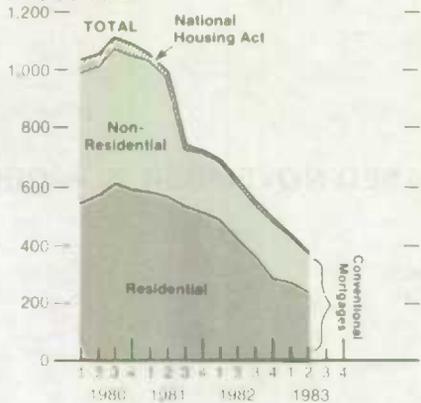
The animals and animal products index moved down 0.9% in October primarily as a result of a 7.5% decline in hog prices. The index — standing 3.5% below the level of October 1982, due mainly to a 27.0% slide in hog prices — was the only component index to have registered a decrease over the past year.

The advance of 1.8% in the vegetable products index was mainly attributable to price increases for wheat and other grains (1.3%), oilseeds (6.3%) and raw sugar (7.5%); a 14.9% drop in fresh fruit prices was a partly offsetting factor. Compared to the level of a year earlier, the vegetable products index showed an increase of 33.4% — the third consecutive month in which large year-over-year increases have been registered.

Real Estate Investment Trusts

Quarterly Statement of Mortgages Outstanding

Millions of Dollars



Source: Statistics Canada, Financial Institutions, Financial Statistics (61-006)

Industrial Production

Industrial production continued to increase in September 1983, with the index (1971=100) rising by 1.8% to 134.4 from 132.0 in August. (The August estimates were revised upward by a substantial 1.0% to 132.0 from the initial 130.7.) The September industrial production increase was the seventh consecutive monthly gain. In September, the output level for the mining, manufacturing and electric power, gas and water utilities sectors stood 15.1% above the December 1982 low point but still must increase by a further 5.5% to match the pre-recession peak set in June 1981.

Output of the mining sector jumped sharply by 8.5% in September while manufacturing increased by 1.0% and production of electric power, gas and water utilities rose 1.5%.

For further information, order the September 1983 issue of *Gross Domestic Product by Industry* (61-005, \$3.70/\$37), or contact Erika Young (613-995-0568), Industry Product Division, Statistics Canada, Ottawa K1A 9Z9.

Federal Employees

Employees of the Federal government (including members of the Canadian Armed Forces) and government enterprises numbered 598,879 as of June 1983, an overall decrease of 7,269 (-1.2%) from June 1982. General government employees increased by 869 (0.2%), while those in government enterprises declined by 8,138 (-5.4%).

The modest growth in general government employment in the latest period was due primarily to increased term and student summer and youth employment in a number of departments and higher levels in National Defence; this was partly offset by decreases in the staffs of the Canada Post Corporation, Veterans Affairs, Atomic Energy of Canada Limited, Public Works, Fisheries and Oceans and Statistics Canada. The decline in government enterprise employment was due largely to the laying-off of employees by the Canadian

International Travel

Preliminary estimates for the first nine months of 1983 show that Canada's international travel account deficit widened to \$1,479 million from \$942 million in the year-earlier period. This country earned \$3,249 million from international travel, up 3.1% from 1982, but during the same period, Canadians travelling abroad increased their payments by 15.5% to \$4,728 million.

In the third quarter of 1983, Canada registered a surplus of \$224 million on the international travel account, down 49.2% from the July-September 1982 surplus of \$441 million. Receipts from United States visitors totalled \$1,340 million, up 15.4% from last year, while those from visitors from all other countries decreased by 14.7% to \$526 million. Payments by Canadians to the United States amounted to \$997 million, 27.3% above last year, while payments to all other countries increased by 16.4% to \$645 million.

For further information, order the July-September 1983 issue of *Travel Between Canada and Other Countries* (66-001, \$7.95/\$31.80), or contact Paul L. Paradis (613-995-0847), International Travel Section, Statistics Canada, Ottawa K1A 0T6.

Employment in Industry

Preliminary estimates show that employment at the Canada industrial aggregate level increased by 1.4% from August to September 1983. Major increases were registered in service, transportation, communications and other utilities and trade. All provinces showed increased employment except the Yukon and Northwest Territories where decreases were recorded.

Average weekly earnings at the Canada industrial aggregate level increased by 1.2% to \$395.20 in September 1983 from \$390.67 in August. The most significant earnings increases occurred in service, construction, manufacturing and mining. All provinces registered higher average weekly earnings except Nova Scotia, Alberta and the Yukon and Northwest Territories.

Detailed information for August and September will be published in the September 1983 issue of *Employment, Earnings and Hours* (72-002, \$5.30/\$53), or may be obtained by calling the Labour Division (613-992-3868). Please note that the new phone number as of November 28, 1983 will be 613-995-7165.

National Railways, Air Canada, Canadair Limited, de Havilland Aircraft of Canada Limited and Via Rail Canada Inc.

Gross payrolls (including overtime and retroactive payments) for April-June 1983 totalled \$3,801.2 million, an increase of \$189.4 million over the corresponding quarter in 1982.

The April-June 1983 issue of the publication *Federal Government Employment* (72-004, \$5.30/\$21.20) will be released at a later date. Questions pertaining to the data should be directed to T. Moore or M. Fathy (613-995-8201), Public Finance Division, Statistics Canada, Ottawa K1A 0T6.



1010761138

THESE PUBLICATIONS RELEASED NOVEMBER 25 — DECEMBER 1

	Cata- logue No.	In Canada: Price per issue/year	Elsewhere: Price per issue/year
AGRICULTURE STATISTICS			
Cereals and Oilseeds Review, September 1983	22-007	\$2.65/\$26.50	\$3.20/\$31.80
Farm Cash Receipts, January-September 1983	21-001	\$1.55/\$15.50	\$1.85/\$18.60
Index Numbers of Farm Prices of Agricultural Products, September 1983	62-003	\$1.55/\$15.50	\$1.85/\$18.60
CONSTRUCTION			
Fixed Capital Flows and Stocks, 1983	13-211	\$7.40	\$8.90
FINANCIAL FLOWS AND MULTINATIONAL ENTERPRISES			
Financial Flow Accounts, Second Quarter 1983	13-002	\$7.95/\$31.80	\$9.55/\$38.15
GROSS NATIONAL PRODUCT			
National Income and Expenditure Accounts, 1968-1982	13-201	\$8.45	\$10.15
HEALTH			
Hospital Annual Statistics, 1980-81	83-232	\$21.20	\$25.45
MANUFACTURING AND PRIMARY INDUSTRIES			
Biscuit Manufacturers 1982	32-202	\$4.75	\$5.70
Cane and Beet Sugar Processors, 1982	32-222	\$4.75	\$5.70
Construction Type Plywood, September 1983	35-001	\$1.55/\$15.50	\$1.85/\$18.60
Domestic Washing Machines and Clothes Dryers, October 1983	43-002	\$1.55/\$15.50	\$1.85/\$18.60
Manufacturing Industries of Canada: Sub-provincial Areas, 1980	31-209	\$21.20	\$25.45
Monthly Production of Soft Drinks, October 1983	32-001	\$1.55/\$15.50	\$1.85/\$18.60
Particleboard, Waferboard and Hardboard, September 1983	36-003	\$1.55/\$15.50	\$1.85/\$18.60
Production and Disposition of Tobacco Products, October 1983	32-022	\$1.55/\$15.50	\$1.85/\$18.60
Production and Inventories of Process Cheese and Instant Skim Milk Powder, October 1983	32-024	\$1.55/\$15.50	\$1.85/\$18.60
Production and Shipments of Floor Tiles, October 1983	47-001	\$1.55/\$15.50	\$1.85/\$18.60
Production and Shipments of Steel Pipe, Tubing and Fittings, September 1983	41-011	\$1.55/\$15.50	\$1.85/\$18.60
Production and Stocks of Tea, Coffee and Cocoa, Quarter Ended September 1983	32-025	\$2.65/\$10.60	\$3.20/\$12.70
Refined Petroleum Products, August 1983	45-004	\$3.70/\$37	\$4.45/\$44.40
Shipments of Animal and Poultry Feeds — Quarterly, Quarter Ended September 1983	32-004	\$2.65/\$10.60	\$3.20/\$12.70
The Sugar Situation, October 1983	32-013	\$1.55/\$15.50	\$1.85/\$18.60
MERCHANDISING AND SERVICES			
Campus Book Stores, Academic Year 1982-83	63-219	\$4.75	\$5.70
New Motor Vehicle Sales, September 1983	63-007	\$2.65/\$26.50	\$3.20/\$31.80
Retail Trade, September 1983	63-005	\$3.70/\$37	\$4.45/\$44.40
PRICES			
Construction Price Statistics, November 1983	62-007	\$3.15/\$31.50	\$3.80/\$37.80

These publications can be purchased by writing to Publication Sales and Services, Room 1710, Main Building, Statistics Canada, Ottawa K1A 0T6. Please enclose cheque or money order payable to the Receiver General for Canada and provide full information on publications required (number, title, issue).

Publications can also be ordered through Statistics Canada's offices in St. John's, Halifax, Montreal, Ottawa, Sturgeon Falls, Toronto, Winnipeg, Regina, Edmonton and Vancouver, or from bookstore agents or other booksellers.