

I·N·F·O·M·A·T

A W E E K L Y R E V I E W

Friday, May 8 1987

OVERVIEW

■ Canadians Travel Abroad in Record Numbers

In the first quarter of 1987, the number of Canadian residents travelling abroad was up 9.8% from the same period of 1986, reaching a record of 9.7 million. This rise was the largest registered since 1983.

■ First Raw Materials Price Decline in Four Months

The raw materials price index dropped 0.9% in March, following increases in the three preceding months which were supported by rising oil prices.

■ Industrial Product Prices Rise Slightly

After two months of decline, the industrial product price index edged up by 0.2% in March as rising prices for crude oil began to effect downstream products.

■ Recession Brought Job Loss and Labour Market Adjustments

Approximately one million workers lost full-time jobs during the 1981-1984 period. The largest single cause of job loss was plant closure or relocation.

■ Building Material Price Increases Moderate

In March, the year-over-year change in residential building material prices was 4.5%, the second consecutive month that the increase was somewhat lower than those recorded in 1986.

■ Growth of R & D Expenditures Well Below Nine-year Average

Canadian firms plan to increase their expenditures on R & D by 5% in 1987, in line with the 4% rise in 1986, but well below the average yearly increase from 1978 to 1986.

Canadians Travel Abroad in Record Numbers

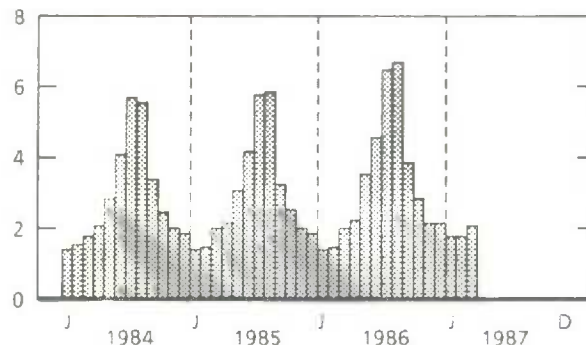
The number of international travellers to Canada totalled 5.8 million in the first quarter of 1987, up 3.9% from the same period of 1986. The rate of increase was down significantly from 1986, when the number of foreign visitors rose by at least 10% in each quarter.

The increase in the number of visitors from the United States slowed during the quarter and actually dropped (-3.7%) on a year-over-year basis in March. This was the first decline in ten months and may be related to the fact that Easter fell in March last year. Tourism from countries other than the U.S. remained strong, rising 18.3% over the first quarter of 1986.

Canadian residents returning from foreign destinations outnumbered visitors to this country by nearly four million in the first quarter. The number of residents travelling abroad was up 9.8% from the first

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Foreign Visitors
(millions)



Statistics
Canada

Statistique
Canada

Canada

... International Travel

quarter of 1986. This rise was the largest registered since 1983 when favourable gasoline prices in the United States may have attracted Canadians. There were also indications that more favourable economic conditions encouraged Canadians to take vacations which had been delayed during the 1981-82 recession.

Generally, fewer Canadians travelled outside the country in 1986, particularly in the third quarter. Since the closing of Expo 86 in October, the number of Canadians returning from trips to the United States increased on a year-over-year basis, while increases in the numbers returning from other countries were registered from November to the current month.

International Travel

	Nov.	Dec.	Jan.	Feb.	Mar.
	% change, previous year				
Foreign visitors from					
United States	8.7	18.6	6.1	9.9	-3.7
Other countries	18.0	23.6	23.6	21.9	12.3
All countries	9.1	18.8	6.8	10.3	-3.0
Canadian visitors to					
United States	3.1	6.1	4.2	18.7	7.1
Other countries	19.7	8.7	17.9	18.5	10.0
All countries	3.9	6.3	5.4	18.8	7.3

For further information, contact Education, Culture and Tourism Division at (613) 990-8933 or order *International Travel* - Advance Information (catalogue number 66-001P).

First Raw Materials Price Decline in Four Months

The Raw Materials Price Index (RMPI, 1981=100) which measures price changes in materials purchased by Canadian industry, decreased 0.9% on a month-over-month basis in March. Changes in the price of crude oil caused the mineral fuels component of the RMPI to drop by 1.4%, following increases in the three preceding months. Excluding this component, the index declined by 0.5%, its fourth consecutive drop. Of the seven components making up the RMPI, five decreased and two increased.

Compared to a year ago, the RMPI was down 0.1%. This was the fifteenth consecutive month in which the annual change has registered a decline. However, the size of decline has been getting smaller since May of last year when the plunge in world oil prices slowed. An increase in the annual movement is anticipated next month since the March RMPI was 8.3% higher than the April 1986 level.

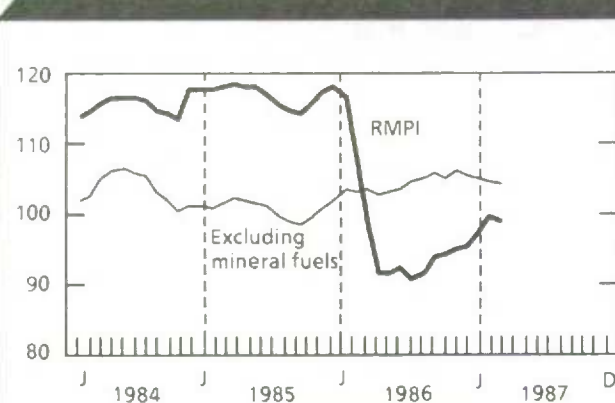
The animal and animal products component fell 1.1% in March, mainly due to the fall in hog prices. Hog prices rose sharply in 1986, reaching a peak in August. Since then prices have retreated slightly in most months. Although hog prices have fallen, they were still 4.0% higher than those recorded in March of last year.

Raw Materials Price Index

	Nov.	Dec.	Jan.	Feb.	Mar.
	% change, previous month				
Total	0.6	0.5	2.0	2.6	-0.9
Mineral fuels	-0.1	2.7	5.2	6.8	-1.4
Excluding mineral fuels	1.1	-0.8	-0.1	-0.4	-0.5

Raw Materials Price Index

(1981 = 100)



Lower prices for cocoa, coffee and tea contributed to a 1.5% decline in the vegetable products component. It now stands 12.2% below last year's level. A trade war between the United States and the European Economic Community continued to depress grain and oilseed prices. Grains and oilseeds both decreased by 0.4% in March. Potato prices jumped 9.7% from last month to stand 143.9% above the record low levels of 1986.

The non-ferrous metals component rose 1.4% in March, as prices for copper concentrates climbed 3.9%. Other base metals increased 1.7% from February.

For further information, contact Prices Division at (613) 990-9606 or order *Industry Price Indexes* (catalogue number 62-011).

Industrial Product Prices Rise Slightly

The industrial product price index (IPPI, 1981=100) edged up by 0.2% in March. Rising petroleum and coal product prices were mainly responsible for the increase. With the petroleum and coal products component excluded, the IPPI would have declined by 0.1%.

In March, the petroleum and coal products component was up 3.5%, but remained 17.5% below last year's level. Refined petroleum product prices strengthened following increases recorded in crude oil prices from December 1986 to March 1987. An agreement reached by OPEC countries last December required member nations to limit their production of crude oil, thereby controlling the quantity of oil available on the market and increasing prices.

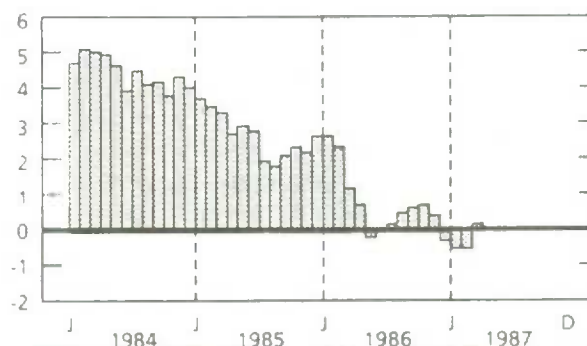
Compared to March of last year the IPPI was up 0.2%. From a level of 3.0% posted in January 1986, the yearly rate in change in the IPPI dropped sharply to

Industrial Product Price Index

	Nov.	Dec.	Jan.	Feb.	Mar.
	% change, previous month				
Total	0.0	-0.2	0.5	-0.2	0.2
Petroleum and coal products	0.4	-0.8	2.1	1.8	3.5
Excluding petroleum and coal products	-0.1	-0.1	0.4	-0.4	-0.1

Industrial Product Price Index

(% change, previous year)



-0.2% in May 1986 primarily due to the decrease in petroleum prices. Significant price increases for lumber, wood pulp and newsprint then pushed the year-over-year movement of the IPPI to a level of 0.8% in October 1986. However, the large increase in the Canadian dollar during the first quarter of 1987 had a significant moderating effect on the yearly rate of change in the IPPI.

For further information, contact Prices Division at (613) 990-9607 or order Industry Price Indexes (catalogue number 62-011).

Recession Brought Job Loss and Labour Market Adjustment for Many Employees

Between 1981 and 1984, many Canadians were confronted with permanent job loss. Indeed, it is likely that not since World War II have so many people been placed in that position.

A report in the March issue of The Labour Force (catalogue number 71-001) focuses on workers who lost a full-time job between 1981 and 1984 and were not recalled or rehired by the same employer. Highlights from this report include:

- Approximately one million workers lost full-time jobs (and were not recalled) during the 1981-1984 period. The largest single cause of job loss, cited in 36% of the cases, was plant closure or relocation.
- Job loss was concentrated within particular industry sectors, age groups and so on. Workers with the highest incidence of permanent job loss were younger workers (aged 20-34); workers in

the provinces hardest hit by the recession (Alberta, British Columbia, Quebec, and Newfoundland); workers with less than three years of job tenure; and workers in construction, mining, and parts of the manufacturing sector.

- The time required to find a new job varied enormously. On average, finding a new full-time job took almost half a year. But fully one-quarter of the laid-off workers who found new jobs did so in three weeks or less, whereas 10% took more than a year.
- Overall, the new jobs paid less than the lost jobs. Among workers who both lost and found full-time jobs, the total weekly wages in all the new jobs were 7% lower than in the lost job (not accounting for inflation). This average can be deceiving, however, as there were large variations among groups of workers.

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... Job Loss and Labour Market Adjustment

- Workers losing jobs did not limit their job search to the industry or sector of their old job. Only 30% of those who found a new full-time job were working in the same industry.
- There was a general movement of workers from the goods-producing to the service-producing sector. Approximately 45% of workers who lost jobs in the goods-producing sector found new, full-time jobs in the service sector.

For further information, contact Social and Economic Studies Division at (613) 990-8214 or order the March issue of *The Labour Force* (catalogue number 71-001).

Building Material Price Increases Moderate

- In March, the price index for residential construction building materials rose 0.3% from the revised figures for the previous month.
- The main increases were for lumber and mineral wool, which more than offset price decreases recorded for plywood and polyethylene sheet.
- Compared to a year earlier, the index was up 4.5%, the second consecutive month that the yearly change was somewhat lower than the rates recorded in 1986.
- The non-residential construction building material price index was up 0.1% over February and 3.8% from March 1986.
- The most significant increases were for lumber, thermal insulation and mineral wool, which more than offset the decreases in prices for polyethylene sheet, plywood, and foamed and expanded plastics.
- Generally, price increases for non-residential building materials have been lower than for residential materials.

Construction Building Material Price Indexes

	Nov.	Dec.	Jan.	Feb.	Mar.
Non-residential	% change, previous month				
Total materials	0.3	0.2	0.5	0.0	0.1
Architectural	0.3	0.3	0.8	-0.2	-0.2
Structural	0.3	-0.2	0.2	0.3	0.4
Mechanical	0.2	0.2	0.0	0.4	0.1
Electrical	0.3	0.6	-0.1	0.4	0.0

Construction Building Material Price Indexes

	Nov.	Dec.	Jan.	Feb.	Mar.
Residential	% change, previous month				
Total materials	0.1	0.3	0.2	-0.5	0.3
Architectural	0.4	0.5	1.0	-0.7	-0.2
Structural	-0.7	-0.4	-1.9	0.1	1.7
Mechanical	0.2	0.0	0.2	0.5	0.2
Electrical	0.3	0.8	0.1	0.5	0.0

For further information, contact Prices Division at (613) 990-9606 or order *Construction Price Statistics* (catalogue number 62-007).

PUBLICATIONS RELEASED FROM MAY 1 - 7

AGRICULTURE AND NATURAL RESOURCES

Cereals and Oilseeds Review, February 1987. Catalogue number 22-007 (Canada: \$10/\$100; Other Countries: \$11/\$110).

Farm Product Price Index, February 1987. Catalogue number 62-003 (Canada: \$6/\$60; Other Countries: \$7/\$70).

ECONOMETRIC ANALYSIS

Quarterly Economic Summary, April 1987. Catalogue number 13-006 (Canada: \$25/\$100; Other Countries: \$26/\$104).

EDUCATION, CULTURE AND TOURISM

Education Statistics Bulletin, Vol. 9, No. 3, **Federal Expenditures in Support of Education and Training**, 1982-83 to 1986-87. Catalogue number 81-002 (Canada: \$4/\$40; Other Countries: \$5/\$50).

PUBLICATIONS – Concluded

INDUSTRY

Beverage and Tobacco Products Industries – Wine Industry, 1985 Census of Manufactures. Catalogue number 32-251B 1141 (Canada: \$4; Other Countries: \$5).

Chemical and Chemical Products Industries – Pharmaceutical and Medicine Industry, 1985 Census of Manufactures. Catalogue number 46-250B 3741 (Canada: \$4; Other Countries: \$5).

Clothing Industries – Men's and Boys' Clothing Contractors, 1985 Census of Manufactures. Catalogue number 34-252B 2435 (Canada: \$4; Other Countries: \$5).

Department Store Monthly Sales, by Province and Metropolitan Area, February 1987. Catalogue number 63-004 (Canada: \$2/\$20; Other Countries: \$3/\$30).

Electric Lamps, March 1987. Catalogue number 43-009 (Canada: \$4/\$40; Other Countries: \$5/\$50).

Furniture and Fixture Industries – Other Household Furniture Industries, 1985 Census of Manufactures. Catalogue number 35-251B 2619 (Canada: \$4; Other Countries: \$5).

Furniture and Fixture Industries – Upholstered Household Furniture Industry, 1985 Census of Manufactures. Catalogue number 35-251B 2612 (Canada: \$4; Other Countries: \$5).

Mineral Wool Including Fibrous Glass Insulation, March 1987. Catalogue number 44-004 (Canada: \$4/\$40; Other Countries: \$5/\$50).

Particleboard, Waferboard and Hardboard, February 1987. Catalogue number 36-003 (Canada: \$4/\$40; Other Countries: \$5/\$50).

Production and Disposition of Tobacco Products, March 1987. Catalogue number 32-022 (Canada: \$4/\$40; Other Countries: \$5/\$50).

Production, Sales and Stocks of Major Appliances, March 1987. Catalogue number 43-010 (Canada: \$4/\$40; Other Countries: \$5/\$50).

Production and Shipments of Steel Pipe and Tubing, February 1987. Catalogue number 41-011 (Canada: \$4/\$40; Other Countries: \$5/\$50).

Rubber and Plastic Products Industries – Plastic Bag Industry, 1985 Census of Manufactures. Catalogue number 33-250B 1691 (Canada: \$4; Other Countries: \$5).

Stocks of Frozen Meat Products, April 1987. Catalogue number 32-012 (Canada: \$10/\$100; Other Countries: \$11/\$110).

Textile Products Industries – Contract Textile Dyeing and Finishing Industry, 1985 Census of Manufactures. Catalogue number 34-251B 1992 (Canada: \$4; Other Countries: \$5).

INDUSTRY – Concluded

Transportation Equipment Industries – Boatbuilding and Repair Industry, 1985 Census of Manufactures. Catalogue number 42-251B 3281 (Canada: \$4; Other Countries: \$5).

Transportation Equipment Industries – Motor Vehicle Wheel and Brake Industry, 1985 Census of Manufactures. Catalogue number 42-251B 3255 (Canada: \$4; Other Countries: \$5).

INDUSTRIAL ORGANIZATION AND FINANCE

Corporation Taxation Statistics, 1984. Catalogue number 61-208 (Canada: \$60; Other Countries: \$61/50).

Corporation Taxation Statistics, Preliminary Data for Income Taxes and Provincial Allocation of Taxable Income, 1985. Catalogue number 61-208P (Canada: \$10; Other Countries: \$11).

INTERNATIONAL TRADE

Exports by Commodity, February 1987. Catalogue number 65-004 (Canada: \$50/\$500; Other Countries: \$60/\$600).

Summary of Canadian International Trade, February 1987. Catalogue number 65-001 (Canada: \$15/\$150; Other Countries: \$16/\$160).

LABOUR

Women in the Workplace – Selected Data. Catalogue number 71-534 (Canada: \$20; Other Countries: \$21).

PRICES

Industry Price Indexes, February 1987. Catalogue number 62-011 (Canada: \$15/\$150; Other Countries: \$16/\$160).

SCIENCE, TECHNOLOGY AND CAPITAL STOCK

Building Permits, December 1986. Catalogue number 64-001 (Canada: \$20/\$200; Other Countries: \$21/\$210).

Private and Public Investment in Canada, Intentions 1987. Catalogue number 61-205 (Canada: \$25; Other Countries: \$26).

Science Statistics Service Bulletin, Vol. 11, No. 5 – **Industrial Research and Development Expenditures**, 1978 to 1987. Catalogue number 88-001 (Canada: \$6/\$60; Other Countries: \$7/\$70).

TRANSPORTATION

Aviation Statistics Centre Service Bulletin, Vol. 19, No. 4, January-June 1986. Catalogue number 51-004 (Canada: \$8.50/\$85; Other Countries: \$9.50/\$95).

Railway Carloadings, 7-day Period Ending April 7, 1987. Catalogue number 52-005 (Canada: \$75; Other Countries: \$100).

Growth of R & D Expenditures Well Below Nine-year Average

- Total expenditures on research and development (R & D) in Canadian industry have increased an average of 17% per year between 1978 and 1986. However, an increase of only 5% is planned by firms for 1987, in line with the growth of 4% the year before.
- The major performing industry, telecommunication equipment, accounts for 19% of all internal expenditures. Included in this industry are companies primarily engaged in manufacturing telephone, telegraph and microwave transmitting and related equipment.
- In total, the telecommunications equipment industries funded \$520 million of R & D in 1985.
- Companies funded 69% of their R & D themselves. Excluding tax incentives, the Federal government funded 11%.

Growth of R & D Expenditures by Industry

	1983	1984	1985	1986	1987
	% change, previous year				
Mining and oil wells	-30.3	25.0	10.4	-13.4	5.5
Manufacturing	3.7	12.0	10.3	4.7	6.2
Services	16.5	30.4	16.0	3.4	1.3
All industries	3.7	15.7	11.4	3.8	5.2

- Most industrial R & D is carried out in Ontario and Quebec. About 59% of all R & D takes place in Ontario.

For further information, contact Science, Technology and Capital Stock Division at (613) 993-7683 or order Science Statistics Vol. 11, No. 5 (catalogue number 88-001).

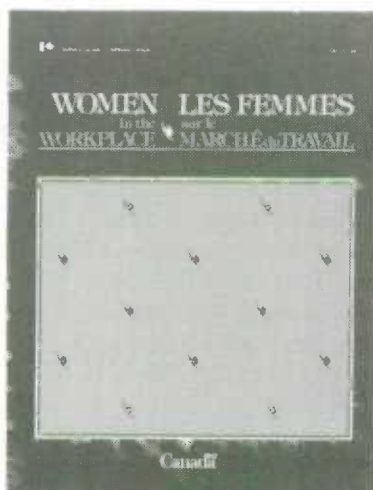
NEW FROM STATISTICS CANADA

Women in the Workplace

This publication outlines the recent trends for the major labour market indicators such as participation rates, employment, unemployment and income for women at the national and provincial levels. Data for men are given in most tables, making comparisons possible.

Graphs, included along with the tables, illustrate at a glance the changes in the labour force participation of women with a youngest child under 3 years of age and their percentage of the employed, as well as the average duration of unemployment of men and women for the period from 1976 to 1985. Also shown graphically are comparisons of women employed part-time and the total of women employed; the educational level and average earnings of women who worked mainly full-time; and the average annual income of husbands and wives in husband-wife families.

Women in the Workplace will give you the opportunity to explore trends, make comparisons and evaluations. In general terms, this manual is an aid in the continuing discussion and analysis regarding changing roles of women in Canada. It can be ordered from Publication Sales at (613) 993-7276.



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LATEST MONTHLY STATISTICS

			Previous Month	% Change From Year Ago
EMPLOYMENT, INCOME				
Average Weekly Earnings (\$)	Feb.	439.16	438.01	2.5
Labour Income (\$ million)	Jan.	22,423	22,571	5.5
Persons with Jobs (million)	Mar.	11.51	11.43	1.8
Unemployed (million)	Mar.	1.4	1.3	1.2
INVENTORIES				
Department Store (\$ million)	Feb.	3,907	3,641	4.9
Manufacturers' Owned (\$ million)	Feb.	34,103	33,848	-2.3
ORDERS				
Manufacturers' New Orders (\$ million)	Feb.	20,710	19,545	0.9
Manufacturers' Unfilled Orders (\$ million)	Feb.	23,998	23,588	-2.7
PRICES				
Consumer Price Index (1981 = 100)	Mar.	136.4	135.8	4.2
New House Price Index (1981 = 100)	Feb.	113.2	111.3	12.5
Raw Materials Price Index (1981 = 100)	Mar.*	98.4	99.4	-0.1
Excl. mineral fuels	Mar.*	104.0	104.1	0.7
Industrial Product Price Index (1981 = 100)	Mar.*	120.4	119.8	0.2
CONSTRUCTION				
			Year-to-date	
Building Permits (\$ million)	Feb.	1,615	2,037	89.3
Housing Starts - Urban Centres (units)	Feb.	9,850	24,151	38.2
ENERGY				
Coal Production (thousand tonnes)	Jan.*	4,875	4,875	-12.9
Electricity Generation (gigawatt hours)	Feb.*	43,447	90,424	4.2
Natural Gas Production (million cubic metres)	Jan.*	10,752	10,752	-2.5
FOREIGN TRADE				
Exports - Balance of Payments Basis (\$ million)	Feb.	9,907	19,180	-2.5
Imports - Balance of Payments Basis (\$ million)	Feb.	9,041	17,699	-4.4
SALES				
Department Store Sales (\$ million)	Feb.	718	1,486	1.9
Manufacturers' Shipments (\$ million)	Feb.	20,301	39,813	-0.8
New Motor Vehicle Sales (\$ million)	Feb.	1,553	2,836	-1.6
Refined Petroleum Products (thousand cubic metres)	Feb.	6,453	12,706	0.0
Retail Sales (\$ million)	Feb.	9,936	20,256	7.1

Statistics are in current dollars and are not seasonally adjusted.

* new this week.

Infomat**A Weekly Review**

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