

I·N·F·O·M·A·T

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

Friday, May 29, 1987

MAY 29 1987

OVERVIEW

■ Manufacturing and Construction Main Sources of Growth in GDP

Gross Domestic Product (at factor cost) advanced 1.7% in the first quarter of 1987, the largest increase in the growth rate since the fourth quarter of 1985.

■ Employment in Canadian Industry Advances

The total number of employees in Canada rose 7.8% from March 1986, but estimates indicate that about two-thirds of this increase resulted from changes made to the survey sampling frame.

■ Women Making Inroads in Male-dominated Professions

The proportion of women in male-dominated professions rose to nearly 19% in 1981, from 11% in 1971, but professions in Canada still remain sex-segregated.

■ Unemployment Insurance Payments Record Moderate Increase

For the first quarter 1987, benefit payments amounted to \$3.2 billion, up 4.1% from 1986. However, the number of regular beneficiaries has generally declined since February 1985.

■ Building Permits Ease After Recent Gains

After a 28.7% increase recorded in January, the value of building permits was down slightly (-1.9%) for a second consecutive month in March.

■ Wholesale Trade Continues to Rise

Wholesale merchants' sales were up 13% from the first quarter of 1986. Wholesalers serving the construction industry have been the major source of upward momentum for total wholesale trade.

This issue also includes an article on Farm Income.

Manufacturing and Construction Main Sources of Growth in GDP

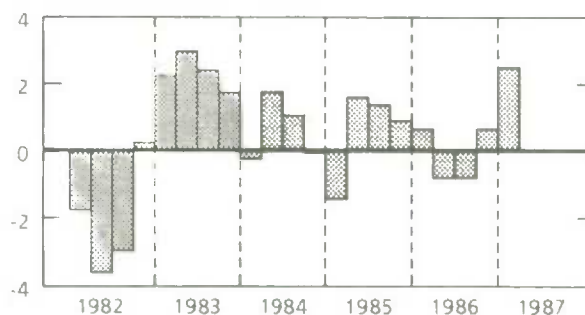
On a quarterly basis, GDP advanced 1.7% in the first quarter of 1987, the largest growth rate recorded since the fourth quarter of 1985. In 1986, the average quarterly growth rate was 0.4%.

Gross domestic product at factor cost (in 1981 prices) rose 0.6% in March, following a gain of 1.1% in February. Output increases were widespread among both goods-producing industries (0.8%) and service-producing industries (0.5%). Over the last four months, growth in the goods-producing sector has accelerated, while in the service-producing sector output has been increasing at a more moderate rate.

Growth in the goods-producing industries in March was mainly due to significant advances in manufacturing, construction and fishing. The March increase in manufacturing was the fourth consecutive monthly gain. Since last November, manufacturing

(continued on page 2)

Goods-producing Industries
(% change, previous quarter)



... Manufacturing and Construction Main Sources of Growth in GDP

output has advanced 5.4%, compared to 1.6% for the year 1986. About three-quarters of the March growth in manufacturing originated in output gains by producers of non-durable goods such as pulp and paper, clothing, food products, chemicals and plastics.

Output of the construction industry increased 1.2% in March, following a gain of 2.1% in February. In both months, growth was almost entirely accounted for by increased residential building activity, particularly in Central Canada.

Moderate output increases were also recorded in forestry and agriculture. Activity in the forestry industry has advanced in three of the last four months, reflecting growth in the housing industry and export markets. Other factors influencing the recent course of forestry output include the introduction of export duties and the end of strikes in British Columbia.

Most of the output increase in the service-producing industries was due to a substantial advance of 2.6% in the finance, insurance and real estate

Special Aggregations

	Nov.	Dec.	Jan.	Feb.	Mar.
	% change, previous month				
Real Gross Domestic	-0.1	0.9	0.1	1.1	0.6
Goods-producing	0.0	1.2	0.7	1.0	0.8
Durable	0.3	2.6	1.0	1.0	0.5
Non-durable	-1.3	1.8	0.4	1.1	2.0
Service-producing	-0.2	0.7	-0.2	1.2	0.5
Industrial production	-0.3	1.9	0.8	0.5	0.6

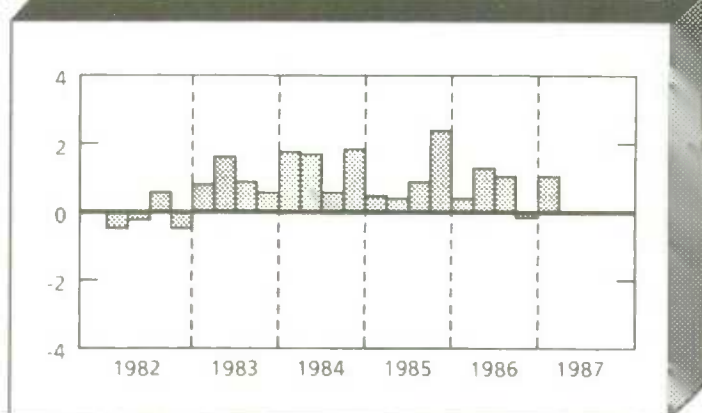
Employment in Canadian Industry Advances

Important changes to the Survey of Employment, Earnings and Hours sampling frame continue to be phased in over a four-month period which began with the reference month of January 1987. Major changes include improvements to the coverage of firms in the survey sample frame and re-assignment of some establishments to more appropriate industry, geographical and/or employment size categories. These changes were designed to improve the accuracy and reliability of the estimates and were expected to result in higher estimates of employment.

In March 1987, the total number of employees at the Canada industrial aggregate level increased by an estimated 698,000 (+7.8%) from March 1986. It is estimated that about two-thirds of this increase was due to the cumulative impact of changes to the sampling frame.

Service-producing Industries

(% change, previous quarter)



industry. This was the largest monthly gain since January 1986. Increased activity among real estate agencies, trust companies and stock brokers accounted for most of the growth. Output of real estate agencies increased substantially in both February and March. These gains occurred against a backdrop of lower mortgage rates, a high level of new housing construction, and a very active resale housing market.

Retail trade increased 0.7% in March, continuing the trend of rising sales evident since the year end. Motor vehicle sales, which account for approximately 25% of total retail trade, were stimulated by sales incentives in the first quarter of 1987.

For further information, contact Industry Measurers and Analysis Division at (613) 991-3673 or order Gross Domestic Product by Industry (catalogue number 15-001).

The year-to-year growth rates in the goods-producing industries and service-producing industries were both higher than in previous months.

Compared to March 1986, total average weekly earnings rose by \$9.17, bringing the yearly growth rate to 2.1%, similar to the average growth rate observed in the previous six months. (It is estimated that the sampling frame adjustments have had little impact on average weekly earnings.) Average weekly earnings in the goods-producing industries rose by 3.2% from a year earlier, the highest annual growth rate since February 1986. The year-to-year growth rate in the service-producing industries, 1.8% in March 1987, was at its lowest level since the introduction of the survey in March 1983.

For further information, contact Labour Division at (613) 991-4090 or order Employment, Earnings and Hours (catalogue number 72-002).

Women Making Inroads in Male-dominated Professions

Although the professions in Canada remain sex-segregated, more and more women are gaining employment in traditional "male" fields. In 1971, women accounted for only 11% of the total in male-dominated professions, but by 1981 the proportion of women in these professions had risen to nearly 19%. Younger women (aged 15-34) made the most striking gains; over 60% of the total female increase was due to employment by this group.

Using data from the 1981 census, a study entitled "Who Are the Professional Women?" (catalogue number 99-951) focuses on the changes which occurred in female-male participation in the professional occupations.

Female Representation in Professional Occupations (Percentage)

	1971	1981
Physicians and surgeons	10.7	17.4
Lawyers and notaries	5.2	15.5
Judges and magistrates	5.7	10.5
University professors	19.7	26.5
Civil engineers	1.1	3.0
Elementary and kindergarten teachers	83.9	81.5

Highlights from this report include:

- In 1971, nearly 80% of all professional women were concentrated in 5 of the 46 professions – all teaching related. By 1981, female concentration in these 5 areas had fallen to close to 60%.
- Between 1971 and 1981, certain professions underwent major changes: the proportion of women lawyers and civil engineers tripled, while the proportion of female physicians increased by about 70%. Almost 84% of elementary teachers in 1971 were female, but by 1981 this number had declined to 82%.
- Women in male-dominated professions, working full-time, earned an average income of \$24,100 per year in 1981, compared to \$33,900 for men in the same category.
- In 1981, women in male-dominated professions had higher levels of education, income and higher employment rates than other women.

For further information, contact Housing, Family and Social Statistics Division at (613) 990-9298 or order "Who Are the Professional Women?" (catalogue number 99-951).

Unemployment Insurance Payments Record Moderate Increase

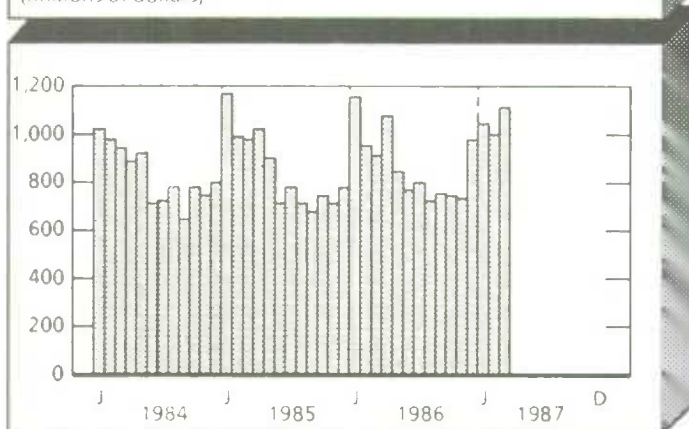
Unemployment insurance benefits paid during March 1987 totalled \$1.1 billion, up 21.4% from March 1986. Benefits paid are a function of the number of beneficiaries, the amount of weekly benefit, and the number of days available to process claims in any one month. Since Easter fell in March last year, the increase in benefits was mainly due to the greater number of processing days in March of this year compared to 1986.

For the first quarter of 1987, benefits payments amounted to \$3.2 billion, up 4.1% from the same period in 1986. The increase in payments was the result of a 6.3% increase in the average weekly benefit, which was partially offset by a 2.0% decrease in the number of benefit weeks.

Preliminary estimates of the number of beneficiaries receiving regular benefits in the week ending March 21, indicate a slight decrease (-0.8%) from the preceding month. Seasonally adjusted, the number of regular beneficiaries has generally declined since February 1985, reflecting the improvement in the labour market.

Benefit Payments

(millions of dollars)



When making short-term comparisons, it is not uncommon to observe different trends between the beneficiaries data and the other data series as the information is not collected for the same time period.

For further information, contact Labour Division at (613) 991-4044 or order *Unemployment Insurance Statistics* (catalogue number 73-001).

Building Permits Ease After Recent Gains

In March, the seasonally adjusted value of building permits issued by Canadian municipalities was \$2.6 billion, down 1.9% from February. Small decreases in the value of building permits in February and March followed an advance of 28.7% in January. In the current month, the non-residential sector was entirely responsible for the decrease, as the residential sector registered a large advance. Ontario continued to be the main source of this strength, but the value of residential building permits also rose in the Atlantic region and the Prairie provinces.

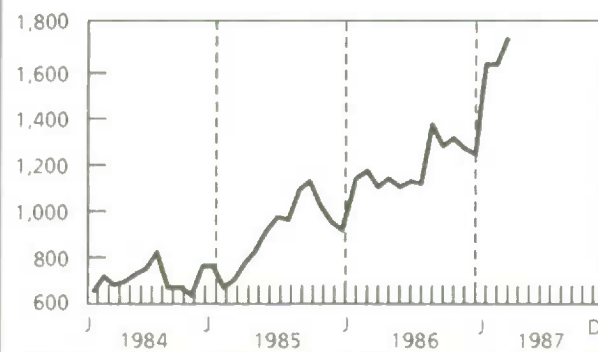
The value of residential permits jumped 7.1% in March, to \$1.7 billion. The single family dwelling sector, which accounted for 70% of total residential permits, gained 3.1% over the previous month. Following a slight decrease in February, the multi-family dwelling sector rose 17.9%. The number of dwelling units authorized in March, presented as an annual rate, was 283,300. The annual rates for single detached dwellings and multiple dwellings were 154,800 and 128,500. The cumulative value of residential permits issued in the first quarter was \$5.0 billion, up 47.1% from the same period of 1986.

Building Permits

	Nov.	Dec.	Jan.	Feb.	Mar.
	% change, previous month				
Residential	-4.2	-1.4	38.6	-4.5	7.1
Non-residential	7.2	-7.2	14.8	4.4	-15.8
Total	0.4	-3.9	28.7	-1.2	-1.9

Residential Construction

(millions of dollars, seasonally adjusted)



The largest component of non-residential construction, the commercial component, declined (-18.0%) for the second consecutive month and was the main source of the 15.8% decrease in total non-residential construction authorized. However, the value of non-residential building permits has generally been following an uptrend since January 1986. The value of projects in this sector tends to be higher than in the residential sector, so large month-to-month swings in total value are common. The only region reporting an increase in March was Atlantic Canada.

For further information, contact Science, Technology and Capital Stock Division at (613) 991-2583 or order Building Permits (catalogue number 64-001).

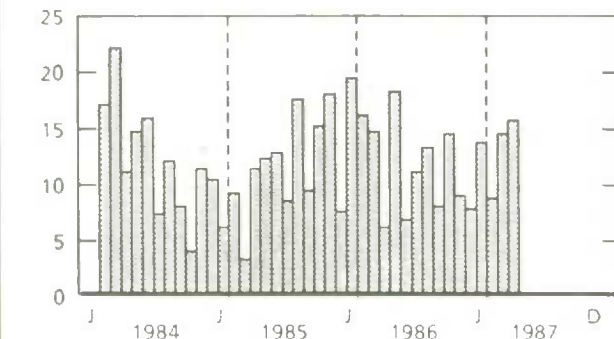
Wholesale Trade Continues to Rise

Wholesalers serving the construction industry continued to report large year-over-year sales increases in the first quarter of 1987 and were the major contributors to the overall advance in wholesale trade. Wholesale sales of motor vehicles and accessories were up, but the size of the increase was somewhat lower than those recorded in the first six months of 1986. Overall, wholesale merchants' sales were up 13.0% in the first quarter, from the same period a year earlier.

(continued on page 5)

Sales

(% change, previous year)



Wholesale Trade

Sales by wholesalers in lumber and building materials rose 23.0% in the first quarter of 1987, continuing the trend of sharply higher sales noted throughout 1986. Larger volumes and rising prices were the source of this increase, reflecting continued demand by the residential construction sector.

Wholesalers of electrical and non-electrical machinery, equipment and supplies reported an increase of 15.9% in the first quarter. Year-over-year increases in sales for this trade group had moderated in the closing months of 1986, but the advance in the first quarter of 1987 was in line with those recorded in the three preceding years.

Increases in wholesale trade were posted in all regions for the first quarter. Merchants in Ontario, where housing construction continues to gain strength, reported an advance of 16.9%, similar to sales gains in 1986. In the Atlantic provinces and Quebec, sales improved significantly. Year-over-year increases registered for the first quarter in these regions were higher than those reported in 1986. Wholesale trade in the western provinces expanded at the same rates, in the first quarter, as it did in 1986.

For further information, contact Industry Division at (613) 991-3541 or order Wholesale Trade (catalogue number 63-008).

PUBLICATIONS RELEASED FROM MAY 22 - 28

AGRICULTURE AND NATURAL RESOURCES

Farming Facts - Statistical Insights on Crops, Livestock, Poultry, Farm Income, Investment and Expenses, 1987. Catalogue number 21-522E (Canada: \$2; Other Countries: \$3).

Fur Production, 1985-86. Catalogue number 23-207 (Canada: \$30; Other Countries: \$31).

1986 Census of Canada - Agriculture - User's Guide. Catalogue number 96-101 (Canada: \$3; Other Countries: \$4).

HOUSING, FAMILY AND SOCIAL STATISTICS

Who are the Professional Women? 1971-1981. Catalogue Number 99-951. (Canada: \$18; Other Countries: \$19).

INDUSTRIAL ORGANIZATION AND FINANCE

Corporation Financial Statistics - Preliminary Data on Matched Corporations, 1985. Catalogue number 61-207P (Canada: \$10; Other Countries: \$11).

INDUSTRY

Asphalt Roofing, March 1987. Catalogue number 45-001 (Canada: \$4/\$40; Other Countries: \$5/\$50).

Cement, March 1987. Catalogue number 44-001 (Canada: \$4/\$40; Other Countries: \$5/\$50).

Chemical and Chemical Products Industries - Paint and Varnish Industry, 1985 Census of Manufactures. Catalogue number 46-250B 3751 (Canada: \$4; Other Countries: \$5).

INDUSTRY - Continued

Clothing Industries - Fur Goods Industry, 1985 Census of Manufactures. Catalogue number 34-252B 2495 (Canada: \$4; Other Countries: \$5).

Construction Type Plywood, March 1987. Catalogue number 35-001 (Canada: \$4/\$40; Other Countries: \$5/\$50).

Electrical and Electronic Products Industries - Battery Industry, 1985 Census of Manufactures. Catalogue number 43-250B 3391 (Canada: \$4; Other Countries: \$5).

Exports - Merchandise Trade, 1986. Catalogue number 65-202 (Canada: \$150; Other Countries: \$169.50).

Federal Government Employment, October-December 1986. Catalogue number 72-004 (Canada: \$20/\$80; Other Countries: \$21/\$84).

Food Industries - Poultry Products Industry, 1985 Census of Manufactures. Catalogue number 32-250B 1012 (Canada: \$4; Other Countries: \$5).

Footwear Statistics, March 1987. Catalogue number 33-002 (Canada: \$4/\$40; Other Countries: \$5/\$50).

Fruit and Vegetable Preservation, Vol. 15, No. 2, Pack of Processed Raspberries, 1986. Catalogue number 32-023 (Canada: \$6/\$100; Other Countries: \$7/\$110).

Fruit and Vegetable Preservation, Vol. 15, No. 15, Pack of Processed Carrots, 1986. Catalogue number 32-023 (Canada: \$6/\$100; Other Countries: \$7/\$110).

Gypsum Products, March 1987. Catalogue number 44-003 (Canada: \$4/\$40; Other Countries: \$5/\$50).

Industrial Chemicals and Synthetic Resins, March 1987. Catalogue number 46-002 (Canada: \$5/\$50; Other Countries: \$6/\$60).

PUBLICATIONS – Concluded

INDUSTRY – Continued

Machinery Industries (except Electrical Machinery) – Commercial Refrigeration and Air Conditioning Equipment Industry, 1985 Census of Manufactures. Catalogue number 42-250B 3121 (Canada: \$4; Other Countries: \$5).

New Motor Vehicle Sales, January 1987. Catalogue number 63-007 (Canada: \$8/\$80; Other Countries: \$9/\$90).

Paper and Allied Products Industries – Folding Carton and Set-Up Box Industry, 1985 Census of Manufactures. Catalogue number 36-250B 2731 (Canada: \$4; Other Countries: \$5).

Production, Shipments and Stocks on Hand of Sawmills East of the Rockies, January 1987. Catalogue number 35-002 (Canada: \$8/\$80; Other Countries: \$9/\$90).

Production, Shipments and Stocks on Hand of Sawmills East of the Rockies, February 1987. Catalogue number 35-002 (Canada: \$8/\$80; Other Countries: \$9/\$90).

Production and Stocks of Tea, Coffee and Cocoa, Quarter Ended December 1986. Catalogue number 32-025 (Canada: \$5/\$20; Other Countries: \$6/\$24).

Pulpwood and Wood Residue Statistics, March 1987. Catalogue number 25-001 (Canada: \$5/\$50; Other Countries: \$6/\$60).

Quarterly Estimates of the Canadian Balance of International Payments, Fourth Quarter 1986. Catalogue number 67-001 (Canada: \$25/\$100; Other Countries: \$26/\$104).

Railway Carloadings, 9-day Period Ending April 30, 1987. Catalogue number 52-005 (Canada: \$75; Other Countries: \$100).

Restaurant, Caterer and Tavern Statistics, February 1987. Catalogue number 63-011 (Canada: \$5/\$50; Other Countries: \$6/\$60).

Rigid Insulating Board, March 1987. Catalogue number 36-002 (Canada: \$4/\$40; Other Countries: \$5/\$50).

Rubber and Plastic Products Industries – Other Rubber Products Industries Including Tire and Tube Industry, 1985 Census of Manufactures. Catalogue number 33-250B 1598 (Canada: \$4; Other Countries: \$5).

INDUSTRY – Concluded

Specified Domestic Electrical Appliances, March 1987. Catalogue number 43-003 (Canada: \$4/\$40; Other Countries: \$5/\$50).

Steel Wire and Specified Wire Products, March 1987. Catalogue number 41-006 (Canada: \$4/\$40; Other Countries: \$5/\$50).

The Sugar Situation, March 1987. Catalogue number 32-013 (Canada: \$4/\$40; Other Countries: \$5/\$50).

Textile Products Industries – Other Textile Products Industries Including Tire Cord Fabric Industry, 1985 Census of Manufactures. Catalogue number 34-251B 1998 (Canada: \$4; Other Countries: \$5).

Wood Industries – Coffin and Casket Industry, 1985 Census of Manufactures. Catalogue number 35-250B 2581 (Canada: \$4; Other Countries: \$5).

Wood Industries – Wafer Board Industry, 1985 Census of Manufactures. Catalogue number 35-250B 2593 (Canada: \$4; Other Countries: \$5).

INTERNATIONAL AND FINANCIAL ECONOMICS

Current Economic Indicators, Vol. 3, No. 4, May 1987. Catalogue number 13-005 (Canada: \$10/\$100; Other Countries: \$11/\$110).

Security Transactions with Non-residents, February 1987. Catalogue number 67-002 (Canada: \$15/\$150; Other Countries: \$16/\$160).

LABOUR

Employment, Earnings and Hours, February 1987. Catalogue number 72-002 (Canada: \$35/\$350; Other Countries: \$36.50/\$365).

The Labour Force, April 1987. Catalogue number 71-001 (Canada: \$20/\$200; Other Countries: \$21.50/\$215).

TRANSPORTATION

Aviation Statistics Centre Service Bulletin, Vol. 19, No. 5, February 1987. Catalogue number 51-004 (Canada: \$8.50/\$85; Other Countries: \$9.50/\$95).

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

LATEST MONTHLY STATISTICS

			Previous Month	% Change From Year Ago
EMPLOYMENT, INCOME				
Average Weekly Earnings (\$)	Mar.*	437.56	438.02	2.1
Labour Income (\$ million)	Feb.	22,466	22,466	5.9
Persons with Jobs (million)	Apr.	11.64	11.51	1.1
Unemployed (million)	Apr.	1.3	1.4	-2.5
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)	Apr.	137.0	136.4	4.5
New House Price Index (1981 = 100)	Mar.	116.6	113.2	15.1
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)	Mar.*	1,729	5,035	47.1
Housing Starts - Urban Centres (units)	Mar.	14,214	38,365	47.6
ENERGY				
Coal Production (thousand tonnes)	Feb.*	4,581	9,456	-0.9
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)	Mar.	10,729	30,003	1.7
Imports - Balance of Payments Basis (\$ million)	Mar.	9,943	27,455	-1.3
SALES				
Department Store Sales (\$ million)	Mar.	898	2,384	-0.05
Manufacturers' Shipments (\$ million)	Feb.	20,301	39,813	-0.8
New Motor Vehicle Sales (\$ million)	Mar.	2,214	5,044	0.7
Refined Petroleum Products (thousand cubic metres)	Mar.*	6,524	19,041	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.

Net Farm Income

Following a decline of 10% in 1985, realized net farm income increased 24% in 1986, to \$4.9 billion. Higher farm cash receipts combined with reduced operating expense and depreciation charges resulted in the advance. Total net farm income, which takes into account the value of inventory change, rose 34%, to \$5.8 billion, after increasing 28% the year before.

Total farm cash receipts, including supplementary payments, were up 2%, to \$20.4 billion. The increase was entirely due to higher direct program payments and increased livestock and animal product receipts.

Farm operating expenses and depreciation charges were \$15.8 billion, down 3% from 1985. This decrease was the first since 1975 and dropped expense to a level approximately equal to that of 1983. Higher direct rebates through various federal and provincial programs were responsible for one-third of the decrease in overall farm expense.

The value of inventory change for crops was \$1.0 billion, as stocks on farms for all major cereal and oilseed crops except soybeans grew. On the other hand, the value of inventory change for livestock and poultry declined for the sixth consecutive year.

For further information, contact Agriculture/Natural Resources Division at (613) 990-8706.



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KEY RELEASE CALENDAR: June 1987*

MON.	TUE.	WED.	THUR.	FRI.
1	2 Balance of Payments, 1 st quarter	3 Census of Agriculture, 1986	4 Canada - US Trade Reconciliation, 1986	5 Labour Force Survey, May New Housing Price Index, April
8 International Travel, April	9 Composite Leading Indicator, March	10 International Trade, April Department Store Sales, April Farm Product Price Index, April	11 New Motor Vehicle Sales, April Help-wanted Index, May	12 Housing Starts, April
15 Gross Domestic Product, 1 st quarter	16	17 Refined Petroleum Products Sales, April	18 Inventories, Shipments and Orders, April	19 Consumer Price Index, May Retail Trade, April
22 Department Store Sales and Stocks, April	23 Capacity Utilization, 1 st quarter	24 Automotive Trade Balance 1 st quarter Unemployment Insurance Statistics, April	25 Building Permits, April Employment, Earnings and Hours, April	26 Wholesale Trade, April Security Transactions, April Financial Activity in Canada, 1 st quarter
29 Gross Domestic Product at Factor Cost, April	30 Industrial Product Price Index, May Raw Materials Price Index, May	31		

* Release dates for International Trade, the Consumer Price Index and the Labour Force Survey are fixed, dates for other data series may vary slightly.

INFOMAT

A WEEKLY REVIEW

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