

I · N · F · O · M · A · T

# A WEEKLY REVIEW

STATISTICS  
CANADA

STATISTIQUE  
Friday, September 11, 2003  
CANADA

Friday, September 18, 1987

## OVERVIEW

SEP 18 1967

## Canada Continues to Attract International Travellers

The volume of tourists visiting Canada was down 6.2% in July from a year earlier, but it compares very favourably with the July totals recorded earlier in the 1980s.

## Declining Imports Boost Merchandise Trade Surplus

The merchandise trade surplus rose in July, following substantial decreases in the two preceding months. This increase was entirely due to a drop of 4.4% in the level of imports.

## Composite Leading Indicator Shows Strong Growth

The composite leading indicator rose by 0.9% in June, continuing the trend of strong increases evident since January.

## Motor Vehicle Sales Decline in July

Unit sales of new motor vehicles have registered declines in two of the last three months, after following a rising trend in the first four months of 1987.

## A Review of Employment and Earnings Data

Although average weekly earnings of paid workers grew between 1983 and 1986, the increases did not keep pace with inflation. Measured in constant dollars, average earnings showed no gain between 1983 and 1984 and declines in both 1985 and 1986.

## Farm Product Prices Edge Down

In July the farm product price index decreased for the first time in four months as crop prices fell slightly.

**Also** included in this issue is data on the **Sales of Alcoholic Beverages**.

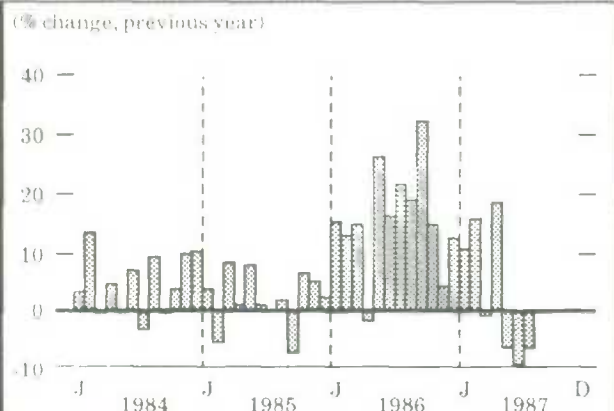
## Canada Continues to Attract International Travellers

Over 407,000 trips of one or more nights by residents of countries other than the United States were recorded in July 1987. This represents an increase of 9.8% over a similar period a year ago and a continuation of a record-setting trend that began in May 1986. During the same period, the number of overnight trips by U.S. residents decreased 8.5%, to 2.4 million. While this volume was down compared to the levels recorded last year during Expo 86, it remained well above the July volumes recorded earlier in the 1980s. The decline in U.S. tourists more than offset the increase in the number of tourists from overseas countries.

### Characteristics of foreign tourists in 1986

- The majority of long-term tourists to Canada in 1986 (40%) planned to visit friends and relatives. Just over one-quarter of all tourists visited strictly for pleasure, while 15% travelled here for business reasons.
- U.S. residents accounted for approximately 85% of all long-term visits to Canada. Almost half of the other tourists staying in Canada for one or more nights lived in one of four areas: the United Kingdom, France, West Germany and Japan.

## Foreign Tourists



### ... International Travellers

- In total, 399,500 residents of the United Kingdom visited Canada in 1986; 57% of these trips were to visit friends and relatives. This proportion has remained relatively stable over the years. In 1972, when these data were first available, 58% of U.K. residents travelling to Canada came to visit friends and relatives.
- In 1986, tourists from France numbered 140,300; 32% came for pleasure, 30% to visit friends and relatives and 15% for business reasons.
- The reasons given by West German tourists travelling to Canada match the overall proportions quite well: 42% visited friends and relatives, 23% travelled for pleasure and 13% for business.
- Almost half of Japanese tourists visited Canada for pleasure, while 31% travelled to Canada for business reasons.

### Long-term Trips

	Mar.	Apr.	May	June	July
	% change, previous year				
Foreign visitors from					
United States	-2.3	17.9	-9.3	-11.8	-8.5
Other countries	7.7	25.6	13.9	7.7	9.8
All countries	-1.0	19.0	-6.3	-9.1	-6.2
Canadian visitors to					
United States	9.2	23.4	19.6	2.7	14.4
Other countries	10.0	8.3	27.3	17.4	21.0
All countries	9.6	20.6	20.9	4.8	15.1

For further information, contact Education, Culture and Tourism Division at (613) 990-8933 or order *Travel Between Canada and Other Countries* (catalogue number 66-201).

## Declining Imports Boost Merchandise Trade Surplus

The seasonally adjusted merchandise trade surplus (on a balance of payments basis) increased by \$408 million in July, following substantial decreases in the two preceding months. Exports have remained relatively stable over the last four months. Sharply rising imports in May and June had cut the merchandise trade surplus to \$85 million before the advance in the current month.

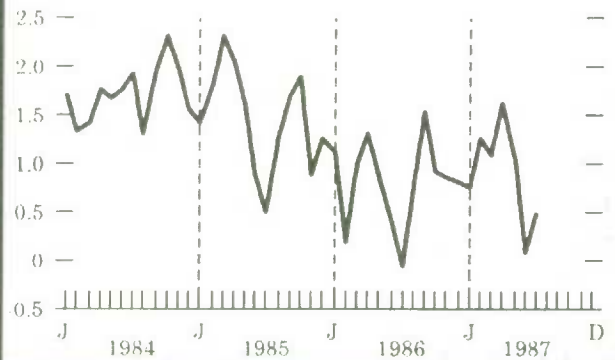
The strong growth in imports recorded in May and June was reversed in July. The level of seasonally adjusted imports fell to \$9.5 billion in July, dropping 4.4% from the previous month. The main contributor to the decline in total imports was a drop of \$650 million in imports of automotive products. Imports of automotive products totalled \$2.2 billion, their lowest level since November 1984. Imports of industrial goods and materials, and agricultural and fishing products also fell.

### Merchandise Trade

	Mar.	Apr.	May	June	July
	% change, previous month				
Imports	1.7	-11.1	8.7	9.4	-4.4
Exports	-0.2	-4.8	1.4	-0.8	-0.3
	change, previous month				
Balance (millions \$)	-184	538	-591	-940	408

### Merchandise Trade Balance

(billions of dollars, seasonally adjusted)

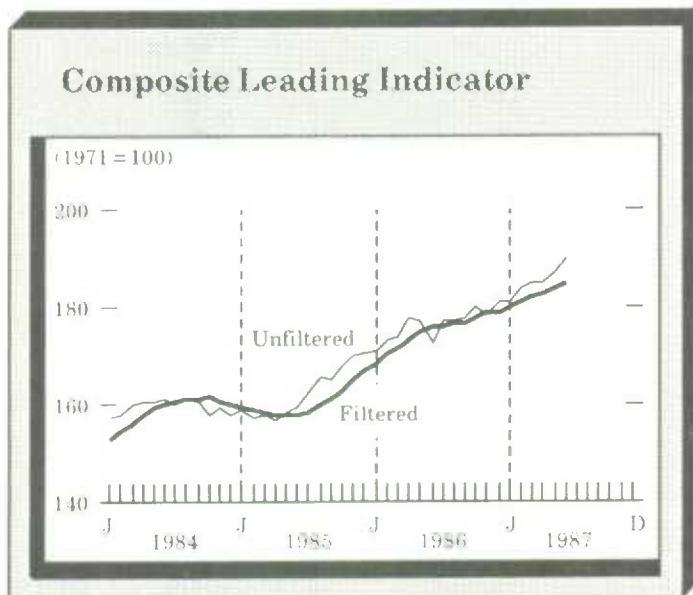


Exports posted a slight decrease in July. However, this was the fourth consecutive month that the value of exports has hovered around the \$10.0 billion mark. The drop in exports in July was mainly the result of decreases in the automotive sector. Exports of passenger cars continued to fall, reaching their lowest level since November 1983 (\$948 million). Motor vehicle parts were down, dropping \$129 million from June. The value of agriculture and fishing product exports was also down. But overall, these decreases were almost offset by sizable increases in exports of energy products, forestry products and coal.

For further information, contact International Trade Division at (613) 990-9787 or order the *Preliminary Statement of Canadian International Trade* (catalogue number 65-001P).

## Composite Leading Indicator Shows Strong Growth

- The composite leading indicator rose 0.9% in June to reach a level of 185.1, continuing the trend of strong increases evident since January 1987.



- All indicators of household demand continued to post vigorous growth. In fact, the rates of increase for durable goods were close to those recorded at the beginning of the current expansion.
- The largest increases in June were registered for housing, sales of durable goods and the stock market.
- The index for residential construction rose 2.7%, the sixth solid advance in as many months.
- Furniture and appliance sales continued to advance in tandem with increased demand for housing, gaining 2.0% during the month.
- New motor vehicle sales continued to rise, gaining 2.4%.
- The Toronto Stock Exchange stock price index gained 1.8% in June, continuing the upward movement which began in January, but at a somewhat slower rate.

For further information, contact *International and Financial Economics Division* at (613) 990-9162 or order *Current Economic Indicators* (catalogue number 13-005).

## Motor Vehicle Sales Decline in July

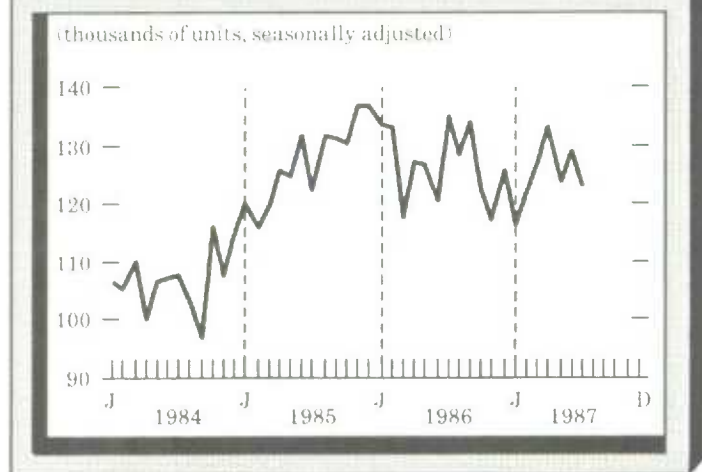
Adjusted for seasonal fluctuations and the number of trading days, unit sales of new motor vehicles totalled 123,024, down 4.5% in July from the level posted in June 1987. Sales followed a generally rising trend in the first four months of the year, but have since registered declines in two of the last three months. Lower sales were posted for both passenger cars and commercial vehicles in July.

Seasonally adjusted sales of North American-built passenger cars dropped by 8.7% in July, the largest month-over-month decrease since October 1986. Sales had risen sharply in the opening months of 1987, but failed to match the levels attained in 1986. On the other hand, sales of imported cars rose 2.1% in July, following two consecutive monthly declines. Commercial vehicle sales have fluctuated, dropping 3.1% in July after advancing by 2.4% in June and declining 3.6% in May. However, sales increases have offset any decrease recorded since the start of the year.

### Motor Vehicle Sales

	Mar.	Apr.	May	June	July
	% change, previous month				
Passenger cars	6.1	3.7	-8.4	4.9	-5.2
North American	5.6	-0.8	-7.1	8.3	-8.7
Imported	7.2	12.7	-10.7	-1.5	2.1
Commercial vehicles	-1.1	8.1	-3.6	2.4	-3.1

## New Motor Vehicle Sales



Actual unit sales of all types of motor vehicles were down slightly (-1.1%) in the first seven months of the year compared to the same period of 1986. This decrease was due to a 9.1% drop in sales of domestic cars, as imported car sales were up 7.6% and commercial vehicle sales gained 7.2% over the same period last year.

For further information, contact *Industry Division* at (613) 991-3549 or order *New Motor Vehicle Sales* (catalogue number 63-007).



## Sales of Alcoholic Beverages

In the fiscal year ending March 1986, per capita (for persons 15 years of age and older) volume sales of alcoholic beverages increased for the first time in four years.

- In 1985-86, per capita volume sales were 104.6 litres of beer, 12.8 litres of wine and 8.3 litres of spirits.
- Per capita volume sales of beer rose for the first time in 6 years. Wine sales continued to increase as they have for 25 consecutive years, while sales of spirits continued to decline.
- Overall, the volume of sales rose slightly in 1985-86, but at 2.4% the increase was the largest in four years. The volume of alcoholic beverages sold has only risen 5.6% since 1980-81.

- The dollar value of sales, on the other hand, has climbed 55% in the same five-year period to reach \$8.2 billion. This increase was primarily due to additional taxes and other charges imposed by governments.
- Government revenue has grown to \$3.8 billion, up 54% since 1980-81. However, the growth rate has slowed to an annual increase of 4.2%, from 16.1% in 1980-81.
- Approximately two-thirds of total government revenue went to provincial governments in 1985-86. The remaining one-third was collected by the federal government.

*For further information, contact Public Institutions Division at (613) 991-1832 or order Control and Sales of Alcoholic Beverages (catalogue number 63-202).*

## PUBLICATIONS RELEASED FROM SEPTEMBER 11 - 17

### AGRICULTURE

**Livestock Report**, July 1987. Catalogue number 23-008 (Canada: \$15/\$60; Other Countries: \$16/\$64).

### INDUSTRIAL ORGANIZATION AND FINANCE

**Industrial Corporations - Financial Statistics**, First Quarter 1987. Catalogue number 61-003 (Canada: \$50/\$200; Other Countries: \$60/\$240).

### INDUSTRY

**Coal Mines**, 1985. Catalogue number 26-206 (Canada: \$20; Other Countries: \$21).

**Crude Petroleum and Natural Gas Production**, May 1987. Catalogue number 26-006 (Canada: \$8/\$80; Other Countries: \$9/\$90).

**Electric Power Statistics**, June 1987. Catalogue number 57-001 (Canada: \$8/\$80; Other Countries: \$9/\$90).

**Electric Power Statistics, Volume II, Annual Statistics**, 1985. Catalogue number 57-202 (Canada: \$20; Other Countries: \$21).

**Gas Utilities**, May 1987. Catalogue number 55-002 (Canada: \$10/\$100; Other Countries: \$11/\$110).

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

**Other Manufacturing Industries - Sporting Goods Industry**, 1985 Census of Manufactures. Catalogue number 47-250B 3931 (Canada: \$4; Other Countries: \$5).

**Primary Textile Industries - Other Spun Yarn and Woven Cloth Industries**, 1985 Census of Manufactures. Catalogue number 34-250B 1829 (Canada: \$4; Other Countries: \$5).

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

**Production and Stocks of Tea, Coffee and Cocoa**, Quarter Ended June 1987. Catalogue number 32-025 (Canada: \$5/\$20; Other Countries: \$6/\$24).

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

### INTERNATIONAL AND FINANCIAL ECONOMICS

**Financial Flow Accounts**, First Quarter 1987. Catalogue number 13-002 (Canada: \$35/\$140; Other Countries: \$36/\$144).

### INTERNATIONAL TRADE

**Imports by Country**, January-June 1987. Catalogue number 65-006 (Canada: \$75/\$300; Other Countries: \$85/\$340).

### PRICES

**Consumer Price Index**, August 1987. Catalogue number 62-001 (Canada: \$8/\$80; Other Countries: \$9/\$90).

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

### SCIENCE, TECHNOLOGY AND CAPITAL STOCK

**Housing Starts and Completions**, June 1987. Catalogue number 64-002 (Canada: \$15/\$150; Other Countries: \$16/\$160).

## A Review of Employment and Earnings Data for 1983-1986

Although average weekly earnings of paid workers grew between 1983 and 1986, the increases did not keep up with inflation. When measured in 1981 constant dollars, average earnings showed no gain between 1983 and 1984 and declined in both 1985 (-0.5%) and 1986 (-1.3%).

A feature article, *A Review of Employment and Earnings Data, 1983-1986*, published in the August issue of *The Labour Force*, and the June issue of *Employment, Earnings and Hours*, examines certain aspects of the current recovery using data from the Survey of Employment, Payrolls and Hours (SEPH). SEPH provides employment estimates by detailed industry, as well as data on weekly earnings and hours of work.

Other highlights from the article include:

- In 1986, the rate of employment growth in Canada (2.0%) was about half that recorded in 1985 (3.9%).
- Between 1985 and 1986, the Yukon experienced the highest employment growth rate in the country (9.6%). Apart from the Yukon, only Prince Edward Island (4.3%), Ontario and Manitoba (3.4%) showed strong rates of growth. (In 1985, Alberta led the provinces and territories with a growth rate of 7.7%.)
- Service sector employment growth was dominated by community, business and personal services between 1983 and 1986. The gains were concentrated

in services to business management (53,700), accommodation and food services (100,000), health and welfare services (74,100) and personal services (14,000).

- Although manufacturing employment increased by about 2.0% in both 1985 and 1986, the 1986 level was still 152,100 below its 1981 peak. However, certain industries within manufacturing experienced strong post-recession growth. In particular, the number of jobs in the transportation equipment industries (e.g. motor vehicle and motor vehicle parts and accessories manufacturers) rose by 15% between 1983 and 1986, for a net gain of almost 23,800 jobs.
- Average weekly hours for both salaried workers and hourly paid workers showed little change during the post-recession period. It should be noted that the shorter average workweek of hourly paid workers may reflect a greater part-time employment component.
- In 1986, average weekly hours for salaried employees were highest in New Brunswick and the Yukon (38.4 hours) and lowest in Quebec (35.6 hours). For hourly paid workers, the corresponding figures were 34.8 hours in Newfoundland and 29.3 hours in Saskatchewan.

For further information, contact Labour and Household Surveys Analysis Division at (613) 991-4607 or order the August 1987 issue of *The Labour Force* (catalogue number 71-001) or the June issue of *Employment, Earnings and Hours* (catalogue number 72-002).

## Farm Product Prices Edge Down

The farm product price index (1981=100), which measures changes in prices received by producers when the ownership of a commodity first changes, stood at 92.9 in July, down 0.5% from June. This was the first decrease in the index in four months. Crop prices fell in July, while livestock prices showed little change.

The crops index decreased 1.3% and stood at 66.9. This index has been relatively steady since August 1986, but remained 13.9% below its July 1986 level. Oilseed, cereal and potato prices were lower in the current month.

The oilseed index dropped 4.1% in July, its first decrease in four months. Associated with the decline was a higher than expected soybean seeded area in the

United States. Despite the decrease, the oilseed index recorded its second highest level in 1987.

The cereals index stood at 54.8, down 0.4% from the previous month. Lower prices for feed grains and wheat in Ontario contributed to this slight decrease. Largely due to lower Canadian Wheat Board initial prices, which took effect in August 1986, the index was 22.5% below its year-earlier level.

The potato index decreased 6.0% in July, mainly due to lower prices for table potatoes as new potatoes began going to market.

For further information, contact Agriculture Division at (613) 991-2437 or order *Farm Product Price Index* (catalogue number 62-003).



1010718225

## LATEST MONTHLY STATISTICS

			Previous Month	% Change From Year Ago
<b>EMPLOYMENT, INCOME</b>				
Average Weekly Earnings (\$)	June	442.56	439.86	3.1
Labour Income (\$ million)	June	24,776	24,169	6.5
Persons with Jobs (million)	Aug.	12.43	12.42	2.9
Unemployed (million)	Aug.	1.1	1.2	-8.2
<b>INVENTORIES</b>				
Department Store (\$ million)	June	4,179	4,540	4.0
Manufacturers' Owned (\$ million)	June	33,641	33,903	0.4
<b>ORDERS</b>				
Manufacturers' New Orders (\$ million)	June	23,168	22,134	7.7
Manufacturers' Unfilled Orders (\$ million)	June	24,311	24,291	-0.7
<b>PRICES</b>				
Consumer Price Index (1981 = 100)	July	139.2	138.2	4.7
New House Price Index (1981 = 100)	July	120.1	119.6	15.6
Raw Materials Price Index (1981 = 100)	July	105.1	103.9	16.4
Excl. minerals fuels	July	110.0	110.7	5.6
Industrial Product Price Index (1981 = 100)	July	122.8	122.3	3.4
<b>CONSTRUCTION</b>				
Building Permits (\$ million)	June	2,290	14,433	28.9
Housing Starts - Urban Centres (units)	June	23,637	106,371	36.1
<b>ENERGY</b>				
Coal Production (thousand tonnes)	June	4,963	28,569	-1.8
Electricity Generation (gigawatt hours)	June	36,174	246,122	6.9
Natural Gas Production (million cubic metres)	May	8,912	39,035	2.0
<b>FOREIGN TRADE</b>				
Exports - Balance of Payments Basis (\$ million)	July*	9,513	71,253	1.7
Imports - Balance of Payments Basis (\$ million)	July*	9,582	66,402	1.2
<b>SALES</b>				
Department Store Sales (\$ million)	June	1,017	5,455	1.4
Manufacturers' Shipments (\$ million)	June	23,147	128,304	1.4
New Motor Vehicle Sales (\$ million)	July*	1,896	14,376	8.4
Refined Petroleum Products (thousand cubic metres)	June	6,987	37,405	3.0
Retail Sales (\$ million)	June	13,477	71,564	8.8

Statistics are in current dollars and are not seasonally adjusted.  
\* new this week.

## I.N.F.O.M.A.T

## A Weekly Review

Published by the Communications Division  
(Director: Tim Davis), Statistics Canada.

Senior Editor: Greg Thomson (613) 991-1103  
Editor: Linda McCormick (613) 991-1088

R.H. Coats Building, Tunney's Pasture, Ottawa, Ontario K1A 0T6.

Catalogue: 11-002E. Price: Canada, \$2/\$100; other countries, \$3/\$150. To subscribe: send money order or cheque payable to the Receiver General for Canada/Publication Sales, Statistics Canada, Ottawa, Ontario K1A 0T6 or telephone Publication Sales at (613) 993-7276.

Published under the authority of the Minister of Supply and Services Canada. Statistics Canada should be credited when reproducing or quoting any part of this document.