

I·N·F·O·M·A·T

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

STATISTICS CANADA
Friday, October 30, 1987
OCT 30 1987
BIBLIOTHEQUE

OVERVIEW

Gross Domestic Product Registers Strong Advance

In August, GDP rose 0.8%, the largest month-to-month increase since the February advance of 1.0%. The average level of GDP for July and August was 1.2% above the second quarter of 1987.

Foreign Investment in Canadian Stocks Remains High

In August, net investment in outstanding Canadian stocks was nearly 20% higher than in July, continuing the trend of large net investments recorded since the beginning of the year.

Department Store Sales Continue to Fluctuate

Department store sales were up 2.0% in August over the previous month. Significant monthly fluctuations since January have resulted in little overall growth in sales.

Local Government Employment Maintains Rising Trend

In June, local government employment was 2.9% higher than a year earlier. The total number of local government employees has been rising since the beginning of 1986.

Unemployment Insurance Beneficiaries Increasing

The number of U.I. beneficiaries rose for the second consecutive month in August, following an 11-month downtrend.

Employment in Canadian Industry Advancing at a Steady Pace

The year-over-year increase in industrial employment was 3.5% in August.

Gross Domestic Product Registers Strong Advance

Gross Domestic Product at factor cost, in 1981 prices, increased 0.8% in August, following a 0.4% gain in July. This was the largest month-to-month increase since last February's growth rate of 1.0%. Compared to August 1986, gross domestic product has risen by almost 5%. The average level of GDP in July and August was 1.2% above the second quarter of 1987.

Output from the goods-producing industries increased 1.1% during the month, a marked change from the advances in recent months. Except for June, growth in these industries had been marginal since the beginning of the second quarter. In the service-producing industries, output advanced 0.6%, slightly more than the gain registered in July.

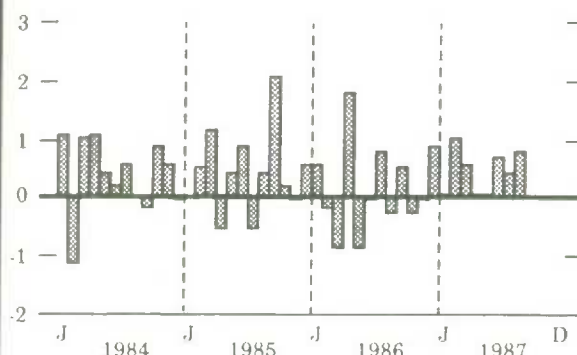
Goods-producing Industries

Output gains in August were widespread among goods-producing industries with increases recorded in manufacturing, mining, construction, agriculture and fishing:

(continued on page 2)

Gross Domestic Product

(% change, previous month)



Statistics Canada
Statistique Canada

Canada

... Gross Domestic Product Registers Strong Advance

- The August increase in manufacturing was entirely accounted for by a 2.7% output gain by manufacturers of durable goods, the largest monthly advance recorded since June 1983. Major contributors to the strong growth included manufacturers of office, store and business machines, motor vehicle parts and accessories, and smelting and refining operations. Moderate production gains were reported by manufacturers of fabricated metal products, machinery, and wood products. (Exports of motor vehicle parts and accessories, and primary metals rose substantially during the month.)
- About 75% of the gain in mining was due to production increases for crude petroleum and natural gas.
- The construction industry continued to advance in August (the eleventh consecutive month of growth), with residential building activity accounting for almost all of this month's gain.

Service-producing Industries

Service-producing industries rose 0.6% in August, with much of the growth due to advances among finance, insurance and real estate industries, retail trade, and communication industries:

Real Gross Domestic Product

	Apr.	May	June	July	Aug.
	% change, previous month				
Real Gross Domestic Product	0.3	0.1	0.7	0.4	0.8
Goods industries	-0.1	0.3	1.3	0.2	1.1
Service industries	0.6	0.0	0.2	0.5	0.6

- Within the finance, insurance and real estate industry, increased activity by real estate agencies and security brokers and dealers accounted for most of the August gain.
- Most of the growth in retail trade originated from advances by new motor vehicle dealers, food stores and department stores. For new motor vehicle dealers most of the gain was due to increased sales of North American-built passenger cars.
- Communication industries posted a substantial 2.0% advance in August, due to gains by telephone systems and postal services.
- The only major decline in services during the month occurred in transportation, where railway transport declined 8%, due to a one week Canada-wide railway strike.

For further information, contact Industry Measures and Analysis Division at (613) 951-3673 or order Gross Domestic Product by Industry (catalogue number 15-001).

Foreign Investment in Canadian Stocks Remains High

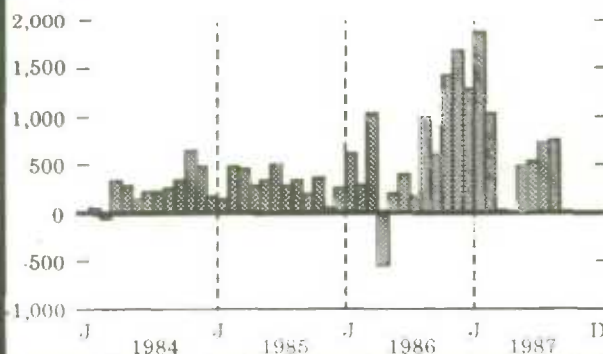
In August, net foreign investment in outstanding Canadian stocks amounted to \$685 million, nearly 20% higher than July and a continuation of the large net investments recorded since the beginning of the year. The net investment to date in 1987 was over \$5 billion, more than double the total invested in the previous two years. In the current month, net investment from Europe doubled to nearly \$250 million.

However, foreign investment in outstanding Canadian bonds remained small, amounting to only \$85 million in August. Non-residents have reduced their holdings of Canadian bonds by some \$400 million over the last six months, a sharp contrast with the large investments recorded earlier in the year and in 1986. In the current month, there was a notable rise in net investments from Europe, which more than offset reductions in holdings of Canadian bonds by residents of the United States and Japan.

Canadian residents reduced their holdings of foreign stocks for the second consecutive month. The net disinvestment in July and August totalled \$761 million, offsetting a net investment of a similar magnitude in the March to June period.

Net Sales of Canadian Securities

(millions of dollars)



(continued on page 3)

... Foreign Investment in Canadian Stocks Remains High

Canadian residents also reduced their holdings of foreign bonds. This net disinvestment amounted to \$129 million in August, similar to the net disinvestment recorded in July. Gross trading activity (sales and purchases) in outstanding foreign bonds remained high during August.

For further information, contact International and Financial Economics Division at (613) 951-9052 or order Security Transactions with Non-residents (catalogue number 67-002).

Security Transactions

	Apr.	May	June	July	Aug.
Net sales	millions of dollars				
Canadian Securities					
Bonds	-561	-65	114	172	85
Common and preferred stocks	565	558	426	572	685
Total	4	493	540	744	770
Foreign Securities					
Bonds	-290	-234	-62	141	129
Common and preferred stocks	-258	-14	-368	330	431
Total	-548	-248	-430	471	562

Department Store Sales

Adjusted for seasonal fluctuations and the number of trading days, department store sales totalled \$1,084 million in August, an increase of 2.0% from the previous month. Department store sales have fluctuated significantly during the first eight months of 1987 and overall growth has been weak.

Cumulative sales for the year (unadjusted) totalled \$7.4 billion, up by only 1.2% over the same period of 1986. Sales by major department stores were down slightly on the year, while junior department stores, commonly described as discount operations, reported an increase of 4.6% in their year-to-date sales.

Seasonally adjusted department store stocks stood at \$4.5 billion in August, up 0.9% from July. Stocks have now risen for four consecutive months. The ratio of inventories to sales was 4.15:1, up from the average ratio of 4.13:1 observed in the seven previous months.

Department Store Sales

(millions of dollars, seasonally adjusted)



For further information, contact Industry Division at (613) 951-3549 or order Department Store Sales and Stocks (catalogue number 63-002).

Local Government Employment Maintains Rising Trend

In June, there were 324,869 persons employed in local government services, up 2.9% from the same month of 1986. The year-over-year movement in local government employment has generally been increasing since the beginning of 1986.

At the provincial level Newfoundland continues to record year-over-year declines in local government employment. The decrease was provincewide, but one-third of the decline occurred in St John's. This decline was mainly the result of hiring fewer summer students.

The increase in employment in Nova Scotia was provincewide. A large portion of the increase was reported in Halifax and Sydney. This increase was primarily due to the Canadian Job Strategy Program and the summer Employment Experience Development Program (SEED) funded by the Department of Employment and Immigration which increased student employment.

Quebec registered its greatest increase (5.6%) in local government employment since 1983. The advance was centred in Montreal, Quebec City, Chicoutimi-Jonquière and Trois Rivières.

(continued on page 4)

... Local Government Employment Maintains Rising Trend

The major portion of the increase in Ontario can be attributed to growth in the metropolitan area of Toronto. Overall, there has not been a decline in local government employment in Ontario since February 1985.

The growth in Saskatchewan was largely the result of higher employment in Regina due to the holding of the Farm Progress Show in June. Generally, local

government employment in Saskatchewan has followed an upward trend since September 1985.

The growth in employment in British Columbia was provincewide. Following a short downturn early in 1986, local government employment has increased steadily in British Columbia.

For further information, contact Public Institutions Division at (613) 951-1843 or order Local Government Employment (catalogue number 72-009).

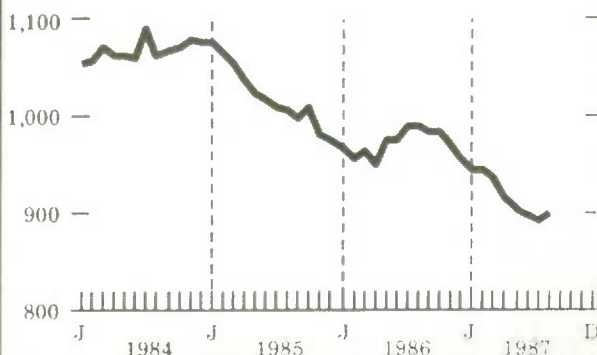
Unemployment Insurance Beneficiaries Increasing

For the week ending August 15, 1987, preliminary estimates show that the number of beneficiaries receiving regular unemployment insurance benefits totalled 899,000, up 1.0% from the preceding month. This was the second consecutive monthly increase in the number of beneficiaries. The number of beneficiaries had declined each month from August 1986 to June 1987.

Benefits paid during August totalled \$760 million, up 4.8% from August 1986. The change resulted from a 4.9% increase in average weekly payments, as the number of benefit weeks was virtually unchanged. For the first eight months of the year, benefit payments amounted to \$7.4 billion, up 1.2% from the same period last year. The increase resulted from payments (retroactive to January 5, 1986) of \$120 million in July and \$9 million in August to persons affected by the introduction of Bill C-50. If the retroactive payments were excluded, year-to-date benefit payments would have decreased 0.5%.

Beneficiaries -- Regular Benefits

(thousands, seasonally adjusted)



For further information, contact Labour Division at (613) 951-4045 or order Unemployment Insurance Statistics (catalogue number 73-001).

Employment in Industry Advancing at a Steady Pace

In August, the total number of employees at the Canada industrial aggregate level increased by an estimated 340,000 to 10.1 million, up 3.5% from August 1986. The year-to-year growth rate in the goods-producing industries was 4.1%. Mines, quarries and oil wells and manufacturing recorded their highest growth rates of 1987. The 3.2% year-to-year rate of change in the service-producing industries was similar to the rates noted since the beginning of the year. The year-to-year decline in transportation, communication and other utilities was the smallest this year, whereas trade reported its lowest year-to-year rate of change in the last 12 months.

At the provincial level, estimated employment in Newfoundland registered an increase at a time of year when a decrease is usually observed. Nova Scotia reported a higher than usual increase in the estimated number of employees between July and August while Prince Edward Island reported a smaller than usual

increase. The number of employees for Saskatchewan decreased at a time of year when an increase is usually reported. In August, Newfoundland, Quebec and British Columbia recorded their highest year-to-year growth rates of 1987.

Compared to August 1986, total average weekly earnings increased by \$11.35 to \$439.13, a yearly growth rate of 2.7%. Average weekly earnings in the goods-producing industries rose by 4.1% from a year earlier. The yearly rates of change in forestry, mines, quarries and oil wells and manufacturing were the highest recorded in 1987. The year-to-year growth rate was 1.9% in the service-producing industries. This represents the lowest growth rate of 1987 and results primarily from the sharp decline observed in transportation, communication and other utilities. Finance, insurance and real estate and community, business and personal services recorded their highest year-to-year growth rates of 1987.

For further information, contact Labour Division at (613) 951-4090 or order Employment, Earnings and Hours (catalogue number 72-002).

PUBLICATIONS RELEASED FROM OCTOBER 23 - 29

AGRICULTURE

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

CENSUS

Profiles - Newfoundland: Part 1, 1986 Census. Catalogue number 94-101 (Canada: \$41; Other Countries: \$42.50).

Profiles - Yukon: Part 1, 1986 Census. Catalogue number 94-121 (Canada: \$21; Other Countries: \$22).

EDUCATION, CULTURE AND TOURISM

Culture Communiqué, Vol. 10, No. 6, Heritage Institutions Survey, 1984-1985. Catalogue number 87-001 (Canada: \$4/\$40; Other Countries: \$5/\$50).

Salaries and Salary Scales of Full-time Teaching Staff at Canadian Universities, 1983-84. Catalogue number 81-258 (Canada: \$15; Other Countries: \$16).

Annual Return of Hospitals - Hospital Indicators, 1984-85. Catalogue number 83-233 (Canada: \$35; Other Countries: \$45).

INDUSTRY

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

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

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

Factory Shipments of High Pressure Decorative Laminate Sheet, Quarter Ended September 1987. Catalogue number 47-005 (Canada: \$3/\$12; Other Countries: \$4/\$16).

Fruit and Vegetable Preservation Service Bulletin, Vol. 16, No. 1, Pack of Processed Asparagus, 1986-87. Catalogue number 32-023 (Canada: \$6/\$100; Other Countries: \$7/\$110).

Fruit and Vegetable Preservation Service Bulletin, Vol. 15, No. 25, Pack of Processed Mixed Vegetables, 1986. Catalogue number 32-023 (Canada: \$6/\$100; Other Countries: \$7/\$110).

Fruit and Vegetable Preservation Service Bulletin, Vol. 16, No. 3, Pack of Processed Strawberries, 1987. Catalogue number 32-023 (Canada: \$6/\$100; Other Countries: \$7/\$110).

Fruit and Vegetable Preservation Service Bulletin, Vol. 16, No. 5, Pack of Processed Cherries, 1987. Catalogue number 32-023 (Canada: \$6/\$100; Other Countries: \$7/\$110).

Fruit and Vegetable Production, October 1987. Catalogue number 22-003 (Canada: \$8/\$60; Other Countries: \$9/\$68).

Oil Pipe Line Transport, July 1987. Catalogue number 55-001 (Canada: \$8/\$80; Other Countries: \$9/\$90).

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

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

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

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

INTERNATIONAL AND FINANCIAL ECONOMICS

Composite Leading Indicator, July 1987. Catalogue number 13-005 (Canada: \$10/\$100; Other Countries: \$11/\$110).

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

INTERNATIONAL TRADE

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

PRICES

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

SERVICES

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

Merchandising Inventories, May 1987. Catalogue number 63-014 (Canada: \$12/\$120; Other Countries: \$13/\$130).

TRANSPORTATION

Passenger Bus and Urban Transit Statistics, July 1987. Catalogue number 53-003 (Canada: \$6.50/\$65; Other Countries: \$7.50/\$75).

Railway Carloadings, July 1987. Catalogue number 52-001 (Canada: \$7.50/\$75; Other Countries: \$8.50/\$85).

Regional Reference Centres

Statistics Canada's regional reference centres provide a full range of the bureau's products and services. Each reference centre is equipped with a library and a sales counter where users can consult or purchase our publications, microcomputer diskettes, microfiche, maps and more.

Each centre has facilities to retrieve information from Statistics Canada's computerized data retrieval systems CANSIM and Telichart. A telephone inquiry service is also available with toll free numbers for regional clients outside local calling areas. Many other valuable services – from seminars to consultations – are offered. Call or write your regional reference centre for information.

Newfoundland and Labrador

Advisory Services
Statistics Canada
3rd floor
Viking Building
Crosbie Road
St. John's, Newfoundland
A1B 3P2

Local calls: 772-4073
Toll free service: 1-800-563-4255

Ontario

Advisory Services
Statistics Canada
10th Floor
Arthur Meighen Building
25 St. Clair Avenue East
Toronto, Ontario
M4T 1M4

Local calls: 973-6586
Toll free service: 1-800-268-1151

Manitoba

Advisory Services
Statistics Canada
6th Floor
General Post Office Building
266 Graham Avenue
Winnipeg, Manitoba
R3C 0K4

Local calls: 983-4020
Toll free service: 1-800-282-8006

Maritime Provinces

Advisory Services
Statistics Canada
North American Life Centre
1770 Market Street
Halifax, Nova Scotia
B3J 3M3

Local calls: 426-5331
Toll free service: 1-800-565-7192

Nipissing Region

Advisory Services
Statistics Canada
Civic Administration Centre
225 Holditch Street
Sturgeon Falls, Ontario
POH 2G0

Local calls: 753-4888
If outside the local calling area,
please dial the toll free number given
for Ontario residents.

Saskatchewan

Advisory Services
Statistics Canada
530 Midtown Centre
Regina, Saskatchewan
S4P 2B6

Local calls: 780-5405
Toll free service: 1-800-667-7164

British Columbia and the Yukon

Advisory Services
Statistics Canada
3rd Floor
Federal Building, Sinclair Centre
757 West Hastings Street
Suite 440F
Vancouver, B.C. V6C 3C9

Local calls: 666-3691
Toll free service: South and Central
B.C. 1-800-663-1551
Yukon and Northern B.C.
Zenith 08913

Quebec

Advisory Services
Statistics Canada
200 Dorchester Avenue
Guy Favreau Complex
suite 412 East Tower
Montreal, Quebec
H2Z 1X4

Local calls: 283-5725
Toll free service: 1-800-361-2831

National Capital Region

Advisory Services
Central Inquiries
Statistics Canada
Lobby
R.H. Coats Building
Holland Avenue
Ottawa, Ontario
K1A 0T6

Local calls: 951-8116
If outside the local calling area, please
dial the toll free number for your
province.

Alberta and the Northwest Territories

Advisory Services
Statistics Canada
2nd Floor
Hys Centre
11010 - 101 Street
Edmonton, Alberta
T5H 4C5

Local calls: 420-3027
Toll free service: 1-800-222-6400
N.W.T. – Call collect (403) 420-2011

LATEST MONTHLY STATISTICS

			Previous Month	% Change From Year Ago
EMPLOYMENT, INCOME				
Average Weekly Earnings (\$)	Aug.*	439.13	442.17	2.7
Labour Income (\$ million)	July	24,714	24,911	6.3
Persons with Jobs (million)	Sept.	12.03	11.98	3.3
Unemployed (million)	Sept.	1.1	1.2	-7.5
INVENTORIES				
Department Store (\$ million)	Aug.*	4,445	4,292	5.2
Manufacturers' Owned (\$ million)	Aug.	33,770	33,495	1.3
ORDERS				
Manufacturers' New Orders (\$ million)	Aug.	20,790	20,568	7.6
Manufacturers' Unfilled Orders (\$ million)	Aug.	24,389	24,426	0.9
PRICES				
Consumer Price Index (1981=100)	Sept.	139.3	139.3	4.5
New House Price Index (1981=100)	Aug.	120.8	120.1	15.0
Raw Materials Price Index (1981=100)	Aug.	106.7	105.1	17.4
Excl. minerals fuels	Aug.	111.4	110.0	6.2
Industrial Product Price Index (1981=100)	Aug.	123.8	122.8	3.9
CONSTRUCTION				
			Year-to-date	
Building Permits (\$ million)	July	2,398	17,985	32.3
Housing Starts - Urban Centres (units)	Aug.	21,052	148,952	37.8
ENERGY				
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)	June	7,363	54,709	2.6
FOREIGN TRADE				
Exports - Balance of Payments Basis (\$ million)	Aug.	9,114	80,587	2.5
Imports - Balance of Payments Basis (\$ million)	Aug.	8,425	74,636	1.1
SALES				
Department Store Sales (\$ million)	Aug.*	992	7,383	1.2
Manufacturers' Shipments (\$ million)	Aug.	20,826	169,658	2.4
New Motor Vehicle Sales (\$ million)	Aug.	1,931	16,307	8.7
Refined Petroleum Products (thousand cubic metres)	Aug.	6,824	50,743	3.3
Retail Sales (\$ million)	Aug.	12,837	97,672	9.0

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) 951-1103
Editor: Linda McCormick (613) 951-1088

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) 951-7276.

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.



1010718243

KEY RELEASE CALENDAR: November 1987*

Monday	Tuesday	Wednesday	Thursday	Friday
2	3 Farm Input Price Index, Third quarter	4	5 New Housing Price Index, September	6 Labour Force Survey, October
9 International Travel, September Composite Leading Indicator, August	10 International Trade, September New Motor Vehicle Sales, September Department Store Sales, September	11 Farm Product Price Index, September	12 Help-wanted Index, October Labour Income, August	13 Housing Starts, September
16 Business Conditions Survey, October	17	18	19 Farm Cash Receipts, September Retail Trade, September	20 Consumer Price Index, October International Travel Account, Third quarter
23 Inventories, Shipments and Orders, September Building Permits, September Sales of Refined Petroleum Products, September	24 Department Store Sales and Stocks, September Wholesale Trade, September	25 Unemployment Insurance Statistics, September	26 Employment, Earnings and Hours, September	27
30 Income and Expenditure Accounts, Third quarter Balance of Payments, Third quarter Gross Domestic Product, September	30 Security Transactions, September Raw Materials Price Index, October Industrial Produce Price Index, October			

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

NEW FROM STATISTICS CANADA

Federal
Electoral
Districts
Part I

Circonscriptions
électorales
fédérales
Partie I



Profiles – Federal Electoral Districts: Part I 1986 Census

This is the first in a series of 105 publications giving an overview of subprovincial areas based on the 1986 Census of Population.

To order a copy of *Federal Electoral Districts: Part I* (94-125, \$33) or for more information about census products, please contact your nearest Statistics Canada Regional Reference Centre.