

I·N·F·O·M·A·T

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

Friday, October 20, 1989

OVERVIEW

■ Merchandise Trade Activity Rebounds

The value of merchandise trade rose significantly in August, following two consecutive monthly declines.

■ Weaker Performance on Trade in Automotive Products

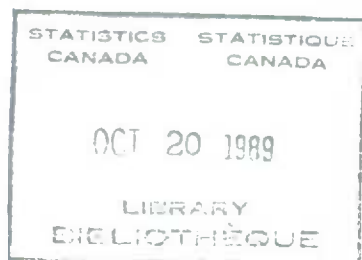
Exports of automotive products rose slightly in the first six months of 1989, while imports dropped 5.4%.

■ Domestic Travel Trends

Canadians are taking more trips within Canada, but the average length of stay has declined from 1980 to 1988.

■ Maternity Leave and Benefits

Despite a continuing decline in the overall fertility rate during the 1980s, the incidence of maternity absences from work has risen.



Merchandise Trade Activity Rebounds

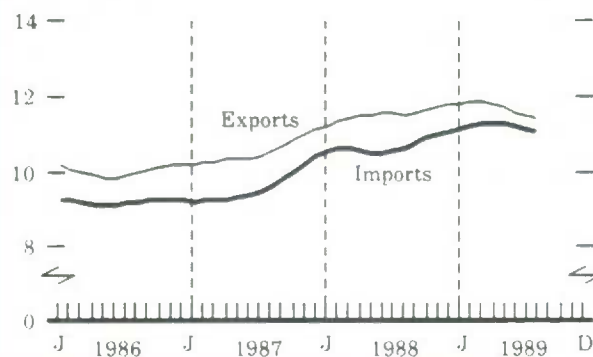
In August, the total value of seasonally adjusted merchandise trade rose significantly, following two consecutive monthly declines. Imports rose more than exports, after falling further than exports in July. This brought the merchandise trade surplus back down to the level recorded in June.

Exports rose 3.4% in August to \$11.5 billion after softening since January. Year-to-date exports were 2.4% higher than their level for the same period in 1988. Exports of machinery and equipment, which included the sale of a major electronic system to the United States, rebounded strongly in August, up \$148 million. Wheat exports, which had suffered because of the drought in Western Canada, turned up in July and jumped nearly \$100 million in August.

(continued on page 2)

Merchandise Trade

(billions of dollars, short-term trend)



... Merchandise Trade Activity Rebounds

Imports rose 6.7% in August to \$11.3 billion, the largest monthly increase this year. Imports of machinery and equipment rose \$164 million, after declining by a similar amount in July.

The merchandise trade balance showed a modest surplus in August of \$204 million, down \$325 million from July and equal to the level in June. The trend for the trade surplus has been downward since February. The January-to-August surplus was \$4.3 billion in 1989, compared to \$7.4 billion in 1988.

Canada's surplus with the United States dipped below \$700 million for the second time this year after improving substantially in July. The trade deficit with all non-O.E.C.D. countries grew, as did the balance with E.E.C. countries.

Merchandise Trade

	Apr.	May	June	July	Aug.
% change, previous month					
Imports	1.5	3.4	-5.9	-4.2	6.7
Exports	-1.3	10.8	-11.1	-1.2	3.4
(millions \$)					
Balance	76	919	203	528	204

For further information, order the *Preliminary Statement of Canadian International Trade* (catalogue number 65-001P) or contact International Trade Division at (613) 951-1711.

Weaker Performance on Trade in Automotive Products

Exports of all automotive products (which includes cars, trucks, other motor vehicles, parts, tires and tubes) totalled \$19.9 billion in the first six months of 1989, rising 1.1% over the same period of 1988. Trucks, other motor vehicles and parts accounted for all of this increase as exports of cars dropped sharply from the first six months of 1988.

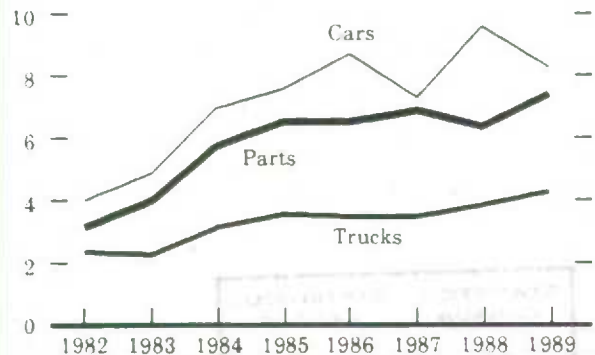
Exports of cars were down 11.1% to \$8.2 billion. This decline coincided with a 6.7% drop in U.S. sales of North American-built automobiles. The U.S. sales of models built in Canada suffered an even sharper decline (-16%) and resulted in temporary plant closings in Canada.

Exports of trucks and other motor vehicles, on the other hand, rose 11.1% to reach the highest level ever recorded for the first six months of the year. Parts exports were also up by more than 11%. This growth was high compared to the small increase in vehicle production in the United States (1.1%). Overall, Canadian exports of automotive products are heavily dependent on conditions in the U.S. market, which absorbs more than 97%.

Imports of automotive products were down 5.4% to \$20.1 billion. Imports of parts registered the largest decline, falling 10.1% to \$11.3 billion for the first six months of 1989. Looking at imports from the United States, which account for 89% of total parts imported, most of this decline was registered for the first quarter when imports of parts were down from the unusually

Canadian Exports First Semester

(billions of dollars)



high levels of imports in the first quarter of 1988. A smaller decline in the second quarter could be linked to lower automobile sales in May and June and lower production.

Imports of cars increased 3.3% to total \$6.7 billion. The rise in imports for the first six months of 1989 could be linked to incentives offered by North American manufacturers early in the year. Imports of trucks and other vehicles dropped 6.7% to \$1.7 billion.

For further information, order the *Preliminary Statement of Canadian International Trade* (catalogue number 65-001P) or contact International Trade Division at (613) 951-1711.

Domestic Travel Trends

The number of trips by Canadians to destinations in Canada rose 20.1% from 1980 to 1988. However, the average duration of overnight trips (by adults) decreased from 3.56 nights to 3.22 nights, and day trips rose from 33% of total trips in 1980 to 40% in 1988. The average distance covered declined about 7%.

A typical trip in 1988 would have been made by car (90%) to a destination under 320 kilometers away (75%), for a short stay of less than three nights (79%), for tourism or to visit friends or family (73%).

The typical adult traveller in 1988 was male, 40 years old, married and unaccompanied by children. The traveller had a secondary education, although the proportion of travellers with a post-secondary education rose from 28% in 1980 to 37% in 1988. While this profile suggests a business traveller (men travelling for business outnumbered women three to one in 1988), only 17% of trips in 1988 were made for business purposes, unchanged from 1980.

Persons aged 55 and over in particular appeared to be more active travellers at the end of the decade. This group made 44.7% more trips in 1988, in contrast to the 20.1% increase for all Canadians. At least some of this increase can be attributed to the increased share of persons aged 55 and over within the total population. Those 65 and over nearly doubled their share of total overnight pleasure trips, from 4% to 7%. Young people aged 15 to 24 accounted for only 20% of all overnight pleasure trips in 1988, down from 28% in 1980, as baby boomers left this age group.

Tastes in transportation changed little over the decade: the automobile held the lion's share throughout, with 88% of trips being made by car in 1980 and 90% in 1988. Air travel declined from 6% to 5% of all trips, and bus travel declined from 4% to 3%. Train travel accounted for only 1% of all trips.

For further information, order Domestic Travel, Canadians Travelling in Canada (catalogue number 87-504) or contact Education, Culture and Tourism Division at (613) 951-1513.

Maternity Leave and Benefits

Since the late 1950s, the proportion of women in the labour force has doubled and is now close to 45% of the total workforce. As a result, interest in the female workforce has been growing. One issue of concern to women and their employers is maternity leave and benefits.

Despite a continuing decline in the overall fertility rate during the 1980s, the incidence of maternity absences from work has risen. In 1987, there were 4 pregnancy-related absences for every 100 working women aged 15-49. This rate was higher than that recorded for 1980, but slightly lower than that recorded for 1985.

The proportion of compensated maternity-related absences increased sharply to 92% in 1987 from 77% in 1980. About two-thirds of this rise was accounted for by absences in which unemployment insurance benefits were the only compensation received.

Maternity leave was most common among 25-29 year olds. During the 1980s, there were an average of 9.1 pregnancy-related absences for every 100 working

women in this age group, compared with 6.1 for women aged 30-34 and 4.3 for those aged 20-24. The incidence of maternity absences falls off sharply for women under 20 and over 34.

While the incidence of maternity absences is highest among 24-29 year olds, as expected, maternity absences are more frequent among women in their early thirties than in their early twenties. This may be due to postponement of childbearing among the younger group. Among postsecondary graduates the difference was more marked, the absence rate for 20-24 year olds was 2.5 compared with 9.4 for 30-34 year olds.

For further information, order Canadian Social Trends (catalogue number 11-008E) or contact Labour and Household Analysis Surveys Analysis Division at (613) 951-4626.

PUBLICATIONS RELEASED FROM OCTOBER 13 TO 19

AGRICULTURE

Cereals and Oilseeds Review, July 1989. Catalogue number 22-007 (Canada: \$13.10/\$131; Other Countries: \$15.70/\$157).

Greenhouse Industry, 1987 and 1988. Catalogue number 22-202 (Canada: \$25; Other Countries: \$30).

The Dairy Review, July 1989. Catalogue number 23-001 (Canada: \$11.60/\$116; Other Countries: \$13.90/\$139).

DEMOGRAPHY

Quarterly Demographic Statistics, April-June 1989. Catalogue number 91-002 (Canada: \$7.25/\$29; Other Countries: \$8.75/\$35).

EDUCATION, CULTURE AND TOURISM

Focus on Culture, Autumn 1989. Catalogue number 87-004 (Canada: \$6/\$24; Other Countries: \$7.20/\$28.80).

INDUSTRY

Beverage and Tobacco Products Industries, 1986. Catalogue number 32-251 (Canada: \$32; Other Countries: \$38).

Coal and Coke Statistics, July 1989. Catalogue number 45-002 (Canada: \$9.50/\$95; Other Countries: \$11.40/\$114).

Crude Petroleum and Natural Gas Production, June 1989. Catalogue number 26-006 (Canada: \$9.50/\$95; Other Countries: \$11.40/\$114).

Gas Utilities, June 1989. Catalogue number 55-002 (Canada: \$12.10/\$121; Other Countries: \$14.50/\$145).

Merchandising Inventories, March 1989. Catalogue number 63-014 (Canada: \$13.70/\$137; Other Countries: \$16.40/\$164).

Oil Pipe Line Transport, July 1989. Catalogue number 55-001 (Canada: \$9.50/\$95; Other Countries: \$11.40/\$114).

Oils and Fats, August 1989. Catalogue number 32-006 (Canada: \$4.70/\$47; Other Countries: \$5.60/\$56).

Particleboard, Waferboard and Hardboard, August 1989. Catalogue number 36-003 (Canada: \$4.70/\$47; Other Countries: \$5.60/\$56).

Production and Shipments of Steel Pipe and Tubing, August 1989. Catalogue number 41-011 (Canada: \$4.70/\$47; Other Countries: \$5.60/\$56).

Pulpwood and Wood Residue Statistics, August 1989. Catalogue number 25-001 (Canada: \$5.80/\$58; Other Countries: \$7/\$70).

Refined Petroleum Products, June 1989. Catalogue number 45-004 (Canada: \$17.30/\$173; Other Countries: \$20.80/\$208).

Retail Chain and Department Stores, 1987. Catalogue number 63-210 (Canada: \$32; Other Countries: \$38).

INDUSTRY - Concluded

Rigid Insulating Board (Wood Fibre Products), August 1989. Catalogue number 36-002 (Canada: \$4.70/\$47; Other Countries: \$5.60/\$56).

Specified Domestic Electrical Appliances, August 1989. Catalogue number 43-003 (Canada: \$4.70/\$47; Other Countries: \$5.60/\$56).

Steel Wire and Specified Wire Products, August 1989. Catalogue number 41-006 (Canada: \$4.70/\$47; Other Countries: \$5.60/\$56).

INTERNATIONAL AND FINANCIAL ECONOMICS

Canadian Economic Observer, October 1989. Catalogue number 11-010 (Canada: \$21/\$210; Other Countries: \$25.20/\$252).

INTERNATIONAL TRADE

Preliminary Statement of Canadian International Trade, August 1989. Catalogue number 65-001P (Canada: \$5.80/\$58; Other Countries: \$7/\$70).

LABOUR

Labour Force Survey Economic Regions - Labour Analytic Report No. 5, 1986 Census. Catalogue number 71-604 (Canada: \$37; Other Countries: \$44).

The Labour Force, September 1989. Catalogue number 71-001 (Canada: \$17/\$170; Other Countries: \$20.40/\$204).

Unemployment Insurance Statistics, July 1989. Catalogue number 73-001 (Canada: \$13.70/\$137; Other Countries: \$16.40/\$164).

PRICES

Construction Price Statistics, Second Quarter 1989. Catalogue number 62-007 (Canada: \$17.25/\$69; Other Countries: \$20.75/\$83).

Consumer Price Index, September 1989. Catalogue number 62-001 (Canada: \$8.90/\$89; Other Countries: \$10.70/\$107).

SCIENCE, TECHNOLOGY AND CAPITAL STOCK

Building Permits, April 1989. Catalogue number 64-001 (Canada: \$21/\$210; Other Countries: \$25.20/\$252).

Science Statistics Service Bulletin, Vol. 13, No. 10: **Survey of Manufacturing Technology - The Characteristics of the Plants**, October 1989. Catalogue number 88-001 (Canada: \$6.80/\$68; Other Countries: \$8.20/\$82).

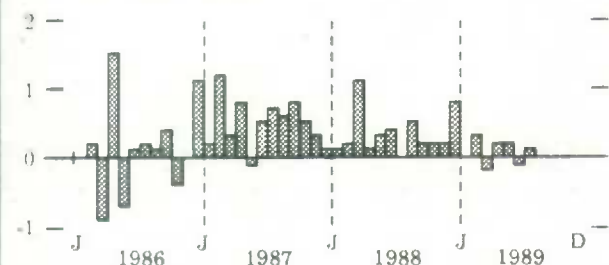
SERVICES

Communications Service Bulletin, Vol. 19, No. 5: **Cable Television Statistics**, 1988. Catalogue number 56-001 (Canada: \$7.80/\$47; Other Countries: \$9.30/\$56).

CURRENT TRENDS*

Gross Domestic Product

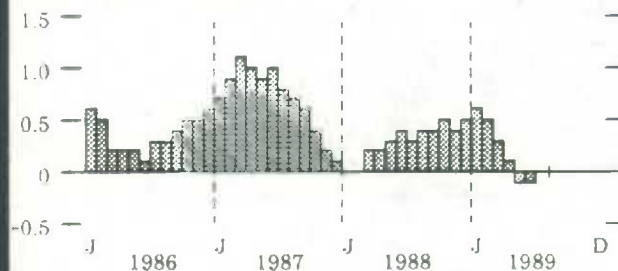
(% change, previous month)



Real gross domestic product rose 0.1% in July, continuing the pattern of sluggish growth evident since the start of the year.

Composite Leading Indicator

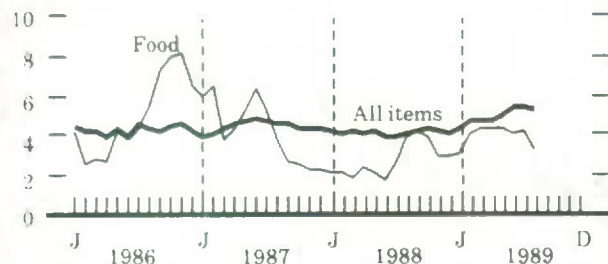
(% change, previous month)



The composite leading indicator was unchanged in July after falling slightly in May and June.

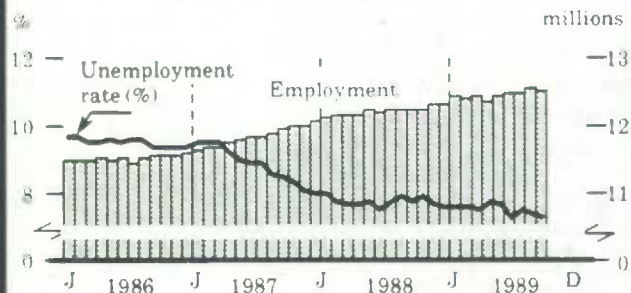
Consumer Price Index

(% change, previous year)



The CPI was up 0.1% in August, a much smaller increase than those registered in the preceding three months.

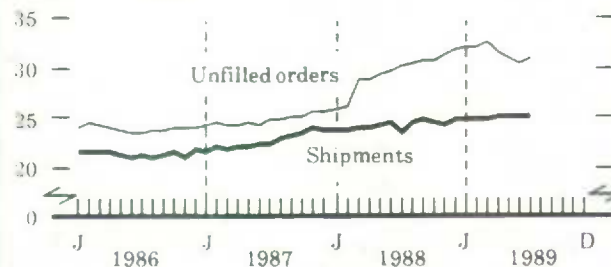
Unemployment Rate and Employment



The unemployment rate was slightly lower in September than in most months since January.

Manufacturing

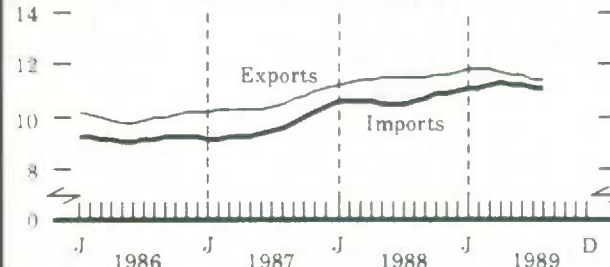
(billions of dollars)



Canadian manufacturers' shipments were relatively steady in July, rising only 0.1% from June.

Merchandise Trade

(billions of dollars, short-term trend)



The value of merchandise trade rose significantly in August, following two consecutive monthly declines.

* All series are seasonally adjusted except the consumer price index.



1010717937

LATEST MONTHLY STATISTICS

	Period	Level	Change Previous Period	Change Previous Year
GENERAL				
Gross Domestic Product (\$ billion, 1981)	July	411	0.1%	2.5%
Composite Leading Indicator (1981 = 100)	July	144.9	0.0%	3.9%
Profits of Industrial Corporations (\$ billion)	2nd Q	8.4	-11.9%	3.3%
DOMESTIC DEMAND				
Retail Trade (\$ billion)	July	14.4	-0.3%	5.1%
New Motor Vehicle Sales ('000 units)	Aug.	120	-0.3%	-7.1%
Housing Starts ('000, annual rates)	Aug.	197	-5.2%	-8.8%
LABOUR				
Employment (millions)	Sept.	12.5	-0.2%	2.2%
Unemployment Rate (%)	Sept.	7.3	-0.1	-0.5
Participation Rate (%)	Sept.	67.0	-0.2	0.3
Labour Income (\$ billion)	July	29.2	-0.6%	8.2%
Average Weekly Earnings (\$)	July	487.20	-0.4%	5.0%
INTERNATIONAL TRADE				
Merchandise Exports (\$ billion)	Aug. *	11.5	3.4%	-4.0%
Merchandise Imports (\$ billion)	Aug. *	11.3	6.7%	1.0%
Merchandise Trade Balance (\$ billion)	Aug. *	0.2	-0.3	-0.4
MANUFACTURING				
Shipments (\$ billion)	July	24.9	0.1%	6.5%
New Orders (\$ billion)	July	25.3	4.2%	5.4%
Unfilled Orders (\$ billion)	July	30.8	1.6%	1.9%
Inventory/ Shipments Ratio	July	1.56	0.01	-0.04
Capacity Utilization (%)	2nd Q	82.2	-0.5	-1.5
PRICES				
Consumer Price Index (1981 = 100)	Aug.	152.4	0.1%	5.2%
Industrial Product Price Index (1981 = 100)	Aug.	131.1	-0.1%	1.8%
Raw Materials Price Index (1981 = 100)	Aug.	101.8	-0.2%	6.6%
New Housing Price Index (1981 = 100)	Aug.	150.0	-0.1%	13.0%

Note: All series are seasonally adjusted with the exception of average weekly earnings and the price indexes.

* New this week.

I·N·F·O·M·A·T**A Weekly Review**

Published by the Communications Division
Statistics Canada.

Senior Editor: Greg Thomson (613) 951-1116
Editor: Linda McCormick (613) 951-1197

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

Catalogue: 11-002E. Price: Canada, \$2.10/\$105; other countries, \$2.50/\$126. To subscribe: send money order or cheque payable to the Receiver General for Canada/Publication Sales, Statistics Canada, Ottawa, Ontario K1A 0T6. To order by telephone dial: 1-800-267-6677 within Canada or 613-951-9276 from all other countries.

Published under the authority of the Minister of Regional Industrial Expansion and the Minister of State for Science and Technology. Statistics Canada should be credited when reproducing or quoting any part of this document. Extracts from this publication may be reproduced for individual use without permission provided the source is fully acknowledged. However, reproduction of this publication in whole or in part for purposes of resale or redistribution requires written permission from the Publishing Services Group. Permissions Officer, Canadian Government Publishing Centre, Ottawa, Canada K1A 0S9.