

# I·N·F·O·M·A·T

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

Friday, January 5, 1990

### OVERVIEW

#### ■ Economic Output Slows

Real gross domestic product eased by 0.3% in October, the first month-to-month decline recorded since March.

#### ■ Building Intentions Turn Down

Following substantial growth in July and August, the value of building permits issued by municipalities dropped 7.6% in September.

#### ■ Average Earnings Continue to Accelerate

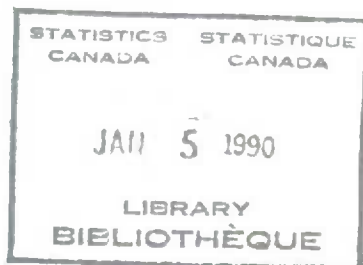
In October, average weekly earnings were up 6.2% over the same month a year earlier, extending the period of accelerating growth rates observed since June.

#### ■ Raw Material Prices Resume Downward Trend

Following an increase in October, the raw materials price index posted a decline in November, resuming the downturn evident since June.

#### ■ Industrial Product Prices Also Weaken

The industrial product price index was down for the fifth consecutive month in November.



### Economic Output Slows

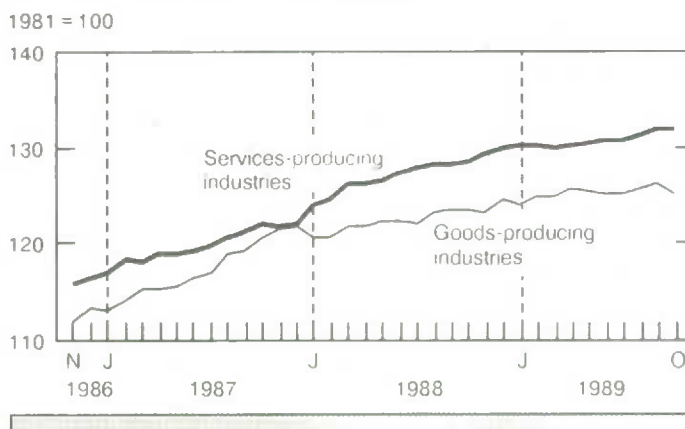
Real gross domestic product eased by 0.3% in October, the first month-to-month decrease recorded since last March. This decline follows three consecutive advances averaging 0.3%.

Production cutbacks were widespread among goods producing industries, as output dropped 0.9% during the month. Production in these industries had risen in the three preceding months. Manufacturing and mining posted the largest declines in October. Construction was the only major goods producing industry to record an advance.

Most manufacturers of durable goods registered declines, while non-durable goods manufacturers posted a marginal advance. This was the second consecutive decline in manufacturing output. Mining output was down after advancing for two months in a row. Activity in the construction industry continued to grow as it has for the last three months.

(continued on page 2)

#### Output by Sector



### ... Economic Output Slows

Following gains of 0.4% in August and September, output of services stalled in October. Decreases in goods handling industries such as retail and wholesale trade, and transportation and storage were offset by advances in other service industries.

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

### Real Gross Domestic Product

	June	July	Aug.	Sept.	Oct.
	% change, previous month				
Real Gross Domestic	0.0	0.2	0.4	0.4	-0.3
Goods-producing	-0.4	0.4	0.6	0.3	-0.9
Service-producing	0.2	0.2	0.4	0.4	0.0

### Building Intentions Turn Down

Following substantial growth in July and August, the value of building permits issued by municipalities dropped 7.6% on a month-over-month basis in September. The value of building permits had dropped sharply, overall, in the first half of the year.

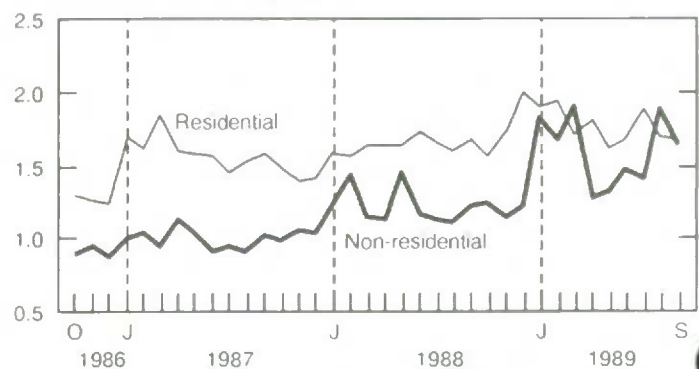
Following two months of exceptional growth, the value of non-residential permits dropped 13.5% in September. Two components in this sector decreased. The commercial and industrial components registered a decrease, while the value of institutional permits continued to rise.

Residential permits slipped 1.0% on a month-over-month basis, resuming the downturn noted since the first of the year. A continuing slowdown was evident in the multi-family component, while the single-family component gained 3.1% over the previous month. This weakening was only observed in Central Canada.

For further information, order *Building Permits* (catalogue number 64-001) or contact *Science, Technology and Capital Stock Division* at (613) 951-1664.

### Building Permits

Billions of dollars, seasonally adjusted



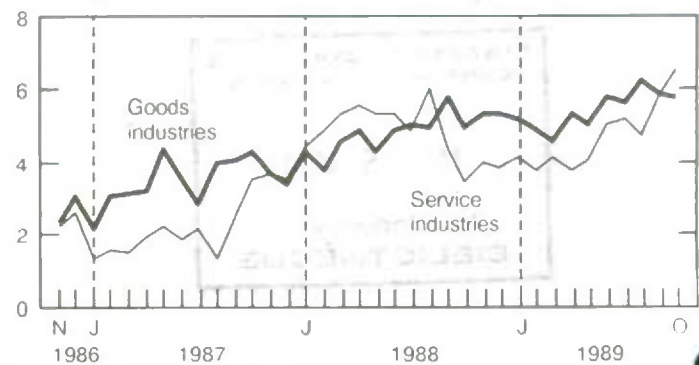
### Average Earnings Continue to Accelerate

In October, average weekly earnings were up 6.2% over the same month a year earlier. This compares with an average year-over-year increase of 4.9% for the first ten months of 1989 and 4.8% for all of 1988. The growth rate of earnings has been rising since June. The advance in October came mainly from the service-producing industries.

Growth in average weekly earnings of the service-producing industries continued to accelerate in October. Wages in the sector were 6.5% higher than a year earlier, compared to an average advance of 4.7% for the first ten months of 1989. Part of the strength in October was due to the weakness observed in October 1988. Generally, the growth rate of earnings in the service industries has been rising since April 1989.

### Average Weekly Earnings

% change, previous year



Continued on page 3



## PUBLICATIONS RELEASED FROM DECEMBER 22 TO JANUARY 4

### AGRICULTURE

**Socio-economic Characteristics of the Farm Population - Agriculture, 1986 Census.** Catalogue number 96-114 (Canada: \$33; Other Countries: \$43).

### CENSUS

**The Nation - Family Income: Census Families, Census 1986.** Catalogue number 93-117 (Canada: \$36; Other Countries: \$38).

**Metropolitan Atlas Series - St. John's, 1986 Census.** Catalogue number 98-101 (Canada: \$24; Other Countries: \$25).

**Metropolitan Atlas Series - Halifax, 1986 Census.** Catalogue number 98-102 (Canada: \$24; Other Countries: \$25).

**Metropolitan Atlas Series - Québec, 1986 Census.** Catalogue number 98-103 (Canada: \$24; Other Countries: \$25).

**Metropolitan Atlas Series - Montréal, 1986 Census.** Catalogue number 98-104 (Canada: \$30; Other Countries: \$31).

**Metropolitan Atlas Series - Ottawa-Hull, 1986 Census.** Catalogue number 98-105 (Canada: \$24; Other Countries: \$25).

**Metropolitan Atlas Series - Toronto, 1986 Census.** Catalogue number 98-106 (Canada: \$30; Other Countries: \$31).

**Metropolitan Atlas Series - Hamilton, 1986 Census.** Catalogue number 98-107 (Canada: \$24; Other Countries: \$25).

**Metropolitan Atlas Series - Winnipeg, 1986 Census.** Catalogue number 98-108 (Canada: \$24; Other Countries: \$25).

**Metropolitan Atlas Series - Regina, 1986 Census.** Catalogue number 98-109 (Canada: \$24; Other Countries: \$25).

**Metropolitan Atlas Series - Calgary, 1986 Census.** Catalogue number 98-110 (Canada: \$24; Other Countries: \$25).

**Metropolitan Atlas Series - Edmonton, 1986 Census.** Catalogue number 98-111 (Canada: \$24; Other Countries: \$25).

**Metropolitan Atlas Series - Vancouver, 1986 Census.** Catalogue number 98-112 (Canada: \$24; Other Countries: \$25).

### INDUSTRY

**Corrugated Boxes and Wrappers, November 1989.** Catalogue number 36-004 (Canada: \$4.70/\$47; Other Countries: \$5.60/\$56).

**Department Store Sales and Stocks, May 1989.** Catalogue number 63-002 (Canada: \$13.70/\$137; Other Countries: \$16.40/\$164).

**Factory Sales of Electric Storage Batteries, November 1989.** Catalogue number 43-005 (Canada: \$4.70/\$47; Other Countries: \$5.60/\$56).

**Mineral Wool Including Fibrous Glass Insulation, November 1989.** Catalogue number 44-004 (Canada: \$4.70/\$47; Other Countries: \$5.60/\$56).

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

**Primary Iron and Steel, October 1989.** Catalogue number 41-001 (Canada: \$4.70/\$47; Other Countries: \$5.60/\$56).

**Production, Sales and Stocks of Major Appliances, November 1989.** Catalogue number 43-010 (Canada: \$4.70/\$47; Other Countries: \$5.60/\$56).

**Production, Shipments and Stocks on Hand of Sawmills in British Columbia, October 1989.** Catalogue number 35-003 (Canada: \$6.80/\$68; Other Countries: \$8.20/\$82).

**Retail Trade, August 1989.** Catalogue number 63-005 (Canada: \$16.80/\$168; Other Countries: \$20.20/\$202).

### INTERNATIONAL TRADE

**Summary of Canadian International Trade (H.S. Based), October 1989.** Catalogue number 65-001 (Canada: \$17.30/\$173; Other Countries: \$20.80/\$208).

### SCIENCE, TECHNOLOGY & CAPITAL STOCK

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

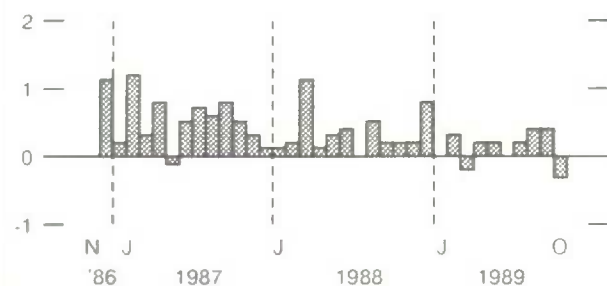
### TRANSPORT

**Aviation Statistics Centre Service Bulletin, September 1989.** Catalogue number 51-004 (Canada: \$8.90/\$89; Other Countries: \$10.70/\$107).

## CURRENT TRENDS\*

### Gross Domestic Product

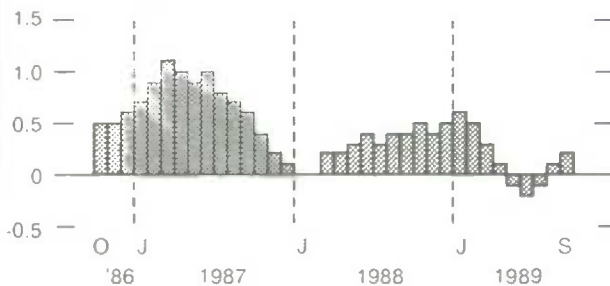
% change, previous month



Real gross domestic product eased by 0.3% in October, the first month-to-month decline recorded since March.

### Composite Leading Indicator

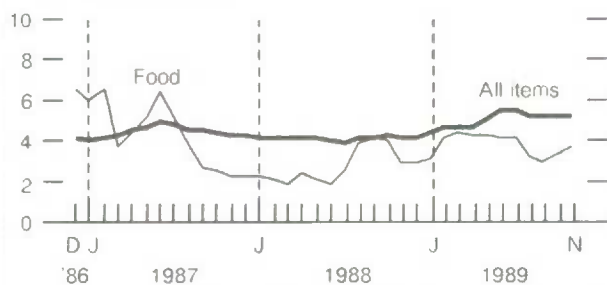
% change, previous month



The composite leading indicator posted a small gain (0.2%) for the second consecutive month in September.

### Consumer Price Index

% change, previous year



The year-over-year increase in the CPI was 5.2%, up slightly from the advance registered in October.

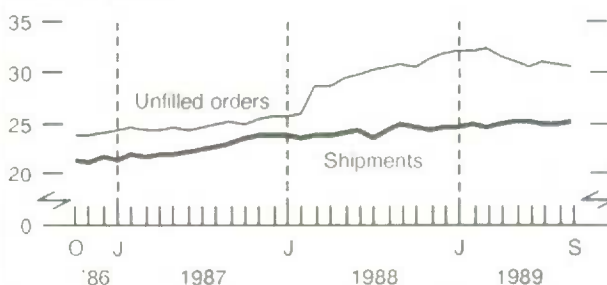
### Unemployment Rate and Employment



Labour market conditions altered slightly in November.

### Manufacturing

Billions of dollars



Manufacturing shipments rose 1.0% in September, posting a significant increase for the second month in a row.

### Merchandise Trade

Billions of dollars, short-term trend



Strong growth pushed the value of imports above exports and resulted in a merchandise trade deficit in October.

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

## LATEST MONTHLY STATISTICS

	Period	Level	Change Previous Period	Change Previous Year
<b>GENERAL</b>				
Gross Domestic Product (\$ billion, 1981)	Oct.*	412	-0.3%	2.0%
Composite Leading Indicator (1981 = 100)	Sept.	145.1	0.2%	3.2%
Profits of Industrial Corporations (\$ billion)	3rd Q	7.5	-9.8%	-20.2%
<b>DOMESTIC DEMAND</b>				
Retail Trade (\$ billion)	Oct.	14.5	-1.3%	3.5%
New Motor Vehicle Sales ('000 units)	Oct.	119	-11.8%	-7.5%
Housing Starts ('000, annual rates)	Sept.	226	10.2%	-4.6%
<b>LABOUR</b>				
Employment (millions)	Nov.	12.6	0.3%	1.9%
Unemployment Rate (%)	Nov.	7.6	0.2	-0.1
Participation Rate (%)	Nov.	67.2	0.3	0.3
Labour Income (\$ billion)	Sept.	29.5	0.2%	8.1%
Average Weekly Earnings (\$)	Oct.*	497.90	0.5%	6.2%
<b>INTERNATIONAL TRADE</b>				
Merchandise Exports (\$ billion)	Oct.	11.4	0.6%	-1.3%
Merchandise Imports (\$ billion)	Oct.	11.8	5.5%	-7.1%
Merchandise Trade Balance (\$ billion)	Oct.	-0.4	-0.5	-1.3
<b>MANUFACTURING</b>				
Shipments (\$ billion)	Oct.	24.7	-1.6%	1.0%
New Orders (\$ billion)	Oct.	25.5	3.4%	4.7%
Unfilled Orders (\$ billion)	Oct.	31.1	2.7%	1.9%
Inventory/ Shipments Ratio	Oct.	1.56	0.02	0.02
Capacity Utilization (%)	3rd Q	81.7	-0.7	-2.0
<b>PRICES</b>				
Consumer Price Index (1981 = 100)	Nov.	153.7	0.3%	5.2%
Industrial Product Price Index (1981 = 100)	Nov.*	130.4	-0.2%	0.5%
Raw Materials Price Index (1981 = 100)	Nov.*	100.0	-0.2%	7.2%
New Housing Price Index (1981 = 100)	Oct.	151.3	0.3%	11.2%

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

\* New this week.

## 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.

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Avord Tower, 9th Floor  
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**KEY RELEASE CALENDAR: JANUARY 1990\***

Monday	Tuesday	Wednesday	Thursday	Friday
1	2	3 Industrial Product Price Index, November Raw Materials Price Index, November Sales of Refined Petroleum Products, November	4	5
8 Composite Leading Indicator, October Housing Starts, November	9 New Motor Vehicle Sales, November New Housing Price Index, November	10 Help-wanted Index, December Department Store Sales, November	11 Labour Income, October	12 Labour Force Survey, December International Travel, November
15 Farm Product Price Index, November	16	17 International Trade, November	18	19 Consumer Price Index, December
22 Retail Trade, November Department Store Sales and Stocks, November	23 Survey of Manufacturing, November	24	25 Wholesale Trade, November	26 Building Permits, October Security Transactions, November
29 Employment Earnings and Hours, November	30 Sales of Refined Petroleum Products, December Crude Petroleum and Natural Gas, October	31 Gross Domestic Product, November Industrial Product Price Index, December Raw Materials Price Index, December		

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

**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 613-951-9277 from all other countries.

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