

I·N·F·O·M·A·T

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

Friday, January 19, 1990

OVERVIEW

■ Merchandise Trade Surplus Registered in November

As a result of a marked drop in imports and a slight increase in exports, the trade balance showed a surplus of \$679 million.

■ Little Change in Labour Market Conditions

The unemployment rate posted a slight increase for the third consecutive month in December, while employment and unemployment were essentially unchanged.

■ Relatively Steady Growth in Labour Income

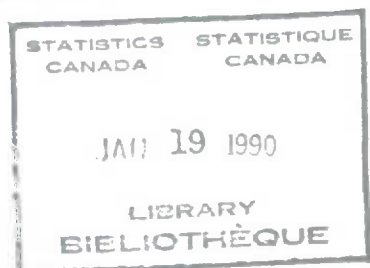
Labour income was up 8.3% on a year-over-year basis in October, matching the increase in cumulative income for the first ten months of the year.

■ Numbers of Tourists Continue to Rise

The volume of foreign tourists was up slightly for the fourth consecutive month in November.

■ Farm Product Prices Advance Slightly

The farm product price index rose for the second consecutive month in November, following declines in August and September.



Merchandise Trade Surplus Registered in November

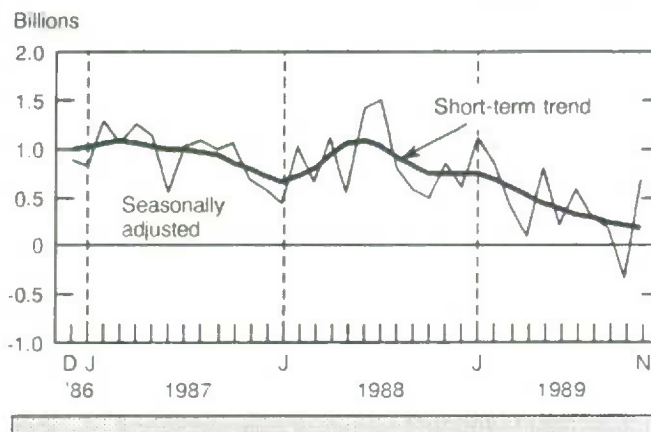
The seasonally adjusted value of exports edged up 0.5% to \$11.5 billion in November, rising for the second consecutive month. However, these two increases did not offset a decline of 3.0% in September. Exports have remained within a narrow range for the last six months.

Sharp increases in exports of wheat, cars and aircraft contributed most of the growth in November. Starting in the first quarter, wheat exports had dropped significantly, but recovered in recent months. Exports of cars rebounded sharply in November to reach their highest level in the last eight months.

Imports totalled \$10.8 billion in November, down nearly \$1.0 billion from October. This was the largest monthly decline posted since July 1988. The drop of 8.3% followed a gain of 5.6% in October and was the fourth decline in six months.

(continued on page 2)

Merchandise Trade Balance



... Merchandise Trade Surplus Registered in November

The slump in imports was mainly attributable to the drop of almost \$500 million in imports of automotive products, particularly motor vehicle parts and cars. In addition, imports of machinery and equipment fell considerably following strong growth in October, and are now closer to the levels registered in preceding months.

As a result of the marked drop in imports and the slight increase in exports, the trade balance showed a surplus of \$679 million. This was a definite reversal from the \$356 million deficit observed in October. The trade balance has been under \$600 million a month since June.

Merchandise Trade

	July	Aug.	Sept.	Oct.	Nov.
	% change, previous month				
Exports	-0.1	4.4	-3.0	1.0	0.5
Imports	-3.5	7.3	-1.9	5.6	-8.3
Balance (millions \$)	565	280	157	-356	679

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

Little Change in Labour Market Conditions

The results of the labour force survey show little overall change in the labour market in December. The unemployment rate reached 7.7%, posting a slight increase for the third consecutive month. Employment edged down for the third time in four months, while unemployment rose marginally for the third month in a row.

The decrease in employment was primarily concentrated in Quebec where employment levels were down by 18,000. The rise in unemployment occurred in Ontario and Quebec. No other provinces registered significant changes in employment or unemployment.

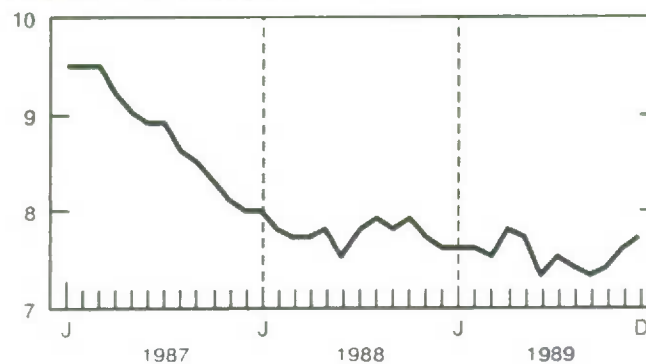
Over the year, employment rose moderately (2.0%) following strong gains in 1988. Much of the growth occurred in female employment levels. The 1989 annual averages also show that full-time employment advanced by 2.3% while part-time

Labour Force

	Aug.	Sept.	Oct.	Nov.	Dec.
	Change, previous month				
Labour force ('000)	67	-34	10	62	-7
Employment ('000)	73	-20	-5	32	-23
15-24 years ('000)	31	-30	-10	0	-18
25 years & over ('000)	42	10	5	32	-5
Unemployment ('000)	-6	-14	15	30	16
Unemployment rate	7.4	7.3	7.4	7.6	7.7

Unemployment Rate

Percent, seasonally adjusted



employment showed little change. The growth was also concentrated in the 25 years and over age group. Employment for persons 15 to 24 years declined slightly from 1988.

Provinces on the two coasts registered the strongest gains in employment. The average annual employment level was up 5.7% in British Columbia and 4.0% in Newfoundland. The unemployment rate was basically unchanged in Central Canada, although Ontario did show a marginal gain in employment (1.8%).

For further information, order *Labour Force Information* (catalogue number 71-001P) for summary data or contact Household Surveys Division at (613) 951-4720.

Relatively Steady Growth in Labour Income

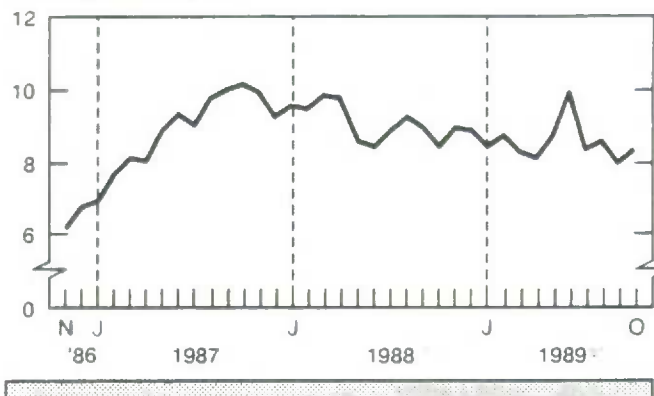
Labour income was estimated to be \$30.2 billion in October, up 8.3% from the same month a year earlier. This growth rate matched the increase in cumulative labour income for the first ten months of the year (8.3%).

The seasonally adjusted estimate of wages and salaries, which accounts for 90% of labour income, was up 0.9% in October, slightly higher than the average monthly advance of 0.7% recorded in the preceding nine months. The monthly increase in September was unusually small due to strike activity in education and related services, health and welfare services and provincial administration in Quebec, as well as smaller than usual amounts of special payments.

For further information, order *Estimates of Labour Income* (catalogue number 72-005) or contact Labour Division at (613) 951-4051.

Labour Income

% change, previous year



Numbers of Tourists Continue to Rise

The seasonally adjusted volume of foreign travellers to Canada staying for one or more nights rose for the fourth consecutive month in November. The number of international tourists had followed a downturn from January to June.

Trips of one or more nights by Canadian residents to the United States continued to follow a rising trend in November. Travel to all other over-

seas countries increased, after declining during the summer. The volume of trips lasting less than 24 hours continued to rise at a steady pace, increasing by more than 100,000 in October. With a few exceptions, trips to the United States have been rising sharply since the end of 1986.

For further information, order *International Travel - Advance Information* (catalogue number 66-001P) or contact Education, Culture and Tourism Division at (613) 951-8933.

Farm Product Prices Advance Slightly

In November, the farm product price index (1981=100) was up 0.3% from the previous month, the second consecutive increase following two declines.

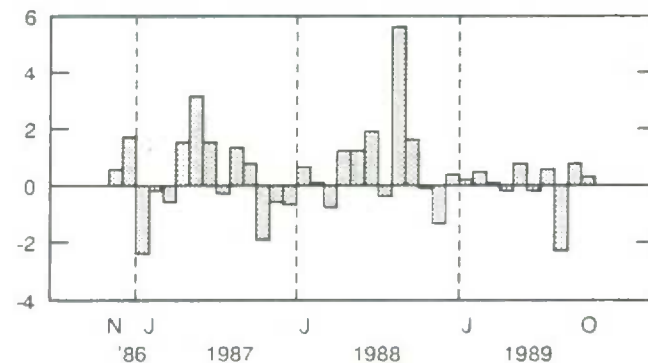
The crops component rose 1.1%, the first significant advance since May. Both oilseed and potato prices improved after several months of sharp declines. Cereal prices continued to strengthen during the month.

The livestock and animal products component was down 0.3% in November. Generally, the livestock index has moved in a relatively narrow range since November 1987 despite substantial fluctuations in the prices of some of its component parts.

For further information, order *Farm Product Price Index* (catalogue number 62-003) or contact Agriculture Division at (613) 951-2441.

Farm Product Price Index

% change, previous month



PUBLICATIONS RELEASED FROM JANUARY 12 TO 18

AGRICULTURE

Apparent Per Capita Food Consumption in Canada, Part II, 1988. Catalogue number 32-230 (Canada: \$26; Other Countries: \$31).

EDUCATION, CULTURE AND TOURISM

Education Statistics Bulletin, Vol. 12, No. 1: Education Price Index - Selected Inputs, Elementary and Secondary Level, 1987 and 1988. Catalogue number 81-002 (Canada: \$4.70/\$47; Other Countries: \$5.60/\$56).

Government Expenditures on Culture in Canada, 1982-83 to 1986-87. Catalogue number 87-517 (Canada: \$35; Other Countries: \$42).

Touriscope - International Travel, November 1989. Catalogue number 66-001P (Canada: \$5.80/\$58; Other Countries: \$6.40/\$64).

INDUSTRY MEASURES AND ANALYSIS

System of National Accounts - Gross Domestic Product by Industry, October 1989. Catalogue number 15-001 (Canada: \$12.10/\$121; Other Countries: \$14.50/\$145).

INDUSTRY

Asphalt Roofing, November 1989. Catalogue number 45-001 (Canada: \$4.70/\$47; Other Countries: \$5.60/\$56).

Cement, November 1989. Catalogue number 44-001 (Canada: \$4.70/\$47; Other Countries: \$5.60/\$56).

Fruit and Vegetable Preservation Service Bulletin, Vol. 18, No. 4: Pack of Processed Peas, 1989. Catalogue number 32-023 (Canada: \$7.40/\$121; Other Countries: \$8.90/\$145).

Gypsum Products, November 1989. Catalogue number 44-003 (Canada: \$4.70/\$47; Other Countries: \$5.60/\$56).

Market Research Handbook, 1990. Catalogue number 63-224 (Canada: \$89; Other Countries: \$107).

Industrial Chemicals and Synthetic Resins, November 1989. Catalogue number 46-002 (Canada: \$5.30/\$53; Other Countries: \$6.40/\$64).

New Motor Vehicle Sales, July 1989. Catalogue number 63-007 (Canada: \$13.70/\$137; Other Countries: \$16.40/\$164).

Production and Inventories of Process Cheese and Instant Skim Milk Powder, November 1989. Catalogue number 32-024 (Canada: \$4.70/\$47; Other Countries: \$5.60/\$56).

Production, Shipments and Stocks on Hand of Sawmills East of the Rockies (Excluding Newfoundland and Prince Edward Island), October 1989. Catalogue number 35-002 (Canada: \$9.50/\$95; Other Countries: \$11.40/\$114).

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

INDUSTRY - Concluded

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

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

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

The Sugar Situation, November 1989. Catalogue number 32-013 (Canada: \$4.70/\$47; Other Countries: \$5.60/\$56).

Wholesale Trade, October 1989. Catalogue number 63-008 (Canada: \$5.80/\$58; Other Countries: \$7/\$70).

INTERNATIONAL AND FINANCIAL ECONOMICS

System of National Accounts - Canada's Balance of International Payments, Third Quarter 1989. Catalogue number 67-001 (Canada: \$26.25/\$105; Other Countries: \$31.50/\$126).

INTERNATIONAL TRADE

Imports by Commodity (H.S. Based), October 1989. Catalogue number 65-007 (Canada: \$52.50/\$525; Other Countries: \$63/\$630).

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

JUSTICE

Juristat Service Bulletin, Vol. 10 No. 1: Sentencing in Youth Courts, 1984-85 to 1988-89. Catalogue number 85-002 (Canada: \$3.70/\$37; Other Countries: \$4.40/\$44).

SERVICES

Communications Service Bulletin, Vol. 20, No. 1: Telephone Statistics, 1988. Catalogue number 56-001 (Canada: \$7.80/\$47; Other Countries: \$9.30/\$56).

TRANSPORT

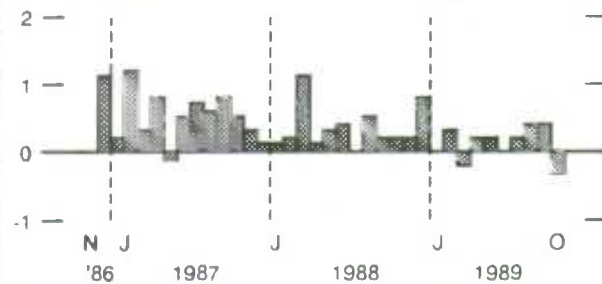
Aviation - Air Passenger Origin and Destination, Canada-United States Report, 1988. Catalogue number 51-205 (Canada: \$40; Other Countries: \$48).

Railway Operating Statistics, October 1989. Catalogue number 52-003 (Canada: \$10/\$100; Other Countries: \$12/\$120).

CURRENT TRENDS*

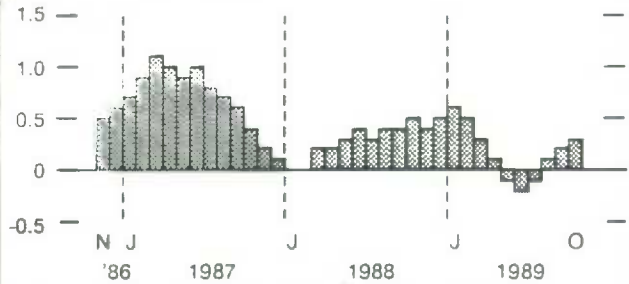
Gross Domestic Product

% change, previous month



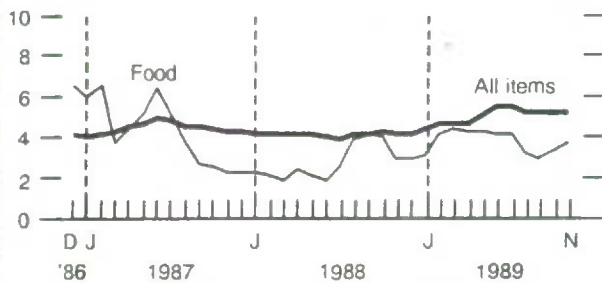
Composite Leading Indicator

% change, previous month



Consumer Price Index

% change, previous year

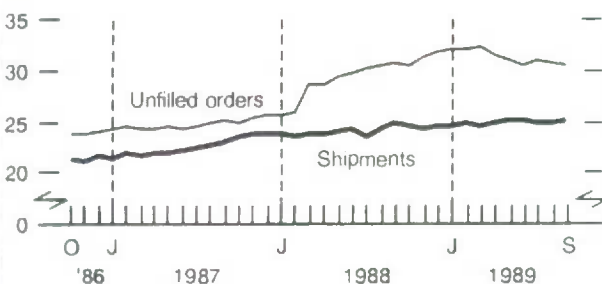


Unemployment Rate and Employment



Manufacturing

Billions of dollars



Merchandise Trade

Billions of dollars, short-term trend



* All series are seasonally adjusted except the consumer price index



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DATE DUE

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LATEST MONTHLY STATISTICS

	Period	Level	Change Previous Period	Change Previous Year
GENERAL				
Gross Domestic Product (\$ billion, 1981)	Oct.	412	-0.3%	2.0%
Composite Leading Indicator (1981 = 100)	Oct.	145.1	0.3%	2.6%
Profits of Industrial Corporations (\$ billion)	3rd Q	7.4	-11.1%	-21.4%
DOMESTIC DEMAND				
Retail Trade (\$ billion)	Oct.	14.5	-1.3%	3.5%
New Motor Vehicle Sales ('000 units)	Nov.	121	-2.2%	-4.9%
Housing Starts ('000, annual rates)	Nov.*	210	-5.0%	-7.5%
LABOUR				
Employment (millions)	Dec.*	12.5	-0.2%	1.6%
Unemployment Rate (%)	Dec.*	7.7	0.1	0.1
Participation Rate (%)	Dec.*	67.1	-0.1	0.2
Labour Income (\$ billion)	Oct.*	29.8	0.9%	8.3%
Average Weekly Earnings (\$)	Oct.	497.90	0.5%	6.2%
INTERNATIONAL TRADE				
Merchandise Exports (\$ billion)	Nov.*	11.5	0.5%	-2.2%
Merchandise Imports (\$ billion)	Nov.*	10.8	-8.3%	-0.8%
Merchandise Trade Balance (\$ billion)	Nov.*	0.7	1.0	-0.1
MANUFACTURING				
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
PRICES				
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)	Nov.	152.2	0.6%	10.3%

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

* New this week.

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