

I·N·F·O·M·A·T

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

Friday, February 16, 1990

OVERVIEW

■ Sales of New Motor Vehicles Continue to Trend Downward

In spite of heavy incentive programs, Canadian sales of new motor vehicles softened in 1989, down 5.2% from the previous year.

■ Unemployment Rate Edges Up for Fourth Straight Month

Employment rose by 42,000 in January, but an even larger gain in the size of the labour force pushed the unemployment rate up slightly for the fourth consecutive month.

■ Farm Product Prices Below Year-earlier Level

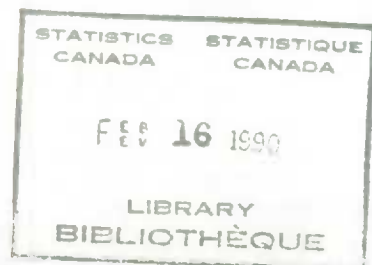
Cereal and oilseed prices have been lower as North American grain production rebounded in 1989 from the drought-reduced 1988 level.

■ New Housing Prices Still Rising

Notable price advances in Edmonton, Calgary and Vancouver contributed to the 0.4% gain in the Canada total index in December.

■ Record Levels Set in 1989 for Canadian Travel Abroad

Overnight trips abroad surpassed the 18-million mark with trips to the United States increasing at a faster rate than trips to other countries.

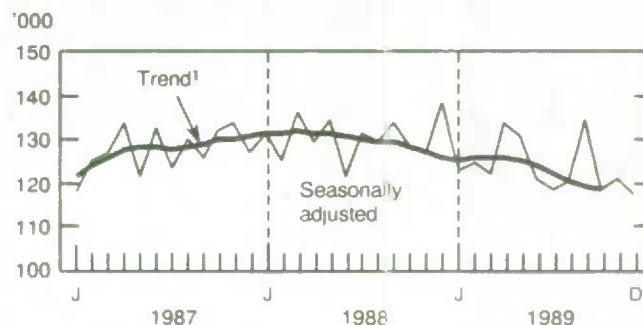


Sales of New Motor Vehicles Continue to Trend Downward

- Adjusted for seasonal fluctuations and the number of trading days, sales of all new motor vehicles totalled 117,000 units in December 1989, a decrease of 2.8% from the revised November 1989 level. This decline followed a gain of 1.9% in November and a sharp decrease of 11.9% in October. In December, higher sales were posted for passenger cars (+1.4%), while commercial vehicles declined 10.8%.
- In spite of heavy incentive programs, Canadian sales of new motor vehicles softened in 1989, following robust sales of over 1,500,000 units in each year of the 1985-88 period. New motor vehicle sales were at a level of 1,484,000 units, down 5.2% from the previous year. This drop was due to declines in both passenger cars (-6.0%) and commercial vehicles (-3.7%).

(continued on page 2)

Sales of New Motor Vehicles, Seasonally Adjusted, in Units



¹ The short-term trend represents a weighted average of the data.



Statistics Canada
Statistique Canada

Canada

... Sales of New Motor Vehicles

- North American manufacturers held 67.9% of the Canadian passenger car market in 1989 (based on unit sales), down from the 68.6% share held in 1988. The Japanese market share rose to 24.7%, from 23.1% a year earlier. Manufacturers from countries other than North America or Japan held 7.4% of the passenger car market, down from 8.3% in 1988.

- The retail sales value of all new motor vehicle sales totalled \$26,963 million in current dollars in 1989, an increase of 0.4% over 1988. Passenger car sales accounted for \$16,635 million, down 0.4%. At the same time, commercial vehicle sales contributed \$10,328 million to the total, an increase of 1.7%.

For further information, order *New Motor Vehicle Sales* (catalogue number 63-007) or contact Industry Division at (613) 951-3552.

Unemployment Rate Edges Up for Fourth Straight Month

Estimates from Statistics Canada's Labour Force Survey for January 1990 show that employment rose by 42,000. However, an even larger gain in the size of the labour force, noted particularly in Quebec, resulted in an unemployment rate increase of 0.1 to 7.8%.

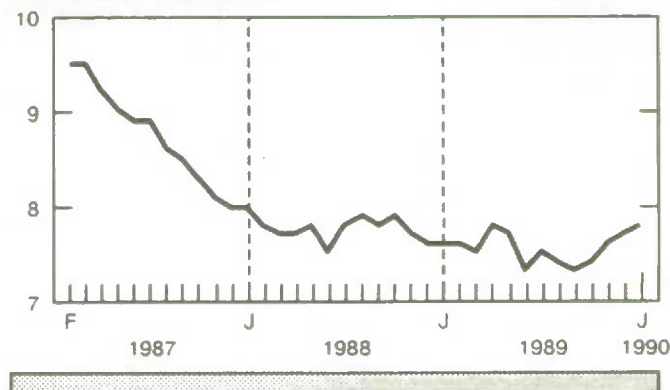
The seasonally adjusted level of employment was estimated at 12,588,000, up 42,000 over December 1989. This rise was the result of gains among persons aged 25 and over (+54,000). Full-time employment rose by 41,000 with the gain noted mostly among men (+27,000). The decline in part-time employment (-16,000) was distributed between men and women.

Labour Force

	Sept.	Oct.	Nov.	Dec.	Jan.
	Change, previous month				
Labour force ('000)	-34	10	62	-7	60
Employment ('000)	-20	-5	32	-23	42
15-24 years ('000)	-30	-10	0	-18	-12
25 years & over ('000)	10	5	32	-5	54
Unemployment ('000)	-14	15	30	16	18
Unemployment rate	7.3	7.4	7.6	7.7	7.8

Unemployment Rate

Percent, seasonally adjusted



Unemployment rose by 18,000 to 1,065,000 in January 1990. The unemployment rate increased 0.1 to 7.8% and the participation rate advanced 0.2 to 67.3%.

Unemployment rose an estimated 38,000 in Quebec, while it declined 12,000 in British Columbia, 6,000 in Manitoba and 4,000 in New Brunswick. There was little change in the other provinces.

For further information, order *The Labour Force* (catalogue 71-001) or contact Household Surveys Division at (613) 951-4720.

Farm Product Prices Below Year-earlier Level

The farm product price index (1981=100) for Canada stood at 97.3 in December, up 0.2% over the revised November level. The overall index remained 3.9% below the year-earlier level of 101.2.

The crops index rose 0.6% in December as prices for oilseeds, cereals and potatoes all increased. However, the index stood 13.8% below the year-earlier level. Grain prices for the 1989-90 crop year have fallen below those of the previous crop year. Prices in 1988-89 were the highest in four years, as drought in North America reduced crop production.

(continued on page 3.)

... Farm Product Prices Below Year-earlier Level

The livestock and animal products index decreased 0.1% in December, as a decline in hog prices more than offset an increase in cattle prices.

Dairy and poultry prices also fell, while egg prices rose. Although the livestock index declined

in December, it has generally trended higher during 1989, mainly as a result of stronger hog prices over the past eight months.

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

New Housing Prices Still Rising

The New Housing Price Index (1981=100) for Canada stood at 152.8 in December, up 0.4% over November 1989. Between November 1989 and December 1989, both the estimated House Only Index and the Land Only Index increased 0.4%.

Price advances in Edmonton (2.3%), Calgary (2.2%), Vancouver (2.2%), St. Catharines-Niagara (0.7%), Ottawa-Hull (0.7%), Victoria (0.5%) and Hamilton (0.4%) contributed to this monthly increase.

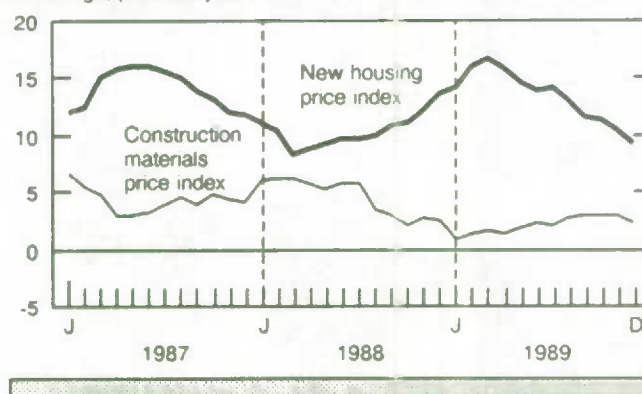
This index of Canadian housing contractors' selling prices now stands 9.2% higher than the year-earlier level.

On a yearly basis, Vancouver showed the largest price increase of all cities surveyed (20.0%).

For further information, order *Construction Price Statistics* (catalogue number 62-007) or contact Prices Division at (613) 951-9607.

New Housing and Building Material Price Indexes

% change, previous year



Record Levels Set in 1989 for Canadian Travel Abroad

Preliminary estimates for December 1989 indicate that the number of non-resident visits of one or more nights to Canada was down 2.5% from December 1988. During 1989, total volume decreased 2.3% from 1988 to 15.2 million, and was just above the level registered in 1987. Overnight trips by residents of the United States decreased 4.4%, while the number by overseas residents rose 7.6% in 1989.

The number of overnight trips abroad by Canadian residents reached a record level for December, 10.1% above a year earlier. In 1989, Canadian overnight trips to the U.S. increased at

a faster rate (11.5%) than trips to other countries (7%). It marked the first time since 1972 that Canadian overnight trips abroad surpassed the 18-million mark.

In December, total international trips to all foreign destinations by Canadian residents increased 11.4% above December 1988. In 1989, travel to the United States for less than 24 hours, representing nearly three-quarters of total Canadian trips to that country, was 18.7% higher than in 1988.

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

PUBLICATIONS RELEASED FROM FEBRUARY 9 TO 15

DEMOGRAPHY

Postcensal Annual Estimates of Population by Marital Status, Age, Sex and Components of Growth for Canada, Provinces and Territories, June 1, 1989. Catalogue number 91-210 (Canada: \$28; Other Countries: \$34).

EDUCATION, CULTURE AND TOURISM

- **Touriscope - International Travel**, December 1989. Catalogue number 66-001P (Canada: \$5.80/\$58; Other Countries: \$6.40/\$64).
- **Travel-log - Touriscope**, Winter Issue 1990. Catalogue number 87-003 (Canada: \$10/\$40; Other Countries: \$12/\$48).

HOUSING, FAMILY AND SOCIAL STATISTICS

Immigrants in Canada, January 1990. Catalogue number 89-510 (Canada: \$38; Other Countries: \$46).

INDUSTRIAL ORGANIZATION AND FINANCE

Financial Institutions - Financial Statistics, Third Quarter 1989. Catalogue number 61-006 (Canada: \$42/\$168; Other Countries: \$50.50/\$202).

INDUSTRY

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

Canned and Frozen Fruits and Vegetables - Monthly, November 1989. Catalogue number 32-011 (Canada: \$4.70/\$47; Other Countries: \$5.60/\$56).

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

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

Electric Power Statistics, Vol. III, 1988. Catalogue number 57-206 (Canada: \$27; Other Countries: \$32).

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

Footwear Statistics, December 1989. Catalogue number 33-002 (Canada: \$4.70/\$47; Other Countries: \$5.60/\$56).

Fruit and Vegetable Preservation, Vol. 18, No. 2: **Pack of Processed Raspberries**, 1989. Catalogue number 32-023 (Canada: \$7.40/\$121; Other Countries: \$8.90/\$145).

Fruit and Vegetable Preservation Service Bulletin, Vol. 18, No. 11: **Pack of Processed Peaches**, 1989. Catalogue number 32-023 (Canada: \$7.40/\$121; Other Countries: \$8.90/\$145).

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

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

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

INDUSTRY - Concluded

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

Shipments of Solid Fuel Burning Heating Products, Quarter Ended December 1989. Catalogue number 25-002 (Canada: \$4.50/\$18; Other Countries: \$5.50/\$22).

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

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

INDUSTRY MEASURES AND ANALYSIS

System of National Accounts - Gross Domestic Product by Industry, November 1989. Catalogue number 15-001 (Canada: \$12/120; Other Countries: \$14.50/145).

INTERNATIONAL TRADE

Exports by Commodity (H.S. Based), November 1989. Catalogue number 65-005 (Canada: \$52.50/\$525; Other Countries: \$63/\$630). 65-004

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

LABOUR

Historical Labour Force Statistics - Actual Data, Seasonal Factors, Seasonally Adjusted Data, 1989. Catalogue number 71-201 (Canada: \$58; Other Countries: \$70).

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

SERVICES

Restaurant, Caterer and Tavern Statistics, November 1989. Catalogue number 63-011 (Canada: \$5.80/\$58; Other Countries: \$7/\$70).

STANDARDS

Standard Classification of Goods, Amendments for 1989. Catalogue number 12-580E (Canada: \$37; Other Countries: \$44).

TRANSPORTATION

Passenger Bus and Urban Transit Statistics, December 1989. Catalogue number 53-003 (Canada: \$6.80/\$68; Other Countries: \$8.00/\$82).

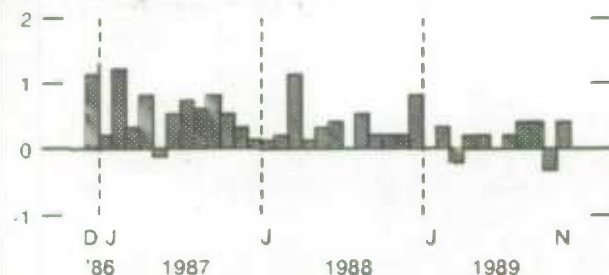
Railway Carloadings, December 1989. Catalogue number 52-001 (Canada: \$7.90/\$79; Other Countries: \$9.50/\$95).

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

CURRENT TRENDS*

Gross Domestic Product

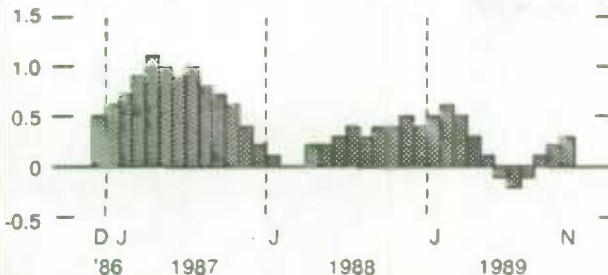
% change, previous month



Real gross domestic product increased 0.4% in November, following a 0.3% decline in October and a 0.4% gain in September.

Composite Leading Indicator

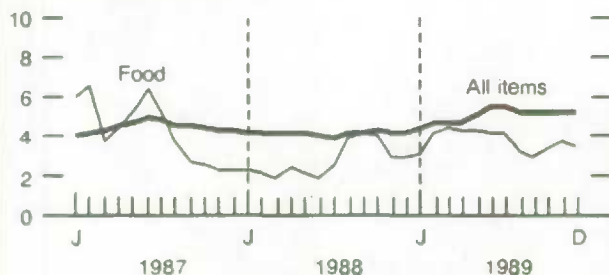
% change, previous month



The composite leading indicator in November indicated continued slow growth in the short-term.

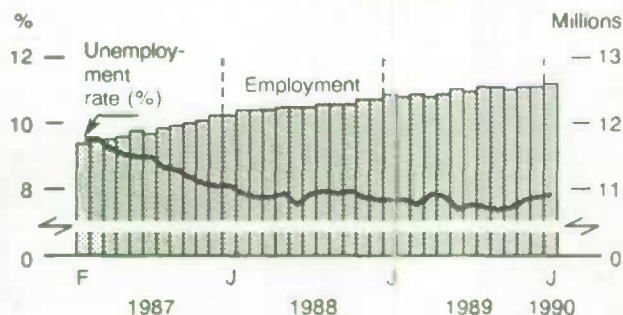
Consumer Price Index

% change, previous year



The year-over-year increase in the CPI was 5.1% in December, down slightly from the advance registered in November.

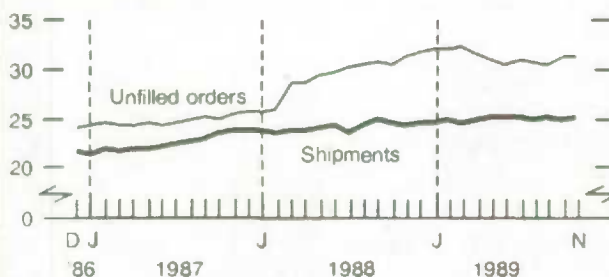
Unemployment Rate and Employment



Employment rose by 42,000 in January, but an even larger gain in the size of the labour force pushed the unemployment rate up slightly.

Manufacturing

Billions of dollars



Following a decline in October, manufacturing shipments were up 0.5% in November, the third increase in four months.

Merchandise Trade

Billions of dollars, short-term trend



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

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



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LATEST MONTHLY STATISTICS

	Period	Level	Change Previous Period	Change Previous Year
GENERAL				
Gross Domestic Product (\$ billion, 1981)	Nov.	414	0.4%	2.3%
Composite Leading Indicator (1981 = 100)	Nov.	145.4	0.2%	2.3%
Profits of Industrial Corporations (\$ billion)	3rd Q	7.4	-1.1%	-21.4%
DOMESTIC DEMAND				
Retail Trade (\$ billion)	Nov.	14.6	0.8%	4.2%
New Motor Vehicle Sales ('000 units)	Dec.*	117	-2.8%	-15.4%
Housing Starts ('000, annual rates)	Dec.	226	8.6%	1.3%
LABOUR				
Employment (millions)	Jan.*	12.6	-0.3%	1.2%
Unemployment Rate (%)	Jan.*	7.8	0.1	0.2
Participation Rate (%)	Jan.*	67.3	0.2	0.1
Labour Income (\$ billion)	Nov.	29.9	0.6%	7.8%
Average Weekly Earnings (\$)	Nov.	496.58	-0.1%	5.7%
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)	Nov.	24.9	0.5%	3.0%
New Orders (\$ billion)	Nov.	25.0	-2.2%	0.7%
Unfilled Orders (\$ billion)	Nov.	31.3	0.5%	0.2%
Inventory/ Shipments Ratio	Nov.	1.54	-0.02	-0.03
Capacity Utilization (%)	3rd Q	81.7	-0.7	-2.0
PRICES				
Consumer Price Index (1981 = 100)	Dec.	153.6	-0.1%	5.1%
Industrial Product Price Index (1981 = 100)	Dec.	130.2	-0.3%	0.2%
Raw Materials Price Index (1981 = 100)	Dec.	99.1	-0.9%	4.9%
New Housing Price Index (1981 = 100)	Dec.*	152.8	0.4%	9.2%

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

* New this week.

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