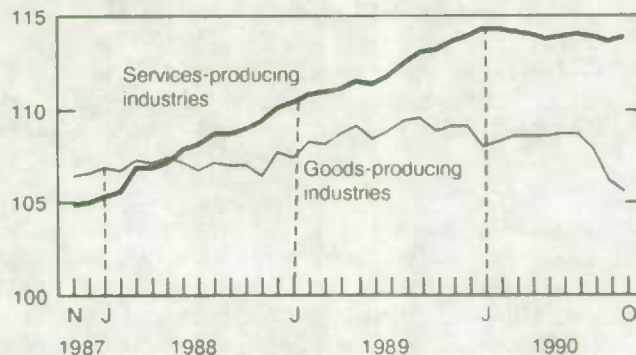




OVERVIEW



... Foreigners Buy Canadian Bonds and Sell Stocks

Non-residents reduced their holdings of Canadian stocks by \$641 million in October, a net disinvestment second only to the record \$671 million established in the aftermath of the crash of October 1987. Since July, non-residents have made a cumulative net disinvestment of \$1.2 billion. The October net disinvestment was led by U.S. residents with net sales of \$504 million. Canadian stock prices, as measured by the TSE 300 Composite Index, continued to fall.

Residents sold \$393 million of foreign bonds on a net basis, the bulk of which were foreign bonds from countries other than the U.S. Residents' holdings of foreign stocks were largely unchanged: a net investment of \$46 million in U.S. stocks was mostly offset by a net disinvestment of \$35 million of overseas stocks.

For further information, order Security Transactions with Non-residents catalogue number 67-002) contact Balance of Payments Division at (613) 951-1864.

Building Permits Rebound

The seasonally adjusted preliminary value of building permits issued in Canada increased 5.5% in October to \$2.5 billion. In the previous eight months, building permits registered an average monthly decline of 4.4%. The rise in October was attributable to both residential and non-residential construction.

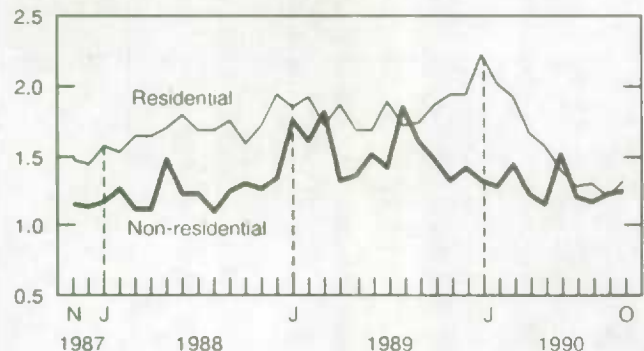
Residential building permits increased by 9.1% in October to \$1.3 billion, compared to an average monthly decline of 7.3% in the previous eight months. Permits for single-family dwellings fell 2.2% to \$864.6 million, and multi-family dwellings recorded a significant increase of 40.5% to \$444.7 million.

The number of dwelling units authorized increased by 10% in October to 154,500 units (expressed at an annual rate). This increase, entirely attributable to the multiple-dwelling sector, appears to reverse the downward trend observed since the beginning of the year.

The preliminary value of non-residential building permits totalled \$1.2 billion, up 2.0% from September. Over the previous eight months, the

Building Permits

Billions of dollars, seasonally adjusted



value of non-residential permits rose, on average, by 0.7% per month.

For further information, order Building Permits (catalogue number 64-001) contact Investment and Capital Stock Division at (613) 951-2585.

Industrial Product Price Index Rises

The Industrial Product Price Index edged up 0.1% in November, following increases of 0.3% in October and 0.9% in September.

The petroleum and coal products price index rose 3.6%, reflecting a general pattern of higher prices for most petroleum products. The chemicals and chemical products index increased by 1.2% in November 1990, reflecting higher prices for organic industrial chemicals and synthetic resins.

The primary metal products index declined 2.3%, following a decrease of 1.9% in October. Prices for aluminum, nickel, copper and copper alloy

products declined, while prices for iron and steel products showed no change. The index for lumber, sawmill and other wood products fell 0.6%, the sixth consecutive decline. The drop was led by lower prices for softwood lumber, particle board and waferboard. The paper and paper products index fell marginally as a drop in the pulp group was partially offset by a rise in prices for exported newsprint, reflecting the rise of the U.S. dollar versus the Canadian dollar.

For further information, order Industry Price Indexes (catalogue number 62-011) or contact Prices Division at (613) 951-9607.

Crude Oil Prices Still Boosting Raw Materials Price Index

In November, the Raw Materials Price Index increased 3.1%, contributing to a cumulative rise of 27.5% since August. November's increase was again mainly attributable to a rise in the mineral fuels component, which was up 8.8% as a result of an estimated 9.1% increase in crude mineral oil prices and a 4.4% rise in natural gas prices. The RMPI excluding the mineral fuels component declined by 1.2%.

A decrease of 0.5% in the vegetable products index, the sixth decline in a row, was caused mainly by lower prices for oilseeds and raw tobacco. The animal and animal products index declined for the fourth month in five, this time by 0.8%. Decreases in prices for hogs were partially offset by increases for cattle and calves and for fish.

Raw Materials Price Index

	July	Aug.	Sept.	Oct.	Nov.
	% change, previous month				
Total	-0.5	6.0	8.0	8.1	3.1
Animal products	0.9	0.6	-1.8	1.3	-0.8
Non-ferrous metals	4.1	5.3	1.5	-6.5	-4.3
Mineral fuels	2.3	23.0	27.9	24.7	8.8
Total, excluding mineral fuels	0.1	-0.1	-1.0	-1.4	-1.2

The non-ferrous metals index was down 4.3%, a second consecutive sharp decline. Prices for aluminium materials and concentrates of the main base metals fell, while precious metal prices were up marginally.

For further information, order *Industry Price Indexes* (catalogue number 62-011) or contact *Prices Division* at (613) 951-9607.

Decline in Retail Trade Moderated by Gasoline Prices

Preliminary estimates indicate that seasonally adjusted retail sales decreased 0.3% in October to \$16.1 billion. While sales figures have fluctuated during the first ten months of 1990, on average they have decreased by 0.1% per month. In October, sales declined in ten of the 16 major trading groups.

Motor vehicle and recreational vehicle dealers' sales fell by 3.3%, a fourth consecutive drop. A 0.8% decrease in supermarket and grocery stores sales followed fluctuating but generally increasing sales since the beginning of the year. Sales of women's clothing stores continued to fall, having declined, on average, by 0.7% per month since April, compared to an average monthly increase of about 1.1% in the first quarter.

Offsetting these decreases was a sharp gain by service stations (10.7%), driven mostly by higher gasoline prices. Excluding service stations, retail sales declined 1.1% in October.

Retail Trade

	June	July	Aug.	Sept.	Oct.
	% change, previous month				
Grocery stores & supermarkets	0.2	1.9	-0.1	0.7	-0.8
Service Stations	-1.5	1.1	0.7	-2.2	10.8
Motor vehicle dealers	1.7	-0.8	-1.8	-1.6	-3.3
All stores	0.8	0.4	-0.2	-0.3	-0.3

Sales declined in seven provinces in October, ranging from 3.0% in New Brunswick to 0.3% in Alberta. Gains were reported in Nova Scotia (0.5%), British Columbia (0.3%) and Saskatchewan (0.2%). Combined, the Yukon and Northwest Territories recorded an increase of 2.8%.

For further information, order *Retail Trade* (catalogue number 63-005) or contact *Industry Division* at (613) 951-3552.

Earnings Growth Stable

In October, average weekly earnings for all employees in the industrial aggregate posted an year-over-year increase of 5.2%. Industrial aggregate employment was 2.1% lower than in October 1989.

In the goods-producing industries, the year-over-year growth in earnings was 5.5%, somewhat slower than the average for the previous seven months (5.9%). Earnings in construction recorded the highest growth rate (6.8%) of all goods-producing industries. Employment in goods-producing industries was down 8.6% from October

1989. While all industries contributed to this decline, manufacturing accounted for almost three-quarters of the drop.

In service-producing industries, the year-over-year increase in earnings was 5.9% in October, accelerating compared to the average of the previous eight months (5.6%) and to the 1989 annual average of 4.8%. The year-to-date earnings growth in non-commercial services (5.6%) indicated a strong acceleration relative to last year's annual average (3.6%). On the other hand, growth in earnings in

(continued on page 5)

... Earnings Growth Stable

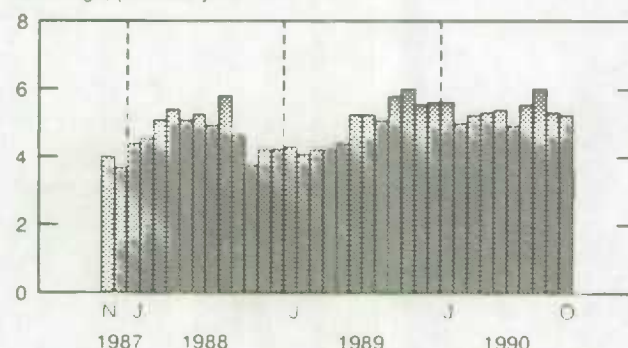
commercial services (5.0%) decelerated for a sixth consecutive month, led by the slowdown observed in services to business management. Employment in service-producing industries was marginally higher than the October 1989 level, as declines in commercial services were offset by increases in non-commercial services.

In the goods-producing industries, employees paid by the hour worked an average of 38.8 hours per week, slightly lower than last year (39.2 hours) and earned on average \$15.51 per hour. In service-producing industries, hourly-paid employees worked on average 28.2 hours, in line with the average workweek last year and earned \$11.52 per hour.

For further information, order *Employment, Earnings and Hours* (catalogue number 72-002) or contact Labour Division by phone at (613) 951-4090 or by FAX at (613) 951-4087.

Average Weekly Earnings

% change, previous year



Wholesale Trade Continues to Fall

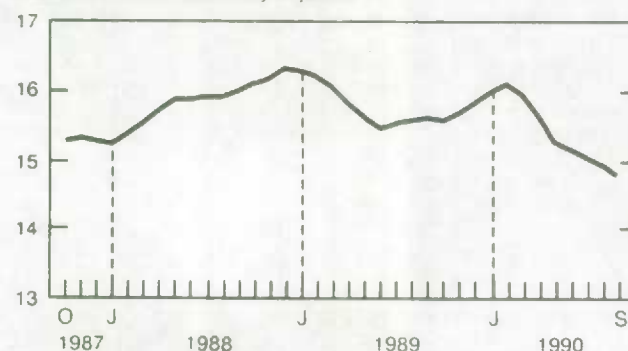
Seasonally adjusted sales of wholesale merchants fell by 1% in September to \$14.8 billion, a level 8.2% lower than February's.

Seven of the nine major groups posted declines in September. Sales of wholesalers of farm machinery fell by 3.7%, the sixth consecutive decline. Sales of other machinery declined 1.5% to \$3.3 billion, contributing to a total cumulative drop of 15.5% from February's level. Sales by wholesalers of lumber and building materials dropped by 2.9% to \$1.4 billion, a level 13.5% lower than in November 1989. Sales of metals, hardware, plumbing and heating equipment have declined by a total of 20.2% since February. Wholesalers of other products (farm and paper products; agricultural supplies; industrial and household chemicals; etc.) saw their sales decline by 1.5%.

Declines were registered everywhere except in Yukon, the Northwest Territories and Newfoundland. In the other nine provinces, declines ranged from 4.0% in Nova-Scotia to 0.1% in Quebec.

Wholesale Trade

Billions of dollars, seasonally adjusted



For further information, order *Wholesale Trade* (catalogue number 63-008) or contact Industry Division at 951-3540.

Number of Unemployment Beneficiaries Up

The seasonally adjusted number of beneficiaries receiving regular unemployment insurance benefits rose by 3.7% to 1 million persons in October. This increase followed two consecutive declines. However, the number of beneficiaries has followed a generally rising trend since mid-1989.

The seasonally adjusted number of beneficiaries receiving regular benefits decreased 2.2% in the Yukon, and 1.2% in the Northwest Territories.

There was practically no change in Newfoundland. The number of beneficiaries increased 6.8% in Ontario, 3.7% in Manitoba and Alberta, and less in the other provinces.

Total benefit payments (adjusted for seasonal variations and the number of working days) increased 3.9% to \$1.2 billion, and the number of benefit weeks advanced 4.0% to 5.0 million.

For further information, order *Unemployment Insurance Statistics* (catalogue number 73-001) or contact Labour Division, by phone at (613) 951-4044 or by FAX at (613) 951-4087.

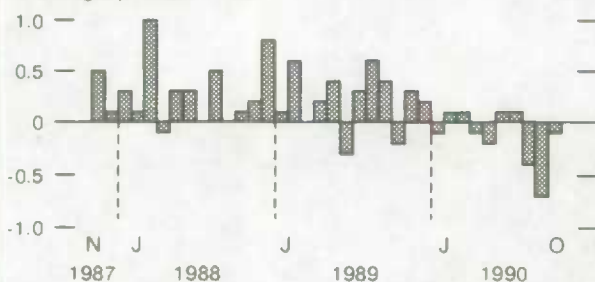
PUBLICATIONS RELEASED FROM DEC. 21, 1990 TO JAN. 4, 1991

Division/Publication title	Period	Catalogue Number	Price: Issue/Subscription		
			Canada (\$Cdn.)	United States	Other Countries
				\$US	
BALANCE OF PAYMENTS					
Canadian Balance of International Payments	Third Quarter 1990	67-001	27.50/110	33/132	38.50/154
EDUCATION, CULTURE AND TOURISM					
Education Statistics Bulletin – The Elementary-Secondary Teaching Force: Growth in the 80s, Vol. 12, No. 8	1988-1989	81-002	4.90/49	5.90/59	6.90/69
INDUSTRIAL ORGANIZATION AND FINANCE					
Corporations and Labour Unions Return Act: Part II – Labour Unions	1988	71-202	34	41	48
INDUSTRY					
Coal and Coke Statistics	September 1990	45-002	10/100	12/120	14/140
Construction Type Plywood	October 1990	35-001	5/50	6/60	7/70
Corrugated Boxes and Wrappers	November 1990	36-004	5/50	6/60	7/70
Electric Lamps (Light Bulbs and Tubes)	November 1990	43-009	5/50	6/60	7/70
Gypsum Products	November 1990	44-003	5/50	6/60	7/70
Mineral Wool Including Fibrous Glass Insulation	November 1990	44-004	5/50	6/60	7/70
Monthly Production of Soft Drinks	November 1990	32-001	2.70/27	3.20/32	3.80/38
Monthly Survey of Manufacturing	October 1990	31-001	17.30/173	20.80/208	24.20/242
New Motor Vehicle Sales	February 1990	63-007	14.40/144	17.30/173	20.20/202
Oil Pipe Line Transport	September 1990	55-001	10/100	12/120	14/140
Production and Disposition of Tobacco Products	November 1990	32-022	5/50	6/60	7/70
Specified Domestic Electrical Appliances	November 1990	43-003	5/50	6/60	7/70
INTERNATIONAL TRADE					
Imports by Commodity	October 1990	65-007	55.10/551	66.10/661	77.10/771
LABOUR AND HOUSEHOLD SURVEYS					
The Changing Profile of Canadian Families with Low Income	1970-1985	13-602	30	36	42
SERVICES, SCIENCE AND TECHNOLOGY					
Restaurant, Caterer and Tavern Statistics	July 1990	63-011	6.10/61	7.30/73	8.50/85
Science Statistics Service Bulletin, Vol. 14, No. 9					
The Provincial Research Organizations	1989	88-001	7.10/71	8.50/85	9.90/99
TRANSPORTATION					
Air Carrier Operations in Canada	October-December 1989	51-002	24.25/97	29/116	34/136
Aviation Statistics Centre Service Bulletin	December 1990	51-004	9.30/93	11.20/112	13/130

CURRENT TRENDS*

Gross Domestic Product

% change, previous month



Real Gross Domestic Product at factor cost slid a further 0.1% in October after dropping 0.7% in September and 0.4% in August.

Composite Leading Indicator

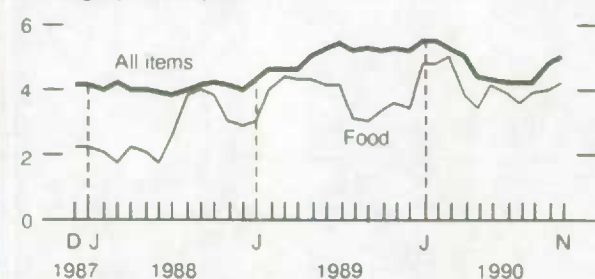
% change, previous month



In September, the composite leading indicator fell by 0.5%, the eighth consecutive drop.

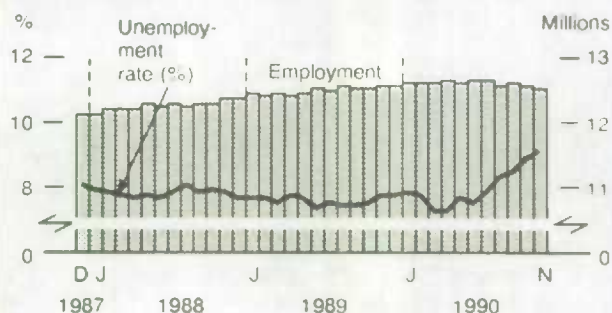
Consumer Price Index

% change, previous year



In November, the Consumer Price Index posted a year over year rise of 5.0%, slightly higher than the increase registered in October.

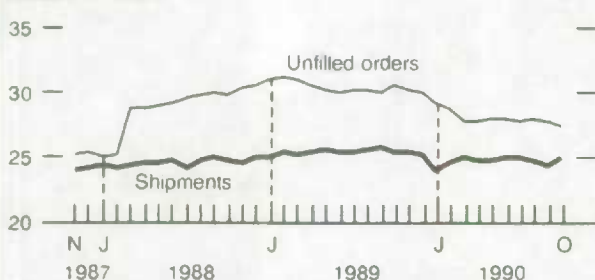
Unemployment Rate and Employment



Employment fell 0.5% in November, contributing to a cumulative drop of 1% since August. The unemployment rate was at 9.1%.

Manufacturing

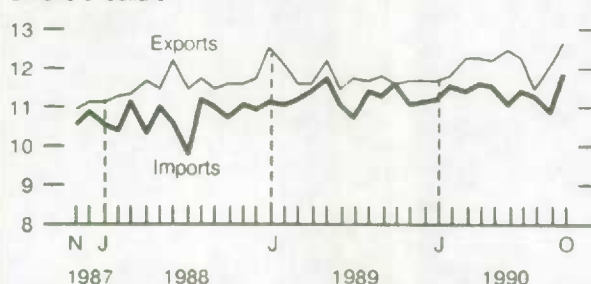
Billions of dollars



Manufacturing shipments increased by 2.6% in October. Unfilled orders continued to decline.

Merchandise Trade

Billions of dollars



In October, exports increased to the highest level in the last ten years, while imports registered a record level.

*All series are seasonally adjusted except the consumer price index

LATEST MONTHLY STATISTICS

	Period	Level	Change Previous Period	Change Previous Year
GENERAL				
Gross Domestic Product (\$ billion, 1986)	October*	506	-0.1%	-0.7%
Composite Leading Indicator (1981 = 100)	September	142.4	-0.5%	-1.7%
Profits of Industrial Corporations (\$ billion)	3rd Q	5.2	13.6%	-29.5%
DOMESTIC DEMAND				
Retail Trade (\$ billion)	October*	16.1	-0.3%	-0.5%
New Motor Vehicle Sales ('000 units)	October	101	-5.4%	-14.4%
LABOUR				
Employment (millions)	November	12.5	-0.5%	-0.5%
Unemployment Rate (%)	November	9.1	0.3	1.4
Participation Rate (%)	November	66.9	-0.2	-0.3
Labour Income (\$ billion)	September	32.1	0.3%	6.8%
Average Weekly Earnings (\$)	October*	522.80	0.6%	5.2%
INTERNATIONAL TRADE				
Merchandise Exports (\$ billion)	October	12.7	4.7%	9.0%
Merchandise Imports (\$ billion)	October	11.9	9.1%	2.4%
Merchandise Trade Balance (\$ billion)	October	0.8	-0.4	0.8
MANUFACTURING				
Shipments (\$ billion)	October	24.9	2.6%	-1.6%
New Orders (\$ billion)	October	24.6	2.2%	-5.0%
Unfilled Orders (\$ billion)	October	27.3	-1.6%	-10.5%
Inventory/ Shipments Ratio	October	1.50	-0.03	-0.01
Capacity Utilization (%)	3rd Quarter	78.0	-1.1	-5.5
PRICES				
Consumer Price Index (1986 = 100)	October	121.9	0.6%	5.0%
Industrial Product Price Index (1986 = 100)	November*	110.6	0.1%	1.7%
Raw Materials Price Index (1986 = 100)	November*	131.5	3.1%	24.2%
New Housing Price Index (1986 = 100)	October	138.1	-0.9%	-3.8%

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

* New this week.

KEY RELEASE CALENDAR: JANUARY 1991*

Monday	Tuesday	Wednesday	Thursday	Friday
			3 Industrial Product Price Index, November Raw Materials Price Index, November	4
7	8 Composite Leading Indicator, October	9 New Motor Vehicle Sales, November Help-Wanted Index, December	10 New Housing Price Index, November	11 Labour Force Survey, December Labour Income, October
14 Farm Product Price Index, November	15	16 International Travel, November	17 Survey of Manufacturing, November	18 International Trade, November Industrial Corporations: Financial Statistics, Third Quarter (final data)
21 Financial Institutions: Financial Statistics, Third Quarter	22 The Consumer Price Index, December	23 Retail Trade, November Wholesale Trade November	24 Department Store Sales and Stocks, November	25 Security Transactions with Non-residents, November
28	29 Industrial Product Price Index, December Raw Materials Price Index, December Building Permits, November	30 Employment, Earnings and Hours, November Unemployment Insurance Statistics, November Crop Reporting Series No 1, Grain Stocks, December 31	31 Gross Domestic Product, Factor Cost by Industry, November	

I·N·F·O·M·A·T

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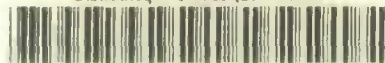
Senior Editor: Greg Thomson (613) 951-1116
Editor: Yves Saint-Pierre (613) 951-1197

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