



IN·F·O·M·A·T

A WEEKLY REVIEW

Friday, October 11, 1991

OVERVIEW

■ Downturn in New Motor Vehicle Sales

Sales of all new motor vehicles dropped 11.9% in August, breaking the forward momentum which began in April.

■ Demand for Labour Falls

The Help-wanted Index fell five points in September to a level of 72.

■ Slight Fall in New Housing Prices

The New Housing Price Index for Canada decreased 0.2% in August to a level of 134.4.

■ Little Change in Wages and Salaries

The seasonally adjusted estimate of wages and salaries for July was virtually unchanged (-0.1%) from June.

■ Leading Indicator: Increase Accelerates

The composite leading indicator advanced 1.2% in July, the fourth consecutive monthly increase.

■ Sharp Drop in Sales of Refined Petroleum Products

Seasonally adjusted sales of refined petroleum products dropped 7.2% in August following a 5.7% increase in July.

■ Year-over-year Increase in CPI Expected to be 5.7%

The Short-term Expectations Survey mean forecast of the year-over-year change in the Consumer Price Index for September is 5.7%, slightly lower than the 5.8% actual value registered for August.

■ Western Provinces Hold the Highest Provincial Homicide Rates

Saskatchewan reported the highest provincial homicide rate in 1990, the first time since 1982, followed closely by Manitoba and British Columbia.

Downturn in New Motor Vehicle Sales

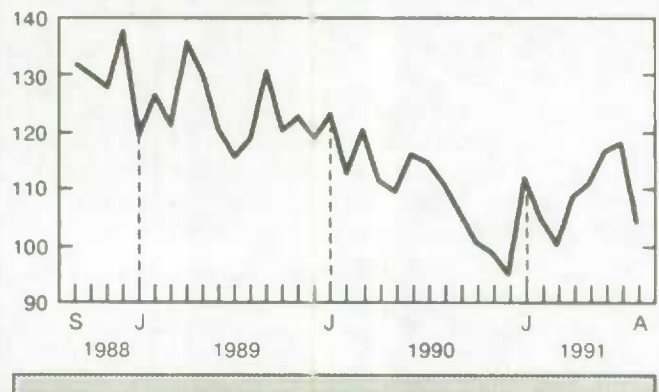
Seasonally adjusted sales of all new motor vehicles totalled 104,000 units in August, a sharp decline of 11.9% from the revised July figure. The August drop in new motor vehicle sales marked a break from the forward momentum which began in April.

In August, passenger car sales fell 12.8%. Sales of North American passenger cars decreased by 16.7% to a level of 46,000 units. Following a 1.3% advance in July, imported passenger cars dropped 4.5%, bringing the number of units sold to 25,000. Truck sales also posted a decrease in August (-9.8%).

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

Sales of New Motor Vehicles

Seasonally adjusted, thousands of units



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Demand for Labour Falls

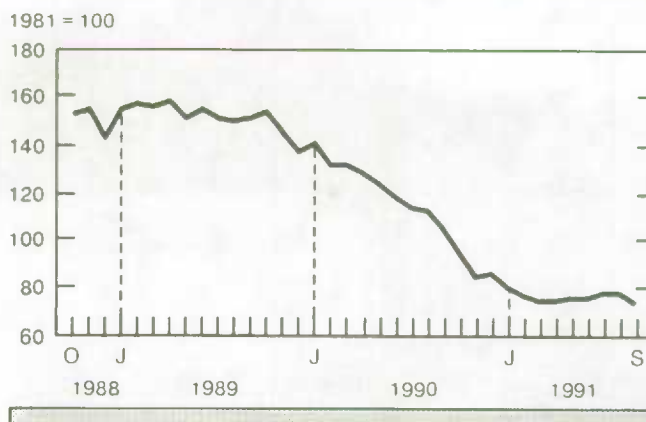
In September, the seasonally adjusted Help-wanted Index (1981 = 100), which serves as an indicator of the demand for labour, fell five points to a level of 72. After reaching a peak of 157 in April 1989, the Help-wanted Index started a decline which accelerated in 1990. The trend slowed and the index stabilized at 75 in the second quarter of 1991. The rise to 77 in July and August was offset by a five-point decrease in September, leaving the third quarter average of the Help-wanted Index virtually at the same level as in the first two quarters of the year.

Help-wanted Index (1981 = 100)

Seasonally Adjusted - September, 1991

	Index	% change, previous month	% change, previous year
Canada	72	-6.5	-30.8
Atlantic	109	-4.4	-31.4
Quebec	82	-1.2	-26.8
Ontario	67	-9.5	-33.0
Prairies	47	-13.0	-39.0
British Columbia	81	-1.2	-30.2

Help-wanted Index, Canada



The Help-wanted Index decreased in all regions in September: 13% in the Prairie provinces (to 47 from 54), 9% in Ontario (to 67 from 74), and 4% in the Atlantic provinces (to 109 from 114). In British Columbia and Quebec, the index declined one point, to 81 and 82 respectively.

For further information, contact Labour Division at (613) 951-4039.

Slight Fall in New Housing Prices

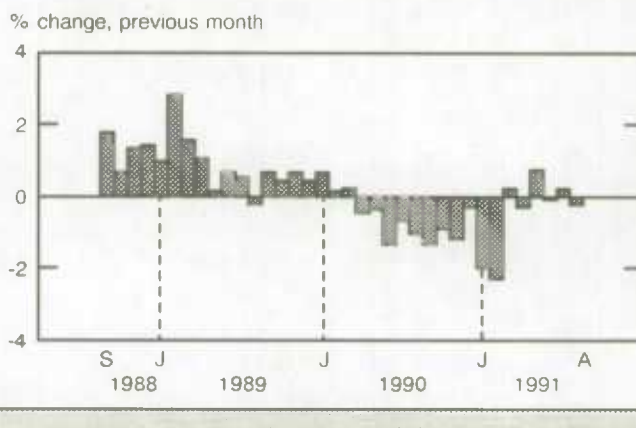
The New Housing Price Index (1986 = 100) for Canada stood at 134.4 in August, down 0.2% from the revised July index of 134.7. Out of the 20 cities included in the Canada composite index, only seven registered declines and eight showed no change.

The index for Toronto posted the largest drop (-0.7%), bringing the total decline for the last 12 months to 14.1%. In Hamilton, the index fell 0.6%, the fifth straight monthly decrease, while Winnipeg, St. Catharines and Niagara declined 0.3%. The index for Ottawa-Hull has been falling since February and recorded a further 0.2% decrease in August, while the Montreal, Sudbury and Thunder Bay indexes were also down 0.1%.

London recorded the largest monthly increase in August (0.7%), followed closely by Regina and Calgary (each 0.5%) and Edmonton (0.4%).

The estimated House Only Index decreased 0.2% while the Land Only Index declined 0.1%. The index of Canadian housing contractors selling prices now stands 6.1% lower than the year-earlier level. Toronto was mainly responsible for this downward movement.

New Housing Price Index



For further information, contact Prices Division at (613) 951-9607.

Little Change in Wages and Salaries

The seasonally adjusted estimate of wages and salaries has been weak for two months, following strong growth in May of 0.7% and 0.6% in April.

Seven of the 14 groups registered declines in July. The largest fall in wages and salaries was recorded in local administration (-1.5%). Wages and salaries in transportation, communications and other utilities were down 1.0%, while manufacturing and commercial and personal services both fell 0.5%.

Wages and Salaries, July

Seasonally Adjusted

Province	Wages and Salaries (millions of \$)	% change, previous month	% change, previous year
Canada	28,968	-0.1	3.0
Newfoundland	384	0.8	1.4
Prince Edward Island	86	0.5	0.4
Nova Scotia	721	-0.4	1.0
New Brunswick	574	-0.4	4.4
Quebec	6,516	0.3	2.2
Ontario	12,638	-0.2	2.7
Manitoba	908	-0.7	-1.3
Saskatchewan	709	-0.3	0.9
Alberta	2,775	-0.4	4.6
British Columbia	3,452	-0.1	5.0

Leading Indicator: Increase Accelerates

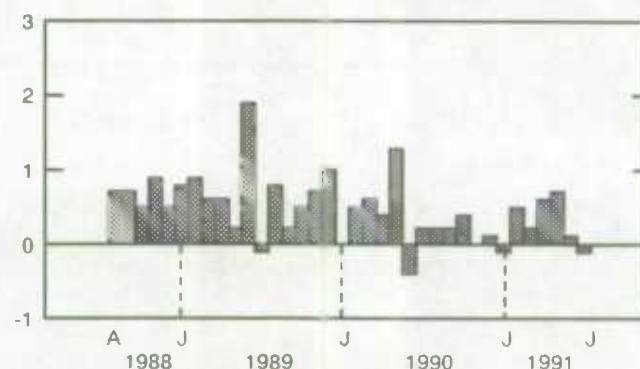
The composite leading indicator jumped 1.2% in July, the fourth consecutive monthly increase. (The leading indicator is designed to track emerging trends in the Canadian economy.) All 10 components rose for the first time in six years with the strongest gain recorded for consumer durable goods, which lagged behind the other components earlier in the year.

Housing demand continued to grow rapidly, up 6.0%, and contributed to the first rise in furniture and appliance sales this year (0.2%). Even though labour income was sluggish in July, lower prices could account for the increase in sales of other durable goods (1.4%), with sales shifting from cars to other goods.

The growth of new orders for durable goods slowed from 1.8% in June to 1.4% in July, as export demand remained restrained. This weakness accompanied a drop in business services employment which accounted for the slowdown in overall services employment. The ratio of shipments to finished goods inventory edged up 0.03 points. The

Wages and Salaries

% change, previous month



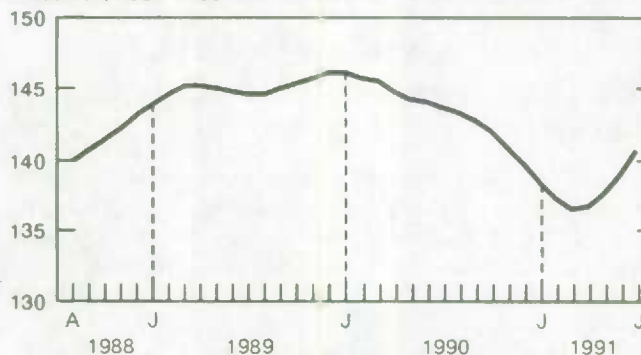
These decreases were offset by gains in other industries. Wages and salaries in finance, insurance and real estate climbed 1.3% in July, the fourth straight monthly increase, while health and welfare services posted an increase of 0.9%.

In July, most provinces registered little change in wages and salaries compared to June. The exceptions were Newfoundland (+0.9%), Manitoba (-0.7%) and the Yukon, Northwest Territories and Abroad (-2.3%).

For further information, contact Labour Division at (613) 951-4051.

Composite Leading Indicator

Smoothed, 1981 = 100



increase in shipments came partly from higher production, which in turn raised the average workweek to 37.7 hours, the second straight monthly rise after nearly two years of declines.

(continued on page 4)

... Leading Indicator: Increase Accelerates

The Toronto stock exchange index rose 1.2% in July, while the real money supply edged up 0.3%. The financial market indicators had recorded gains of 1.4% and 0.2%, respectively, in June.

For further information, order the Canadian Economic Observer (catalogue number 11-010) or contact the Current Economic Analysis Division at (613) 951-3627. (See also "Current Trends" chart on page 6.)

Sharp Drop in Sales of Refined Petroleum Products

Preliminary estimates indicate that the seasonally adjusted sales of refined petroleum products dropped in three of the four major components, lowering the total sales by 7.2% in August to 6.5 million cubic metres (m³).

Sales of heavy fuel oil showed a 12.2% decrease, diesel fuel oil fell 8.8% and motor gasoline moved down 6.5%. Light fuel oil registered the only increase at 11.9% over July.

For further information contact Industry Division at (613) 951-3562.

Year-over-year Increase in CPI Expected to be 5.7%

Since April 1990, Statistics Canada has been canvassing a small number of economists for their monthly forecasts of the year-over-year change in the Consumer Price Index, the unemployment rate, the nominal merchandise exports and imports (replacing the trade balance) and, introduced to participants for the first time, the monthly change in the Gross Domestic Product.

The mean forecast of the year-over-year increase in the CPI for September is 5.7%, with minimum and maximum values of 5.5% and 6.2%, respectively. In August, the mean forecast was equal to the actual change (5.8%).

The unemployment rate is expected to be between 10.0% and 10.7% in September, with a mean forecast of 10.5%. Last month, a mean forecast of 10.4% underestimated the actual figure by 0.2%.

The survey showed \$11,879 million as the mean forecast for merchandise exports in August, with minimum and maximum values of \$11,500 million and \$12,500 million. For imports, the forecast for the same period was \$11,155 million with minimum and maximum values of \$10,500 million and \$12,000 million, respectively.

Gross Domestic Product was forecast to have changed by 0.2% between July and August, with minimum and maximum rates of 0.0% and 0.6%.

For further information contact Diane Lachapelle at (613) 951-0568.

Western Provinces Hold the Highest Provincial Homicide Rates

In 1990, Saskatchewan reported the highest provincial homicide rate at 3.60 offences per 100,000 population, followed closely by Manitoba and British Columbia, both at 3.51, and Alberta (3.0). Newfoundland is the only province that had no homicides.

In 1990, there were 656 homicides in Canada, one less than in 1989. A preliminary estimate of the homicide rate in the United States in 1990 revealed a rate of 9.51, almost four times that of the Canadian rate (2.47).

Among Canada's 25 major metropolitan areas, Regina had the highest homicide rate (4.72), followed by Saskatoon (4.39). By order of importance, the following cities had homicide rates higher than the Canadian average: Sudbury, Chicoutimi-Jonquière, Edmonton, Vancouver, Montreal, Winnipeg, Victoria and Calgary.

For further information, order Juristat Service Bulletin (catalogue number 85-002) or contact the Canadian Centre for Justice Statistics at (613) 951-9023.

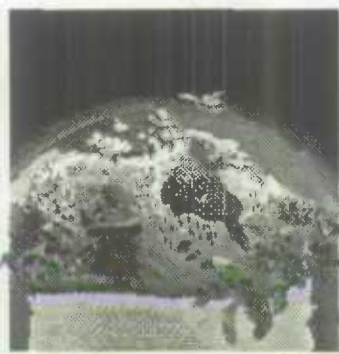
PUBLICATIONS RELEASED FROM OCTOBER 4 TO 10, 1991

Division/title	Period	Catalogue Number	Price: Issue/Subscription		
			Canada (\$Cdn.)	United States	Other Countries
				\$US	
AGRICULTURE					
The Dairy Review	July 1991	23-001	12.20/122	14.60/146	17.10/171
EDUCATION, CULTURE AND TOURISM					
Heritage Institutions	1988-89	87-207	30	36	42
ENVIRONMENT AND WEALTH ACCOUNTS					
Human Activity and the Environment	1991	11-509E	35	42	49
INDUSTRY					
Electric Power Statistics	July 1991	57-001	10/100	12/120	14/140
Refined Petroleum Products	June 1991	45-004	18.20/182	21.80/218	25.50/255
INTERNATIONAL TRADE					
Exports by Country	January-June 1991	65-003	82.75/331	99.25/397	115.75/463
Imports by Commodity	July 1991	65-007	55.10/551	66.10/661	77.10/771
INVESTMENT AND CAPITAL STOCK					
Capacity Utilization Rates in Canadian Manufacturing Industries	Second Quarter 1991	31-003	11/44	13.25/53	15.50/62
JUSTICE					
Juristat: Homicide in Canada	Vol. 11 No. 15 1990	85-002	3.60/90	4.30/108	5/126

NEW FROM STATISTICS CANADA



Human Activity and the Environment 1991



Human Activity and the Environment 1991

Statistics Canada announces the release of *Human Activity and the Environment 1991*, the third edition of Statistics Canada's compendium of environmental statistics.

Environmental issues are one of the most important Canadian concerns. *Human Activity and the Environment 1991* provides an authoritative source of information linking the human population and its socio-economic activity to the environment.

The book contains 152 tables, 80 figures and 37 maps covering a wide range of topics. The value of this information for environmental analysis is increased by showing information for drainage basins and ecological zones.

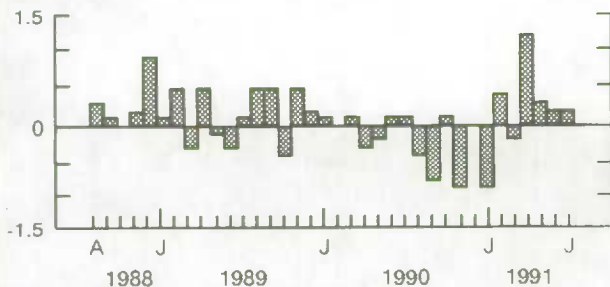
The third edition of *Human Activity and the Environment* (11-509E, \$35) is now available.

For further information on this release, contact Kirk Hamilton (613-951-8585), Yvan Gervais (613-951-3833) or Doug Trant (613-951-3765), Environment and Wealth Accounts Division.

CURRENT TRENDS

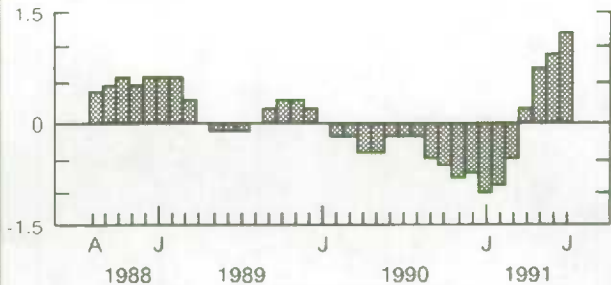
Gross Domestic Product

% change,
previous month



Composite Leading Indicator

% change,
previous month



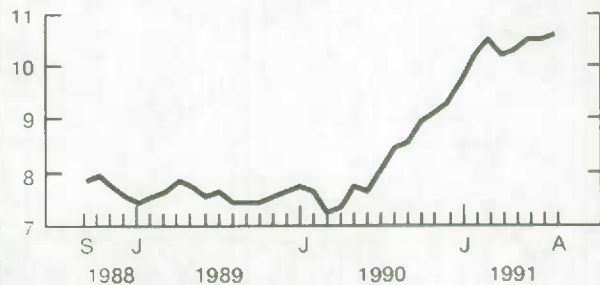
Consumer Price Index

% change,
previous year



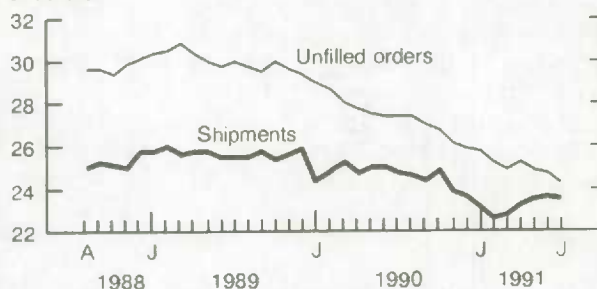
Unemployment Rate

%



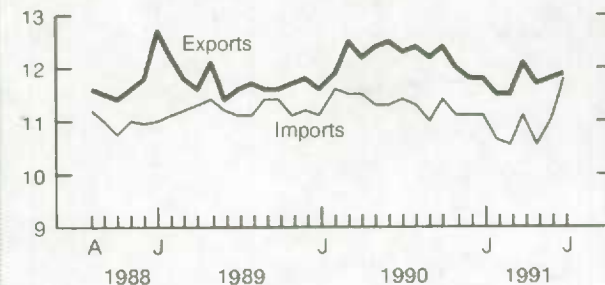
Manufacturing

Billions
of dollars



Merchandise Trade

Billions
of dollars



Note: 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)	July	506	0.2%	-0.7%
Composite Leading Indicator (1981 = 100)	July*	140.5	1.2%	-2.2%
Profits of Industrial Corporations (\$ billion)	2nd Quarter	11.8	0.0%	-26.7%
DOMESTIC DEMAND				
Retail Trade (\$ billion)	July	15.1	0.0%	-5.3%
New Motor Vehicle Sales ('000 units)	August*	103.7	-11.9%	-6.3%
LABOUR				
Employment (millions)	August	12.3	-0.2%	-1.8%
Unemployment Rate (%)	August	10.6	0.1	2.2
Participation Rate (%)	August	66.4	-0.1	-0.6
Labour Income (\$ billion)	July*	32.4	0.5%	3.5%
Average Weekly Earnings (\$)	July	543.70	0.1%	5.5%
INTERNATIONAL TRADE				
Merchandise Exports (\$ billion)	July	11.9	0.1%	-3.7%
Merchandise Imports (\$ billion)	July	11.8	7.0%	3.4%
Merchandise Trade Balance (\$ billion)	July	0.06	-0.76	-0.86
MANUFACTURING				
Shipments (\$ billion)	July	23.4	-0.3%	-5.2%
New Orders (\$ billion)	July	22.9	-2.2%	-7.4%
Unfilled Orders (\$ billion)	July	24.1	-2.3%	-11.6%
Inventory/ Shipments Ratio	July	1.53	0.00	0.00
Capacity Utilization (%)	2nd Quarter	71.3	1.2	-5.6
PRICES				
Consumer Price Index (1986 = 100)	August	126.9	0.1%	5.8%
Industrial Product Price Index (1986 = 100)	August	107.9	-0.4%	-1.3%
Raw Materials Price Index (1986 = 100)	August	103.7	0.9%	-5.1%
New Housing Price Index (1986 = 100)	August*	134.4	-0.2%	-6.1%

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

* New this week.

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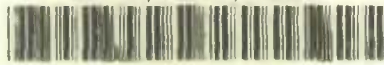
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