



IN·F·O·M·A·T

A WEEKLY REVIEW

Friday, December 13, 1991

DEC 13 1991

LIBRARY
BIBLIOTHÈQUE

OVERVIEW

■ Capacity Utilization Rate Edges Up

In the third quarter of 1991, capacity utilization in the manufacturing sector edged up 1.4 % to 72.0%.

■ New Housing Prices Remain Unchanged for the Second Consecutive Month

In October, the New Housing Price Index for Canada stood at 134.4, unchanged from the level posted in August and September.

■ Wages and Salaries Post Modest Decline

In September, seasonally adjusted wages and salaries edged down 0.1%, following seven consecutive monthly increases.

■ New Motor Vehicle Sales Hit Eight-year Low

Sales of new motor vehicles fell to an eight-year low in October. Lower sales were posted for both passenger cars and commercial vehicles.

■ Little Change in Unemployment

Employment fell by 49,000 in November, while 45,000 left the labour force. This left the unemployment rate at 10.3, unchanged from the level observed in October.

■ Demand for Labour Weak

In November, the Help-wanted Index for Canada remained at 70, unchanged from the level posted in October.

■ Lower Cattle and Hog Prices Push Down Farm Product Price Index

The Farm Product Price Index fell to 91.8 in October, its lowest level since July 1979, largely due to lower cattle and hog prices.

This issue also contains information on **RRSPs** and investment statistics and on social mobility in Canada.

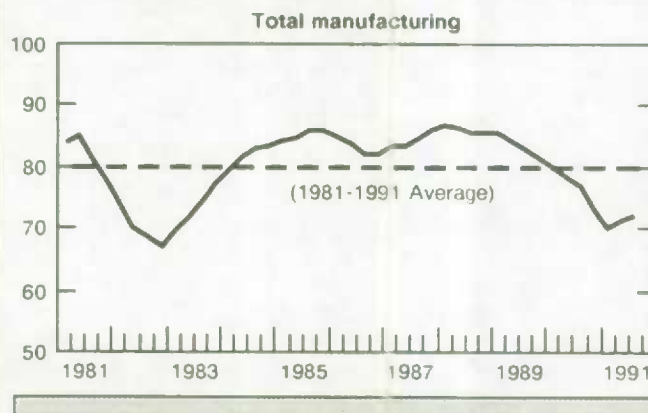
Capacity Utilization Rate Edges Up

Capacity utilization in the manufacturing sector edged up to 72.0% in the third quarter of 1991 from 71.0% in the second quarter. This marks only the second gain since the first quarter of 1989. A comparison of utilization rates posted since the first quarter of 1981 shows that the rate of 72.0% is still well below the 79.8% average for the period.

In the durable goods industries, the capacity utilization rate rose 2.1% in the third quarter to 69.6%. Of the nine industry groups, all but the machinery industries posted increased rates. With residential construction activity expanding, capacity utilization advanced 3.5% in the wood industries and 2.1% in the non-metallic mineral products industries. The furniture and fixtures industries increased 2.5% in the third quarter, following a 1.6% gain in the second quarter. Rising exports of metals and automobiles led to increases of 5.4% in the primary metals industries and 2.7% in the transportation equipment

(continued on page 2)

Capacity Utilization Rates



Statistics
Canada

Statistique
Canada

Canada

... Capacity Utilization Rate Edges Up

industries. There was only a small increase (0.8%) in the electrical and electronic products industries while the utilization rate actually dropped by 8.9% in the machinery industries.

Capacity utilization in the non-durable goods manufacturing industries advanced 0.8% in the third quarter to 74.7%. This represents the first turnaround from a steady decline started in the second quarter of 1988. As goods production continued to grow, the manufacture of intermediate goods increased. Capacity utilization rates increased in the primary textiles industries (4.7%),

in the rubber products industries (4.0%) and in the plastic products industries (1.6%). Weak consumer expenditures produced mixed results: capacity utilization rates in the beverage and food industries were up 3.7% and 0.4%, respectively, and also advanced in the clothing industries (2.0%); however, in the leather and allied industries, the rate fell 4.2%.

For further information, order Capacity Utilization Rates in Canadian Manufacturing Industries (catalogue number 31-003), or contact Investment and Capital Stock Division at (613) 951-9685.

New Housing Prices Remain Unchanged for the Second Consecutive Month

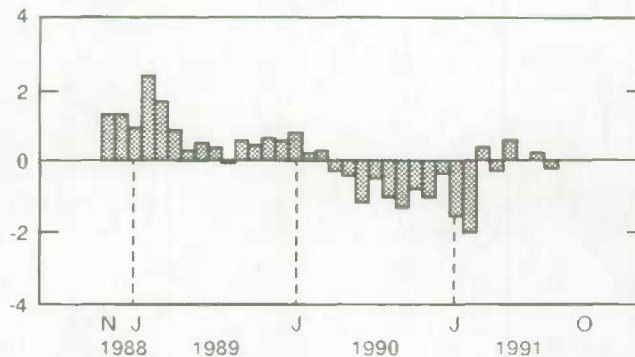
The New Housing Price Index (1986=100) for Canada has shown virtually no change over the last six months. In October, the index remained at 134.4, unchanged from the level posted in August and September. Of the 20 cities included in the Canada composite index, four remained unchanged, six advanced and 10 registered decreases.

The index for Victoria posted the largest drop (-1.1%), followed by Sudbury-Thunder Bay (-0.5%), Hamilton (-0.4%), Quebec City and Toronto (both -0.3%), while the largest monthly increases were recorded in Vancouver (+0.7%) and Regina (+0.4%).

The estimated House Only Index edged up 0.1% to 125.6 and the Land Only Index decreased 0.2% to 160.6. The index of Canadian housing contractors' selling prices now stands 4.1% lower than the year-earlier level. Toronto, which accounts for over one-third of the weight in the Canada index, was mainly

New Housing Price Index

% change, previous month



responsible for this downward movement with a yearly decrease of 11.2% since October 1990.

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

Wages and Salaries Post Modest Decline

In September, seasonally adjusted wages and salaries edged down 0.1% from the revised August figure to a level of \$29.2 billion. This decline follows seven straight monthly increases. But the decline was not widespread: of the 14 industry groups, eight registered gains.

The largest increase in wages and salaries was recorded in local administration (3.3%), followed by provincial administration (1.0%) and by finance, insurance and real estate (1.0%). The next largest percentage changes were posted in the mines, quarries and oil wells industry (0.6%) and in the trade industry (0.4%).

Wages and Salaries, September 1991

Seasonally Adjusted

Province	Wages and Salaries (millions of \$)	% change, previous month	% change, previous year
Canada	29,233	-0.1	3.4
Newfoundland	385	-2.1	2.4
Prince Edward Island	87	-1.7	0.0
Nova Scotia	727	-0.6	2.1
New Brunswick	583	0.4	5.0
Quebec	6,567	0.2	2.4
Ontario	12,756	-0.3	3.6
Manitoba	926	1.1	-0.4
Saskatchewan	724	0.4	3.0
Alberta	2,812	-0.1	5.0
British Columbia	3,501	0.7	5.0

(continued on page 3)

... Wages and Salaries Post Modest Decline

Offsetting these increases were lower wages and salaries in six industries. Due to the labour dispute with the Public Service Alliance of Canada, federal administration posted a drop of 7.2% in September. Excluding the impact of this work stoppage, wages and salaries in federal administration increased by 0.5%. Declines were also registered in construction (-1.2%), transportation, communications and other utilities (-0.4%) and in the manufacturing industries (-0.3%).

Half of the 10 provinces posted increases in September. Higher wages and salaries were registered in Manitoba and British Columbia while Newfoundland and Prince Edward Island recorded the largest declines. (See accompanying table.)

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

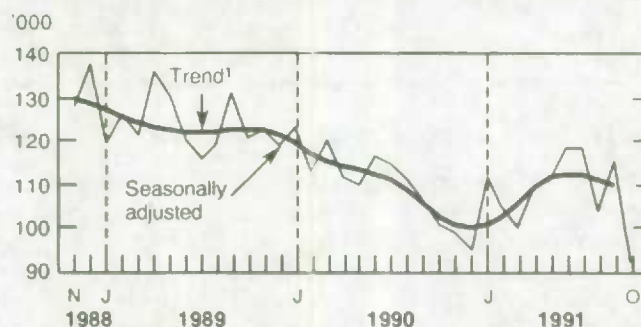
New Motor Vehicle Sales Hit Eight-year Low

Seasonally adjusted new motor vehicle sales fell 19.8% in October to 92,000 units, the lowest level in over eight years. This decline contrasts with the surge in sales a month earlier.

In October, lower sales were registered for both passenger cars and commercial vehicles. Passenger car sales dropped by 18.5% to 62,000 units in October. The decline was based on a decrease of 22.3% in North American-built car sales and a fall of 11.3% in imported car sales. Commercial vehicle sales were down to a six-year low at 30,000 units. The 22.3% decrease posted in October followed a 16.1% rise in September.

For further information, order *New Motor Vehicle Sales* (catalogue number 63-007), or contact Industry Division at (613) 951-3551.

Sales of New Motor Vehicles, Canada,
Seasonally Adjusted, in Units



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

Little Change in Unemployment

As a large number of individuals left the labour force in November (-45,000) and employment fell by 49,000, unemployment posted a moderate rise of 4,000.

The decline in employment affected those 25 years and over but was mainly attributable to men (-27,000). Part-time employment fell by 37,000, posting the third decrease in four months. Employment in manufacturing dropped by 35,000, followed by services (-11,000). Employment declined by 1.8% in Alberta, with smaller decreases in Nova Scotia (-1.1%), British Columbia (-0.6%), Quebec (-0.4%) and Ontario (-0.3%). Newfoundland and Saskatchewan recorded increases, 2.5% and 0.7%, respectively. There was little or no change noted in the other provinces.

The unemployment rate remained at 10.3 in November, unchanged from the level observed in October. For persons aged 25 and over, the unemployment rate edged up 0.1 percentage points to 9.1 while the rate for persons between 15 and 24 years old remained unchanged at 16.0. The level of unemployment increased by 12,000 in Quebec and by 9,000 in Alberta. The unemployment rate declined in four of the 10 provinces, increased in four and remained unchanged in Ontario and Saskatchewan.

For further information, order *The Labour Force* (catalogue number 71-001) or contact Household Surveys Division at (613) 951-4720. (See also "Current Trends" chart on page 8.)

(see *Provincial Perspectives* on page 4)

PROVINCIAL PERSPECTIVES

Labour Force Survey Results for November 1991

	Labour Force		Employment		Unemployment	
	'000	% change previous month	'000	% change, previous month	'000	Rate (%)
Canada	13,765	-0.3	12,341	-0.4	1,424	10.3
Newfoundland	245	0.8	204	2.5	41	16.7
Prince Edward Island	63	-1.6	52	0.0	10	16.7
Nova Scotia	420	-0.9	367	-1.1	53	12.6
New Brunswick	325	-1.2	283	-0.7	42	12.9
Quebec	3,395	0.0	2,990	-0.4	405	11.9
Ontario	5,274	-0.3	4,769	-0.3	505	9.6
Manitoba	538	-1.1	491	-0.4	47	8.7
Saskatchewan	483	0.6	447	0.7	36	7.5
Alberta	1,352	-1.0	1,232	-1.8	120	8.9
British Columbia	1,669	-0.5	1,504	-0.6	165	9.9

Demand for Labour Weak

In November, the Help-wanted Index for Canada (1981=100), which serves as an early indicator of labor demand, remained unchanged from its October level of 70. After reaching a peak of 157 in April 1989, the index started a decline which accelerated in 1990. The trend slowed in 1991 and the index reached 75 in the second quarter before decreasing again at the end of the third quarter.

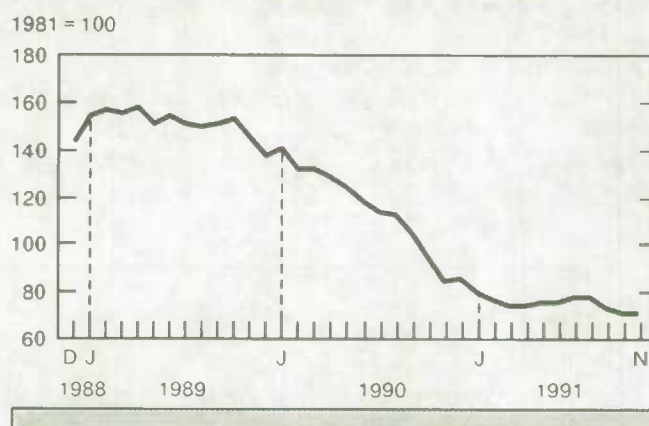
The Help-wanted Index for Quebec posted a 6.1% advance to reach 87 in November, its highest level since May. The Prairie provinces index was up

Help-wanted Index (1981 = 100)

Seasonally Adjusted - November, 1991

	Index	% change, previous month	% change, previous year
Canada	70	0.0	-16.7
Atlantic	99	-6.6	-20.2
Quebec	87	6.1	-12.1
Ontario	63	-4.5	-14.9
Prairies	51	4.1	-26.1
British Columbia	72	0.0	-22.6

Help-wanted Index, Canada



to 51. The 4.1% gain was the fourth increase in the past 12 months. The index decreased 6.6% to 99 in the Atlantic provinces, its lowest level since February 1985. The index also declined in Ontario; at 63, it fell to an eight-year low. British Columbia's index remained unchanged at 72 following an 11.1% decrease in October.

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

Lower Cattle and Hog Prices Push Down Farm Product Price Index

The Farm Product Price Index (1986=100) fell in October to 91.8, down 1.2% from the revised September level of 92.9. Both the crops and the livestock and animal products indexes declined.

Prices for cattle and hogs decreased in October, lowering the livestock and animal products index by 1.6% to 99.8. The livestock index registered declines in nine of the past 12 months, mainly due to falling hog prices. The hogs index fell 2.9% in October, the fourth straight monthly decrease, while the cattle

(continued on page 5)

... Lower Cattle and Hog Prices Push Down Farm Product Price Index

index declined 3.0%. Cattle prices, which have fallen steadily over the past five months, stood 6.5% lower than the May 1991 level.

The crops index fell 0.4% in October to a level of 78.9 as the oilseeds and potatoes indexes both declined by 1.9%. Potato prices tend to drop in the fall as supplies from the newly-harvested crop become available.

Provincially, the livestock and animal products index fell in eight of the 10 provinces, with the largest decreases posted in Newfoundland and Manitoba. For the crops index, eight provinces recorded declines compared to 10 in September.

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

The Farm Product Price Index

October, 1991

Province	Crops		Livestock and Animal Products	
	% change from		% change from	
	Sept. 1991	October 1990	Sept. 1991	October 1990
Canada	-0.4	-18.9	-1.6	-7.3
Newfoundland	-6.0	1.3	-4.0	-1.6
Prince Edward Island	-3.0	-0.5	-0.7	-4.5
Nova Scotia	-0.2	12.2	0.0	-5.5
New Brunswick	-9.2	1.8	-0.2	-6.3
Quebec	2.6	1.3	-1.8	-8.1
Ontario	-0.9	-3.9	-1.1	-9.6
Manitoba	1.6	-25.8	-3.4	-10.2
Saskatchewan	-0.5	-32.3	-1.8	-5.1
Alberta	-0.9	-26.1	-2.3	-4.3
British Columbia	-0.7	10.3	0.4	-2.5

RRSP Deposits Down in 1990

For the 1990 tax year, over four million Canadians deposited more than \$11.2 billion into registered retirement savings plans (RRSPs), a decrease of 15.8% or \$2.1 billion from 1989. Nearly 100,000 fewer Canadians made an RRSP contribution, a decline of 2.4% from 1989. The average size of contributions in 1990 was \$2,781 while the average age of the RRSP purchaser was 42.

The Northwest Territories recorded the highest percentage increase in the number of individuals contributing to an RRSP in 1990 (2.9%). Other increases were also recorded in Alberta (1.8%), the Yukon (1.7%), Prince Edward Island (1.0%), Newfoundland (0.6%) and New Brunswick (0.5%).

All the other provinces posted decreases with Ontario registering the sharpest drop (-4.6%).

For investors, the sum of their dividends plus interest income amounted to \$15.8 billion, a decrease of nearly \$166 million from 1989. The number of people receiving dividends declined by 6.7% for the 1990 tax year. The largest fall was recorded in Quebec (-8.5%), followed by Ontario (-7.9%) and Alberta (-7.0%).

Unlike investors, savers reported \$21.9 billion in interest income for the 1990 tax year, an increase of \$3.4 billion (18.6%) over 1989. A total of 7.9 million people, or 44% of all tax filers in Canada, reported interest income for 1990.

For further information contact the Small Area and Administrative Data Division at (613) 951-9721.

Social Mobility in Canada

The General Social Survey, a continuing program with a five-year cycle, has two principal objectives: to gather data on social trends in order to monitor changes in Canadian society over time; and to provide information on specific social policy issues. The second cycle of the survey, conducted in November and December of 1986, collected data on time use, social mobility and language knowledge and use. For the social mobility component, a sample of 16,390 persons aged 15 and over was interviewed in all 10 provinces.

Highlights on social mobility include:

- The chances of attaining a post-secondary education (at least some college or university) are twice as great for people whose parents had post-secondary education as for people whose parents did not go beyond grade 10.

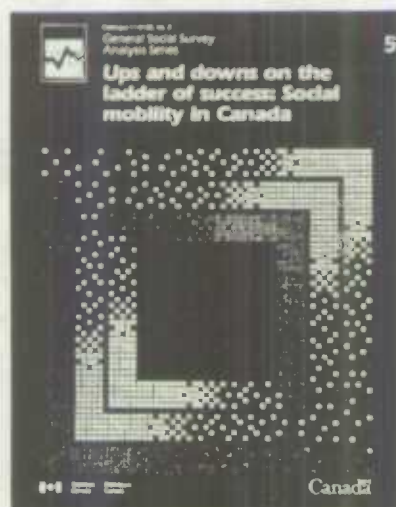
- Most Canadians experience occupational mobility in comparison to the occupations of their fathers. Only 12% of women and 26% of men experienced no mobility at all.
- There has been substantial upgrading of educational levels between generations: 48% of parents, but only 14% of their children have not gone past grade 8. Only 16% of parents have had at least some post-secondary education compared with 43% of their children.
- Women in the labour force, both Canadian- and foreign-born, have a higher average number of years of schooling than men.
- A person's first job in the labour market is principally influenced by their level of education. Parental education and occupation have little direct effect on labour market entry.

For further information, order *Ups and Downs on the Ladder of Success: Social Mobility in Canada* (catalogue number 11-612E) or contact Family and Social Statistics Division at (613) 951-4995.

PUBLICATIONS RELEASED FROM DECEMBER 6 TO 12, 1991

Division/title	Period	Catalogue Number	Price: Issue/Subscription		
			Canada (\$Cdn.)	United States	Other Countries
			\$US		
EDUCATION, CULTURE AND TOURISM					
Travel-log – Older Canadians: A Market of Opportunity	Fall 1991	87-003	10.50/42	12.50/50	14.75/59
HOUSEHOLD SURVEYS					
Labour Force Information	For the week ended November 16, 1991	71-001P	6.30/63	7.60/76	8.80/88
HOUSING, FAMILY AND SOCIAL STATISTICS					
Canadian Social Trends	Winter 1991	11-008E	8.50/34	10/40	12/48
Ups and Downs on the Ladder of Success: Social Mobility in Canada	October 1991	11-612E	40	48	56
INDUSTRY					
Cement	October 1991	44-001	5/50	6/60	7/70
Department Store Sales and Stocks	July 1991	63-002	14.40/144	17.30/173	20.20/202
Electric Power Statistics	September 1991	57-001	10/100	12/120	14/140
Factory Sales of Electric Storage Batteries	October 1991	43-005	5/50	6/60	7/70
Footwear Statistics	October 1991	33-002	5/50	6/60	7/70
Industrial Chemicals and Synthetic Resins	October 1991	46-002	5.60/56	6.70/67	7.80/78
New Motor Vehicle Sales	April 1991	63-007	14.40/144	17.30/173	20.20/202
Oil Pipeline Transport	1990	55-201	22	26	31
Production and Shipments of Blow-Moulded Plastic Bottles	Quarter ended September 30, 1991	47-006	6.75/27	8/32	9.50/38
Quarterly Shipments of Office Furniture Products	Quarter ended September 30, 1991	35-006	6.75/27	8/32	9.50/38
Retail Trade	September 1991	63-005	18.20/182	21.80/218	25.50/255
Specified Domestic Electrical Appliances	October 1991	43-003	5/50	6/60	7/70
Wholesale Trade	September 1991	63-008	14.40/144	17.30/173	20.20/202
INDUSTRY MEASURES AND ANALYSIS					
Gross Domestic Product by Industry	September 1991	15-001	12.70/127	15.20/152	17.80/178
INTERNATIONAL TRADE					
Exports by Commodity	September 1991	65-004	55.10/551	66.10/661	77.10/771
Imports by Country	January-September 1991	65-006	82.75/331	99.25/397	115.75/463
LABOUR					
Unemployment Insurance Statistics	September 1991	73-001	14.70/147	17.60/176	20.60/206
SERVICES, SCIENCE AND TECHNOLOGY					
Indicators of Science and Technology	1990	88-002	18/72	21.50/86	25.25/101
Restaurant, Caterer and Tavern Statistics	August 1991	63-011	6.10/61	7.30/73	8.50/85
TRANSPORTATION					
Passenger Bus and Urban Transit Statistics	September 1991	53-003	7.10/71	8.50/85	9.90/99

NEW FROM STATISTICS CANADA



General Social Survey Analysis Series – Ups and Downs on the Ladder of Success: Social Mobility in Canada

Ups and Downs on the Ladder of Success: Social Mobility in Canada (11-612E, No.5, \$40) presents analysis of the General Social Survey (Cycle 2) which focused, in part, on the social mobility of Canadians. The analysis was conducted by researchers from the University of British Columbia.

The study of social mobility is concerned with the relationship between parents' education and occupations and those of their children, as well as the relationship between a person's first and subsequent jobs. Social mobility has been a topic of academic research in Canada and many other countries, although in Canada a national social mobility survey had not been conducted since 1973. In response to demands for more current data, Statistics Canada added several questions on this subject to its 1986 General Social Survey (GSS).

For highlights from this publication contact Neil Guppy (604-822-3670).



Travel-log – Older Canadians: A Market of Opportunity Fall 1991

The Fall issue of *Travel-log*, Statistics Canada's quarterly tourism newsletter is now available.

This entire issue features an in-depth look at older Canadians and their travel habits. Some highlights from this issue are as follows:

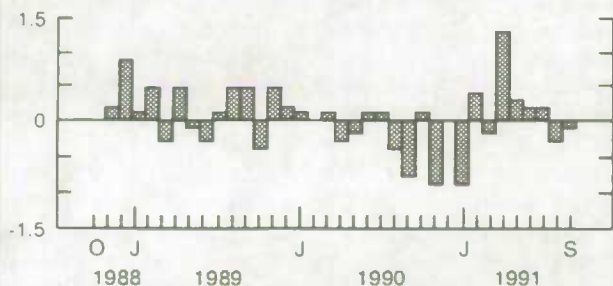
- Older adults are exploring international destinations at a faster rate than the rest of Canadians;
- Canadians aged 55 and over have increased their leisure trips within Canada over the decade, versus a 2% decline for all other ages;
- Hotels have benefitted the most from increased travel activity among the older set, while campgrounds have welcomed fewer seniors.

The Fall issue of *Travel-log – Touriscope* (87-003, \$10.50/\$42) is now available. For further information on this release, contact Laurie McDougall (613-951-9169), Education, Culture and Tourism Division.

CURRENT TRENDS

Gross Domestic Product

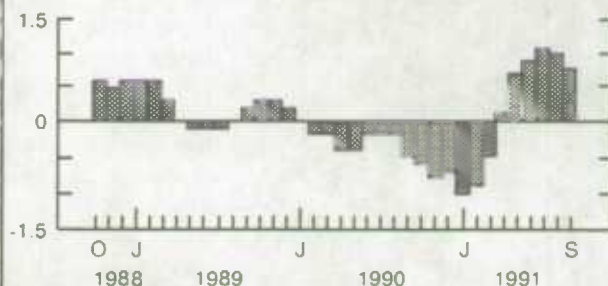
% change,
previous month



GDP at factor cost slipped 0.1% in September. Service-producing industries posted a 0.3% decrease but goods-producing industries advanced 0.4%.

Composite Leading Indicator

% change,
previous month



The composite leading indicator continued to advance in September, rising 0.8%, the sixth straight monthly increase.

Consumer Price Index

% change,
previous year



In October, the all-items CPI fell 0.2%, similar to the drop posted in September, and the food index continued to decline (-0.8%).

Unemployment Rate

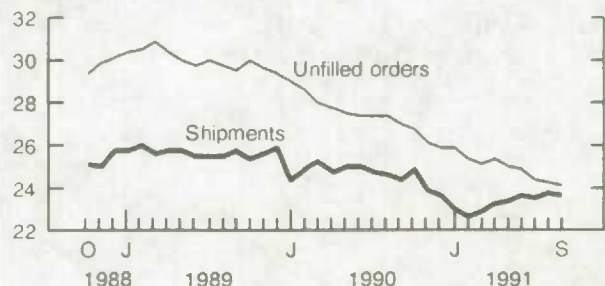
%



The unemployment rate remained at 10.3 in November, unchanged from the level observed in October.

Manufacturing

Billions
of dollars



Canadian manufacturers' shipments slipped 0.4% in September to \$23.5 billion. Unfilled orders continued their two-year decline.

Merchandise Trade

Billions
of dollars



In September, imports climbed 4.6% to \$11.9 billion while exports fell 6.9% to \$11.6 billion, reducing the trade balance by \$1.4 billion.

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)	September	505	-0.1%	0.1%
Composite Leading Indicator (1981 = 100)	September	142.9	0.8%	0.2%
Profits of Industrial Corporations (\$ billion)	3rd Quarter	13.0	10.0%	-22.2%
DOMESTIC DEMAND				
Retail Trade (\$ billion)	September	15.0	0.8%	-5.6%
New Motor Vehicle Sales ('000 units)	October*	92.1	-19.8%	-8.4%
LABOUR				
Employment (millions)	November*	12.3	-0.4%	-1.2%
Unemployment Rate (%)	November*	10.3	0.0	1.2
Participation Rate (%)	November*	66.0	-0.3	-0.8
Labour Income (\$ billion)	September*	32.6	0.0%	4.0%
Average Weekly Earnings (\$)	September	544.92	-0.3%	4.7%
INTERNATIONAL TRADE				
Merchandise Exports (\$ billion)	September	11.6	-6.9%	-5.0%
Merchandise Imports (\$ billion)	September	11.9	4.6%	8.0%
Merchandise Trade Balance (\$ billion)	September	-0.3	-1.4	-0.88
MANUFACTURING				
Shipments (\$ billion)	September	23.5	-0.4%	-3.1%
New Orders (\$ billion)	September	23.4	-0.3%	-2.1%
Unfilled Orders (\$ billion)	September	24.0	-0.6%	-11.0%
Inventory/ Shipments Ratio	September	1.49	0.0	-0.09
Capacity Utilization (%)	3rd Quarter*	72.0	1.4	-6.4
PRICES				
Consumer Price Index (1986 = 100)	October	126.5	-0.2%	4.4%
Industrial Product Price Index (1986 = 100)	October	107.6	0.0%	-2.7%
Raw Materials Price Index (1986 = 100)	October	102.6	0.0%	-17.7%
New Housing Price Index (1986 = 100)	October*	134.4	0.0%	-4.1%

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

* New this week.

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: Louise Larouche (613) 951-1197

R.H. Coats Building, Tunney's Pasture, Ottawa, Ontario
K1A 0T6.

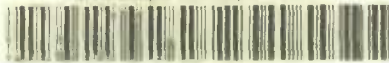
Catalogue: 11-002E. Price: Canada: \$2.50 per issue, \$125.00 per year; United States: US\$3.00 per issue, US\$150.00 per year; Other Countries: US\$3.50 per issue, US\$175.00. Canadian customers please remember to add 7% GST. To subscribe: send money order or cheque payable to the Receiver General for Canada/Publication Sales, Statistics Canada, Ottawa, Ontario K1A 0T6. To order by telephone dial: 1-800-267-6677 within Canada or 613-951-7277 from all other countries.

Published by authority of the Minister responsible for Statistics Canada. © Minister of Industry, Science and Technology, 1991. All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without prior written permission from Chief, Author Services, Publications Division, Statistics Canada, Ottawa, Ontario, Canada K1A 0T6.

The paper used in this publication meets the minimum requirements of American National Standard for Information Sciences - Permanence of Paper for Printed Library Materials, ANSI Z39.48 - 1984.



Statistics Canada Library
Bibliothèque Statistique Canada



1010078647