



IN·F·O·M·A·T

A WEEKLY REVIEW

Friday, February 14, 1992

OVERVIEW

■ Manufacturers' Shipments Decline

Canadian manufacturers' shipments decreased 0.7% in December after no change in November. Unfilled orders continued to decline.

■ New Housing Prices Remain Unchanged

The New Housing Price Index for Canada stood at 133.9 in December, unchanged from the level posted in November.

■ Unemployment Rate Edges Up

In January, the unemployment rate edged up to 10.4 after remaining at 10.3 for three consecutive months.

■ New Motor Vehicles: 1991 Ends With Lower Sales

Sales of new motor vehicles dipped 0.7% in December. This decline contrasted with the sharp surge in sales (9.6%) posted a month earlier which followed the plunge in sales in October (-19.2%).

■ Declining Trend in Farm Product Prices Continues

The Farm Product Price Index fell 0.8% to a level of 90.2 in December, the seventh consecutive monthly decline.

Manufacturers' Shipments Decline

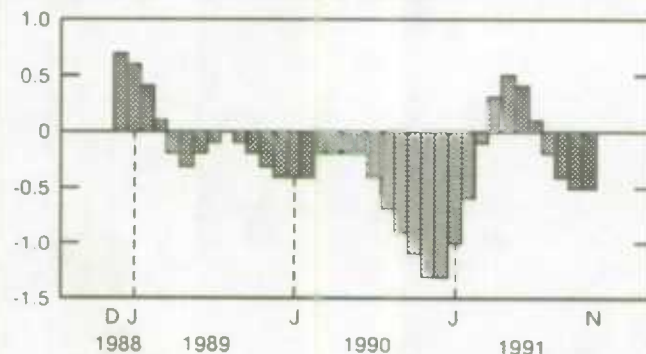
Canadian manufacturers' shipments totalled \$22.8 billion in December, a decrease of 0.7% from November. This represents the third decrease in the last four months. Of the 22 major groups, 12 recorded losses, with the largest declines reported in the refined petroleum and coal products industries (-4.9%) and the paper and allied products industries (-3.5%). This decrease was partly offset by a gain in transportation equipment industries (3.6%), notably motor vehicles.

Shipments amounted to \$276.6 billion in 1991, 5.9% lower than the value for 1990. Provincially, all provinces recorded decreases in shipments in 1991. In order of dollar value: Ontario (-5.2%), Quebec (-7.7%), British Columbia (-6.8%), Manitoba (-12.8%), and New Brunswick (-8.1%) posted the sharpest drops.

(continued on page 2)

Shipments

Monthly change in trend, seasonally adjusted



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



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... Manufacturers' Shipments Decline

The short-term trend for shipments increased from April to July then declined in the four most recent periods. The trend smooths out irregular month-to-month movements which are not sustained over a longer period.

After posting 11 consecutive monthly decreases, inventory levels for December fell 0.7% to \$34.2 billion. Lower levels were recorded in 14 of the 22 major groups with the steepest decreases in the primary metal (-2.9%) and the electrical and electronic products industries (-2.3%). The inventories-to-shipments ratio, at 1.50, showed no change for the fourth consecutive month.

Unfilled orders were down 0.9% to a level of \$23.6 billion, the eighth consecutive decline. Decreases in the transportation equipment (-1.2%) and the electrical and electronic products industries (-1.7%) were partially offset by small gains in several industries. Unfilled orders are the stock of orders which will generate future shipments, assuming that orders are not cancelled.

New orders decreased 0.8% to \$22.6 billion, the fourth decrease in a row.

For further information, order *Monthly Survey of Manufacturing* (catalogue number 31-001), or contact *Industry Division* at (613) 951-9832. (See also "Current Trends" chart on page 6.)

New Housing Prices Remain Unchanged

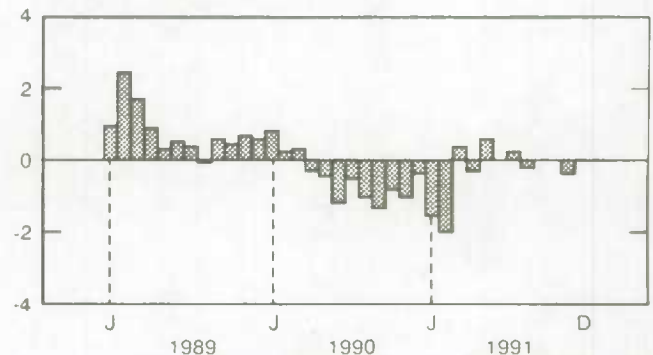
The New Housing Price Index for Canada (1986=100) has shown virtually no change over the last seven months. In December, the index remained at 133.9, unchanged from the level registered in November. Of the 20 cities included in the Canada composite index, 10 remained unchanged, five advanced and the remaining five recorded decreases.

The index for St. Catharines-Niagara posted the largest drop (-1.6%), its tenth decline in 12 months. Other declines included Hamilton (-0.5%), Victoria (-0.4%), Quebec City and Kitchener-Waterloo (both -0.1%). Prices for new houses in Ottawa-Hull increased by 0.5%, following a 0.5% decline in November. Housing prices went up by 0.3% in Calgary and by 0.2% in Halifax. In Toronto, prices advanced marginally, up 0.1%, the first increase since July. Compared to December 1990, the index for Toronto declined 10.0%.

The New Housing Price Index reflects the contractor's selling price, excluding the Goods and Services Tax (GST). Since January 1991, Prices Division has calculated an analytical index which follows more closely the purchaser's price. This index takes into consideration the GST and the federal sales tax rebates, although it has not been

New Housing Price Index

% change, previous month



adjusted for all possible costs, e.g. legal fees. In December, the analytical index was 139.5, unchanged from the Canada total level for November.

In December, the House Only Index slipped 0.1% to 124.9 and the Land Only Index increased 0.2% to 160.4.

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

Unemployment Rate Edges Up

The unemployment rate edged up 0.1% to 10.4 in January, after remaining at 10.3 throughout the fourth quarter of 1991. For persons aged 15 to 24, the unemployment rate rose 0.3% to 16.0 while the rate for those over 25 remained at 9.2. The number of unemployed women aged 15 to 24 increased by 12,000; the number of unemployed young men fell by 6,000. The level of unemployment advanced by 9,000 in Manitoba, 5,000 in Alberta, 3,000 in both Newfoundland and British Columbia but fell by 5,000 in Ontario.

As 4,000 persons left the labour force in January and employment fell by 13,000, unemployment posted a rise of 9,000. The decline in employment

affected those aged 15 to 24 and was mainly attributable to women (-16,000). Full-time employment decreased by 40,000, the third consecutive decline, and was concentrated among men (-37,000). Partly offsetting this decrease was a rise of 27,000 part-time jobs, also noted among men.

Employment was down by 22,000 in community, business and personal services, followed by construction (-14,000) and manufacturing (-9,000) but rose by 15,000 in public administration.

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 6.)

PROVINCIAL PERSPECTIVES

Labour Force Survey Results for January 1992

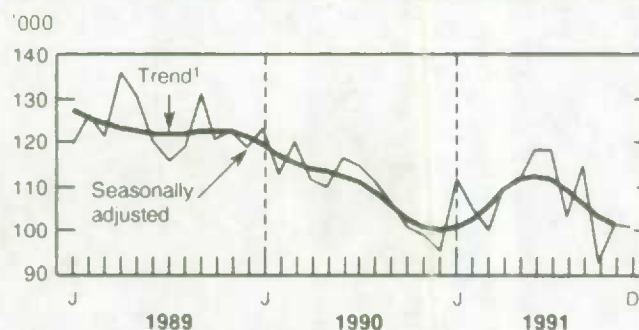
	Labour Force		Employment		Unemployment	
	'000	% change previous month	'000	% change, previous month	'000	Rate (%)
Canada	13,733	0.0	12,304	-0.1	1,429	10.4
Newfoundland	240	0.4	197	-1.0	43	17.9
Prince Edward Island	63	0.0	52	0.0	11	16.9
Nova Scotia	421	-0.5	370	-0.3	51	12.1
New Brunswick	328	-0.3	286	0.0	42	12.8
Quebec	3,369	-0.1	2,970	-0.1	399	11.8
Ontario	5,252	0.0	4,748	0.1	504	9.6
Manitoba	537	-0.2	484	-2.0	53	9.9
Saskatchewan	482	-0.2	448	0.0	34	7.1
Alberta	1,377	0.5	1,248	0.2	129	9.4
British Columbia	1,671	0.0	1,500	-0.3	171	10.2

New Motor Vehicles: 1991 Ends With Lower Sales

Seasonally adjusted new motor vehicle sales totalled 101,000 units in December, a 0.7% decline from the revised November figure. This small decrease contrasted with the sharp fluctuations of sales observed earlier in 1991 but did not reverse the underlying downward trend. The continuing decline is attributable to lower North American car sales.

Passenger car sales fell 1.4% to a level of 67,000 units in December after a rise of 8.2% in November. Sales of North American-built cars were 3.3% lower in December and totalled 42,000 units while sales of imported passenger cars were 2.1% higher and amounted to 24,000 units. This represents the second increase in a row for imported cars following a 10.3% drop in October. Commercial vehicle sales were up 0.7% to 34,000 units in December following a sharp rise of 12.5% in November.

Sales of New Motor Vehicles, Canada, in Units



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

For further information, order *New Motor Vehicle Sales* (catalogue number 63-007) or contact Industry Division at (613) 951-3559.

Declining Trend in Farm Product Prices Continues

In December, the Farm Product Price Index (1986=100) for Canada stood at 90.2, down 0.8% from the revised November level of 90.9. The index remained at its lowest level since 1979. The livestock and animal products index registered a decrease, while the crops index advanced moderately.

The livestock and animal products index fell 1.8% to 96.2 in December and stood 7.8% below the December 1990 level of 104.3. Decreases in cattle and hog prices more than offset stable prices for poultry, eggs and dairy products in December. As large supplies of red meats and poultry from the United States have pressured prices for beef and pork, the cattle index decreased 4.4% and the hogs index was down 2.0%. Cattle prices fell in five of the last six months while hog prices declined for the sixth straight month.

The crops index posted a gain of 1.5% in December, as the cereals, oilseeds and potatoes indexes strengthened slightly. The crops index stood 17.0% below the year-earlier level of 97.0, largely due to lower Canadian Wheat Board initial prices for wheat and barley.

The Farm Product Price Index
December, 1991

	Crops		Livestock and Animal Products	
	% change from		% change from	
	Nov. 1991	Dec. 1990	Nov. 1991	Dec. 1990
Canada	1.5	-17.0	-1.8	-7.8
Newfoundland	1.6	4.5	0.0	0.2
Prince Edward Island	0.5	0.5	-4.0	-9.0
Nova Scotia	-1.2	10.0	-0.6	-4.0
New Brunswick	1.4	5.3	0.1	-5.4
Quebec	14.1	12.3	0.3	-5.3
Ontario	1.0	-2.4	-1.8	-7.9
Manitoba	0.7	-24.0	-1.8	-11.7
Saskatchewan	0.8	-30.9	-3.3	-11.8
Alberta	-0.3	-24.4	-5.1	-10.4
British Columbia	-2.1	10.1	0.6	-0.6

For further information, order Farm Product Price Index (catalogue number 62-003) or contact Agriculture Division at (613) 951-0375.

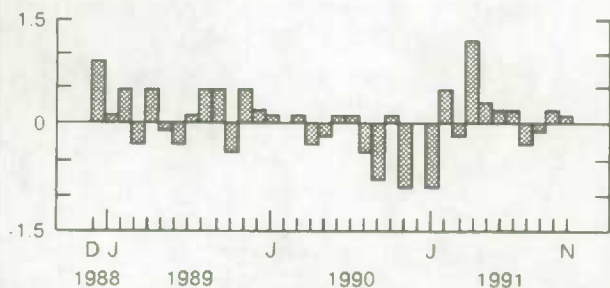
PUBLICATIONS RELEASED FROM FEBRUARY 7 TO 13, 1992

Division/title	Period	Catalogue Number	Price: Issue/Subscription		
			Canada (\$Cdn.)	United States	Other Countries
			\$US		
AGRICULTURE					
Cereals and Oilseeds Review	November 1991	22-007	13.80/138	16.60/166	19.30/193
BALANCE OF PAYMENTS					
Canada's International Transactions in Securities	November 1991	67-002	15.80/158	19/190	22.10/221
HOUSEHOLD SURVEYS					
Historical Labour Force Statistics	1991	71-201	67	80	94
Labour Force Information	For the week ended January 18, 1992	71-001P	6.30/63	7.60/76	8.80/88
INDUSTRY					
Crude Petroleum and Natural Gas Production	October 1991	26-006	10/100	12/120	14/140
Department Store Monthly Sales by Province and Metropolitan Area	November 1991	63-004	2.70/27	3.20/32	3.80/38
Electric Power Statistics	November 1991	57-001	10/100	12/120	14/140
Gas Utilities	October 1991	55-002	12.70/127	15.20/152	17.80/178
General Review of the Mineral Industries	1989	26-201	22	26	31
Industrial Chemicals and Synthetic Resins	December 1991	46-002	5/50	6/60	7/70
New Motor Vehicle Sales	August 1991	63-007	14.40/144	17.30/173	20.20/202
Oil Pipe Line Transport	November 1991	55-001	10/100	12/120	14/140
Pack of Processed Beans, Green and Wax	1991	32-238	13	16	18
Specified Domestic Electrical Appliances	December 1991	43-003	5/50	6/60	7/70
Wholesale Trade	November 1991	63-008	14.40/144	17.30/173	20.20/202
INDUSTRY MEASURES AND ANALYSIS					
Gross Domestic Product by Industry	November 1991	15-001	12.70/127	15.20/152	17.80/178
INTERNATIONAL TRADE					
Exports by Commodity	November 1991	65-004	55.10/551	66.10/661	77.10/771
Imports by Commodity	November 1991	65-007	55.10/551	66.10/661	77.10/771
JUSTICE					
Juristat Service Bulletin - Recidivism in Youth Courts	1990-91	85-002	3.60/90	4.30/108	5/126
LABOUR					
Unemployment Insurance Statistics	November 1991	73-001	14.70/147	17.60/176	20.60/206
PRICE					
Construction Price Statistics	Third Quarter 1991	62-007	18/72	21.50/86	25.25/101
SERVICES, SCIENCE AND TECHNOLOGY					
Telephone Statistics	1990	56-203	36	43	50
TRANSPORTATION					
Railway Carloadings	November 1991	52-001	8.30/83	10/100	11.60/116
Passenger Bus and Urban Transit Statistics	November 1991	53-003	7.10/71	8.50/85	9.90/99

CURRENT TRENDS

Gross Domestic Product

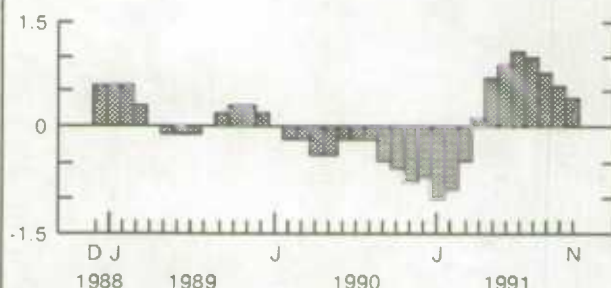
% change,
previous month



Real gross domestic product crept up 0.1% in November after a 0.2% gain in October.

Composite Leading Indicator

% change,
previous month



The growth in the composite leading indicator slowed from 0.6% in October to 0.4% in November.

Consumer Price Index

% change,
previous year



In December, the year-over-year increase in the all-items CPI stood at 3.8%, the lowest rate posted since July 1988, while the food index advanced 2.2%.

Unemployment Rate

%



In January, the unemployment rate edged up to 10.4 after remaining at 10.3 for three consecutive months.

Manufacturing

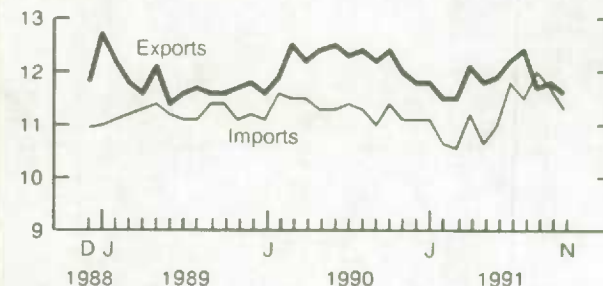
Billions
of dollars



Canadian manufacturers' shipments decreased 0.7% to \$22.8 billion in December and unfilled orders fell 0.9% to \$23.6 billion.

Merchandise Trade

Billions
of dollars



Both exports and imports posted declines in November. Exports fell 1.5% to \$11.6 billion while imports dropped 2.8% to \$11.3 billion.

LATEST MONTHLY STATISTICS

	Period	Level	Change Previous Period	Change Previous Year
GENERAL				
Gross Domestic Product (\$ billion, 1986)	November	506	0.1%	1.2%
Composite Leading Indicator (1981 = 100)	November	144.1	0.4%	2.4%
Profits of Industrial Corporations (\$ billion)	3rd Quarter	13.0	10.0%	-22.2%
DOMESTIC DEMAND				
Retail Trade (\$ billion)	November	14.8	0.7%	-6.0%
New Motor Vehicle Sales ('000 units)	December*	100.5	-0.7%	6.2%
LABOUR				
Employment (millions)	January*	12.3	-0.1%	-0.5%
Unemployment Rate (%)	January*	10.4	0.1	0.6
Participation Rate (%)	January*	65.7	-0.1	-0.8
Labour Income (\$ billion)	November	32.6	-0.1%	3.2%
Average Weekly Earnings (\$)	November	549.15	-0.3%	5.0%
INTERNATIONAL TRADE				
Merchandise Exports (\$ billion)	November	11.6	-1.5%	-3.3%
Merchandise Imports (\$ billion)	November	11.3	-2.8%	1.9%
Merchandise Trade Balance (\$ billion)	November	0.29	0.15	-0.61
MANUFACTURING				
Shipments (\$ billion)	December*	22.8	-0.7%	-3.0%
New Orders (\$ billion)	December*	22.6	-0.8%	-2.9%
Unfilled Orders (\$ billion)	December*	23.6	-0.9%	-8.8%
Inventory/ Shipments Ratio	December*	1.50	0.00	-0.12
Capacity Utilization (%)	3rd Quarter	72.0	1.4	-6.4
PRICES				
Consumer Price Index (1986 = 100)	December	126.4	-0.5%	3.8%
Industrial Product Price Index (1986 = 100)	December	107.6	0.1%	-3.1%
Raw Materials Price Index (1986 = 100)	December	101.3	-1.6%	-15.7%
New Housing Price Index (1986 = 100)	December*	133.9	0.0%	-3.2%

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

* New this week.

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A Weekly Review

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