



IN·F·O·M·A·T

A WEEKLY REVIEW

Friday, February 21, 1992

OVERVIEW

■ Higher Trade Balance in December

A much greater fall in imports than in exports caused Canada's trade balance to rise by \$400 million in December.

■ Farm Cash Receipts Continue to Decline

Farm cash receipts for January to December 1991 fell 1% compared to the same period a year earlier to \$21.3 billion, due to lower market receipts for both livestock and crops.

■ Fewer Visitors from Abroad in 1991 but More Canadians Visited the United States

The number of visitors on trips of one or more nights to Canada dropped by 2.2% for 1991 as a whole while Canadians took 9.9% more of such trips to the U.S.

■ Total Government Employment Decreases Marginally

Total government employment (excluding government business enterprises) averaged 1.2 million employees in the third quarter of 1991, a decrease of 0.2% from the same period in 1990.

■ Canadian Families' Spending Patterns Change

Canadians spent 12.6% of the family budget on food in 1990, down from 13.9% in 1986, and spent 22.3% on personal taxes, up from 19.9%.

Higher Trade Balance in December

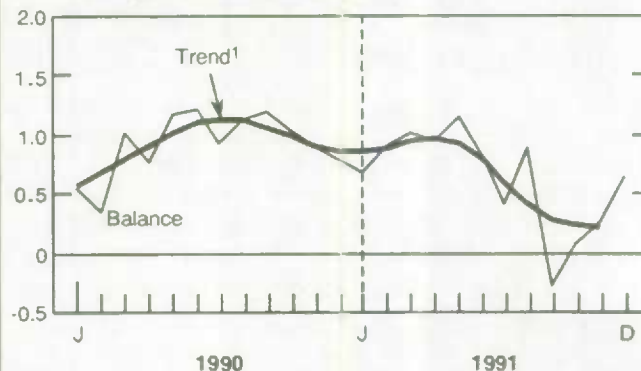
Both exports and imports posted declines in December but as imports fell faster than exports, the merchandise trade balance improved from \$233 million in November to \$636 million in December. The annual trade figures were not unlike those observed in December, as both exports and imports fell. However, the larger drop in exports during 1991 contributed to a reduction in the annual trade surplus from \$10.9 billion to \$7.4 billion.

The seasonally adjusted value of exports dropped by \$106 million to \$11.5 billion in December, their lowest level since March. This decline was led by a drop of \$238 million in exports to the United States. Contributing to the downward movement were aircraft and

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Merchandise Trade Balance

Billions of dollars, seasonally adjusted



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

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... Higher Trade Balance in December

automotive products, machinery and equipment excluding aircraft, energy products and forestry products. Exports of industrial goods and materials went up by \$138 million while exports of wheat increased by \$87 million.

In December, imports fell from \$11.4 billion to \$10.9 billion, the third consecutive monthly decline. Virtually all commodity groupings recorded decreases: machinery and equipment (-\$311

million), automotive products (-\$163 million), industrial goods and materials (-\$86 million) and energy products (-\$70 million). Smaller declines were posted for imports of forestry products and consumer goods.

For further information, order *Preliminary Statement of Canadian International Trade* (catalogue number 65-001P), or contact *International Trade Division* at (613) 951-9647. (See also "Current Trends" chart on page 7.)

Farm Cash Receipts Continue to Decline

Compared to the same period a year earlier, farm cash receipts for January to December 1991 fell 1% to \$21.3 billion due to lower market receipts for both livestock and crops. This was the second consecutive decline from the record level of \$22.5 billion reached in 1989. Higher direct program payments did not offset the lower crop and livestock receipts.

Declines in farm cash receipts were registered in six provinces, with New Brunswick reporting the largest drop (7%) due to lower potato receipts. Newfoundland, Saskatchewan and British Columbia registered increases ranging from 1% to 3% and Manitoba receipts remained unchanged.

Livestock receipts for 1991 dropped to \$10.7 billion from the record level of \$11.1 billion reported in 1990. The decline was attributable to lower hog, cattle and poultry receipts as dairy receipts remained unchanged.

Crop receipts were \$8.3 billion for 1991, down 3% from the level reported a year earlier. Lower Canadian Wheat Board payments, fewer liquidations of deferred grain receipts and lower receipts for barley and corn contributed to the decline.

Direct program payments rose 18% to \$2.3 billion in 1991. Payments under the newly established safety net programs - the Gross Revenue Insurance Plan (GRIP) and the Net Income Stabilization Account (NISA) - more than offset lower crop insurance and other (ad hoc) payments. The first GRIP payments, totalling \$795 million, reached producers during the last quarter of 1991.

For further information, order *Farm Cash Receipts* (catalogue number 21-001) or contact *Agriculture Division* at (613) 951-2441.

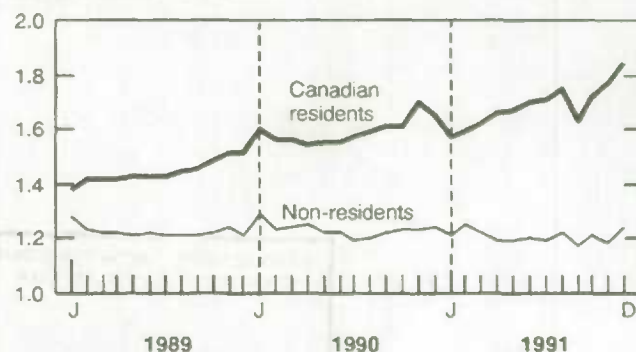
Fewer Visitors from Abroad in 1991 but More Canadians Visited the United States

During 1991, the number of travellers from the U.S. on overnight trips to Canada totalled 12.0 million, a drop of 1.8% from 1990 while comparable trips by residents of other countries decreased 1.7% to 2.9 million. For the latter group, this was the first yearly decline since 1985.

In 1991, a total of 59.1 million same-day automobile trips were taken by Canadians to the U.S., 14.0% higher than the level posted in 1990. Automobile trips of one or more nights by Canadian residents to the United States reached a level of 14.3 million, 17.5% more trips than in 1990, while the number of comparable trips by plane fell a record 11.7% to 3.6 million.

Trips of One or More Nights between Canada and Other Countries

Millions, seasonally adjusted



(continued on page 3)

... Fewer Visitors from Abroad in 1991 but More Canadians Visited the U.S.

In December, the seasonally adjusted number of foreign travellers on trips of one or more nights to Canada rose 5.8%, following a 3.1% decline in November. The number of visitors from the United States climbed 6.2% to 1.0 million, the largest gain posted in 1991, while the number of trips by residents of other countries increased by 4.3% to 250,000, the second largest increase of the year. But in comparison with 1990, the December figures fell by 0.3% for the former category and advanced by 0.7% for the latter group.

Same-day automobile visits by Canadian residents to the United States advanced 0.9% in December to a record level of 5.3 million trips and overnight trips by Canadians to the U.S. also peaked in December, increasing 7.8% to 1.4 million.

Overnight trips by Canadians to the U.S. (by all modes of travel) increased for the third straight month, up 6.4% to 1.8 million trips. Meanwhile, similar trips to other countries fell 3.9% to 245,000 trips.

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

Total Government Employment Decreases Marginally

In the third quarter of 1991, total government employment (excluding government business enterprises) was down 0.2% from the same period in 1990. This followed a year-over-year increase of 1.8% in the second quarter of 1991. Total government employment accounted for 9.8% of all employment in Canada.

The federal government employed 382,700 people, an unchanged level compared to the same period in 1990. This represented 3.0% of total Canadian employment and 30.7% of all government employment. Between 1985 and 1988, federal government employment declined at an annual average rate of 0.6% but from 1988 to 1990, employment advanced at an annual rate of 0.9% and returned to 1985 employment levels.

Provincial and territorial government employment averaged 505,300, a year-over-year decline of 1.4%. This component accounted for 4.0% of the total employment in Canada and 40.5% of all government employment.

Local governments employed 358,500 people in the third quarter of 1991, an advance of 1.3% from the same period in 1990. This employment accounted for 2.8% of the country's and 28.8% of the government's total employment.

Note to users

Government includes departments, agencies, boards, commissions, municipalities, and funds established and controlled by governments, public educational institutions, cultural facilities, hospitals and social agencies, and the bodies administering universal pension plans. Government business enterprises are organizations engaged in commercial operations. Such enterprises are similar in motivation to private business enterprises and are either in competition with private enterprises or they monopolize markets that would otherwise be serviced by the private sector.

Federal government business enterprise employment averaged 153,200 employees, a 2.0% decline from the previous year that was largely attributable to downsizing and layoffs in a limited number of enterprises. Provincial and territorial enterprises also employed an average of 156,100 people in the third quarter, a 5.8% year-over-year drop. But this was mostly due to the privatization of Alberta Government Telephones in October 1990.

For further information, contact Public Institutions Division at (613) 951-8306.

Canadian Families' Spending Patterns Change

The survey of family expenditures for 1990 was conducted in 17 metropolitan areas representing approximately half of all Canadian households. Results are based on information provided by 4,856 households. When compared to the 1986 data, results indicate that some shifts occurred in the distribution of total expenditure. The proportions of total expenditure on food and transportation decreased while the proportions on shelter and personal taxes increased.

The share for shelter out of total household expenditures increased from 16.7% in 1986 to 17.3% in 1990 while the share of personal taxes rose to 22.3% (up from 19.9% in 1986), continuing an upward trend.

Declines occurred in the share of food (from 13.9% to 12.6%), clothing (6.3% to 5.5%), transportation (12.5% to 11.8%), tobacco products and alcoholic beverages (3.1% to 2.7%) and household furnishings and equipment (3.3% to 3.0%).

Food, shelter and clothing represented 63.6% of total family expenditures for the lowest income group (under \$15,000) compared to 47.7% for the highest group (\$85,000 or more).

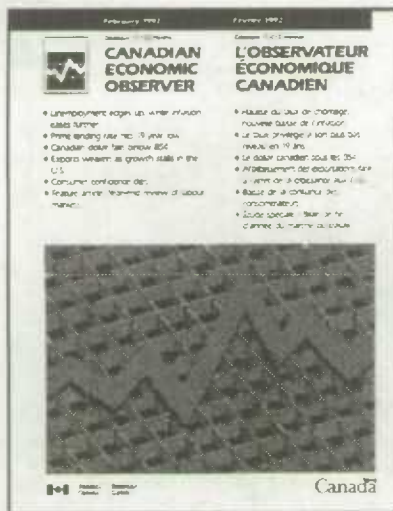
Expenditure patterns vary not only by income, but by family size and many other family characteristics. More complete information will be available in May 1992 in the publication *Family Expenditure in Canada, 17 Metropolitan Areas, 1990*, catalogue number 62-555.

For further information, contact Household Surveys Division at (613) 951-9781.

PUBLICATIONS RELEASED FROM FEBRUARY 14 TO 20, 1992

Division/title	Period	Catalogue Number	Price: Issue/Subscription		
			Canada (\$Cdn.)	United States	Other Countries
			\$US		
AGRICULTURE					
Farm Product Price Index	December 1991	62-003	7.10/71	8.50/85	9.90/99
CURRENT ECONOMIC ANALYSIS					
Canadian Economic Observer	February 1992	11-010	22/220	26/260	31/310
EDUCATION, CULTURE AND TOURISM					
Touriscope – International Travel	December 1991	66-001P	6.10/61	7.30/73	8.50/85
HOUSEHOLD SURVEYS					
Labour Force Annual Averages	1991	71-220	39	47	55
The Labour Force	January 1992	71-001	17.90/179	21.50/215	25.10/251
INDUSTRY					
Construction Type Plywood	December 1991	35-001	5/50	6/60	7/70
Footwear Statistics	December 1991	33-002	5/50	6/60	7/70
Monthly Survey of Manufacturing	December 1991	31-001	17.30/173	20.80/208	24.20/242
Oils and Fats	December 1991	32-006	5/50	6/60	7/70
Particleboard, Waferboard and Fibreboard	December 1991	36-003	5/50	6/60	7/70
Primary Iron and Steel	December 1991	41-001	5/50	6/60	7/70
Production and Shipments of Steel Pipe and Tubing	December 1991	41-011	5/50	6/60	7/70
Pulpwood and Wood Residue Statistics	December 1991	25-001	6.10/61	7.30/73	8.50/85
Refined Petroleum Products	November 1991	45-004	18.20/182	21.80/218	25.50/255
Retail Trade	November 1991	63-005	18.20/182	21.80/218	25.50/255
Steel Wire and Specified Wire Products	December 1991	41-006	5/50	6/60	7/70
INPUT-OUTPUT					
The Input-Output Structure of the Canadian Economy	1988	15-201	60	72	84
INTERNATIONAL TRADE					
Summary of Canadian International Trade	December 1991	65-001P	10/100	12/120	14/140
INVESTMENT AND CAPITAL STOCK					
Building Permits	November 1991	64-001	22.10/221	26.50/265	30.90/309
JUSTICE					
International Incarceration Patterns, Juristat Vol. 12, No. 3	1980-1990	85-002	3.60/90	4.30/108	5/126
LABOUR					
Estimates of Labour Income	July-September 1991	72-005	22.50/90	27.50/108	31.50/126
PRICES					
Industry Price Indexes	November 1991	62-011	18.20/182	21.80/218	25.50/255
TRANSPORTATION					
Aviation Statistics Centre Service Bulletin, Vol. 24, No. 2	February 1992	51-004	9.30/93	11.20/112	13/130
Surface and Marine Transport Service Bulletin, Vol. 7, No. 7		50-002	9.40/75	11.25/90	13.15/105

NEW FROM STATISTICS CANADA



The Canadian Economic Observer

The February issue of *Canadian Economic Observer*, Statistics Canada's flagship publication for economic statistics, is now available.

The February issue contains a monthly summary of the economy, major economic and statistical events in January, and a feature article on the year-end review of labour markets. A statistical summary contains a wide range of tables and graphs on the principal economic indicators for Canada, the provinces and major industrial nations.

The Canadian Economic Observer (11-010, \$22/ \$220) can now be ordered from Publication Sales (613-951-7277). For more information, call Francine Roy (613-951-3627), Current Analysis Section.

The World Trade Database

The 1990 data for *The World Trade Database* – a rich data source that reflects Canada's presence in world markets as well as that of its trading partners and international competitors – are now available.

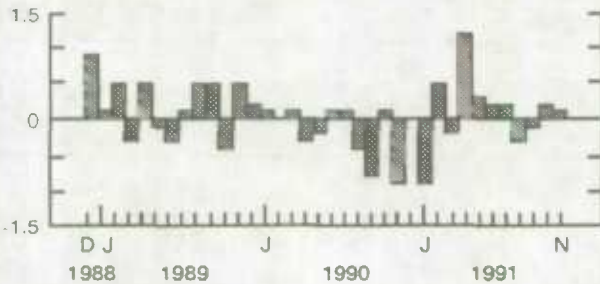
The World Trade Database can generate data on global trade flows, market shares and sources of supply. Over 160 countries, 600 commodity groupings and 300 industries are represented, starting with 1970 data. Adjustments are made to United Nations data to improve the consistency between reporting countries and to estimate the trade of late-reporting and non-reporting countries.

Further information on the World Trade Database can be obtained by contacting Roger Therrien (613-951-6836), International Trade Division.

CURRENT TRENDS

Gross Domestic Product

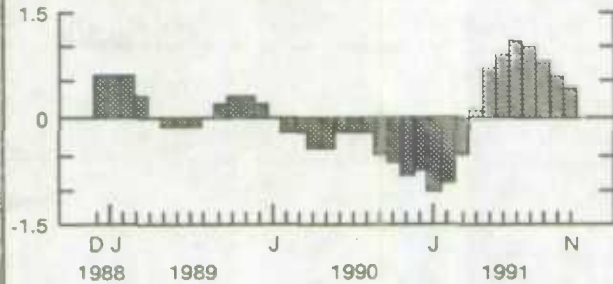
% change,
previous month



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.

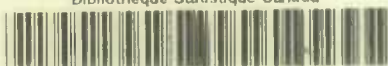
Merchandise Trade

Billions
of dollars



A much greater fall in imports than in exports caused Canada's trade balance to rise by \$400 million in December.

Note: 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, 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)	December*	11.5	-1.0%	-2.5%
Merchandise Imports (\$ billion)	December*	10.9	-4.5%	-1.4%
Merchandise Trade Balance (\$ billion)	December*	0.64	0.40	-0.14
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

Published by the Communications Division Statistics Canada.

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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.

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