



# IN·F·O·M·A·T

## A WEEKLY REVIEW

 STATISTICS CANADA  
 STATISTIQUE CANADA

Friday, March 13, 1992

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### OVERVIEW

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#### ■ New Housing Prices Down Slightly

In January, the New Housing Price Index for Canada stood at 133.7, down 0.1% from the level posted in December.

#### ■ Wages and Salaries: Smallest Yearly Increase in 30 Years

In 1991, wages and salaries increased 2.2% to \$344 billion, the smallest yearly advance in 30 years.

#### ■ Capacity Utilization Rate Resumes Downward Trend

In the fourth quarter of 1991, capacity utilization in the manufacturing sector decreased 2.1% to 70.2%.

#### ■ Unemployment Rate Hits Seven-year High

In February, the unemployment rate advanced 0.2 percentage points to a seven-year high of 10.6.

#### ■ New Motor Vehicle Sales Up in January

After posting a modest decline in December, sales of new motor vehicles were up 7.7% in January.

#### ■ Farm Product Prices Increase Marginally

The Farm Product Price Index (1986=100) stood at 91.2 in January, up 0.2% from the revised December level of 91.0.

### New Housing Prices Down Slightly

After no change in December, the New Housing Price Index for Canada (1986=100) edged down 0.1% to 133.7 in January. Compared to January 1991, the index fell 1.8% and the decline was mainly attributable to a 6.8% drop in the Toronto index.

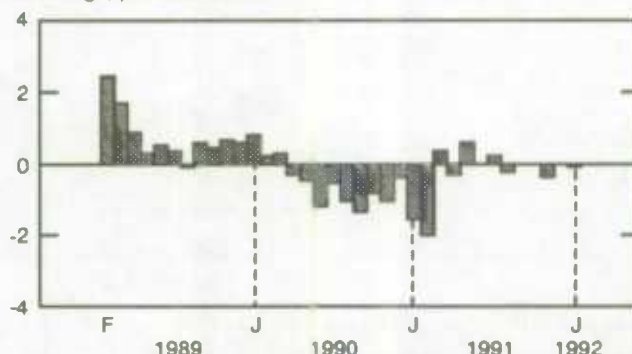
Of the 20 cities included in the Canada composite index, nine advanced, seven posted declines and four remained unchanged. The largest monthly decreases in new housing prices were recorded in Edmonton (-1.7%) and Winnipeg (-1.1%), while the largest monthly increase was posted in Victoria (0.6%).

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.

(continued on page 2)

#### New Housing Price Index

% change, previous month


 Statistics  
 Canada

 Statistique  
 Canada

Canada

### ... New Housing Prices Down Slightly

This index takes into consideration the GST, although it has not been adjusted for all possible costs, e.g. legal fees. In January 1992, the analytical index was 139.5, unchanged from the level posted in December. Federal sales tax rebates on eligible homes were discontinued in January and are no longer taken into account for the calculation of the index.

In January, the House Only Index slipped 0.2% to 124.6 and the Land Only Index remained unchanged at 160.4.

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

## Wages and Salaries: Smallest Yearly Increase in 30 Years

After recording a 5.9% increase in 1990, wages and salaries were up 2.2% in 1991 to a level of \$344 billion. This represents the smallest yearly advance in 30 years.

The yearly increase was attributable to the service sector, which gained 4.4%, mostly attributable to a rise in wages and salaries of 8.6% in health and welfare services and a 7.4% increase in education and related services. Partly offsetting these gains were lower wages and salaries in the goods-producing industries which fell 2.7% in 1991. The construction sector posted a drop of 8.8% and manufacturing recorded a decline of 2.6%.

On a monthly basis, seasonally adjusted wages and salaries were up 0.3% in December to a level of \$28.9 billion. Increases were recorded in con-

### Wages and Salaries, December 1991

Seasonally Adjusted

Province	Wages and Salaries (millions of \$)	% change, previous month	% change, previous year
<b>Canada</b>	<b>28,918</b>	<b>0.3</b>	<b>1.7</b>
Newfoundland	395	-1.2	2.6
Prince Edward Island	87	-1.0	-0.2
Nova Scotia	725	-1.0	0.2
New Brunswick	579	0.2	3.5
Quebec	6,308	0.3	0.8
Ontario	12,420	0.5	0.6
Manitoba	946	0.7	0.7
Saskatchewan	733	0.5	4.1
Alberta	2,806	0.0	4.3
British Columbia	3,558	0.3	5.3

## Capacity Utilization Rate Resumes Downward Trend

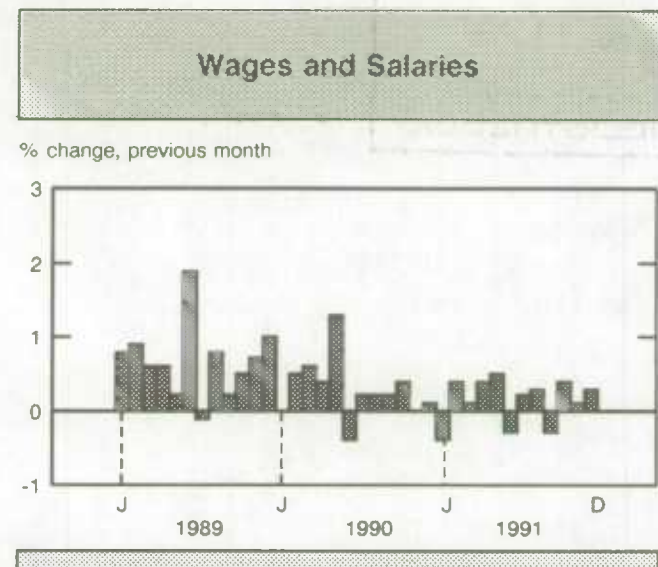
Capacity utilization in the manufacturing sector fell to 70.2% in the fourth quarter of 1991 from 71.7% in the third quarter. Lower levels of exports, slower construction activity and reduced consumer

truction (1.5%), federal administration and other government offices (1.3%), finance, insurance and real estate (0.9%), mines, quarries and oil wells (0.7%) and commercial and personal services (0.7%).

These gains more than offset declines in forestry (-2.0%), provincial administration (-1.1%), local administration (-1.1%) and trade (-0.7%).

The Atlantic provinces posted declines in December, except for New Brunswick which advanced by 0.2%. (See accompanying table.)

For further information, order *Estimates of Labour Income* (catalogue number 72-005) or contact Labour Division at (613) 951-4050.



spending as well as a trend to lower inventory levels all led to a decline in production, resulting in lower capacity utilization. A comparison of utilization rates posted since the first quarter of 1981 shows that the rate was well below the 79.8% average for the period but above the minimum of 67.1% recorded in the fourth quarter of 1982.

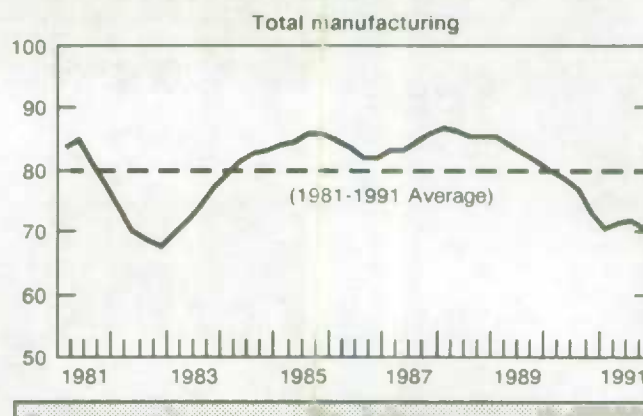
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### ... Capacity Utilization Rate Resumes Downward Trend

After two quarters of expansion, the capacity utilization rate in the durable goods industries dropped 2.6% in the fourth quarter to 67.6%. Of the nine industry groups, all but the "other" manufacturing industries posted lower rates. With construction activity declining, particularly in the non-residential sector, capacity utilization fell 6.8% in the fabricated metal products industries, 2.7% in the wood industries and 2.3% in the non-metallic mineral products industries. Due to slower residential construction activity, capacity utilization fell 4.4% in the furniture and fixtures industries.

Capacity utilization in the non-durable goods manufacturing industries fell 1.5% in the fourth quarter to 73.1%, resuming the downward trend started in the second quarter of 1988. Of the 13 non-durable goods industry groups, nine recorded lower rates of capacity utilization. Declining exports resulted in a drop of 4.7% in the paper and allied industries. Due to a fall in production capacity, there was a 2.5% increase in capacity utilization for

### Capacity Utilization Rates



the leather industries. In the clothing industries, increased production corresponded with higher inventories of finished goods.

For further information contact Investment and Capital Stock Division at (613) 951-2579.

### Unemployment Rate Hits Seven-year High

The unemployment rate was up 0.2 percentage points to 10.6 in February, its highest level in almost seven years. As 4,000 persons joined the labour force and 18,000 jobs were lost in February, the ranks of unemployed Canadians increased by 22,000. The increase in unemployment mostly affected men. For those aged 25 and over, the number rose by 15,000 and for young men aged 15 to 24, the number increased by 9,000. In February, the steepest advance in the level of unemployment occurred in Ontario, up 19,000, but unemployment fell by 6,000 in Manitoba.

Results from the February labour force survey show that 24,000 men lost their jobs, bringing the decline over the last five months to 78,000. A total of 32,000 full-time jobs were lost, 22,000 in the 15-24 age group and 10,000 in the 25 and over age group. Partly offsetting this decline was a rise of 14,000 part-time jobs, noted among adult women.

Employment in the goods-producing sector fell by 38,000 in February, altogether a loss of 112,000 jobs over the last five months. Manufacturing contributed largely to this loss, with a decline of 22,000 in February, bringing the total decline of the past five months to 95,000. Employment in community, business and personal services increased by 30,000 after a drop of 22,000 in the previous month.

After registering a 1.0% decline in January, Newfoundland posted the most pronounced drop in employment (-2.0%) in February. Employment dropped by 1.1% in Nova Scotia and by 0.6% in Alberta. These declines were partly offset by gains of 1.0% in New Brunswick, 0.6% in Manitoba and 0.5% in British Columbia.

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 7.)

(continued on page 4)

## PROVINCIAL PERSPECTIVES

### Labour Force Survey Results for February 1992

	Labour Force		Employment		Unemployment	
	'000	% change previous month	'000	% change, previous month	'000	Rate (%)
<b>Canada</b>	<b>13,737</b>	<b>0.0</b>	<b>12,286</b>	<b>-0.1</b>	<b>1,451</b>	<b>10.6</b>
Newfoundland	238	-0.1	193	-2.0	45	18.9
Prince Edward Island	63	0.0	53	1.9	10	16.5
Nova Scotia	416	-1.2	366	-1.1	50	12.0
New Brunswick	331	1.0	289	1.0	42	12.7
Quebec	3,370	0.0	2,969	0.0	401	11.9
Ontario	5,260	0.2	4,737	-0.2	523	9.9
Manitoba	534	-0.6	487	0.6	47	8.8
Saskatchewan	484	0.4	450	0.4	34	7.0
Alberta	1,372	-0.4	1,240	-0.6	132	9.6
British Columbia	1,675	0.2	1,507	0.5	168	10.0

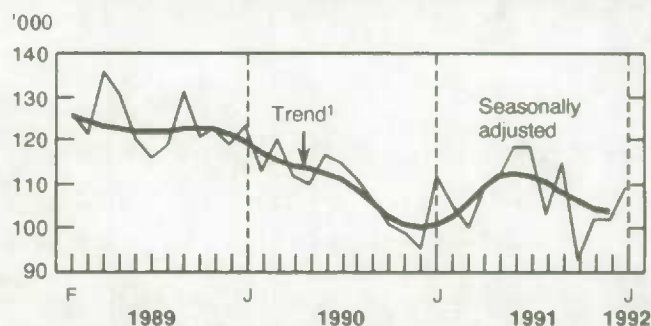
### New Motor Vehicle Sales Up in January

Seasonally adjusted new motor vehicle sales totalled 109,000 units in January, up 7.7% from the revised December figure. The advance followed a 0.5% decline in December and a 10.1% jump in November. This increase was in line with the fluctuating sales levels recorded throughout 1991 but compared with January 1991, sales were 2.2% lower.

Higher sales were posted for both passenger cars and commercial vehicles. After falling 1.2% in December, passenger car sales rose 9.2% to a level of 73,000 units. The advance was based on a rise of 14.1% in North American car sales and a 0.6% increase in imported car sales. Commercial vehicle sales were up 4.8% to 36,000, the third increase in a row.

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

Sales of New Motor Vehicles,  
Canada, in Units



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

### Farm Product Prices Increase Marginally

The Farm Product Price Index (1986=100) stood at 91.2 in January, up 0.2% from the revised December level of 91.0. This increase follows seven consecutive monthly declines. The index has been

at levels not seen since 1979, due mainly to lower Canadian Wheat Board (CWB) initial prices for wheat and barley which became effective in August, the beginning of the 1991-92 crop year.

(continued on page 5)

### ... Farm Product Prices Increase Marginally

The crops index was up 0.8% in January to a level of 83.1, its second consecutive monthly increase following six declines in a row. The index remained 14.7% lower than the year-earlier level of 97.4 as initial prices were still well below the previous year's level.

The livestock and animal products index remained unchanged at 96.2 in January and stood 7.4% below the January 1991 level of 103.9. Lower prices for hogs, poultry and eggs were balanced by higher prices for cattle and calves, and dairy products.

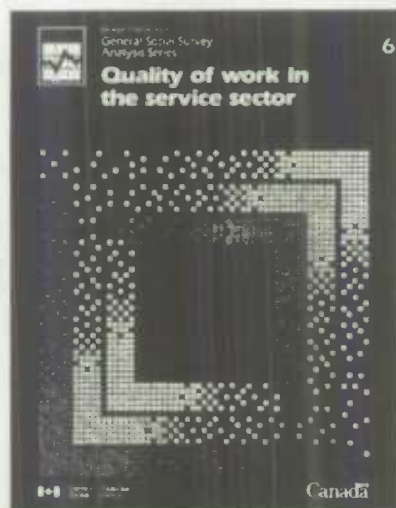
For further information, order *Farm Product Price Index* (catalogue number 62-003), or contact Agriculture Division at (613) 951-3155.

### The Farm Product Price Index

January 1992

	Crops		Livestock and Animal Products	
	% change from		% change from	
	December 1991	January 1991	December 1991	January 1991
<b>Canada</b>	<b>0.8</b>	<b>-14.7</b>	<b>0.0</b>	<b>-7.4</b>
Newfoundland	1.3	3.3	-2.2	-4.9
Prince Edward Island	-1.7	2.4	-0.9	-9.1
Nova Scotia	0.3	10.3	-2.0	-6.6
New Brunswick	7.0	11.6	-2.7	-5.7
Quebec	0.9	8.9	-1.2	-5.6
Ontario	1.0	-0.6	0.1	-7.5
Manitoba	0.4	-21.2	-1.0	-12.3
Saskatchewan	0.9	-27.0	-2.6	-13.7
Alberta	0.3	-22.0	4.0	-6.5
British Columbia	1.5	8.7	-1.0	-3.3

## NEW FROM STATISTICS CANADA



### General Social Survey Analysis Series: Quality of Work in the Service Sector

A century ago, the service industries accounted for less than one-third (31%) of employment in Canada. By 1951, almost half of all employed Canadians were working in the service industries. Today, over 70% of Canadians are employed in this sector.

*Quality of Work in the Service Sector* (11-612E, No.6, \$40) presents an analysis of the 1989 General Social Survey (Cycle 4), which focused on work and education. The analysis was conducted by Harvey Krahn of the University of Alberta.

For more information, contact Housing, Family and Social Statistics Division at (613) 951-4995.

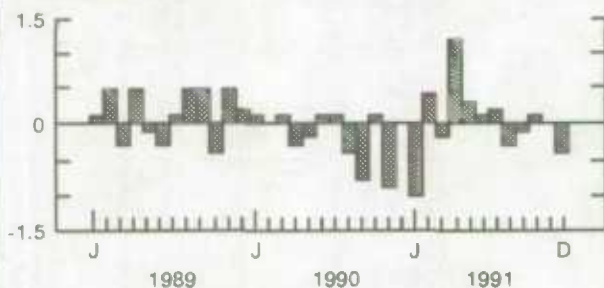
# PUBLICATIONS RELEASED FROM MARCH 6 TO 12 1992

Division/title	Period	Catalogue Number	Price: Issue/Subscription		
			Canada (\$Cdn.)	United States	Other Countries
			\$US		
<b>AGRICULTURE</b>					
Cereals and Oilseeds Review	December 1991	22-007	13.80/138	16.60/166	19.30/193
Livestock Report	January 1992	23-008	16.50/66	19.75/79	23/92
<b>EDUCATION, CULTURE AND TOURISM</b>					
Education Statistics Bulletin – Full-time Educational Staff in Colleges and Trade Schools in Canada, Vol. 13, No. 8	1988-89	81-002	4.90/49	5.90/59	6.90/69
International Student Participation in Canadian Education	1990	81-261	20	24	28
Sound Recording	1989-90	87-202	22	26	31
<b>HOUSEHOLD SURVEYS</b>					
Labour Force Information	For the week ended February 15, 1992	71-001P	6.30/63	7.60/76	8.80/88
<b>HOUSING, FAMILY AND SOCIAL STATISTICS</b>					
General Social Survey Analysis Series: Quality of Work in the Service Sector		11-612E, No. 6	40	48	56
<b>INDUSTRY</b>					
Cement	January 1992	44-001	5/50	6/60	7/70
Coal and Coke Statistics	December 1991	45-002	10/100	12/120	14/140
Crude Petroleum and Natural Gas Production	November 1991	26-006	10/100	12/120	14/140
Electric Power Statistics	December 1991	57-001	10/100	12/120	14/140
Factory Sales of Electric Storage Batteries	January 1992	43-005	5/50	6/60	7/70
Gas Utilities	November 1991	55-002	12.70/127	15.20/152	17.80/178
Industrial Chemicals and Synthetic Resins	January 1992	46-002	5.60/56	6.70/67	7.80/78
Pack of Selected Processed Fruits (excl. Apples)	1991	32-234	13	16	18
Production and Inventories of Process Cheese and Instant Skim Milk Powder	January 1992	32-024	5/50	6/60	7/70
Pulpwood and Wood Residue Statistics	January 1992	25-001	6.10/61	7.30/73	8.50/85
Retail Trade	December 1991	63-005	18.20/182	21.80/218	25.50/255
Specified Domestic Electrical Appliances	January 1992	43-003	5/50	6/60	7/70
<b>INDUSTRY MEASURES AND ANALYSIS</b>					
Gross Domestic Product by Industry	December 1991	15-001	12.70/127	15.20/152	17.80/178
<b>LABOUR</b>					
Unemployment Insurance Statistics	December 1991	73-001	14.70/147	17.60/176	20.60/206
<b>NATIONAL ACCOUNTS AND ENVIRONMENT</b>					
Financial Flow Accounts	Fourth Quarter and Annual 1991	13-014	12.50/50	15/60	17.50/70
<b>PRICES</b>					
Farm Input Price Index	Fourth Quarter 1991	62-004	12.25/49	14.75/59	17.25/69
<b>SERVICES, SCIENCE AND TECHNOLOGY</b>					
Federal Scientific Activities	1991-92	88-204	44	53	62
Telephone Statistics	December 1991	56-002	8.30/83	10/100	11.60/116
<b>TRANSPORTATION</b>					
Air Carrier Operations in Canada	April - June 1991	51-002	24.25/97	29/136	34/136
Passenger Bus and Urban Transit Statistics	1989	53-215	36	43	50
Railway Carloadings	December 1991	52-001	8.30/83	10/100	11.60/116
Railway Operating Statistics	November 1991	52-003	10.50/105	12.60/126	14.70/147

## CURRENT TRENDS

### Gross Domestic Product

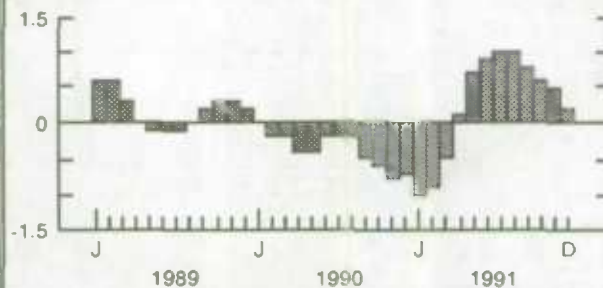
% change,  
previous month



Real gross domestic product at factor cost posted a 0.4% decrease in December after a flat November and a 0.1% gain in October.

### Composite Leading Indicator

% change,  
previous month



The growth in the composite leading indicator slowed in December to 0.2% from 0.5% in November.

### Consumer Price Index

% change,  
previous year



In January, the year-over-year increase in the all-items CPI stood at 1.6%, the lowest rate posted since March 1971, while the food index declined 1.0%.

### Unemployment Rate

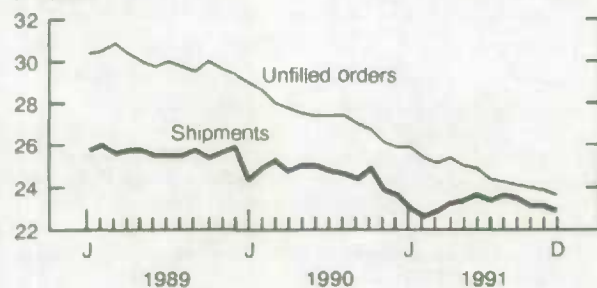
%



In February, the unemployment rate advanced 0.2 percentage points to a seven-year high of 10.6.

### 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
<b>GENERAL</b>				
Gross Domestic Product (\$ billion, 1986)	December	502	-0.4%	0.3%
Composite Leading Indicator (1981 = 100)	December	144.6	0.2%	3.5%
Operating Profits of Enterprises (\$ billion)	4th Quarter	10.3	-18.0%	-29.0%
<b>DOMESTIC DEMAND</b>				
Retail Trade (\$ billion)	December	14.8	-0.5%	-6.4%
New Motor Vehicle Sales ('000 units)	January*	109.0	7.7%	-2.2%
<b>LABOUR</b>				
Employment (millions)	February*	12.3	-0.1%	-0.1%
Unemployment Rate (%)	February*	10.6	0.2	1.4
Participation Rate (%)	February*	65.6	-0.1	-1.2
Labour Income (\$ billion)	December*	31.8	-1.4%	2.3%
Average Weekly Earnings (\$)	December	550.42	0.2%	5.2%
<b>INTERNATIONAL TRADE</b>				
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
<b>MANUFACTURING</b>				
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 (%)	4th Quarter*	70.2	-1.5	-2.5
<b>PRICES</b>				
Consumer Price Index (1986 = 100)	January	127.0	0.5%	1.6%
Industrial Product Price Index (1986 = 100)	January	107.7	0.1%	-3.1%
Raw Materials Price Index (1986 = 100)	January	98.6	-2.4%	-15.7%
New Housing Price Index (1986 = 100)	January*	133.7	-0.1%	-1.8%

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

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