



IN·F·O·M·A·T

A WEEKLY REVIEW

Friday, July 3, 1992

OVERVIEW

■ Economy Moves Ahead at Slower Pace

Real gross domestic product at factor cost crept up 0.1% in April as growth in goods production slowed to 0.2% while services output advanced 0.1%.

■ Downturn in Planned Construction Activity

Declines in both the residential and non-residential sectors contributed to an overall monthly drop of 14.6% in the seasonally adjusted value of building permits issued in Canada in April.

■ Foreign Investors Increase their Holdings of Canadian Securities

In April, non-residents purchased \$3.5 billion in Canadian securities, the highest monthly net investment this year.

■ Industrial Product Prices Record Moderate Advance

In May, the Industrial Product Price Index was up 0.5%, offsetting the 0.2% decline recorded in April.

■ Higher Crude Oil Prices Boost Raw Material Prices

The Raw Materials Price Index rose 3.1% in May, largely due to price increases for crude oil.

■ British Columbia Posts Highest Crime Rate in 1991

All 10 provinces recorded increases in their Criminal Code rates in 1991 but British Columbia had the highest rate with 15,901 offenses per 100,000 population.

Economy Moves Ahead at Slower Pace

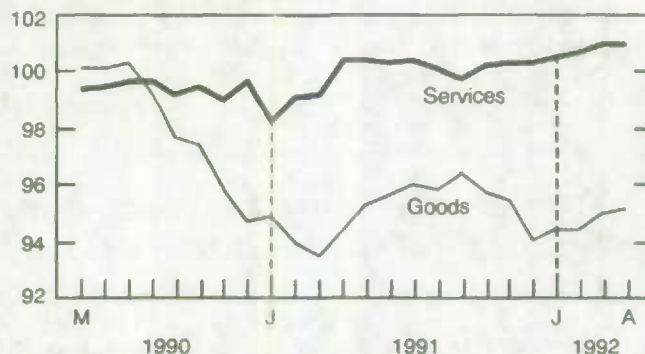
Real gross domestic product at factor cost crept up 0.1% in April following a 0.4% expansion in March. However, production in April was 0.4% above the average output for the first three months of 1992. The growth in goods production slowed to 0.2% after a rise of 0.6% in March while services output advanced 0.1% following a 0.2% gain in each of the three previous months.

The advance in the goods-producing industries came from mining, utilities and manufacturing. After falling 0.6% in March, mining output rose 1.1% in April. Crude oil and natural gas (+1.9%) accounted for most of the dollar gain as producers responded to more favourable market conditions in the eastern United States. Utilities output advanced 0.7% as residential demand paced natural gas distribution to a 4.6% gain due to unusually low temperatures in April. Manufacturing output crawled up 0.1% after a 0.8% jump in March, as 12 of the 21 major groups recorded higher output compared to 13 the previous month.

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Gross Domestic Product
Output by Sector

Index (January 1990 = 100)



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... Economy Moves Ahead at Slower Pace

The increase in the service industries was led by communications, up 1.1%, followed by transportation and storage, up 0.6%, and retail trade, up 0.5%. Finance, insurance and real estate output advanced 0.1% but wholesalers registered a 0.5% fall and community, business and personal services output was unchanged from March.

Downturn in Planned Construction Activity

In April, the seasonally adjusted value of planned construction according to building permits issued in Canada fell by 14.6% to \$2,015 million, down from \$2,358 million in March. The overall monthly decline reflected drops in both the residential and non-residential sectors. Despite this, the total for the period January-April 1992 was up at \$8,730 million as compared to \$7,979 million for the January-April 1991 period.

Following three consecutive monthly increases, the value of residential building permits declined 13.2% in April to \$1,289 million, down from \$1,486 million in March.

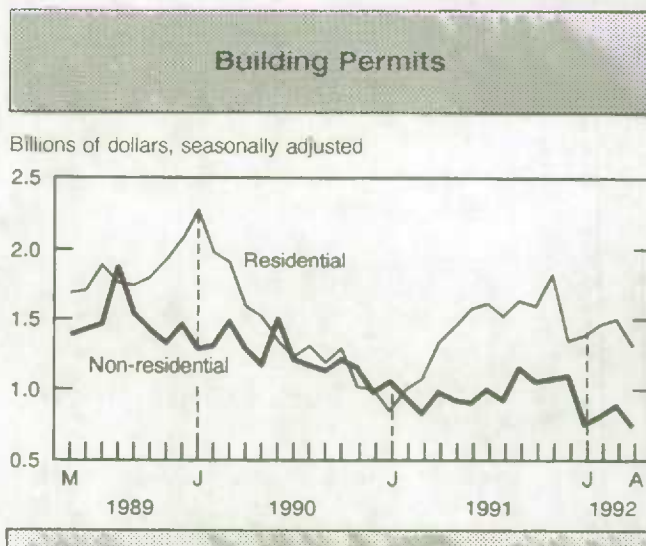
Both the single- and multiple-family components of residential construction contributed to the fall. Permits for single-family dwellings fell 9.5% in value to \$915 million and the value of multiple-family dwellings fell 21.2% to \$374 million.

The only regions to post increases in residential construction were the Atlantic provinces, with the largest gain (21.9%), and Quebec (12.1%).

Advance estimates for May indicate that the value of residential building permits increased to \$1,467 million, up 12.8% from the revised value for April (\$1,300 million). The revision to April's seasonally adjusted figures is due to the addition of data for the advance estimate for May.

In the non-residential sector, there was a sharp 16.8% drop in the value of permits from \$872 million in March to \$726 million in April. As opposed to the previous month, the value of all three components of the non-residential sector declined: industrial projects dropped 20.7% to \$113 million, commercial

For further information, order *Gross Domestic Product by Industry* (catalogue number 15-001) or contact *Industry Measures and Analysis Division* at (613) 951-9164. (See also "Current Trends" chart on page 6.)



projects were down 18.5% to \$366 million, and institutional projects fell 12.3% to \$247 million.

The Atlantic provinces continued to register gains (38.6%) in the non-residential sector, propelled by \$14 million in permits issued for industrial projects in April, up from \$5 million in March. British Columbia also continued to post increased activity in the non-residential sector with \$191 million, representing a 9.7% increase from the March figure of \$174 million.

The largest decline in the value of non-residential permits issued occurred in the Prairies (-45.2%), followed by Ontario (-22.8%) and Quebec (-5.9%).

For further information, order *Building Permits* (catalogue number 64-001) or contact *Investment and Capital Stock Division* at (613) 951-2025.

Foreign Investors Increase their Holdings of Canadian Securities

In April, non-residents acquired \$3.5 billion in Canadian securities, well above the monthly average of \$2.4 billion of the first quarter of 1992. Non-residents shifted some of their investment from the short to the longer end of the market. Three-quarters of the monthly investment was

directed towards Canadian bonds while there was a lower net investment in the Canadian money market.

Foreign investment in Canadian bonds amounted to \$2.6 billion, well above the investments which averaged \$724 million a month since January. Net new financing from abroad

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... Foreign Investors Increase their Holdings of Canadian Securities

remained low at \$0.9 billion, as new bond purchases by non-residents, which totalled \$2.0 billion, were partially offset by retirements (\$1.1 billion).

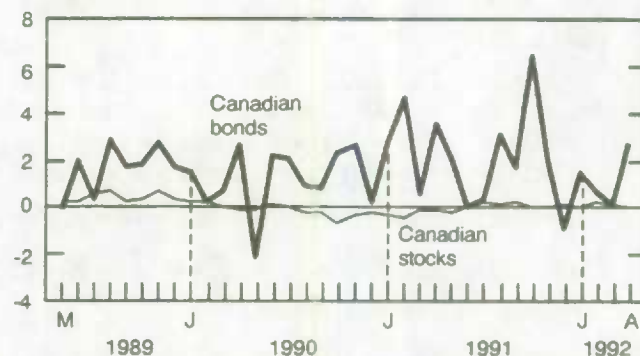
Net foreign investment in outstanding Canadian bonds was up sharply from the level recorded in the first quarter. The net investment of \$1.8 billion was widely distributed geographically, coming from Japan (\$0.6 billion), Europe (\$0.5 billion) and the United States (\$0.3 billion).

Non-residents reduced their holdings of Canadian stocks by \$35 million in April after two months of net investment that totalled \$213 million.

Investment by Canadian residents in foreign securities continued to increase, adding an additional \$0.6 billion to the \$2.7 billion they acquired in the first quarter of 1992. The net investment of \$0.4 billion in foreign stocks was primarily in U.S. equities.

Security Transactions

Billions of dollars



For further information, order Canada's International Transactions in Securities (catalogue number 67-002), or contact Balance of Payments Division at (613) 951-1864.

Industrial Product Prices Record Moderate Advance

The Industrial Product Price Index (IPPI, 1986=100) was up 0.5% in May to 108.5, completely offsetting the 0.2% decline recorded in April. On a year-over-year basis, the index fell 0.2%, continuing the trend of more moderate decreases noted in recent months.

Of the 21 major groups of products, prices increased in 14, fell in five and remained unchanged in two. In May, the Canadian dollar depreciated markedly against the American dollar. The effect of this change was most clearly seen in the price

increases for autos, trucks and other transport equipment (1.2%), in lumber, sawmill and other wood products (1.4%) and in paper products (0.8%).

Primary metal products climbed 1.1% in May, reflecting a 2.3% increase in prices for aluminum products and a 6.3% jump in refined zinc prices. During the past 12 months the meat, fish, and dairy product price index, which is made up of 50 primary commodity indexes, declined from June 1991 to January 1992 and then recovered during the last four months. In May, the index rose 0.6%.

For further information, order Industry Price Indexes (catalogue number 62-011) or contact Prices Division at (613) 951-9607.

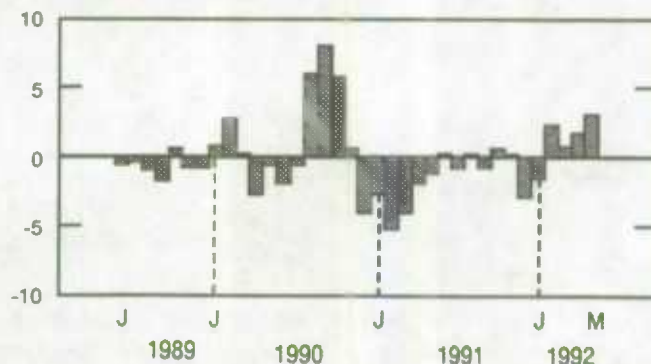
Higher Crude Oil Prices Boost Raw Material Prices

The Raw Materials Price Index (RMPI, 1986=100) rose 3.1% in May to a level of 106.2, posting a fourth consecutive monthly rise and the steepest increase in 20 months. Six of the seven RMPI components were up but the overall increase was mainly attributable to the mineral fuels index. On a year-over-year basis, raw materials prices posted their first increase in 15 months, advancing 3.1%.

The mineral fuels price index, which accounts for almost one-third of the RMPI, climbed for the fourth straight month in May, this time by 6.6%, as crude oil prices rose 6.8%. Resuming a four-month upward trend interrupted in April, the vegetable

Raw Materials Price Index

% change, previous month



(continued on page 4)

... Higher Crude Oil Prices Boost Raw Material Prices

products index was up 2.9% in May. Increases in the prices of grains (3.5%), oilseeds (4.0%), unrefined sugar (4.5%) and potatoes (6.4%) were partially offset by decreases in the prices of cocoa, coffee and tea (-1.7%).

After a 0.5% decline in March and a 0.6% gain in April, the animal products index accelerated, increasing 2.0% in May, as prices for hogs jumped 12.8% and prices for calves for slaughter were up

3.9%. (The animal products index carries one-quarter of the overall weight.) The wood index rose for the fourth consecutive month in May, this time by 1.2%, reflecting higher prices for logs and bolts (1.7%).

After no change in April, the non-metallic minerals index fell 0.3% in May. Rises in the prices for sand and gravel (1.9%) were offset by lower prices for stone (-2.2%).

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

British Columbia Posts Highest Crime Rate in 1991

The crime rate for Canada (number of Criminal Code offenses per 100,000 population) increased for the third consecutive year, rising 8% in 1991 to 10,697 offenses. When compared to the average for the previous five years (1986-1990), the 1991 rate was 15% higher.

All 10 provinces recorded increases in their Criminal Code rates in 1991. British Columbia had the highest rate (15,901 offenses per 100,000 population), while Newfoundland had the lowest crime rate (6,719 offenses per 100,000 population).

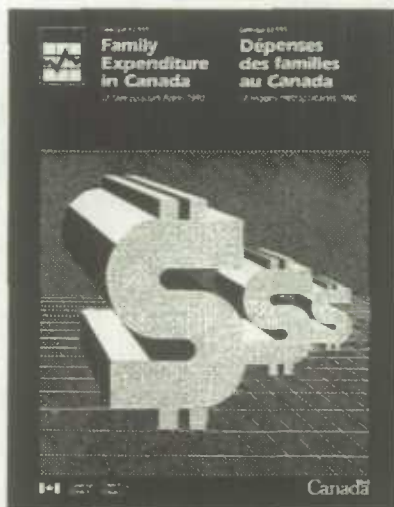
The violent crime rate (10% of all Criminal Code offenses) also increased 8% in 1991 to 1,097 offenses per 100,000 population but the rate jumped 21% over the previous five-year average.

The rate for property crimes (60% of all Criminal Code offenses) rose 9% to 6,368, the largest yearly increase recorded since 1980, and advanced 12% over the average of the previous five years.

"Other Criminal Code" offenses which include public mischief, disturbing the peace, bail violations, offensive weapons and prostitution (30% of all Criminal Code offenses) were up 7% to 3,231 offenses per 100,000 population. But compared to the average for the previous five years, the 1991 rate was 18% higher.

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

NEW FROM STATISTICS CANADA



Family Expenditure in Canada - 17 Metropolitan Areas

Family Expenditure in Canada - 17 Metropolitan Areas, 1990 (catalogue number 62-555, \$42) is now available. The published results are based on a sample of approximately 4,900 households that responded to the Survey of Family Expenditures in 1990. (The previous publication in this series referred to 1986 expenditures.)

This new publication offers an interesting menu of comprehensive data tabulations as well as analysis of the expenditure patterns of households living in 17 selected metropolitan areas across Canada.

Included in the publication are analysis and discussions of several topics which will be of interest to analysts and market researchers. Topics include analysis of the expenditures of the elderly, investments in the home, child care, public and private transportation, the operation of cars and trucks, pets, entertainment and sports.

Family Expenditure in Canada - 17 Metropolitan Areas, 1990 is now available. To obtain more information on the publication or other products from the Family Expenditure Survey, contact Réjean Lasnier (613-951-4643) or fax (613-951-0562), Household Surveys Division.

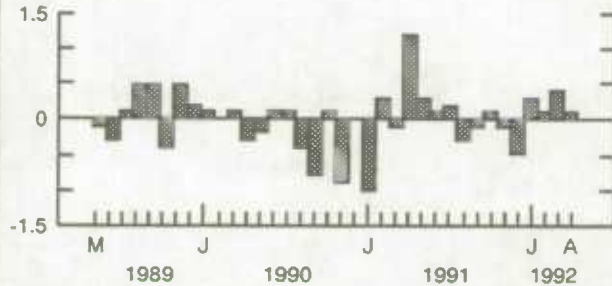
PUBLICATIONS RELEASED FROM JUNE 26 TO JULY 2, 1992

Division/title	Period	Catalogue Number	Price: Issue/Subscription		
			Canada (\$Cdn.)	United States	Other Countries
			\$US		
AGRICULTURE					
Agriculture Economic Statistics	June 1992	21-603E	21	25	29
Cereals and Oilseeds Review	April 1992	22-007	13.80/138	16.60/166	19.30/193
Field Crop Reporting Series No. 4: Preliminary Estimates of Principal Field Crop Area, Canada	1992	22-002	12/80	14/96	16/112
Grain Trade of Canada	1990-91	22-201	39	47	55
Survey of Canadian Nursery Trades Industry	1990 and 1991	22-203	22	26	31
The Dairy Review	April 1992	23-001	12.20/122	14.60/146	17.10/171
DEMOGRAPHY					
Quarterly Demographic Statistics	January-March 1992	91-002	7.50/30	9/36	10.50/42
HOUSEHOLD SURVEYS					
Family Expenditure in Canada – 17 Metropolitan Areas	1990	62-555	42	50	59
INDUSTRY					
Asphalt Roofing	May 1992	45-001	5/50	6/60	7/70
Department Store Sales and Stocks	October 1991	63-002	14.40/144	17.30/173	20.20/202
Electric Lamps	May 1992	43-009	5/50	6/60	7/70
Leather and Allied Products Industries	1989	33-251	35	42	49
Textile Products Industries	1989	34-251	35	42	49
INVESTMENT AND CAPITAL STOCK					
Capacity Utilization Rates in Canadian Manufacturing Industries	First Quarter 1992	31-003	11/44	13.25/53	15.50/62
LABOUR					
Quarterly Estimates of Trusteed Pension Funds	Fourth Quarter 1991	74-001	11/44	13.25/53	15.50/62
Unemployment Insurance Statistics	April 1992	73-001	14.70/147	17.60/176	20.60/206
Unemployment Insurance Statistics	1992 Annual Supplement	73-202S	38	46	53
SERVICES, SCIENCE AND TECHNOLOGY					
Restaurant, Caterer and Tavern Statistics	February 1992	63-011	6.10/61	7.30/73	8.50/85
Restaurant, Caterer and Tavern Statistics	March 1992	63-011	6.10/61	7.30/73	8.50/85
Telephone Statistics	April 1992	56-002	8.30/83	10/100	11.60/116

CURRENT TRENDS

Gross Domestic Product

% change,
previous month



Real gross domestic product at factor cost crept up 0.1% in April after a 0.4% gain in March.

Composite Leading Indicator

% change,
previous month



The composite leading indicator edged up 0.1% in March, the same growth as recorded in January and February.

Consumer Price Index

% change,
previous year



In May, the year-over-year increase in the all-items CPI stood at 1.3% while the food index declined by 1.1%.

Unemployment Rate

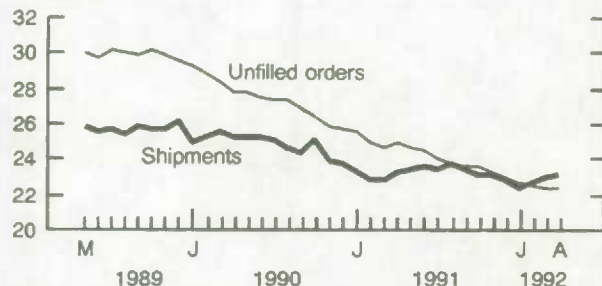
%



At 11.2 in May, the unemployment rate hit a seven-year high.

Manufacturing

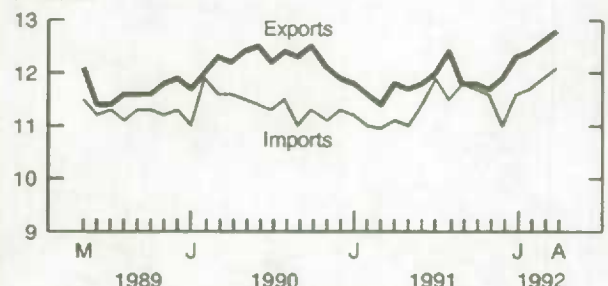
Billions
of dollars



Canadian manufacturers' shipments rose 1.1% in April to \$23.1 billion after increasing 1.4% in March. Unfilled orders edged down 0.3% to \$22.3 billion.

Merchandise Trade

Billions
of dollars



In April, the seasonally adjusted value of imports increased by \$239 million while exports rose by \$209 million.

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)	April*	506	0.1%	0.7%
Composite Leading Indicator (1981 = 100)	March	144.2	0.1%	5.8%
Operating Profits of Enterprises (\$ billion)	1st Quarter	10.4	5.1%	-11.9%
DOMESTIC DEMAND				
Retail Trade (\$ billion)	April	15.2	0.8%	0.9%
New Motor Vehicle Sales ('000 units)	April	100.0	0.5%	-8.3%
LABOUR				
Employment (millions)	May	12.2	0.3%	-1.2%
Unemployment Rate (%)	May	11.2	0.2	1.0
Participation Rate (%)	May	65.4	0.2	-1.1
Labour Income (\$ billion)	February	32.5	0.2%	2.7%
Average Weekly Earnings (\$)	April	545.85	0.4%	3.2%
INTERNATIONAL TRADE				
Merchandise Exports (\$ billion)	April	12.8	1.7%	8.0%
Merchandise Imports (\$ billion)	April	12.1	2.0%	9.8%
Merchandise Trade Balance (\$ billion)	April	0.67	-0.03	-0.13
MANUFACTURING				
Shipments (\$ billion)	April	23.1	1.1%	-0.4%
New Orders (\$ billion)	April	23.0	1.4%	-1.7%
Unfilled Orders (\$ billion)	April	22.3	-0.3%	-10.4%
Inventory/ Shipments Ratio	April	1.48	-0.03	-0.11
Capacity Utilization (%)	1st Quarter	69.8	-0.5	-0.4
PRICES				
Consumer Price Index (1986 = 100)	May	127.8	0.2%	1.3%
Industrial Product Price Index (1986 = 100)	May*	108.5	0.5%	-0.2%
Raw Materials Price Index (1986 = 100)	May*	106.2	3.1%	3.1%
New Housing Price Index (1986 = 100)	April	134.1	0.2%	0.4%

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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