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I·N·F·O·M·A·T

A WEEKLY REVIEW

Friday, July 16, 1993

OVERVIEW

- **Leading Indicator: Second Straight Month of Impressive Growth**

  The composite leading indicator continued its year-long improvement in June, rising by 0.9% for the second consecutive month.

- **International Travel: Increase in All Cross-border Trips**

  Both cross-border travel by Canadian residents and travel by foreign visitors increased in May.

- **Labour Market Conditions Improve in June**

  The level of employment rose sharply in June. However, due to increased participation in the labour force, the unemployment rate edged down to 11.3% after remaining at 11.4% for two straight months.

- **Sales of New Motor Vehicles Up for Third Straight Month**

  In May, seasonally adjusted sales of new motor vehicles advanced by 0.3% to 101,000 units. This third consecutive monthly increase brought sales to their highest level since December 1992.

- **Farm Product Prices Up for the Sixth Time in Seven Months**

  In May, the Farm Product Price Index advanced 1.0%. Farm product prices rose every month since November 1992, except in March when they were unchanged.

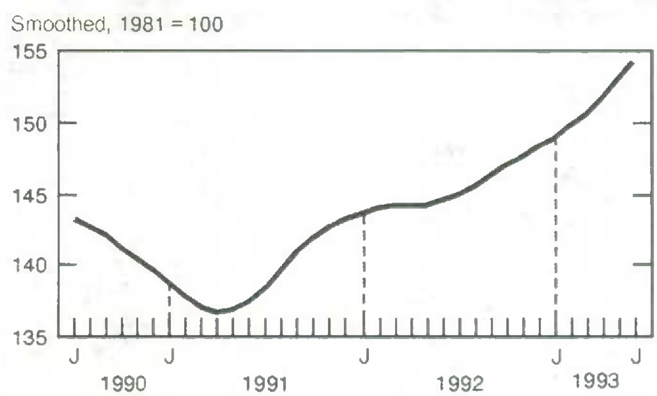
Leading Indicator: Second Straight Month of Impressive Growth

The composite leading indicator continued its year-long improvement in June, rising by 0.9% for the second consecutive month. Nine of the component indexes advanced, up from eight in May. The ratio of shipments to stocks remained unchanged after steady gains dating back to January.

Household demand strengthened in most areas. Sales of durable goods rose 0.3% after weakening most of the winter. Demand for personal services led the growth of services employment (0.2%), after

(continued on page 2)

Composite Leading Indicator



... Leading Indicator: Second Straight Month of Impressive Growth

a dip in May. The housing index posted its first increase since November, rising by 0.7%. A rebound in existing house sales contributed to a firming of furniture and appliance sales (0.6%).

New orders for durable goods continued to show strength but slowed to an advance of 1.7% after exceptionally strong growth of 3.2% in May due to export-oriented industries. The average workweek was extended for the fourth straight month, from 38.6 hours in May to 38.8 hours in June. Firms continued to meet their labour needs by lengthening the workweek rather than by raising employment.

The financial market indicators improved again in June. The stock market index rose for the fifth month in a row, this time by 3.3%. The growth of the real money supply increased from 1.2% in May to 1.4% in June.

The U.S. leading indicator rose only 0.1%, as manufacturing remained sluggish and consumer confidence fell again.

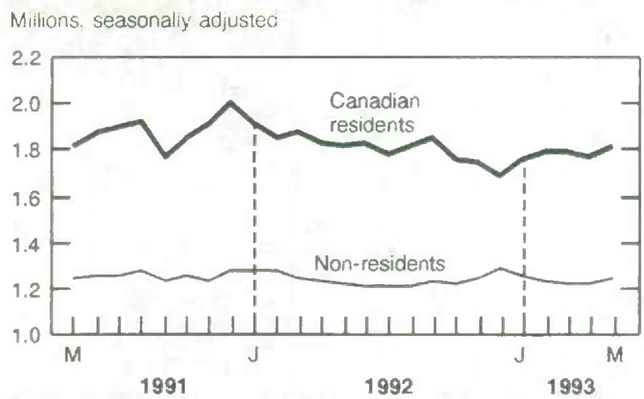
For further information, order Canadian Economic Observer (catalogue number 11-010) or contact Current Economic Analysis Division at (613) 951-3627. (See also "Current Trends" chart on page 7.)

International Travel: Increase in All Cross-border Trips

The seasonally adjusted number of same-day automobile trips to the United States by Canadian residents continued to increase for the fourth straight month, by 0.2% in May, but the volume was still substantially below the May 1992 level. The last four months have seen a reversal of the downtrend in same-day, cross-border automobile trips by Canadians that was evident from February 1992 to January 1993.

Car trips of one or more nights to the U.S. also increased, by 4.2%, and almost offset a 4.5% drop in April. The number of trips still stood 4.2% below the year-earlier level, the eighth straight month to show a year-over-year decline.

Trips of One or More Nights between Canada and Other Countries



International Travel Between Canada and Other Countries

May 1993, Seasonally Adjusted

	('000)	% change, previous month	% change, previous year
One or More Night Trips			
Non-resident Travellers:			
United States	980	0.2	0.8
Other Countries	258	7.7	6.7
Total	**1,238**	**1.7**	**2.0**
Residents of Canada:			
United States	1,536	3.3	-1.3
Other Countries	279	1.2	6.9
Total	**1,815**	**3.0**	**-0.1**
Auto Re-entries			
Residents of Canada:			
Same-day	4,251	0.2	-11.1
Overnight	1,095	4.2	-4.2

Trips of one or more nights to all foreign destinations by Canadians (by all modes of travel) were up by 3.0%. The increase in the overall volume of resident travel was attributable to a 3.3% rise in the number of trips to the U.S. and a 1.2% increase in the number of trips to countries other than the United States.

Trips of one or more nights to Canada by foreign travellers climbed 1.7% following an increase of 0.7% in April. The level of this type of travel has fluctuated within a narrow band since late 1986. The number of trips by American visitors advanced marginally (0.2%), while comparable trips by travellers from other countries climbed 7.7%. This increase pushed the volume of trips by travellers from other countries to its highest level since February 1992.

For further information, order International Travel - Advance Information (catalogue number 66-001P), or contact Education, Culture and Tourism Division at (613) 951-1791.

PROVINCIAL PERSPECTIVES

Labour Force Survey Results for June 1993

	Labour Force		Employment		Unemployment	
	'000	% change, previous month	'000	% change, previous month	'000	Rate (%)
Canada	**14,020**	**0.7**	**12,431**	**0.8**	**1,589**	**11.3**
Newfoundland	237	1.3	190	1.1	47	19.8
Prince Edward Island	65	0.0	53	0.0	12	18.3
Nova Scotia	424	1.4	362	1.7	62	14.6
New Brunswick	337	0.0	297	0.3	40	11.9
Québec	3,426	0.4	2,967	0.0	459	13.4
Ontario	5,383	0.6	4,807	0.6	576	10.7
Manitoba	538	1.3	483	0.6	55	10.2
Saskatchewan	481	-0.4	445	0.0	36	7.5
Alberta	1,382	0.6	1,254	0.9	128	9.3
British Columbia	1,728	0.9	1,559	2.1	169	9.8

Labour Market Conditions Improve in June

The seasonally adjusted level of employment advanced by 99,000 in June, bringing the gain since the trough in April 1992 to 258,000. This was the largest one-month increase in more than 27 years. The June rise was attributable to both full-time (51,000) and part-time (48,000) employment.

Part-time employment has grown by 286,000 over the last three years while full-time employment is still 455,000 below its June 1990 level. Involuntary part-time workers – persons who worked less than 30 hours a week because they could not find full-time work – now account for 39.2% (or 848,000) of all part-time employees compared with 22.6% (or 422,000) in June 1990. Women account for almost half of all involuntary part-time workers (47.9%), followed by youths aged 15 to 24 (34.4%), and men (17.7%).

In June, employment grew by 52,000 in trade, after increasing by 44,000 in May. These gains offset losses that occurred over the six preceding months. Employment in community, business and personal services was up by 61,000, with gains in both the commercial and non-commercial sectors.

Employment growth was particularly strong in British Columbia (32,000) and Alberta (11,000). In Ontario, employment advanced by 27,000, offsetting losses in the previous two months. This brings gains since April 1992 to 114,000 in Ontario, a recovery of 40% of the total loss in employment over the recession.

Unemployment was virtually unchanged as the labour force expanded by 102,000. A drop of 21,000 in unemployment among women was offset by an increase of 22,000 among youths. The unemployment rate edged down to 11.3% after remaining at 11.4% for two straight months.

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.)*

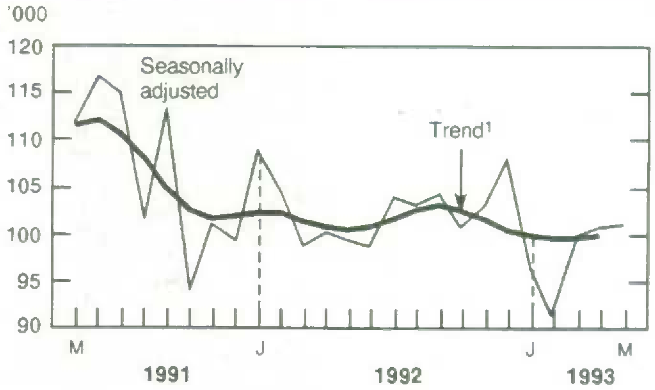
Sales of New Motor Vehicles Up for Third Straight Month

Seasonally adjusted sales of new motor vehicles totalled 101,000 units in May, a monthly increase of 0.3% and the third gain in as many months. Sales in May were 1.9% above the previous year's level but, for the first five months of the year, 489,000 vehicles were sold which represents a 4.3% decline from the same period in 1992.

Car sales decreased for the third month this year, although marginally in May, to 64,000 units. Since January 1993, 310,000 new cars have been sold, a drop of 8.2% when compared to the same period last year. Sales of North American built cars were up by 0.6% in May to 41,000 units while sales of imported passenger cars dropped 1.3% to 22,000 units.

Sales of commercial vehicles continued to be strong for the fourth straight month, rising by 1.1% in May to 37,000 units. Sales for the first five months of the year totalled 179,000 units, an increase of 3.4% from the same period in 1992.

Sales of New Motor Vehicles, in Units, Canada



[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) 951-3552.

Farm Product Prices Up for the Sixth Time in Seven Months

The Farm Product Price Index (1986=100) stood at 102.2 in May, up 1.0% from the revised April level of 101.2. Farm product prices rose every month since November 1992, except in March when they were unchanged. As in April, the index posted a modest year-over-year increase of 1.5% in May.

After rising by 1.8% in April, the crops index was up by a further 0.7% in May to 89.0. A sharp increase in the potatoes index, up 10.7%, more than offset decreases in the cereals (-1.4%) and oilseeds (-1.4%) indices. In May, oats, barley, and corn prices decreased in most provinces. Flaxseed and canola prices also fell but soybean prices were stable.

The crops index was 11.8% below the level seen last year. The low level registered was largely due to the cereals index being 24.7% below its year-earlier level and the potatoes index remaining 16.7% below its level of May 1992. Despite three consecutive monthly decreases, the oilseeds index still stood 14.8% above the previous year's level.

After declining by 0.5% in April, the livestock and animal products index climbed 1.2% in May to 110.3 – a record high. The cattle and calves index also reached a new record, increasing 1.7% to 122.7. The hogs index posted its eighth increase in the last nine months, rising by 3.1% in May.

The Farm Product Price Index
May 1993

Province	Crops		Livestock and Animal Products	
	% change from		% change from	
	April 1993	May 1992	April 1993	May 1992
Canada	**0.7**	**-11.8**	**1.2**	**9.6**
Newfoundland	-3.0	-5.3	0.2	-2.2
Prince Edward Island	48.8	0.6	1.0	9.9
Nova Scotia	19.2	12.4	0.5	4.4
New Brunswick	11.1	-3.7	-0.2	6.7
Québec	7.7	-1.7	0.7	9.2
Ontario	-0.3	2.8	1.5	8.6
Manitoba	-0.8	-13.9	0.2	11.8
Saskatchewan	-2.8	-24.2	3.6	9.6
Alberta	0.9	-15.1	0.7	12.6
British Columbia	-0.6	-5.7	1.0	7.9

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

PUBLICATIONS RELEASED FROM JULY 9 TO 15, 1993

Division/title of publication	Period	Catalogue Number	Price: Issue/Subscription Canada ($Cdn.)	United States ($US)	Other Countries ($US)
AGRICULTURE					
Grain Trade of Canada	1991-92	22-201	39	47	55
Production of Poultry and Eggs	1992	23-202	34	41	48
CANADIAN CENTRE FOR HEALTH INFORMATION					
List of Residential Care Facilities	1992	83-240	20	24	28
EDUCATION, CULTURE AND TOURISM					
Touriscope – International Travel: National and Provincial Counts	January-March 1993	66-001	38.50/154	46.25/185	54/216
Travel-log, Vol. 12, No. 3	Summer 1993	87-003	10.50/42	12.50/50	14.75/59
HOUSEHOLD SURVEYS					
Labour Force Information	June 1993	71-001P	6.30/63	7.60/76	8.80/88
INDUSTRY					
Electrical and Electronic Products Industries	1990	43-250	35	42	49
Energy Statistics Handbook	July 1993	57-601	300	360	420
Industrial Chemicals and Synthetic Resins	May 1993	46-002	5.60/56	6.70/67	7.80/78
Machinery Industries (Except Electrical Machinery)	1990	42-250	35	42	49
Oils and Fats	May 1993	32-006	5/50	6/60	7/70
Particleboard, Waferboard and Fibreboard	May 1993	36-003	5/50	6/60	7/70
Primary Iron and Steel	May 1993	41-001	5/50	6/60	7/70
Pulpwood and Wood Residue Statistics	May 1993	25-001	6.10/61	7.30/73	8.50/85
Retail Trade	April 1993	63-005	18.20/182	21.80/218	25.50/255
INDUSTRY MEASURES AND ANALYSIS					
Gross Domestic Product by Industry	April 1993	15-001	12.70/127	15.20/152	17.80/178
INTERNATIONAL TRADE					
Imports by Commodity	April 1993	65-007	55.10/551	66.10/661	77.10/771
Summary of Canadian International Trade	April 1993	65-001	18.20/182	21.80/218	25.50/255
LABOUR					
Employment, Earnings and Hours	April 1993	72-002	28.50/285	34.20/342	39.90/399
PRICES					
Average Prices of Selected Farm Inputs	June 1993	62-012	8/48	9.60/58	11.20/67
Consumer Price Index	June 1993	62-001	9.30/93	11.20/112	13/130
TRANSPORTATION					
Passenger Bus and Urban Transit Statistics, Vol. 45, No. 5	May 1993	53-003	7.10/71	8.50/85	9.90/99
Railway Operating Statistics, Vol. 73, No. 2	February 1993	52-003	10.50/105	12.60/126	14.70/147

NEW FROM STATISTICS CANADA


Travel-log

Summer 1993

Travel by Canadians to Countries Other Than the United States

Canada

Travel-log

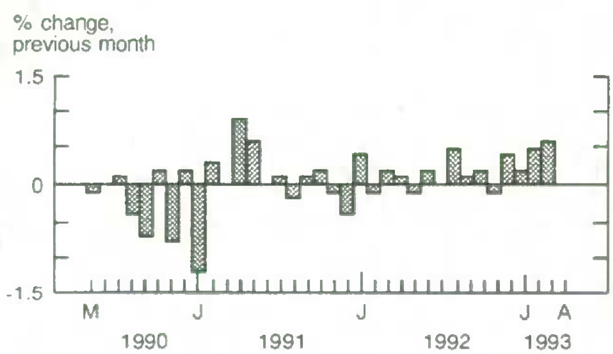
The Summer 1993 issue of *Travel-log*, Statistics Canada's quarterly tourism newsletter, is now available.

This issue features a profile of Canadian travellers in countries other than the United States. As well, this edition offers a look at the U.S. travel market to Canada. Results of the Canadian Travel Survey for the fourth quarter of 1992 are also highlighted. There is, in addition, an analysis of international travel trends and the performance of the Travel Price Index in the first quarter of 1993, plus Touriscope Indicators for the first quarter of 1993.

The Summer 1993, Vol. 12, No. 3 issue of Travel-log (catalogue number 87-003, $10.50/$42) is now available. For more information on this release, contact Lise Beaulieu-Caron (613-951-1673), Education, Culture and Tourism Division.

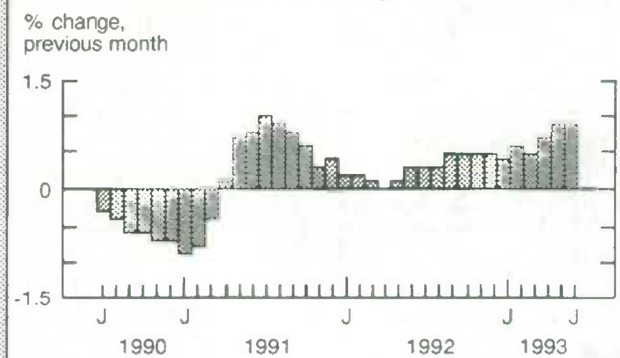
CURRENT TRENDS

Gross Domestic Product



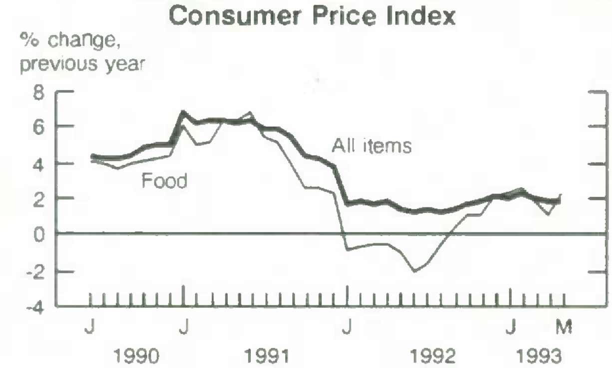
Gross domestic product at factor cost was unchanged in April following a 0.6% gain in March and average monthly growth of 0.4% since December.

Composite Leading Indicator



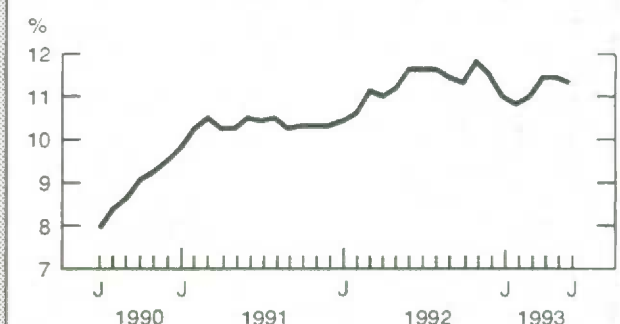
The composite leading indicator continued its year-long improvement in June, rising by 0.9% for the second consecutive month.

Consumer Price Index



The year-over-year increase in the all-items CPI was 1.8% in May, identical to the rise registered in April. The food index rose by 2.2%.

Unemployment Rate



The unemployment rate edged down to 11.3% in June after remaining at 11.4% for two straight months.

Manufacturing

Canadian manufacturers' shipments decreased by 0.4% in April following six straight monthly increases. The level of unfilled orders edged up by 0.1% after climbing by 3.5% in March.

Merchandise Trade

The seasonally adjusted value of merchandise exports climbed 2.3% in April while imports edged down by 0.1%, pushing Canada's trade balance up by $347 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	512.3	0.0%	2.3%
Composite Leading Indicator (1981=100)	June*	154.2	0.9%	6.7%
Operating Profits of Enterprises ($ billion)	1st Quarter	11.4	51.5%	3.3%
DOMESTIC DEMAND				
Retail Trade ($ billion)	April	16.1	1.0%	4.9%
New Motor Vehicle Sales ('000 units)	May*	101.0	0.3%	1.9%
LABOUR				
Employment (millions)	June*	12.4	0.8%	1.6%
Unemployment Rate (%)	June*	11.3	-0.1	-0.3
Participation Rate (%)	June*	65.6	0.4	-0.1
Labour Income ($ billion)	April	33.2	-0.2%	3.3%
Average Weekly Earnings ($)	April	559.47	0.2%	2.5%
INTERNATIONAL TRADE				
Merchandise Exports ($ billion)	April	14.8	2.3%	17.4%
Merchandise Imports ($ billion)	April	13.7	-0.1%	14.2%
Merchandise Trade Balance ($ billion)	April	1.2	0.35	0.50
MANUFACTURING				
Shipments ($ billion)	April	25.6	-0.4%	8.8%
New Orders ($ billion)	April	25.6	-3.4%	9.1%
Unfilled Orders ($ billion)	April	24.8	0.1%	9.1%
Inventory/ Shipments Ratio	April	1.34	0.01	-0.14
Capacity Utilization (%)	1st Quarter	78.4	1.7	4.6
PRICES				
Consumer Price Index (1986=100)	May	130.1	0.2%	1.8%
Industrial Product Price Index (1986=100)	May	112.1	0.0%	3.2%
Raw Materials Price Index (1986=100)	May	115.2	1.2%	9.3%
New Housing Price Index (1986=100)	May	135.8	-0.4%	1.2%

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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