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I·N·F·O·M·A·T

A WEEKLY REVIEW

75 Years of Excellence Ans d'excellence

Friday, September 17, 1993

OVERVIEW

■ Imports Climb While Exports Increase Marginally

Seasonally adjusted merchandise imports rose faster than exports in July. As a result, Canada's trade balance fell by $120 million to $1.0 billion.

■ Planned Construction of Industrial Projects Climbs

According to the seasonally adjusted value of building permits issued in Canada, planned construction activity rebounded in July mainly because of a sharp 71.6% increase in the industrial sector.

■ Composite Index Continues to Grow

The composite index grew by 0.5% in August, similar to average monthly increases in the preceding twelve months.

■ Foreign Visits Up; Trips Abroad Down

In July, the flow of foreign travellers to Canada increased while the volume of travel abroad by Canadians declined.

■ Both Employment and Unemployment Decrease in August

The seasonally adjusted level of employment decreased for the second straight month in August. However, due to a larger reduction in the size of the labour force, the unemployment rate also decreased, to 11.3%.

This issue **also** contains information on **Education: Costs in 1993-1994** and on **Farm Product Prices.**

Imports Climb While Exports Increase Marginally

The seasonally adjusted value of merchandise imports climbed 1.1% to $13.9 billion in July, while exports edged up by 0.2% to $14.9 billion. As a result, Canada's trade balance declined by $120 million to $1.0 billion. However, the year-to-date trade surplus totalled $7.0 billion, double the level reached during the first seven months of 1992.

Underlying Trends

Seasonally adjusted numbers are used to describe current changes and levels, but they are often unduly affected by irregular changes in

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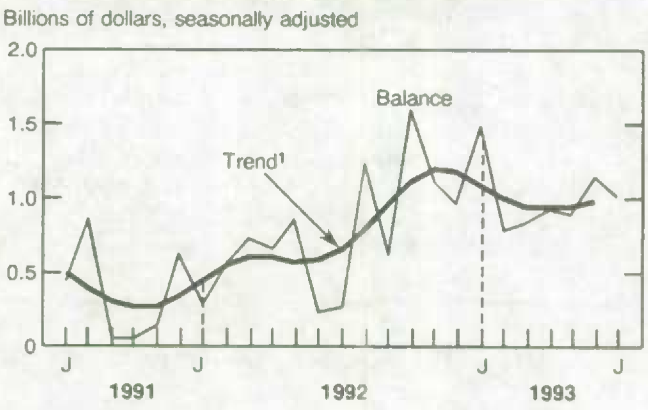
Merchandise Trade Balance



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

... Imports Climb While Exports Increase Marginally

trading patterns. Smoother series, which serve better to describe underlying movements, are obtained by applying moving averages to the seasonally adjusted numbers.

The exports trend rose for the nineteenth consecutive month to a level 15.8% higher than in June 1992. There were continued increases in the trends for exports to all major trading partners except the European Community.

The trend for agricultural and fishing products increased for the fifth month in a row, aided in large part by higher exports of wheat. Exports of wheat have increased by almost 20% since January. The trend for machinery and equipment, which provided much of the continued strength in the overall exports trend, rose for the eighteenth straight month and now stands 15% higher than in June 1992.

For imports, the trend has been increasing for eighteen straight months, and now stands 13.5% higher than in June 1992. Pulling down the imports trend were the trends for imports of energy, forestry and automotive products.

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 8.)

Planned Construction of Industrial Projects Climbs

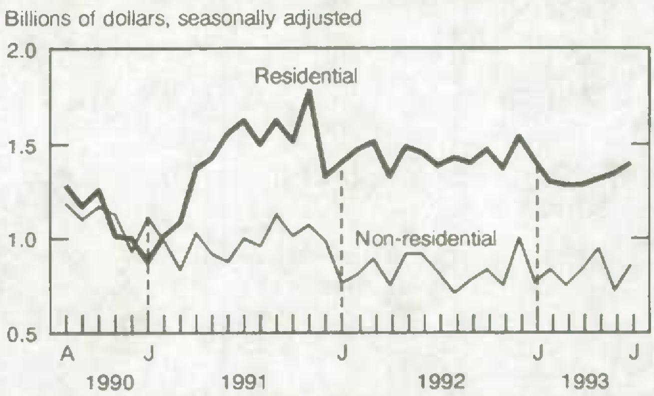
After a decline of 8.8% in June, the seasonally adjusted value of building permits issued in Canada rebounded in July, increasing by 9.1% to $2,240 million. All regions reported increases in the value of building permits, ranging from 1.2% in the Prairies to 22.1% in the Atlantic region.

The value of residential building permits continued to increase slowly, from $1,335 million in June to $1,390 million in July. The total for the period January-July showed a decrease of 7.0% compared to the same period in 1992. For that period, British Columbia recorded the largest increase (11.0%) due to the hike of multi-family dwelling projects.

Growth in the multi-family dwelling sector was strong in July, rising by 11.8% to $440 million. Permits for single-family dwellings increased only slightly, by 0.9% to $951 million.

There was a strong 18.5% rise in the value of non-residential building permits, from $717 million in June to $849 million in July. Four of five regions contributed to the rise of non-residential building permits: the Atlantic region (76.6%), Ontario (42.6%), Québec (30.2%, the Prairies (1.0%). In British Columbia, the value of non-residential building permits decreased by 22.5% despite a good performance in the industrial sector (+254.9%).

Building Permits



For the industrial component, the value of projects rose from $118 million in June to $202 million in July. The resurgence of activity was attributable to large projects reported in British Columbia and Québec. The value of building permits for commercial projects climbed 20.5% to $404 million while the value of permits for institutional projects fell 7.7% to $243 million.

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

Composite Index Continues to Grow

After increasing by 0.8% in June and 0.6% in July, the leading index grew by 0.5% in August, comparable to its average monthly growth over the past year. Six of the 10 component indexes contributed to the growth, down from seven in July, as new orders for durable goods fell slightly. Growth was sustained due to stronger demand for services, which offset a slowdown for manufacturing.

Despite tax hikes and lower employment in July, household demand showed no signs of slowing down. This was particularly true for demand for

(continued on page 3)

... Composite Index Continues to Grow

personal services, which accelerated in August for the third month in a row and led the growth of services employment (0.6%). The housing index rose 1.0% and furniture and appliance sales gained 0.2%. Sales of durable goods remained hesitant as consumer confidence was fragile. Auto sales dropped sharply in June followed by a rebound in July.

Demand for manufactured goods continued to slow, after sharp gains earlier in the year. New orders for durable goods fell 0.3%, due to weakness in export-oriented industries. Inventories increased in tandem with shipments, leaving the ratio unchanged for the third straight month at 1.45. The average workweek was unchanged at 38.5 hours as employment in manufacturing fell again in August.

The stock market index continued to grow steadily, rising by 2.9% in August before easing early in September. The increase in the real money supply slowed from 1.5% in July to 0.9% in August.

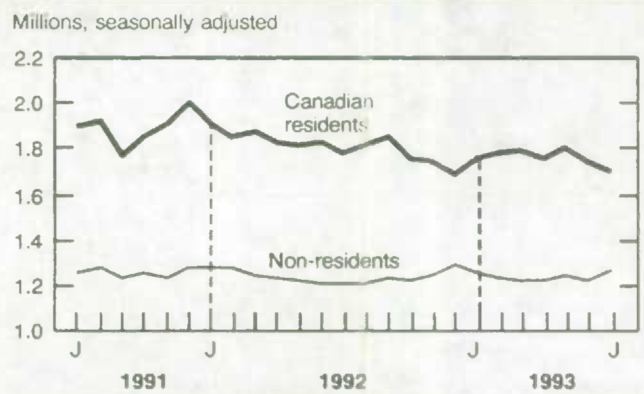
As in July, the U.S. leading indicator recorded a marginal decline. Manufacturing was weak and consumer confidence continued to fall.

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 8.)

Foreign Visits Up; Trips Abroad Down

The seasonally adjusted number of trips of one or more nights to Canada by foreign travellers climbed 3.2% in July, more than offsetting a 2.0% drop in June. The level of this type of travel has fluctuated within a narrow band since late 1986. The number of trips by American visitors rose 3.9% and comparable trips by travellers from all other countries advanced 0.6%.

Trips of One or More Nights between Canada and Other Countries



International Travel Between Canada and Other Countries

July 1993, Seasonally Adjusted

	('000)	% change, previous month	%change, previous year
One or More Night Trips			
Non-resident Travellers:			
United States	991	3.9	3.4
Other Countries	262	0.6	6.6
Total	**1,253**	**3.2**	4.1
Residents of Canada:			
United States	1,424	-2.7	-6.2
Other Countries	268	-2.5	2.2
Total	**1,692**	**-2.6**	**-4.9**
Auto Re-entries			
Residents of Canada:			
Same-day	4,118	-1.2	-13.6
Overnight	1,016	-0.7	-7.7

Canadian residents' trips of one or more nights to all countries by all modes of travel fell for the third time in four months, by 2.6% in July. The decline in the overall volume of resident travel was attributable to a 2.7% drop in the number of trips to the U.S. and a 2.5% decrease in the number of trips to all other countries.

The number of same-day car trips by Canadians to the United States decreased 1.2% in July, representing the third successive monthly decline. Car trips of one or more nights to the United States also decreased, by 0.7%, following a 4.9% drop in June.

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

Both Employment and Unemployment Decrease in August

After climbing by 99,000 in June, the seasonally adjusted level of employment fell by 43,000 in July and a further 11,000 in August. However, due to a larger reduction in the size of the labour force (-47,000), the unemployment rate also decreased.

The withdrawal of youths from the labour force (-45,000) put downward pressure on their unemployment rate, dropping it 0.7 percentage points to 17.9%. Employment also decreased among youths, by 17,000 for young women and 4,000 for young men.

Both teenagers and youths over the age of 20 have been affected by worsening employment conditions. In August, the employment/population ratio of returning students aged 15 to 19 was 47.7, 3.5 percentage points lower than a year earlier. For those aged 20 to 24, the employment/population ratio declined 4.5 percentage points to 64.7.

Employment fell by 20,000 in the goods-producing industries, after dropping by 44,000 in July. In manufacturing industries, employment fell by 24,000 in August alone, bringing the employment losses since May to 72,000. Employment grew by 25,000 in transportation, communications and other utilities, bringing gains since June to 40,000.

The unemployment rate fell to 11.3% in August, returning to the level registered in June. Rates were lower than the national unemployment rate in Ontario, Manitoba, Saskatchewan, Alberta and 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 8.)

PROVINCIAL PERSPECTIVES

Labour Force Survey Results for August 1993

	Labour Force		Employment		Unemployment	
	'000	% change previous month	'000	% change, previous month	'000	Rate (%)
Canada	**13,960**	**-0.3**	**12,377**	**-0.1**	**1,583**	**11.3**
Newfoundland	232	-2.5	184	-2.6	48	20.7
Prince Edward Island	65	1.6	52	0.0	13	19.4
Nova Scotia	422	-0.7	359	-1.1	63	14.9
New Brunswick	331	-1.8	288	-1.4	43	13.0
Québec	3,369	-0.9	2,934	-0.5	435	12.9
Ontario	5,372	-0.4	4,790	-0.1	582	10.8
Manitoba	541	-0.4	490	0.0	51	9.4
Saskatchewan	478	0.0	440	0.0	38	7.9
Alberta	1,393	0.2	1,253	0.2	140	10.1
British Columbia	1,740	-0.1	1,575	0.8	165	9.5

Spending on Education: Lowest Increase in a Decade

Since 1983-84, spending on education (in current dollars) has increased by 84.0%, from \$30.2 billion in 1983-84 to \$55.5 billion in 1993-94. This represents an average annual increase of 6.3%. But in 1993-94, total education expenditures are forecast to grow by 0.4%, the lowest increase in a decade. Governments finance more than 90% of total education spending in Canada, the remainder being financed by tuition fees, donations and investment income.

An estimated \$35.0 billion will be spent on elementary and secondary education in 1993-94, \$11.2 billion on universities, \$4.1 billion on community colleges and \$5.3 billion on vocational training.

Again in 1993-94, spending is expected to increase the most at the vocational training level. The 1.5% rise is due primarily to Ontario's increased vocational expenditures following the introduction of the Jobs Ontario Training Fund. Ontario accounts for 25.5% of spending on vocational training.

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... Spending on Education: Lowest Increase in a Decade

Enrolment in grades 1 to 6 is expected to increase by 0.5% from 1992-93; in grades 7 to 12, enrolment is expected to be up by almost 2.0%. Full-time university enrolment will likely rise by about 3.0% while full-time enrolment in community colleges will climb by approximately 5.0%.

For further information, order Advance Statistics of Education, 1993-93 (catalogue number 81-220) or contact Eduction, Culture and Tourism Division at (613) 951-1500.

Farm Product Prices Continue to Increase

The Farm Product Price Index (1986=100) increased for the fourth straight month but the rate of increase has decelerated, from 0.5% in April to 0.3% in May and June and to 0.2% in July. At 103.5, the index stood 4.4% above the previous year's level of 99.1. This marked the ninth consecutive year-over-year increase.

After increasing by 1.4% in June, the crops index rose a further 3.0% in July to 95.8 but still remained at a low level last seen in 1987. The index was 3.8% below its year-earlier level of 99.6.

Because stocks of old potatoes were depleted before the arrival of the new crop on the market, the potatoes index continued to register large increases, climbing by 26.5% in July alone. Prices for corn, oats and designated barley rose in most provinces, pushing the cereals index up 1.0% in July. Unseasonably cool weather has caused very slow crop development. Due to higher prices for canola and soybeans, the oilseeds index rose 5.6%. This was the first increase in five months.

The livestock and animal products index fell for the second month in a row, by 1.4% in July to 108.2, but still stood 9.5% above its year-earlier level of 98.8. The cattle and calves index decreased 3.0% and the hogs index fell 1.2%. This was the first decrease for the hogs index since January.

The Farm Product Price Index
July 1993

	Crops		Livestock and Animal Products	
	% change from		% change from	
	June 1993	July 1992	June 1993	July 1992
Canada	**3.0**	**-3.8**	**-1.4**	**9.5**
Newfoundland	4.5	-1.8	-0.7	-3.3
Prince Edward Island	-1.2	19.2	-0.7	12.1
Nova Scotia	0.4	-4.5	-0.8	7.4
New Brunswick	-1.4	8.8	-0.1	5.0
Québec	2.3	3.0	-0.3	6.4
Ontario	5.8	14.6	-2.3	13.4
Manitoba	3.4	-7.5	0.1	10.0
Saskatchewan	1.4	-15.8	2.2	10.6
Alberta	1.3	-10.1	-3.1	9.0
British Columbia	10.2	9.3	-2.3	4.2

For further information, order Farm Product Price Index (catalogue number 62-003), or contact Agriculture Division at (613) 951-2441.

NEW FROM STATISTICS CANADA

Canadian Business Patterns

In Ontario or Manitoba, how many businesses sell used cars? Canadian Business Patterns, a new diskette product, can answer that question and many more. Its user-friendly PC software accesses a database of business establishment counts – both on the basis of industry activity and geography. Users can find the size of Canada's employer-business population by standard industrial classification (one-, two- and four-digit industry level) and on a provincial and national basis for six employment size ranges.

The Canadian Business Patterns diskette costs $500 for a single release; other packages and/or discounts are available. It is expected to be available on a semi-annual basis, given sufficient demand.

For more information or a free demonstration diskette, contact Louise Bard (613-951-9011), Business Register Division. Selected business count extracts from this database may also be obtained from the Business Register Division or by contacting your local Statistics Canada Regional Reference Centre.

PUBLICATIONS RELEASED FROM SEPTEMBER 10 TO 16, 1993

Division/title of publication	Period	Catalogue Number	Price: Issue/Subscription Canada ($Cdn.)	United States ($US)	Other Countries ($US)
EDUCATION, CULTURE AND TOURISM					
Advance Statistics of Education	1993-94	81-220	22	26	31
International Travel, Vol. 9, No. 7	July 1993	66-001P	6.10/61	7.30/73	8.50/85
HOUSEHOLD SURVEYS					
Labour Force Information	August 1993	71-001P	6.30/63	7.60/76	8.80/88
INDUSTRY					
Energy Statistics Handbook	September 1993	57-601	300	360	420
Factory Sales of Electric Storage Batteries	July 1993	43-005	5/50	6/60	7/70
New Motor Vehicle Sales	May 1993	63-007	14.40/144	17.30/173	20.20/202
Oils and Fats	July 1993	32-006	5/50	6/60	7/70
Particleboard, Waferboard and Fiberboard	July 1993	36-003	5/50	6/60	7/70
Production and Shipments of Blow-Moulded Plastic Bottles	Quarter ended June 30, 1993	47-006	6.75/27	8/32	9.50/38
Production and Shipments of Steel Pipe and Tubing	July 1993	41-011	5/50	6/60	7/70
Pulpwood and Wood Residue Statistics	July 1993	25-001	6.10/61	7.30/73	8.50/85
Specified Domestic Electrical Appliances	July 1993	43-003	5/50	6/60	7/70
INTERNATIONAL TRADE					
Exports by Commodity	June 1993	65-004	55.10/551	66.10/661	77.10/771
Imports by Commodity	June 1993	65-007	55.10/551	66.10/661	77.10/771
Imports by Country	January-June 1993	65-006	82.75/331	99.25/397	115.75/463
Preliminary Statement of Canadian International Merchandise Trade	July 1993	65-001P	10/100	12/120	14/140
LABOUR AND HOUSEHOLD SURVEY ANALYSIS					
Work Arrangements	November 1991	71-605	40	48	56
NATIONAL ACCOUNTS AND ENVIRONMENT					
National Income and Expenditure Accounts, Quarterly Estimates	First Quarter 1993	13-001	25/100	30/120	35/140
SERVICES, SCIENCE AND TECHNOLOGY					
Service Industries Service Bulletin: Specialty Advertising Distributors, Vol. 5, No. 2	1991	63-015	7.20/43	8.65/52	10/60
TRANSPORTATION					
Passenger Bus and Urban Transit Statistics, Vol. 45, No. 7	July 1993	53-003	7.10/71	8.50/85	9.90/99
Railway Carloadings, Vol. 70, No. 7	July 1993	52-001	8.30/83	10/100	11.60/116
Railway Operating Statistics, Vol. 73, No. 6	June 1993	52-003	10.50/105	12.60/126	14.70/147

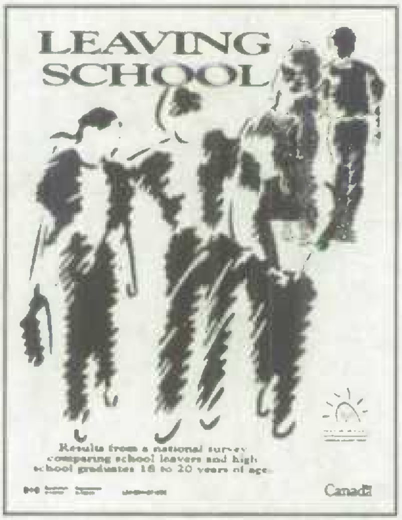
NEW FROM STATISTICS CANADA

Work Arrangements

Work Arrangements, November 1991 presents detailed information on hourly, daily and weekly work schedules, flexible work arrangements, home-based work, temporary work, multiple jobholding and paid overtime.

Tables are easy to read and contain data for paid workers aged 15 to 64 classified by age group, sex, family status, industry, occupation, full-time, part-time and work schedule.

Work Arrangements, November 1991 (catalogue number 71-605, $40) is now available. For further information, contact Ernest B. Akyeampong (613-951-4624), Labour and Household Surveys Analysis Division.



Leaving School

As part of the federal "Stay-in-School" initiative, Human Resources and Labour Canada commissioned Statistics Canada to conduct the School Leavers Survey to compare high school graduates with those who left school before graduating.

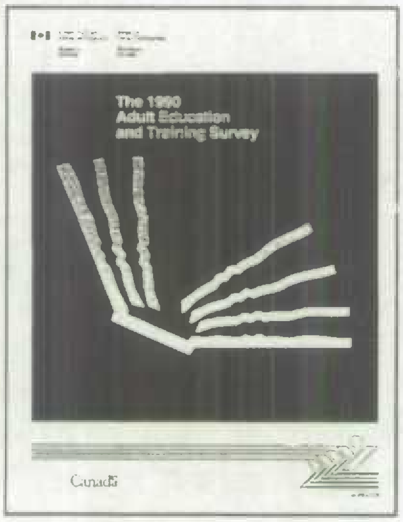
From April to June 1991 Statistics Canada interviewed 9,460 randomly selected 18 to 20 year-olds. The survey asked questions about work experience, schooling and their background.

At the time of the survey, 18% of the 20 year-olds said they had not completed high school. The non-completion rate for young men (22%) was higher than for young women (14%). The gap between males and females was greater in the Eastern provinces and less pronounced in the Western provinces.

The majority of those who left school before graduation had been performing satisfactorily: 37% had mainly As and Bs, and 40% had been getting by with Cs.

An early indicator that problems may arise in later school years is failure of a grade in elementary school: 36% of leavers had failed a grade compared with 8% of graduates.

To obtain a copy of Leaving School (catalogue number LM-294-07-93E), write to the Public Enquiry Centre, Human Resources and Labour Canada , Ottawa K1A0J9. For further information about the survey, contact Virginia Miller (819-997-6406), Human Resources and Labour Canada, or Doug Higgins (613-951-5870), Statistics Canada.



Adult Education and Training Survey

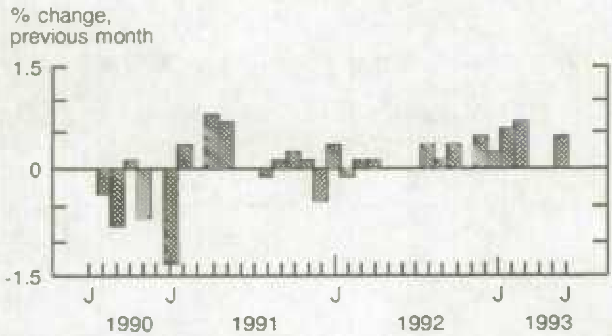
A summary report of the findings of the 1990 Adult Education and Training Survey is being released today by Human Resources and Labour Canada, who commissioned Statistics Canada to conduct the survey and to analyze its results.

To obtain a copy of The 1990 Adult Education and Training Survey (catalogue number LM-250-05-93E), write to the Public Enquiry Centre, Human Resources and Labour Canada, Ottawa K1A 0J9.

For further information about the survey, contact Roger Hubley (819-997-3494), Human Resources and Labour Canada, or Robert Couillard (613-951-1519), Statistics Canada.

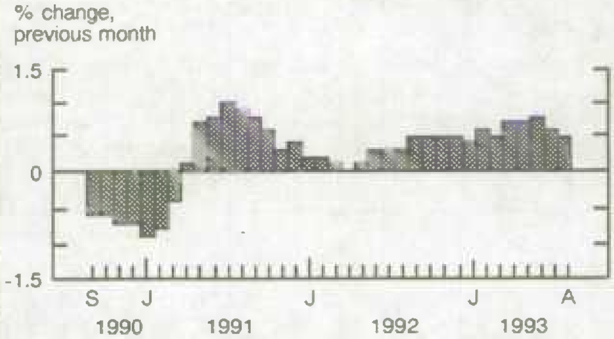
CURRENT TRENDS

Gross Domestic Product



After remaining unchanged in April and May, real gross domestic product at factor cost expanded 0.4% in June.

Composite Leading Indicator



The composite index grew by 0.5% in August, similar to average monthly increases in the preceding twelve months.

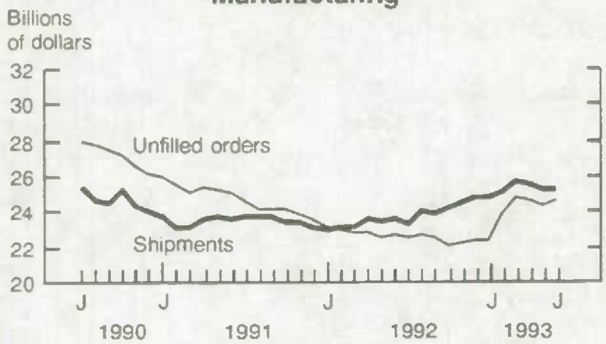
Consumer Price Index

The year-over-year increase in the all-items CPI was 1.6% in July, unchanged from June's rise. The food index also rose by 1.6%.

Unemployment Rate

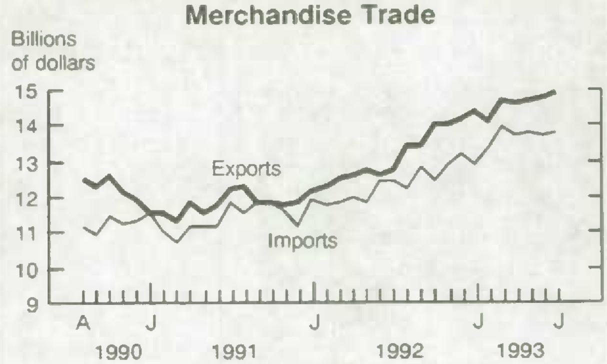
The unemployment rate fell to 11.3% in August, returning to the level registered in June.

Manufacturing



Canadian manufacturers' shipments edged up by 0.5% in June, and the level of unfilled orders increased 1.0%.

Merchandise Trade



In July, seasonally adjusted merchandise imports climbed 1.1% to $13.9 billion, while exports edged up by 0.2% to $14.9 billion.

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)	June	516.9	0.4%	2.9%
Composite Leading Indicator (1981=100)	August*	155.7	0.5%	7.1%
Operating Profits of Enterprises ($ billion)	2nd Quarter	14.0	22.8%	35.9%
DOMESTIC DEMAND				
Retail Trade ($ billion)	June	16.0	-0.7%	3.8%
New Motor Vehicle Sales ('000 units)	July	99.8	7.0%	-3.8%
LABOUR				
Employment (millions)	August*	12.4	-0.1%	1.3%
Unemployment Rate (%)	August*	11.3	-0.3	-0.3
Participation Rate (%)	August*	65.1	-0.3	-0.5
Labour Income ($ billion)	June	33.2	0.8%	2.9%
Average Weekly Earnings ($)	June	558.60	0.6%	1.8%
INTERNATIONAL TRADE				
Merchandise Exports ($ billion)	July*	14.9	0.2%	17.2%
Merchandise Imports ($ billion)	July*	13.8	1.1%	11.5%
Merchandise Trade Balance ($ billion)	July*	1.0	-0.12	0.76
MANUFACTURING				
Shipments ($ billion)	June	25.2	0.5%	7.2%
New Orders ($ billion)	June	25.4	2.8%	7.6%
Unfilled Orders ($ billion)	June	24.5	1.0%	8.9%
Inventory/ Shipments Ratio	June	1.37	0.0	-0.1
Capacity Utilization (%)	2nd Quarter	78.3	-0.2	3.3
PRICES				
Consumer Price Index (1986=100)	July	130.5	0.2%	1.6%
Industrial Product Price Index (1986=100)	July	112.2	0.2%	2.8%
Raw Materials Price Index (1986=100)	July	112.7	-1.9%	4.3%
New Housing Price Index (1986=100)	June	136.1	0.2%	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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