



INFO-MAT

A WEEKLY REVIEW

AVR 29 1994

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Friday, April 29, 1994

OVERVIEW

■ Number of UI Beneficiaries Still Declining

The seasonally adjusted number of beneficiaries who received regular unemployment insurance benefits fell 1.4% in February to 962,000.

■ Industrial Product Price Index Maintains Upward Trend

In March, the Industrial product price index rose 0.4% from February and stood 3.6% above its year-earlier level.

■ Raw Material Prices Up for Third Month in a Row

The Raw materials price index rose 1.3% in March due to large increases in the mineral fuels, non-ferrous metals and wood indexes.

■ Foreign Investors Continue to Purchase Canadian Securities

In February, foreign investors purchased a further \$2.5 billion in Canadian securities after a massive \$5.7 billion acquisition in January. This was their third consecutive monthly net investment.

■ Domestic Sales of Cigarettes Soar

Between March 1993 and March 1994, domestic sales of cigarettes climbed 62.5% while exports of cigarettes plunged 83.1%.

■ Wholesalers Report Slower Sales

After generally rising since May 1993, wholesale merchants' sales fell for the second month in a row in February, declining a modest 0.7% to \$17.8 billion.

■ Consumer Spending Increases for Fourth Straight Month

In February, retail sales increased by 0.9% to \$16.8 billion, led by the automotive and general merchandise sectors. Sales were 6.4% higher than a year earlier.

Number of UI Beneficiaries Still Declining

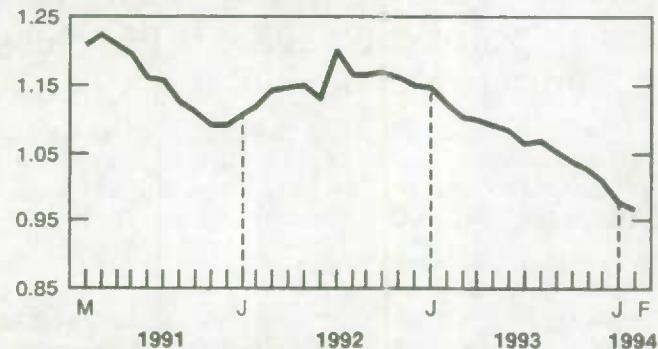
The seasonally adjusted number of beneficiaries who received regular unemployment insurance benefits fell 1.4% in February to 962,000. After peaking at 1.20 million in July 1992, the trend has been downward. The number of beneficiaries in February stood 14.1% below the level of a year ago (1.12 million).

Seven provinces and the Yukon and Northwest Territories posted decreases in the number of beneficiaries who received regular unemployment insurance benefits. In Prince Edward Island and New Brunswick, the number of beneficiaries increased marginally. The number remained unchanged in Nova Scotia. On a year-over-year basis, however, all provinces and territories reported declines, ranging from -2.7% in New Brunswick to -28.7% in the Northwest Territories.

(continued on page 2)

U.I. Beneficiaries Receiving Regular Benefits

Millions, seasonally adjusted



... Number of UI Beneficiaries Still Declining

Regular unemployment insurance payments in February totalled \$1.1 billion, down 1.2% from January and 12.2% less than the amount paid a year earlier.

A total of 552,000 applications for unemployment insurance benefits have been received since the beginning of the year, down 4.9% from the corresponding period in 1993. In February alone, 211,000 claims were filed.

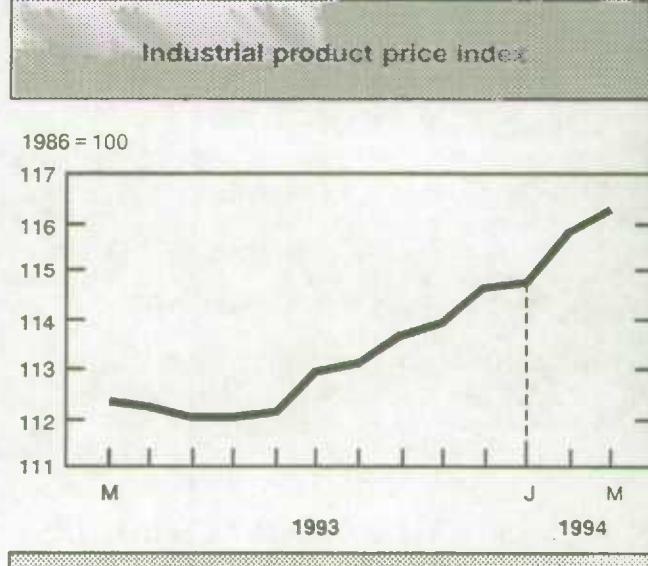
For further information, order Unemployment Insurance Statistics (catalogue number 73-001) or contact Labour Division at (613) 951-4045.

Industrial Product Price Index Maintains Upward Trend

The Industrial product price index (IPPI, 1986=100) continued to advance in March, increasing by 0.4%, but at a slower rate than in February (1.0%). At 116.3, the index stood 3.6% above its year-earlier level of 112.3, up from February's year-over-year increase of 3.3%.

Price indexes for 16 of the 21 major groups of products registered advances while two declined and three remained unchanged. The March increase in the IPPI was largely attributable to a 1.7% rise in the prices of primary metal products—the component had increased by 2.7% in February. The latest rise was attributable to higher prices for aluminum products and copper and copper alloy products. The continued rise in the price for aluminum is due to the current international agreement to reduce production. For copper prices, the boom is attributable to the beginning of world recovery and seasonal trends.

Another significant rise was in the automobiles, trucks and other transport equipment index, up 0.4% from February. The increase was mainly due to the change in the valuation of the Canadian dollar on the price of exports. The paper and paper products index rose 1.0% as both pulp and newsprint



prices increased. American newsprint consumption is rising as is woodpulp consumption around the world.

These increases were slightly offset by lower prices for electrical and communications products (-0.2%) and textile products (-0.1%).

For further information, order Industry Price Indexes (catalogue number 62-011), or contact Prices Division at (613) 951-3350.

Raw Material Prices Up for Third Month in a Row

The Raw materials price index (RMPI, 1986=100) rose 1.3% in March to 112.8. Without mineral fuels, the RMPI was up 1.0% from February, continuing the upward trend that began in October 1993.

On a year-over-year basis, the RMPI was up 1.1% as all components showed higher prices except mineral fuels (-18.6%). The main price increases were for ferrous materials (20.3%), vegetable products (16.9%), wood (13.9%), and non-ferrous metals (10.1%).

The mineral fuels index, the largest component of the RMPI, rose 2.9% in March. The index has been declining gradually since May 1993 (105.5) and now stands at 84.1.

The non-ferrous metals index advanced 2.8% in March, mainly because of higher prices for copper concentrates, aluminum materials and gold. Since October 1993, the non-ferrous index has risen 15.3%, after falling by almost 8% in the preceding nine months.

Wood prices posted a fifth consecutive monthly increase, advancing 1.4%. This latest increase was due to higher prices for logs and bolts. The logs and bolts index reached its all-time high in July 1993 (228.9), declined until October, and then increased steadily to reach a level of 225.1 in March 1994.

For further information contact Prices Division at (613) 951-3350.

Foreign Investors Continue to Purchase Canadian Securities

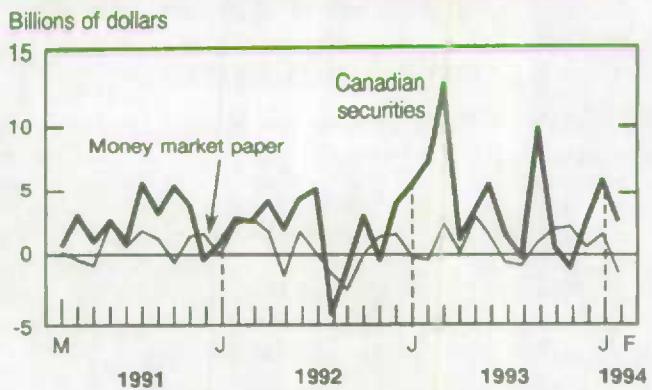
In February, foreign investors purchased a further \$2.5 billion in Canadian securities after a massive \$5.7 billion acquisition in January. This was their third consecutive monthly net investment. The February decrease in foreign investor purchases of Canadian securities stemmed from disinvestment in the Canadian money market.

Foreign investors remained heavy net purchasers of Canadian bonds, acquiring \$2.7 billion which went exclusively into net new issues. Foreign investors sold a substantial \$3.5 billion of outstanding bonds, mainly federal issues, but acquired a large \$8.4 billion of gross new bond issues, almost double the amount purchased in January. Retirements of maturing bonds totalled \$2.2 billion, bringing net new issues to a record \$6.2 billion. The provinces and the federal government were the issuers of \$3.5 billion and \$2.5 billion, respectively, of new bonds.

The foreign net acquisition of \$1.3 billion of Canadian stocks went mainly into existing shares (\$1.1 billion) new shares accounted for \$200 million. Some 70% of the foreign funds came from the United States, with most of the balance coming from European countries. Since October 1992, foreign investors channelled \$15.1 billion into the Canadian equity market.

Foreign investors reduced their holdings of Canadian money market paper by \$1.5 billion after five straight months of net buying which totalled \$6.7 billion. The net foreign sell-off was spread to

Net Transactions in Securities



all sectors of the Canadian economy. Net selling from U.S. investors (-\$2.5 billion) and Asian investors (-\$0.2 billion) was partially offset by net buying from the European Community countries (\$1.2 billion).

Canadian residents purchased a net \$1.5 billion of foreign securities, made up of \$1.1 billion in foreign stocks and \$350 million in foreign bonds. The net purchases of foreign stocks have averaged \$1.6 billion for the past four months.

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

Domestic Sales of Cigarettes Soar

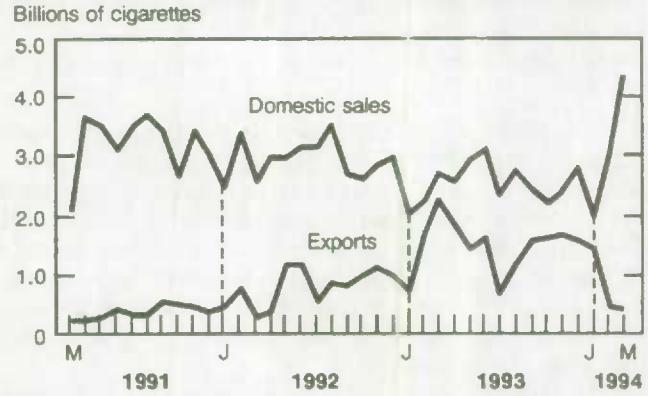
Canadian tobacco manufacturers sold 4.77 billion cigarettes in March, down slightly from 4.91 billion reported for March 1993. Domestic sales, however, were up sharply to 4.35 billion cigarettes an increase of 62.5% compared to March 1993.

Exports of cigarettes plunged to 374 million cigarettes, down 83.1% from 2.21 billion in March 1993. Export levels have decreased to 6.4% of total production, down from the all-time high of 46.9% a year ago.

These changes follow cigarette tax decreases in February by the federal government and the Quebec, New Brunswick and Ontario provincial governments.

Canadian production of cigarettes reached 5.88 billion in March, a 24.9% increase from 4.71 billion produced a year earlier. Production exceeded total sales in March, as manufacturers increased inventories from relatively low levels in recent months.

Domestic sales and exports of cigarettes



For further information, order *Production and disposition of tobacco products* (catalogue number 32-022) or contact Industry Division at (613) 951-3521.

Wholesalers Report Slower Sales

After generally rising since May 1993, seasonally adjusted sales by wholesale merchants fell for the second month in a row in February, declining a modest 0.7% to \$17.8 billion. Sales were still 7.4% above their February 1993 level of \$14.3 billion.

Sales fell in four trade groups in February, accounting for about 40% of total sales. The largest downward pressure came from wholesalers of food, beverage, drug and tobacco products. After peaking at \$4.7 billion in December 1993, sales fell 0.9% in January 1994 and a further 4.5% in February, to \$4.5 billion. Sales stood 0.8% above their year-earlier level, the smallest year-over-year increase since February 1991 when sales declined 1.3%.

After reporting a drop of 5.6% in January, suppliers of lumber and building materials recorded a further decline of 1.4% in February. Most of the downward pressure during January and February reflected to some extent a decrease in demand

brought on by severe winter storms. Sales by wholesalers of apparel and dry goods (-3.4%) and suppliers of farm machinery, equipment and supplies (-1.1%) also decreased.

Among the five trade groups that recorded higher sales, the largest gains were posted by wholesalers of other machinery, equipment and supplies, up 2.0%. The rise almost completely offset January's decline and pushed sales back up to \$4.1 billion, close to their peak level of December 1993. Sales of metals, hardware, plumbing and heating equipment and supplies were up 3.0% following a small reduction in January.

Sales fell in nine provinces but on a year-over-year basis, wholesale sales were down only in New Brunswick (-4.8%).

For further information, order Wholesale Trade (catalogue number 63-008), or contact Industry Division at (613) 951-3540.

Consumer Spending Increases for Fourth Straight Month

After rising by 1.1% in January, seasonally adjusted retail sales increased a further 0.9% in February to \$16.8 billion. Six of seven sectors, accounting for almost 95% of total sales, reported higher sales. Retail sales stood 6.4% above their year-earlier level of \$15.8 billion.

From the spring of 1992 until the fall of 1993, retail sales were generally dominated by the automotive, food and drug sectors. Since then, however, the general merchandise sector has recorded the strongest increase and has become a major factor in the growth of retail sales. In contrast, sales by the drug sector have been flattening.

In February, all sectors except drug stores grew, led by the automotive and general merchandise sectors. General merchandise stores (department stores and other stores that sell a wide range of commodities) reported a strong 3.2% rise in sales, to \$1.8 billion—the eighth consecutive monthly increase. This gain pushed their sales level up 6.7% from a year earlier, the second year-over-year increase in 13 months.

In the automotive sector, sales grew 1.2% to \$6.0 billion, a continuation of the upward movement observed since mid-1993. Sales by motor vehicle

and recreational vehicle dealers were up for the ninth successive month, this time by 2.7%. Sales by gasoline service stations edged up by 0.1% after a 1.7% gain in January. Partly offsetting these increases was a 3.2% decline in sales by automotive parts, accessories and services outlets. The decrease follows a strong 8.0% gain in January.

Supermarkets and grocery stores, which account for almost one-quarter of total sales, also contributed to the broad increase. They reported a 0.4% increase in sales, to \$4.1 billion, and their sales level was up 4.4% from a year earlier. Three of the four clothing components showed increases, led by a 1.5% sales increase for shoe stores.

Drugstore sales declined 0.7% to \$1.0 billion, the third decline in five months. Sales still stood 2.2% above their level of a year ago.

Retailers in Ontario, British Columbia and Saskatchewan have experienced a continuing rate of growth since the end of 1992, but the pace has accelerated in recent months. In contrast, sales in Québec and the Atlantic provinces have weakened in recent months.

For further information, order Retail Trade (catalogue number 63-005), or contact Industry Division at (613) 951-9682.

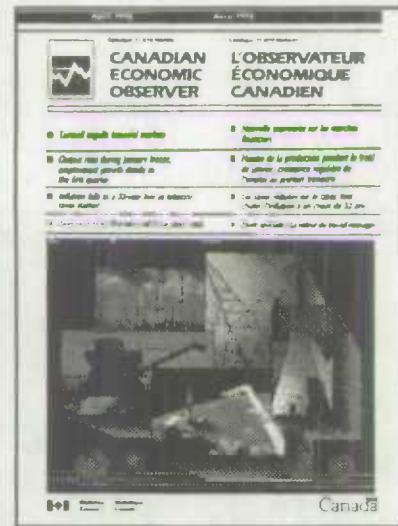
(Provincial perspectives on page 5)

PROVINCIAL PERSPECTIVES

Retail and Wholesale Trade, February 1994 Seasonally Adjusted

	Retail Sales		Wholesale Sales	
	\$ millions	% change from previous month	\$ millions	% change from previous month
Canada	16,831	0.9	17,828	-0.7
Newfoundland	278	-2.4	173	-3.5
Prince Edward Island	72	-4.4	42	-1.2
Nova Scotia	542	-1.2	387	-6.6
New Brunswick	426	0.5	235	-3.2
Québec	4,159	-0.7	4,207	-0.5
Ontario	6,170	2.5	7,389	-0.3
Manitoba	575	2.0	587	-0.6
Saskatchewan	495	0.5	545	0.3
Alberta	1,765	1.7	1,742	-1.0
British Columbia	2,292	0.3	2,499	-0.5
Yukon	17	0.1	22	4.5
Northwest Territories	38	-0.5		

NEW FROM STATISTICS CANADA



Canadian economic observer

The April 1994 issue of *Canadian economic observer*, Statistics Canada's flagship publication for economic statistics, presents a summary of the economy, the major economic events in March, and a feature article on the value of household work.

A separate and more extensive statistical summary contains a wide range of tables and graphs on the principal economic indicators for Canada, the provinces, and the major industrial nations.

The April 1994 issue of *Canadian economic observer* (catalogue number 11-010, \$22/\$220) is now available. For further information on this release, contact Cindy Bloskie (613-951-3634), Current Economic Analysis Division.

NEW FROM STATISTICS CANADA - CONCLUDED



Annual demographic statistics - 1993

This new release—a comprehensive collection of demographic statistics—replaces previous publications (91-204, 91-210, 91-211 and 91-212). All population estimates have been newly tabulated as of July 1st to give precise, mid-year estimates.

The tables highlight the following: total population estimates for Canada, the provinces and territories (1971-93); total population estimates for census divisions, and census metropolitan areas (1991-93); total population estimates for Canada, the provinces and territories by marital status, age and sex (1992-93); population projections for Canada, the provinces and territories by age group and sex (1994-98); and, family estimates for Canada, the provinces and territories by size and structure, age of children, and age and sex of parents (1992-93).

Also covered are vital statistics (births, deaths, marriages, divorces) (1984-1993), as well as estimates of immigrants, emigrants, non-permanent residents, and net internal migration.

Annual demographic statistics, 1993 (catalogue number 91-213, \$40) is now available. For further information on this release, contact Lise Champagne (613-951-2320), Demography Division.

World trade database on CD-ROM

Between 1980 and 1992, countries of the Asia-Pacific Economic Co-operation regional alliance (APEC) saw their share of world exports jump to 42.3% (from 32.5%) and their share of world imports climb to 40.1% (from 31.9%). The increases in exports were led by the newly industrialized countries of the Pacific (Hong Kong, China, Taiwan, South Korea, Malaysia, Singapore and Thailand), all of which recorded average annual growth rates exceeding 17%. In comparison, the growth rates averaged 11.4% for Japan, 8.2% for Canada and 7.8% for the United States.

The *World trade database* can generate data on global trade flows, market share and sources of supply. Constructed from data reported to the United Nations, the *World trade database* provides annual trade flows (in US\$) between some 160 countries and for more than 600 commodities. Adjustments are made to the U.N. data to alleviate the substantial inconsistencies between individual countries' returns and to estimate the trade of late-reporting and non-reporting countries.

The new *World trade database CD-ROM* (\$3,500 subject to Statistics Canada licence agreement) provides data for the years 1980 to 1992 and incorporates user-friendly software by Dataware Technologies that allows for easy data access and retrieval. A 50% discount is available to educational institutions.

For further information on this release, contact Client Services (613-951-9647), International Trade Division.

Travel-log

The feature article in the spring 1994 issue of *Travel-log*, Statistics Canada's quarterly tourism newsletter, is "Sports participation travel between Atlantic Canada and New England". This issue also analyzes international travel trends and the performance of the travel price index in 1993. The touriscope indicators for the fourth quarter of 1993 and for the year of 1993 are listed at the centre of the newsletter.

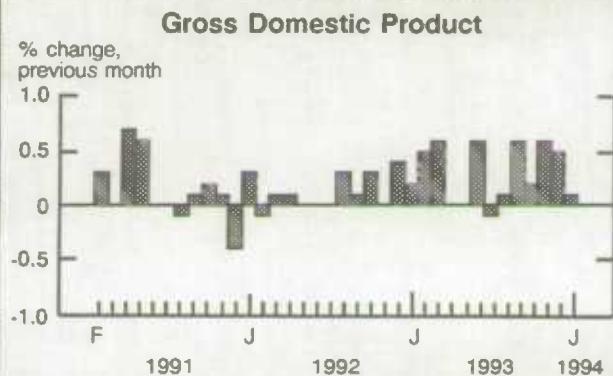
The spring 1994 (vol. 13, no. 2) issue of *Travel-log* (catalogue number 87-003, \$10/\$40) is now available. For further information on this release, contact Lise Beaulieu-Caron (613-951-1673), Education, Culture and Tourism Division.



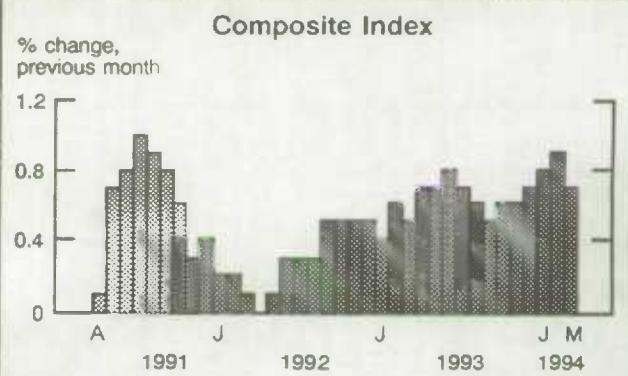
PUBLICATIONS RELEASED FROM APRIL 22 TO 28, 1994

Division/title of publication	Period	Catalogue Number	Price: Issue/Subscription		
			Canada (Cdn.\$)	United States	Other Countries US\$
AGRICULTURE					
Field crop reporting series no. 2: March intentions of principal field crop area, Canada	March, 1994	22-002	12/80	14/96	16/112
The dairy review	February 1994	23-001	12.20/122	14.60/146	17.10/171
BALANCE OF PAYMENTS					
Canada's international transactions in securities	January 1994	67-002	15.80/158	19/190	22.10/221
DEMOGRAPHY					
Annual demographic statistics	1993	91-213	40	48	56
EDUCATION, CULTURE AND TOURISM					
Travel-log: sports participation travel between Atlantic Canada and New England	Spring 1994	87-003	10/40	12/48	14/56
INDUSTRY					
Construction type plywood	February 1994	35-001	5/50	6/60	7/70
Corrugated boxes and wrappers	March 1994	36-004	5/50	6/60	7/70
Electric lamps (light bulbs and tubes)	March 1994	43-009	5/50	6/60	7/70
Gas utilities	January 1994	55-002	12.70/127	15.20/152	17.80/178
Mineral wool including fibrous glass insulation	March 1994	44-004	5/50	6/60	7/70
Monthly production of soft drinks	March 1994	32-001	2.70/27	3.20/32	3.80/38
New motor vehicle sales	December 1993	63-007	14.40/144	17.30/173	20.20/202
Non-metal mines	1992	26-224	22	26	31
Production and disposition of tobacco products	March 1994	32-022	5/50	6/60	7/70
Production, shipments and stocks on hand of sawmills in British Columbia	February 1994	35-003	7.10/71	8.50/85	9.90/99
Refined petroleum products	January 1994	45-004	18.20/182	21.80/218	25.50/255
INTERNATIONAL TRADE					
Exports by commodity	January 1994	65-004	55.10/551	66.10/661	77.10/771
INVESTMENT AND CAPITAL STOCK					
Building permits	February 1994	64-001	24/240	29/290	34/340
PRICES					
Farm product price index	February 1994	62-003	7.10/71	8.50/85	9.90/99
Industry price indexes	February 1994	62-011	18.20/182	21.80/218	25.50/255
SERVICES, SCIENCE AND TECHNOLOGY					
Restaurant, caterer and tavern statistics	February 1994	63-011	6.10/61	7.30/73	8.50/85
TRANSPORTATION					
Aviation statistics centre service bulletin	Vol. 26, No. 4	51-004	9.30/93	11.20/112	13/130
Railway carloadings	February 1994	52-001	8.30/83	10/100	11.60/116
	Vol. 71, No. 2				

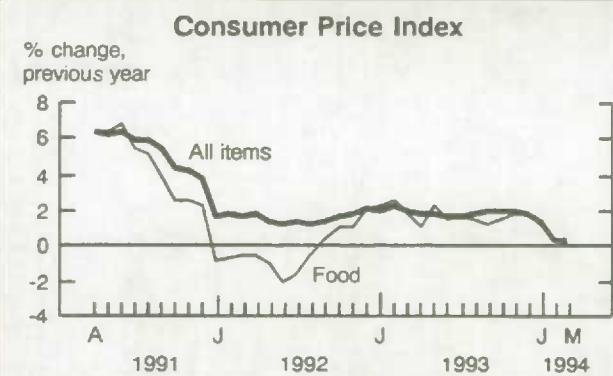
CURRENT TRENDS



Real gross domestic product at factor cost inched ahead by 0.1% in January following increases of 0.6% in November and 0.5% in December.



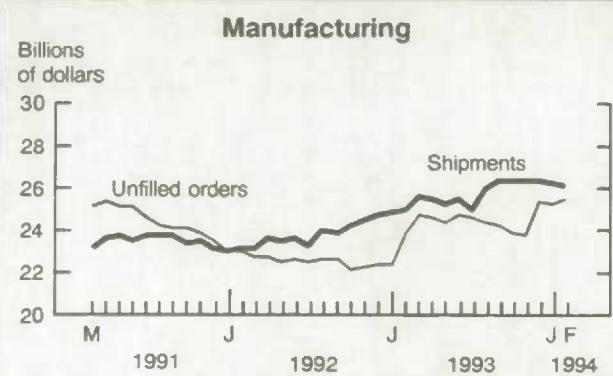
The leading indicator continued to advance in March, rising by 0.7% from February. This increase follows a revised monthly gain of 0.9% in February — a 29-month high.



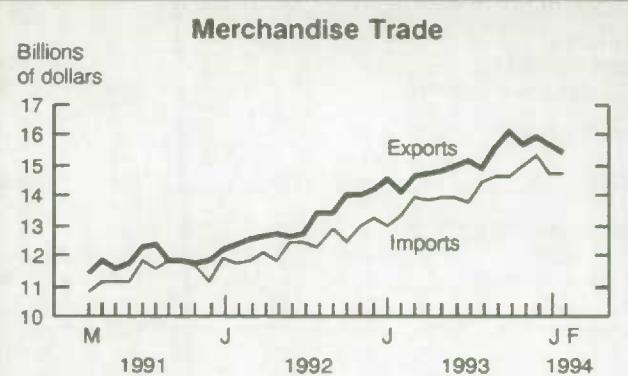
In March, the year-over-year change in the all-items CPI was 0.2%, the same rate of increase reported in February. The food index rose by 0.1%.



In March, the unemployment rate fell by half a percentage point to 10.6%. The decline was due to a combination of employment growth and a reduction in the size of the labour force.



Canadian manufacturers' shipments fell 0.3% in February to \$26.1 billion. The level of unfilled orders rose 0.8% to \$25.5 billion.



In February, the value of merchandise exports fell by 1.5% to \$15.4 billion, while imports remained virtually unchanged at \$14.7 billion.

LATEST MONTHLY STATISTICS

	Period	Level	Change Previous Period	Change Previous Year
GENERAL				
Gross Domestic Product (\$ billion, 1986)	January	528.0	0.1%	3.7%
Composite Leading Indicator (1981=100)	March	163.3	0.7%	8.5%
Operating Profits of Enterprises (\$ billion)	4th Quarter	14.0	11.4%	86.6%
DOMESTIC DEMAND				
Retail Trade (\$ billion)	February*	16.8	0.9%	6.4%
New Motor Vehicle Sales ('000 units)	February	107.0	0.6%	17.2%
LABOUR				
Employment (millions)	March	12.5	0.4%	1.3%
Unemployment Rate (%)	March	10.6	-0.5	-0.5
Participation Rate (%)	March	64.8	-0.2	-0.6
Labour Income (\$ billion)	January	33.5	0.3%	2.0%
Average Weekly Earnings (\$)	January	563.77	0.3%	1.3%
INTERNATIONAL TRADE				
Merchandise Exports (\$ billion)	February	15.4	-1.5%	9.5%
Merchandise Imports (\$ billion)	February	14.7	0.0%	10.2%
Merchandise Trade Balance (\$ billion)	February	0.76	-0.23	-0.03
MANUFACTURING				
Shipments (\$ billion)	February	26.1	-0.3%	4.3%
New Orders (\$ billion)	February	26.3	0.8%	-1.0%
Unfilled Orders (\$ billion)	February	25.5	0.8%	6.7%
Inventory/ Shipments Ratio	February	1.38	0.02	0.01
Capacity Utilization (%)	4th Quarter	80.1	1.6	3.3
PRICES				
Consumer Price Index (1986=100)	March	130.1	-0.2%	0.2%
Industrial Product Price Index (1986=100)	March*	116.3	0.4%	3.6%
Raw Materials Price Index (1986=100)	March*	112.8	1.3%	1.1%
New Housing Price Index (1986=100)	February	136.0	-0.1%	0.8%

Note: All series are seasonally adjusted with the exception of average weekly earnings and the price indexes.

* New this week.



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KEY RELEASE CALENDAR: MAY 1994*

Monday	Tuesday	Wednesday	Thursday	Friday
2 Provincial economic accounts, 1993 (preliminary) Sales of refined petroleum, March	3 Business conditions survey, Canadian manufacturing industries, April Short-term expectations survey Non-residential building construction price index, First quarter	4 Building Permits, March	5 Help-wanted Index, April	6 Labour Force Survey, April Apartment construction price index, First quarter
9	10 Farm input price index, First quarter Farm product price index, March Department store sales by province and metropolitan area, March	11 New housing price index, March	12 Field crop reporting series: March 31 grains stocks	13 Travel between Canada and other countries, March Machinery and equipment price index, First quarter
16 New motor vehicle sales, March	17 Monthly survey of manufacturing, March Composite index, April	18 Consumer Price Index (CPI), April Department store sales advance release, April	19 Canadian international trade, March Retail trade, March	20 Wholesale trade, March Sales of natural gas, March
23 Holiday	24	25 Canada's international transactions in securities, March Unemployment Insurance Statistics, March	26	27 International travel account, January-March Industrial product price index and Raw materials price index, April
30 Quarterly financial statistics for enterprises, First quarter Employment, earnings and hours, March	31 Real gross domestic product by industry at factor cost, March Farm cash receipts, January-March Net farm income, 1993			

* Release dates for International Trade, the Consumer Price Index and the Labour Force Survey are fixed; dates for other data series may change.

I•N•F•O•M•A•T

A Weekly Review

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Editor: Louise Larouche (613) 951-1197
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