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I·N·F·O·M·A·T

A WEEKLY REVIEW

Friday, May 27, 1994

OVERVIEW

- **Canadians Buy Foreign Stocks; Foreign Investors Sell Canadian Bonds**
  In March, Canadian investors continued to purchase foreign stocks (excluding the U.S. market), while foreign investors sold a net $200 million in Canadian bonds.

- **UI Beneficiaries Total Near Four-year Low**
  In March, the number of beneficiaries who received regular unemployment insurance benefits continued to decline, falling by 2.3% to 939,000, nearly a four-year low.

- **Retail Sales Increase for Fifth Straight Month**
  Consumer spending in retail stores grew a substantial 3.2% in the first quarter of 1994 after a moderate performance in each of the four quarters of 1993.

- **Sales by Wholesale Merchants Rebound**
  Following a decline of 1.9% in January and no growth in February, sales by wholesale merchants rebounded in March, rising by 2.0% to $18.4 billion. Sales stood 10% above their year-earlier level of $16.7 billion.

- **Domestic Sales of Cigarettes Rise Sharply While Exports Decline**
  Production of cigarettes remained strong in April. Domestic sales increased significantly from a year ago while exports of cigarettes lost more ground.

- **Lung Cancer Becomes Leading Cause of Cancer Death in 1994**
  Lung cancer will overtake breast cancer as the leading cause of cancer death among Canadian women in 1994. Lung cancer will also be the leading cause of death from cancer among men.

Canadians Buy Foreign Stocks; Foreign Investors Sell Canadian Bonds

Canadian investors remained heavy net purchasers of foreign securities, acquiring $1.8 billion in March. Canadians bought a net $1.1 billion in foreign stocks and the balance, $700 million, went into foreign bonds. Investment in foreign stocks has averaged $1.6 billion per month since November 1993.

As for the Canadian market, foreign investors purchased a modest net $900 million worth of Canadian securities, down sharply from their heavy net buying in January and February which averaged $4.1 billion per month. In March, foreign investors sold a net $200 million in Canadian bonds but purchased $700 million in Canadian stocks and $400 million in Canadian money market instruments.

After two months of net buying totalling $6.0 billion, foreign investors reduced their holdings of

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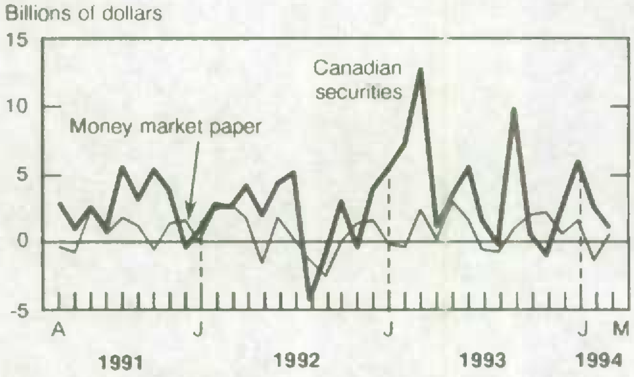
Net Transactions in Securities



... Canadians Buy Foreign Stocks; Foreign Investors Sell Canadian Bonds

Canadian bonds by a small net $200 million. They purchased a moderate $3.1 billion in new issues which were partially offset by retirements of maturing bonds in the amount of $2.7 billion. Foreign investors sold $600 million in outstanding bonds in March; that brought the two-month selloff to $4.2 billion.

Foreign investors acquired a net $400 million i money market paper, not enough to revers February's disinvestment ($1.5 billion). The foreig funds went into other paper ($900 million), with net $500 million withdrawal of Government o Canada treasury bills.

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

UI Beneficiaries Total Near Four-year Low

In March, the seasonally adjusted number of beneficiaries who received regular unemployment insurance benefits fell 2.3% to 939,000. After peaking at 1.20 million in July 1992, the trend has been downward. The number of beneficiaries in March stood 14.7% below the level of a year ago (1.10 million).

All provinces and the Yukon posted decreases in the number of beneficiaries who received regular unemployment insurance benefits. In the Northwest Territories, the number increased 2.2% from February but stood 24.6% below its year-earlier level.

Regular unemployment insurance payments amounted to $1.1 billion in March, down 2.2% from February and 13.5% less than the amount paid a year earlier.

A total of 785,000 applications for unemployment insurance benefits have been received since the beginning of the year, down 6.8% from the corresponding period in 1993. In March alone, 233,000 claims were filed.

U.I. Beneficiaries Receiving Regular Benefits, March 1994
Seasonally Adjusted

Province/ Territory	Total (000)	% change, previous month	% change, previous year
Canada	**939**	**-2.3**	-14.7
Newfoundland	52	-2.8	-14.5
Prince Edward Island	13	-0.7	-3.7
Nova Scotia	50	-1.1	-2.9
New Brunswick	54	-1.2	-2.0
Québec	314	-1.6	-12.3
Ontario	245	-4.8	-20.0
Manitoba	24	-3.0	-16.2
Saskatchewan	20	-5.2	-19.7
Alberta	64	-3.2	-17.[illegible]
British Columbia	101	-2.1	-16.[illegible]
Yukon	2	-5.9	-12.[illegible]
Northwest Territories	1	2.2	-24.[illegible]

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

Retail Sales Increase for Fifth Straight Month

Retailers have been reporting generally higher sales since the beginning of 1992 but have been recording more robust sales increases since November 1993. In March 1994, seasonally adjusted retail sales rose 1.3% to $17.2 billion. This was the fifth straight monthly increase and the longest series of consecutive increases in the last 10 years. Retail sales rose 3.2% in the first quarter of 1994 to $50.8 billion, compared to quarterly growth rates ranging from 0.9% to 1.3% in 1993.

The March gain was broadly based as all sectors posted advances but the strength was led mainly by the automotive sector. Sales by motor vehicle and recreational vehicle dealers (which includes used car dealers) rose for the tenth successive month.

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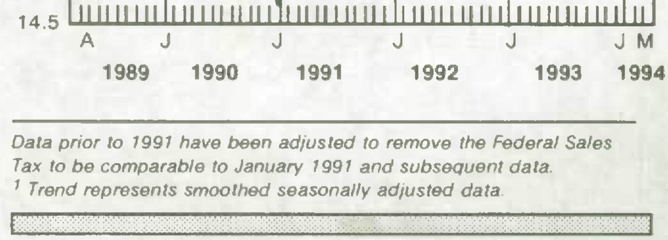
Retail Sales



Data prior to 1991 have been adjusted to remove the Federal Sales Tax to be comparable to January 1991 and subsequent data.
[1] Trend represents smoothed seasonally adjusted data.

... Retail Sales Increase for Fifth Straight Month

Despite a 0.4% decline in the number of new motor vehicles sold in March, the volume of sales was still up by 2.9%. After a 3.2% decline in February, sales by automotive parts, accessories and services outlets advanced 1.4%. Partly offsetting these increases, sales by gasoline service stations fell 1.5% – the third decrease in four months.

General merchandise stores (department stores and other stores that sell a wide range of commodities) registered a 1.7% rise in sales, the ninth straight monthly increase. This gain pushed their sales level up 7.9% from a year earlier.

Of the six provinces reporting higher sales in March, Ontario and Alberta recorded the most significant gains. In Ontario, sales were up by 2.3% after rising by 3.0% in February. Alberta retailers reported an increase of 4.4% in March, more than double the gain in February (2.0%). Sales by retailers in Québec fell for the second month in a row following a robust 4.2% increase in January. In British Columbia, sales flattened in March after generally steady growth since 1992.

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

PROVINCIAL PERSPECTIVES

Retail and Wholesale Trade, March 1994

Seasonally Adjusted

	Retail Sales		Wholesale Sales	
	$ millions	% change from previous month	$ millions	% change from previous month
Canada	**17,164**	**1.3**	**18,355**	**2.0**
Newfoundland	286	1.4	183	4.5
Prince Edward Island	73	0.7	44	3.2
Nova Scotia	562	2.8	407	3.8
New Brunswick	417	-2.4	240	3.2
Québec	4,170	-0.2	4,229	0.3
Ontario	6,360	2.3	7,597	1.7
Manitoba	580	-0.8	625	4.8
Saskatchewan	501	0.4	591	6.4
Alberta	1,854	4.4	1,802	2.5
British Columbia	2,306	0.0	2,617	3.2
Yukon	17	-0.1	22	1.0
Northwest Territories	39	1.5		

Sales by Wholesale Merchants Rebound

After a decline of 1.9% in January and no growth in February, seasonally adjusted sales by wholesale merchants rebounded in March, rising by 2.0% to $18.4 billion. Sales stood 10.1% above their year-earlier level of $16.7 billion.

Wholesaling activity increased in seven of nine trade groups in March, accounting for 95% of total sales. Sales by wholesalers of machinery, equipment and supplies (which includes such commodities as office machinery and equipment, computers and industrial machinery, etc.) led the growth, rising by 4.0% to $4.4 billion. Sales for this group, which account for nearly one-quarter of all wholesale sales, have been generally increasing since May 1993 and stand 19.2% above their year-earlier level.

Sales by wholesalers of "other products" (household, agricultural and industrial chemicals, newsprint and other paper products) rose by 2.8% in March to $2.9 billion and stood 11.7% above their March 1993 level. Distributors of motor vehicles, parts and accessories also posted a notable gain, with sales increasing by 1.7% to $2.1 billion.

All provinces and territories recorded higher sales in March. Alberta (19.7%), Saskatchewan (15.4%) and British Columbia (15.3%) registered the largest year-over-year increases.

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

Domestic Sales of Cigarettes Rise Sharply While Exports Decline

Canadian tobacco manufacturers sold 3.57 billion cigarettes in April, down 18.3% from 4.37 billion in April 1993. Domestic sales were up strongly to 3.19 billion cigarettes, a 25.8% increase from a year earlier.

Exports of cigarettes fell to 347 million cigarettes, down 80.7% from 1.80 billion in April 1993. In April, exports represented only 7.7% of total production. In March 1993, exports had accounted for 46.9% of total production, an all-time high.

Tobacco manufacturers produced 4.53 billion cigarettes in April but as production exceeded sales, manufacturers' stocks rose to 5.50 billion cigarettes at the end of April 1994.

Note to users

Sales and export data are aggregates of shipments reported by Canadian manufacturers and are not retail sales or final consumption. Also, exports are excise-duty-free for cross-border shipments to any country outside Canada.

For further information, order Production and disposition of tobacco products (catalogue number 32-022) or contact Industry Division at (613) 951-3511.

Lung Cancer Becomes Leading Cause of Cancer Death in 1994

Lung cancer will overtake breast cancer as the leading cause of cancer death among Canadian women in 1994. Lung cancer will be responsible for an estimated 5,600 deaths and breast cancer for 5,400 deaths. Each cause now accounts for about 20% of all cancer deaths among women. This is the result of a rapid increase in lung cancer mortality rates among women over the past decade, while breast cancer mortality rates have remained stable.

Lung cancer will also be the leading cause of death from cancer among men in 1994. At 11,000 deaths, lung cancer is responsible for one-third of all cancer deaths among men. This is almost three times the estimated number of deaths from prostate cancer, which at 4,100, is the second leading cause of cancer death among men in 1994.

Since the mid-1980s, incidence and mortality rates for lung cancer in men have levelled off, likely reflecting the fall in tobacco consumption among men that began in the mid-1960s. Between 1982 and 1989, the average annual percentage change in rates was less than 0.1% for both incidence and mortality of lung cancer in men.

By contrast, incidence and mortality rates in women have continued to climb steadily since the 1970s. Between 1982 and 1989, the average annual percentage change in lung cancer incidence and mortality in women was 4.1% and 4.3%, respectively. This reflects the fact that women did not begin smoking in large numbers until after World War II, thereby moving to the tobacco consumption patterns begun by their male counterparts a few decades earlier.

In 1994, an estimated 121,300 new cases of cancer will be diagnosed and an estimated 61,000 deaths will be due to cancer. This is a 36% increase in both incidence and mortality from 1984, when 88,954 new cases were diagnosed and 44,784 cancer deaths were reported for all of Canada. Of the estimated new cases, 53% will be diagnosed in men and 47% in women. Similarly, more cancer deaths will occur among men (55%) than among women (45%).

Breast cancer will continue to be the most common cancer among women; it is expected to account for 17,000 or 30% of all new cancer cases among women. Similarly, prostate cancer will be the most frequently diagnosed cancer among men in 1994. It will account for 14,300 or 23% of new cases among men, remaining ahead of the 12,700 new cases of lung cancer.

Note to users

These 1994 estimates were produced by modelling actual historical cancer incidence and mortality data by site and province. Actual data from 1982 up to the latest year of available date were used to compute incidence estimates; data from 1982 to 1991 were used for mortality estimates. The incidence estimates for 1994 exclude approximately 58,500 cases of non-melanoma skin cancer.

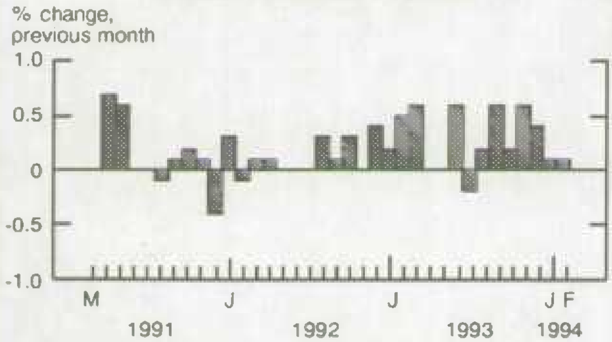
For further information contact Health Statistics Division at (613) 951-1775.

PUBLICATIONS RELEASED FROM MAY 20 TO 26, 1994

Division/title of publication	Period	Catalogue Number	Price: Issue/Subscription Canada (Cdn.$)	United States (US$)	Other Countries (US$)
CANADIAN CENTRE FOR JUSTICE STATISTICS					
Juristat service bulletin: The Winnipeg Family-violence court	Vol. 14, No. 12	85-002	5/60	6/72	7/84
INDUSTRY					
Corrugated boxes and wrappers	April 1994	36-004	6/60	7/70	8/80
Electric lamps (light bulbs and tubes)	April 1994	43-009	6/60	7/70	8/80
Gypsum products	April 1994	44-003	6/60	7/70	8/80
Monthly production of soft drinks	April 1994	32-001	3/30	4/40	4/40
Monthly survey of manufacturing	March 1994	31-001	19/190	23/230	27/270
Primary iron and steel	March 1994	41-001	6/60	7/70	8/80
Production and disposition of tobacco products	April 1994	32-022	6/60	7/70	8/80
INTERNATIONAL TRADE					
Exports by commodity	February 1994	65-004	60/600	72/720	84/840
Imports by commodity	February 1994	65-007	60/600	72/720	84/840
PRICES					
Farm product price index	March 1994	62-003	8/76	10/92	12/107
SERVICES, SCIENCE AND TECHNOLOGY					
Telephone statistics	March 1994	56-002	9/90	11/110	13/130
TRANSPORTATION					
Railway carloadings	March 1994 Vol. 71, No. 3	52-001	10/100	12/120	14/140

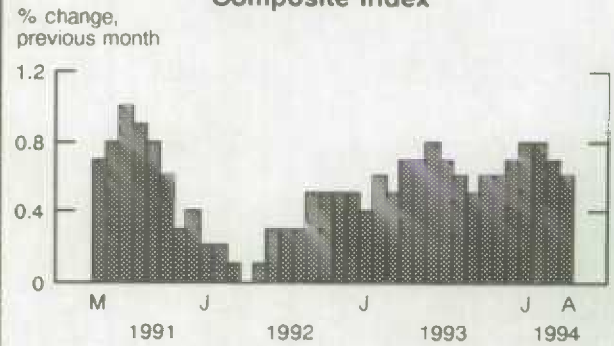
CURRENT TRENDS

Gross Domestic Product



Real gross domestic product at factor cost crept up 0.1% in February, the same rate of increase reported in January.

Composite Index



The growth of the composite index eased from 0.7% in March to 0.6% in April but the rate of increase nearly matched the average growth recorded in the last 18 months.

Consumer Price Index

In April, the year-over-year change in the all-items CPI was 0.2%, the same rate of increase reported in February and March. The food index rose by 0.7%.

Unemployment Rate

In April, the unemployment rate rose 0.4 percentage points to 11.0%. The increase was due to a growth in the number of adults entering the labour force in search of work.

Manufacturing

Canadian manufacturers' shipments rose 2.7% in March to $26.8 billion. The level of unfilled orders rose 0.6% to $25.7 billion.

Merchandise Trade

In March, the value of merchandise exports was up 8.1% to $16.7 billion, while imports climbed 9.8% to $16.0 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)	February	527.9	0.1%	3.3%
Composite Leading Indicator (1981 = 100)	April	164.2	0.6%	8.3%
Operating Profits of Enterprises ($ billion)	4th Quarter	14.0	11.4%	86.6%
DOMESTIC DEMAND				
Retail Trade ($ billion)	March	17.2	1.3%	7.7%
New Motor Vehicle Sales ('000 units)	March	107.0	-0.4%	7.8%
LABOUR				
Employment (millions)	April	12.5	0.0%	1.6%
Unemployment Rate (%)	April	11.0	0.4	-0.4
Participation Rate (%)	April	65.1	0.3	-0.2
Labour Income ($ billion)	January	33.5	0.3%	2.0%
Average Weekly Earnings ($)	February	565.33	0.3%	1.5%
INTERNATIONAL TRADE				
Merchandise Exports ($ billion)	March	16.7	8.1%	14.3%
Merchandise Imports ($ billion)	March	16.0	9.8%	15.4%
Merchandise Trade Balance ($ billion)	March	0.66	-0.19	-0.06
MANUFACTURING				
Shipments ($ billion)	March	26.8	2.7%	5.0%
New Orders ($ billion)	March	27.0	2.3%	2.2%
Unfilled Orders ($ billion)	March	25.7	0.6%	3.8%
Inventory/ Shipments Ratio	March	1.35	-0.03	0.01
Capacity Utilization (%)	4th Quarter	80.1	1.6	3.3
PRICES				
Consumer Price Index (1986 = 100)	April	130.2	0.1%	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)	March	136.1	0.1%	0.3%

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

KEY RELEASE CALENDAR: June 1994

Monday	Tuesday	Wednesday	Thursday	Friday
		1	2 Industrial capacity utilization rates January-March 1994	3 Trusteed pension funds, fourth quarter 1993
6 Building permits, April	7 Short-term expectations survey	8 Human activity and the environment, 1994	9 New motor vehicle sales, April Help-wanted index, May	10 Labour force survey, May Income and expenditure accounts, January-March 1994 Balance of international payments, January-March 1994 Financial flow accounts, January-March 1994
13 New housing price index, April Trends in criminal victimization, 1988-1993	14 Travel between Canada and other countries, April	15	16 Composite Index, May	17 Consumer price index, May
20 Retail trade, April	21 Canadian international trade, April Wholesale trade, April	22 Labour force income profiles, 1992	23 Canada's international transactions in securities, April Health reports: Cardio-vascular diseases	24
27	28 Monthly survey of manufacturing, April Industrial product price index and Raw materials price index, May Economic dependency profiles, 1992	29 Employment, earnings and hours, April Unemployment insurance statistics, April	30 Field crop reporting series no. 4 – Preliminary estimates of principal field crop area Real gross domestic product at factor cost by industry, April	

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

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