



Infomat

A Weekly Review

Friday, July 29, 1994

OVERVIEW

■ Number of UI Recipients Continues to Fall

The number of beneficiaries who received regular unemployment insurance benefits fell for the 22nd consecutive month in May to 898,000.

■ Raw Materials Continue to Register Price Increases

Prices paid by manufacturers for raw materials rose 2.2% in June, mainly because of a sharp increase in crude oil and non-ferrous metal prices.

■ Industrial Product Price Index Maintains Upward Trend

Driven by higher prices for processed raw materials, the year-over-year change in prices for manufactured goods accelerated to 5.5% in June, its highest level since late 1982.

■ Foreign Investors Buy Short-term Securities; Canadians Sell Foreign Bonds

In May, foreign investors purchased a net \$1.8 billion in money market instruments, an amount similar to April. At the same time, Canadian investors cut their holdings of foreign bonds, mainly U.S. Treasuries, by \$600 million.

■ Planned Capital Spending to Rise for First Time Since 1990

For the first time in four years, capital expenditures by business and government are expected to increase in 1994. These latest estimates have increased since February, the first time since 1990 that spending intentions have been revised upward.

■ Median Total Income: Highest in Northern Rural Communities

In 1992, the total median income for Canada was \$18,600. The highest median total income belonged to Polaris (\$92,800), a small mining community in the Northwest Territories.

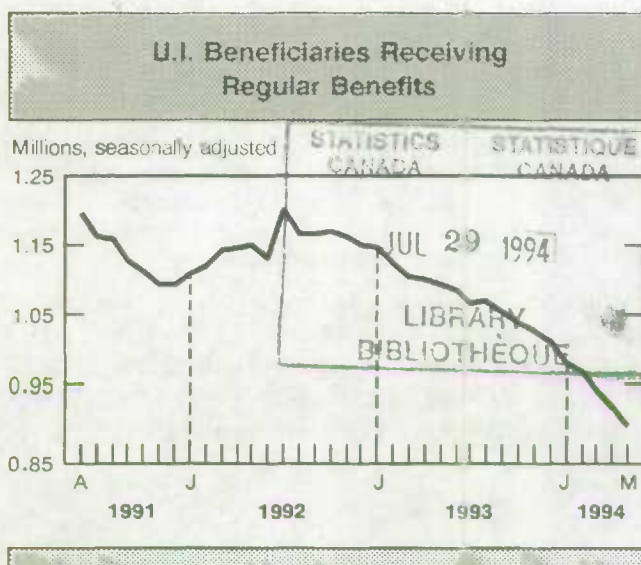
Number of UI Recipients Continues to Fall

Between April and May, the number of Canadians receiving regular unemployment insurance benefits continued to decrease, falling 2.5% to 898,000. This is the lowest level since April 1990.

The number of male beneficiaries has been falling more rapidly than the number of female ones. Since the July 1992 peak, the number of men receiving UI declined by 28.0%, while for women the drop was 22.7%. These declines are the reverse of what was observed at the onset of the recession. Between March 1990 and July 1992, there was a 44.8% increase in the number of male beneficiaries. This corresponds to decreased employment in the male-dominated industries of construction and manufacturing. The number of women receiving UI rose by only 25.4% during this period.

Between April and May, the number of beneficiaries who received regular benefits declined in all provinces and territories except Alberta. The largest proportional decreases occurred in the Yukon and Prince Edward Island. Newfoundland and Nova Scotia experienced virtually no change.

(continued on page 2)



... Number of UI Recipients Continues to Fall

In May 1994, the number of UI claims received stood at 244,000, the lowest level since August 1981. The decline in May (-4.3%) is the largest month-to-month decrease so far in 1994. (See Note to users)

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

Note to users

The number of claims received is the total number of applications received during a calendar month from persons seeking unemployment insurance benefits. The claim is adjudicated and is either allowed or disallowed.

U.I. Beneficiaries Receiving Regular Benefits, May 1994

Seasonally Adjusted

Province/Territory	Total (000)	% change, previous month	% change, previous year
Canada	898	-2.5	-17.5
Newfoundland	52	0.6	-14.6
Prince Edward Island	12	-6.7	-14.8
Nova Scotia	50	0.6	-7.1
New Brunswick	52	-1.6	-3.4
Québec	301	-3.8	-15.8
Ontario	229	-3.3	-22.9
Manitoba	23	-3.1	-19.9
Saskatchewan	19	-0.2	-17.3
Alberta	65	5.1	-13.0
British Columbia	99	-1.4	-17.8
Yukon	2	-8.0	-31.6
Northwest Territories	1	-1.5	-22.3

Raw Materials Continue to Register Price Increases

The raw materials price index (RMPI, 1986=100) rose 2.2% in June to a level of 124.0. The mineral fuels index recorded the largest increase (7.2%), due to a 7.8% hike in crude oil prices. Current OPEC production controls and the slowly increasing industrial activity worldwide should maintain a strong basis for present or higher crude oil prices. Excluding mineral fuels, the RMPI edged up by 0.2% from May but climbed 7.2% from its June 1993 level.

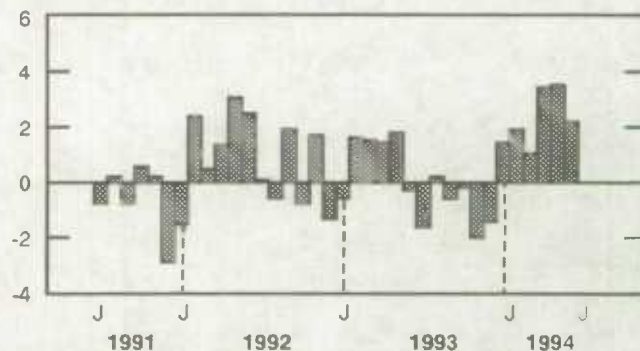
The year-over-year change in raw material prices has been gradually increasing since the beginning of the year, from 1.7% in January to 7.9% in June. All components showed higher year-over-year prices except animals and animal products (-3.3%).

Four of seven major groups of products recorded monthly advances. Lower prices for cattle-for-slaughter (-7.0%) and iron and steel scrap (-10.0%) moderated the overall increase. Prices for non-metallic minerals remained unchanged.

Prices for non-ferrous metals have been rising since November 1993 and rose 5.5% in June. Price levels in June were comparable to prices in mid-1989. Notable price increases for metals over the last six months have been for copper (45.0%), nickel (34.0%), and aluminum materials (37.0%).

Raw Materials Price Index

% change, previous month



Aluminum prices have been steadily increasing with the slow depletion of the abundant world aluminum inventory. In January, in Brussels, the world's major aluminum producers agreed to reduce output by 10.0%. This measure, along with potentially new markets for aluminum, has shifted the supply/demand balance in favour of the producers.

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

Industrial Product Price Index Maintains Upward Trend

The year-over-year change in manufacturers' prices accelerated, increasing from 4.9% in May to 5.5% in June. The rate of change, which has been rising since January, was the fastest since late 1982.

Inflationary pressure continued to come almost entirely from intermediate goods while manufacturers' prices for finished goods tended to remain stable overall or fell. The year-over-year change in prices for first-stage intermediate goods jumped to 14.5%, its highest level since June 1988. The second-stage intermediate goods category saw the year-over-year price change increase to 5.2% in June, up from 4.4% in May. (See Note to users.)

In June, the industrial product price index (IPPI, 1986=100) advanced 0.6% from May, to 118.2. Manufacturers saw prices rise in 14 of 21 major product groups. The June increase was mainly attributable to a 2.5% rise in the prices of primary metal products. These increases were encouraged by the ongoing gradual global economic recovery.

Notable increases were recorded for pulp and wood products. Prices for paper and paper products rose 2.1% as both pulp (5.2%) and newsprint prices climbed. Prices for lumber, sawmill, and other wood products continued to recover, increasing by 1.6%. Price increases ranged from 1.5% in the interior of British Columbia, to 6.9% in Québec.

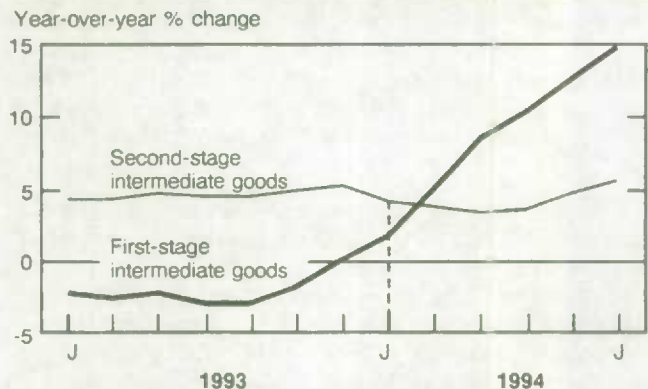
For further information, order *Industry price indexes* (catalogue number 62-011) or contact Prices Division at (613) 951-3350.

Note to users

Intermediate goods are goods used principally to produce other goods. First-stage intermediate goods are items used most frequently to produce other intermediate goods. This category is dominated by primary metals, chemicals, and pulp. Second-stage intermediate goods are items most commonly used to produce final goods. Almost half the commodities tracked in the IPPI, and part of every commodity group, fall into this category.

Finished goods are goods most commonly used for immediate consumption or for capital investment. These are divided into foods and feeds, capital equipment, and other final goods (of which the largest components are automobiles, gasoline, clothing, various chemical products, and most furniture and appliances).

Intermediate Goods Prices



Foreign Investors Buy Short-term Securities; Canadians Sell Foreign Bonds

Foreign investors remained heavy net purchasers of Canadian securities. They acquired \$2.2 billion in May, almost the same amount as in April. Of the total, \$1.8 billion was invested in money market instruments, \$99 million went into bonds and \$354 million into stocks.

Foreign investors increased their holdings of shorter term money market paper, by \$1.8 billion, an amount similar to April. The foreign funds went into Government of Canada treasury bills (\$1.1 billion) and into other government paper (\$1.0 billion). There was net selling of \$300 million of corporate paper. Net buying by the European

Community countries (\$1.7 billion) and other foreign countries (\$500 million) was partially offset by net selling by U.S. investors (\$400 million).

The foreign net acquisition of \$99 million in Canadian bonds has brought total net purchases for 1994 to \$6.3 billion, a sharp contrast with the investment of \$21.9 billion for the corresponding period in 1993. Sharply lower new bond issues of \$1.7 billion in May were offset by a similar amount of bond retirements.

After reducing their holdings of Canadian stocks slightly (-\$54 million) in April, foreign investors returned to the Canadian stock market in May with net purchases of \$354 million. The May total brought net investment so far this year to \$3.3 billion, slightly below the \$4.4 billion acquired for the same period in 1993.

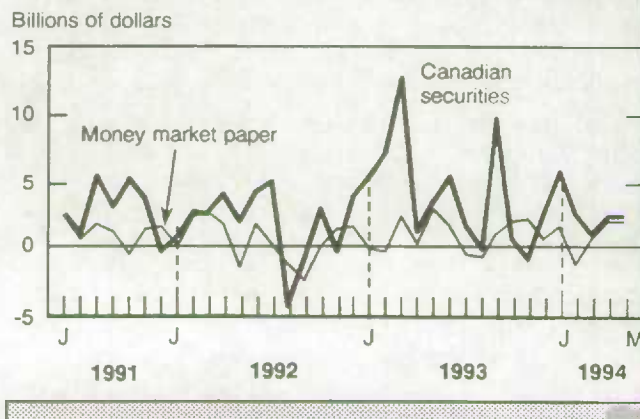
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... Foreign Investors Buy Short-term Securities; Canadians Sell Foreign Bonds

Canadian residents' demand for foreign securities halted in May with a small net disinvestment of \$200 million, the first monthly net disinvestment in eight months. Canadians were net sellers of \$600 million of foreign bonds, mainly U.S. Treasuries, but they continued to be net buyers of foreign stocks (\$400 million). The net purchase of foreign stocks, however, was well below the average \$1.5 billion recorded for the previous six 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.

Net Transactions in Securities



Planned Capital Spending to Rise for First Time Since 1990

Business and government plan capital expenditures of \$128.7 billion in 1994, a 6.2% increase from the 1993 actual spending level of \$121.1 billion. This increase follows significant gains in the operating profits of businesses since the fourth quarter of 1992.

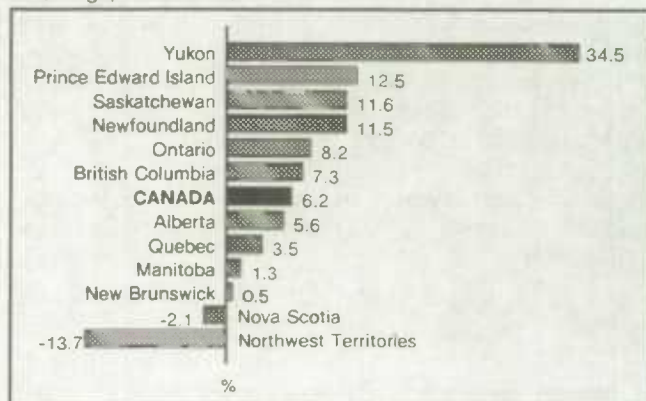
While private investment is anticipated to increase 8.0% over 1993, public investment (government departments, crown corporations, education, and health) will likely rise by 0.8% only. Investment in machinery and equipment (cars, computers, assembly lines, etc.) is planned to continue with strength.

The goods-producing industries (agriculture, mining, manufacturing, and construction) plan to spend \$42.5 billion in 1994, up 10.3% from 1993. Within manufacturing, which is expecting an investment increase of \$2.7 billion from 1993, the export-oriented automotives, wood products, and paper industries will lead the growth. A buoyant export market and increasing natural gas prices are anticipated to boost oil and gas investment by \$2.1 billion. This potentially impressive performance in the goods industries will be slightly offset by a drop in most provinces in the electric power industry (-\$1.1 billion or -11.6%).

Investment by the services-producing industries is expected to be \$52.2 billion, up 5.2% over 1993. Topping this category are retail trade (+32.6%), transportation and storage (+16.0%) and wholesale

Capital Spending Intentions

% change, 1993 to 1994



trade (+13.5%). Spending on government services is anticipated to increase to \$13.4 billion (+3.9%). Decreases are projected by real estate operators (-16.3%), accommodations and food services (-16.0%), and education (-8.1%).

Housing investment is expected to increase to \$33.9 billion, a 3.2% increase over 1993. However, it is still 12% below the \$38.6 billion peak reached in 1989. Components of this estimate include housing starts, building costs, and the value of alterations and improvements.

(continued on page 5)

Planned Capital Spending to Rise for First Time Since 1990

Countrywide, most provinces are expecting increased investment, with Prince Edward Island, Saskatchewan and Newfoundland leading the growth. Declines are anticipated in the Northwest Territories and Nova Scotia.

Spending by small businesses is expected to increase 14.5% (to \$14.3 billion), and large businesses are looking at improvements of 5.6% (to \$37.9 billion).

Note to users

Revised spending intentions are based on a survey sample of 25,000 businesses, governments and institutions. The survey was conducted between the end of March and the beginning of July. Data in this article are in current dollars.

For further information, order Private and public investment in Canada, revised intentions 1994 (catalogue number 61-206) or contact Investment and Capital Stock Division at (613) 951-2591.

Median Total Income: Highest in Northern Rural Communities

According to 1992 income tax data classified by postal code, the highest median total income belonged to Polaris (\$92,800), a small mining community in the Northwest Territories. This is well above the national level of \$18,600. Taxfilers in the town of Laforce, Québec, ranked second (\$54,200) for rural areas, followed by Nanisivik in the Northwest Territories (\$53,300).

Highest among urban areas, the community of Rockliffe, Ontario, recorded a median total income of \$38,900, followed by Yellowknife (\$35,900) and Cap-Rouge (\$31,400). Median total income is the figure at which half of the population reporting income received more than that figure and half received less.

The Yukon and the Northwest Territories had the highest median total income. The high levels for both territories appeared to result from a high ratio of employment income and a young workforce. Ontario's median total income (\$20,700) was highest among the provinces.

The national median total income for women was \$14,100, representing 56% of the level for men (\$25,200). Put another way, women reported \$56 for every \$100 of income reported by men. The gap between men and women was smallest in Prince Edward Island, where women reported \$65 for every \$100 of men's income. Women's proportion of income fared worst in Nova Scotia, where they reported only \$51 for every \$100 of men's income.

Across Canada, employment income represented \$72 of every \$100 of total income, followed by \$19 for government transfer payments, \$6 for investment income, and \$3 for miscellaneous income sources. Saskatchewan residents derived \$8

Note to users

Total income includes: employment income, investment income, transfer payments (unemployment insurance benefits, pension benefits, etc.), and other income (such as RRSP revenue). Urban and rural areas are defined by their postal codes.

of every \$100 in total income from investments, the highest ratio in Canada. One possible explanation is that the highest proportion of people over 65 were in that province.

Median total income by province and territory for both sexes, 1992

	Population	Men	Women
		\$	
Newfoundland	13,800	18,800	10,600
Prince Edward Island	15,900	19,800	12,900
Nova Scotia	16,200	23,200	11,900
New Brunswick	15,200	21,900	11,400
Quebec	17,000	23,600	12,600
Ontario	20,700	27,400	16,000
Manitoba	16,400	21,900	13,200
Saskatchewan	15,800	21,200	12,600
Alberta	19,300	26,500	14,500
British Columbia	19,500	27,100	14,700
Northwest Territories	22,200	28,900	16,600
Yukon	24,300	30,400	19,200
Canada	18,600	25,200	14,100

For further information contact Small Area and Administrative Data Division at (613) 951-9720.

PUBLICATIONS RELEASED FROM JULY 22 TO 28, 1994

Division/title of publication	Period	Catalogue Number	Price: Issue/Subscription		
			Canada (Cdn.\$)	United States	Other Countries
BALANCE OF PAYMENTS					
Canada's international transactions in services	1992 and 1993	67-203	35	42	49
CURRENT ECONOMIC ANALYSIS					
Canadian economic observer	July 1994	11-010	22/220	27/264	31/308
Canadian economic observer, historical statistical supplement	1993-94	11-210	27	33	38
DEMOGRAPHY					
Revised intercensal population and family estimates, July 1	1971-1991	91-537	100	120	140
HEALTH STATISTICS					
Hospital morbidity	1991-92	82-216	20	24	28
Hospital statistics: preliminary annual report	1991-92	83-241	15	18	21
Surgical procedures and treatments	1991-92	82-217	20	24	28
HOUSEHOLD SURVEYS					
The labour force	June 1994	71-001	20/200	24/240	28/280
INDUSTRY					
Canned and frozen fruits and vegetables monthly	May 1994	32-011	6/60	8/72	9/84
Energy statistics handbook	July 1994	57-601	330	400	460
INTERNATIONAL TRADE					
Canadian international merchandise trade	May 1994	65-001	19/182	22/219	26/255
LABOUR					
Employment, earnings and hours	April 1994	72-002	29/285	35/342	40/399
SERVICES, SCIENCE AND TECHNOLOGY					
Telephone statistics	May 1994	56-002	9/90	11/108	13/126
TRANSPORTATION					
Air carrier operations in Canada	July-September 1993	51-002	25/99	30/119	35/139

NEW FROM STATISTICS CANADA

Statistique Canada
Revised Intercensal
Population and Family
Estimates, July 1,
1971-1991



Revised intercensal population and family estimates, July 1, 1971-1991

This single volume (749 pages, 37 tables) provides the historical estimates of population for the period 1971-1991. The data are adjusted for net census undercount and are tabulated as of July 1st. This publication is an essential complement to *Annual Demographic Statistics* (catalogue number 91-213).

The publication contains: estimates of the population by marital status, age and sex, for Canada, the provinces and territories, 1971 to 1991; total population estimates as well as the components of population growth for census divisions and census metropolitan areas according to the 1991 boundaries, 1986 to 1991; and, estimates of the total number of census families unadjusted for net census undercount for Canada, the provinces and territories, by size and structure (husband-wife and lone-parent), structure and age of children, age and sex of parents for Canada and the provinces, 1986 to 1991.

Revised intercensal population and family estimates, July 1, 1971-1991 (catalogue number 91-537, \$100) is now available. For further information on this release, contact Rosemary Bender (613-951-2324), Demography Division.

Canadian economic observer

The July 1994 issue of *Canadian economic observer*, Statistics Canada's flagship publication for economic statistics, presents a monthly summary of the economy and of the major economic events in June. 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 *Historical statistical supplement* is available free to subscribers. It contains annual historical data for all the series reported monthly in *Canadian economic observer*.

The July 1994 issue of Canadian economic observer (catalogue number 11-010, \$22/\$220) and Canadian economic observer historical statistical supplement, 1993/94 (catalogue number 11-210, \$27) are now available. For further information on this release, contact Cindy Bloskie (613-951-3634), Current Analysis Group.

Canada's international transactions in services

Canadian residents (individuals, companies and governments) exported a record \$26.9 billion in services in 1993. These exports which comprise travel, freight, business, government and other services, were up 9% the fastest growth rate in five years. However, Canada still generated a record \$14 billion deficit as imports of services reached a new high of \$41 billion.

For the details behind these changes including record expenditures by travellers to Canada and more on the pattern of our business services trade with foreign affiliates consult *Canada's international transactions in services*. It is a unique source of information on a subject that has taken on a higher profile with the implementation of NAFTA and the signing of the first multilateral agreement on services trade under the GATT.

Canada's international transactions in services, 1992 and 1993 (catalogue number 67-203, \$35) is now available. For further information on this release, contact Hugh Henderson (613-951-9049), Balance of Payments Division.

Statistique Canada
Canada's
International
Transactions
in Services
1992 and 1993

Statistique Canada
Les transactions
internationales
de services
du Canada
1992 et 1993



NEW FROM STATISTICS CANADA – Concluded

Canada, Europe, and the United States reach agreement and publish guidelines for comparing industrial statistics

In a major step toward making economic statistics more comparable among countries, representatives of Canada, the United States and the European Economic Community have produced a detailed comparison of their respective industrial classifications.

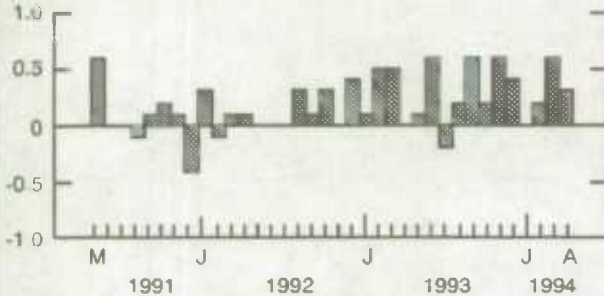
As a direct result of this work, national and international users of economic statistics can see, for the first time, which transatlantic comparisons of industrial statistics are legitimate and which are flawed by irreconcilable differences in coverage and scope.

*The published document, **The international concordance between the industrial classifications of the United Nations, Canada, the European Union and the United States**, is now available on request from Standards Division, Statistics Canada, 8th floor, Jean Talon Building, Tunney's Pasture, Ottawa, Ontario, K1A 0T6 (613-951-8576, fax: 613-951-8578).*

CURRENT TRENDS

Gross Domestic Product

% change,
previous month



Real gross domestic product at factor cost grew by 0.3% in April after increasing by 0.2% in February and 0.6% in March.

Composite Index

% change,
previous month



The growth of the leading index eased from 0.6% in May to 0.5% in June, a slowdown from more rapid increases since October 1993.

Consumer Price Index

% change,
previous year



In June, consumers paid the same amount for the consumer price index's basket of goods and services as they did in June 1993. The food index edged down by 0.1%.

Unemployment Rate

%



The unemployment rate declined from 10.7% in May to 10.3% in June.

Manufacturing

Billions
of dollars



Canadian manufacturers' shipments rose 1.5% in May to \$28.3 billion. The level of unfilled orders declined for the first time in six months (-0.2%), to \$31.2 billion.

Merchandise Trade

Billions
of dollars



In May, the value of merchandise imports climbed 6.2% to \$17.0 billion, while exports fell 2.5% to \$16.7 billion.

LATEST MONTHLY STATISTICS

	Period	Level	Change Previous Period	Change Previous Year
GENERAL				
Gross Domestic Product (\$ billion, 1986)	April	532.8	0.3%	3.6%
Composite Leading Indicator (1981 = 100)	June	166.4	0.5%	8.1%
Operating Profits of Enterprises (\$ billion)	1st Quarter	16.7	18.9%	37.7%
DOMESTIC DEMAND				
Retail Trade (\$ billion)	May	17.1	1.0%	6.8%
New Motor Vehicle Sales ('000 units)	May	103.8	1.2%	3.0%
LABOUR				
Employment (millions)	June	12.6	0.1%	1.4%
Unemployment Rate (%)	June	10.3	-0.4	-1.0
Participation Rate (%)	June	64.7	-0.4	-0.8
Labour Income (\$ billion)	April	33.7	0.5%	2.4%
Average Weekly Earnings (\$)	May*	563.57	-0.2%	2.0%
INTERNATIONAL TRADE				
Merchandise Exports (\$ billion)	May	16.7	-2.5%	13.1%
Merchandise Imports (\$ billion)	May	17.0	6.2%	20.2%
Merchandise Trade Balance (\$ billion)	May	-0.32	-1.43	-0.93
MANUFACTURING				
Shipments (\$ billion)	May	28.3	1.5%	11.7%
New Orders (\$ billion)	May	28.2	-1.4%	11.5%
Unfilled Orders (\$ billion)	May	31.2	-0.2%	11.2%
Inventory/ Shipments Ratio	May	1.32	-0.02	-0.07
Capacity Utilization (%)	1st Quarter	79.2	-0.1	1.3
PRICES				
Consumer Price Index (1986 = 100)	June	130.2	0.2%	0.0%
Industrial Product Price Index (1986 = 100)	June*	118.2	0.6%	5.5%
Raw Materials Price Index (1986 = 100)	June*	124.0	2.2%	7.9%
New Housing Price Index (1986 = 100)	May	136.0	-0.1%	0.1%

Note: All series are seasonally adjusted with the exception of the price indexes.

* New this week.

KEY RELEASE CALENDAR: AUGUST 1994*

Monday	Tuesday	Wednesday	Thursday	Friday
1 Civic Holiday	2 The labour market: mid-year review	3 Business conditions survey, Canadian manufacturing industries, July	4 Help-wanted index, July Migration estimates, 1992-93 Building permits, June	5 Labour force survey, July
8 Trusted pension funds, First quarter 1994	9 New motor vehicle sales, June Estimates of labour income, May	10 New housing price index, June Farm product price index, June	11	12 Travel between Canada and other countries, June
15	16 Composite index, July	17 Monthly survey of manufacturing, June Families (minus seniors), 1992	18 Canadian international trade, June Farm cash receipts, January-June Survey on smoking in Canada	19 Consumer price index, July Retail trade, June
22 Wholesale trade, June	23 Crime statistics, 1993 Homicides in Canada, 1993	24 Field crop reporting series: July 31 crop production estimates	25 Canada's international transactions in securities, June	26 International travel account, April-June Industrial product price index and Raw materials price index, July
29 Employment, earnings and hours, June	30 Unemployment insurance statistics, June	31 Income and expenditure accounts, April-June Balance of international payments, April-June Financial flow accounts, April-June Real gross domestic product at factor cost by industry, June		

* 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

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