



# Infomat

## A Weekly Review

Friday, August 12, 1994

### OVERVIEW

#### Sales of New Motor Vehicles Buoyant in June

Car dealers sold 109,000 new motor vehicles in June, a level last seen in January 1992.

#### Aggregate Wages and Salaries Still Up from Last Year

May's aggregate wages and salaries fell 0.5% from April but were 2.6% higher than the amount paid to workers in May 1993. This marked the fastest year-over-year growth rate since April 1993.

#### Unemployment Rate Declines as Employment Continues to Recover

The unemployment rate dropped to 10.2% in July, a three-year low, mainly due to an increase in full-time employment among adults. Employment has almost reached the level of the April 1990 peak.

#### Non-residential Sector Boosts Building Intentions

The value of building permits issued by municipalities rose 5.6% in June as non-residential construction intentions jumped 17.7%. This continues the upward pattern displayed by the overall trend since October 1993.

#### New Housing Prices Continue to Show Little Change

The new housing price index edged up by 0.1% in June. This was the 12th consecutive month when the index did not change by more than 0.1%.

#### Trusted Pension Funds: Profits Surpass Investment Income

Strong market conditions and continuing low interest rates helped profits from the sale of securities become the largest component of fund revenue, surpassing investment income which, since 1980, had generally been the largest component of fund revenue.

#### Farm Product Prices Lower than a Year Ago

The farm product price index declined for the second straight month in June and stood 2.2% below its year-earlier level.

#### Sales of New Motor Vehicles Buoyant in June

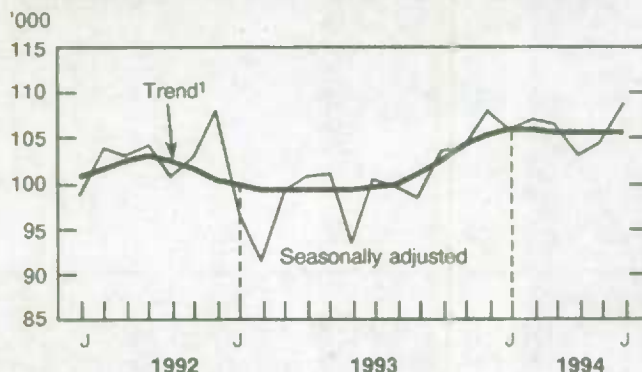
Car dealers sold a seasonally adjusted 109,000 new motor vehicles (cars and trucks) in June, a 4.3% increase from May. Sales for the first half of the year amounted to slightly more than 635,000 units, up 9.3% from the same period in 1993.

The shift of consumer preference toward passenger cars manufactured in North America continued, with sales rising in 10 of the last 12 months. In June, 49,000 North American-built passenger cars were sold, up 5.3% from May. This marked the highest level of sales since October 1991.

In contrast to the higher volume of sales of cars manufactured in North America, sales of cars built overseas have decreased in 10 of the last 12 months. Sales of imported cars fell 2.5% in June to 15,000 units, a nine-year low.

(continued on page 2)

Sales of New Motor Vehicles,  
in Units, Canada



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



### ... Sales of New Motor Vehicles Buoyant in June

Truck sales (including light trucks, mini-vans and sport-utility vehicles) were stronger for the second straight month, rising by 5.8% in June to 45,000 units. Since the beginning of the year, nearly 252,000 new trucks have been sold, an increase of 17.4% from the corresponding period in 1993.

In June, 78.0% of passenger cars sold in Canada were built in North America, up from 68.3% a year ago. The Japanese share fell to 16.4% from 24.3% for the same period.

*For further information, order New motor vehicle sales (catalogue number 63-007) or contact Industry Division at (613) 951-3552.*

## Aggregate Wages and Salaries Still Up from Last Year

Wages and salaries paid to Canadian workers decreased 0.5% in May, the first decline since January. At \$29.5 billion, aggregate wages and salaries were 2.6% higher than in May 1993, the fastest year-over-year growth rate since April 1993.

Nine of 14 industry groups reported lower wages and salaries while five showed increases. Moderate growth continued in construction with wages and salaries rising by 0.5% in May. Manufacturing, which accounts for almost 18% of aggregate wages and salaries, recorded a fourth – albeit very small – straight monthly increase (0.1%).

### Wages and Salaries, May 1994

Seasonally Adjusted

Province/ territory	Wages and Salaries (millions of \$)	% change, previous month	% change, previous year
<b>Canada</b>	<b>29,523</b>	<b>-0.5</b>	<b>2.6</b>
Newfoundland	373	-5.1	-1.6
Prince Edward Island	96	0.8	3.7
Nova Scotia	731	-1.7	1.4
New Brunswick	586	-0.4	-0.1
Quebec	6,588	-1.9	0.7
Ontario	12,250	-0.1	2.0
Manitoba	977	-1.4	2.2
Saskatchewan	753	-0.7	1.3
Alberta	2,921	-0.9	3.5
British Columbia	4,054	0.9	7.2
Yukon and Northwest Territories	180	-1.8	5.9

### Note to users

*Labour income is the sum of wages and salaries (88%) plus supplementary labour income (12%).*

*Wages and salaries include items such as bonuses, gratuities, taxable allowances, and retroactive wage payments.*

Wages and salaries in finance, insurance and real estate dropped 1.8% in May in the face of declining employment and fewer special payments. This was the third consecutive monthly decline for this industry. Wages and salaries in logging and forestry fell 3.3% for a second month in a row.

Strong declines were also posted in transportation, communications and other utilities (-1.5%) and in health and social services (-1.9%). Reduced employment and lower average earnings contributed most to the decline in transportation, communications and other utilities. Budgetary restrictions continued to affect employees in health and social services.

Wages and salaries in Newfoundland declined 5.1%, mainly because of a major work stoppage among elementary and secondary school teachers. Prince Edward Island and British Columbia were the only two provinces to post increases.

*For further information, order Estimates of labour income (catalogue number 72-005) or contact Labour Division at (613) 951-4090.*

## Unemployment Rate Declines as Employment Continues to Recover

The seasonally adjusted level of employment has increased by 61,000 in July, bringing employment gains since January to 239,000. Employment has almost reached the April 1990 peak. The unemployment rate fell from 11.4% in January to 10.2% in July, a three-year low.

The employment growth in July was mainly among adults aged 25 and over – 26,000 for women and 24,000 for men. This brought the total increase in adult employment since January to 205,000. With these gains, the adult unemployment rate has fallen from 10.0% in January to 9.0% in July.

For the first summer since 1990, labour market conditions for students have improved. In July 1994, employment among youths aged 20 to 24 who were going to school in March was 33,000 higher than a year ago.

*(continued on page 3)*



## Unemployment Rate Declines as Employment Continues to Recover

In the manufacturing sector, recent strength in filled orders began to translate into employment gains with an increase of 31,000 jobs in July. Employment in transportation, communication and other utilities increased by 18,000. The construction industry added 11,000 jobs, bringing gains since January to 97,000. In community, business and personal services, employment grew by 38,000 in July, continuing the upward trend in this industry.

Employment fell by 36,000 in the finance, insurance and real estate industry; the job losses were concentrated in real estate. Public administration employment fell slightly in July, bringing losses since January to 32,000.

Employment gains were concentrated in Québec (+ 31,000) and Ontario (+ 28,000). Employment has grown by 2.0% in Québec over the latest six months, bringing the unemployment rate down from 12.9% in January to 11.5% in July. Ontario's employment has increased by 90,000 since January, bringing the unemployment rate down from 10.9% in January to 9.6% in July.

For further information, order Labour force information (catalogue number 71-001P), or contact Household Surveys Division at (613) 951-4720. (See also "Current Trends" chart on page 8.)

## PROVINCIAL PERSPECTIVES

### Labour Force Survey Results for July 1994

Province	Labour Force		Employment		Unemployment	
	'000	% change previous month	'000	% change, previous month	'000	Rate (%)
<b>Canada</b>	<b>14,089</b>	<b>0.3</b>	<b>12,658</b>	<b>0.5</b>	<b>1,431</b>	<b>10.2</b>
Newfoundland	237	0.4	187	0.5	50	21.1
Prince Edward Island	66	1.5	54	-1.8	12	18.6
Nova Scotia	428	0.7	368	0.3	60	14.0
New Brunswick	333	0.6	291	0.3	42	12.6
Québec	3,448	0.6	3,053	1.0	395	11.5
Ontario	5,375	0.7	4,859	0.6	516	9.6
Manitoba	534	-0.7	491	0.2	43	8.1
Saskatchewan	471	0.0	439	0.2	32	6.8
Alberta	1,407	0.1	1,281	0.2	126	9.0
British Columbia	1,791	-0.6	1,630	-0.4	161	9.0

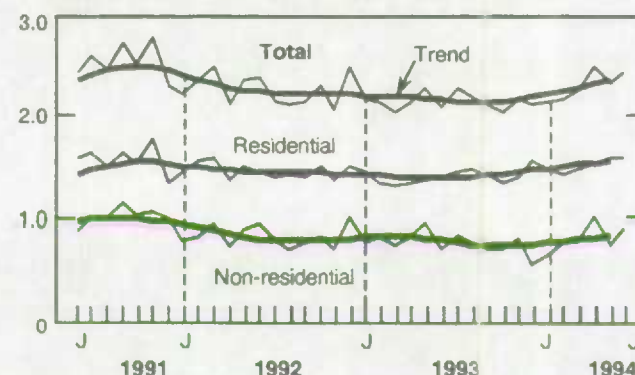
## Non-residential Sector Boosts Building Intentions

The seasonally adjusted value of building permits issued by municipalities rose 5.6% in June to \$2.4 billion. This continues the upward pattern displayed by the overall trend since October 1993. For the first half of 1994, the value of building permits issued rose 7.7% from the same period in 1993.

The rise in June was attributable to an increase in the value of non-residential permits, which jumped 17.7% to \$882 million. This contrasted with May which saw a decrease of 24.1%. June's rise came mainly from plans for commercial projects (32.4%) and it indicates that the upturn, which started in November 1993, is strengthening. Furthermore, this growth coincides with increased sales in the retail and wholesale industries.

### Building Permits

Billions of dollars, seasonally adjusted



(continued on page 4)

## ... Non-residential Sector Boosts Building Intentions

The value of non-residential building permits for the first half of 1994 rose 1.0% from the corresponding period in 1993, the result of marked gains in the industrial (12.2%) and the commercial (11.8%) components. June marked the first time in 1994 that the year-to-date value of non-residential permits has increased.

The value of residential building permits slipped 0.3% from May, to \$1.6 billion. Despite June's decline - which followed three consecutive monthly increases - the residential trend continued to rise. June 1993 to May 1994 marks the longest period of increase in the residential trend since 1991. The residential sector grew by 11.7% in the first half of 1994 compared with the same period last year, reflecting increased consumer confidence and favorable labour market conditions.

All regions posted better year-to-date performances compared to the corresponding period in 1993. British Columbia (11.7%) contributed more than one third of the national increase, with an

### Note to users

*The building and demolitions permits monthly survey covers 2,400 municipalities. It represents 93% of the population and is an early indicator of building activity. The communities in the remaining 7% of the population are very small, and their levels of building activity have little impact on the overall total. The value of planned construction activities excludes engineering projects (e.g., water-works, sewers, culverts, etc.) and the land component.*

impressive gain of 20.5% in the residential sector. The increases for the first half of the year were almost the same for Québec (6.7%) and Ontario (6.0%). Québec's growth came from the non-residential sector and Ontario's from the residential.

*For further information, order Building permits (catalogue number 64-001) or contact Investment and Capital Stock Division at (613) 951-9690.*

## PROVINCIAL PERSPECTIVES: BUILDING PERMITS

### Building Permits, June 1994

Unadjusted Data (Adjusted Data Not Available by Province)

Province/Territory	Total		Residential		Non-residential	
	(\$ millions)	% change, previous year	(\$ millions)	% change, previous year	(\$ millions)	% change, previous year
<b>Canada</b>	<b>3,195.1</b>	<b>20.1</b>	<b>2,067.7</b>	<b>16.2</b>	<b>1,127.4</b>	<b>27.9</b>
Newfoundland	32.4	3.7	27.4	8.3	5.0	-16.0
Prince Edward Island	10.6	7.6	7.2	4.7	3.4	14.4
Nova Scotia	81.0	15.6	62.0	2.8	19.1	94.0
New Brunswick	63.1	17.3	44.6	13.2	18.5	28.7
Québec	657.1	9.5	359.1	5.4	298.0	14.8
Ontario	1,108.6	22.3	762.2	20.5	346.5	26.5
Manitoba	197.6	240.2	48.4	13.8	149.2	859.3
Saskatchewan	43.6	-1.1	20.4	-11.3	23.2	9.8
Alberta	289.2	0.1	207.5	20.0	81.6	-29.6
British Columbia	682.2	15.7	514.2	19.5	168.0	5.5
Yukon	5.6	83.8	3.5	51.2	2.1	187.8
Northwest Territories	24.0	387.8	11.2	381.9	12.8	393.1



## New Housing Prices Continue to Show Little Change

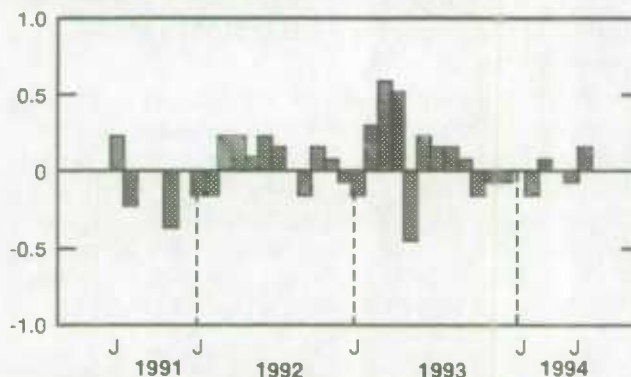
In June, the new housing price index (1986=100) edged up by 0.1% from May's level. At 136.2, the index was only 0.1% above its year-earlier level of 136.1.

Of the 20 urban areas for which the index is calculated, six posted increases, seven registered declines, and seven were unchanged. Toronto, which accounts for more than one-quarter of the Canada total, led the increases with a 0.6% rise. This was the largest increase since August 1993. Hamilton and Calgary also recorded increases of 0.6%. The index for St. Catharines-Niagara rose 0.5% but recorded the largest year-over-year decline for June (-3.6%).

The steepest decreases were for St. John's (-0.6%) and Victoria (-0.5%). This was the third consecutive monthly decline for Victoria and the index showed a year-over-year drop of 1.2%. In May, the Victoria index had recorded its first negative year-over-year change (-0.5%) since June 1991.

### New Housing Price Index

% change, previous month



The house only index rose 0.2% in June to 125.6, unchanged from a year ago. The land only index, at 169.4, stood 0.2% above its year-earlier level.

For further information, order *Construction price statistics* (catalogue number 62-007) or contact Prices Division at (613) 951-3350.

## Trusted Pension Funds: Profits Surpass Investment Income

The book value of assets held in trusted pension funds topped \$268 billion at the end of the first quarter of 1994, up 10.7% from a year earlier. This growth rate is low compared with those registered in the late seventies and early eighties, but it is the most significant year-over-year increase in 16 consecutive quarters.

These assets represent one of the largest pools of capital in Canada, second only to the financial assets of chartered banks. Data are based on a quarterly survey of 177 funds that hold 86% of total assets, supplemented by data from an annual census of all trusted pension funds.

First-quarter net income shot up 59% from 1993 to \$6 billion, the largest year-over-year increase in 17 years. Fund managers appear to have taken advantage of steadily improving and record-setting stock market conditions. This led to an exceptional rise in profits (262%) and to reduced losses on the sale of securities (-88%).

Strong market conditions and continuing low interest rates helped profits from the sale of securities become the largest component of fund revenue (37%), surpassing investment income (35%) which, since 1980, had generally been the largest

component of fund revenue. In 1990, before interest rates started to decline, investment income represented between 53 and 62% of total income.

Trusted pension funds invested over \$30 billion abroad during the first quarter of 1994. This quarter was marked by the final increase (from 18 to 20%) in the proportion of assets that pension funds are permitted to invest abroad. As a result, the quarterly growth rate of these non-domestic assets doubled to 8% from 4% in the previous quarter. Although the proportion of foreign content (now slightly more than 11%) has been generally rising since legislative changes were implemented in 1991, it is still well below the 20% permitted.

Fully 60% of the assets are held by public sector funds. Public sector funds generated 73% of the total net income of all trusted pension funds in the first quarter of 1994. This is largely because public sector funds realized a 40% increase in profits from the sale of securities, whereas private sector funds realized only a 6% increase. The public sector continued to invest a larger proportion of their assets in bonds (46%) than in stocks (33%), whereas the private sector continued to hold equal shares in each (37%).

For further information, order *Quarterly estimates of trusted pension funds* (catalogue number 74-001) or contact Labour Division at (613) 951-2088.

## Farm Product Prices Lower than a Year Ago

After declining by 1.2% in May, the farm product price index (1986=100) fell a further 0.7% in June to 105.8. The index stood 2.2% below its year-earlier level of 108.2, the second straight month to show a year-over-year decline.

The crops index slipped 0.3% in June to 98.4, as decreases in cereal and potato prices more than offset an increase in oilseed prices. The cereals index fell 1.2% to 76.5 and stood 22.3% below its year-earlier level. The potatoes index decreased 0.7% in June to 182.5 but was 24.7% above the previous year's level. Potato prices have shown year-over-year increases for the past 13 months.

The oilseeds index for June stood at 153.3, up 1.9% from May and up 45.0% from a year earlier. Oilseeds have shown year-over-year price increases for the last two years.

Decreases in cattle, calves and hog prices pushed the livestock and animal products index down 0.8% to 110.4. Despite six declines in nine months, the June index was still 0.5% above year-earlier levels. Cattle and calve prices – at or near record levels since the beginning of 1993 – dropped 1.5% in June. Hog prices continued to decline for the fifth straight month, by 1.3% in June. June marked the first time the hogs index had been below year-earlier levels (-0.7%) since August 1992.

For further information, order Farm product price index (catalogue number 62-003) or contact Agriculture Division at (613) 951-2441.

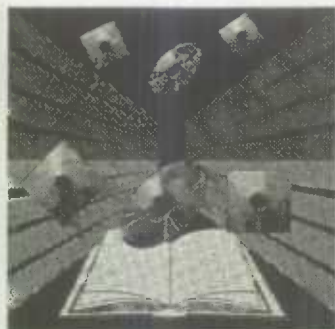
## PUBLICATIONS RELEASED FROM AUGUST 5 TO 11, 1994

Division/title of publication	Period	Catalogue Number	Price: Issue/Subscription		
			Canada (Cdn.\$)	United States	Other Countries
			US\$		
<b>AGRICULTURE</b>					
Cereals and oilseeds review	May 1994	22-007	15/144	18/173	21/202
The dairy review	May 1994	23-001	14/138	17/166	20/194
<b>HEALTH STATISTICS</b>					
List of Canadian hospitals	1993	83-239	20	24	28
Hospital indicators	1990-91, parts 1-4	83-246	50	60	70
<b>HOUSING, FAMILY AND SOCIAL STATISTICS</b>					
Family and friends, general social survey analysis series	No.9	11-612E	40	48	56
<b>HOUSEHOLD SURVEYS</b>					
Labour force information	For the week ended July 16, 1994	71-001P	10/100	12/120	14/140
<b>INDUSTRY</b>					
Asphalt roofing	June 1994	45-001	6/60	8/72	9/84
Cement	June 1994	44-001	6/60	8/72	9/84
Coal and coke statistics	May 1994	45-002	11/110	14/132	16/154
Crude petroleum and natural gas production	April 1994	26-006	11/110	14/132	16/154
Electric power statistics	May 1994	57-001	11/110	14/132	16/154
Gas utilities	April 1994	55-002	14/140	17/168	20/196
New motor vehicle sales	February 1994	63-007	16/160	20/192	23/224
Production of selected biscuits	Semi-annual period ended June 1994	32-026	8/16	10/20	12/23
Steel wire and specified wire products	June 1994	41-006	6/60	8/72	9/84
Wholesale trade	May 1994	63-008	16/160	20/192	23/224
<b>LIBRARY SERVICES</b>					
Statistics Canada catalogue	1994	11-204E	15	18	21
<b>NATIONAL ACCOUNTS AND ENVIRONMENT</b>					
National income and expenditure accounts	Annual estimates 1982-1993	13-201	40	48	56
<b>SERVICES, SCIENCE AND TECHNOLOGY</b>					
Cable television	1993	56-205	28	34	40



## NEW FROM STATISTICS CANADA

### Statistics Canada Catalogue 1994



1-800-267-6873

Canada

### Statistics Canada catalogue

The *Statistics Canada catalogue, 1994* describes the wide range of printed and electronic information sources and services available from Statistics Canada. The 1994 edition includes some new elements: forthcoming titles; discontinued titles; titles released since the catalogue's cutoff date; catalogue numbers for electronic products and services in a "Finding and using statistics" section; and, listings of more feature articles in a "Publications and map product subject index".

The publications described are those in print as of December 31, 1993, forthcoming publications, and those hot off the press. Publications discontinued since the catalogue's last edition are also indicated. Unique out-of-print items, which cannot be ordered but can be consulted in Statistics Canada Regional Reference Centres and in libraries across Canada, are also listed for your information.

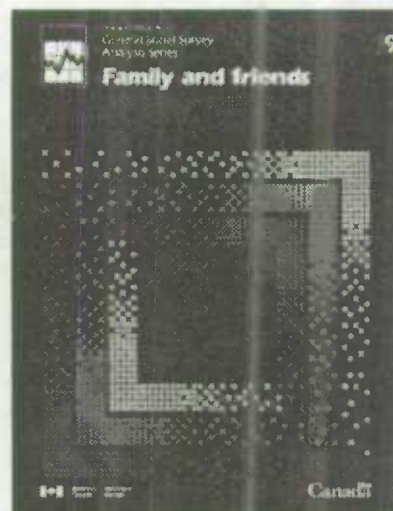
*Statistics Canada catalogue, 1994 (catalogue number 11-204E, \$15) is now available. For further information on this release, contact Fay Hjartarson (613-951-0953), Statistics Canada Library (fax: 613-951-0939, the Internet: [hjartfay@statcan.ca](mailto:hjartfay@statcan.ca)).*

### Family and friends

#### 1990 general social survey (GSS)

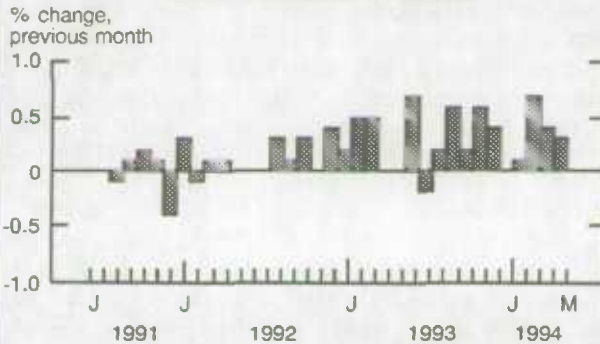
Canadians face many decisions concerning their relationships with family and friends. Marriage and common-law unions, child-bearing and birth intentions, sharing housework, helping family and friends, and family contacts are some of the themes addressed by this publication. One chapter focuses solely on the family structures and dynamics of older Canadians – those aged 45 to 64 and those aged 65 and over. A number of articles based on the GSS data have already been published in *Canadian social trends*, *Perspectives on labour and income* and other publications. Now *Family and friends* provides more extensive analyses, including detailed tabulations and some comparisons with the 1984 family history survey.

*Family and friends (catalogue number 11-612E, \$40) is now available. For further information on this release, contact the principal author Dr. Susan McDaniel (403-492-0488), University of Alberta, or Doug Norris (613-951-2572), Housing, Family and Social Statistics Division.*



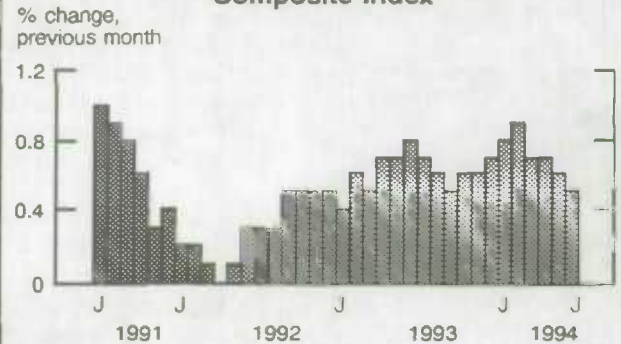
## CURRENT TRENDS

### Gross Domestic Product



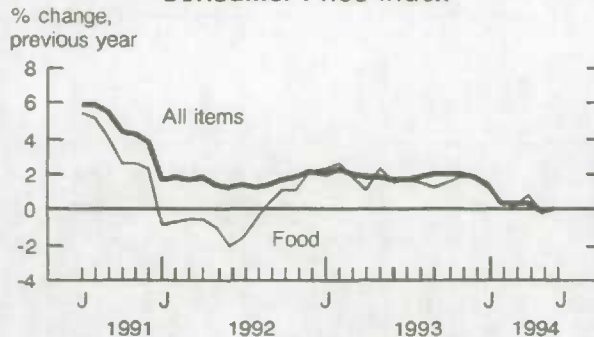
In May, real gross domestic product at factor cost grew by 0.3%, led by another strong gain in manufacturing.

### Composite Index



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



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 to 10.2% in July, a three-year low.

### Manufacturing



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



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
<b>GENERAL</b>				
Gross Domestic Product (\$ billion, 1986)	May	535.3	0.3%	4.1%
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%
<b>DOMESTIC DEMAND</b>				
Retail Trade (\$ billion)	May	17.1	1.0%	6.8%
New Motor Vehicle Sales ('000 units)	June*	108.8	4.3%	16.7%
<b>LABOUR</b>				
Employment (millions)	July*	12.7	0.5%	2.2%
Unemployment Rate (%)	July*	10.2	-0.1	-1.3
Participation Rate (%)	July*	64.9	0.2	-0.5
Labour Income (\$ billion)	May*	33.7	-0.3%	2.9%
Average Weekly Earnings (\$)	May	563.57	-0.2%	2.0%
<b>INTERNATIONAL TRADE</b>				
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
<b>MANUFACTURING</b>				
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
<b>PRICES</b>				
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)	June*	136.2	0.1%	0.1%

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

\* New this week.

## I·N·F·O·M·A·T

### A Weekly Review

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