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Infomat

A Weekly Review

Friday, July 14, 1995

OVERVIEW

- **Labour market remains stable**

  In June, for the seventh consecutive month, labour market conditions were little changed.

- **Slight drop in wages and salaries**

  In April, wages and salaries fell for the second consecutive month.

- **Median income down in 1993**

  After adjusting for inflation, the median income of both men and women fell between 1992 and 1993.

- **Motor vehicle sales rise for first time in 1995**

  Higher truck sales in May helped push new motor vehicle sales up for the first time in five months.

- **Housing prices continue to slide**

  In May, new housing prices fell for the eleventh consecutive month.

Labour market remains stable

In June, for the seventh consecutive month, labour conditions were little changed. The unemployment rate edged up 0.1 percentage points to 9.6%, where it has been hovering since November 1994. Following strong growth in 1994, June's employment level was up only 24,000 from November 1994. Over this period, full- and part-time employment have remained virtually unchanged.

Employment in transportation, communication and other utilities rose by 23,000, bringing gains since November to 69,000. Employment in both transportation and communication grew over this period. In finance, insurance and real estate, advances in May and June have pushed employment up 55,000 since November.

A drop in manufacturing employment in June largely offset May's increase. Despite large monthly fluctuations, manufacturing employment remained 36,000 above its November level. The recent slowdown in job growth coincided with a fall in shipments and a decline in unfilled orders.

Along with weakness in housing starts and in the number of new building permits issued, employment in

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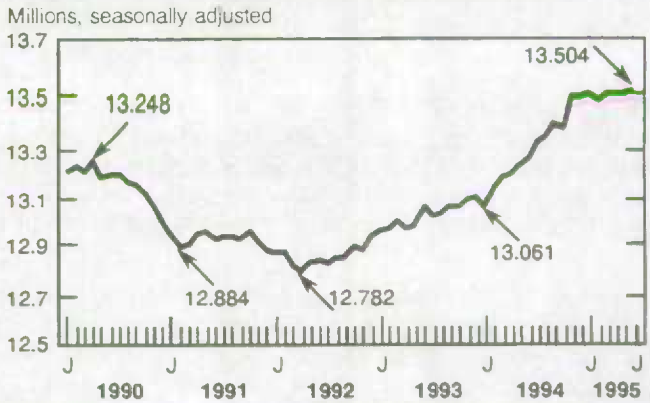
Employment



... Labour market remains stable

construction continued its downward trend which began in November 1994, bringing job losses since November to 49,000. Employment in public administration has also declined from November 1994.

Regionally, labour market conditions were little changed except in Saskatchewan, where employment and the unemployment rate fell due to a decline in labour force participation. This reversed movements observed in May.

Summer employment for 15- to 19-year-olds planning to return to school in the fall improved for the first time in six years, as the employment rate rose 1.4 percentage points to 41.0% from June 199[4] and the unemployment rate edged down 0.[1] percentage points to 16.8%. Over this same period the employment rate among 20- to 24-year-olds planning to return to school decreased 3.[?] percentage points to 66.1% and the unemployment rate rose 1.1 percentage points to 13.1%.

Note to readers

All data are seasonally adjusted.

For further information, order The labour force *(catalogue 71-001) or contact Doug Drew, Household Surveys Division at (613) 951-4720. (See also "Current trends" on page 7.)*

PROVINCIAL PERSPECTIVES

Labour force survey, June 1995
Seasonally adjusted

	Labour force		Employment		Unemployment	
	'000	% change, previous month	'000	% change, previous month	'000	Rate (%)
Canada	**14,935**	**0.2**	**13,504**	**0.1**	**1,431**	**9.6**
Newfoundland	245	0.0	200	0.5	45	18.4
Prince Edward Island	68	0.0	58	0.0	10	15.2
Nova Scotia	437	0.0	379	-0.5	58	13.3
New Brunswick	357	1.1	312	-0.3	45	12.6
Quebec	3,611	0.4	3,203	-0.1	408	11.3
Ontario	5,738	-0.2	5,233	0.0	505	8.8
Manitoba	566	0.2	525	0.4	41	7.2
Saskatchewan	491	-1.2	458	-0.7	33	6.7
Alberta	1,483	-0.3	1,375	0.4	108	7.3
British Columbia	1,931	0.4	1,757	0.3	174	9.0

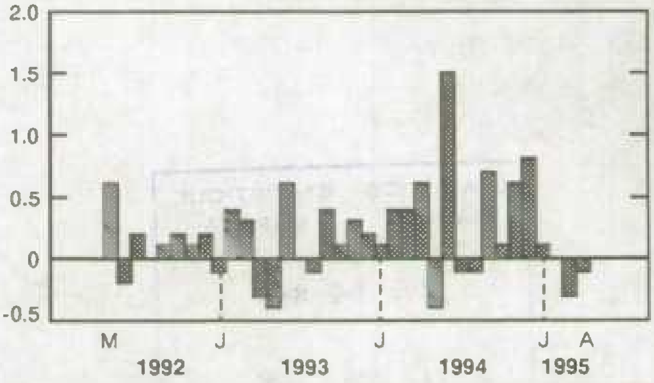
Slight drop in wages and salaries

Wages and salaries fell slightly in April (-0.1%). This second consecutive monthly decline followed strong growth in the last two months of 1994 and little change in January and February 1995.

The drop in wages and salaries was greatest in finance, insurance and real estate (-1.6%), trade (-1.0%), and federal administration (-2.5%). The decline in wages and salaries in the trade industry, due mainly to a sharp drop in average earnings, was the first since October 1994.

April's decline was moderated by higher wages and salaries in mines, quarries and oil wells (2.9%), in construction (2.7%), and in transportation, storage, communication and other utilities (1.8%). Wages and salaries paid to employees in the construction sector rose because of higher employment levels and higher average earnings, primarily in Quebec and Ontario. The growth in transportation,

Total wages and salaries



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... Slight drop in wages and salaries

Wages and salaries, April 1995
Seasonally adjusted

Province/ Territory	Wages and salaries ($ millions)	% change, previous month	% change, previous year
Canada	**30,106**	**-0.1**	**2.6**
Newfoundland	396	-2.0	0.1
Prince Edward Island	100	0.4	5.3
Nova Scotia	738	-0.5	1.6
New Brunswick	595	-1.0	2.5
Quebec	6,815	0.2	2.5
Ontario	12,399	0.0	2.4
Manitoba	1,002	0.5	2.3
Saskatchewan	770	-0.3	2.2
Alberta	2,988	-0.9	0.5
British Columbia	4,120	0.6	4.8
Yukon and Northwest Territories/Abroad	184	0.9	2.7

Note to readers

Labour income consists of wages and salaries (87%) plus supplementary labour income (13%). Wages and salaries include items such as bonuses, gratuities, taxable allowances and retroactive wage payments. Supplementary labour income includes employer contributions to employee welfare, pension, workers' compensation and unemployment insurance plans.

storage, communications and other utilities was partly the result of a rebound from March's rail strike.

For further information, contact Jean Lambert, Labour Division at (613) 951-4090.

Median income down in 1993

Between 1989 and 1993, the median employment income reported by the 14,363,320 individuals in Canada's labour force fell 6.1% after adjusting for inflation. A larger decline in men's earnings narrowed the gap between earnings by men and women, but only slightly. Median employment income in 1993 fell 1.5% from 1992.

In 1993, the median employment income of women was 61.9% of men's, almost unchanged from 61.7% in 1992 and up from 56.0% in 1989. Between 1989 and 1993, men's median employment income (adjusted for inflation) fell $2,900, while women's median income remained relatively constant.

The number of taxfilers who reported self-employment income totalled 2,102,910 in 1993, up 5.5% from 1992. In 1993, 10.9% of women earning labour force income reported self-employment income, compared with 17.8% of men. Between 1992 and 1993, among the three largest census metropolitan areas, the number of self-employed people rose 9.3% in Vancouver, 4.9% in Montreal and 6.1% in Toronto. Over that time, Vancouver's labour force grew 2.0%, while Montreal's rose 0.1% and Toronto's increased 0.5%.

Note to readers

Data for the Labour Force Income Profiles for 1993 were obtained from income tax returns filed in the spring of 1994.

The labour force is defined as all persons who reported income from either employment (wages, salaries, commissions and self-employment income) or unemployment insurance benefits. Income figures include remuneration for full- and part-time work. An individual is counted as an unemployment insurance recipient if he/she received unemployment insurance for any portion of the tax year.

Self-employment income totalled almost $23 billion in 1993, up 6.7% from 1992. Average self-employment income, however, remained constant. This may change as small businesses that started after the recession in the early 1990s become better established and began earning higher profits.

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

Motor vehicle sales rise for first time in 1995

In May, a revival of truck sales helped push new motor vehicle sales up for the first time this year. Sales rose 5.5% to 93,590 vehicles, but were still far below the average number of vehicles sold each month in past years.

Nearly three-quarters of May's gain came from a 9.6% increase in sales of trucks, vans and buses, although this was not enough to offset declines in March and April. Total truck sales fell 4.6% from May 1994, as higher sales of medium- and heavy-duty trucks were offset by weaker sales of light trucks, sport utility vehicles, minivans and vans.

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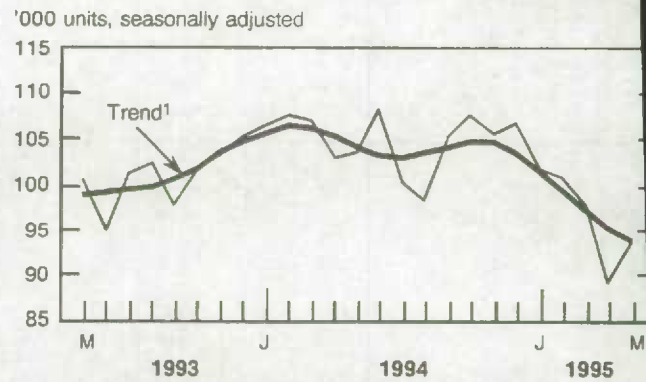
... Motor vehicle sales rise for first time in 1995

Sales of North American-made cars rose 2.7% and imported car sales grew 2.2% in May, although these increases did not offset April's decline in passenger car sales. The number of passenger cars sold remained far below the monthly average of the past decade. The weakness in car sales is most apparent in sales of imported cars, which have followed a downward trend over the last seven years. Part of this decline is the result of production of foreign models in North America.

A number of factors appear to depress demand for passenger cars: higher prices, interest rates and longer lasting cars. In addition, consumers seem to be shifting towards the purchase of minivans or sport utility vehicles instead of new passenger cars. The appreciation of foreign currencies against the Canadian dollar is pushing up prices. In May, the gap between the average purchase price of North American- and Japanese-made cars was the widest it has been since 1993.

New motor vehicle sales in the first five months of 1995 were 8.6% below their year-earlier levels. Sales rose in 1994 for the first time in six years. The turnaround, however, did not continue into 1995. Average monthly sales for the first five months of 1995 were lower than average monthly sales in each of the last 11 years.

New motor vehicle sales



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

Note to readers

Average price is affected by the type of car and options selected. It is not a straight comparison of prices for comparable cars.

All data are seasonally adjusted.

For further information, order New motor vehicle sales *(catalogue 63-007) or contact Mary Beth Lozinski, Industry Division at (613) 951-9824.*

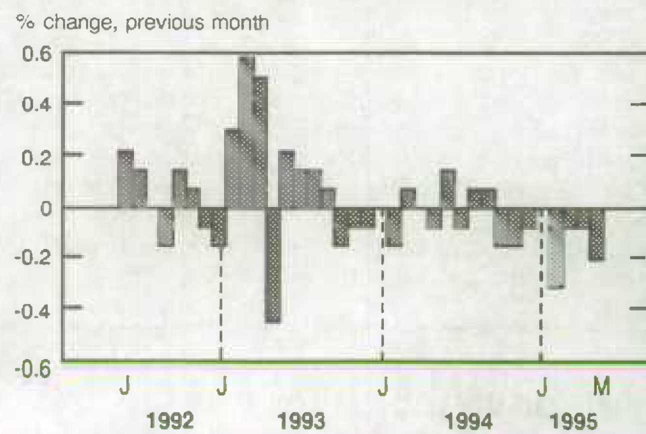
Housing prices continue to slide

In May, the price of new houses fell 0.8% from May 1994. This was the eleventh consecutive month in which housing prices dropped compared with the year before. The New housing price index fell 0.2% from April 1995. Falling prices over the past year were the result of low consumer confidence, which contributed to a sharp decline in housing construction starts and sales.

In 7 of the 21 cities surveyed, the new housing price index was unchanged from the previous month. Prices fell in all other cities except Halifax (0.3%), Québec City, and Winnipeg (0.1% each). The largest monthly price decreases were recorded in Victoria (-1.4%), Ottawa-Hull (-0.7%) and St. Catharines-Niagara (-0.7%).

On a year-over-year basis, new housing prices rose in nine cities and fell in 11. New housing prices have dropped dramatically in Victoria (-8.4%), Vancouver (-4.6%) and Ottawa-Hull (-2.1%). Builders in these cities have reduced prices or offered buyer incentives in order to generate sales in markets which they have described as sluggish. The largest price increases were recorded in Halifax (3.7%), Regina (3.5%), Calgary (1.4%) and Toronto (1.4%).

New housing price index



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... Housing prices continue to slide

The house only index fell 0.6% from May 1994 and 0.2% from the previous month. The land only index fell 0.9% from May 1994 and 0.3% from the previous month.

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

NEW FROM STATISTICS CANADA

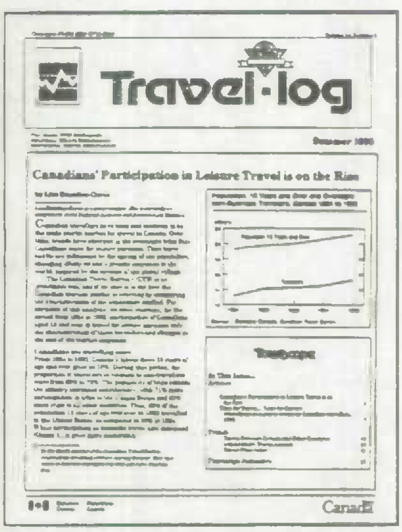
The family over the life course

Over the course of history, the family has shown a remarkable capacity for adapting itself, even in concept, to the prevailing social and economic conditions.

By combining cross-sectional and life-course methodological approaches, *The family over the life course*, the latest publication in the Current Demographic Analysis series, shows how an ageing population, low fertility and increasing economic stress have affected the family situation of men and women at different ages. It then indicates how these effects may evolve in the immediate future.

This valuable analytical source was written by four university professors who are experts on family life: Roderic Beaujot, Ellen Gee, Zenaida Ravanera and Fernando Rajulton.

The Family over the life course *(catalogue 91-543E, $38) is now available. For further information, contact Jean Dumas, Demography Division at (613) 951-2327.*



Travel-log
Summer 1995

The Summer 1995 issue of *Travel-log*, Statistics Canada's quarterly tourism newsletter, features an article on Canadians' participation in leisure travel.

Each quarter, *Travel-log* examines international travel trends and the travel price index. It also features the latest tourism indicators, as well as information about Statistics Canada's tourism-related products and services.

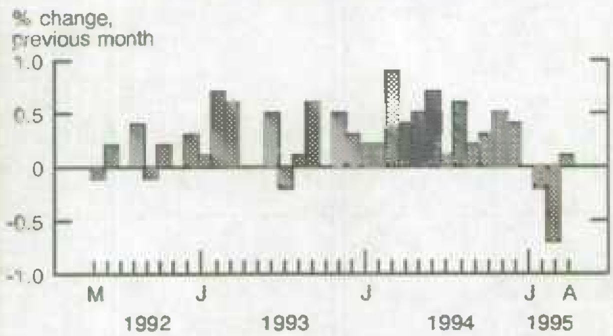
The Summer 1995 (vol. 14, no. 3) issue of Travel-log *(catalogue 87-003, $12/$40) is now available. For further information, contact Monique Beyrouti, Education, Culture and Tourism Division at (613) 951-1673.*

PUBLICATIONS RELEASED FROM JULY 7 TO JULY 13, 1995

Division/title of publication	Period	Catalogue number	Price: Issue/Subscription Canada (Cdn.$)	United States US$	Other countries US$
AGRICULTURE					
Agriculture economic statistics	June 1995	21-603E	25/50	30/60	35/70
Fruit and vegetable production	June 1995	22-003	29/115	35/138	41/161
Grain trade of Canada	1993-94	22-201	42	51	59
DEMOGRAPHY					
Family over the life course		91-543E	38	46	54
Quarterly demographic statistics	Jan.-Mar. 1995	91-002	10/32	12/39	14/45
EDUCATION, CULTURE & TOURISM					
Travel-log	Summer 1995	87-003	12/40	15/48	17/56
INDUSTRY					
Factory sales of electric storage batteries	May 1995	43-005	6/60	8/72	9/84
Industrial chemicals and synthetic resins	May 1995	46-002	6/60	8/72	9/84
Oil pipeline transport	April 1995	55-001	11/110	14/132	16/154
Production and shipments of steel pipe and tubing	May 1995	41-011	6/60	8/72	9/84
Pulpwood and wood residue statistics	May 1995	25-001	7/70	9/84	10/98
Specified domestic electrical appliances	May 1995	43-003	6/60	8/72	9/84
HOUSEHOLD SURVEYS					
Characteristics of dual-earner families	1993	13-215	27	33	38
Labour force information	June 1995	71-001P	10/100	12/120	14/140
INDUSTRY MEASURES AND ANALYSIS					
Gross domestic product by industry	April 1995	15-001	14/140	17/168	20/196
INTERNATIONAL TRADE					
Exports by commodity					
microfiche version	April 1995	65-0040XMB	35/350	42/420	49/490
paper version	April 1995	65-0040XPB	75/750	90/900	105/1,050
INVESTMENT AND CAPITAL STOCK					
Building permits	May 1995	64-001	24/240	29/288	34/336
METHODOLOGY					
Survey methodology	June 1995	12-001	45	50	55
PRICES					
Industry price indexes	May 1995	62-011	21/210	26/252	30/294
SERVICES, SCIENCE AND TECHNOLOGY					
Restaurant, caterer and tavern statistics	October 1994	63-011	7/70	9/84	10/98
Restaurant, caterer and tavern statistics	November 1994	63-011	7/70	9/84	10/98
Restaurant, caterer and tavern statistics	December 1994	63-011	7/70	9/84	10/98
TRANSPORTATION					
Aviation service bulletin	June 1995	51-004	11/105	13/126	15/147
Surface and marine transport	Vol. 11, no. 5	50-002	11/80	14/96	16/112

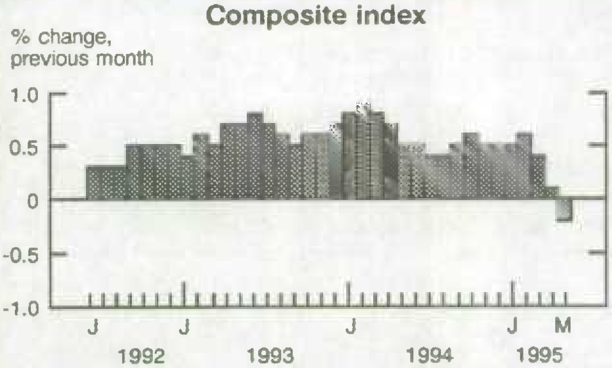
CURRENT TRENDS

Gross domestic product



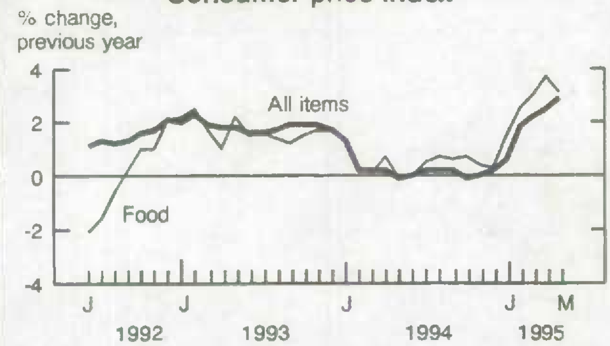
Real gross domestic product rose 0.1% in April.

Composite index



In May 1995, the composite index declined 0.2% from the month before.

Consumer price index



Consumers paid 2.9% more for goods and services in May 1995 than the year before. Food prices rose by 3.1%.

Unemployment rate

In June, the unemployment rate rose 0.1 percentage points to 9.6%.

Manufacturing

Manufacturers' shipments fell 1.1% in April to $31.7 billion. The level of unfilled orders dropped 0.4% to $34.3 billion.

Merchandise trade

The value of merchandise exports fell 0.6% in April, to $20.5 billion. Imports dropped 0.1% to $18.8 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)	April	539.8	0.1%	2.3%
Composite index (1981=100)	May	173.8	-0.2%	5.0%
Operating profits of enterprises ($ billion)	1st quarter	23.7	6.2%	42.2%
DOMESTIC DEMAND				
Retail trade ($ billion)	April	17.5	0.2%	3.2%
New motor vehicle sales ('000 units)	May*	93.6	5.5%	-9.6%
LABOUR				
Employment (millions)	June*	13.5	0.1%	1.8%
Unemployment rate (%)	June*	9.6	0.1†	-0.7†
Participation rate (%)	June*	64.9	0.0†	-0.3†
Labour income ($ billion)	April*	34.5	-0.2%	2.7%
Average weekly earnings ($)	April	570.25	-0.4%	0.8%
INTERNATIONAL TRADE				
Merchandise exports ($ billion)	April	20.5	-0.6%	19.7%
Merchandise imports ($ billion)	April	18.8	-0.1%	16.4%
Merchandise trade balance (all figures in $ billion)	April	1.8	-0.1	0.7
MANUFACTURING				
Shipments ($ billion)	April	31.7	-1.1%	12.0%
New orders ($ billion)	April	31.5	-2.6%	8.1%
Unfilled orders ($ billion)	April	34.3	-0.4%	11.6%
Inventory/ shipments ratio	April	1.36	0.03	0.04
Capacity utilization (%)	1st quarter	84.8	0.0†	4.3†
PRICES				
Consumer price index (1986=100)	May	133.7	0.2%	2.9%
Industrial product price index (1986=100)	May	127.7	0.0%	8.4%
Raw materials price index (1986=100)	May	132.4	-1.1%	8.9%
New housing price index (1986=100)	May*	134.9	-0.2%	-0.8%

Note: *All series are seasonally adjusted with the exception of the price indexes.*
* *new this week*
† *percentage point*

I•N•F•O•M•A•T

A weekly review

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