



# Infommat

A Weekly Review

Friday, July 19, 1996

## OVERVIEW

### ◆ Trade surplus reaches new high

With exports climbing to new highs and imports down by a similar amount, Canada's trade surplus grew to a record \$4.1 billion in May.

### ◆ Shipments surpass previous record

Strong increases in April and May pushed the level of shipments above the record set in August 1995.

### ◆ More foreign visitors choose Canada

The number of overnight trips to Canada by overseas residents reached a new peak in May.

### ◆ Economic dependency ratio drops

The economic dependency ratio dropped slightly in 1994. Tax filers received an average of \$26.85 in transfer payments for every \$100 of employment income earned.

### ◆ Movie theatres have blockbuster year

Movie theatres reported a 7% increase in profits in 1994/95, as admissions reached a seven-year high.

## Trade surplus reaches new high

**W**ith exports climbing to new highs and imports down by a similar amount, Canada's trade surplus grew to a record level in May.

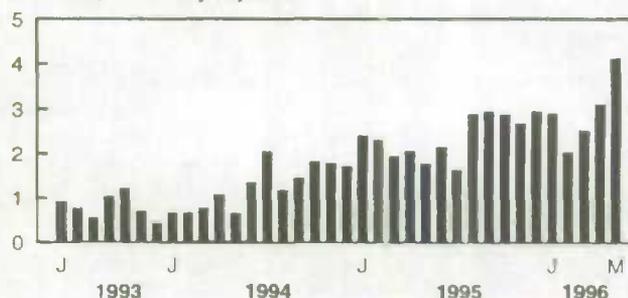
Canada's exports continued to climb in May, growing 2.9% to a record \$22.4 billion. Gains were widespread, but dominated by strong U.S.-bound shipments of automobiles and natural resources. Cars, which make up nearly two-thirds of automobile exports, advanced 11.5%, while trucks surged by 19.3%. Among natural resources, forestry products took the lead, particularly lumber. At the same time, sales of woodpulp also advanced, as producers attempted to reduce their inflated inventories.

Exports to the United States were robust, reflecting strong consumer spending and industrial output, while shipments to all remaining major partners retreated. Growth in the export trend paused briefly in the first quarter, but has since rebounded in the second quarter.

*(continued on page 2)*

### Trade balance

\$ billions, seasonally adjusted



### ...Trade surplus reaches new high

Imports declined by 2.1%, reflecting slumping purchases of machinery and consumer goods, which pulled down total imports to \$18.3 billion. Strength in automotive products and industrial goods provided some offsetting influence. Shipments from nearly all of Canada's major trading partners fell, but declines were largest in the case of the United States and countries outside of the OECD. Since reaching a peak in January, the trend in imports has sloped gently downward in a fashion similar to 1995.

As exports rose and imports declined, the merchandise trade surplus grew to a record \$4.1 billion in May. Growth in the balance came solely from the United States, while net trade with all other trading partners declined. On a year-to-date basis, the trade balance stood at \$14.6 billion in May compared with \$10.4 billion in May 1995.

Available on CANSIM: matrices 3611-3616, 3618-3629, 3651, 3685-3713, 3718-3720 and 3887-3913.

### Shipments surpass previous record

Strong increases in April and May pushed the level of shipments slightly above the record set in August 1995. However, during the last 16 months, there has been little overall upward momentum in shipments. Unfilled orders grew strongly in May, while inventories edged down.

Total manufacturing shipments rose 1.8% to \$33.2 billion. The advance resulted from a strong demand for motor vehicles, wood and chemical products, and occurred despite pronounced weakness in the electrical and electronic products industry. Increases were widespread and took place in 15 of the 22 major industry groups, accounting for 73.6% of total shipments.

Manufacturers of motor vehicles and parts — the key contributors to the rise — increased shipments by 5.9%. This sector continued to catch up after strikes at two U.S. brake plants significantly slowed activity in March. Rising demand for some Canadian-built models and their components also contributed to the advance.

The wood and chemical products industries recorded significant increases of 5.8% and 6.1% respectively. The advance in wood shipments was due almost entirely to a surge in lumber prices, brought about by climbing U.S. demand for wood and lower Canadian supplies. These increases were partly offset by the large 6.5% drop in the electrical and electronics industry.

The value of inventories edged down again in May, falling 0.5% to \$45.3 billion. The largest decrease came from the wood industry (-3.9%), but declines were also recorded in the paper and allied products, the printing and publishing, and the electrical and electronic products industries. These drops were only partly counterbalanced by increases in the motor vehicle and the aircraft and parts industries.

#### Note to readers

Merchandise trade is only one component of the current account of Canada's balance of payments, which also includes trade in services. In the first quarter of 1996, the overall merchandise trade surplus of \$7.4 billion contrasted with a current account deficit of \$1.9 billion.

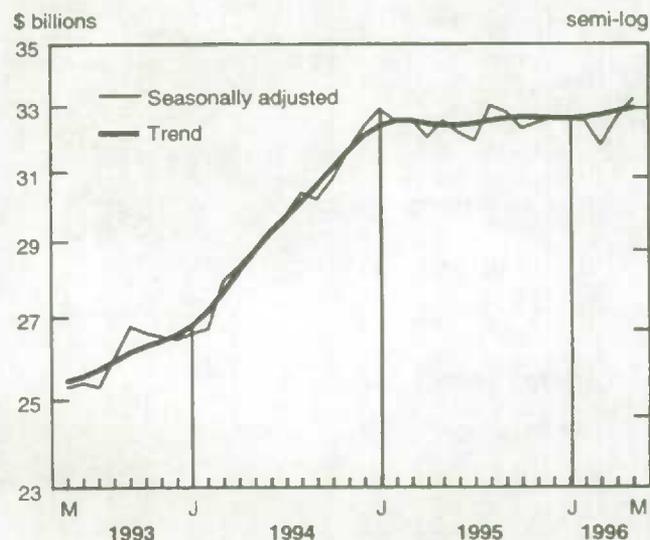
Canadian international merchandise trade (65-001-XPB, \$19/\$182) will be available shortly. Current account data, which incorporate merchandise trade statistics, services transactions, investment income and transfers, are available on a quarterly basis in Canada's balance of international payments (67-001-XPB, \$36/\$120). For further information, contact Suzie Carpentier (613-951-9647 or 1-800-294-5583), International Trade Division. (See also "Current trends" on page 7.)

#### Note to readers

Unfilled orders are a stock of orders that will contribute to future shipments, assuming orders are not cancelled.

New orders represent orders received whether shipped in the current month or not. They are measured as the sum of shipments for the current month (i.e. orders received this month and shipped within the same month) plus the change in unfilled orders.

### Shipments



(continued on page 3)

### ... Shipments surpass previous record

The inventories-to-shipments ratio has been falling for the past two months (to stand at 1.36 in May), after being on a slow upward trend for the better part of a year. When falling, the ratio points to a possible undersupply and suggests that output may have to be increased in the future.

The backlog of unfilled orders, a key determinant of future shipments, rose 1.7% to \$34.2 billion. Unfilled orders have settled into a sea-saw pattern of increases and decreases. Two of the most significant rises were recorded in the railroad rolling stock and the machinery industries. These advances were partly offset by declines in the fabricated metal products and the electrical and electronic products industries.

New orders were up 4.6% to \$33.8 billion.

Available on CANSIM: matrices 9550-9593.

The May 1996 issue of *Monthly survey of manufacturing* (31-001-XPB, \$19/\$190) will be available shortly. For further information, contact Robert Traversy (613-951-9497) or the

### Manufacturers' shipments, May 1996

Seasonally adjusted

Province	\$ millions	% change, previous month
<b>Canada</b>	<b>33,224</b>	<b>1.8</b>
Newfoundland	126	6.3
Prince Edward Island	44	-25.2
Nova Scotia	494	-2.7
New Brunswick	630	2.4
Quebec	7,876	0.8
Ontario	17,699	1.6
Manitoba	748	1.7
Saskatchewan	413	4.5
Alberta	2,513	5.7
British Columbia	2,670	2.7

Monthly Survey of Manufacturing Section (613-951-9832), Industry Division. (See also "Current trends" on page 7.)

## More foreign visitors choose Canada

Overseas residents made a record 378,000 overnight trips to Canada in May. Over time, these travellers have represented an increasing share of visitors who stay at least one night in Canada. Since travellers from overseas tend to stay longer in Canada than Americans, the economic impact of an increase in their numbers is significantly greater than that of a comparable rise in the number of American visitors. In 1995, overseas visitors injected \$4 billion in the Canadian economy, spending an average of \$1,030 per overnight trip compared with \$370 for Americans.

Meanwhile, Americans made 1.1 million trips of at least one night to Canada in May. Overall, foreigners made 1.4 million overnight trips to Canada, a decline of 1.8% from the record level of the preceding month.

In May, Canadians made 1.3 million trips of one or more nights to the United States, up 1.3% from April. The number of trips of this type has been rising slowly after reaching its most recent low in August 1994. Meanwhile, Canadians made 299,000 trips of at least one night to overseas destinations. This represented the third consecutive monthly decrease for this type of travel.

The number of car excursions by Americans to Canada decreased in May to 2.0 million. Canadians made 3.1 million same-day car trips to the United States.

Available on CANSIM: matrices 2661-2697, 5780-6046 and 8200-8328.

### International travel between Canada and other countries, May 1996

	% change, previous month		% change, previous year	
	'000	seasonally adjusted	'000	unadjusted
<b>Canadian trips abroad</b>				
Auto trips to the United States				
Same-day	3,114	0.1	3,270	2.4
One or more nights	809	0.6	792	-0.1
Total trips, one or more nights				
United States <sup>1</sup>	1,290	1.3	1,278	5.8
Other countries	299	-1.9	257	-1.0
<b>Travel to Canada</b>				
Auto trips to the United States				
Same-day	2,009	-2.1	2,036	6.8
One or more nights	671	-2.8	674	-4.4
Total trips, one or more nights				
United States <sup>1</sup>	1,060	-2.9	1,128	2.5
Other countries <sup>2</sup>	378	1.4	409	18.9

<sup>1</sup> Estimates for the United States include counts of cars and buses, and estimated numbers for planes, trains, boats, and other methods.

<sup>2</sup> Figures for other countries exclude same-day entries by land only, via the United States.

(continued on page 4)

### ... More foreign visitors choose Canada

The May 1996 issue of *International travel, advance information* (66-001-PPB, \$7/\$70) is now available. For further information, contact Luc Dubois (613-951-1674; fax: 613-951-2909; the Internet: [duboluc@statcan.ca](mailto:duboluc@statcan.ca)), Education, Culture and Tourism Division.

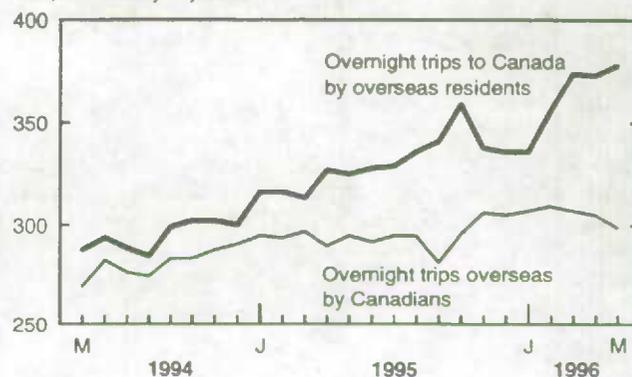
#### Note to readers

Month-to-month comparisons use seasonally adjusted data, while year-over-year comparisons use unadjusted data (the actual traffic counts).

Overseas countries are countries other than the United States. Excursions are same-day trips.

### Overnight trips between Canada and other countries

'000, seasonally adjusted



## Economic dependency ratio drops

The economic dependency ratio dropped slightly in 1994. More than 14.8 million taxfilers received an average of \$26.85 in transfer payments for every \$100 of employment income earned in Canada, \$0.07 less than the peak of \$26.92 reached in 1993. Over the five years prior to 1994, the national economic dependency ratio had increased by nearly 32%, although its annual growth rate had been slowing.

Individuals in the Atlantic provinces depended most on transfer payments, while those in the West depended the least. Prince Edward Island had the highest average economic dependency at \$43.17 for every \$100 of employment income, down \$2.06 from the previous year. The Northwest Territories posted the lowest level at \$11.78.

Government pensions continued to represent the largest portion of transfer payments in 1994. Of the \$26.85 total, 36% (\$9.58) came from government pension benefits. This amount was split almost equally between old age security program benefits and Canada/Quebec Pension Plan benefits. Old age security program benefits include old age security, guaranteed income supplement and spousal allowance.

Private pensions accounted for the second-largest portion (24% or \$6.53) of the economic dependency ratio. Men received almost one-third of their total transfer payments from private pensions; women, only 15%.

Unemployment insurance benefits contributed the third-largest portion. Of the \$26.85 total, \$3.90 came from unemployment insurance, down from \$4.69 in 1993. This decline was the result of changes to benefits (effective since July 1994) and a decrease in the number of beneficiaries as people found employment, and as benefits were exhausted. In 1994, 2.9 million taxfilers reported UI income, down 9.9% from the preceding year. The amount of UI

#### Note to readers

The economic dependency ratio is a comparison of transfer payments and employment income for a given area. For example, for every \$100 of employment income reported in Canada in 1994, there were \$26.85 of transfer payments reported.

Transfer payments, for the purpose of this profile, are payments made to individuals, either by governments or through private pensions. Transfer payments include: unemployment insurance, goods and services tax credit, child tax benefit, old age security, net federal supplements, Canada/Quebec Pension Plan, other pensions, workers' compensation, social assistance, Quebec family allowance, and provincial refundable tax credits for British Columbia, Manitoba, the Northwest Territories, Quebec and Ontario.

income fell to \$14.4 billion, a drop of 14.7% on a constant dollar basis (as measured by the consumer price index).

Social assistance benefits contributed \$3.24 to the total. The remaining components of transfer payments are GST credit, child tax benefit, workers' compensation, provincial refundable tax credits and Quebec family allowance. Combined, these components accounted for \$3.60 of the total transfer payments in 1994.

There were substantial differences in the economic dependency ratios among the nation's census metropolitan areas (CMAs). In 1994, Calgary posted the lowest economic dependency ratio at 15.07, while St. Catharines-Niagara registered the highest at 36.84. Nearly 37% of this CMA's dependency ratio is due to government pensions. The social assistance portion of the economic dependency ratio for CMAs ranged from 1.05 in Calgary to 5.30 in Sudbury.

For further information, contact Client Services (613-951-9720; fax: 613-951-4745), Small Area and Data Division.

## Movie theatres have blockbuster year

**M**ovie theatres had a good year financially in 1994/95, reporting a 7% increase in profits to \$62.6 million. Revenues rose 5% to \$568.2 million.

Profits of chain-operated movie theatres rose nearly 8% (to \$165,050 per theatre), compared with about 6% (to \$17,860 per theatre) for independent movie theatres. Despite increased attendance, drive-ins reported a 9% drop in profits. The chains reported a 7% profit drop to \$42,000 for each drive-in, while the profits of independents fell 36% to \$9,680 for each drive-in.

Continued competition from the home entertainment industry has spurred motion picture theatre companies to restructure their operations. They have continued to close unprofitable theatres and to turn many theatres in urban centres into multi-screen houses. They are also attempting to remain competitive by reducing their employment costs. In 1994/95, movie theatres had 2.0 full-time employees per theatre, down 15% from the 1993/94. Part-time employment per movie theatre fell 8% to 13.3 employees. Drive-in theatres increased the number of full-time employees 30% to 2.2 per drive-in, but the average part-time staff dropped 2% to 10.2.

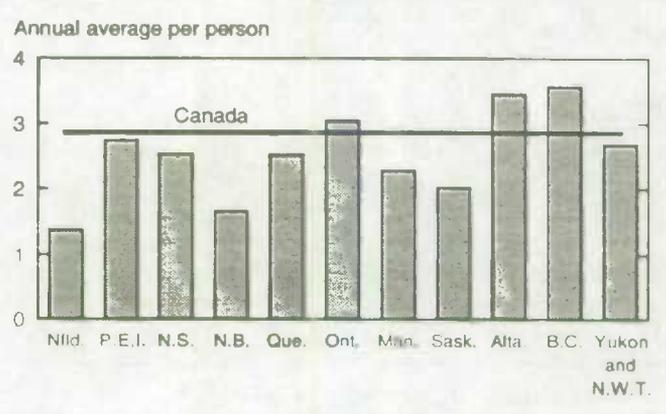
Movie admissions grew for the third straight year in 1994/95 (+4%), reaching a seven-year high (81.1 million). This, however, is still a far cry from admissions recorded during the early 1950s, before television viewing became widespread.

After falling to 98 million in 1963/64, attendance remained at about that level for the next two decades. In the 1980s, however, because of increased competition from the home entertainment industry, attendance fell again, to 71.6 million in 1991/92. More recently, movie-going appears to be on the rebound. All provinces reported attendance growth in 1994/95, except Manitoba, where visits to movie theatres were almost unchanged.

Several factors may account for renewed interest in movie going. Larger, multi-screen theatres with comfortable seats, digital sound and video games have made movie theatres an attractive entertainment option for teenagers and families. Further, average admission prices declined about 11% in the early 1990s because of various discount specials.

*Note to readers*  
 The Motion Picture Theatres Survey is a census of all movie theatres and drive-in theatres in Canada. The survey covers chains (such as the Cineplex Odeon Corporation, Famous Players Limited and the Landmark Cinemas of Canada) and 268 independently operated theatres. The 1994/95 survey included 582 movie theatres and 77 drive-ins which provided data based on their fiscal year ending any time between April 1, 1994, and March 31, 1995.

**Attendance at movie theatres and drive-ins 1994/95**



Chain-operated theatres attracted more patrons in proportion to their numbers than did independently-operated theatres. Chain-operated theatres, including drive-ins, had an average attendance of 181,840 compared with 47,260 for independently operated theatres.

For further information, contact Pina La Novara (613-951-1573; fax: 613-951-9040), Education, Culture and Tourism Division.

## New from Statistics Canada



### Canadian economic observer

July 1996

The July 1996 issue of *Canadian economic observer*, Statistics Canada's flagship publication for economic statistics, presents a summary of June's major economic events and an article entitled "Recent trends in provincial growth". A 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 also released today and is available free to subscribers. It has been updated with graphs to reflect changing economic trends and contains annual historical data for all the series reported monthly in *Canadian economic observer*. The *Historical statistical supplement* is also available for the first time ever in electronic format at additional cost. Built right into this diskette product, the Windows-based Adobe Acrobat reader lets you view, print and transport CEO's extensive range of data and graphics into the software of your choice. Acrobat includes a complete help text, and additional assistance can be obtained from Statistics Canada's Current Economic Analysis Group.

The July 1996 issue of *Canadian economic observer* (11-010-XPB, \$22/\$220) and *Canadian economic observer, Historical statistical supplement 1995/96* (11-210-XPB, \$27 in hard copy and 11-210-XDB, \$50 on diskette) are now available. For further information, contact Cynthia Boskie (613-951-3634) or Francine Roy (613-951-3627), Internet: ceo@statcan.ca, Current Economic Analysis Group.

### Economic dependency profiles

1994

The economic dependency profiles provide a look at Canadians' dependency on transfer payments from governments and institutions as revealed by the economic dependency ratio — the ratio of transfer payment dollars to each \$100 of employment income earned in a given area.

Derived from 1994 income tax returns filed in the spring of 1995, these data are a valuable source of information and are ideal for supporting market analysis and policy decisions.

The data are available for Canada, by province and territory, as well as by areas as small as forward sortation areas (the first three characters of the postal code) and letter carrier routes. The data are available for more than 26,000 postal areas.

For further information, or to order data, contact Client Services (613-951-9720; fax: 613-951-4745), Small Area and Administrative Data Division.

### Travel-log

Summer 1996

The feature article in the summer 1996 issue of the quarterly tourism newsletter *Travel-log* is "Traveller accommodation survey: an overview". This article describes traveller accommodation services by providing snapshots of the three industry segments and by analysing the major hotels and motor hotels industry, based on the results of the 1993/94 Traveller Accommodation Survey.

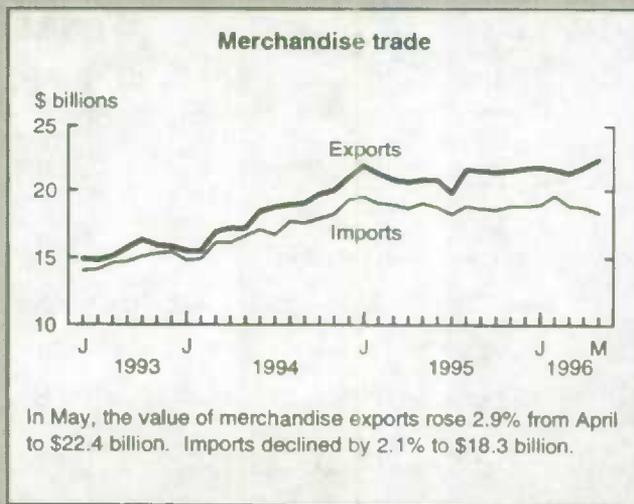
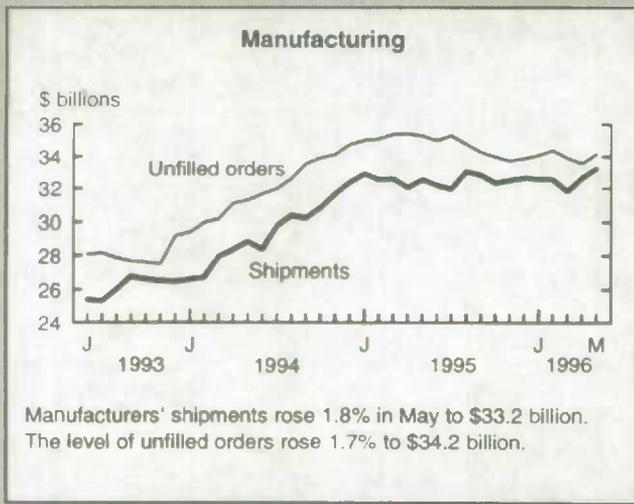
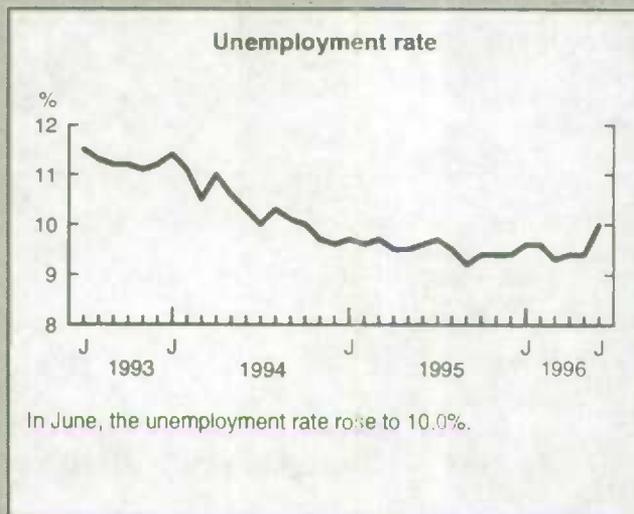
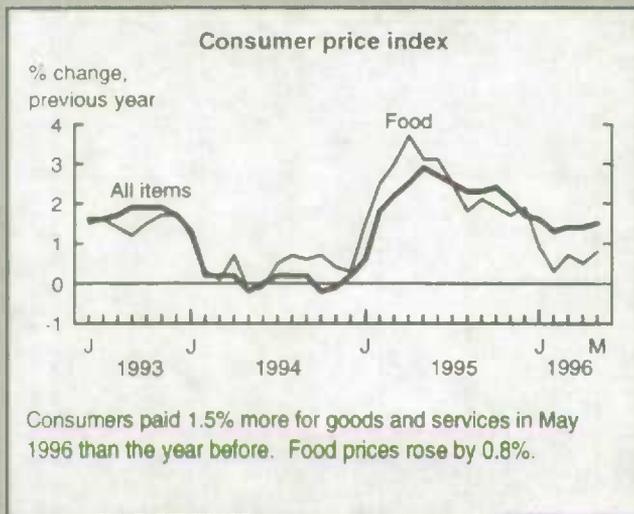
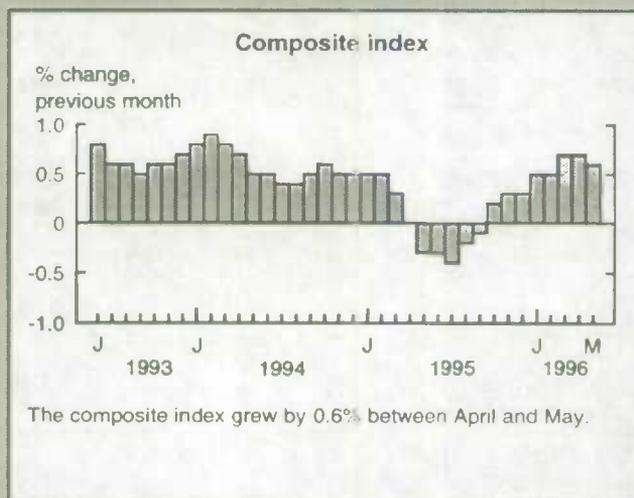
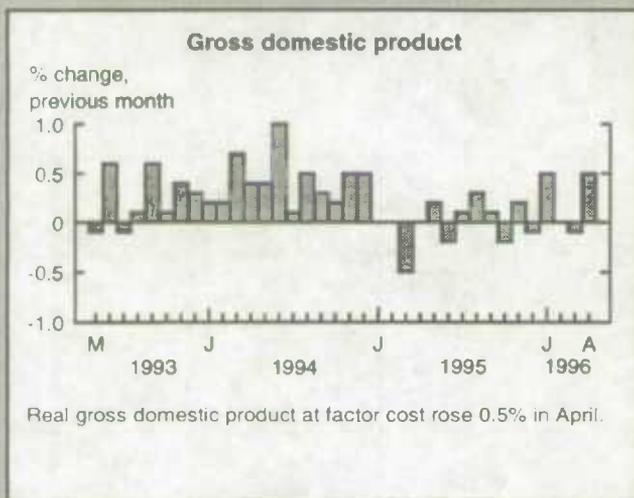
Other articles in this issue examine yields by size of hub, characteristics of international travellers for the first quarter of 1996, and also the first-quarter 1996 international travel account.

Each quarter, *Travel-log* examines the travel price index and features the latest tourism indicators.

The summer 1996 issue (vol. 15, no. 3) of *Travel-log* (87-003-XPB, \$12/\$40) is now available. For further information on this release, contact Monique Beyrouiti (613-951-1673; fax: 613-951-2909; Internet: beyrmon@statcan.ca), Education, Culture and Tourism Division.



## Current trends



Note: All series are seasonally adjusted except the consumer price index.

## Latest monthly statistics

	Period	Level	Change, previous period	Change, previous year
<b>GENERAL</b>				
Gross domestic product (\$ billion, 1986)	April	548.1	0.5%	1.3%
Composite index (1981=100)	May	177.8	0.6%	2.7%
Operating profits of enterprises (\$ billion)	1st quarter	21.6	-7.5%	-7.2%
Capacity utilization (%)	1st quarter	82.8	-0.1†	-3.0†
<b>DOMESTIC DEMAND</b>				
Retail trade (\$ billion)	April	17.8	0.0%	2.2%
New motor vehicle sales ('000 units)	May	97.0	8.2%	2.3%
<b>LABOUR</b>				
Employment (millions)	June	13.6	-0.4%	0.9%
Unemployment rate (%)	June	10.0	0.6†	0.4†
Participation rate (%)	June	64.8	0.0†	-0.1†
Labour income (\$ billion)	April	35.3	0.3%	2.5%
Average weekly earnings (\$)	April	575.48	-0.2%	1.3%
<b>INTERNATIONAL TRADE</b>				
Merchandise exports (\$ billion)	May*	22.4	2.9%	7.9%
Merchandise imports (\$ billion)	May*	18.3	-2.1%	-3.8%
Merchandise trade balance (all figures in \$ billion)	May*	4.1	1.0	2.4
<b>MANUFACTURING</b>				
Shipments (\$ billion)	May*	33.2	1.8%	2.1%
New orders (\$ billion)	May*	33.8	4.6%	4.4%
Unfilled orders (\$ billion)	May*	34.2	1.7%	-3.2%
Inventory/shipments ratio	May*	1.36	-0.03	0.00
<b>PRICES</b>				
Consumer price index (1986=100)	May	135.7	0.3%	1.5%
Industrial product price index (1986=100)	May	129.5	0.5%	0.9%
Raw materials price index (1986=100)	May	137.9	-0.9%	3.4%
New housing price index (1986=100)	May	131.5	-0.1%	-2.5%

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

\* new this week

† percentage point

# Infomat

## A weekly review

Published by the Communications Division, Statistics Canada, 10-N, R.H. Coats Bldg., Ottawa, Ontario, K1A 0T6.

Editor: Anna Kemeny (613) 951-1197  
Head of Official Release: Jacques Lefebvre (613) 951-1088

Catalogue: 11-002E. Price: Canada: \$4.00 per issue, \$140.00 per year; United States: US\$5.00 per issue, US\$168.00 per year; Other countries: US\$5.00 per issue, US\$196.00. Canadian customers please add 7% GST.

To subscribe: send money order or cheque payable to the Receiver General of Canada/Publication, Statistics Canada, Ottawa, Ontario K1A 0T6. To order by telephone dial: 1 800 267-6677 from Canada and the United States or (613) 951-7277 from all other countries.

Published by authority of the Minister responsible for Statistics Canada. © Minister of Industry, 1996. All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without prior written permission from Licence Services, Marketing Division, Statistics Canada, Ottawa, Ontario, Canada K1A 0T6.

The paper used in this publication meets the minimum requirements of American National Standard for Information Sciences - Permanence of Paper for Printed Library Materials, ANSI Z39.48 - 1984.



## Publications released from July 12 to 18, 1996

Division/title of publication	Period	Catalogue number	Price: Issue/Subscription		
			Canada (Cdn.\$)	United States	Other countries
			US\$		
<b>CURRENT ECONOMIC ANALYSIS</b>					
Canadian economic observer	July 1996	11-010-XPB	22/220	27/264	31/308
Canadian economic observer, Historical statistical supplement	1995-96	11-210-XPB	27	33	38
<b>DEMOGRAPHY</b>					
Quarterly demographic statistics	1st quarter 1996	91-002-XPB	10/32	12/39	14/45
<b>EDUCATION, CULTURE AND TOURISM</b>					
Travel-log	Summer 1996	87-003-XPB	12/40	15/48	17/56
<b>INDUSTRIAL ORGANIZATION AND FINANCE</b>					
Quarterly financial statistics for enterprises	1st quarter 1996	61-008-XPB	33/110	40/132	47/154
<b>INDUSTRY</b>					
Oils and fats	May 1996	32-006-XPB	6/60	8/72	9/84
Particleboard, oriented strandboard and fibreboard	May 1996	36-003-XPB	6/60	8/72	9/84
Production and shipments of steel pipe and tubing	May 1996	41-011-XPB	6/60	8/72	9/84
Refined petroleum products	April 1996	45-004-XPB	20/200	24/240	28/280
<b>INTERNATIONAL TRADE</b>					
Exports by commodity					
Microfiche version	April 1996	65-004-XMB	35/350	42/420	49/490
Paper version	April 1996	65-004-XPB	75/750	90/900	105/1,050
<b>INVESTMENT AND CAPITAL STOCK</b>					
Building permits					
Microfiche version	May 1996	64-001-XMB	25/135	30/162	35/189
Paper version	May 1996	64-001-XPB	24/240	29/288	34/336
<b>PRICES</b>					
Industry price indexes	May 1996	62-011-XPB	21/210	26/252	30/294
<b>TRANSPORTATION</b>					
Railway carloadings	May 1996	52-001-XPB	10/100	12/120	14/140
Surface and marine transport	1993-95	50-002-XPB	11/80	14/96	16/112

### To order Infomat or other publications by phone:

Please refer to the • Title • Catalogue number • Volume number • Issue number • Your VISA or MasterCard number.

In Canada and the United States call: **1 800 267-6677**

From other countries call: **(613) 951-7277**

Or fax your order to us: **(613) 951-1584**

**To order a publication by mail, write to:** Sales and Service, Marketing Division, Statistics Canada, Ottawa, K1A 0T6.

Include a cheque or money order payable to Receiver General of Canada/Publications. Canadian customers, add 7% GST.

**Statistics Canada Regional Reference Centres provide a full range of the Agency's products and services.**

For the reference centre nearest you, check the blue pages of your telephone directory under Statistics Canada.

**Authorized agents and bookstores also carry Statistics Canada's catalogued publications.**

**For address changes:** Please refer to your customer account number.

STATISTICS CANADA LIBRARY  
BIBLIOTHÈQUE STATISTIQUE CANADA



1010218227