



Infomat

A Weekly Review

Friday, August 13, 1999

OVERVIEW

◆ Employment shows an increase

Employment rose in July. This followed little change in the previous five months. Most of July's job growth occurred in Quebec. The unemployment rate for the month edged up 0.1 percentage points to 7.7%.

◆ Manufacturers are still very optimistic

More than one-third of manufacturers intend to boost production this quarter. Manufacturers also indicate increased satisfaction with their level of new orders.

◆ Residential building permits climb in second quarter

In the second quarter, the value of building permits issued by municipalities rose 4.4%, led by a strong advance in the residential sector. Both the residential and the non-residential sectors led permits higher in June.

◆ Capital spending plans revised significantly upward

Business and government investment in plant and equipment is now expected to regain record levels in 1999. Steady profits, high capacity use rates and low interest rates are the underlying factors in this resurgence.

◆ Department store sales generally on the rise

Despite falling in June by 0.3%, department store sales have generally been on the rise since the fall of 1998. Moreover, sales this June were up from last June by 9.7%—the largest yearly advance since April 1998.

◆ Communications networks playing a bigger role in manufacturing

Communications networks are fast becoming a key tool in the daily operations of Canadian manufacturers. Slightly more than two-thirds of manufacturing firms are making use of the Internet.

Employment shows an increase

Employment rose by 40,000 in July following little change in the previous five months and strong growth during most of 1998. In July, an increase in the number of persons looking for work, mostly youths, caused the unemployment rate to edge up 0.1 percentage points to 7.7%.

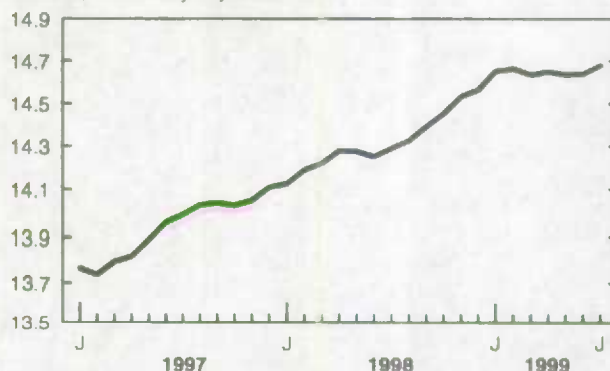
July's employment increase was all in full time jobs (+51,000), bringing the growth in full-time employment in the 12 months to July to 397,000 (+3.4%). By contrast, part-time employment was down slightly from its July 1998 level.

Among adults, the overall employment gains were concentrated among women aged 25 and over (+24,000): a decline in the number of adult women working part time was more than offset by adult women gaining full-time jobs. In the year to July, the employment increase among adult women (+3.0%) has been much stronger than the job growth among adult men (+1.8%).

Employment among youths aged 15 to 24 increased slightly in July (+12,000). However, the youth labour force swelled by 32,000, and so the youth unemployment rate rose 0.6 percentage points to 14.1%. This partly offset the large declines in June, when fewer youths than usual entered the labour market to search for work. In recent months, the youth participation rate and the youth unemployment rate have both been volatile, probably reflecting

Employment

Millions, seasonally adjusted



(continued on page 2)

... Employment shows an increase

changes in some of the factors that influence the timing of their labour market activity (for example, length of school year, semester programs).

More teenage students have summer jobs this year compared with last year. This July, 55.0% of students aged 15 to 24 were employed, up from 53.0% last July. As a result, their unemployment rate fell from 17.3% in July 1998 to 16.6% in July 1999. All of the student job gains were part-time employment. Older teenagers (aged 17 to 19) accounted for all of the gain in summer employment for students this July. Their employment rate was up 4.3 points from July 1998 to 63.6%, whereas their unemployment rate fell to 15.9% (-2.3 percentage points). Among younger students (aged 15 to 16) and among older students (aged 20 to 24), employment was little changed this July compared with a year earlier.

In the private sector, the number of employees grew in July by 66,000, more than offsetting June's decline. Meanwhile, the number of self-employed fell by 54,000, bringing the total losses since February to 88,000. In the year to July, almost all of the employment growth in the private sector has come from job gains among employees (+2.3%), since the number of self-employed has grown by only 0.7%. In the public sector, the number of employees continued to climb in July (+27,000), bringing the job growth there on a yearly basis to 163,000 (+6.3%).

The goods-producing sector boosted employment slightly in July (+20,000). Gains in manufacturing (+30,000) were partly offset by declines in agriculture (-9,000). That decline left agricultural employment down by 11,000 compared with July 1998. In the services sector, employment rose slightly in July

Note to readers

From May to August, the Labour Force Survey collects data about young people aged 15 to 24 who were attending school full time in March and who intend to return to school full time in the fall. The published data are not seasonally adjusted, so comparisons can only be made on a yearly basis (for example, July 1999 compared with July 1998).

(+20,000). Job gains in business management, administration and other support services and in transportation and warehousing were partly offset by declines in "other services".

Quebec accounted for most of the employment increase in Canada in July. Employment in the province rose by 34,000 and was concentrated in manufacturing. Previously, employment in Quebec had been little changed for four months. July's increase, combined with the solid job growth in the second half of 1998, left employment in the province up on a yearly basis by 84,000 or 2.5%—almost the same as the 2.7% national increase. The unemployment rate in Quebec declined in July to 9.4% (-0.2 percentage points)—a nine-year low.

Available on CANSIM: matrices 3450-3471, 3483-3502 and table 00799999.

*The full report, **Labour force information, for the week ending July 17, 1999** (71-001-PPB, \$11/\$103), is now available. For further information, contact Deborah Sunter (613-951-4740) or Nathalie Caron (613-951-4168), Labour Statistics Division. See also "Current trends" on page 9.*

Labour Force Survey, July 1999

Seasonally adjusted¹

	Labour force		Employment		Unemployment	
	'000	% change, previous month	'000	% change, previous month	'000	rate (%)
Canada	15,902.1	0.4	14,679.3	0.3	1,222.9	7.7
Newfoundland	253.5	0.4	211.5	0.8	42.0	16.6
Prince Edward Island	71.1	-0.4	61.2	-0.6	9.8	13.8
Nova Scotia	457.2	-0.3	416.8	0.0	40.5	8.9
New Brunswick	370.8	2.3	334.9	1.3	35.9	9.7
Quebec	3,751.4	0.8	3,399.6	1.0	351.8	9.4
Ontario	6,173.3	0.5	5,767.8	0.2	405.5	6.6
Manitoba	590.3	-0.4	557.2	-0.7	33.2	5.6
Saskatchewan	512.5	0.3	482.8	0.1	29.7	5.8
Alberta	1,663.6	0.5	1,567.0	0.3	96.6	5.8
British Columbia	2,058.4	-0.7	1,880.5	-0.8	177.8	8.6

¹ Data are for both sexes aged 15 and over.

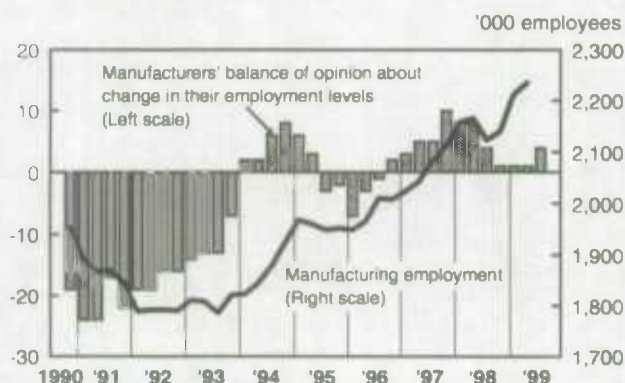
Manufacturers are still very optimistic

According to July's Business Conditions Survey, manufacturers are very optimistic about production prospects this quarter. More than one-third of manufacturers intend to boost production in the quarter that runs from July to September. Manufacturers also indicate increased satisfaction with their level of new orders, and they are not overly concerned with the level of finished-product inventory they have on hand.

In July, 37% of the surveyed manufacturers expected their production to be higher in the coming quarter, whereas 10% stated that production prospects would be lower than in the previous quarter. That leaves a balance of opinion of +27, marking the second consecutive quarter in which optimism about production prospects increased by 10 points. Manufacturers in the transportation equipment, primary metal and wood industries were the most optimistic.

As for new orders, the manufacturers' balance of opinion jumped 13 points to +20. Some 30% of manufacturers said their level of new orders is rising, whereas only 10% stated their level of orders is declining. Although the increased satisfaction about

Manufacturers' optimism/pessimism concerning employment versus the actual size of their workforce



Note to readers

Most responses to the Business Conditions Survey, which is conducted in January, April, July and October, are recorded in the first two weeks of these months. The survey's results are based on replies from about 5,000 manufacturers and are weighted by a manufacturer's shipments or employment. Consequently, larger manufacturers have a correspondingly larger impact on the results. Except for the data on production difficulties, the data are seasonally adjusted.

new orders was spread across several industries, it was most evident in the transportation equipment, wood, paper and allied products industries.

The manufacturers anticipate little change in their employment levels this quarter. Some 72% say that the size of their workforce will be little changed. The +4 balance of opinion concerning employment prospects for the quarter represents a modest three-point increase from the April survey. The proportion stating they will cut their workforce is 12%, whereas 16% expect to increase their employment level. As of July, employment in manufacturing had grown this year by 6.4% or 138,000 jobs. A shortage of skilled labour continues to be a concern for 7% of manufacturers, a slight decrease from April.

Some 81% of manufacturers report that their current level of finished-product inventory is about right, 16% state that inventories are too high. The balance of opinion stood at -13, a two-point increase from the April survey. The latest data showed that manufacturers were holding \$16.5 billion in finished-product inventory in May and that the level has changed little since January.

Among the Business Conditions Survey's other findings, most manufacturers are satisfied with their current level of unfilled orders, while 82% report an absence of production impediments. Only 4% say that a shortage of working capital is a production impediment.

Available on CANSIM: matrices 2843-2845.

For further information, contact Claude Robillard (613-951-3507; robilcg@statcan.ca), Manufacturing, Construction and Energy Division.

Residential building permits climb in second quarter

In the second quarter, the value of the building permits issued by municipalities advanced 4.4%. This followed the first quarter's 3.6% advance, so that between January and June of this year municipalities issued \$17.2 billion in building permits, up from the first half of 1998 by 3.4%—the best performance for the first six months of any year since 1990.

After dipping slightly in the first quarter of 1999, residential building permits climbed in the second quarter by 7.6%, pushed by increases in both single-family dwellings (+9.7%) and multi-family housing (+2.3%). Residential building permits were up

Note to readers

The monthly Building and Demolitions Permits Survey covers 2,600 municipalities and represents 94% of the population. It is an early indicator of building activity. The value of planned construction activities shown in this article excludes engineering projects (waterworks, sewers, culverts etc.) and land. Unless otherwise stated, all the data are seasonally adjusted.

The territory of Nunavut was introduced starting with April 1999 data. This change will also affect the geographical coverage and data of the Northwest Territories.

(continued on page 4)

... Residential building permits climb in second quarter

5.9% during the first six months of 1999 compared with the same period in 1998. Ontario, Quebec and Nova Scotia showed the most significant increases, reflecting gains in both components but mainly in permits to build single-family homes. Both British Columbia and Alberta suffered deep losses in permits for single-family dwellings, and British Columbia recorded an even larger reduction in permits for multi-unit dwellings.

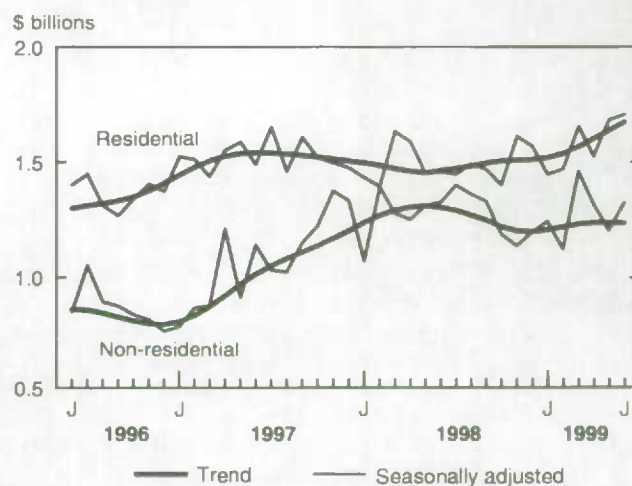
Non-residential permits did not maintain the first quarter's momentum (+8.7%) in the second quarter of 1999 (+0.6%). Lower permit values in the industrial component (-26.7%) dampened the overall gain by partly offsetting increases in institutional (+21.0%) and commercial projects (+7.0%). British Columbia was the major factor behind the second quarter's advance in non-residential permits, especially for institutional projects. Declines in Quebec and Ontario moderated the advance, particularly because of reductions in the two provinces in permits for industrial projects. In the first six months of 1999, non-residential permits edged up from the first half of 1998 by 0.5%. Most notably, the value of institutional permits issued in the first half of this year (\$1.8 billion) was the highest ever recorded for the first six months of any year.

Gains in both residential and non-residential sectors pushed construction intentions up for a second straight month in June. Municipalities issued \$3.0 billion worth of building permits, up 4.9% from May. This marked the second month this year that \$3 billion or more in permits were issued. It is also the first year since 1991 that building permits have reached or exceeded the \$3 billion mark in more than one month.

Intentions to build housing rose 1.4% to \$1.7 billion in June. This occurred on the heels of a 10.5% gain in May, which reflected an advance in permits for single-family dwellings. Intentions to build single-family dwellings advanced for a third straight month in June (+6.8% to \$1.3 billion). However, permits to build multi-family dwellings fell 11.2% to \$444 million. That followed a gain in May of 25.7%.

Despite recent movements in mortgage rates, housing remains affordable and consumers remain confident. Similarly, investment

Value of building permits



in housing is expected to increase for a fourth consecutive year in 1999. (See the following related article in this *Infomat*.)

In June, builders took out \$1.3 billion in permits for non-residential projects, a rebound from May of 9.9%. This rebound came on the heels of two straight monthly declines of the same magnitude. June's gain was led by increases in both institutional (+39.9% to \$384 million) and industrial permits (+17.4% to \$288 million). Both of these components had experienced two straight monthly declines in April and May. June's overall increase was moderated by a decline in commercial projects (-4.9% to \$651 million).

Available on CANSIM: matrices 80 (levels 3-7 and 33-48), 129, 137, 443, 989-992, 994, 995 and 4073.

The June 1999 issue of *Building permits* (64-001-XIB, \$19/\$186) can be downloaded at www.statcan.ca. For further analytical information, contact Pierre Després (613-951-9691; desppie@statcan.ca), Investment and Capital Stock Division.

Building permits, Second quarter 1999

Seasonally adjusted¹

	Total		Residential		Non-residential	
	\$ millions	% change, previous quarter	\$ millions	% change, previous quarter	\$ millions	% change, previous quarter
Canada	8,766.2	4.4	4,918.8	7.6	3,847.4	0.6
Newfoundland	67.0	-38.8	41.0	-26.2	26.0	-51.9
Prince Edward Island	38.2	68.0	19.2	22.3	19.0	170.2
Nova Scotia	217.6	6.8	122.3	-2.1	95.3	20.9
New Brunswick	141.1	44.2	76.7	16.7	64.4	100.5
Quebec	1,341.3	-21.3	719.4	-9.9	621.9	-31.3
Ontario	4,025.6	6.0	2,431.4	16.0	1,594.3	-6.3
Manitoba	218.4	3.8	86.8	-7.9	131.6	13.2
Saskatchewan	180.9	38.4	73.2	56.4	107.7	28.3
Alberta	1,125.3	-5.0	661.9	-5.9	463.4	-3.7
British Columbia	1,356.1	49.7	667.8	19.6	688.3	98.0
Yukon	16.5	139.1	3.9	-17.9	12.6	491.8
Northwest Territories	8.0	-65.3	1.6	-80.0	6.4	-57.5
Nunavut	30.2	...	13.6	...	16.6	...

¹ Data may not add to totals due to rounding. Some percentage changes should be interpreted with caution because of the small numbers involved.

... Figures not appropriate or not applicable.

Capital spending plans revised significantly upward

Business and government investment in plant and equipment is expected to regain record levels with spending of \$135.8 billion, an increase of 8.1% over 1998. The latest survey shows that investment plans for 1999 have been revised significantly upward—by \$9.2 billion over what was originally planned. This will bring total investment in 1999 to \$174.2 billion, an increase over last year of 6.8%. Housing investment is expected to continue to climb, rising 2.7% to \$38.4 billion. The growth is largely due to mounting levels of renovation, which now are at the highest levels ever.

Steady profits, high capacity use rates and low interest rates are still the underlying factors in this spending resurgence, as witnessed by the ongoing growth in machinery and equipment imports. Spending plans for 1999 show increases coming from investment in both machinery and equipment and from non-residential construction.

Leading the investment in new machinery and equipment is the transportation and warehousing sector, where spending is expected to reach \$8.0 billion this year. New and ongoing pipeline projects are fuelling the transportation sector. The transportation and warehousing sector expects to see overall capital spending increase in 1999 by 25.0% to \$14.3 billion.

Also contributing to the increased machinery and equipment spending are the real estate and rental and leasing sector and the manufacturing sector. In the real estate and rental and leasing sector, investment is expected to climb 27.4% (+\$1.8 billion). The expected gain in non-residential construction originates in the real estate industries, which are investing in malls and other commercial real estate. The growth in machinery and equipment comes from the rental and leasing industries, which are investing in vehicles for rent, as well as computers and other equipment for lease to business. Manufacturing industries, meanwhile, expect to boost spending by 6.1% to \$20.6 billion. The increases will be widespread among industries.

An expected increase in government capital spending, which is now at \$14.4 billion, is coming from the municipal and federal levels. Municipal governments plan an increase of 16.5% to \$8.0 billion, while federal government departments foresee a capital spending increase of 8.3% to \$2.8 billion.

Although the entire mining and oil/gas extraction sector's investment is down 9.5%, spending in the oil and gas industry is down only 6.1% from 1998. This represents a decline of only 1.5% from the previous survey for 1999. This slowdown in the decline may be setting the stage for a recovery similar to that of oil prices. (This latest survey data was collected just as oil prices were returning to the \$20 per barrel level, and so a different investment picture is expected when the next survey's results are released in February 2000.)

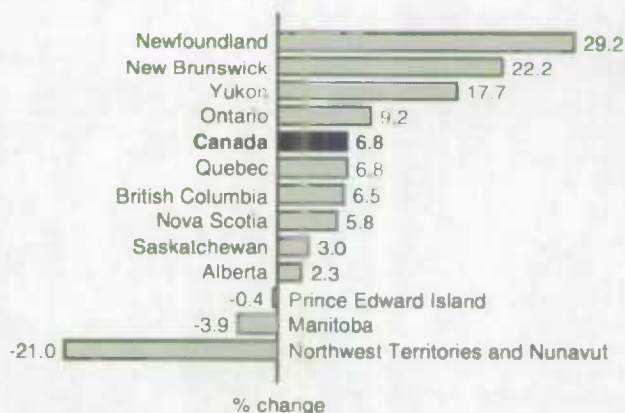
Note to readers

This article presents revised public and private investment intentions for 1999. These expectations of capital spending are based on a sample survey of 27,000 businesses, governments and institutions that was conducted from April to June 1999. The amounts are in current dollars.

Starting with these revised intentions for 1999, significant changes have been made to the survey, and the historical data have been recalculated on the same basis back to 1991 to ensure continuity. Principal among them, the new North American Industrial Classification System (NAICS) is now being used to provide for greater international comparability of economic data.

Since this marks the first release of separate data for Nunavut, those data were combined with the Northwest Territories' data to calculate the change from 1998.

Expected change in capital spending (revised), 1998 to 1999



Available on CANSIM: matrices 11500-11536.

*The full report, **Private and public investment in Canada, revised intentions 1999** (61-206-X1B, \$33) is available online at www.statcan.ca. It will feature an article that explains the recent changes that were made to the data series. For further information, contact Gilbert Paquette (1 800 571-0494; 613-951-9818; gilbert@statcan.ca) or Les Shinder (1 800 345-2294, ext. 122; 613-951-9815, ext. 122; shinder@statcan.ca), Investment and Capital Stock Division.*

Department store sales generally on the rise

Despite falling in June by 0.3% to \$1,482.5 million (seasonally adjusted), department store sales have generally been on the rise since the fall of 1998. For example, sales rose in both April (+0.7%) and May (+1.7%). Sales were flat last spring and last summer. Before that, department stores saw a period of rising sales that began at the start of 1996.

Sales this June were up from last June by 9.7%—the largest yearly advance since April 1998 (+10.8%). Average sales per store location have been trending upward since the fall of 1998, when the number of locations stabilised following several store closures in the spring and summer of 1998.

As the table shows, June department store sales advanced in all provinces and territories compared with June 1998 (unadjusted

for seasonality). Sales rose 15.0% in the Atlantic provinces and 10.2% in the Prairie provinces. In the region that includes British Columbia, the Yukon, the Northwest Territories and Nunavut, sales grew only 6.9%. Still, June's yearly increase for this region was the largest since December 1997 (+11.2%). Since the start of 1998, this region's department store sales have generally shown the lowest yearly growth rates.

Available on CANSIM: matrices 111-113.

Accounts receivable data for department stores are also now available. To purchase data, or for general information, contact Client Services (613-951-3549; 1 877 421-3067, retailinfo@statcan.ca). For analytical information, contact Clérance Kimanyi (613-951-3592; kimacle@statcan.ca), Distributive Trades Division.

Department store sales including concessions

Not seasonally adjusted

	June 1999	June 1998 to June 1999	January-June 1999	January-June 1998 to January-June 1999
	\$ millions	% change	\$ millions	% change
Canada	1,410.7	11.6	7,403.8	5.6
Newfoundland and Prince Edward Island ¹	27.0	19.1	134.2	9.0
Nova Scotia	43.4	15.7	222.6	6.9
New Brunswick	31.3	10.9	159.2	3.1
Quebec	261.6	10.0	1,390.1	5.8
Ontario	612.4	13.8	3,166.9	7.1
Manitoba	58.0	8.4	309.3	5.1
Saskatchewan	47.3	9.7	246.5	6.3
Alberta	160.2	10.9	861.7	5.4
British Columbia, Yukon, Northwest Territories and Nunavut ¹	169.6	6.9	913.2	0.5

¹ For reasons of confidentiality, the data for Newfoundland and Prince Edward Island are combined, as are the data for British Columbia, the Yukon, the Northwest Territories and Nunavut.

Communications networks play a growing role in manufacturing

Communications networks are fast becoming an integral part of the daily operations of Canadian manufacturers. A significant number of these businesses are also using new communications tools for functions related to electronic commerce, advertising and marketing, as well as the buying and selling of goods and services.

In 1998, manufacturers mostly used communications networks as a general reference tool (52%), followed by marketing and customer information and accounting and financing purposes (46%), tracking sales inventory (38%) and exchanging electronic information (36%).

Slightly more than two-thirds (69%) of manufacturers use e-mail, while a similar proportion (70%) make use of the Internet.

Of the latter, they chiefly are using the Internet to browse the World Wide Web (89%). However, more than half (57%) use the Internet for advertising and marketing. In addition, 39% of manufacturers sell their products via the Internet, while 40% use it to purchase goods and services.

As for other uses of the Internet, more than half (57%) of manufacturing firms have a home page on the Web. As well, one-third (33%) use electronic data interchange, a technology that allows purchasers and suppliers to exchange electronic files (such as purchase orders and invoices) and to electronically transfer funds.

*For the complete analysis of this subject, consult **Technology adoption in Canadian manufacturing** (paper: 88F0006XPB, no. 5, no charge). In addition to the use of communications networks, it examines business practices, development and implementation of new technologies, skill requirements, and the results of and obstacles to adopting new technologies. The report*

(continued on page 7)

... Communications networks play a growing role in manufacturing

is also available online at no charge. Go to www.statcan.ca, then look under "Latest news from Statistics Canada", "Previous issues", "The Daily - August 04, 1999", and finally, "Technology adoption in manufacturing: Communications, 1998". For further information, contact Antoine Rose (613-951-9919; fax: 613-951-9920; antoine.rose@statcan.ca), Science, Innovation and Electronic Information Division.

Purposes of Internet use in manufacturing, 1998

	Yes	No
	% of manufacturers	
Searching on the World Wide Web	89	11
Selling your goods and services	39	61
Advertising/marketing your goods and services	57	43
Purchasing goods and services	40	60
Secure electronic transactions	27	73
Sharing research and development	16	84
Other	9	91

New from Statistics Canada



Education quarterly review 1999, Vol. 5, no. 4

The latest *Education quarterly review* features three articles on important issues in education. The first, "Student debt from 1990/91 to 1995/96: An analysis of Canada Student Loans data", analyzes key trends in student debt and repayment patterns. The second feature, "A profile of NLSCY schools", looks at some key issues in education by profiling the 2,700 schools that took part in the National Longitudinal Survey of Children and Youth in 1994/95. The quarterly's third article is titled "Parents and schools: The involvement, participation, and expectations of parents in the education of their children". This article examines three important issues. First, it offers one definition of parental involvement and reviews a number of questions asked about elementary school children in the first cycle of the NLSCY. Second, it summarizes the perceptions of teachers and parents by looking at some of the factors associated with increased parental involvement in education. Third, it compares parental and teacher expectations of whether or not a child will attend university.

Each issue of *Education quarterly review* also includes a series of social, economic and education indicators for Canada, the provinces and territories, and the G-7 countries.

The Vol. 5, no. 4 issue of *Education quarterly review* is now available (paper: 81-003-XPB, \$21/\$68; Internet at www.statcan.ca: 81-003-XIB, \$16/\$51). For further information, contact Jim Seidle (613-951-1500; fax: 613-951-9040; seidjim@statcan.ca), Centre for Education Statistics.

New from Statistics Canada

Economic dependency profiles

1997

In 1997, for a fourth consecutive year, Canadians relied more on employment income and less on government transfer payments as a source of income. These successive decreases in reliance on transfers were primarily due to changes in the employment insurance program, as well as to increases in employment income.

This is the kind of statistical information revealed by the *Economic dependency profiles*, which use the economic dependency ratio (EDR) to measure the amount of transfer payments received for every \$100 of employment income.

The data for Economic dependency profiles (13C0017) are available for Canada, the provinces and territories, areas as small as urban forward sortation areas (the first three characters of the postal code) and letter carrier routes. For further information, or to order, contact Client Services (613-951-9720; fax: 613-951-4745; saadinfo@statcan.ca), Small Area and Administrative Data Division.

Labour force income profile

1997

Data for the *Labour force income profile 1997* were obtained from income tax returns filed in the spring of 1998. The profile is an unparalleled databank, revealing a great deal about income received at any time in 1997 from wages, salaries, commissions and self-employment.

For example, in 1997, the number of Canadians reporting income from employment rose 2.4%. That growth occurred primarily in the central and western provinces. It was fuelled by the continuing rise of self-employment, particularly among women. In 1997, men earned on average \$15,000 from self-employment, whereas women earned an average of \$8,000. Among the provinces, only Nova Scotia experienced a drop in the number of self-employed from 1996 to 1997. For all of Canada, the median employment income, which includes the earnings of both full- and part-time workers, remained essentially unchanged from 1996 to 1997 at \$21,100 (adjusted for inflation).

The data for the Labour force income profile (71C0018) are available for Canada, the provinces and territories, cities and towns, census metropolitan areas, census divisions, areas as small as urban forward sortation areas (the first three characters of the postal code) and letter carrier routes. For further information, or to order, contact Client Services (613-951-9720; fax: 613-951-4745; saadinfo@statcan.ca), Small Area and Administrative Data Division.

Research and development expenditures in health

1998

For the first time, estimates of expenditures on research and development in the health field are available. As part of an ongoing effort to improve science and technology statistics in Canada, these estimates result from consultations and work done for many organizations with an interest in health research-and-development statistics.

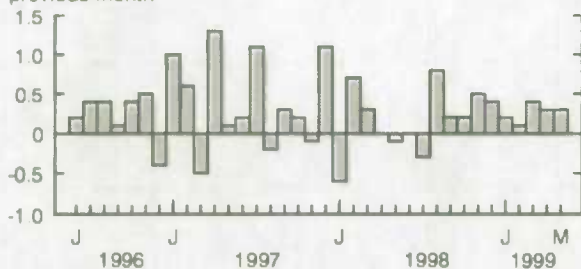
The initial findings indicate that health is a major area for research and development. Almost \$1 out of every \$6 spent on research in Canada is spent in the health field. In 1998, \$2.3 billion was spent on health research and development in universities, teaching hospitals, pharmaceutical companies, government laboratories and private non-profit organizations.

The complete report is now available online in Science statistics service bulletin: Estimates of gross expenditures on research and development in the health field in Canada (Internet at www.statcan.ca: 88-001-X1B, \$6/\$59). For further information, contact Bert Plaus (613-951-9920; plauber@statcan.ca), Science, Innovation and Electronic Information Division.

Current trends

Gross domestic product

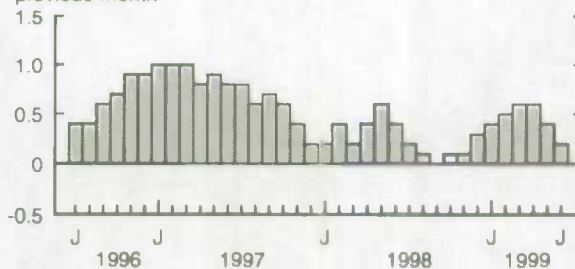
% change,
previous month



Economic activity continued to advance in May (+0.3%). This extended the expansion to 10 months – the longest uninterrupted string of advances in more than a decade.

Composite Index

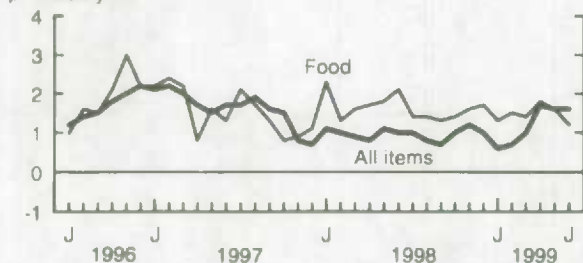
% change,
previous month



The leading indicator continued to show growth in June, rising 0.2%. However, this was slower than the 0.5% average seen since the start of the year.

Consumer Price Index

% change,
previous year



Consumers paid 1.6% more for goods and services in June 1999 than they did a year earlier. Food prices rose 1.2%.

Unemployment rate

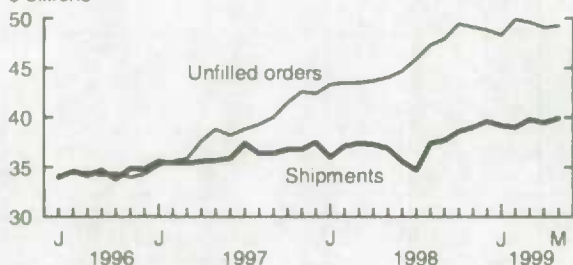
%



In July, an increase in the number of people looking for work, mostly among youths, pushed the unemployment rate up 0.1 percentage points to 7.7%.

Manufacturing

\$ billions



Manufacturers' shipments grew 1.0% in May to \$39.9 billion. The backlog of unfilled orders rose 0.3% to \$49.2 billion.

Merchandise trade

\$ billions



In May, the value of merchandise exports rose 0.5% from April to \$28.9 billion. Imports remained virtually unchanged (+0.1%) for a third consecutive month at \$26.5 billion.

Note: All series are seasonally adjusted except the Consumer Price Index.

Latest statistics

	Period	Level	Change, previous period	Change, previous year
GENERAL				
Gross domestic product (\$ billion, 1992)	May	737.6	0.3%	3.1%
Composite Index (1981=100)	June	214.5	0.2%	3.8%
Operating profits of enterprises (\$ billion)	Q1 1999	36.3	4.7%	..
Capacity utilization (%)	Q1 1999	83.1	0.5†	- 0.3†
DOMESTIC DEMAND				
Retail trade (\$ billion)	May	21.3	0.4%	3.4%
New motor vehicle sales (thousand of units)	May	122.7	- 3.8%	- 2.4%
Wholesale trade (\$ billion)	May	29.8	1.8%	5.7%
LABOUR				
Employment (millions)	July*	14.68	0.3%	2.7%
Unemployment rate (%)	July*	7.7	0.1†	- 0.7†
Participation rate (%)	July*	65.4	0.1†	0.4†
Average weekly earnings (\$)	May	607.39	0.0%	0.5%
Help-wanted Index (1996=100)	July	160	0.6%	11.9%
INTERNATIONAL TRADE				
Merchandise exports (\$ billion)	May	28.9	0.5%	10.1%
Merchandise imports (\$ billion)	May	26.5	0.1%	6.1%
Merchandise trade balance (all figures in \$ billion)	May	2.4	0.1	1.1
MANUFACTURING				
Shipments (\$ billion)	May	39.9	1.0%	8.1%
New orders (\$ billion)	May	40.1	2.8%	7.7%
Unfilled orders (\$ billion)	May	49.2	0.3%	12.0%
Inventory/shipments ratio	May	1.26	- 0.01	- 0.06
PRICES				
Consumer Price Index (1992=100)	June	110.5	0.1%	1.6%
Industrial Product Price Index (1992=100)	June	120.2	0.1%	0.8%
Raw Materials Price Index (1992=100)	June	112.9	- 0.5%	5.4%
New Housing Price Index (1992=100)	June*	100.6	0.0%	0.5%

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

* new this week

† percentage point

.. figures not available yet due to a survey redesign

Infomat

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Editor: Tim Prichard (613) 951-1197; prictim@statcan.ca

Head of Official Release: Chantal Prévost (613) 951-1088; prevcha@statcan.ca

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