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Economic Statistics Field

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Current Economic Analysis Staff

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Preface

The purpose of *Current Economic Analysis* is to provide a monthly description of macro-economic conditions and thereby to extend the availability of information on the macro-economy provided by the System of National Accounts.

The publication also contains information that can be used to extend or modify Statistics Canada's description of economic conditions. In particular the section on news developments provides a summary of important events that will be useful in interpreting current movements in the data. As well, extensive tables and charts, containing analytically useful transformations (percentage changes, ratios, smoothing, etc.) of the basic source data, are furnished for analysts wishing to develop their own assessments. Because of this emphasis on analytical transformations of the data the publication is not meant to serve as a compendium of source data on the macro-economy. Users requiring such a compendium are urged to consult the Canadian Statistical Review.

Technical terms and concepts used in this publication that may be unfamiliar to some readers are briefly explained in the glossary. More extensive feature articles will appear in this publication from time to time explaining these technical terms and concepts in more detail.

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Notes

A Note on the Role of Leading Indicators in the Statistical System

Policy-makers and decision-makers in both the government and private sectors are making increased and more sophisticated uses of quarterly national accounts and of other macro-economic frameworks in order to evaluate the current performance of the economy and to detect its underlying trends. However, by the time users have access to the elaborate frameworks which allow them to analyze the economy in a relatively disciplined fashion, events with consequences for the near and medium term future may have already taken place. The first quantitative manifestation of current economic developments often occurs in a group of indicators that lead cyclical movements in the economy and that can be assembled rapidly as events unfold. Consequently it is not surprising that "leading indicators" have long played a role in assessing current economic conditions. In the last decade the increased severity of recessions worldwide has disabused most analysts of the notion that the business cycle is dead and has rekindled interest in the leading indicator approach to economic analysis. Since the early 1970's the number of organizations, both in Canada and elsewhere, that have developed indicator systems to monitor economic developments is quite impressive. All of this activity has stimulated inquiries into the nature of the work being carried out and into possible directions of evolution of indicator systems.

These inquiries have led Statistics Canada to develop a set of theoretical guidelines that are useful in constructing, evaluating, or in guiding the evolution of leading indicator systems. Also, technical advances in data smoothing have been utilized so that the number of false signals emitted by the leading index has been minimized while preserving the maximum amount of lead time. A paper on these topics will shortly be published in a forthcoming issue of the new publication *Current Economic Analysis*. (Catalogue number 13-004E.) Within the limits of this note we can only be suggestive and indicate that a leading indicator system should be structured as much as possible like the framework (eg. the quarterly national accounts) that it is intended to complement, and it must contain a broad enough range of component indicators to enable the system to warn of cyclical changes that may be generated by any of a large variety of causal mechanisms. Although the current version of Statistics Canada's leading indicator system does not incorporate all the implications of the theoretical guidelines, along with the guidelines, it constitutes a useful addition to the indicator systems in Canada, and will become increasingly more so as the system evolves in accordance with the theoretical principles underlying its development.

CANSIM Note

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Analysis of April Data Releases

(Based on data available as of May 5, 1982)¹

Summary

Indications from last month that the rate of decline in economic activity accelerated in the first quarter of 1982 were reinforced by the data released in April. Last month the major sources of renewed weakness were consumer demand for goods, and business investment, and the April data releases reinforce this observation. While exports and investment in residential construction also appear to have declined in the first quarter, the drops should be smaller than in the fourth quarter of 1981. The decline in output does not appear to have drawn down the volume of inventories held at the manufacturing level, although preliminary indications are that inventories held at the retail and wholesale levels declined in the first quarter.

Although retail sales in constant dollars grew 1.2 per cent in February, the level remains considerably below the fourth quarter average due to large declines in December and January. It will take an exceedingly large increase in March to make up for these earlier declines, but this is unlikely to occur as in March employment fell again, the prime rate rose half a percentage point, and consumer prices accelerated to a 1.3 per cent gain.

Indicators of business investment such as output, real shipments, and new orders for machinery and electrical products all declined in February. Reinforcing these observations, the March data on imports disclosed an acceleration in the downward trend of imports of machinery and transportation equipment other than motor vehicles. These results are consistent with the latest survey of private and public investment which indicates that investment plans have been scaled back for 1982.

Although housing starts advanced considerably in the first quarter it is likely that residential construction will record another decline. Most of the increase in starts occurred in multiple units and was due to the impact of the MURB program. The relatively long delays in completing construction of multiple units, and the anticipated cancellation of many of the MURB starts, indicate that much of the strength seen in the multiples data will not translate into work-put-in-place in the first quarter.

The decline in exports has been slowing gradually since October, and by March the drop in the short-term trend was only 0.5 per cent and a number of positive signs were evident. Most notably, the short-term trend turned up for exports of motor vehicles, lumber, and a number of other

commodities. Much of the improvement appears to be related to a firming of the U.S. economy. Inventory liquidation began earlier and is more advanced in the United States, especially at the manufacturing level where inventories began to fall last November. Combined with modest increases in motor vehicle sales and residential construction this has increased demand for some Canadian commodities.

In Canada real inventories at the manufacturing level rose \$48 million in February following a revised increase of \$35 million in January. Although some of these accumulations may be related to industries that have increased their exports to the United States, much of the increased stocks was involuntary as indicated by further cutbacks in employment. Economy-wide employment fell 0.1 per cent in March and fell a further 0.7 per cent in April, and although output figures are not yet finalized for the first quarter, they are certain to be down, and the drop will likely be larger than in the fourth quarter.

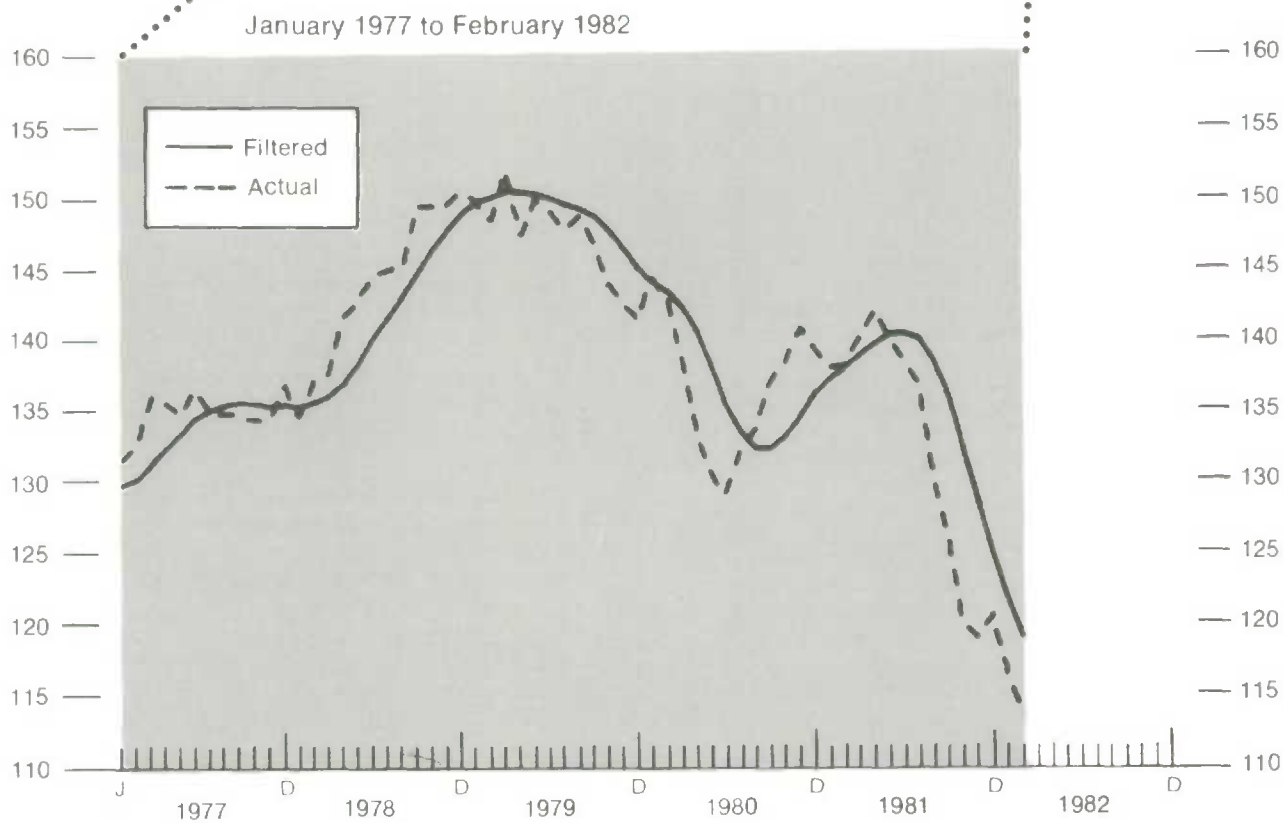
Reduced demand continued to exert downward pressure on prices in March, but again most of the easing was seen in industry selling prices which rose only 0.3 per cent, while consumer prices climbed by 1.3 per cent. The relatively larger burden of manufacturers inventories has probably magnified the price reaction in that sector. In the consumer sector institutional effects such as the national energy pricing agreement have kept prices relatively high, especially in the last two months.

- Constant dollar **retail sales** increased 1.2 per cent in February following a decline of 2.9 per cent in January. The average over the first two months of 1982 is 3.1 per cent below the average in the fourth quarter of 1981.
- Within the **manufacturing** sector the volume of **shipments** rose 1.3 per cent in February, while **new orders** climbed 2.5 per cent and **inventories** rose by \$48 million.
- **Exports** fell 1.1 per cent in March following a 10.7 per cent increase in February. The short-term trend for exports slowed to a 0.5 per cent decline from the largest recent drop of 1.0 per cent recorded last October. With the inclusion of March data the short-term trend for **imports** fell 2.5 per cent following three months of declines of 3.0 per cent. For the first quarter of 1982 the **nominal trade surplus** was \$3.414 billion, an increase of \$656 million from the fourth quarter level.

¹All references are to seasonally adjusted data unless otherwise stated.

-
- **Real Domestic Product** rose 0.1 per cent in February following a downward revised decline of 1.3 per cent in January. The weakness in output became more wide-spread as the percentage of industries exhibiting declining trends in output rose to 64 per cent in February from 62 per cent in January.
 - **Employment** fell 0.1 per cent in March and dropped a further 0.7 per cent in April, boosting the **unemployment rate** to 9.6 per cent.
 - Following strong MURB-related gains in the first quarter **housing starts** dropped to an annual rate of 142,000 units in April.
 - The Industry Selling Price Index rose 0.3 per cent in March, while consumer prices gained 1.3 per cent following a 1.2 per cent increment in February.

According to the composite leading indicator in February there are few signs that the economy will recover in the near-term future. The sporadic signs of recovery which have been evident in some components in recent months have only marginally slowed the rate of decline in the leading index, which fell 2.32 per cent in February compared to a 2.41 per cent drop in January. The filtered index fell from 121.95 in January to 119.12 in February, while the non-filtered index declined from 116.9 to 114.0. This latter 2.5 per cent decline in February follows a similar drop in January (-3.1 per cent), and suggests an extension of poor economic conditions through the first quarter at least. Indicators of domestic demand were particularly weak suggesting that the termination of inventory liquidation may be delayed. The outlook for exports improved slightly, however, as there was some evidence of a firming of economic activity in the United States, which may act as a restraint on further reductions in production.



The Canadian Composite Leading Indicator

The indicators of retail trade for February suggest that personal expenditure on goods acquired renewed downward momentum in the first quarter, after having fallen marginally in the fourth quarter of 1981. Despite the drop in the prime rate to 16.50 per cent in February, sales of furniture and appliances and new motor vehicles again recorded large declines, falling by 2.17 per cent and 3.19 per cent respectively. The non-filtered version¹ of furniture and appliance sales points to a continuation of the downward trend in this series, dropping 2.4 per cent in February after a downward revised 2.9 per cent decline in January. This, and the unenthusiastic response of consumers to the automobile rebate programs in the first quarter reflect in part the marked declines in employment since December. The recent increases in interest rates, and reductions in employment through March, limit the chances of an imminent turnaround in consumer demand.

The index of residential construction² rose for the second consecutive month in February (+0.75 per cent), as the earlier firming in permits for multiple units, largely caused by the MURB program, was transmitted to housing starts, which increased 3.78 per cent. There is evidence in the non-filtered versions of a buttressing of building permits and housing starts for singles, although the downturn in mortgage loan approvals for this type of housing in February, when mortgage rates climbed once again, suggests the upturn may

¹The purpose of filtering is to reduce irregular movements in the data so that one can better judge whether the current movement represents a change in the business cycle. Unfortunately, all such filtering entails a loss of timeliness in warning of cyclical changes.

We have attempted to minimize this loss in timeliness by filtering the leading index and its components with minimum phase shift filters so as to minimize false signals and maximize lead time. See D.

Rhoades, "Converting Timeliness into Reliability in Economic Time Series" or "Minimum Phase-shift Filtering of Economic Time Series", Canadian Statistical Review, February 1980.

Over the period January 1952 to January 1982 the unfiltered index exhibited a 6 month average lead at business cycle peaks, a 2 month lead at troughs, and emitted 64 false signals. The filtered index emitted only 10 false signals over this period and had a 5 month average lead at peaks and a 1 month lag at troughs. Of the 361 months in the period January 1952 to January 1982 the 10 false signals in the filtered version represents an error rate of 2.8 per cent, whereas the 64 false signals in the non-filtered series represents an error rate of 17.8 per cent.

All references to leading indicators are to filtered data unless otherwise stated.

²This index is a composite of housing starts, residential building permits, and mortgage loan approvals.

be transitory. It appears unlikely, however, that the gain in these leading indicators will be reflected as an increase in the level of work-put-in-place in the first quarter, due to the long lag in completions of multiple units, to the likely cancellation of many of the MURB starts, and to the likely reduction in construction of singles in the first quarter.

The indicators of financial markets continued to retrench at rapid rates as there was an accentuation of the declines in the non-filtered data in line with the general weakening of economic activity. In February, the index of stock prices dropped by 1.77 per cent in reaction to the recent tumble in the non-filtered version. The non-filtered index turned down sharply in November and there has been little sign of a recovery by May. The real money supply (M1) fell 0.63 per cent. A very strong increase in the non-filtered version in December (+6.3 per cent) and an upward revised gain in January (+0.6 per cent) accounted for this slowing in the rate of decline. The non-filtered index, however, declined anew in February (-3.2 per cent).

Leading Indicators

	Percentage Change in February
Composite Leading Index (1971=100)	-2.32
1. Average Workweek - Manufacturing (Hours) . . .	-0.17†
2. Residential Construction Index (1971=100) . . .	+0.75
3. United States Composite Leading Index (1967=100)	-1.09
4. Money Supply (M1) (\$1971 Millions)	-0.63
5. New Orders - Durable Products Industries (\$1971 Millions)	-2.36
6. Retail Trade - Furniture and Appliances (\$1971 Millions)	-2.17
7. New Motor Vehicle Sales (\$1971 Millions)	-3.19
8. Shipment to Inventory Ratio (Finished Goods) - Manufacturing	-0.03*
9. Stock Price Index (TSE300 Excluding Oil & Gas 1975=1000)	-1.77
10. Percentage Change in Price Per Unit Labour Costs - Manufacturing	-0.52*†

*Net Change

†Based on preliminary estimates provided by the Labour Division for employment, average workweek and average hourly earnings in manufacturing.

The leading indicator for the United States fell by 1.09 per cent in February, giving little indication of a sustained upturn in the American economy. This trend continued in March with most of the weakness, however, shifting towards variables reflecting the financial sector. It seems, however, in light of data through March on external trade, that merchandise exports to the United States have firmed, and there is evidence of an upturn in new orders in industries which produce goods that have led the firming of exports, most notably automobiles, non-ferrous primary metal products and lumber products. The shift towards financial indicators in the sources of weakness in the U.S. leading index, evident in the decline of the index of stocks and in the rate of growth of liquid assets, accompanies the growing concern of analysts over the dependence of the banking system on assets held by countries and firms in financial difficulty.

Mixed signals were given by the leading indicators in the manufacturing sector. There was a deceleration in new orders for durable goods (-2.36 per cent in February compared to -3.43 per cent in January), reflecting the 6.4 per cent gain in February in the non-filtered data, and an easing in labour cutbacks was evident in a deceleration in the reduction of the average workweek (-1.17 per cent in February compared to -1.33 per cent in January and -1.51 per cent in December). Production, however, remained restrained as unfilled orders dropped again and stocks of finished goods rose by about \$7 million. At the same time total shipments rose for the first time after seven consecutive reductions, and consequently led an increase in the non-filtered ratio of shipments to inventories of finished goods. Most of the improvement in shipments originated in a growth of exports. A further deterioration of profit margins was reflected in the fourth straight drop in the percentage change of prices per unit labour cost (-.52 per cent). Prices have not succeeded in matching the increase in unit labour costs, but the growth of hourly earnings was a less important factor in February in the erosion of profit margins.

Output

Real domestic product edged up 0.1 per cent in February following a downward revised decline of 1.3 per cent in January. The firming in February was attributable to an upturn in retail activity and to increased output in the automobile and steel industries related to gains in export demand by the U.S. Although there are indications that the stimulus of export demand, which helped to slow the rate of decline in the goods-producing sector, may continue into March, the decline of the filtered diffusion index to a record

35.8 showed that the weakness was becoming more widespread as the short-term trend for production was declining for about 64 per cent of industries. In fact, the two month average of January and February of real domestic product was 1.5 per cent below the fourth quarter of 1981 indicating that production will decline at a faster rate in the first quarter than the 0.8 per cent decline recorded for the fourth.

Real domestic product rose 0.1 per cent in February following a revised decline of 1.3 per cent in January. Most of the reversal was attributable to the 0.4 per cent increase in the service-producing industries (following a sharp drop in January). An upturn in the retailing industries in the month was the major source of strength. The indices for community, business, and personal services and public administration edged up slightly while finance, insurance and real estate fell 0.5 per cent following a similar drop in January. Output in the goods-producing sector fell 0.2 per cent, the smallest decline recorded since the downturn began in July. Increased production by the auto industry and by steel mills slowed the decline in manufacturing industries to a 0.2 per cent drop in February, accounting for most of the deceleration in the retrenchment in the goods-producing sector. Data on export sales for March indicate that the upturn in these industries was directed to the U.S. market. Increased new orders in the transportation, primary metal and metal fabricating industries indicate that some of this activity may carry over into March, and in fact export sales of automobile products and primary metals remained buoyant in that month. Activity in many other manufacturing industries declined further in February. Declines in production of machinery and electrical products reflected the deterioration of domestic demand for these investment goods. Output in clothing and textile industries was unusually weak in light of the relatively buoyant sales of these goods at the consumer level. A pick-up in activity in the forestry industries also helped to brake the decline in goods. This may be related to the turnaround in the short-term trend in lumber product exports.

Manufacturing

Data released on the manufacturing sector for February indicate an upturn in activity as the volume of shipments and new orders rose 1.3 and 2.5 per cent respectively following protracted periods of decline. Much of the increase in activity can be explained by gains in export demand in February. The major sources of strength were automobiles, primary metals, and wood products, and external demand

for these goods rose further in March. Indicators of domestic demand remained weak, particularly for investment goods such as machinery and electrical products and in the clothing and textile sector. While there was some accumulation of inventories of goods-in-process, likely related to the pick-up in demand by the U.S., the rate of accumulation of finished goods slowed significantly.

Shipments of manufactured goods rose 1.3 per cent in volume in February, the first increase recorded since June 1981. This upturn corresponded with a sharp increase in export sales to the U.S., although the level of aggregate shipments remains 10 per cent below the peak in July. Most of the increase was accounted for by a 1.9 per cent jump in shipments of durable goods following six months of steep declines. As was the case for export sales, shipments by automobile manufacturers accounted for the largest portion of increase in sales of durables. While much of the upturn is likely the result of the relative success of the rebate programs in the U.S. (auto sales rose 15 per cent in the first quarter), the fact that the recall of workers occurred in very few plants indicates that the upturn in shipments (and production) was not general but was concentrated on specific new car models like the Ford Escort. Other sources of strength within durables were the second consecutive increase in primary metal sales and the first increase in shipments of wood products since October. Much of the jump in sales of primary metals was accounted for by exports of iron and steel in February, although shipments of these goods remain at pre-strike (July-August 1981) levels. The increase in shipments of wood products coincides with an upturn in the short-term trend for exports of lumber products. In contrast to these gains, demand for investment goods was particularly weak as shipments of machinery and electrical products fell following steep declines in January. As export demand for these goods has been relatively stable, the source of this weakness appears to be a sharp retrenchment in domestic demand in the first quarter. Shipments of furniture and fixtures fell for the sixth consecutive month. Non-durable shipments rose 0.8 per cent following four months of decline. An upturn in shipments of food and beverage products accounted for most of the increase. The level of shipments of these goods remains 4.0 per cent below the July peak as demand has deteriorated sharply in this sector. Increased shipments of petroleum, paper, and chemical products also contributed to the gain. These increases also followed a period of weak demand. Partially offsetting the increases were declining shipments for the clothing and textile industries.

The volume of **new orders** registered a 2.5 per cent increase in February, as orders for durable goods rose 6.4 per cent. A

10 per cent jump in new orders of transportation equipment accounted for nearly half of the increase. The extent of this increase indicates that the pick-up in production and export sales in the auto industry in February should continue into March, and this was evident in the external trade data as exports of cars and parts rose slightly in March following sharp increases in February. Related to this was an upturn in new orders for metal fabricated goods, which occurred mostly in metal stamping industries and is likely related to the auto industry. Primary metals recorded the third consecutive increase in new orders which has been reflected in a reversal in the short-term trend for exports of processed metals. There were increases in new orders of construction materials as well. These also appear to be destined for export markets as indicated by the upturn in the short-term trend for lumber products. Declining orders for machinery and electrical products were indicative of a further retrenchment in investment demand for those goods. New orders for non-durable goods continued to decline, off 0.9 per cent in March. Continued weakness in the clothing and textile sector and chemical product industries were responsible for the drop. The volume of **unfilled orders** continued to fall in February, as a result of a widespread decline in industries which produce non-durable goods. The drop in the backlog in durable goods-producing industries continued for a fifth consecutive month, although the rate of decline slowed.

Real inventories at the manufacturing level rose \$48 million in February following a revised increase of \$35 million in January. A \$35 million build-up in inventories of raw materials was largely responsible, which was recorded mostly in the petroleum industry (+\$27 million). A \$19 million increase in inventories of goods-in-process was distributed among the petroleum and beverage industries within non-durables and the wood, electrical, and primary metal product industries within durables (partially offset by a drop in transportation industries). This build-up corresponds to the increased shipments and production in February. The rate of accumulation of finished goods inventories slowed to +\$7 million in February following +\$29 million in January. This represents a significant reduction in the rate of accumulation from the average increases of over \$40 million per month in the fourth quarter of 1981. This slowing in the first quarter was particularly evident in durable goods-producing industries, where the build-up was restrained to \$10 million again in February as increases were recorded in most industries along with a large drop in the transportation industries. Finished goods inventories of non-durables swung sharply to a \$3 million decline, largely as a result of cutbacks in the petroleum industry.

Households

Most of the indicators of household demand recorded further declines in the first quarter. Despite a rallying of auto sales in February due to rebates, consumer demand for retail goods slumped sharply in the first quarter. The firming of housing starts served only to brake the rate of decline of construction activity. Additional cutbacks in employment in March and April suggest that real income flows will not improve, as nominal labour income has slowed to about a 0.5 per cent rate of increase in the early months of 1982, well below the recent gains in consumer prices.

Despite a few positive signs for the economy that have shifted from the components of final demand to the manufacturing sector in recent months, employment fell 0.1 per cent in March and the unemployment rate rose from 8.6 to 9.0 per cent. The source of the growth in unemployment shifted from a decline in employment in February to an increase in the labour force in March. In fact, the decrease in employment slowed to 0.1 per cent as a result of a marginal upturn (+0.1 per cent) in full-time employment, while the turnaround in the size of the labour force was reflected in a 0.4 per cent increase. The entry movements into the labour force in the official statistics hide, however, the displacements between the categories of employed and unemployed. It is evident that about one-third of the number of newly-unemployed was caused by losses of employment, reflecting an additional hardship for households.

The fall in **employment**, only 0.1 per cent in March, was restrained by a slower rate of decline in the goods-producing industries (-0.6 per cent) compared to -1.4 per cent in February, and by a 0.2 per cent rise in the service industries, which led to a slight increase in full-time employment for the first time in six months. However, these movements must be interpreted cautiously since they are a reflection of a few isolated increases in certain sectors or regions and may not be an indication of an incipient recovery. Employment went down 0.7 per cent in April, raising the unemployment rate to 9.6 per cent. While Central Canada continued in March to have a monopoly on falling employment, the new downturn in most of the final demand indicators in late March, when inventory adjustment had scarcely begun suggests that overall economic activity may not bottom-out for another few months.

The slower rate of decline in the goods-producing industries was largely due to a localized surge in the Quebec construction industry. Manufacturing employment in Ontario was overstated because the numerous layoffs in the auto industry, concentrated in early and late March, were not

recorded by the survey which was conducted around the middle of the month. Markedly lower employment (-7.4 per cent) in primary industries in Central and Western Canada coincided with businesses attempts to reduce inventories of raw materials in recent months. Higher employment in the service industries was due to trade in Quebec and the Maritimes and the finance, insurance and real estate and services sectors in the West, especially in Alberta. Employment in the transportation, communications and public utilities sector continued to drop sharply (-0.9 per cent). A breakdown of these variations by region shows an increase in employment in the Maritimes and Alberta, a decrease in Ontario and British Columbia and little change in the other provinces.

The **labour force**, which had been shrinking for the preceding five months, turned around suddenly in March, posting a 0.4 per cent increase. Though there were upward trends in virtually every province, most of the advance was divided equally between Quebec on the one hand and Alberta and the Maritimes on the other. The most notable exception to this reversal was Ontario, the chief victim of falling employment in recent months. This point supports the prevalence of the discouraged worker effect during this recession.

An overview of the provincial and sectoral classifications reveals however that employment attracted mostly workers from outside the labour force, though the number of discouraged workers remained very high. This was particularly the case in the Maritimes, Alberta, and Quebec, whereas managerial and professional occupations recorded exactly parallel increases of employment and labour force. Since about half the people who lost their jobs remained in the labour force despite the only marginal decline in employment, the increase in overall unemployment is in part attributable to a rise in layoffs. These results, confirmed by the analysis of unemployment by previous activity, underscore the impact of cyclical influences on regionally and sectorally segmented markets. Even if there is no further significant decrease in employment, the **unemployment rate**, which climbed from 8.6 to 9.0 per cent of the labour force in March, could therefore retain its momentum through the next few months because of the heterogeneity of the labour factor. The International Monetary Fund stated in a recent report that the average unemployment rate in 1982 would probably reach 9.2 per cent in Canada (LeD 23/4).

On the basis of the latest data on the **housing market**, it appears that activity in this sector may not be sheltered from the general decline gripping the economy in the first quarter.

In fact, despite the pronounced upswing in multiple housing starts in the first quarter (+36.2 per cent), work-put-in-place will probably be depressed again due to the long lag in completions of multiple units, to the likely cancellation of many of the MURB starts, and to the likely reduction in construction of single units in the first quarter. Starts of single housing rose by 9.0 per cent in the first quarter, but the slump of leading indicators that characterized the second half of 1981 will be fully reflected in the coincident indicators in the first quarter. Judging by the recent behaviour of the leading indicators, the housing market should remain depressed in the second quarter, especially as mortgage interest rates began rising again in March and April. Canada Mortgage and Housing Corporation has just revised its annual housing starts forecast for 1982 downwards from 162,000 to 150,000 dwelling units. The Corporation attributes this adjustment to expectations of a very slow or delayed economic recovery in 1982, coupled with continuing high interest rates. It is necessary to go back to 1966 to find a more depressed level of housing starts, 134,474 units. Starts had sunk to 159.3 thousand units in 1980, bouncing back to 180.7 thousand units in 1981.

Housing starts in urban centres fell by 17 per cent in March, led primarily by multiple housing (-20 per cent). The two-to-three month lag between building permits and housing starts at peaks leads us to believe that the weakness in multiples is not a short-lived movement, since after the MURB program was terminated, the number of multiple building permits plummeted from 23.4 to 10.1 thousand units in January and declined further in February to 6.2, the lowest level since May 1980. Nevertheless, the recent rise in mortgage loan approvals suggests that, even if starts of multiples reach a new record low in the second quarter (about 50,000 units at annual rates), the medium-term prospects are not too discouraging as the lag between mortgage loan approvals and housing starts in troughs is about five months. Starts of single-family homes were down by 5.7 per cent in March but should recover perceptibly in April in response to the higher numbers of building permits issued since February. However, the optimism that had swept through the single-family housing market seemed to be fading with the 13 per cent fall in mortgage loan approvals in February.

Retail sales increased by 1.2 per cent in February but, owing primarily to the automobile sector, remained somewhat below the fourth quarter average. We are in fact witnessing a slump in auto sales in the first quarter, in spite of the rebate programs. Automotive parts and furniture and household goods are another major source of weakness in the durable

goods sector while non-durable goods as a whole are also in sharp decline, both in January and February. The erosion of demand for semi-durable goods was less pronounced while the January decline in sales (-1.8 per cent) was to all intents and purposes reversed in February (+1.3 per cent). It is interesting to note that, in contrast to durable goods, the weakening of retail sales of non-durable and semi-durable goods is new and consequently does not provide an explanation for the decline in production that has lasted for more than six months. On the other hand, wholesale purchases appear to have slackened considerably since the fall and probably reflect retailer attempts to maintain low levels of inventory.

The further weakening in the labour market since December, brought on by massive layoffs that hit primary workers the hardest, is undoubtedly a major contributing factor in the recent decline in retail sales. Other factors include the sharp rise in non-durable prices and resurgent interest rates. The marked increase in consumer credit in December and January suggests that households have had to borrow in order to sustain their expenditures. As income stabilizing mechanisms like unemployment insurance come into play, the retreat of retail sales most evident in the quarterly data can be expected to taper off in the coming months, though there is little prospect of a turnaround, owing to the persistence of negative forces in the economy.

Prices

Inflation continued to ease at the manufacturing level as the Industry Selling Price Index rose only 0.3 per cent in March. The index has been recording moderate increases since July 1981. Within consumer prices a slowing trend was evident only for prices of durable goods, as the total Consumer Price Index rose 1.3 per cent. The acceleration was the result of sharp increases in energy prices, while prices of food, semi-durable goods and services rose about 1.0 per cent. The price restraint at the manufacturing level in part reflects the burden of inventories, which is still evident in rising finished goods inventories in many manufacturing industries, and a further rationalization was apparent in production and employment cutbacks in February and March. Inventories at the retail level appear to be less of a problem, partly explaining the relatively small improvement in consumer inflation. The resilience of inflation at the consumer level also reflects institutional effects such as the national energy pricing agreement and high interest rates. Raw material prices (excluding fuels) resumed the downward trend evident in late 1981, falling 0.7 per cent in March.

The **Consumer Price Index** rose 1.3 per cent on a seasonally adjusted basis in March, following an increase of 1.1 per cent in February. The major impetus to the sharp increase in March was the 2.0 per cent jump in prices of non-durable goods. Gasoline, fuel oil, and natural gas prices all rose about 9.0 per cent in March in a lagged response to the January 1 increase put through under the national energy program. This caused the total energy index to rise 5.5 per cent in the month. Food prices also contributed to the increase in March rising 0.8 per cent. This represented a marked slowdown from the sharp upturn in February, which was largely the result of unusually severe winter weather. Although these were temporary supply shocks, there are longer-term factors which will likely put pressure on food prices in the coming months. In particular, slaughtering of pork is expected to decline by 4.0 per cent in Canada this year and 10 per cent in the U.S. (as reported by the Department of Agriculture). This will cause pork prices to rise through supply constraints and beef prices to rise as demand is redirected to that type of meat (GM 31/3). In fact, much of the March increase in food prices was attributable to a 4.2 per cent jump in beef prices. Cost factors are also pushing up prices of dairy products in the short-run. These factors should be partly offset by an easing of poultry prices as feed costs come down. Dairy product prices rose sharply following a January 1 jump in industrial milk prices, and cereal and bakery product prices rose due to increases in domestic grain prices reflected earlier this year in the Industry Selling Price Index. Dampening these increases were declines in vegetable products and pork prices following the large increases registered in February.

A 1.4 per cent increase in the semi-durable price index was the result of increases in clothing, footwear, and household semi-durable product prices. While some of these hikes were due to the introduction of spring apparel, there may also have been some strengthening due to relatively buoyant demand for these types of goods. The other major contributor to the jump in inflation in March was the 0.9 per cent increase in the price of services. The continued sharp increase in mortgage interest costs (up 1.8 per cent) was a major factor although prices of rent, vehicle insurance, and dental care also accelerated.

A more positive sign for inflation in March was the 0.1 per cent increase in prices of durable goods. Automobile prices declined for the third consecutive month, and prices of furniture and major appliances rose at moderate rates of 0.3 and 0.1 per cent respectively.

Industry selling prices rose only 0.3 per cent on a seasonally adjusted basis in March following increases of 0.5 per cent in January and February. Non-durable prices rose 0.6 per cent. Some upward pressure was exerted by the January 1 crude oil price increase as petroleum product prices rose sharply. This was reflected in a 0.5 per cent increase in rubber and plastics which was largely due to the increased cost of feed stocks in the plastics industries. Paper and allied prices rose sharply. These increases, which took effect in March, were announced late in the fall of 1981 when demand was relatively buoyant. There are reports of a rolling back of these increases in April as the deterioration of demand has made them unsustainable (GM 9/4). Partially offsetting these gains was a restrained 0.2 per cent increase in selling prices of food and beverage industries. This was due to a combination of a sharp drop in poultry prices as a result of lower feed costs and a drop in sugar prices, virtually offsetting the increases in beef and pork prices and an increase in processed fruit and vegetable prices as a lagged result of the fresh produce increase in February. Price increases in clothing, knitting, textile and leather industries were also weak.

Selling prices for durable goods resumed the moderate trend evident in late 1981, remaining virtually unchanged following an uptick in January and February. The secondary effects of the increases in steel prices in late 1981 have subsided and selling prices of most major users such as the metal fabricating, transportation equipment, and electrical product industries were virtually unchanged in March. The other restraining factors were a slowing of furniture and fixture products prices, which had been unusually strong when allowance is made for the weak state of demand, and a 1.5 per cent drop in primary metal prices (which was recorded mostly for precious metals as other metal prices remained at low levels). A 0.5 per cent increase was recorded for wood products following a protracted period of decline. With many mills not in operation, a shortage of supply had developed and softwood prices rose as a result.

The **Raw Materials Price Index** edged up 0.1 per cent in March following increases of 3.6 and 1.7 per cent in January and February. The slight increase was the result of a 0.9 per cent rise in the fuels index while the index excluding fuels fell 0.7 per cent. The decline in the raw materials excluding fuels index represents a resumption of a declining trend in the latter half of 1981 (which was interrupted in January and February by higher food product prices), and the index is now 4.0 per cent below March 1981. The downward momentum was attributable to a sharp 3.1 per cent drop in vegetable product prices, mostly as a result of continued weakening

prices of sugar and cereals. Fresh vegetable prices also declined following the increases of January and February. Sugar, cereal and fresh vegetable prices are all well below levels in 1981. The 6.8 per cent drop in non-ferrous metal prices as a result of sharp declines in precious metal and copper prices, was a major contributor. The non-ferrous metals component remains 48 per cent below the peak in January 1980. Wood product prices were unchanged at low levels and ferrous metal and textile product prices declined slightly. The only partially offsetting increase other than fuel prices was animal product prices. Higher prices were recorded for cattle and calves (1 per cent) and hogs (6 per cent) and this trend is expected to continue to the end of 1982 as the rate of slaughtering of hogs is expected to decline substantially this year resulting in increased demand for beef. This effect has already been evident in industry and consumer prices.

Business Investment

Business investment, which had posted a strong gain in the fourth quarter in spite of the deteriorating economic situation, should drop off substantially in the first quarter, at least according to the coincident indicators available for this period. The poor performance of capital expenditures at the start of the year coupled with the high number of businesses cutting back their planned investments for the next six months (32 per cent according to the latest Conference Board survey) suggest that the findings of the mid-year survey on private and public investments (PPI) will be lower than those noted at the beginning of the year. The latest findings from the same survey, however, reveal that businesses allocated only minimal sums to the Al sands Project and the Alaska Gas Pipeline Project, which removes one possible source of a downward revision.

Final demand for machinery and equipment for January and February is down sharply in relation to the last months of 1981, and the March data on external trade in these goods indicates that the decline will continue in March. The decrease in final demand is due mainly to a weakening, first noted in July, in the demand for transportation equipment (passenger and commercial vehicles, locomotives, trucks, and so on) and specialized industrial machinery, and in the decrease in the demand for farm equipment since October. The demand for goods related to communication and the distribution of electrical energy and for office equipment has remained steady throughout the current recession and should continue to do so, judging from the investments planned by these industries for 1982.

The coincident indicators suggest that non-residential construction fell in the first quarter from the fourth: employment in construction declined 2.9 per cent in the first quarter and shipments of construction materials fell 5.9 per cent (based on the average of January and February compared to the last quarter of 1981), even as residential construction declined only 2.5 per cent in the first quarter. Moreover, outlays for oil and natural gas exploration and drilling should be down, as the number of meters drilled in the first quarter fell 24 per cent below the average for 1981 (data published in Oil Week and seasonally adjusted). If this component does not post a significant recovery over the coming months, it will be a major factor in any downward revision at the time of the mid-year PPI survey. (The companies were forecasting an increase in this type of expenditure of approximately 25 per cent in Alberta). The strong gain in the number of meters drilled in April (+60 per cent) compared to the monthly average in the first quarter, and the fiscal concessions and subsidies of the Alberta government which should inject into the oil industry \$5.4 billion up to 1986 and \$1.3 billion in 1982, augur well for the second quarter. Certain analysts believe, however, that these government measures are not sufficient in themselves to ensure a substantial recovery, since the companies will seek initially to reduce their debt loads acquired in the wake of last year's takeovers and will await openings in the natural gas markets; oil exploration cannot by itself generate a significant recovery (FP 28/4, FT 26/4). Moreover, Imperial Oil has no plans to step up its exploration on account of concessions from the Alberta government (GM 24/4). Judging from the rise in the value of non-residential building permits during the last three quarters of 1981 (+25 per cent) and the firm level of contract awards for this type of construction, the construction of commercial and industrial buildings would seem to represent the strongest link in the non-residential construction sector. These leading indicators and the exploration incentives suggest that the downward trend will not steepen in the second quarter. Moreover, major investments planned in the electrical energy and oil and gas transportation sectors are not likely to be affected by current conditions and should provide some degree of firmness in investments during the year.

On a more general level, the outlook is less encouraging. According to the latest **Conference Board** survey of corporate attitudes and investment plans, 75 per cent of businessmen believe that this is a bad time to invest and 32 per cent intend to actually cut back investments planned for the next six months. Steel mills in Ontario are finalizing their major projects but are reducing their expenditures as much as possible. For example, **Stelco** will reduce its investment

outlays planned for 1982 by 8-9 per cent and for 1983-1984 by 20 per cent (GM 20/4). Gulf is reducing its planned investments by \$6 billion over the next ten years and is cancelling several projects (GM 23/4). Plans to construct petrochemical plants have run into difficulty owing to falling demand and the loss of the comparative advantage of Canadian plants as a result of declining world prices for oil. **Petrosar Ltd.** of Sarnia is abandoning the construction of a \$450 million heavy fuel oil upgrader (GM 26/4). Esso has withdrawn from a project involving the construction of a \$1.7 billion styrene-benzene plant (GM 23/4). However, Imperial Oil has announced that it will invest \$61 million to modernize its refinery facilities in east-end Montreal (LeD 1/5). Finally, Hydro-Québec is shelving its head office project, estimated at \$300 million.

External Sector

Preliminary data released for March indicate that exports fell 1.1 per cent on a balance of payments basis following a sharp increase of 10.7 per cent in February. With the inclusion of this data the short-term trend for exports fell 0.5 per cent as the rate of decline has been slowing gradually since the 1.0 per cent drop recorded for October. Much of the upturn in February was attributable to an increase in industrial production in the U.S. and was concentrated in the auto industry. By March the positive signs were more widespread as disclosed by the short-term trend which had troughed and turned up for motor vehicles, lumber, fabricated non-ferrous metals and chemicals, although in total the trend was still declining. The indicators for domestic demand were less optimistic as imports fell 4.5 per cent following the February uptick of 18.7 per cent. This slowed the rate of decline of the short-term trend to 2.5 per cent following three consecutive months of declines of about 3.0 per cent. The continued relative weakness in import demand reflects the fact that the recession in Canada, although it has been relatively steep, is not as advanced in the cycle as in the U.S. Inventories in the manufacturing sector are still accumulating here while the liquidation process began in about November in the U.S. and there have been smaller gains made in fighting domestic inflation.

Exports fell 1.1 per cent in March on a balance of payments basis following the sharp 10.7 per cent increase in February. With the inclusion of this data the rate of decline of the short-term trend for exports slowed to 0.5 per cent from the largest recent decline of 1.0 per cent recorded for October. While the slowing of the overall trend in February was a result of an upturn in the trend of exports of wood products, and a substantial slowing in the decline of the trend for autos, the

forces which braked the slide in the trend of exports were more widespread with the March data. The short-term trend had troughed and begun to increase for sales of automobiles, lumber, wood pulp, fabricated non-ferrous metals and chemicals while the downward trend for exports of iron and steel slowed substantially. Export data by country revealed that the source of the slowing in the decline of shipments was sales to the U.S. The relative success of the rebate programs in the U.S. accounts for the firming of exports of motor vehicle products as a 6.0 per cent increase in unit sales in the first quarter helped to reduce retail inventories. The pick-up in lumber sales is likely the result of an attempt to rebuild inventories of softwoods as shortages have developed following the shutdown of many mills. There has been little evidence of a pick-up in housing construction activity in the U.S. although housing starts seem to have stabilized at an historically low level of about 900,000 units at annual rates. The increased demand for fabricated non-ferrous metals, particularly copper, nickel and aluminum may reflect some rebuilding of raw material inventories as prices of these metals (especially copper and nickel) have fallen substantially throughout 1981 and are expected to increase sharply at the onset of economic recovery. The decline of the Canadian dollar vis-à-vis the U.S. dollar in February and March may have been a factor in stimulating demand for these industrial goods including chemicals and iron and steel. The trend of exports to other countries except Japan was declining after including the March data. The trends of these series began to slow in about October in line with the firming of the Canadian dollar against European currencies beginning in August.

With the inclusion of the March data the merchandise trade balance rose to \$1 175 million. For the first quarter of 1982 the nominal trade surplus measured \$3.414 billion, an increase of \$656 million following an increase of \$1.899 billion in the fourth quarter. The resilient performance of the merchandise trade surplus can be partially explained by the relatively steep recession in Canada. Imports have been particularly weak over the course of the downturn, falling 4.5 per cent on a balance of payments basis in March (following a sharp 18.7 per cent uptick in February). Imports are now 15.3 per cent below the peak of the short-term trend in July. With the inclusion of the March data the short-term trend fell 2.5 per cent following three months of declines of 3.0 per cent. The rate of decline of the trend of imports of end products slowed to a decline of 1.7 per cent accounting for most of the easing in the overall down trend. This was attributable to the pick-up in activity in the auto sector mostly as a result of increased imports of motor vehicle parts. Demand for

business investment goods continued to deteriorate rapidly as the downward trend was accelerated for purchases of machinery and other transportation. The short-term trends for crude and fabricated materials continued to decline at rates close to 3.0 per cent per month. Although there is widespread concern over the widening differential between consumer price inflation in Canada and the United States, an analysis of an index of **real effective exchange rates** compiled by Morgan Guaranty Trust, suggests that there has been little change in the competitiveness of Canadian manufactured goods in the past year. The index (March 1973=100), which adjusts for inflation differentials of nonfood manufactured goods, has been virtually unchanged over this period, and the index level of 91.1 in February 1982 leaves Canada with one of the most competitive manufacturing sectors in the industrialized world (along with Japan at 87.7 and Italy at 91.1) (Morgan Guaranty Trust, **World Financial Markets**, March 1982).

United States Economy

The coincident indicators of economic activity in the United States recorded further declines in the first quarter. Real GNP fell 1.0 per cent, leaving output down about 2.0 per cent from its third quarter peak. The sources of the reduction, however, were encouraging for the prospect of a recovery in the economy later in 1982. Final sales edged up 0.5 per cent, as a record \$17.5 billion reduction in stocks accounted for all of the drop in production. Most of the gain in sales and cuts in inventories reflected the 15 per cent jump in auto sales, which proved to be much more sensitive in the United States to rebate programs than was the case for Canada. Business investment in plant and equipment and residential construction continued to retrench. The decline in housing activity slowed, however, as building permits and housing starts give some indications of recovery. Most of the erosion of business investment reflected a sudden reversal in drilling for crude oil, as the number of active drilling rigs fell from a peak of 4530 in December to 3640 in February (FT 2/4).

The GNE deflator rose 0.9 per cent in the first quarter, reflecting the substantial slowdown evident in the producer and consumer price indices in recent months. Declining oil prices and auto rebates helped to accentuate this slowing trend. Wages and salaries decelerated to a 1.3 per cent gain. This slowdown reflected declining employment and a moderation in wage gains. New wage accords reached 2.2 per cent at annual rates in the first quarter, although this pronounced easing largely reflected contract renegotiations

by the United Auto Workers and the Teamsters (these two unions covered 70 per cent of the settlements reached in the quarter). Excluding these contracts, wage settlements for the first contract year were negotiated at about an 8 per cent annual rate. The gain in consumer demand at a time of slowing income growth reduced the personal savings rate from 6.1 per cent to 5.3 per cent in the quarter.

While substantially more progress has been made in reducing inflation and inventories in the United States relative to Canada, it is not clear that the recession has run its course. Virtually all of the coincident indicators fell anew in March, particularly industrial output (-0.8 per cent) and employment (-0.1 per cent). A further decline in the leading indicators (-0.5 per cent) is indicative of the cautious stance of firms and consumers in committing themselves to new purchases in the current environment. The impasse between Congress and the Administration over the federal budget fostered much of this uncertainty, particularly with regard to interest rates.

Financial Markets

Canadian interest rates were somewhat firmer than those in the U.S. in April. The Bank Rate rose 12 basis points to 15.23 per cent, while the prime lending rate remained at 17.0 per cent. Long-term Canada bond yields fell by 20 to 40 basis points, considerably less than the decline in equivalent U.S. rates. From December 1981 to March 1982, Canadian money supply growth, as measured by M1, followed a very similar pattern to that in the U.S. M1 growth. That is the M1 measure of money supply surged in the December-January period and then declined through the February-March period. In April, however, the Canadian money supply declined through the first three reporting weeks while U.S. M1 surged. The Canadian dollar rose to 81.83 cents (U.S. funds) in April, while the Canada-U.S. interest rate differential widened somewhat. A firming in world spot oil prices accompanied an increase in demand for Canadian resource company shares, as the TSE Oil and Gas Index rose 3.7 per cent after having declined for several months.

American credit market prices rallied modestly in April. The gains in the bond market were slightly larger than those in the money market as 20-year Treasury bond yields fell about 70 basis points to about 13.25 per cent, while money market yields declined by about 35 to 60 basis points. The surge in the U.S. money supply in April was not accompanied by the higher rates expected by many analysts. This is probably

because interest rates rose in March largely in anticipation of the large tax refunds which led to the April money supply surge. Also encouraging to credit market participants was an apparent unwillingness on the part of the Federal Reserve Board to take action to offset the money supply increase of April. Progress on inflation and continued weak economic activity in the U.S. may have contributed to the Federal Reserve's reluctance to tighten credit. There is also some feeling that the April money numbers represent an aberration that could be offset in May and June. Credit markets in April were little affected by the failure of the President and Congress to reach an agreement on how to reduce the budget deficit.

Despite the improvement in April, U.S. interest rates remain very high in comparison to previous recessionary periods. In the recessions of 1970, 1974-1975 and 1980, the U.S. prime lending rate fell by 37 to 45 per cent within a period of one year from the prime rate peak. In the current recession, the prime lending rate is only down 23 per cent from the December 1980 peak of 21.5 per cent.

News Developments

The **United Auto Workers** in the American-based operations of **General Motors** ratified a two and one-half year contract that will save the company an estimated \$2.5 billion in labour costs. The response was 52 per cent in favour, compared to 73 per cent in favour of renegotiation in the Ford plants in February. General Motors said that it will pursue additional concessions at the 147 individual plants within the 100-day limit agreed to in the contract (LaP 10/4, GM 13/4). Studies by management consultants and universities suggest that the Japanese have a cost advantage of between \$1,300 and \$1,700 a car. The difference in hourly labour costs (the average rate of pay is \$11.57 an hour in the U.S. versus \$6.15 in Japan) accounts for about \$420 of this differential. The remainder of the Japanese cost advantage appears to lie in areas left untouched by the renegotiation with the UAW, notably a more efficient organization of management structures and better inventory control (BW 14/9).

The federal government released statistics on its three-month old plan for **work-sharing** to help minimize layoffs. The program calls for participating firms to keep on the payroll, at least part-time, those workers who would normally be discharged on layoff. Workers are assured 90 per cent of their weekly salary through a combination of hourly wages and supplementary unemployment benefits. Canada-wide participation in the program by April 1 involved 534 firms employing 29,000 workers. The government credits the program with safeguarding 12,600 jobs at a cost of \$30 million. Funds allocated for the work-sharing program have been doubled to \$90 million (LeD 6-14/4).

The extension of the work-sharing program did not prevent a further spate of layoff announcements and cutbacks in April. International Harvester plans to layoff 1,500 workers, or 80 per cent of the work force in its farm machinery plant in Hamilton, for four months beginning in June (GM 6/4). Steel firms amplified their cutbacks, as Algoma announced plans to close its steel works for one week in June. The closure will affect about 4,000 people, in addition to the 1,500 currently laid off. Sidbec will scale down its operating personnel by an additional 680 at the end of May as well (GM 3-17/4).

Newsprint production, no longer strongly-supported by hoarding by users in anticipation of price increases and strikes, will be reduced in Western Canada, as MacMillan Bloedel plans to close its mills for six weeks while Crown Zellerbach will curtail production schedules by 10 per cent (LFT 2/4). The weakness evident in the large drop in employment in primary industries in March was extended into the second quarter, to judge by the cutbacks announced by Gaspé Copper (1,445 will be laid off from June 20 to July 17), McIntyre Mines (staff will be reduced by 335 at its Grande Cache, Alberta coal mine), and Noranda (which will close its Granisle mine in central B.C. for one year from July). Early in May, Falconbridge Nickel announced the layoff of 4,000 workers for ten weeks this summer, while Noranda Mines will put an additional 6,000 employees on layoff in an effort to cut its operating personnel by 20 per cent (LeD 22/4, FT 19/4, GM 27/4, 1/5).

News Chronology

Apr. 1 The Quebec National Assembly has adopted a bill that abolishes mandatory retirement at age 65. The legislation, the first of its kind in Canada, affects all workers except those under federal jurisdiction.

Apr. 5 The British Columbia budget called for a \$358 million deficit, due to sluggish revenue growth and some minor increases in tax rates on chartered banks.

Apr. 14 The federal government will delay for at least six months the plan to start collecting the federal sales tax at the wholesale rather than the manufacturing level.

The Alberta government has cut its average royalty rates on the oil and gas industries to 36 per cent and 34 per cent respectively, which should yield \$1.3 billion in additional revenues to the petroleum industry this year.

Apr. 27 The Manitoba government re-introduced rent controls, with a ceiling of 9 per cent retroactive to January 1.

Apr. 30 The Nova Scotia budget calls for a broad range of tax increases, including a jump in the retail sales tax from 8 per cent to 10 per cent, and sharply higher personal and corporate income tax rates. Operating expenditure of government departments will rise 12.8 per cent in 1982-83, while capital spending will be cut by 21.5 per cent.

News Feature: International Financing for Less-Developed Countries

This note provides a brief sketch of the adjustments of the international financial system to the continuing balance of payments disequilibria of less-developed countries. The article begins by sketching the recent decline of the current account surplus for OPEC nations, which has largely been matched by an improved surplus for Western industrialized nations rather than for other Third World countries. The organization and response of multilateral aid institutions, such as the World Bank and regional development banks, is discussed in the next section. The paper concludes with a discussion of the increasing role of the international banking system (notably American banks) in financing the deficits of less-developed countries, and of the challenges posed to both lenders and borrowers by the current environment of rising debt burdens at a time of diminished export opportunities.

The slump in prices of crude petroleum on world markets has forced nine out of the thirteen **OPEC** nations into the unusual position of running current account deficits. The Wharton forecasting group predicts that the OPEC nations will have a \$1.8 billion (U.S. \$)¹ current account deficit in 1982, down from a \$58 billion surplus last year and the first deficit since 1970 (FT 6/4). The long-term implications for the world economy include a need for the international banking community to find new sources of liquidity, and for Western exporters to develop alternative export markets. The slump in oil revenues combined with on-going development programs, has boosted government deficits as well. The reason for the slump in oil revenues is clearly the drop in non-Communist world demand for oil from 52 million barrels per day (b/d) to an estimated 45 million b/d. Saudi Arabia's Sheikh Yamani maintains that oil companies are also reducing stocks at an unusually rapid rate of 4 million b/d to exacerbate the glut, although the companies claim destocking is only at normal seasonal rates. If Yamani is correct, the current rate of destocking cannot be sustained and an upturn in demand will reverse the recent slump in prices, which has reduced the Rotterdam spot price for oil to about \$28 (U.S.) per barrel (FT 3/4). The International Energy Agency lent some support to this scenario, as the slide in demand in the industrialized world appears to have stopped with a recovery in prices in the spot market. The Agency predicts an upturn will raise demand from 43.8 million b/d in the second quarter of 1982 to 47.9 million b/d in the first quarter of next year (GM 28/4).

The effects of decisions taken at the emergency meeting of OPEC in Vienna late in March were felt most immediately in **Nigeria**. Oil output in Nigeria dropped to 950,000 b/d in April

after the decision to hold the OPEC benchmark price at \$34 and the Nigerian price at \$35.50. This output rate compares to 1.8 million b/d in January. Output in Nigeria was particularly sensitive to market conditions because of its heavy reliance on sales to independent buyers or to the spot market and because of the availability of comparable North Sea oil at \$31. At the same time that buyers have deserted Nigeria to purchase North Sea oil, BP Oil threatened to reduce its purchases of North Sea oil to only 50 per cent of its British requirements. BP Oil said it would purchase oil on the Rotterdam spot market instead, unless tax laws were changed so that British prices were reduced to the level of spot prices (FT 26/3).

The drop in export earnings had already led Nigeria to a \$1.4 billion trade deficit in February, and the sudden drop in demand in March initially forced the Central Bank of Nigeria to reduce **foreign exchange reserves** to \$2.8 billion (or about two months of imports) from \$9 billion a year ago, and then to stop processing all applications for foreign exchange pending the implementation of import controls. The Central Bank of Nigeria imposed import controls on a wide-range of goods, and required importers to place cash deposits in interest-free accounts with the Central Bank in advance of shipment. The government also cancelled all capital projects not already under construction pending a review of its five-year \$125 billion development plan (FT 25/3, 3-8-16-21/4). The squeeze on foreign exchange reserves was also evident in **Libya**, which has delayed payment for imports by up to five months. Japanese exporters have filed notices of default (FT 30/3).

One of the reasons for Nigeria's support of the OPEC decision to hold the benchmark price at \$34 was the assurance of **Saudi Arabia** support in terms of production cuts to end the glut and of direct financial aid. The ability of Saudi Arabia to cut output or boost aid was compromised by the current level of government expenditure at £48.4 billion per annum, which requires at least the present output rate of 7.0 million b/d. Government revenues are 90 per cent petroleum-based (FT 30/3). The squeeze on OPEC revenues was evident in the unusual appearance of budgetary deficits in nations such as Kuwait (\$1.5 billion), and the United Arab Emirates (a \$620 million deficit despite a 15 per cent cutback in spending). The Finance Ministry for Kuwait said that the country will "go bankrupt in four years" given projected outlays unless oil production recovers from its current 1.0 million b/d to over 2.0 million b/d and prices recover to between \$35 and \$40 a barrel. The war involving

¹All references in this paper are in American dollars, unless otherwise stated.

Iraq and Iran has further complicated their current account and budgetary positions, as the \$22 billion of aid directed to **Iraq** last year absorbed one-half of the combined oil surplus of Saudi Arabia, Kuwait, Qatar, and the United Arab Emirates. Iraq also reduced its foreign exchange reserves by at least \$13 billion. This year's foreign borrowing requirement of \$10-\$15 billion at a time of lower oil surpluses may force Iraq to test the commercial money markets in Europe, a trend reinforced by Syria's refusal to permit Iraqi oil shipments across its territory. At the same time, **Iran** has boosted its oil sales from 0.5 million b/d in December to 2.0 million b/d in April by selling its crude oil to Japanese traders at \$26 per barrel, which has helped to erode the benchmark price (FT 24-26-30/3, 14/4, Ecst 3/4, GM 23/4, 1/5).

The slump in export earnings, sorely needed to finance heavy foreign borrowing, pressed acutely on nations in **Latin America**. The Inter-American Bank (IAB) predicts that the combined current account deficit of Latin American countries will rise further from the \$27.4 billion recorded in 1980 and \$34.0 billion in 1981. The vise of weak revenues and rising costs of servicing foreign debt was particularly gripping on Brazil and Mexico, the two nations in the world with the largest foreign debt outstanding at about \$70 billion. The restrictive monetary and fiscal policies adopted throughout the region, and the devaluation of several currencies against the American dollar, caused a slump in economic growth in South America to about 1 per cent in 1981, well below the rate of population growth. The most notable downturns occurred in Brazil and Argentina. Real GDP per capita fell 5.8 per cent (3.5 per cent in absolute terms) in **Brazil** last year, as investment outlays fell 10 per cent while consumers slashed purchases (FT 24/3). Output in Argentina fell 6 per cent in 1981, and hopes for a recovery in the second half of 1982 were dashed by the Falklands crisis (FT 24/3, 8/4).

Argentina had to cancel a number of development projects due to the ban introduced by the European Economic Community and Canada on financial transactions and imports from Argentina. Argentina retaliated first by ceasing interest payments to British banks, and then by freezing all British funds in Argentine banks (there is about \$13 billion of British credit outstanding in Argentina, or about 35 per cent of Argentina's total foreign debt of \$30 billion). The sanctions imposed by the United States at month-end forbid American banks from extending new credit to Argentina, but do permit the renewal of the \$9 billion in credit already granted (FT 31/3, 6-13/4, GM 27/4, 1/5).

Venezuela and Ecuador, the two Latin American partners in the OPEC cartel, had to introduce austerity programs to cope with growing balance of payments deficits. **Venezuelan**

crude oil receipts, which supply 70 per cent of government revenues, are forecast to decline 30 per cent this year. As a result, the government announced a 10 per cent (or \$2 billion) cut in public spending, a 300 per cent increase in domestic petrol prices to raise \$600 million in revenue, a \$19 billion ceiling on foreign borrowing, and a scaling-back of the five-year \$150 billion development plan. These restrictive measures followed two years of stagnant economic activity, while a growing population has helped raise the unemployment rate to 9 per cent (FT 6-14/4). **Ecuador** also introduced spending cuts to help reduce price inflation from 20 per cent and to limit new foreign borrowing to \$1.1 billion in 1982. The measures were taken in response to a 50 per cent devaluation and difficulties in finding European lenders for a \$900 million three-year credit facility. Money markets were not impressed by the \$5.5 billion in foreign debt already outstanding, an amount equivalent to nominal GDP in Ecuador (FT 20/4).

The Mexican peso has fallen by over 40 per cent after being allowed to float by the **Bank of Mexico** in February. The devaluation reflects the \$6 billion drop in export revenues due to slumping demand for oil and a \$5 billion increase in capital outflows. Virtually all of the \$13 to \$14 billion in oil export revenues (which account for 70 per cent of all exports) will be required to meet interest payments on the \$68 billion of foreign debt outstanding. The government promised to reduce the budget deficit from 12.3 per cent to 9.5 per cent of GDP in 1982 by reducing expenditure by 8 per cent, and hoped to restrain the current account deficit to 5 per cent of GDP by slowing real economic growth to 4 per cent in 1982. Foreign borrowing had proceeded on schedule in the first quarter, when \$5 billion was raised (largely in the Eurobond markets at rates of about 17 per cent). In April, however, concern grew in international financial markets over the prospect of higher budgetary and current account deficits (as oil prices dipped) and of a further drop in the peso (as the Mexican inflation rate is expected to rise to 60 per cent this year from 35 per cent, while the Bank of Mexico cut short-term interest rates by two percentage points). The deterioration in Mexican credit-worthiness first became evident in a rising risk premium attached to its external borrowing activities, and culminated in a sharp decline in the liquidity of Mexican debt. A number of leading market dealers in Europe decided to stop trading in Mexican floating rate note issues due to a lack of commercial demand. The government then imposed an \$11 billion ceiling on foreign borrowing this year, down from the original target of \$20 billion (FT 22-23-30/3, 5-8-22/4).

Foreign currency reserves appeared to be depleted in Eastern Europe. Western businessmen report that the **Soviet Union** has asked for extensions of up to six months in paying for goods already delivered. The USSR is also reported to be asking for rebates or extra credits before renewing contracts, although most of these demands have been rebuffed. The low level of foreign exchange reserves reflects three consecutive years of poor crops (which has boosted grain imports by \$6 billion), increased aid to the Polish regime (\$5 billion in 1981), and weak export markets. The Soviet trade deficit with the West rose to \$1.2 billion last year. The strength of the American dollar relative to European currencies has also reduced the purchasing power of the largely European-currency-denominated foreign exchange reserves held by the Soviet Union, while the American dollar price has weakened dramatically for important USSR exports such as gold, crude oil, and diamonds (Ecst 3/4, LaP 3/4). Banks in the Soviet Union and Eastern Europe have reduced their operations in Western money markets because of the concern over Comecon debts. Some American banks have stopped all dealings with the Soviet Foreign Trade Bank, while others have cut back sharply. Other Eastern European nations have also been affected; for example, the Czechoslovakian Bank of Prague reports that its short-term placement of orders in the London money markets have dropped from \$100 million a day in February to \$10 million, with virtually zero business with American banks (FT 14/4). The \$2.4 billion of debt payments outstanding from **Poland** has been rescheduled for the five hundred Western banks concerned. Poland will pay 5 per cent of this debt in 1982 before being granted a four-year grace period for the other 95 per cent. There will then be seven equal payments every six months. The total Polish debt owed to Western banks is about \$25.5 billion, of which \$400 million is owed to Canadian banks (GM 7/4). Poland has also asked to reschedule its 1982 debt payments, although American banks have refused at least for the moment. West German banks have been more receptive to this notion, which reflects the greater role of West Germany in supplying credit (West German banks hold \$4.5 billion of unsecured Polish debt, versus \$2.0 billion held by American banks) and in direct trade with Eastern Europe generally (West Germany accounted for 36 per cent of total OECD exports to the East bloc in 1980, or an amount equal to about 6.3 per cent of all West German exports) (FT 6/4, LeMD 3/82). Romania has asked to reschedule the repayment of its \$3.0 billion of debt owed to a consortium of 300 Western banks. Romania is \$500 million in arrears on 1981 debt payments, and has asked that this year's payments of \$2.5 billion be spread over the next seven years. The IMF has

halted any further drawdown of the \$750 million in standby credits arranged with Romania pending the payment of last year's debt (FT 16/4).

Debt-servicing problems in the Asian continent surfaced most virulently in Vietnam and India. **Vietnam** asked its Western creditors to reschedule payments on \$1.4 billion of its \$3.0 billion in outstanding foreign debt (the remaining \$1.6 billion is owed to Communist nations). This move follows the suspension of some payments last year and the delay in repaying an IMF loan earlier this year. Vietnam asked to reschedule \$300 million owed to France, \$200 million to Japan, and \$600 million to Third World nations such as India, Iraq, and Algeria. The Vietnamese debt-servicing ratio² is about 65 per cent, as the domestic economy has withered in response to the trade embargo imposed by China and the United States following the 1979 invasion of Kampuchea (FT 8/4). The **Asian Development Bank** has agreed to a request from India to borrow \$400 million a year for five years, the first such borrowing since 1966. India promised to not present itself for the moment at the 'soft' loan window (the concessionary loan window is the Asian Development Fund), to help allay fears of crowding-out held by poorer Asian nations (FT 24/3).

The return of **India** to the Asian Development Bank reflects the deterioration in the balance of payments and in the international environment for concessional loans. A decline in the terms of trade has pushed the current account deficit to \$7.6 billion in 1982, while soft loans from the World Bank have been cut 50 per cent due to lower American support (concessional loans will amount to only \$1.8 billion this year). Despite a record \$5.8 billion loan from the IMF last year, India has had to return to the ADB and to the commercial capital markets. Following years of inactivity, borrowing abroad at market interest rates reached \$1.2 billion in the year to March 31 (with interest payments at a rate of \$200 million a year). The government wants to prevent any further increase in this source of funds, as a \$1.4 billion limit was agreed to as part of the IMF loan and as the government wants to keep the debt-servicing ratio at 15 per cent. Nevertheless, a rapid drawdown in foreign exchange reserves of £2.2 billion a year convinced the IMF to allow an early withdrawal of \$330 million in credits. Foreign exchange reserves had fallen to a 'critical' level of \$3.2 billion, or three months of imports, prior to the IMF move (FT 24/3).

²The debt-servicing ratio is the ratio of external debt payments to merchandise exports.

Multilateral Aid Organizations

The plight of the less-developed countries, trapped between the Scylla of mounting current account deficits and the Charybdis of rising debt-servicing ratios (due to high interest rates and slumping commodity prices), has been compounded by the tightening of the budgets of the major multilateral aid organizations, including the International Bank for Reconstruction and Development, the International Development Association, the Inter-American Development Bank, and the Asian Development Bank. A review of the recent policy stance of these organizations is detailed below, although all the multilateral aid agencies have shown a distinct reversal from the transfer of resources to less-developed countries advocated by the Brandt Commission. The preference of less-developed countries for official development assistance credits is easy to understand. In 1981, the terms of these loans were on average 2.5 per cent interest for 31 years. The average full market-price private bank loan was at 18 per cent for seven years. Multilateral aid is generally preferred to bilateral aid because there are fewer conditions which can reduce the effectiveness of the loan. For example, 70 per cent of bilateral American aid is linked to the purchase of American products. While the level of American bilateral aid has not yet been set by Congress, military aid will be boosted by 34 per cent for 1983 (Ecst 17/4).

The International Bank for Reconstruction and Development (IBRD), often called the **World Bank**, is owned by 139 governments who subscribe capital which is used as collateral by the IBRD to borrow on international bond markets. In turn, this money is lent out for fifteen years or more to less-developed countries at a small profit for the IBRD; in 1981, the World Bank lent \$5.1 billion in this fashion, making it the largest single source of funds for poor nations. In response to criticism from the United States, the World Bank in the last two years has made increased use of 'structural adjustment' loans (or loans conditional upon long-run economic reforms; the main difference between these loans and loans granted by the IMF is that the IMF provides short-term credit of up to seven years to alleviate balance of payments problems) (FT 30/3).

Since the IBRD is a profit-making operation, its funding has not been squeezed by cutbacks in member government support. It is the **International Development Association (IDA)**, which is the 'soft' loan window of the World Bank, which has suffered from cutbacks. In 1981, the IDA provided a total of \$1.9 billion of interest-free loans to the poorest less-developed countries. The \$4.1 billion capital replenishment promised to the IDA by the 35 supporting nations has

been cut to \$3.1 billion in 1982, however, as the United States decided to spread its three-year funding commitment to the IDA over a four-year period. Most Western nations, including Canada, decided to follow the American lead in order to maintain the relative burden of support shared by the affluent nations (Ecst 17/4, FT 30/3, 16/4, FP 24/4).

The **Asian Development Bank (ADB)** provides 'hard' loans at 11 per cent for 15 to 20 years to relatively well-off Asian nations such as Indonesia, Thailand, the Philippines and Singapore. In 1981, these loans amounted to \$1.1 billion. The poorest Asian nations, such as Pakistan and Bangladesh, can obtain interest-free loans for up to 40 years from the **Asian Development Fund (ADF)**, the concessional lending arm of the ADB. These loans totalled \$531 million in 1981. Budget cuts in the United States and the United Kingdom have reduced the funding of the Asian Development Bank for 1983 to 1986 from \$4.1 billion to \$2.4 billion (the 1978-1982 capital replenishment was \$2.2 billion). This cut in funding, at a time when India has announced it will resume borrowing \$400 million a year from the ADB, will force poorer nations to borrow more at the ADB than from the ADF, and push relatively well-off Asian nations to borrow more on the Eurocurrency markets than from the ADB, implying a generally higher debt structure (FT 21/4).

The **Inter-American Development Bank (IADB)**, which provides soft loans and technical assistance to Latin American countries, has asked subscribing nations to increase their funding of loans by \$3 billion this year. The IADB stressed the need for more concessional lending to the poorer Latin American nations at a time of rapidly growing populations and balance of payments deficits. The United States has held up negotiations over the four-year capital replenishment of the IADB in 1983 with its proposal that concessional lending be curbed for all Latin American nations, and that subsidized loans be withdrawn for the relatively better-off nations. Brazil, Mexico, and Argentina tried to break this impasse with a proposal to radically shift the operation of the IADB towards the poorest countries, in return for an 18 per cent (or \$14.3 billion) increase in American funding of the IADB for the 1983-1987 period. To date, no accord has been reached (FT 30-31/3).

Two other organizations, while not explicitly multilateral aid agencies but which are involved in support for less-developed countries, have changed the course of their policies in the past year. The **United Nations Common Fund**, designed to stabilize the prices of eighteen commodities through a \$750 million buffer stock, will not begin operation for at least a year after its scheduled start-up in April 1982. A

lack of ratification by member countries has caused the delay (FT 30/3, 21/4). The **International Monetary Fund (IMF)**, which provides loans at 7 per cent for up to seven years to nations with severe balance of payments disequilibria, announced the suspension of loan agreements worth a record total of \$5 billion in April. The suspensions affected fifteen countries, including Romania, Zaire, Morocco, Bangladesh, Zambia, Grenada, Costa Rica, Tanzania, and Guyana, which were judged to have been unable to meet the economic and financial reforms negotiated as a condition of the loans. The loans can be re-issued under new accords with the IMF, but the cancellations do reflect both the increase in nations suffering from unmanageable current account deficits and increasingly stringent enforcement of the conditions of the loans by the IMF (FT 20/4). The three-year IMF loan to **Zambia** is in particular difficulty, as the IMF will likely postpone the third tranche of £300 million due to be given to Zambia in May. The IMF delayed the second tranche last year following a violation of external payments and domestic credit guidelines. Zambia is £254 million in arrears on payments, some of which have been outstanding for two years. Lower prices for copper and cobalt, which account for 95 per cent of exports, have slashed foreign currency earnings for Zambia (FT 26/3).

The International Banking System

The reduced access to multilateral aid agencies implies that the international banking system will be under increased pressure to finance the balance of payments deficits of less-developed countries. Private banks surpassed aid agencies as a source of funds for less-developed countries following the appearance of large OPEC surpluses in the 1970's. The Bank of England correlates this growth of international bank lending with the growth of balance of payments disequilibria around the world in the 1970's. The sum of the absolute values of national current account surpluses and deficits, one measure of the disequilibria requiring the intermediation of the international financial system, rose from 1.0-1.5 per cent of world output to between 2.0-3.0 per cent over the 1970's. The sharp reduction in the OPEC nations current account surplus, matched by an improvement in the deficits of the industrialized nations, reduces the need for wholesale banks and bank consortiums, which grew partly in response to the concentration of petro-dollar deposits in a few institutions. This shift, together with the growing debt problems of less-developed nations, has made banks increasingly concerned with the risks involved in international lending. As a result, risk premiums attached to loans to Third World nations have increased relative to loans for domestic financial activity in industrialized nations (FT 21/4, NYJC 9/4).

In the decade to 1981, the total external debt of less-developed countries grew from \$87 billion to \$524 billion. The debt service ratio (or the amount paid each year in interest and principal as a percentage of total exports) rose from 14 per cent in 1973 to 21 per cent in 1981 (although rescheduling and arrears in debt payments has helped to limit this percentage recently). The financial burden of this debt is quite skewed, however, as the poorest developing nations rely almost exclusively (87 per cent) on borrowing from official sources. Of the \$267 billion owed by less-developed nations to private creditors in 1980, 70 per cent or \$187.2 billion was owed by ten nations.³ Of these private-sector loans, 75 per cent are at floating interest rates and 45 per cent are scheduled to be repaid by June 1983. Particularly worrisome is that Brazil, Mexico, and Argentina, three of the largest debtors, will face the largest jump in interest costs when debt is rolled-over this year, while commodity export earnings remain weak (Ecst 20/3). This bunching of debt payments over the next five quarters implies that there will be numerous cases of a rescheduling of debt payments. Since 1979 there have been 10 major reschedulings of debt with nations, involving \$16.1 billion. In 1981, there were twenty-five nations in arrears on debt involving at least \$6.5 billion.

The concentration of debt held by less-developed countries is matched by the small number of banks who loan the money. This is particularly true of American banks, which hold 40 per cent of all loans to less-developed countries. It is this correspondence of the concentration of debt owed by nations to large commercial banks that is held as a threat to the international financial system. If, for example, Brazil and Mexico and either Argentina or South Korea could not pay its debts this year, then more than 100 per cent of the capital and reserves of each of the nine largest U.S. banks would be erased (effectively, the banks would 'bust' pending action by the Federal Reserve Board). In total, the debt owed by non-oil less-developed countries to the nine largest American banks equals 204 per cent of their capital and reserves (LeMD 3/82). The concern of analysts such as the *The Economist* (20/3), however, is that "although their international lending may have grown too fast in the past, the danger now is that it will grow too slowly in the future" and precipitate the cash shortfall and subsequent loan delinquency which bankers seek to avert.

³The nations are listed below, with their gross debt owed to BIS banks in 1981 in billions of U.S. dollars in brackets: Mexico (46.6), Brazil (46.4), Venezuela (24.5), Argentina (23.0), Poland (14.7), Philippines (9.9), Chile (8.8), Rumania (5.4), Turkey (4.0) and Peru (3.9).

Among banks, the international branches of American banks have traditionally taken the lead in financing the debt of Third World nations. The growth of this lending activity was reflected in international versus domestic loans as a source of profits. For the seven largest American banks⁴, the share of profits attributable to domestic loans fell from 78.5 per cent to 42.4 per cent between 1970 and 1976. The growth of international lending activity has been concentrated in the large banks, as three-quarters of the debt of less-developed countries held by American banks is owed to the 24 largest banks in the U.S. These debts represented about 10 per cent of total assets in 1980, or about 180 per cent of their total equity and retained earnings.

The heightened risk associated with loans to less-developed countries has contributed to a preference recently to loan in domestic markets in the industrialized nations. This has been matched by a surge in loan demand to finance merger activity. For example, the value of take-overs in the United States rose from \$44 billion in 1980 to \$83 billion in 1981. This represents over one-half of the \$160 billion in the value of mergers of firms world-wide in 1981. The growth of take-overs has compounded the problem of reducing domestic interest rates (by boosting money demand at a time of monetary restraint), while boosting financing charges for Third World nations (LeMD 3/82, Ecst 10/4).

The increased preoccupation of financial institutions with the risks of lending when so many nations and domestic firms are experiencing liquidity problems was evident in their first quarter financial statements. All the major banks in the United States, Canada, and West Germany said that they were making increased provisions for loan losses. Many reported a drop in total assets in the last year, which used to be a rarity for major banks, reflecting an increased concern with the quality rather than the quantity of loans. Bank of America, for example, reported its assets fell \$2.9 billion to \$118.3 billion in the past year, while Citicorp cut its assets by \$1.9 billion to \$117.3 billion (Bank of America and Citicorp are the two biggest banks in the United States). The Dresdner Bank in West Germany reported another 16 per cent drop in net income in 1981, largely due to increased provision for loan losses which are netted against other assets (for example, the bank has put 20 per cent of its \$163 million in unsecured loans to Poland in reserve), while the Commerzbank reported a small loss for last year (FT 3-8-16-21/4).

The increased caution in loan activities exercised by American banks did not prevent Moody's Investor Services from down-grading the long-term debt of nine large banks. Reduced to double A were Bank of America, Chase Manhattan, Chemical, Continental Illinois, Manufacturers Hanover, Mellon National, Northwest Bancorp, National City, and First Bank System. Moody's cited over-generous use of short-term debt and declining credit-worthiness of bank customers in its decision. The mass demotion follows a thorough review of the U.S. banking industry by Moody's. This showed that while most U.S. banks are still 'immensely strong and well-managed', they have been forced to pile an ever-heavier load of debt onto their equity base (bank equity relative to assets has declined from 8.1 per cent to 5.8 per cent since 1960) (Ecst 27/3, FT 23/3).

The financial position of Canadian banks bears some similarities to their American counterparts. Profits in the past year were down for three of the five major chartered banks, partly because loss provisions for loans were up an average of about 50 per cent, while the National Bank reported a loss of \$28 million. The only cautionary note from the Inspector General of Banks in Canada, however, was a suggestion that banks limit the size of loans made to individual companies. The Dominion Bond Rating Service in Canada generally agreed. The firm said that seventeen non-financial corporations have had their debt-rating reduced since 1980 because of their growing debt at a time of receding cash flow. The DBRS said that the willingness of the large banks in Canada to lend large amounts to individual corporate clients was indicative of a weakness in the Canadian banking system. The problem of unsecured debt to overseas nations was less acute for Canadian banks, who hold only \$400 million of the foreign debt for Poland and \$1.5 billion for Argentina (Ecst 3/4, FP 24/4, GM 15-26/4).

Legend

BW — Business Week
 CP — Canadian Press
 Ecst — The Economist
 FP — Financial Post
 FT — U.K. Financial Times
 GM — Globe and Mail
 LaP — La Presse
 LeD — Le Devoir
 LeMD — Le Monde Diplomatique
 LFT — London Financial Times
 NYJC — New York Journal of Commerce

⁴Bank of America, Citicorp, Chase Manhattan, Manufacturer's Hanover, J.P. Morgan, Banker's Trust of New York, and Chemical Bank.

Special Study: Statistics Canada's Leading Indicator System

Darryl Rhoades

I Introduction

There are currently several leading indicator systems in Canada that enjoy varying degrees of public circulation.¹ Another entrant to the field must be based on the belief that the leading indicator approach is useful for assessing the short term outlook and that the newcomer represents in some way an advance over the currently existing systems.

In Sections II and III of this paper we present the rationale for a leading indicator system and for selection of the individual indicators that comprise this system. We feel that these sections speak for themselves in demonstrating the usefulness of the leading indicator approach to assessing the economic outlook.

This new contribution by Statistics Canada adds to the field in two major ways. First, the rationale underlying the system is articulated. This is important since it establishes a set of principles that can guide the future evolution of the system. Also, understanding the rationale underlying the system enables users to better analyze and interpret movements in the leading index and its components. In the United States Hymans [5] and Zarnowitz-Boschan [10] have provided general statements outlining reasonable principles for developing a system of leading indicators. In Section II we review these principles and extend them with the consequence that the implied indicator system will be both comprehensive and analytically useful. It should be emphasized here that although we regard the current version of Statistics Canada's system as a useful addition to the field, the system can be improved by developing it further in directions suggested by the extended Hymans-Zarnowitz-Boschan principles. We sketch such directions for future development in closing Section III below.

A second point of departure from existing systems concerns the false signal syndrome. Statistics Canada's leading indicators are smoothed with powerful autoregressive-moving-average filters that minimize the timeliness sacrificed for a given degree of smoothing, so that the leading index exhibits a minimum of false signals while maintaining as much lead time as possible. See Rhoades [6].

The purpose of Sections II and III of this paper has already been outlined. In Appendix I we document the details of assembling the overall leading index.

¹The major leading indicators that we are aware of are the Royal Bank's Trendicator, the Commerce Leading Indicator put out by the Imperial Bank of Commerce, and the leading indicator published by Singer Associates of Toronto.

II Objectives and Rationale

The purpose of a leading indicator system is to foreshadow and to help analyze impending changes in the direction of aggregate economic activity. The components of such a system are a set of leading indicators and a summary measure of their behaviour, the composite leading index. To be useful, the composite leading index should perform better than any one of the component indicators, and these latter should contain enough information to help analyze and characterize the anticipated cyclical change.

Hymans [5] has articulated reasonable general principles on which an indicator system can be based and which are worth reproducing here:

1. *A turn in overall business activity is generally preceded by a turning point in many of a group of series that can be identified.*
2. *Many of the leading series will therefore signal any impending turn in overall activity.*
3. *Which of the series signals earliest and most strongly depends, however, on the real cause of the impending turn and the exact process through which it operates to induce the turn.*
4. *It is therefore necessary to provide a mechanism that gathers many potentially duplicative signals of the same impending event – that is, to provide for the many possible causes of a turning point, to judge the quantitative importance of events by "counting up" the number of potential indicators giving the same signal, and thereby to reduce the likelihood of the index being overly affected by a false signal.*
5. *This implies not the fitting of a regression plane, but the averaging of a broadly based group of conforming series with positive weights somehow representative of their individual reliability in signaling turning points.*

Zarnowitz and Boschan [10] have given Hymans' statements official blessing by embracing, in the latest review of the Commerce Department's leading indicator system, his interpretation of the principles implicitly underlying that system:

"The reasons why a group of indicators should be more reliable over time than any of its individual members or subsets have to do with the nature and causes of business cycles. It has long been observed that each cycle has its unique characteristics as well as aspects which it shares with other cycles. There is no single proven and accepted cause of cyclical fluctuations nor a single invariable chain of symptoms. In other words,

no set of simple, stable functions has yet been identified that would adequately explain or predict all the major fluctuations of the U.S. and other modern economies.²⁰ Instead, we have a variety of plausible mutually exclusive hypotheses and a number of frequently observed regularities, which, though they might be expected to persist, are certainly not immutable. Thus, how the individual indicators would perform in a particular episode is likely to depend on which presumptive causes of a cyclical reversal are then in operation and how (through which process) they work. Some leading indicators, then, would prove most useful in one set of conditions, others in a different set. To increase the chances of getting true signals and reduce those of getting false ones, it is advisable to rely on all such potentially useful leading indicators as a group.²¹

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²¹For a similar interpretation of the composite index of leading indicators, see Saul H. Hymans, "On the Use of Leading Indicators to Predict Cyclical Turning Points", *Brookings Papers on Economic Activity*, 1973, Vol. 2, pp. 347-348."

Both these statements are all right as far as they go. However, Hymans orientation is towards the construction of a composite leading index *given the leading components*. Consequently he doesn't seem to be much concerned with principles of selecting the leading series or with using the leading indicators as a group to interpret and characterize the nature of an impending cyclical change. Also, both statements refer to the plethora of possible causes of business cycles and indicate that as many leading series as possible are needed in order to cover all eventualities. In view of our incomplete knowledge of the causes of business cycles, an indicator system whose guiding principle in selecting component indicators is to include all series that have an association with some presumed cause of the business cycle, and that also exhibit leading behaviour, should give us pause. First, this would require including, perhaps unnecessarily, very short leaders and gratuitously reducing the lead time of the overall leading index. And second, there is the possibility that a cycle generating mechanism would be overlooked. Zarnowitz-Boschan are somewhat reassuring when they state that:

"An important requirement of the composite index is diversified economic coverage. The component series should be drawn from all economic process groups that fit well into the given timing pattern".

Yet, it is not clear exactly what they mean by economic coverage. We believe that a slight reorientation and crystallization of the concept of economic coverage will pay some dividends in the way we think about the U.S. system, and will yield significant practical results in further developing a Canadian system.

It is likely that many of the plausible causes of business cycles operate simultaneously during any cyclical episode, and that the operative set of causes varies in content and intensity from episode to episode. However, the mechanism through which these various forces work themselves out is invariably by influencing the levels of aggregate expenditure, income and output, and their components. This observation suggests that the coverage by a set of leading indicators should be judged in terms of their correspondence with the components of aggregate expenditure, income and output. Furthermore, since each of these three is an exhaustive² facet of the same underlying aggregate economic activity, complete coverage by a set of leading indicators could be defined as a one-to-one correspondence between the leading indicators and the components of any one of them. Complete coverage with respect to one facet, say expenditure, combined with partial (or complete) coverage with respect to the others, could be termed complete coverage with back-up. Like the fortress at Québec³, strategically located at the narrowest point of the river, a leading indicator system that uses this concept of coverage is strategically oriented at the confluence of the manifestations of business cycles, whatever their causes. It should be clear that "coverage", as used here and by Hymans and Zarnowitz-Boschan, is not used in the statistical sense, but rather refers to accounting for all possible causes of business cycles in the selection of leading indicators. If one has "complete coverage" then although the leading series may vary from cycle to cycle (due to the variety and mixture of the presumptive causes of the cycle) the set of leading indicators as a group will always contain many series leading at any specific episode. Therefore, a composite leading index which summarizes the behaviour of the individual leading indicators should be a more reliable leading indicator than any one of its components, and in fact should never fail to signal an impending cyclical change.

²These measures are exhaustive at least in concept. There are of course elements of economic activity that are not reflected in the system of national accounts, such as non-market activities, etc.

³Québec originates from an Algonquin indian word meaning the narrowest part of the river.

A corollary is that failure of individual leading series to signal an impending cyclical change should not be regarded as failure of the system. However, if the leading index fails to signal even at one episode the system is put in grave doubt.

Also, if the leading indicators are related to the components of aggregate demand, income and output, one can interpret and characterize the anticipated cyclical change in terms of its effect on these components.

Finally, it is worth emphasizing that combining component indicators into an index not only reduces the possibility of failing to signal when required, but also, the partial cancellation of independent errors in the component indicators reduces the probability of the leading index signalling a change of direction that fails to occur.

III The Leading Indicators

We have seen that, although the causes of business cycles are not completely understood, the mechanisms through which they operate channel their effects through a limited number of observable variables measuring aggregate expenditure, income, and output.

We have suggested that a set of leading indicators should be related to one or all of these measures of aggregate economic activity, and that they should cover at least one of them as comprehensively as possible. We have selected ten such leading indicators for the Canadian economy, and in this section we discuss the reasons for their leading behaviour, their relation to and coverage of the various measures of aggregate economic activity, and their quantitative behaviour in terms of lead time and false signals.⁴ We close the section by comparing the selection of leading indicators in each of the four existing Canadian indicator systems and by suggesting directions of future development.

A) Reasons for Leading Behaviour:

i) Average Work Week – Manufacturing:

For a variety of reasons the average workweek adjusts to cyclical changes prior to employment in manufacturing. Overtime hours worked in the later stages of expansion are of course the first to be cut back. Later, when even less labour is required, many firms prefer to institute short hours rather than to lose trained employees. Conversely, the first increased labour requirements at the upturn are met by returning to regular hours rather than by new hiring. It is puzzling however that as hours fall, employment (and output) continues to rise rather than falling also as one would expect. Bry [1] has

⁴In what follows all references are to volume or constant dollar measures.

explained this apparent conflict by showing that the decision about hours is made by foremen who react quickly and flexibly to the current situation, whereas employment policy is made centrally and reacts more slowly to changing requirements.

ii) Residential Construction Index:

This is a composite series made up of housing starts, building permits and mortgage loan approvals. All of these series represent early stages in the process leading to construction and consequently they lead expenditures on labour and materials in the residential construction sector. Conversely these series will respond to a variety of factors such as mortgage rates, construction costs, unsold housing inventories, etc.

iii) United States Composite Leading Index:

The U.S. leading index leads the U.S. economy and consequently also anticipates U.S. demand for our exports.

iv) New Orders, Durable Products Industries:

The durable products industry manufactures mainly in response to a received order, in contrast to the non-durables sector that sells out of stocks on hand and adjusts output to the level of stocks. Consequently new orders for durable products logically must lead sales and production of durables. Also, the output of the durables industry is composed of consumer durable goods, machinery and equipment, and materials required for construction. Therefore, new orders for durables can be regarded as an advance indicator of consumption and of investment in machinery and equipment and in construction.

v) Ratio: Shipments to Finished Goods Inventories – Manufacturing:

The ratio of shipments to finished goods inventories can be looked at in two ways. First, it is an extremely sensitive indicator of cyclical variations in shipments. When the growth rate of shipments slows down finished goods inventories begin accumulating faster than previously and consequently the shipment to inventory ratio will fall while shipments are merely slowing down. Second, the shipment inventory ratio is an indicator of the future requirement for inventories. An excess of inventories, signalled by a low shipment inventory ratio, means a weak future demand for inventories.

vi) Percentage Change – Ratio of Price to Unit Labour Costs – Manufacturing:

The National Bureau of Economic Research incorporated the ratio of price to unit labour costs (P/ULC) in manufacturing into their short list of leading indicators in the 1966 review of the indicators. They regarded this variable as a proxy for

profit margins and ascribed its leading characteristics to the encroachment of unit costs on prices as one of the main factors limiting the boom and, correspondingly, the improvement in price-cost ratios and profit margins as one of the main factors limiting the contraction and stimulating the revival. In the next review in 1975 they dropped this variable because it had performed poorly in the inflationary period of the early seventies. This was due to the fact that during this period the cyclical variations in prices and unit labour costs were obscured by larger variations caused by the generalized inflation that occurred during that period.

We have retained the ratio of price to unit labour cost in its percentage change form rather than its level form because in an inflationary environment the initial effects of a fall in demand imply a reduction in the growth rate of P/ULC rather than a fall in its level.

Alternatively, one can regard the percentage change of P/ULC as price inflation corrected for cost pressures, that is, as demand induced inflation (or deflation). The leading behaviour from this point of view can be attributed to the fact that a large portion of manufacturing prices are order prices and, since new orders are a leading indicator, so too will be their manifestation in price changes.

vii) Real Money Supply (M1):

Of course there has been a great deal of debate concerning the role played by the money supply in influencing the macro-economy. While both Keynesians and Monetarists agree that money is an important factor determining aggregate economic activity, they differ in their perceptions of the precise mechanisms with which monetary policy operates. (Teigen [9], Smith [7]). However, despite those differences both positions are consistent with the money supply leading changes in GNP. The monetarist position would assign money as the dominant causal factor in determining GNP while the Keynesian position, although assigning an important causal role to money, would also regard other variables such as fiscal policy as important influences on GNP.

The specific form of the money supply variable that should be used as a leading indicator is open to debate. In their 1963 study Friedman and Schwartz [4] examined the growth rate in M1 plus commercial bank time deposits in arguing for a causal link running from money to nominal income. We depart from their choice partly because we have different objectives and partly because we disagree with their methodology.

Our objective is to foreshadow changes in real income and one is therefore naturally led to use a real money supply variable. Also related to differing objectives, we believe M1 to be a more sensitive leading indicator than money supply definitions that include interest bearing assets. This can be seen, for example, by noting that in a contractionary monetary environment the weakening signal given by M1 is diluted in more comprehensive monetary aggregates by the increased attractiveness of higher interest paid on the interest bearing portion of the money supply. These conjectures can be empirically confirmed by noting that real M1 has considerably more cyclical volatility than real M2 or M3.

Methodologically we disagree with the use by Friedman and Schwartz of the percentage change of the money supply. As pointed out by discussants of their papers, the percentage change version of a series leads the level version for mechanical reasons. Therefore a lead of the percentage change of the money supply (real or nominal) over GNP (real or nominal) is not necessarily indicative of a causal link running from money to GNP. Accordingly we use the level form of real M1 which leads real GNP and is more suggestive of the causal link to which both Keynesians and Monetarists now subscribe.

viii) Retail Trade – Furniture and Appliances and New Motor Vehicle Sales:

Purchases of durable consumer goods such as motor vehicles and furniture and appliances are typically easier to postpone or to accelerate in response to changing economic conditions than are purchases of non-durables and services. Therefore consumer durable expenditures will change direction in advance of overall consumer expenditure. Also in contrast to non-durables and services, consumer durable purchases are made to a much greater degree by use of credit and therefore, to the extent that changing credit conditions lead the business cycle, so too will consumer durable purchases.

ix) Index of Stock Prices – TSE300:

For the first time in post-war history Canadian stock prices failed to signal an impending recession when they continued to climb throughout 1979 and 1980. According to principles articulated earlier failure of this indicator does not invalidate the leading indicator approach, nor for that matter does it rule out continued use of an index of stock prices. In future recessions the stock price index may return to normal form, as indeed it did in 1981. Alternatively, study of the abnormal behaviour of this indicator in the 1980 recession may lead to its reformulation and generalization so that it performs well in that and in past recessions, and hopefully also in the future.

It might be argued that the exceptional performance of oil and gas stocks and the high inflation rates in recent years are responsible for the abnormal performance of the Canadian stock market. However, exclusion of the oil and gas stocks from the TSE300 and deflation⁵ of the remainder still generates a series that fails to signal the 1980 recession.

Smith [8] has pointed out that the impact of inflation on stock prices may be compounded by portfolio adjustments that reduce bond holdings and increase demand for stocks, as inflationary expectations become manifested in higher bond yields and lower bond prices. This observation suggests it might be useful to investigate a combined index of stock and bond prices.

In any event the cyclical behaviour of the stock market index is an important indicator of investors' expectations of future profits, and until it can be shown conclusively that it no longer performs this function, or until a more appropriate index can be constructed, it should be retained as one of the components of the leading index.

B) Quantitative Assessment of the Leading Indicators:

In this section we evaluate the behaviour of the leading indicators in terms of average lead time in foreshadowing cyclical changes and in terms of the number of false signals emitted. A few preliminary comments are required.

First, we are going to evaluate the behaviour of the indicators in both their filtered and non-filtered forms. The purpose of filtering is to reduce irregular movements in the data so that one can better judge whether the current movement represents a change in the business cycle. Unfortunately all such filtering entails a loss of timeliness in warning of cyclical changes. We have attempted to minimize this loss of timeliness by filtering the leading indicators with a minimum phase shift filter.⁶

Second, in order to count false signals it is necessary first to define what is meant by the term. In this paper a series is said to emit a false signal if it signals "recession (recovery)

coming" during any of its own expansionary (contractionary) phases.⁷ The signal "recession (recovery) coming" is defined to be any one month downward (upward) movement in a leading indicator. It may be objected that a one month movement is too severe a criterion to use in defining a false signal, and that in any event people use other rules (e.g. two or three consecutive downward movements) in interpreting movements in monthly data. The position taken in this paper is that a rule for interpreting movements in monthly data is really a filter, and that mathematical filters are more powerful than rule-type filters. Therefore, any definition of the signal "recession (recovery) coming" other than one that entails no more loss of lead time in recognizing a recession (recovery) when one does occur than the simple rule defined above, would constitute application of a weaker filter than is available, and therefore would unnecessarily sacrifice lead time.

Finally, it should be noted that the lead time of a leading indicator is defined as the number of months between the turning point of the leading indicator and the associated turning point of aggregate economic activity. For turning points of aggregate economic activity we have used the study published by Cross [3] which identified the following periods of expansion and contraction:

Expansion	Contraction
Jan. 1952 to May 1953	June 1953 to June 1954
July 1954 to Jan. 1957	Feb. 1957 to Jan. 1958
Feb. 1958 to Mar. 1960	Apr. 1960 to Jan. 1961
Feb. 1961 to May 1974	June 1974 to Mar. 1975
Apr. 1975 to Oct. 1979	Nov. 1979 to June 1980
July 1980 to June 1981	

This study did not identify 1967 and 1970 as recessions, although they are recognized as periods of economic slowdown and the leading indicators warned of them. Both episodes contain short periods during which Gross Domestic Product exhibited an absolute decline and we have used these dates in our analysis. The dates used are January 1967 (peak) to March 1967 (trough), and February 1970 (peak) to June 1970 (trough) respectively. Also, for the purposes of this study, we take July 1981 as the first month of contraction in the 1981 recession.

⁵It is difficult to determine the appropriate deflator for the stock market. In order to get a rough idea of the effect of inflation on the stock market we deflated with the overall CPI.

⁶The filter is an autoregressive moving average

$$y_t = a_0 x_t + \sum_{k=1}^2 b_k y_{t-k},$$

where x_t is the original series and y_t is the filtered data. We have used filter B from Rhoades (1980) whose coefficients are $a_0 = .134$, $b_1 = 1.451$, $b_2 = -.586$.

⁷In order to define expansionary and contractionary phases turning points for all the leading indicators were found using the Bry-Boschan program (Bry-Boschan [2]). In some cases program selected turning points were changed due to knowledge of special events (eg. strikes), or turning points were selected that the program did not identify. A listing of turning points for all leading indicators is available on request.

Table 1
Evaluation of the Leading Indicators in Terms of Lead Time
Mean Lead and Standard Deviation in Months
(Over the Period January 1952 to January 1982)

Series Title	MEAN LEAD AND STANDARD DEVIATION IN MONTHS									
	Peaks					Troughs				
	Not Filtered		Filtered		Lead Time Lost	Not Filtered		Filtered		Lead Time Lost
	Mean Lead	S.D. Lead	Mean Lead	S.D. Lead		Mean Lead	S.D. Lead	Mean Lead	S.D. Lead	
Composite Leading Index	6.3	3.8	4.5	4.2	1.8	1.9	2.6	(1.3)	3.3	3.2
Retail Trade, Furniture and Appliances	4.0	4.6	1.8	4.2	2.2	3.4	3.9	.9	4.5	2.5
New Motor Vehicle Sales	5.4	3.9	3.5	4.4	1.9	2.3	5.4	.6	5.6	1.7
Residential Construction Index	13.9	9.4	11.6	9.4	2.3	6.7	4.3	4.6	4.4	2.1
New Orders – Durable Products Industries	5.5	5.7	4.1	4.8	1.4	2.4	5.5	.1	5.1	2.3
United States Composite Leading Index	9.5	4.7	7.3	4.3	2.2	2.3	2.2	(1.0)	1.9	3.3
Shipment to Inventory Ratio – (Finished Goods), Manufacturing	7.5	4.6	4.9	4.3	2.6	(1.6)	2.0	(4.4)	1.7	2.8
Average Workweek, Manufacturing	10.3	5.0	7.8	5.7	2.5	2.6	3.1	(.6)	1.9	3.2
Percentage Change in Price Per Unit Labour Costs, Manufacturing	9.0	7.4	6.1	7.4	2.9	(1.9)	3.3	(4.0)	3.3	2.1
TSE300 Stock Price Index (Excluding Oil & Gas)	8.4	6.7	7.4	7.4	1.0	3.9	2.7	.7	3.2	3.2
Money Supply (M1) (\$1971)	8.4	5.8	6.9	5.5	1.5	4.8	4.9	2.7	4.3	2.1
Average of Rows 2-11	8.2	5.8	6.1	5.7	2.0	2.5	3.7	(.4)	3.6	2.5

S.D. Lead – Standard Deviation of Lead
(x) – Indicates a lag of x months.

Table 2
Evaluation of the Leading Indicators in Terms of False Signals
(Over the Period January 1952 to January 1982)

Series Title	Not Filtered		Filtered		Reduction in	
	Number False Signals	Error Rate	Number False Signals	Error Rate	Number False Signals	Error Rate
Composite Leading Index	64	17.8	10	2.8	54	15.0
Retail Trade, Furniture and Appliances	139	38.6	70	19.4	69	19.2
New Motor Vehicle Sales	148	41.1	70	19.4	78	21.7
Residential Construction Index	130	36.1	67	18.6	63	17.5
New Orders – Durable Products Industries	111	30.8	64	17.8	47	13.1
United States Composite Leading Index	54	15.0	11	3.1	43	11.9
Shipment to Inventory Ratio- (Finished Goods), Manufacturing	116	32.2	48	13.3	68	18.9
Average Workweek, Manufacturing	113	31.4	53	14.7	60	16.7
Percentage Change in Price Per Unit Labour Costs, Manufacturing	87	24.2	54	15.0	33	9.2
TSE300 Stock Price Index (Excluding Oil & Gas)	115	31.9	67	18.6	48	13.3
Money Supply (M1) (\$1971)	102	28.3	39	10.8	63	17.5
Average of Rows 2-11	111.5	31.0	54.3	15.1	57.2	15.9

Having disposed of these preliminary comments we can now turn our attention to Tables 1 and 2 which indicate that over the period January 1952 to January 1982 the non-filtered version of the leading index exhibited an average lead of 6.3 months at business cycle peaks, 1.9 months at troughs, and emitted a total of 64 false signals. If we define the error rate as the number of false signals divided by the total number of signals (that is by the 360 monthly movements in the span January 1952 to January 1982) we see that the non-filtered index had an error rate of 17.8 per cent. On the other hand the filtered index exhibited 10 false signals for an error rate of only 2.8 per cent. Of course a price was paid to reduce the error rate by 15.0 percentage points but we attempted to minimize this price. The filtered leading index has an average lead of 4.5 months at business cycle peaks (a loss of 1.8 months relative to the non-filtered index), and a 1.3 month lag at troughs (a loss of 3.2 months). The effect of filtering on the lead time of the component indicators is quite similar. The average lead time lost, across all components, is 2.0 months at peaks and 2.5 months at troughs. In terms of false signals, the average error rate across all 10 component indicators is 31.0 per cent for non-filtered data and 15.1 per cent for the filtered series. It is interesting to note that, as alluded to in Section II, the operation of aggregating the components to form the composite leading index reduces the error rate still further, independently of the filtering operation. In the case of non-filtered data the error rate drops from an average of 31.0 per cent across the components, to 17.8 per cent for the leading index. The effect of aggregation on the filtered error rate is even more dramatic, dropping from an average of 15.1 per cent for the components to just 2.8 per cent for the leading index.

C) Correspondence of the Leading Indicators with Income, Expenditure and Output Components:

At this point, in view of the previously expressed principle of obtaining comprehensive coverage of at least one of aggregate income, expenditure, and output, we review the correspondence of the leading indicators with components of these measures of aggregate economic activity.

A few preliminary remarks are in order. First, it appears that most available leading indicators are those that are associated with aggregate expenditure and its components. Accordingly, in what follows we should look most closely at the extent to which the leading indicators completely "cover" or are associated with the components of expenditure. The leaders associated with income and output can be regarded as back-up for the "core" expenditure-related indicators, as well as providing greater analytical and interpretive potential to the system.

Second, it is not always easy to determine the link between leading indicators and components of expenditure, income and output. In a previous section we sketched the rationale for the leading behaviour of each of the indicators and we hope that these rationales will explain the associations we are about to make below.

Finally, it should be pointed out that components of income, expenditure and output may have more than one leader associated with them and that, conversely, a leader may be associated with more than one of those components. In Table 3 below such multi-faceted correspondences are indicated by appropriate duplication of the table entries.

A brief glance at Table 3 indicates that most of the major expenditure components have associated leading indicators. The important exceptions are government current expenditures and imports. Government capital formation, like business investment, is partially related to and anticipated by new orders in durable manufacturing.

While it might be of some interest to have a leading indicator for government current expenditures, the lack of such a leader does not constitute a major defect. Also, since imports respond to aggregate income, the logical leading indicator for imports is the already defined leading index.

Table 3
Correspondence Between Leading Indicators and Income, Output and Expenditure Components

(i) Expenditure Component	Consumption	Associated Leaders Furniture and Appliance Sales New Motor Vehicle Sales Money Supply New Orders Durable Goods
	Capital Formation	
	Residential Construction	Residential Construction Index Money Supply
	Machinery and Equipment	New Orders Durable Goods Money Supply
	Non-Residential Construction	New Orders Durable Goods Money Supply
	Inventories	Shipment-Inventory Ratio Money Supply
	Exports	United States Leading Index
(ii) Output Component	RDP Manufacturing	Average workweek, manufacturing Shipment-Inventory Ratio, Manufacturing
(iii) Income Component	Profits	Stock Price Index Price Per Unit Labour Cost, Manufacturing
	Labour Income	Average workweek, manufacturing

We close this section by comparing the coverage attained by the four existing Canadian leading indicator systems. Since all four systems seem to come closest to achieving complete coverage with respect to expenditure, we will restrict our discussion to this sector. Also, since the usefulness of such a comparison lies as much in what it suggests for future development of existing systems as in evaluating their current relative merits, the discussion is structured by expenditure component rather than by leading indicator system.

i) Consumption:

TRENDICATOR has no leading indicator that can be specifically associated with consumption.⁸ The Bank of Commerce uses constant dollar new orders in manufacturing, which contains some orders coming directly from the consumer sector, but these are not segregated from orders received from non-consumer sectors. A similar comment applies to Statistics Canada's use of constant dollar new orders for durable goods. Statistics Canada also uses new motor vehicle sales and furniture and appliance sales which can be directly related to consumption, but which also exhibit relatively short leads. Singer uses the percentage changes in consumer credit outstanding, although it appears that the leading behaviour of this series is due only to the mechanical effects of the percentage change operator since Singer also uses the levels of consumer instalment credit as a lagging indicator.

Future work in this sector should investigate splitting out the consumer portion of new orders; developing a theoretically more appealing form of the consumer credit variable; and evaluating other potential leading indicators such as consumer attitudes, etc.

ii) Residential Construction:

All four systems have reasonably good coverage in this area.

iii) Machinery and Equipment:

TRENDICATOR has no leading series directly related to this sector. To the extent that new orders in manufacturing capture machinery and equipment expenditures this expenditure sector is covered by the Singer, Commerce, and Statistics Canada systems. In all cases, however, orders related to machinery and equipment need to be segregated from the overall orders series.

iv) Non-Residential Construction:

The Bank of Commerce and Singer use deflated non-residential building permits as a leading indicator of non-residential construction expenditures. Statistics Canada's new orders for durable goods captures some of the expenditures on non-residential construction but again there is the need to segregate the appropriate portion of the total orders series. TRENDICATOR uses deflated value of total building permits and would also benefit by isolating the non-residential portion from the total.

Future development of a leading indicator for this sector should focus on combining the information contained by appropriately deflated non-residential building permits and by the portion of the new orders series that represents input to the non-residential construction sector.

v) Inventories:

Neither TRENDICATOR nor the Bank of Commerce have a series related to the inventory component of expenditure. Statistics Canada uses the ratio of shipments to finished goods inventories in the manufacturing sector, while Singer uses the quarterly change in business non-farm inventories. Future work might explore monthly inventory-related leading indicators in non-manufacturing sectors.

vi) Exports:

TRENDICATOR has no leading indicator of exports whereas both Statistics Canada and the Bank of Commerce use the United States leading index. An index using only Canadian data could be constructed by replacing the U.S. leading index by new orders received by export-oriented industries. This would also have the advantage of capturing export expenditures made by countries other than the United States. An argument could be made that Singer's Index of U.S. Spot Market Prices reflects U.S. demand for Canadian commodities. Entering the 1980 recession however, the U.S. Leading Index peaked in October 1978 whereas the Singer Commodity Price Index peaked in February 1980.

⁸Of course TRENDICATOR contains indicators such as the money supply which affect many sectors of the economy and can be related to consumption. In this discussion, however, we are concerned with relationships that can be used to directly assess the outlook for the sector in question.

Appendix I

Method of Constructing and Updating Composite Index

A. Constructing Composite Index

The first step in constructing the composite leading index is to take month-to-month percent changes for each component series. To ensure symmetrical⁹ treatment of positive and negative changes, the percent changes are computed using the formula, $200(y_t - y_{t-1}) / (y_t + y_{t-1})$. For those series which can contain zero or negative values, and for series which are already in percentage or ratio form, simple month-to-month differences rather than percent changes are computed.

To prevent the more volatile component series from dominating the index, the percent changes (or differences) for each component are standardized to make the average value equal to zero and standard deviation one. This also makes it possible to combine series with different units of measurement.

The next step is to combine the adjusted series to produce an equally weighted average. The resulting average is then multiplied by a constant (3.47019) equal to the average standard deviation of the components. This has the effect of replacing some of the cyclical amplitude which was removed by the standardization procedure. The average standardized series with the average standard deviation included is then subjected to a "reverse trend adjustment" to ensure that the index has the same trend as a coincident indicator. That is, the average monthly percentage change (.36) of a coincident indicator is added and the series (y_t) transformed to levels (x_t) by reversing the symmetric percentage change operation using the formula: $x_t = x_{t-1}(200 + y_t)/(200 - y_t)$. The index is then converted to the desired base (1971 is currently used as the base year) by dividing each term by the average value of the index in the base year and multiplying by 100.

The leading index, and its components, are then filtered with minimum phase shift filters (Rhoades [6]) so as to minimize false signals and maximize lead time.

⁹The conventional formula for calculating the percent change over a given time interval is $100(y_t - y_{t-1})/y_{t-1}$. In the modified formula, the sum of y_t and y_{t-1} is used as the denominator in order to keep positive and negative percent changes symmetrical. Consider, for example, a series in which the consecutive values are 4, 8, 4, 8, 4, 8 and 4. Although there is no upward trend in such a series, the conventional percent change formula will yield an average change of +25 percent (since 3 increases of 100 percent, and 3 decreases of 50 percent would be averaged). The modified formula, however, will yield an average change of zero since an equal number of increases and decreases of 66-2/3 percent would be averaged.

B. Updating and Revising the Composite Leading Index

The composite leading index is updated and revisions made each month. Calculations of new standardization factors each month produce new standard deviations and means for the component indicators. Using these new factors in the construction of the leading index would result in revisions to the index extending back beyond the most recent data. To prevent this, standardization factors are calculated only on a periodic basis. The period presently being used is January 1952 to December 1979.

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Glossary

Diffusion index	a diffusion index is a measure, taken across a group of time series, that indicates the uniformity of movement exhibited by the group. More precisely, for any given period the diffusion index is equal to the percentage of series in the group that are expanding during that period. The diffusion index thus indicates the dispersion or diffuseness of a given change in the aggregate. Since business cycle changes generally affect many economy processes diffusion indexes are useful in determining whether a change is due to cyclical forces.			selves with roughly the same frequency. In the context used here we refer to removing the high frequency, or irregular movements, so that one can better judge whether the current movement represents a change in the trend-cycle. Unfortunately all such filtering entails a loss of timeliness in signalling cyclical changes. We have attempted to minimize this loss in timeliness by filtering with minimum phase shift filters.
End point seasonal adjustment	this procedure uses the data for the current period in estimating the seasonal factor for that period. In contrast the projected factor procedure calculates the seasonal factor for the current period by extrapolating past data. The end point procedure therefore allows changing seasonal patterns to be recognized sooner than the projected factor procedure.	Final demand		final domestic demand plus exports. It can also be computed as GNP excluding inventory changes.
External trade Balance-of-payments basis	data which reflect a number of adjustments applied to the customs totals to make them consistent with the concepts and definitions used in the system of national accounts.	Final domestic demand		the sum of personal expenditure on goods and services, government current expenditure, and gross fixed capital formation by Canadians. Final domestic demand can also be viewed as GNP plus imports less exports and the change in inventories; that is, it is a measure of final demand by Canadians irrespective of whether the demand was met by domestic output, imports or a change in inventories.
Customs basis	totals of detailed merchandise trade data tabulated directly from customs documents.	Inventories By stage of processing		within a given industry inventories may be classified depending on whether processing of the goods, from that industry's point of view, is complete, is still underway, or has not yet begun. Inventories held at these various stages of processing are referred to as finished goods, goods in process, and raw materials respectively. Note that in this context the term raw materials does not necessarily refer to raw or primary commodities such as wheat, iron ore, etc. It simply refers to materials that are inputs to the industry in question.
Net exports	exports less imports.			
Terms of trade	the ratio of merchandise export prices to merchandise import prices. This ratio can be calculated monthly on a customs basis from External Trade data, or quarterly on a balance of payments basis from GNP data.			
Filtered, filtering	in general the term filtering refers to removing, or filtering out, movements of the data that repeat them-	Labour market Additional worker effect		refers to the hypothesis that as the unemployment rate rises, the main income earner in the family unit may

	become unemployed, inducing related members of the unit who were previously not participating in the labour force to seek employment. This is also referred to as the 'secondary worker effect'.		labour market, in the reference period. Inmates of institutions and full-time members of the Canadian Armed Forces are excluded because they are considered to exist outside the labour market.
Discouraged worker effect	refers to the hypothesis that as the unemployment rate increases, some persons actively seeking employment may become 'discouraged' as their job search period is extended, and drop out of the labour force.	Large firm employment	includes all persons drawing pay for services rendered or for paid absence during the survey reference period and for whom an employer makes CPP or QPP and/or UIC contributions. The employee concept excludes owners of unincorporated businesses and professional practices, the self-employed, unpaid family workers, persons doing non-remunerative work, pensioners, home workers, members of elected or appointed bodies, military personnel and persons providing services to an establishment on a contract basis. It is based on data collected in the Employment, Payrolls and Manhours Survey.
Employed	persons who, during the reference period for the Labour Force Survey: a) did any work at all, for pay or profit in the context of an employer-employee relationship, or were self-employed. It includes unpaid family work which is defined as work contributing directly to the operation of a family farm, business, or professional practice owned or operated by a related member of the household. b) had a job but were not at work due to own illness or disability, personal or family responsibilities, bad weather, labour dispute or other reasons (excluding persons on lay-off and those with a job to start at a future date).	Paid worker	a person who during the reference period did work for pay or profit. Paid workers do not include persons who did unpaid work which contributed directly to the operation of a family farm, business, or professional practice owned and operated by a related member of the household.
Employment, Payrolls and Manhours Survey	a monthly mail census of firms employing 20 or more employees, collecting payroll information on the last week or pay period in the reference month, including figures on average hours, earnings, and employment.	Participation rate	represents the labour force as a percentage of the population 15 years of age and over. The participation rate for a particular group is the percentage of that group participating in the labour force.
Employment rate	represents employment as a percentage of the population 15 years of age and over.	Unemployed	those who during the reference period: a) were without work, and had actively looked for work in the past four weeks (ending with the reference week) and were available for work, or b) had not actively looked for work in the past four weeks but had been on
Labour force	persons in the labour force are those members of the population 15 years of age and over who, in the reference period were either employed or unemployed.		
Labour Force Survey	is a monthly household survey which measures the status of the members of the household with respect to the		

	layoff (with the expectation of returning to work) for 26 weeks or less and were available for work, or c) had not actively looked for work in the past four weeks but had a new job to start in four weeks or less from the reference week, and were available for work.		
Monetary base	the sum of notes in circulation, coins outside banks, and chartered bank deposits with the Bank of Canada. Also referred to as the high-powered money supply.	Laspeyres price index	Selling Price Index is a set of base weighted price indices designed to measure movement in prices of products sold by Canadian Establishments classified to the manufacturing sector by the 1970 Standard Industrial Classification. the weights used in calculating an aggregate Laspeyres price index are fixed weights calculated for a base period. Thus changes in a price index of this type are strictly due to price movements.
Prices		Paasche price index	the weights used in calculating an aggregate Paasche price index are current period weights. Changes in a price index of this type reflect both changes in price and importance of the components.
Commodity prices	daily cash (spot) prices of individual commodities. Commodity prices generally refer to spot prices of crude materials.		
Consumer prices	retail prices, inclusive of all sales, excise and other taxes applicable to individual commodities. In effect, the prices which would be paid by final purchasers in a store or outlet. The Consumer Price Index is designed to measure the change through time in the cost of a constant "basket" of goods and services, representing the purchases made by a particular population group in a specified time period. Because the basket contains a set of goods and services of unchanging or comparable quantity and quality changes in the cost of the basket are strictly due to price movements.	Valuation Constant dollar	represents the value of expenditure or production measured in terms of some fixed base period's prices. (Changes in constant dollar expenditure or production can only be brought about by changes in the physical quantities of goods purchased or produced).
		Current dollar	represents the value of expenditure or production measured at current price levels. A change in current dollar expenditure or production can be brought about by changes in the quantity of goods bought or produced or by changes in the level of prices of those goods.
Implicit prices	prices which are the by-product of a deflation process. They reflect not only changes in prices but also changes in the pattern of expenditure or production in the group to which they refer.	Nominal	represents the value of expenditure or production measured at current price levels. 'Nominal' value is synonymous with 'current dollar' value.
Industry prices	prices charged for new orders in manufacturing excluding discounts, allowances, rebates, sales and excise taxes, for the reference period. The pricing point is the first stage of selling after production. The Industry	Real	'real' value is synonymous with 'constant dollar' value.

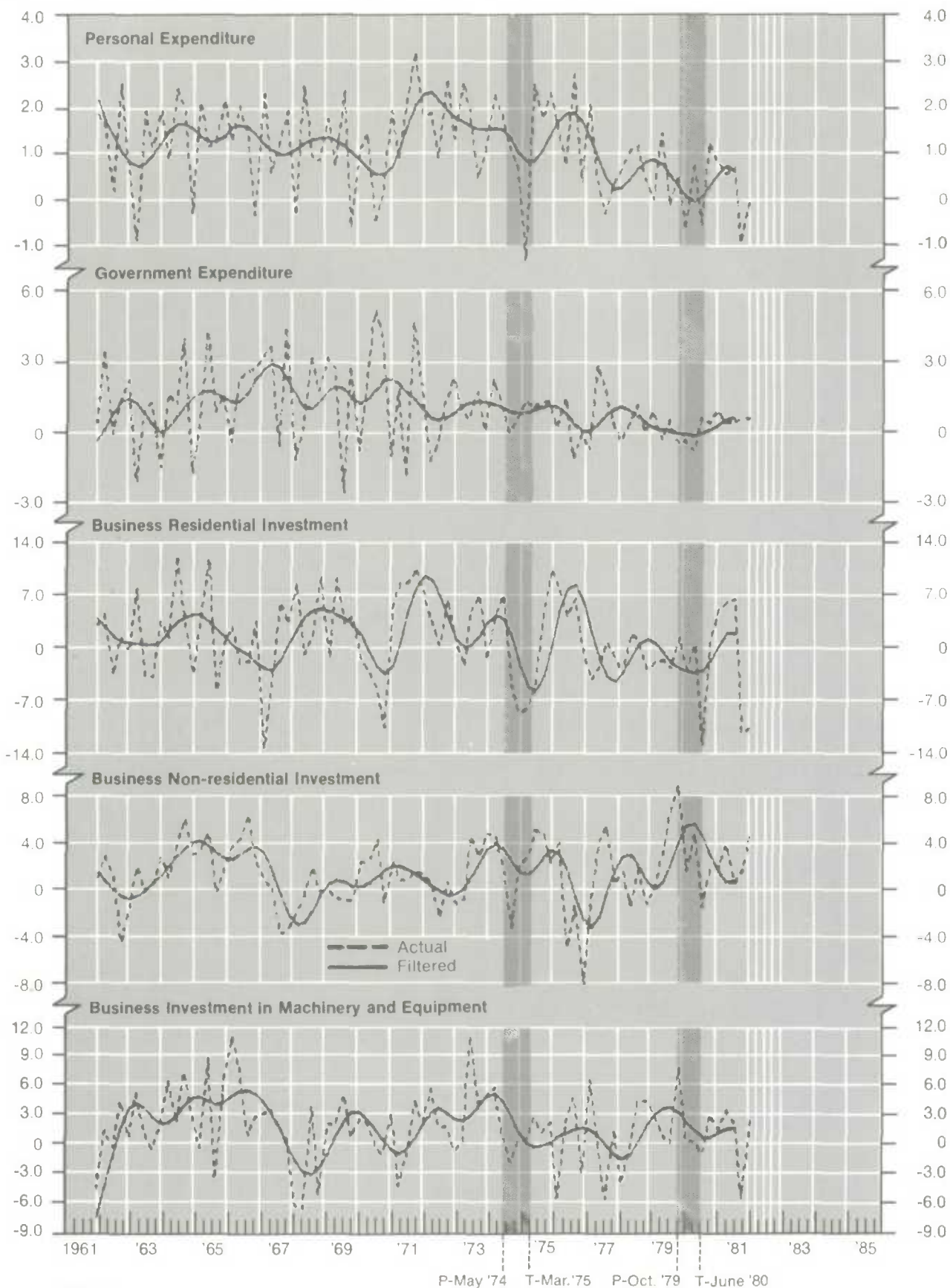
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Chart — 1

Gross National Expenditure in Millions of 1971 Dollars

(Percentage Changes of Seasonally Adjusted Figures) (1961 Q2-1981 Q4)

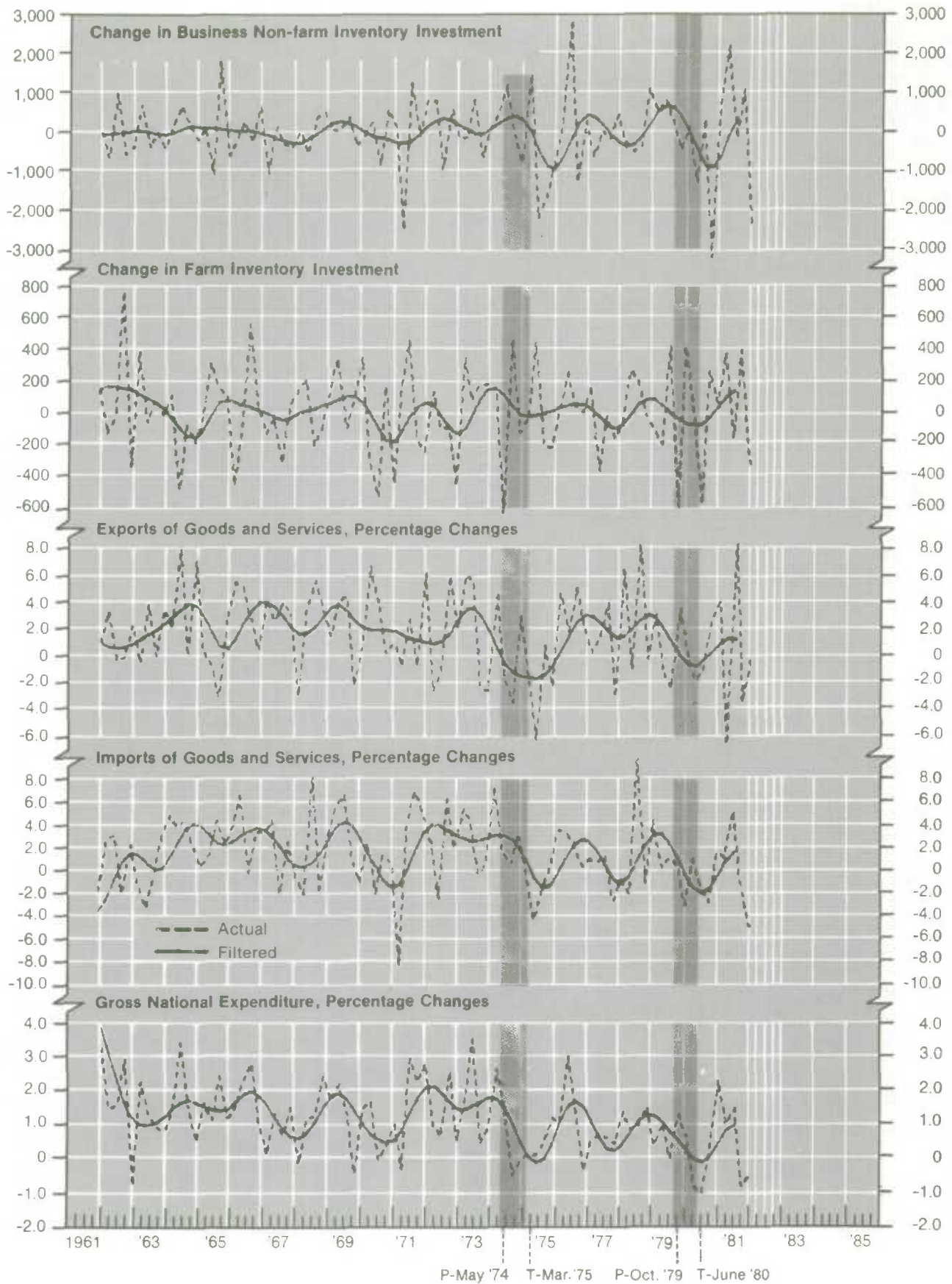


P-Peak
T-Trough

Chart — 2

Gross National Expenditure in Millions of 1971 Dollars

(Seasonally Adjusted at Annual Rates) (1961 Q2-1981 Q4)



P-Peak

T-Trough

Chart — 3

Real Output by Industry

(Percentage Changes of Seasonally Adjusted Figures) (June/61-Oct./81)

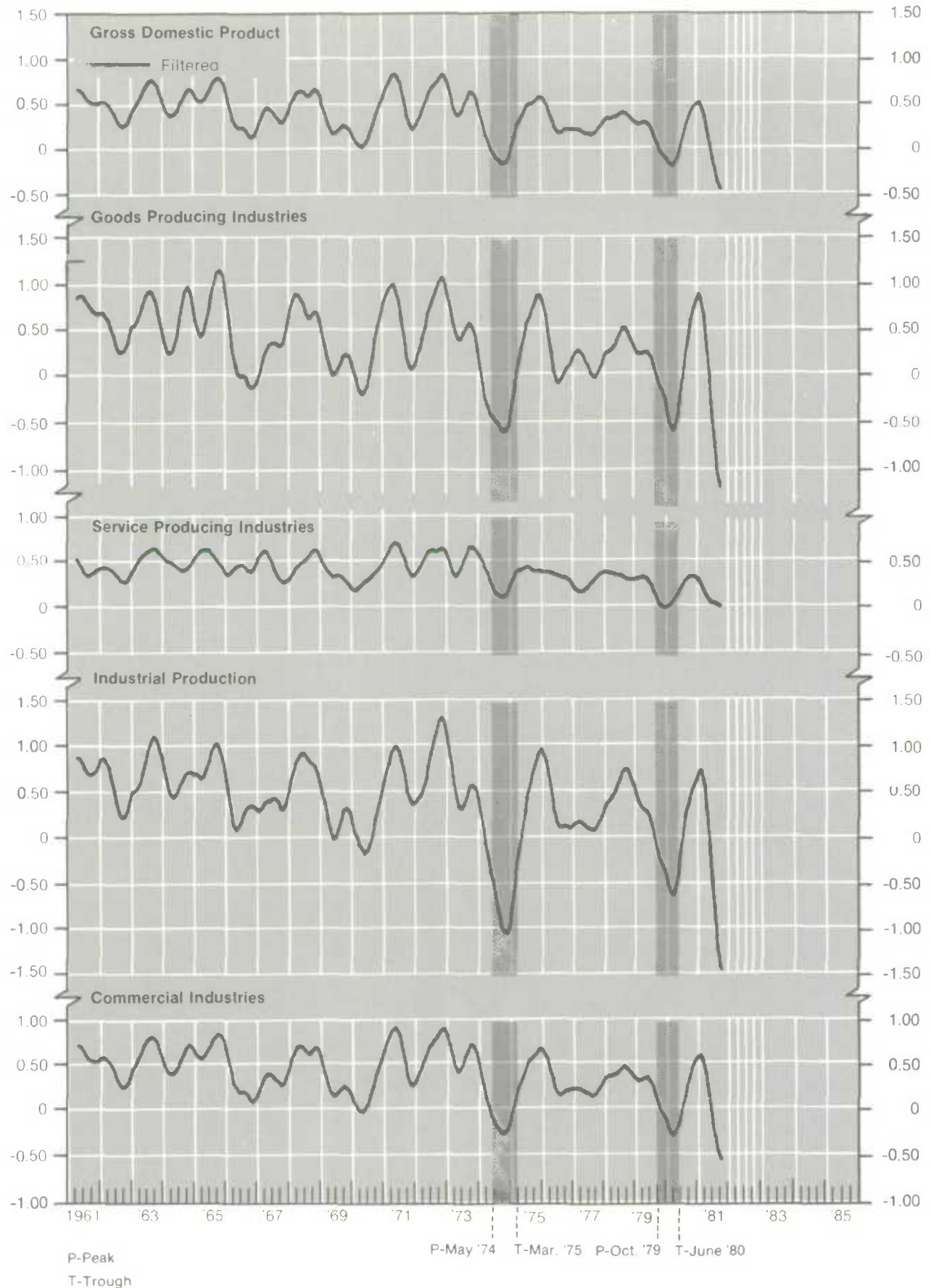


Chart — 4
Demand Indicators
 (Seasonally Adjusted Figures)

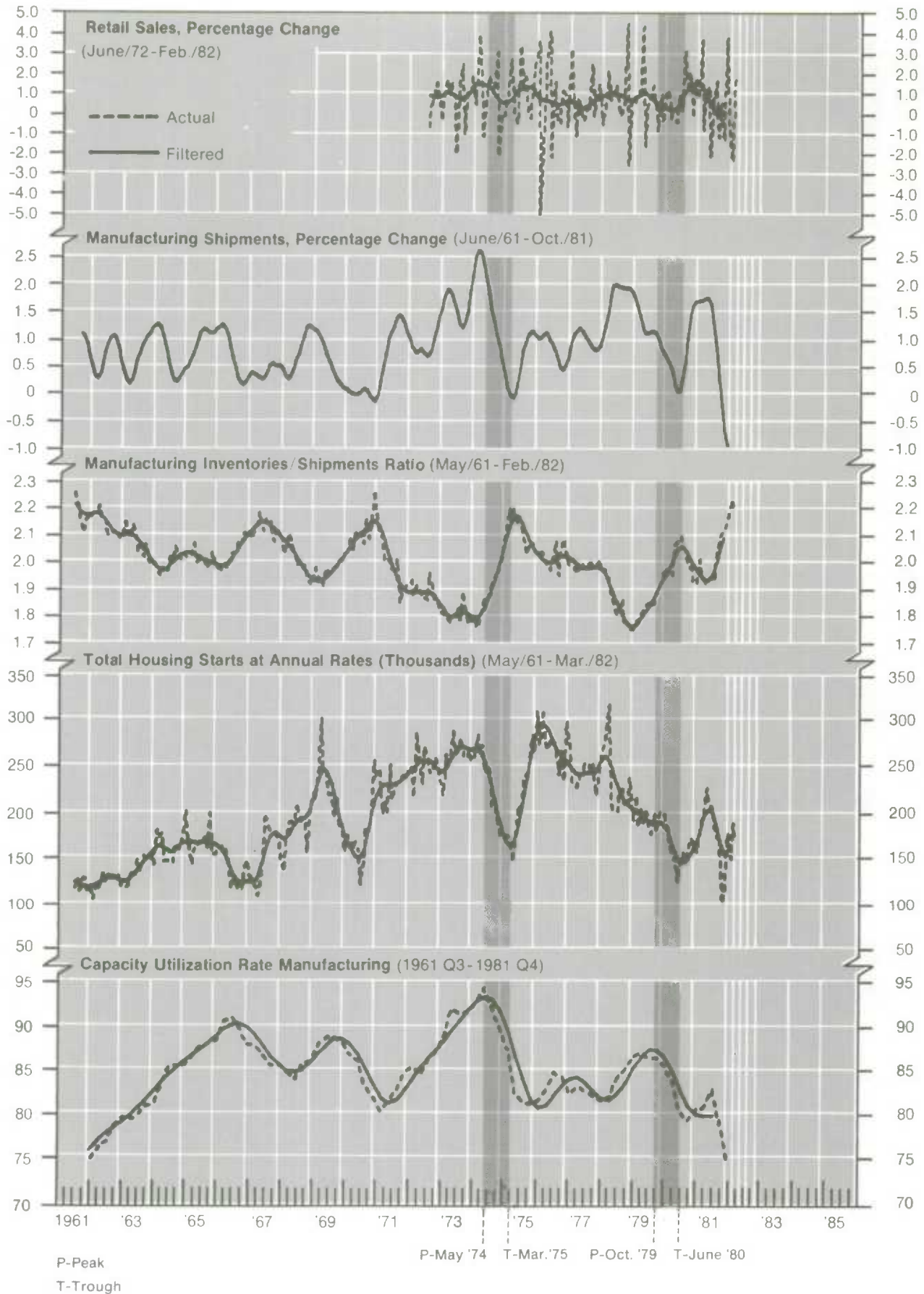


Chart — 5
Labour Market
 (Seasonally Adjusted Figures)

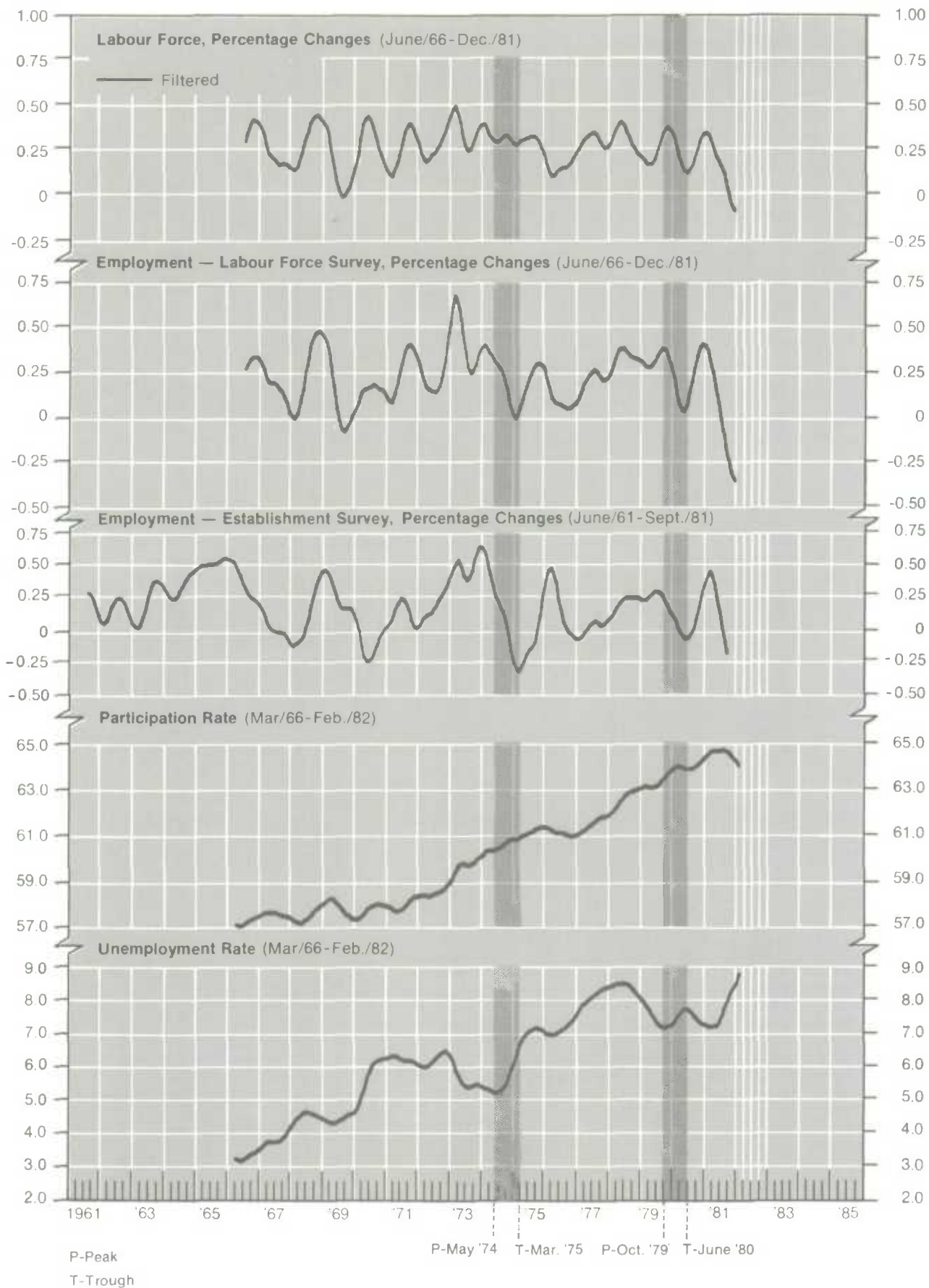


Chart — 6
Prices and Costs

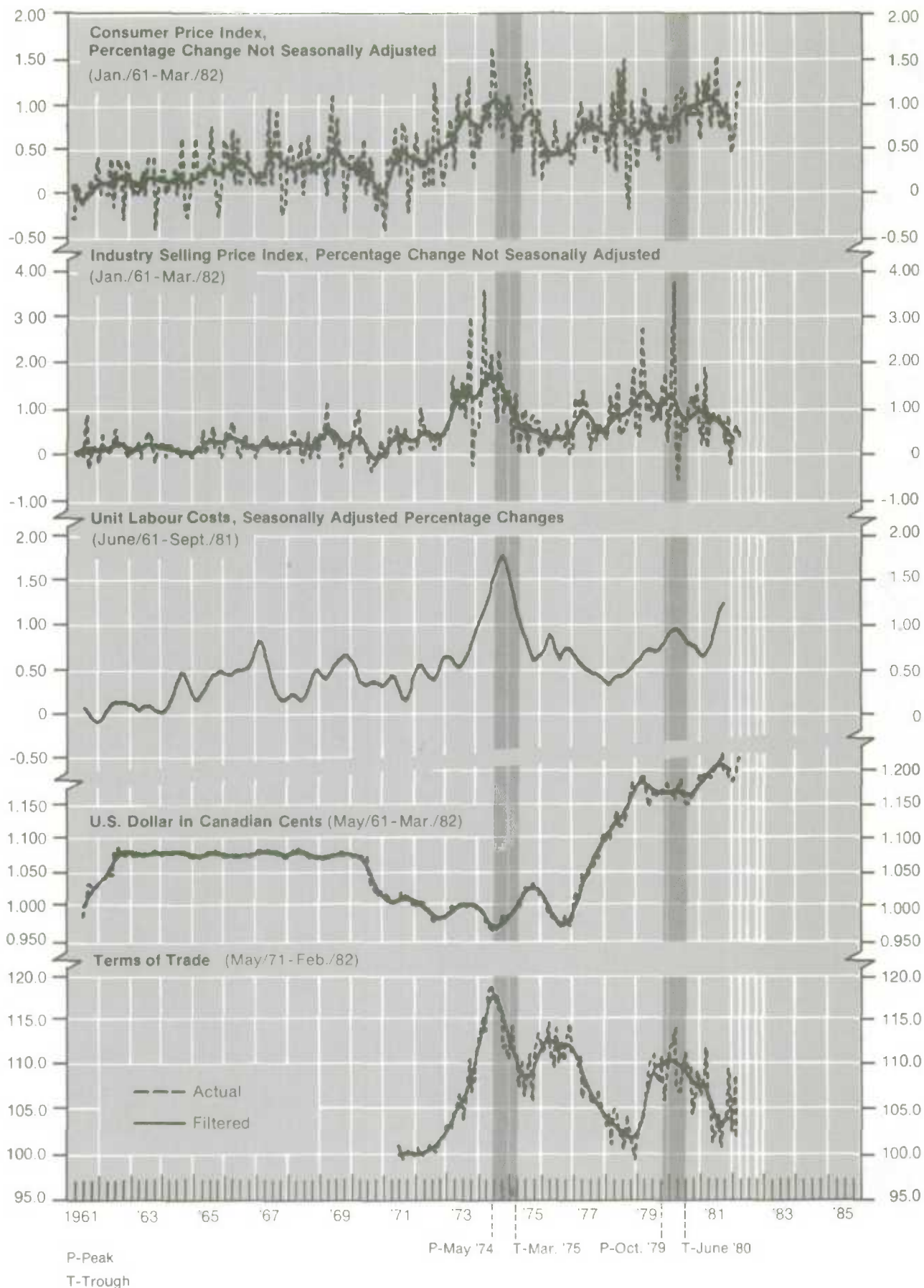


Chart — 7

Gross National Expenditure, Implicit Price Indexes

(Percentage Changes of Seasonally Adjusted Figures) (1961 Q2-1981 Q4)

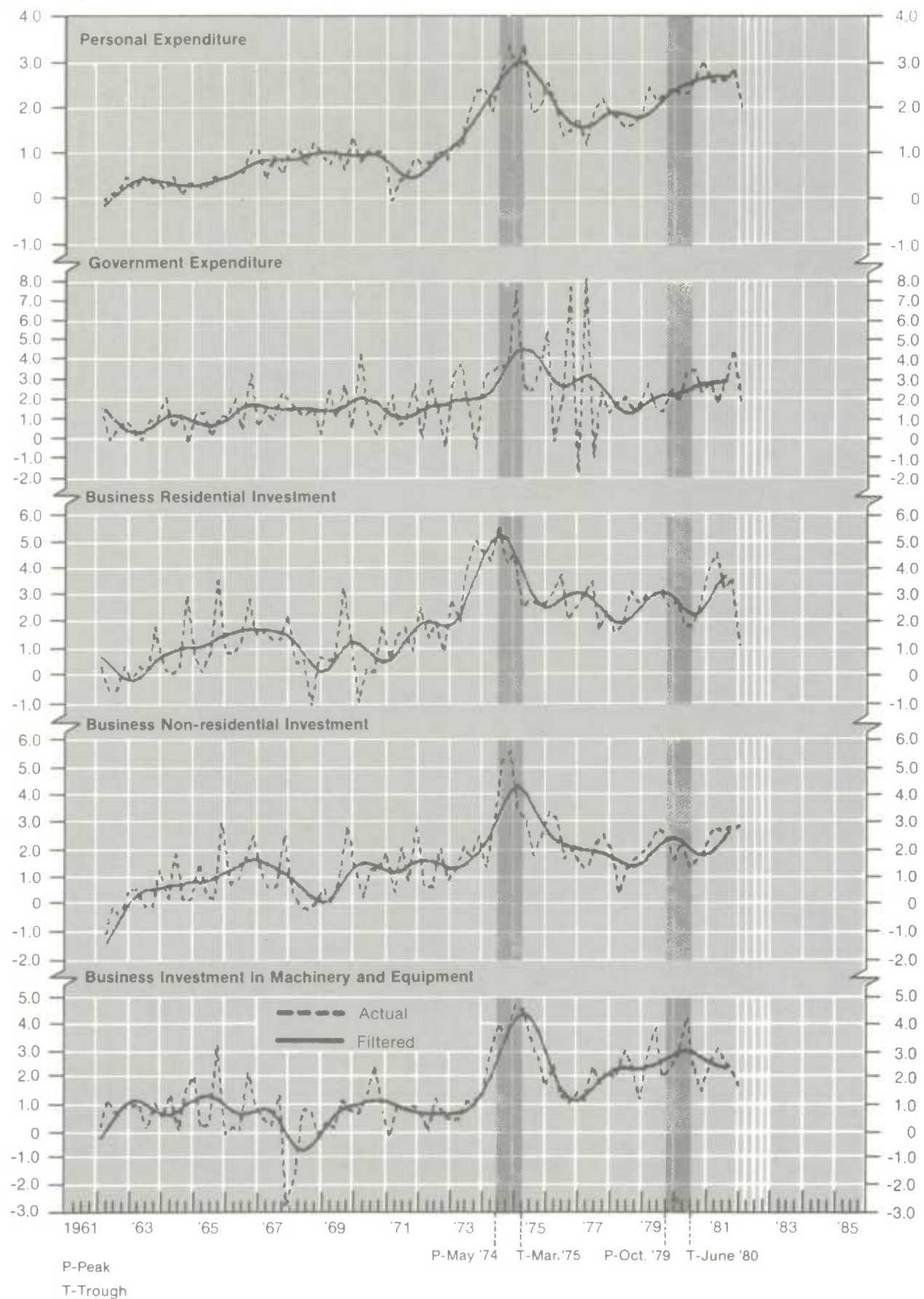


Chart — 8

Gross National Expenditure, Implicit Price Indexes and National Income, Selected Components

(Percentage Changes of Seasonally Adjusted Figures) (1961 Q2 - 1981 Q4)

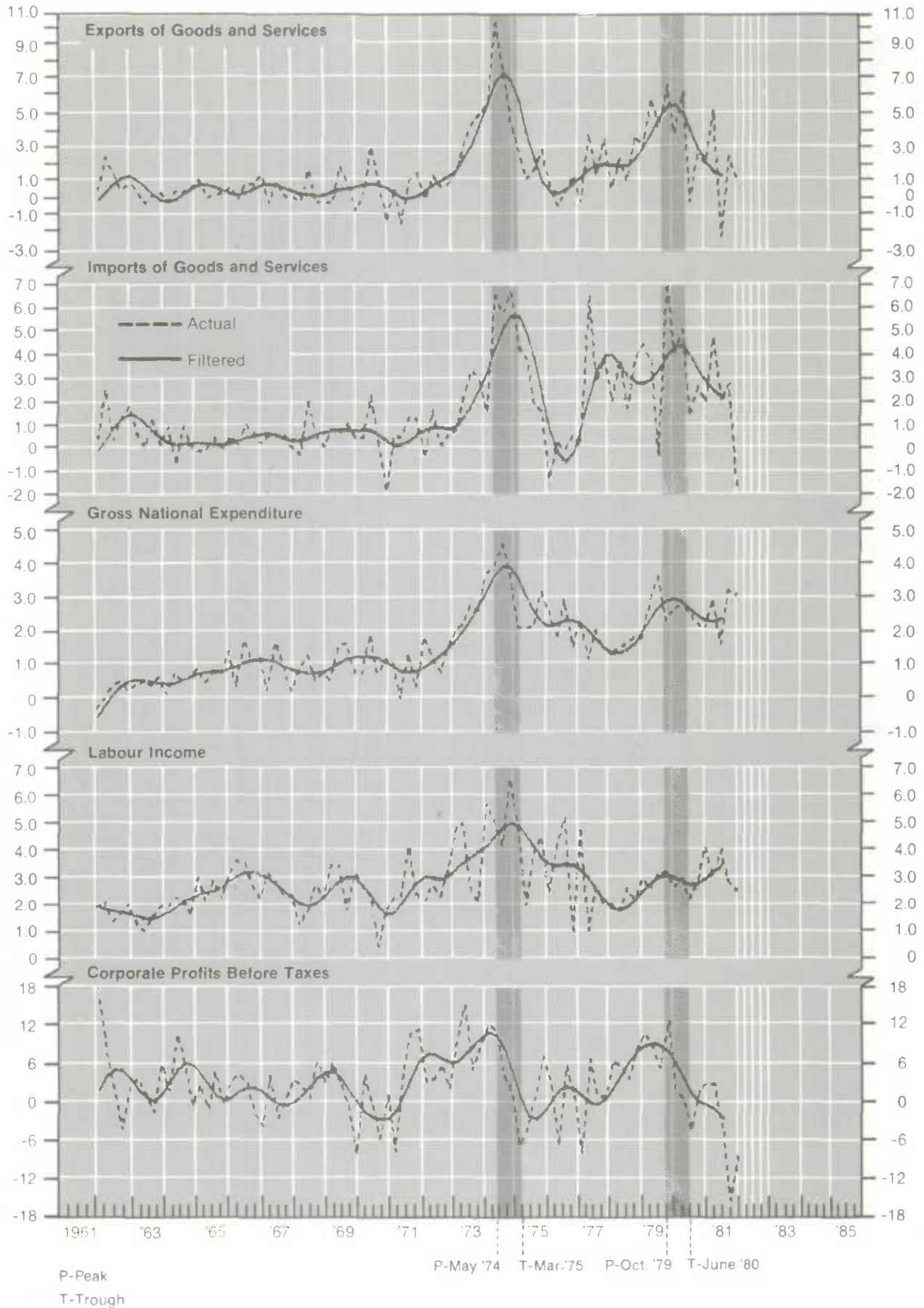


Chart — 9

External Trade, Customs Basis

(Percentage Changes of Seasonally Adjusted Figures)

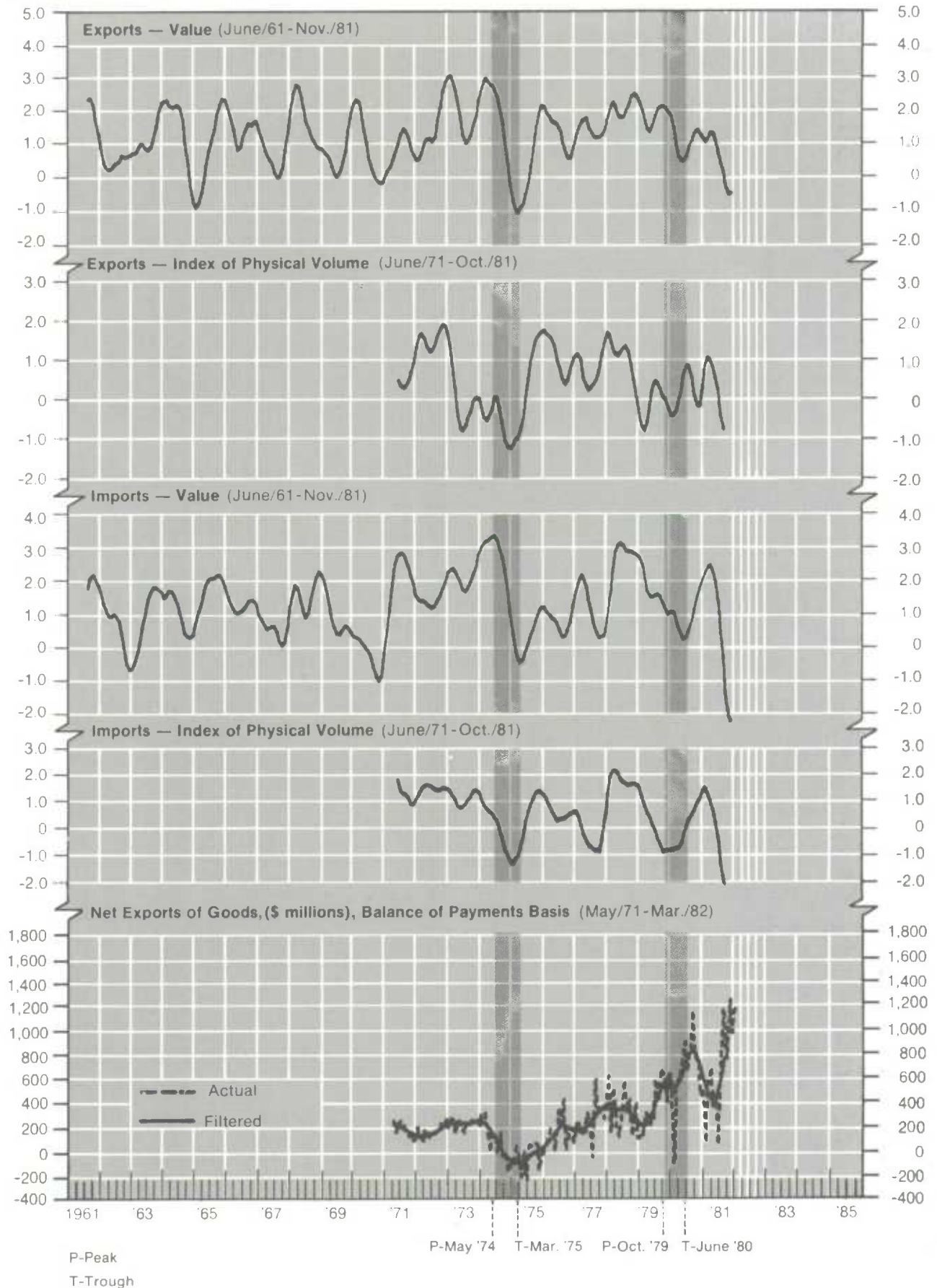


Chart — 10
Canadian Balance of International Payments
(Millions of dollars)

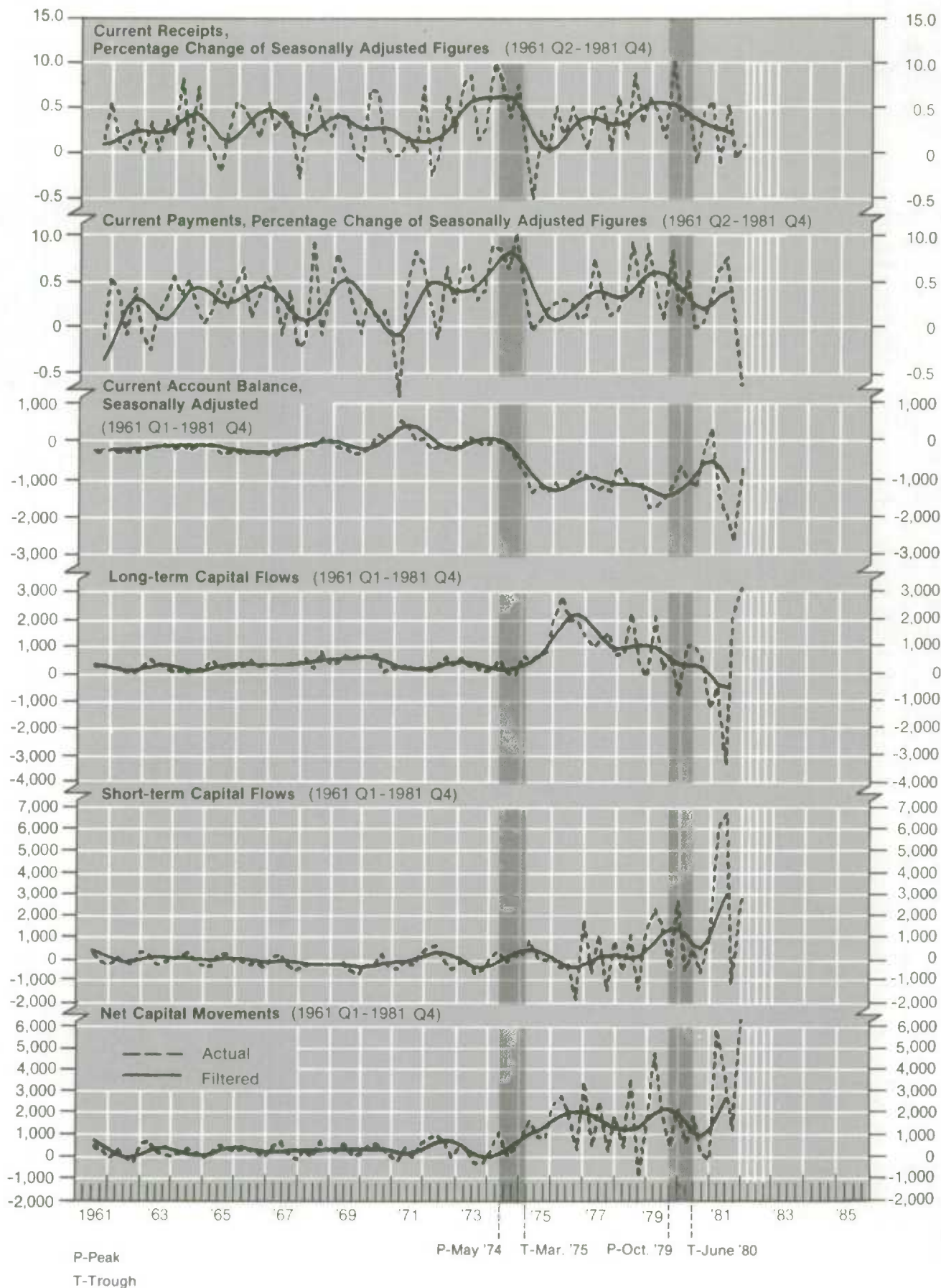


Chart — 11
Financial Indicators

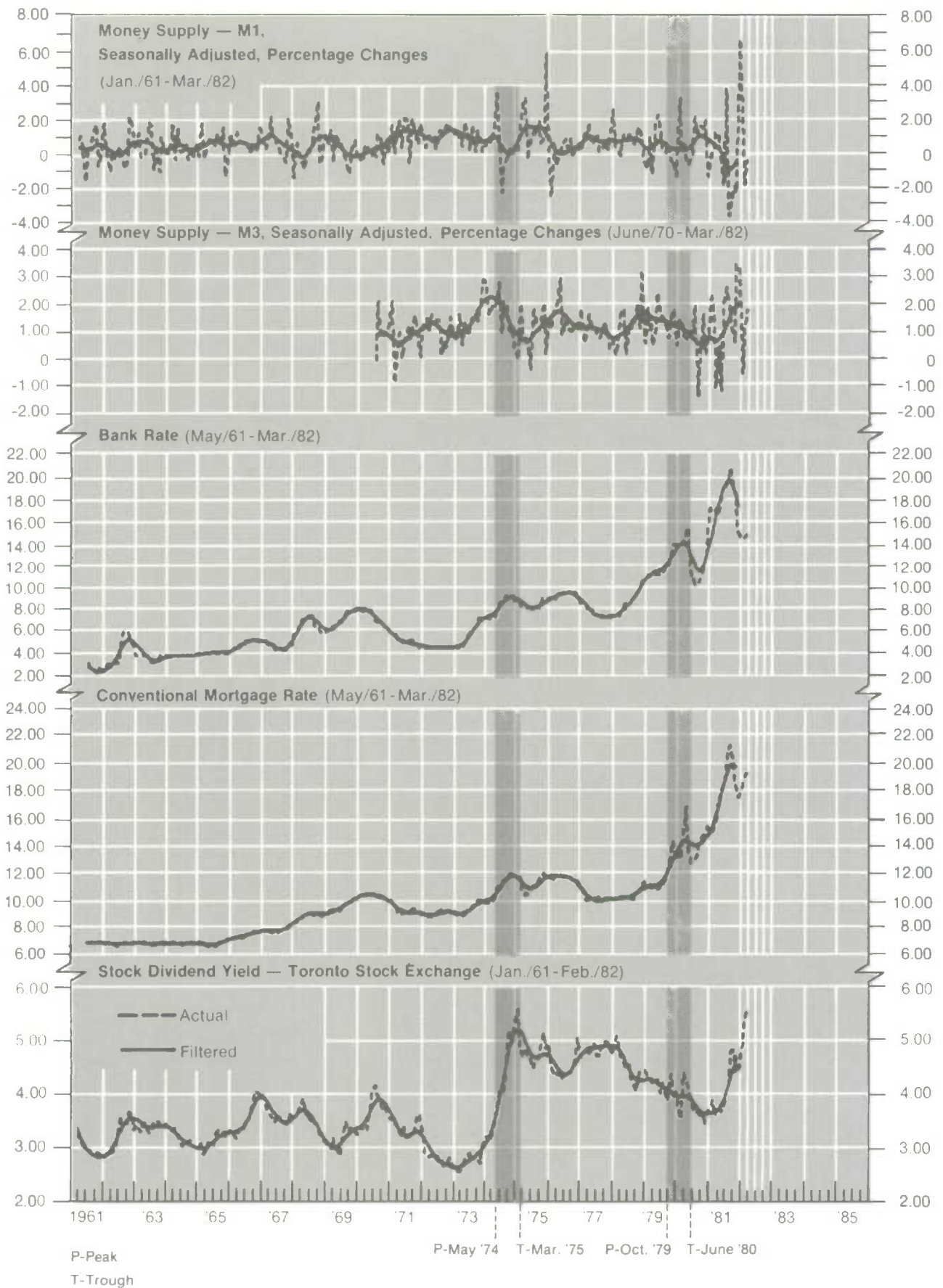


Chart — 12

Canadian Leading and Coincident Indicators (Jan./61 - Feb./82)

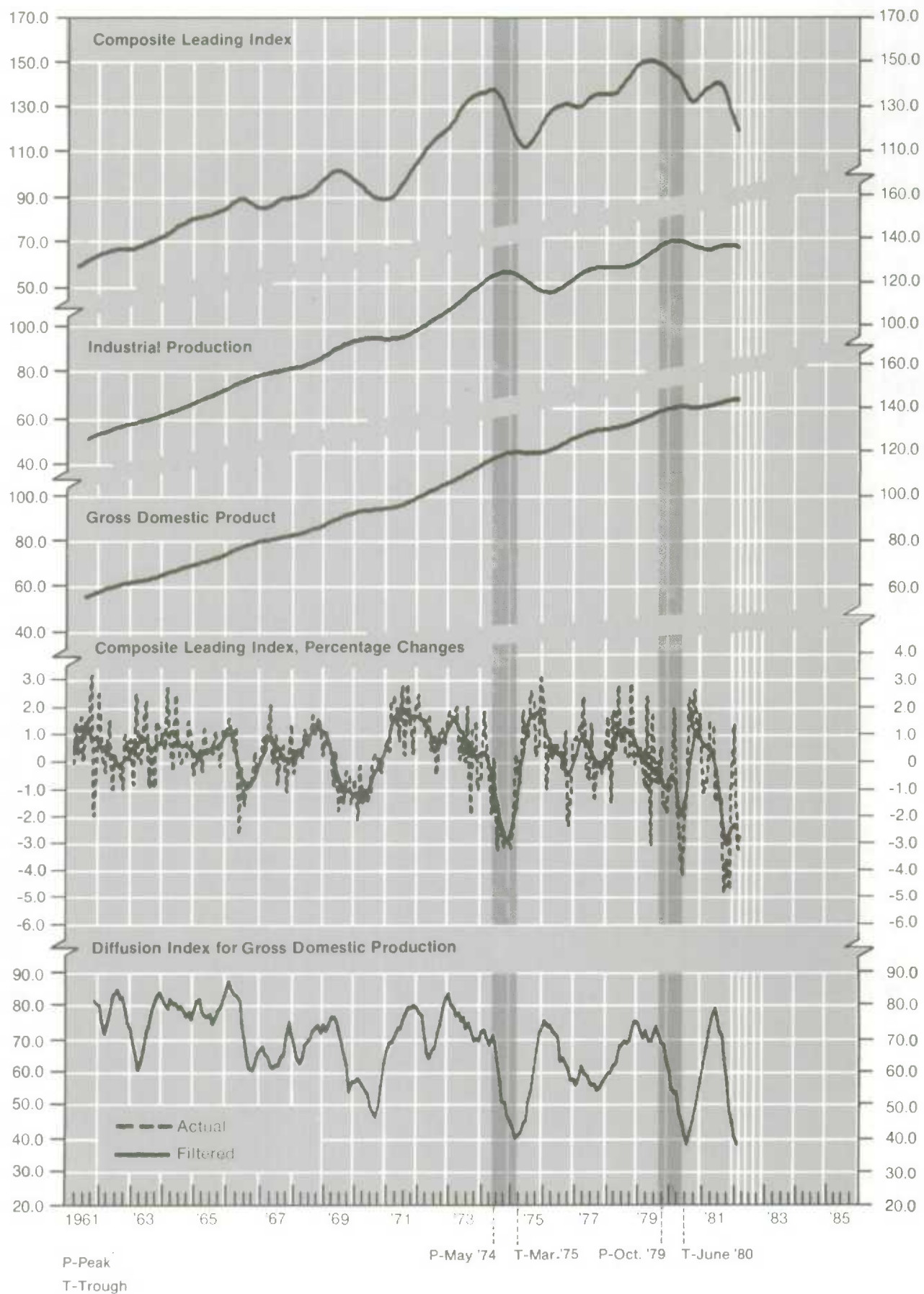


Chart — 13

Canadian Leading Indicators (Jan./61-Feb./82)

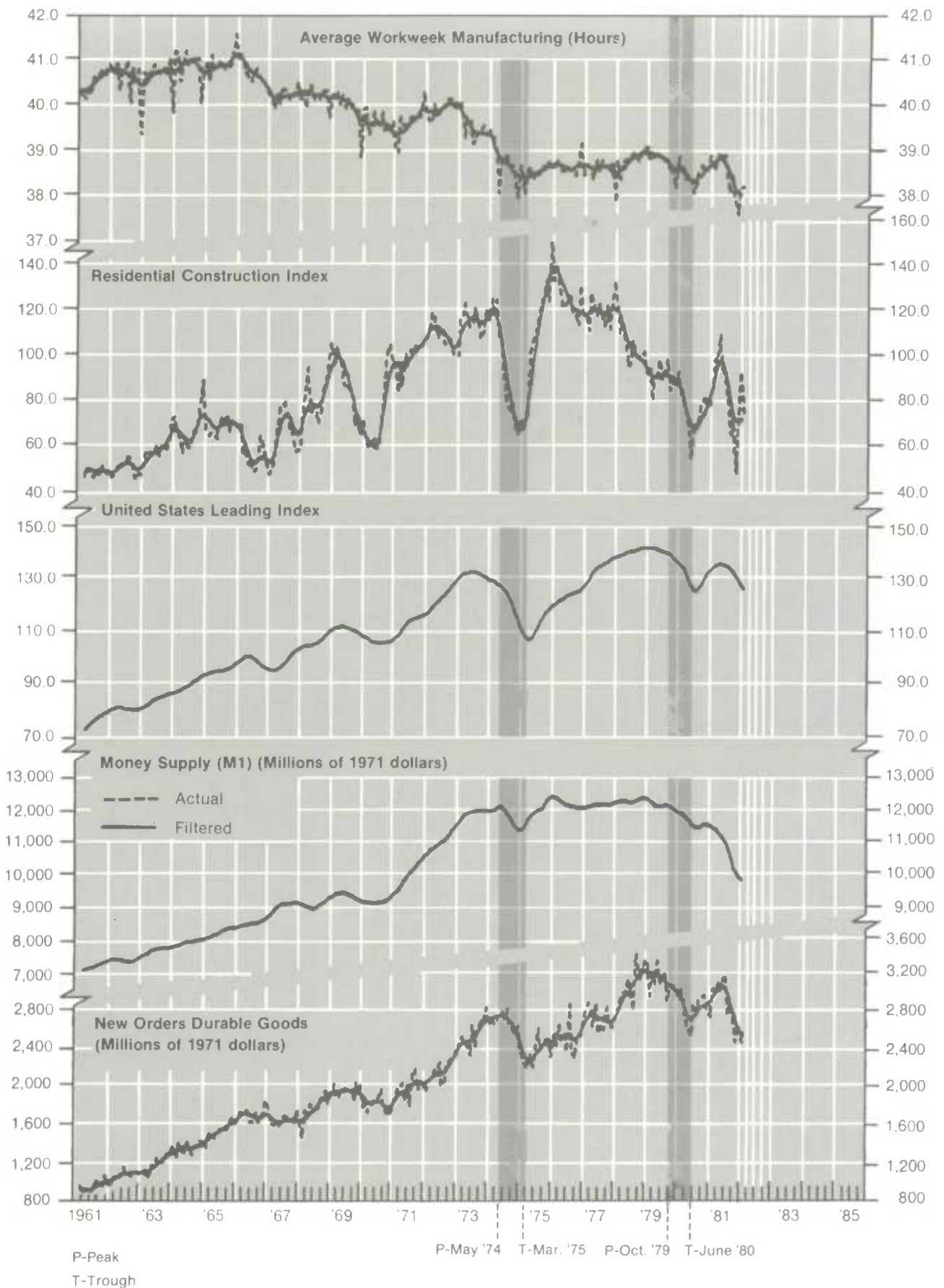
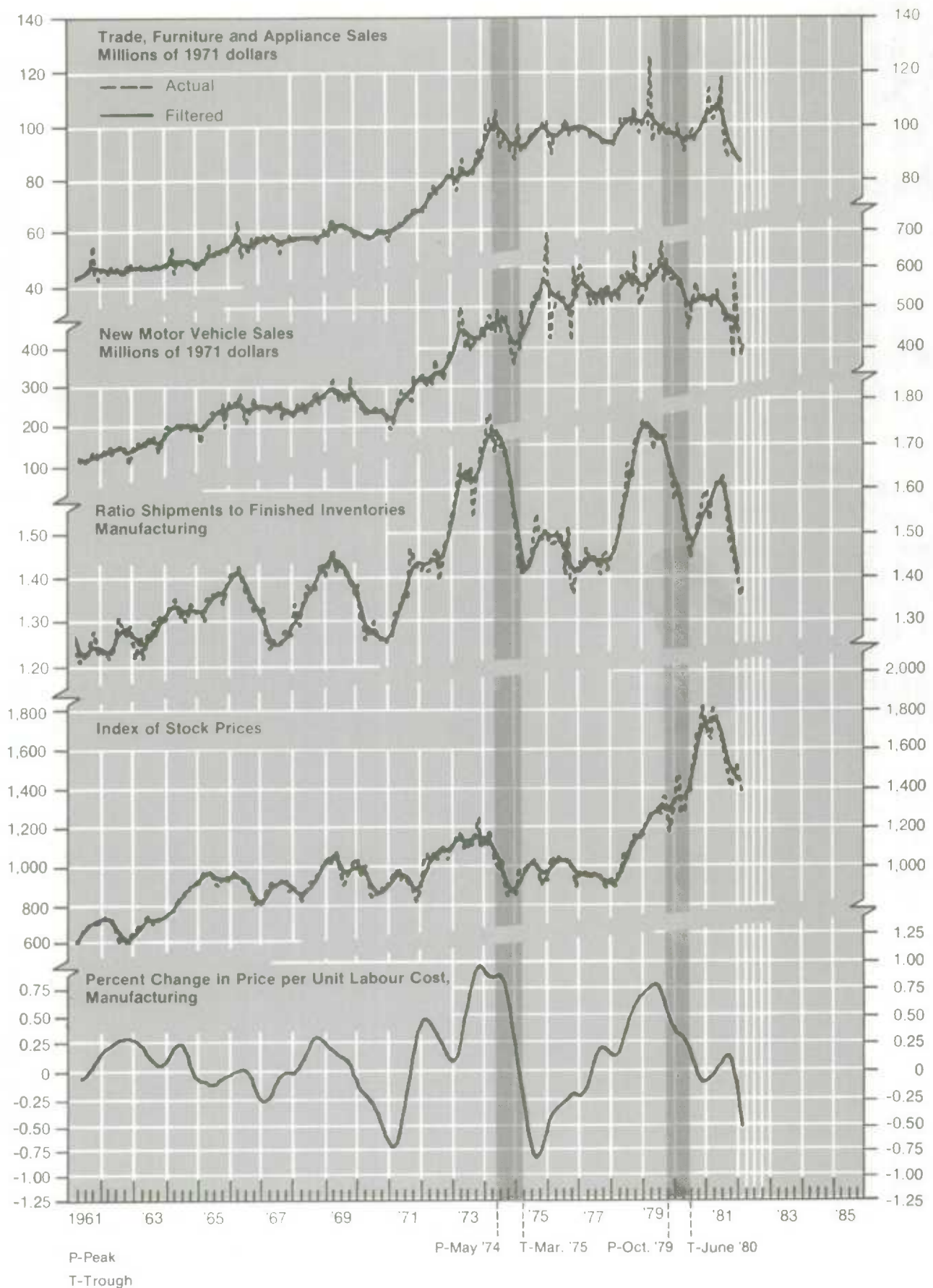


Chart — 14

Canadian Leading Indicators (Jan./61-Feb./82)



Main Indicators

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GROSS NATIONAL EXPENDITURE IN 1971 DOLLARS
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	PERSONAL EXPENDI- TURE	GOVERNMENT EXPENDI- TURE	BUSINESS FIXED INVESTMENT			INVENTORY INVESTMENT		EXPORTS	IMPORTS	GROSS NATIONAL EXPENDITURE
			RESIDENTIAL CONST- RUCTION	NON RESIDENTIAL CONST- RUCTION	MACHINERY AND EQUIPMENT	BUSINESS NON-FARM (1)	FARM AND GICC (1)(2)			
1977	2.9	3.2	-6.3	3.0	-.4	-571	-335	5.9	2.1	2.1
1978	2.8	1.6	-3.3	1.9	2.4	-46	218	10.3	4.6	3.7
1979	2.0	.5	-7.3	13.3	11.2	1766	-126	2.7	6.0	3.0
1980	1.0	-.5	-10.6	12.4	5.6	-2454	-180	1.0	-2.2	.0
1981	1.7	2.0	1.4	8.4	5.6	1154	380	1.4	3.1	3.0
1980 I	.8	-.9	.1	4.8	.2	-1248	-20	-1.8	1.1	-.9
II	-.5	.5	-12.9	-1.5	-1.0	328	-548	-.8	-1.3	-1.0
III	1.2	.3	.5	1.7	3.1	-3148	252	2.6	-2.5	.2
IV	.8	.9	4.8	1.9	1.6	776	52	4.0	1.7	2.3
1981 I	.6	.4	5.7	3.8	3.5	2220	356	-6.5	1.2	1.0
II	.7	.4	6.1	.6	2.3	-152	-148	8.2	5.3	1.4
III	-.9	.5	-11.6	1.6	-5.4	1080	372	-3.4	-1.0	-.9
IV	.0	.5	-10.8	4.9	2.4	-2328	-316	.0	-4.7	-.5

SOURCE: NATIONAL INCOME AND EXPENDITURE ACCOUNTS, CATALOGUE 13-001, STATISTICS CANADA.

(1) DIFFERENCE FROM PRECEDING PERIOD, ANNUAL RATES.

(2) GICC - GRAIN IN COMMERCIAL CHANNELS.

REAL OUTPUT BY INDUSTRY
1971=100
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	GROSS DOMES- TIC PRODUCT	GROSS DOMESTIC PRODUCT EXCLUDING AGRICUL- TURE	GOODS PRODUCING INDUSTRIES	SERVICE PRODUCING INDUSTRIES	INDUSTRIAL PRODUCTION	DURABLE MANUFAC- TURING INDUSTRIES	NON- DURABLE MANUFAC- TURING INDUSTRIES	MINING INDUSTRY	COM- MERCIAL INDUSTRIES	NON- COM- MERCIAL INDUSTRIES
1977	2.9	2.9	1.9	3.5	2.6	2.5	1.5	3.0	3.2	1.7
1978	3.3	3.5	2.3	4.0	3.5	4.5	5.7	-7.8	3.7	1.5
1979	3.7	4.0	3.5	3.8	5.3	3.4	6.0	9.8	4.3	.3
1980	.4	.3	-1.6	1.6	-2.0	-4.7	-1.4	2.1	.3	.8
1981	2.5	2.4	2.3	2.6	1.1	2.3	1.2	-5.8	2.6	1.9
1980 MAR	.9	.9	1.5	.6	1.8	1.2	1.7	1.0	.6	2.7
APR	-.7	-.8	-1.8	-.1	-2.4	-3.7	-1.2	.5	-1.0	.4
MAY	-.4	-.4	-1.6	.2	-1.5	-2.9	-1.5	1.9	-.6	.2
JUN	-.4	-.3	-.9	.0	-.2	-.3	.0	-.5	-.4	.2
JUL	.1	.1	.2	.1	-.4	-.1	-1.0	-2.9	.1	.2
AUG	.4	.5	.4	.4	.8	1.7	-.1	2.0	.4	.2
SEP	.5	.6	1.1	.1	1.4	2.5	1.4	-2.9	.6	.2
OCT	.6	.6	.9	.5	.7	1.1	.4	-1.1	.8	.2
NOV	.6	.5	.2	.7	.4	.1	-.3	5.0	.5	.6
DEC	.0	.1	.5	-.3	.2	.8	.7	-4.3	.1	.0
1981 JAN	.4	.2	-.1	.7	-1.5	-2.6	-.2	.0	.5	-.2
FEB	.8	.7	1.8	.1	1.9	3.7	1.6	1.4	1.0	-.3
MAR	.5	.5	1.1	.1	1.5	2.6	.7	-1.0	.5	.1
APR	.2	.3	.1	.3	.0	.3	-.4	.3	.3	-.3
MAY	.3	.4	1.0	.1	1.3	1.8	1.5	-2.7	.3	.7
JUN	.5	.5	.7	.3	.9	2.6	.0	-2.4	.5	.1
JUL	-1.1	-1.2	-1.9	-.5	-2.3	-3.0	-1.3	-8.1	-1.4	.9
AUG	-.6	-.6	-1.7	.0	-1.7	-5.5	-.7	10.0	-.7	-.2
SEP	-.1	-.1	-1.2	.5	-1.5	-3.1	-.4	-2.1	-.1	.0
OCT	-.4	-.5	-.7	-.3	-1.4	-2.7	-.8	-.3	-.5	.5
NOV	.1	.1	-1.2	.8	-1.7	-2.0	-2.1	.1	.1	.0
DEC	-.5	-.5	-1.3	-.1	-.8	-.6	-1.4	1.2	-.5	-.1
1982 JAN	-1.3	-1.3	-1.4	-1.2	-1.8	-3.3	-1.8	.1	-1.6	.2
FEB	.1	.2	-.2	.4	-.3	.1	-.6	-1.3	.2	.0

SOURCE: GROSS DOMESTIC PRODUCT BY INDUSTRY, CATALOGUE NO. 61-005, STATISTICS CANADA.

DEMAND INDICATORS
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	RETAIL SALES	DEPARTMENT STORE SALES	NEW MOTOR VEHICLE SALES	MANUFAC- TURING SHIPMENTS	DURABLE MANUFAC- TURING NEW ORDERS	MANUFAC- TURING INVENTORY SHIPMENTS RATIO (1)	AVERAGE WEEKLY HOURS IN MANUFAC- TURING (1)	TOTAL HOUSING STARTS (2)	BUILDING PERMITS	CONSTRUC- TION MATERIALS SHIPMENTS
1977	8.3	6.9	11.1	11.2	17.2	1.99	38.7	244.0	1.9	3.3
1978	11.8	11.0	12.4	18.7	22.5	1.84	38.8	234.8	5.8	18.3
1979	12.1	10.8	18.8	17.8	16.4	1.86	38.8	197.4	7.7	16.2
1980	8.7	9.5	.1	9.2	1.4	2.00	38.5	159.6	9.2	6.0
1981	12.9	10.0	3.9	13.2	10.0	2.02	38.5	180.7	21.2	14.1
1980 II	.4	2.4	-11.1	-2.5	-11.5	2.08	38.4	143.0	-17.3	-4.3
III	5.6	3.6	14.2	5.3	15.0	2.03	38.3	158.3	16.4	3.9
IV	3.5	2.8	.6	6.1	3.9	1.84	38.6	167.0	22.6	5.9
1981 I	5.2	3.7	.8	2.1	1.6	1.97	38.7	191.3	.4	4.3
II	1.1	3.6	2.5	6.6	8.2	1.93	38.9	216.3	5.3	7.3
III	1.2	-3.6	-6.3	-.3	-3.4	2.02	38.5	180.0	-9.0	-1.1
IV	1.2	2.5	1.5	-3.1	-11.2	2.14	38.1	135.0	9.7	-3.3
1982 I			-18.0					180.0	-18.3	
1981 APR	1.5	3.8	6.2	2.5	5.3	1.92	38.8	229.0	10.3	1.2
MAY	-2.1	-3.7	-12.1	.3	-1.1	1.94	39.0	213.0	-12.3	1.1
JUN	1.0	8.0	2.5	2.2	3.6	1.94	38.9	207.0	5.6	.4
JUL	1.8	-6.8	-6.1	1.3	4.3	1.93	38.9	184.0	5.7	-.8
AUG	-1.1	.5	-.1	-3.9	-14.7	2.04	38.4	176.0	-16.2	-1.6
SEP	.6	-2.3	8.0	-1.5	2.3	2.09	38.1	180.0	-8.4	.3
OCT	-1.3	2.8	-23.5	-.4	-6.1	2.12	38.5	105.0	-1.6	-3.5
NOV	4.0	1.7	54.8	.3	-6.7	2.13	38.0	121.0	32.2	.5
DEC	-.6	-.1	-20.2	-1.8	9.4	2.17	37.7	179.0	10.9	.6
1982 JAN	-2.4	-7.4	-21.8	-2.7	-10.2	2.24	37.9	165.0	-26.3	-9.7
FEB	1.9	7.6	12.7	3.2	9.3	2.20		202.0	-11.2	2.5
MAR			-4.6					173.0	10.0	
APR								142.0		

SOURCE: RETAIL TRADE, CATALOGUE 63-005, EMPLOYMENT, EARNINGS AND HOURS, CATALOGUE 72-002, INVENTORIES, SHIPMENTS AND ORDERS IN MANUFACTURING INDUSTRIES, CATALOGUE 31-001, NEW MOTOR VEHICLE SALES, CATALOGUE 63-007, BUILDING PERMITS, CATALOGUE 64-001, STATISTICS CANADA, CANADIAN HOUSING STATISTICS, CENTRAL MORTGAGE AND HOUSING CORPORATION.

(1) NOT PERCENTAGE CHANGE.

(2) THOUSANDS OF STARTS, ANNUAL RATES.

LABOUR MARKET INDICATORS
SEASONALLY ADJUSTED

	EMPLOYMENT		LABOUR FORCE (2)	PARTICI- PATION RATE	EMPLOYMENT POPULATION RATIO (3)	UNEMPLOY- MENT RATE TOTAL	UNEMPLOY- MENT RATE AGES 15-24	UNEMPLOY- MENT RATE AGES 25 AND OVER	UNEMPLOY- MENT INSURANCE (4)
	TOTAL - ESTAB- LISHMENT SURVEY (1)	MANUFACTUR- ING, ESTAB- LISHMENT SURVEY (1)							
1977	2.7	.1	1.8	2.8	61.5	56.6	8.1	14.4	5.8
1978	2.0	1.6	3.4	3.7	62.6	57.4	8.4	14.5	6.1
1979	3.6	3.9	4.0	3.0	63.3	58.6	7.5	13.0	5.4
1980	2.1	-1.2	2.8	2.8	64.0	59.2	7.5	13.2	5.4
1981	3.6	1.8	2.6	2.7	64.7	59.8	7.6	13.3	5.6
1980 II	.2	-1.6	.0	.3	63.9	58.9	7.8	13.8	5.6
III	.8	-.1	.6	.3	63.9	59.0	7.6	13.3	5.5
IV	1.3	1.0	1.2	.9	64.2	59.5	7.3	12.7	5.3
1981 I	1.3	1.5	1.2	1.2	64.7	60.0	7.3	13.0	5.2
II	1.0	1.5	.5	.5	64.7	60.1	7.2	12.7	5.2
III	.0	-1.4	-.1	.3	64.7	59.8	7.6	13.1	5.8
IV	-.3	-1.8	-.7	.2	64.6	59.1	8.4	14.6	6.3
1982 I			-.9	-.7	63.9	58.4	8.6	15.3	6.4
1981 APR	.2	.6	.3	.0	64.7	60.1	7.0	12.5	5.1
MAY	.5	.3	.1	.3	64.7	60.1	7.2	12.8	5.2
JUN	.2	.3	.2	.3	64.8	60.1	7.4	12.9	5.4
JUL	-.3	-1.5	-.2	-.2	64.6	59.9	7.4	12.7	5.5
AUG	-.2	-.8	.3	.0	64.5	60.0	7.1	12.2	5.3
SEP	.5	-.4	-.4	.8	65.0	59.6	8.2	14.3	6.1
OCT	-.4	-1.1	-.2	-.2	64.8	59.4	8.3	14.2	6.2
NOV	-.2	-.7	-.2	-.3	64.6	59.2	8.3	14.7	6.1
DEC	.0	-.8	-.5	-.1	64.4	58.8	8.6	14.8	6.5
1982 JAN	.2	-.9	-.2	-.6	64.0	58.6	8.3	15.0	6.0
FEB			-.4	-.1	63.8	58.3	8.6	15.0	6.4
MAR			-.1	.4	64.0	58.2	9.0	15.8	6.7
APR			-.7	-.1	63.9	57.7	9.6	16.6	7.2

SOURCE: ESTIMATES OF EMPLOYEES BY PROVINCE AND INDUSTRY, CATALOGUE 72-008, THE LABOUR FORCE, CATALOGUE 71-001, STATISTICAL REPORT ON THE OPERATION OF THE UNEMPLOYMENT INSURANCE ACT, CATALOGUE 73-001, STATISTICS CANADA.

(1) PERCENTAGE CHANGE, ESTIMATES OF EMPLOYEES, TOTAL EMPLOYMENT OF PAID WORKERS IN NON-AGRICULTURAL INDUSTRIES.

(2) PERCENTAGE CHANGE.

(3) EMPLOYMENT AS A PERCENTAGE OF THE POPULATION 15 YEARS OF AGE AND OVER.

(4) INITIAL AND RENEWAL CLAIMS RECEIVED, THOUSANDS, NOT SEASONALLY ADJUSTED.

PRICES AND COSTS
PERCENTAGE CHANGES
NOT SEASONALLY ADJUSTED

	CONSUMER PRICE INDEX			CANADIAN DOLLAR IN U.S. CENTS (1)	INDUSTRY SELLING PRICE INDEX	RESIDENTIAL CONSTRUC- TION INPUTS PRICE INDEX	NON- RESIDENTIAL CONSTRUC- TION INPUTS PRICE INDEX	AVERAGE WEEKLY WAGES AND SALARIES (2)	OUTPUT PER PERSON EMPLOYED (3)	UNIT LABOUR COSTS (3)
	ALL ITEMS	FOOD	NON-FOOD							
1977	8.0	8.4	7.8	84.10	7.9	9.3	8.4	9.9	109.3	177.5
1978	9.0	15.5	6.4	87.72	9.2	9.4	7.5	6.2	109.2	187.4
1979	9.1	13.2	7.9	85.38	14.5	10.1	11.1	8.6	108.9	202.0
1980	10.1	10.7	10.0	85.54	13.5	5.4	9.0	9.8	106.3	223.9
1981	12.5	11.4	12.8	83.42	10.2	9.7	9.6	12.4	106.3	247.8
1980 II	2.8	2.8	2.7	85.48	1.1	1.1	3.3	2.7	106.3	221.3
III	2.8	4.2	2.4	86.32	2.8	3.1	2.6	2.5	105.9	226.6
IV	2.8	3.1	2.8	84.47	3.3	.9	1.2	3.2	106.2	232.2
1981 I	3.2	3.0	3.3	83.78	2.6	2.6	1.9	3.6	106.3	236.0
II	3.1	2.3	3.4	83.43	2.2	5.2	3.9	3.0	107.0	243.2
III	3.0	2.5	3.1	82.53	2.1	1.2	2.1	1.9	105.9	251.6
IV	2.5	-1.6	3.4	83.91	1.3	-1.7	1.4	2.9	105.8	260.6
1982 I	2.5	1.9	2.7	82.72	1.3	.6	1.8			
1981 APR	.7	1.0	.7	83.98	.9	1.9	.7	.7	106.7	240.0
MAY	.9	-1.5	1.3	83.27	.8	3.6	3.7	2.8	107.0	243.5
JUN	1.5	1.8	1.5	83.06	.9	.3	.3	-1.7	107.3	245.5
JUL	.9	1.3	.7	82.55	.7	.4	.4	.1	106.4	248.4
AUG	.7	.3	.9	81.77	.7	-1.4	.2	1.5	105.5	248.2
SEP	.7	-1.2	1.0	83.28	.3	-1.1	.3	1.0	105.8	258.3
OCT	1.0	-1.1	1.3	83.14	.9	-1.2	.7	.9	105.6	258.6
NOV	.9	-1.2	1.2	84.22	-1.2	.4	.4	.9	105.9	260.4
DEC	.4	-1.8	.8	84.38	.4	.3	.5	.5	105.9	262.8
1982 JAN	.7	1.0	.6	83.86	.6	.2	.9	.3	104.8	267.1
FEB	1.2	2.0	.9	82.37	.5	-1.1	.4		105.4	268.0
MAR	1.3	.8	1.4	81.94	.3	.2	.3			
APR				81.65						

SOURCE: CONSTRUCTION PRICE STATISTICS, CATALOGUE 62-007, INDUSTRY PRICE INDEXES, CATALOGUE 62-011, GROSS DOMESTIC PRODUCT BY INDUSTRY, CATALOGUE 61-005, ESTIMATES OF LABOUR INCOME, CATALOGUE 72-005, THE LABOUR FORCE, CATALOGUE 71-001, THE CONSUMER PRICE INDEX, CATALOGUE 62-001, EMPLOYMENT, EARNINGS AND HOURS, CATALOGUE 72-002, STATISTICS CANADA, BANK OF CANADA REVIEW.

(1) AVERAGE NDON SPOT RATE: (NOT PERCENTAGE CHANGES).

(2) SEASONALLY ADJUSTED.

(3) OUTPUT IS DEFINED AS TOTAL GROSS DOMESTIC PRODUCT, AND EMPLOYMENT IS DEFINED ON A LABOUR FORCE SURVEY BASIS. INDEX FORM, 1971=100, USING SEASONALLY ADJUSTED DATA: (NOT PERCENTAGE CHANGES).

PRICES AND COSTS
NATIONAL ACCOUNTS IMPLICIT PRICE INDEXES
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	PERSONAL EXPENDITURE				BUSINESS FIXED INVESTMENT			EXPORTS	IMPORTS	GROSS NATIONAL EXPENDITURE
	DURABLES	SEMI- DURABLES	NON- DURABLES	SERVICES	RESIDENTIAL CON- STRUCTION	NON- RESIDENTIAL CON- STRUCTION	MACHINERY AND EQUIPMENT			
1977	4.9	6.1	8.9	7.7	10.9	7.9	7.4	7.8	12.3	7.1
1978	5.0	4.5	10.6	7.1	9.5	6.3	9.6	8.6	13.3	6.3
1979	8.3	11.0	10.1	8.5	12.1	9.5	11.0	19.2	14.9	10.4
1980	8.6	11.2	12.2	9.4	10.0	7.8	11.7	15.9	15.6	10.6
1981	9.0	7.8	14.9	10.0	14.8	10.9	10.2	8.2	11.2	10.0
1980 I	1.7	2.7	2.9	2.0	1.8	1.4	4.2	6.3	5.2	2.7
II	2.8	2.5	2.6	2.4	1.9	1.7	2.3	-1.1	1.5	2.6
III	3.0	2.1	4.4	2.7	2.6	2.0	1.5	2.5	2.7	2.2
IV	1.1	1.3	4.4	2.3	4.1	2.8	2.5	2.1	2.1	2.0
1981 I	1.8	2.0	3.4	2.6	4.6	2.7	3.1	5.3	4.9	2.9
II	2.6	2.5	3.1	2.3	3.2	2.8	2.6	-2.1	2.1	1.6
III	2.7	1.3	3.7	2.3	3.6	2.8	2.2	2.6	2.9	3.2
IV	2.0	1.4	2.0	2.1	1.1	3.0	1.6	1.1	-1.6	3.0

SOURCE: NATIONAL INCOME AND EXPENDITURE ACCOUNTS, CATALOGUE 13-001, STATISTICS CANADA.

EXTERNAL TRADE
CUSTOMS BASIS (1)
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	EXPORTS OF GOODS			IMPORTS OF GOODS			NET EXPORTS OF GOODS (3)	TERMS OF TRADE (4)
	TOTAL VALUE	INDEX OF PHYSICAL VOLUME	PRICE INDEX (2)	TOTAL VALUE	INDEX OF PHYSICAL VOLUME	PRICE INDEX (2)		
1977	15.8	9.3	6.6	13.0	.7	12.1	2730	106.7
1978	19.4	8.6	8.8	18.3	3.2	13.4	4007	102.3
1979	23.4	1.8	20.8	25.5	11.1	14.3	4150	108.2
1980	15.7	-1.5	17.3	10.0	-5.8	16.7	7810	108.9
1981	10.2	2.3	6.8	14.1	3.1	10.9	6636	105.0
1980 II	-1.7	-1.1	-1.6	.4	-1.0	1.3	1101	109.0
III	4.3	2.0	2.3	-.2	-3.4	3.3	2290	107.9
IV	4.7	3.3	1.1	6.1	4.4	1.6	2787	107.4
1981 I	1.6	-5.5	6.8	5.4	.2	5.3	1679	108.9
II	6.5	10.7	-3.7	8.4	6.4	1.9	1340	102.9
III	-3.5	-5.7	2.3	-.5	-2.8	2.4	859	102.7
IV	.7	.3	.3	-8.9	-6.9	-2.3	2758	105.4
1982 I	-2.4			-7.0			3414	
1981 MAR	-2.3	3.4	-5.7	-.9	-.2	-.7	516	106.4
APR	6.6	5.7	.3	9.7	7.6	1.9	74	104.7
MAY	-.8	.7	-.6	-4.6	-7.1	2.8	574	101.3
JUN	10.8	12.2	-.7	6.4	8.6	-2.0	692	102.6
JUL	-8.5	-12.0	2.7	-2.7	-3.9	1.3	365	104.1
AUG	-1.0	-1.8	1.9	-3.4	-8.4	5.4	438	100.6
SEP	-1.7	1.2	-2.9	6.0	12.5	-5.7	56	103.5
OCT	.1	-.4	.3	-10.8	-10.3	-.5	819	104.4
NOV	6.2	3.6	2.1	-3.1	-.5	-2.6	1181	109.5
DEC	-5.5	-5.4	-.2	4.5	-2.0	6.6	758	102.4
1982 JAN	-7.8	-11.3	4.3	-17.8	-16.4	-1.8	1258	108.8
FEB	12.6	17.5	-4.0	19.1	15.6	3.0	981	101.4
MAR	-1.3			-4.4			1175	

SOURCE: TRADE OF CANADA, EXPORTS, CATALOGUE 65-004, TRADE OF CANADA, IMPORTS, CATALOGUE 65-007, STATISTICS CANADA.

- (1) SEE GLOSSARY OF TERMS.
(2) NOT SEASONALLY ADJUSTED.
(3) BALANCE OF PAYMENTS BASIS (SEE GLOSSARY), MILLIONS OF DOLLARS.
(4) PRICE INDEX FOR MERCHANDISE EXPORTS RELATIVE TO PRICE INDEX FOR MERCHANDISE IMPORTS, NOT SEASONALLY ADJUSTED, NOT PERCENTAGE CHANGE.

CURRENT ACCOUNT, BALANCE OF INTERNATIONAL PAYMENTS
BALANCES
MILLIONS OF DOLLARS, SEASONALLY ADJUSTED

	MERCHAN- DISE TRADE	SERVICE TRANSACTIONS				TRANSFERS			GOODS AND SERVICES	TOTAL CURRENT ACCOUNT
		TRAVEL	INTEREST AND DIVIDENDS	FREIGHT AND SHIPPING	TOTAL	INHERI- TANCES AND MIGRANTS' FUNDS	PERSONAL & INSTITU- TIONAL REMITTANCES	TOTAL		
1977	2730	-1841	-3658	-26	-7444	455	-33	413	-4714	-4301
1978	4007	-1706	-4696	131	-8992	364	14	50	-4985	-4935
1979	4150	-1068	-5241	309	-9734	544	37	690	-5584	-4894
1980	7810	-1228	-5544	368	-10985	895	71	1281	-3185	-1904
1981	6636	-1158	-6982	243	-14814	1131	79	1602	-8178	-6576
1980 I	1632	-282	-1436	84	-2902	181	10	324	-1270	-946
II	1101	-270	-1377	80	-2630	243	10	354	-1529	-1175
III	2290	-315	-1459	95	-2734	219	26	255	-444	-189
IV	2787	-361	-1272	109	-2729	252	25	348	58	406
1981 I	1679	-252	-1685	51	-3461	290	12	387	-1782	-1395
II	1340	-277	-1724	101	-3653	279	13	351	-2313	-1982
III	859	-268	-1848	21	-3913	259	27	466	-3054	-2588
IV	2758	-361	-1725	70	-3787	303	27	398	-1029	-631

SOURCE: QUARTERLY ESTIMATES OF THE CANADIAN BALANCE OF INTERNATIONAL PAYMENTS, CATALOGUE 67-001, STATISTICS CANADA.

CAPITAL ACCOUNT, BALANCE OF INTERNATIONAL PAYMENTS
CAPITAL MOVEMENTS
MILLIONS OF DOLLARS, NOT SEASONALLY ADJUSTED

	DIRECT INVESTMENT IN CANADA	DIRECT INVESTMENT ABROAD	PORTFOLIO TRANS- ACTIONS, CANADIAN SECURITIES	PORTFOLIO TRANS- ACTIONS, FOREIGN SECURITIES	TOTAL LONG TERM CAPITAL MOVEMENTS (BALANCE)	CHARTERED BANK NET FOREIGN CURRENCY POSITION WITH NON- RESIDENTS	TOTAL SHORT TERM CAPITAL MOVEMENTS (BALANCE)	NET ERRORS AND OMISSIONS	ALLOCATION OF SPECIAL DRAWING RIGHTS	NET- OFFICIAL MONETARY MOVEMENTS
1977	475	-740	5111	221	4217	1384	668	-2005	0	-1421
1978	85	-2150	4854	25	3081	2771	1237	-2682	0	-3299
1979	675	-2350	3906	-582	2099	4107	6752	-2258	219	1908
1980	585	-2780	5421	-114	1305	1406	1113	-2011	217	-1280
1981	-5300	-4900	10883	-95	1340	17898	14890	-8438	210	1426
1980 I	250	-445	1470	-13	970	-706	-316	226	217	-428
II	215	-660	1708	162	1035	96	684	221	0	873
III	340	-475	1314	-27	562	-254	-404	-1566	0	-532
IV	-220	-1200	929	-236	-1262	2270	1149	-892	0	-993
1981 I	205	-1305	1055	-256	-520	5912	6114	-3322	210	400
II	-3405	-840	1717	-335	-3314	6098	6803	-1879	0	-640
III	-580	-1560	2797	500	2087	2721	-900	-631	0	-745
IV	-1520	-1195	5314	-4	3087	1167	2873	-2606	0	2411

SOURCE: QUARTERLY ESTIMATES OF THE CANADIAN BALANCE OF INTERNATIONAL PAYMENTS, CATALOGUE 67-001, STATISTICS CANADA.

FINANCIAL INDICATORS

	MONEY SUPPLY			PRIME RATE (4)	CANADA-U.S. COMMERCIAL PAPER DIF- FERENTIAL (4)	90-DAY FINANCE COMPANY PAPER RATE (4)	CONVEN- TIONAL MORTGAGE RATE (4)	LONG-TERM CANADA BOND RATE (4)	TORONTO STOCK EXCHANGE PRICE INDEX (5)	DOW JONES (U.S.) STOCK PRICE INDEX (6)
	M1 (1)	M2 (2)	M3 (3)							
1977	8.4	14.1	15.8	8.50	1.73	7.48	10.35	8.70	1009.9	885.8
1978	10.0	10.7	13.7	9.69	.51	8.83	10.59	9.27	1159.1	814.0
1979	6.9	15.7	19.3	12.90	.64	12.07	11.97	10.21	1577.2	843.2
1980	6.3	18.1	14.3	14.25	.12	13.15	14.32	12.48	2125.6	895.2
1981	3.9	14.4	12.2	18.29	2.44	18.33	18.15	15.22	2158.4	932.7
1980 II	-5	3.5	2.9	14.58	3.11	12.98	14.62	11.57	1967.7	845.3
III	3.2	3.3	2.2	12.25	.37	10.72	13.68	12.57	2225.1	933.4
IV	3.9	3.6	1.6	14.82	-1.85	14.53	15.16	12.97	2303.7	960.6
1981 I	.3	2.5	3.9	18.08	1.57	17.13	15.40	13.27	2246.4	975.3
II	1.2	3.8	.5	19.25	1.60	18.57	17.61	15.02	2346.3	988.8
III	-1.0	4.1	5.7	21.67	3.37	21.02	20.55	17.17	2104.7	894.6
IV	-4.3	4.2	5.9	18.17	3.22	16.62	19.04	15.42	1936.3	872.2
1982 I	3.7	4.3	4.3	16.67	.82	15.35	18.86	15.34	1682.0	839.4
1981 MAR	1.3	1.4	-1.0	17.75	3.01	17.00	15.75	13.48	2333.1	1003.9
APR	1.0	1.7	.5	18.25	1.35	17.50	16.45	15.07	2306.4	997.8
MAY	-3	.6	-1.1	19.50	1.14	19.00	17.82	14.96	2371.2	991.8
JUN	-1.9	.9	2.2	20.00	2.32	19.20	18.55	15.03	2361.1	976.9
JUL	3.8	2.4	2.6	21.00	3.04	21.25	18.90	17.07	2253.9	952.3
AUG	-3.6	.7	2.1	22.75	4.04	22.20	21.30	16.77	2176.7	881.5
SEP	-2.8	1.2	1.4	21.25	3.02	19.60	21.46	17.66	1883.4	850.0
OCT	-1.9	.7	.7	20.00	3.38	18.80	20.54	16.66	1842.6	852.6
NOV	-2.2	2.4	3.5	17.25	3.84	15.40	16.80	14.32	2012.1	889.0
DEC	6.8	2.2	3.3	17.25	2.45	15.65	17.79	15.27	1954.2	875.0
1982 JAN	1.3	1.4	-4	16.50	.63	14.90	18.21	15.94	1786.9	871.1
FEB	-1.7	.5	1.2	16.50	.87	15.00	18.97	15.01	1671.3	824.4
MAR				17.00	.95	16.15	19.41	15.06	1587.8	822.8

SOURCE: BANK OF CANADA REVIEW.

- (1) CURRENCY AND DEMAND DEPOSITS, SEASONALLY ADJUSTED, PERCENTAGE CHANGES.
- (2) CURRENCY AND ALL CHEQUABLE, NOTICE AND PERSONAL TERM DEPOSITS, SEASONALLY ADJUSTED, PERCENTAGE CHANGES.
- (3) CURRENCY AND TOTAL PRIVATELY-HELD CHARTERED BANK DEPOSITS, SEASONALLY ADJUSTED, PERCENTAGE CHANGES.
- (4) PERCENT PER YEAR.
- (5) 300 STOCKS, MONTHLY CLOSE, 1975=1000.
- (6) 30 INDUSTRIALS, MONTHLY CLOSE.

CANADIAN LEADING INDICATORS
FILTERED DATA (1)

	COMPOSITE LEADING INDEX (10 SERIES)			AVERAGE WEEKLY MANUFACTURING(HOURS)	RESIDENTIAL CONSTRUCTION INDEX (2)	UNITED STATES LEADING INDEX	REAL MONEY SUPPLY (M1) (3)
	FILTERED	NOT FILTERED	PCY CHG IN FILTERED DATA				
1979 JUL	149.47	147.8	- .28	38.93	90.9	141.66	12058.5
AUG	149.13	148.7	- .23	38.91	92.1	141.29	12071.1
SEP	148.57	146.5	- .37	38.88	91.8	140.91	12079.2
OCT	147.61	143.9	- .65	38.82	91.2	140.27	12066.5
NOV	146.36	142.5	- .85	38.77	90.5	139.27	12031.8
DEC	144.86	141.4	- .96	38.67	90.4	138.14	11960.9
1980 JAN	144.04	144.2	- .64	38.64	89.2	137.01	11904.0
FEB	143.31	142.6	- .51	38.61	87.3	135.96	11859.1
MAR	142.28	138.9	- .72	38.61	84.7	134.74	11821.4
APR	140.46	133.2	-1.28	38.58	81.0	132.88	11780.5
MAY	138.05	130.4	-1.72	38.55	75.3	130.47	11714.6
JUN	135.42	129.0	-1.91	38.50	71.4	128.17	11604.6
JUL	133.42	132.0	-1.47	38.42	68.8	126.81	11518.5
AUG	132.27	133.6	- .86	38.35	67.8	126.54	11462.7
SEP	132.25	137.1	- .02	38.35	68.9	127.44	11440.8
OCT	133.05	138.3	.61	38.39	71.2	128.98	11451.5
NOV	134.55	140.7	1.13	38.45	73.6	130.88	11497.4
DEC	135.05	139.2	1.12	38.50	75.7	132.74	11534.2
1981 JAN	137.19	138.0	.84	38.58	78.4	134.15	11521.8
FEB	138.00	138.2	.59	38.65	82.7	135.11	11472.9
MAR	138.77	140.2	.56	38.68	87.2	135.88	11412.4
APR	139.68	142.1	.64	38.71	92.8	136.55	11369.1
MAY	140.24	140.1	.41	38.77	86.2	136.78	11318.1
JUN	140.34	138.5	.07	38.82	97.7	136.55	11206.9
JUL	139.92	138.8	- .30	38.86	96.5	136.19	11095.1
AUG	138.38	130.3	-1.10	38.83	91.7	135.72	10952.2
SEP	135.80	125.8	-1.87	38.71	86.5	134.78	10760.1
OCT	132.15	120.0	-2.68	38.61	78.4	133.36	10526.3
NOV	126.26	119.0	-2.96	38.47	72.4	131.83	10258.9
DEC	124.86	120.7	-2.57	38.27	71.8	130.30	10088.9
1982 JAN	121.85	116.9	-2.41	38.14	71.8	128.77	10007.6
FEB	119.12	114.0	-2.32	38.08	72.4	127.37	9945.0

SOURCE: CURRENT ECONOMIC ANALYSIS STAFF, STATISTICS CANADA 992-4441.

(1) SEE GLOSSARY OF TERMS.

(2) COMPOSITE INDEX OF HOUSING STARTS(UNITS), BUILDING PERMITS(DOLLARS), AND MORTGAGE LOAN APPROVALS(NUMBERS).

(3) DEFLATED BY THE CONSUMER PRICE INDEX FOR ALL ITEMS.

CANADIAN LEADING INDICATORS
FILTERED DATA (1)
CONTINUED

	NEW ORDERS DURABLE GOODS	TRADE- FURNITURE AND APPLIANCE SALES	NEW MOTOR VEHICLE SALES	RATIO SHIPMENTS/ FINISHED INVENTORIES MANUFACTURING	INDEX OF STOCK PRICES (2)	PCY CHG IN PRICE PER UNIT LABOUR COST MANUFACTURING
	\$ 1971	\$ 1971	\$ 1971			
1979 JUL	3167.5	101398	600929	1.72	1288.2	.76
AUG	3164.5	100424	605974	1.72	1304.6	.68
SEP	3126.1	99446	611471	1.71	1321.4	.60
OCT	3094.9	98761	611088	1.70	1313.7	.52
NOV	3071.5	98103	608315	1.68	1296.5	.46
DEC	3056.1	97387	600129	1.66	1294.3	.41
1980 JAN	3028.3	97401	591544	1.64	1317.3	.37
FEB	3010.1	97307	584760	1.62	1348.6	.35
MAR	2963.8	96902	577088	1.60	1360.0	.33
APR	2926.7	95851	565707	1.58	1355.8	.30
MAY	2846.6	95260	543999	1.55	1358.2	.26
JUN	2756.3	95091	523916	1.62	1364.3	.20
JUL	2717.7	95489	512621	1.50	1388.7	.12
AUG	2705.4	95574	513922	1.49	1432.4	.04
SEP	2726.7	95051	517945	1.49	1493.1	-.03
OCT	2767.2	96835	520842	1.48	1556.2	-.08
NOV	2815.7	98035	524475	1.51	1632.0	-.10
DEC	2842.6	99205	525844	1.53	1691.1	-.10
1981 JAN	2842.8	101895	525773	1.55	1722.8	-.08
FEB	2866.5	104163	523288	1.56	1732.9	-.06
MAR	2895.7	105314	524882	1.57	1750.1	-.03
APR	2936.8	105797	528527	1.59	1763.9	.01
MAY	2970.1	106302	528219	1.60	1767.2	.04
JUN	3012.1	108164	523938	1.61	1756.2	.07
JUL	3058.6	107717	514121	1.62	1730.9	.11
AUG	3045.3	105139	504202	1.61	1688.4	.14
SEP	3014.0	101457	495004	1.60	1633.1	.14
OCT	2947.7	97773	475182	1.57	1570.8	.09
NOV	2843.0	94559	478137	1.53	1528.0	-.01
DEC	2752.1	92003	475123	1.49	1502.1	-.15
1982 JAN	2657.7	89822	460899	1.45	1477.2	-.32
FEB	2584.9	87668	446176	1.42	1450.9	-.52

SOURCE: CURRENT ECONOMIC ANALYSIS STAFF, STATISTICS CANADA 992-4441.

(1) SEE GLOSSARY OF TERMS.

(2) TORONTO STOCK EXCHANGE(300 STOCK INDEX EXCLUDING OIL AND GAS COMPONENT).

UNITED STATES MONTHLY INDICATORS
 PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	INDEX OF INDUSTRIAL PRODUCTION	EMPLOYMENT	MANUFAC- TURING SHIPMENTS	HOUSING STARTS	PERSONAL EXPENDITURE \$ 1972	DOMESTIC PASSENGER CAR SALES UNITS	PER CAPITA DISPOSABLE INCOME \$ 1972	CONSUMER PRICE INDEX	INDUSTRIAL MATERIALS SPOT PRICE INDEX	PRIME RATE (1)
1977	5.9	3.7	14.5	27.8	4.9	5.8	2.5	6.5	4.9	6.8
1978	5.8	4.4	12.1	2.0	4.7	2.0	3.4	7.7	9.8	8.1
1979	4.4	2.9	13.4	-14.2	2.9	-10.1	1.9	11.3	26.9	12.7
1980	-3.6	.5	6.8	-24.4	.5	-20.1	-.5	13.5	1.7	15.3
1981	2.6	1.1	8.2	-15.2	2.5	-4.6	1.2	10.3	-4.8	18.9
1980 I	.1	.1	3.8	-20.2	.2	6.3	.1	3.9	3.7	16.4
II	-5.4	-.8	-4.9	-15.7	-2.6	-30.9	-1.6	3.1	-11.3	16.3
III	-1.5	.1	4.4	31.2	1.3	17.8	.7	1.9	2.4	11.6
IV	4.5	.5	6.3	8.3	1.7	3.1	.5	3.1	4.1	16.7
1981 I	2.0	.6	1.8	-6.7	1.4	12.1	.5	2.6	-4.2	19.2
II	.5	.7	2.1	-16.2	-.5	-24.8	.1	1.8	.0	18.9
III	.3	-.1	.4	-18.0	.6	24.6	.4	2.9	-.9	20.3
IV	-4.4	-.6	-4.1	-9.4	-.6	-25.0	.1	1.9	-5.3	17.0
1981 JAN	.7	.3	.5	8.8	.9	11.1	.2	.7	-2.3	20.2
FEB	.3	.2	.6	-18.4	.0	7.1	.3	1.0	-2.5	19.4
MAR	.2	.3	.2	1.9	.1	2.7	.0	.6	2.0	18.0
APR	-.1	.5	1.0	-1.3	-.6	-24.7	.1	.4	1.1	17.2
MAY	.5	.2	.0	-9.9	-.2	-1.7	-.1	.7	-1.2	19.6
JUN	.1	-.6	2.4	-10.8	.4	-8.8	.0	.7	-2.1	20.0
JUL	.7	.4	-.7	-.6	.3	13.5	.3	1.2	.8	20.4
AUG	-.2	.0	-.5	-9.0	1.0	39.0	.0	.8	1.3	20.5
SEP	-1.3	-.6	-.6	-5.0	-1.0	-18.3	.4	1.2	-2.0	20.1
OCT	-1.6	.1	-2.7	-5.0	-.5	-22.4	.0	.4	-2.0	18.5
NOV	-1.8	-.2	-1.3	.7	.4	3.8	.0	.5	-2.5	16.8
DEC	-2.0	-.6	-.2	4.5	-.1	-7.4	-.6	.4	-2.3	15.8
1982 JAN	-3.0	.0	-.6	-.6		14.0			-.6	15.8

 SOURCE: CIIYBASE: CIIYBANK ECONOMIC DATABASE, NEW YORK, NY, 1978.
 (1) NOT PERCENTAGE CHANGE.

 UNITED STATES LEADING AND COINCIDENT INDICATORS
 FILTERED DATA (1)

	COMPOSITE LEADING INDEX (12 SERIES)				AVERAGE WEEKLY MANUF- ACTURING (HOURS)	INDEX NET BUSINESS FORMATION	INDEX OF STOCK PRICES	INDEX OF PRIVATE HOUSING BUILDING PERMITS (UNITS)	INITIAL CLAIMS FOR UNEMPLOY- MENT INSURANCE (2)	NEW ORDERS CONSUMER GOODS \$ 1972 (BILLIONS)
	FILTERED	NOT FILTERED	PERCENTAGE CHANGE FILTERED	NOT FILTERED						
1979 JUL	141.66	141.2	-.19	-.28	40.17	131.3	100.73	129.8	365	38.46
AUG	141.29	140.1	-.26	-.78	40.15	131.0	101.96	129.1	370	37.99
SEP	140.91	140.1	-.27	.00	40.15	131.1	103.58	129.1	373	37.56
OCT	140.27	137.8	-.45	-1.64	40.15	131.2	104.64	127.8	379	37.14
NOV	139.27	135.6	-.71	-1.60	40.12	131.3	105.13	123.7	388	36.70
DEC	138.14	135.2	-.81	-.29	40.09	131.7	105.78	118.3	399	36.24
1980 JAN	137.01	134.7	-.82	-.37	40.08	131.9	106.84	113.4	407	36.04
FEB	135.96	134.1	-.77	-.45	40.06	131.7	108.60	108.3	411	36.04
MAR	134.74	131.5	-.89	-1.94	40.00	130.8	109.11	101.5	417	35.75
APR	132.88	126.2	-1.38	-4.03	39.93	128.9	108.58	92.8	435	34.98
MAY	130.47	123.0	-1.82	-2.54	39.84	126.3	108.15	84.7	471	33.80
JUN	128.17	123.9	-1.76	-.73	39.71	123.2	108.76	80.4	506	32.75
JUL	126.81	128.1	-1.06	3.39	39.57	120.3	110.61	80.5	528	32.04
AUG	126.54	130.7	-.21	2.03	39.46	118.3	113.42	84.4	536	31.71
SEP	127.44	134.4	.71	2.83	39.44	117.4	116.83	91.9	534	31.86
OCT	128.98	135.0	1.21	.45	39.45	117.2	120.62	98.5	521	32.47
NOV	130.89	136.5	1.48	1.11	39.51	117.3	124.87	104.0	501	33.21
DEC	132.74	136.3	1.41	-.15	39.59	118.0	128.51	106.8	478	33.90
1981 JAN	134.15	135.2	1.06	-.81	39.71	118.3	131.24	107.3	457	34.28
FEB	135.11	135.1	.71	-.07	39.79	118.4	132.46	105.8	438	34.69
MAR	135.88	136.7	.57	1.18	39.85	118.3	133.27	103.2	424	34.96
APR	136.55	137.5	.49	.59	39.94	118.2	133.90	100.7	412	35.20
MAY	136.78	135.3	-.16	-1.60	40.03	117.8	133.98	98.4	403	35.37
JUN	136.55	134.1	-.17	-.89	40.10	117.1	133.80	94.2	399	35.54
JUL	136.19	134.9	-.26	-.60	40.13	116.2	133.06	89.1	395	35.84
AUG	135.72	134.2	-.35	-.52	40.12	115.1	132.17	83.5	397	35.49
SEP	134.78	130.8	-.89	-2.53	40.01	114.0	129.78	78.2	409	35.19
OCT	133.36	128.3	-1.05	-1.91	39.88	112.5	127.04	72.4	431	34.53
NOV	131.83	128.2	-1.14	-.08	39.72	111.1	124.88	67.2	458	33.66
DEC	130.30	127.1	-1.16	-.86	39.53	109.5	123.47	63.6	487	32.80
1982 JAN	128.77	125.6	-1.17	-1.18	39.12		121.81	62.0	514	31.87
FEB	127.37	125.0	-1.09	-.48	38.93		119.86	61.4	529	31.16
MAR	126.15	124.4	-.96	-.48	38.83		117.50	62.1	544	30.72
APR							115.87			

SOURCE: BUSINESS CONDITIONS DIGEST, BUREAU OF ECONOMIC ANALYSIS, U.S. DEPARTMENT OF COMMERCE.

(1) SEE GLOSSARY OF TERMS.

(2) AVERAGE OF WEEKLY FIGURES, THOUSANDS OF PERSONS.

UNITED STATES LEADING AND COINCIDENT INDICATORS
 FILTERED DATA (1)
 CONTINUED

	CONTRACTS AND ORDERS FOR PLANT & EQUIPMENT \$ 1972 (BILLIONS)	MONEY BALANCE (M2) \$ 1972 (BILLIONS)	NET CHANGE IN INVENTORIES \$ 1972 (BILLIONS)	PCT CHG SENSITIVE PRICES (2)	PCT CHG LIQUID ASSETS (3)	VENDOR PERFORM- ANCE (4)	COMPOSITE COINCIDENT INDEX (4 SERIES)	COMPOSITE COINCIDENT INDEX (4 SERIES) (5)	PCT CHG COMPOSITE COINCIDENT INDEX	PCT CHG COMPOSITE COINCIDENT INDEX (5)
1979 JUL	15.34	854.6	18.89	2.00	1.05	73	145.55	145.4	.00	.28
AUG	14.98	852.9	17.19	2.16	1.07	70	145.48	145.0	-.05	-.28
SEP	14.85	850.9	14.56	2.20	1.06	65	145.35	144.9	-.08	-.07
OCT	14.36	848.1	10.58	2.18	1.04	80	145.25	145.1	-.07	.14
NOV	14.37	844.4	5.77	2.20	.99	56	145.15	145.0	-.07	-.07
DEC	14.48	840.0	.88	2.25	.91	52	145.10	145.2	-.03	.14
1980 JAN	14.64	835.3	-3.80	2.28	.81	50	145.21	146.1	.07	.62
FEB	14.58	830.5	-8.13	2.31	.74	47	145.27	145.2	.04	-.62
MAR	14.46	825.4	-11.29	2.23	.70	45	145.07	143.5	-.14	-1.17
APR	14.23	819.4	-12.61	1.97	.70	43	144.33	140.5	-.50	-2.09
MAY	13.83	813.8	-12.64	1.55	.69	41	143.05	138.0	-.89	-1.78
JUN	13.52	809.5	-12.75	1.11	.68	38	141.45	136.7	-1.12	-.94
JUL	13.49	808.2	-13.50	.81	.67	35	139.85	136.5	-1.13	-.15
AUG	13.47	809.3	-14.20	.71	.68	33	138.48	136.7	-.97	.15
SEP	13.50	811.3	-13.88	.83	.71	33	137.63	138.1	-.61	1.02
OCT	13.45	812.2	-12.23	1.08	.75	34	137.41	139.7	-.16	1.16
NOV	13.56	812.2	-9.63	1.40	.78	37	137.74	140.8	.24	.79
DEC	13.78	810.5	-7.00	1.69	.80	38	138.41	141.3	.49	.36
1981 JAN	14.05	807.8	-5.47	1.91	.84	42	139.28	142.0	.63	.50
FEB	14.21	804.9	-5.10	2.18	.88	44	140.23	142.5	.68	.35
MAR	14.31	802.9	-5.03	2.48	.90	47	141.07	142.4	.60	-.07
APR	14.34	802.7	-4.48	2.69	.92	50	141.72	142.2	.46	-.14
MAY	14.28	803.3	-3.28	2.70	.91	51	142.16	142.2	.31	.00
JUN	14.19	804.0	-1.36	2.51	.91	52	142.47	142.5	.21	.21
JUL	14.10	804.3	1.37	2.23	.92	52	142.66	142.6	.14	.07
AUG	14.03	804.5	4.20	1.82	.93	51	142.77	142.6	.07	.00
SEP	13.95	803.9	6.40	1.36	.95	49	142.73	142.0	-.03	-.42
OCT	13.66	803.0	7.64	.90	.96	47	142.32	139.9	-.28	-1.48
NOV	13.57	802.9	7.63	.47	.95	44	141.60	138.7	-.51	-.86
DEC	13.59	803.5	6.35	.11	.93	40	140.50	136.6	-.77	-1.51
1982 JAN	13.52	805.2	2.93	-.19	.91	36	139.03	134.3	-1.05	-1.68
FEB	13.28	807.5	-2.63	-.43	.87	34	137.76	136.0	-.81	1.27
MAR	13.08	811.2		-.72	.82	33	136.68	135.3	-.78	-.51

SOURCE: BUSINESS CONDITIONS DIGEST, BUREAU OF ECONOMIC ANALYSIS, U.S. DEPARTMENT OF COMMERCE.

(1) SEE GLOSSARY OF TERMS.

(2) WHOLESALE PRICE INDEX OF CRUDE MATERIALS EXCLUDING FOODS AND FEEDS.

(3) COMPREHENSIVE MEASURE OF CHANGES IN WEALTH HELD IN LIQUID FORM BY PRIVATE AND NON-FINANCIAL INVESTORS.

(4) PERCENTAGE OF COMPANIES REPORTING SLOWER DELIVERIES.

(5) NOT FILTERED.

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NET NATIONAL INCOME AND GROSS NATIONAL PRODUCT
MILLIONS OF DOLLARS
SEASONALLY ADJUSTED AT ANNUAL RATES

	LABOUR INCOME	CORPO- RATION PROFITS BEFORE TAXES	DIVIDENDS PAID TO NON- RESIDENTS	INTEREST & MISC. INVEST- MENT INCOME	FARM INCOME	NONFARM UNINCOR- PORATED BUSINESS INCOME	INVENTORY VALUATION ADJUSTMENT	NET NATIONAL INCOME AT FACTOR COST	INDIRECT TAXES LESS SUBSIDIES	GROSS NATIONAL PRODUCT AT MARKET PRICES
1977	118992	20928	-2094	13147	2831	9113	-3419	161029	23907	208868
1978	129848	25614	-2843	15771	3585	8644	-4577	178576	25854	230353
1979	145091	34884	-3084	19143	3983	10603	-6718	205370	27925	261961
1980	162373	37172	-3411	21782	3969	11438	-6841	228145	29191	289859
1981	184752	33856	-4329	26326	4850	12630	-6721	253220	38241	328501
1980 I	155876	37932	-3440	21088	3604	11012	-7056	220560	28884	280224
II	159352	36184	-3700	21116	3348	11204	-5440	223748	28748	284388
III	163780	36748	-3684	22000	4168	11452	-7120	229028	28856	291052
IV	170484	37824	-2620	22944	4756	12084	-7748	239244	30476	303792
1981 I	175636	38772	-4400	23856	5384	12216	-8000	245160	35520	315572
II	182652	38852	-3946	24988	5020	12556	-8884	251292	37548	325148
III	187952	31196	-4724	28020	4632	12760	-6076	255696	39388	332500
IV	192768	28604	-4244	28440	4364	12988	-4124	260732	40508	340784

SOURCE: NATIONAL INCOME AND EXPENDITURE ACCOUNTS, CATALOGUE 13-001, STATISTICS CANADA.

NET NATIONAL INCOME AND GROSS NATIONAL PRODUCT
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	LABOUR INCOME	CORPO- RATION PROFITS BEFORE TAXES	DIVIDENDS PAID TO NON- RESIDENTS	INTEREST & MISC. INVEST- MENT INCOME	FARM INCOME	NONFARM UNINCOR- PORATED BUSINESS INCOME	INVENTORY VALUATION ADJUSTMENT (1)	NET NATIONAL INCOME AT FACTOR COST	INDIRECT TAXES LESS SUBSIDIES	GROSS NATIONAL PRODUCT AT MARKET PRICES
1977	10.3	4.7	21.8	17.6	-14.7	8.0	-1355	8.4	11.1	9.3
1978	9.1	22.4	35.8	20.0	26.6	5.8	-1158	10.9	8.1	10.3
1979	11.7	36.2	7.8	21.4	11.1	8.9	-2141	15.0	8.0	13.7
1980	11.9	6.6	11.3	13.8	-4	8.9	-123	11.1	4.5	10.6
1981	13.8	-8.9	26.9	20.9	22.2	10.4	120	11.0	31.0	13.3
1980 I	2.9	.3	1.4	-.2	-15.6	1.5	-388	1.7	2.0	1.8
II	2.2	-4.6	7.6	.2	-7.1	1.7	1616	1.4	.2	1.5
III	2.8	1.6	-.4	4.2	24.5	2.2	-1680	2.4	.4	2.4
IV	4.1	2.9	-23.5	4.3	14.1	5.5	-628	4.5	5.6	4.4
1981 I	3.0	2.5	56.0	4.0	13.2	1.1	-252	2.5	16.6	3.9
II	4.0	-5.0	-10.3	4.7	-6.8	2.8	-884	2.5	5.7	3.0
III	2.9	-15.3	19.7	12.1	-7.7	1.6	2808	1.8	4.9	2.3
IV	2.8	-8.3	-10.2	1.5	-5.8	1.8	1952	2.0	2.8	2.5

SOURCE: NATIONAL INCOME AND EXPENDITURE ACCOUNTS, CATALOGUE 13-001, STATISTICS CANADA.

(1) DIFFERENCE FROM PRECEDING PERIOD, ANNUAL RATES.

GROSS NATIONAL EXPENDITURE
MILLIONS OF DOLLARS
SEASONALLY ADJUSTED AT ANNUAL RATES

	PERSONAL EXPENDI- TURE	GOVERNMENT EXPENDI- TURE	BUSINESS FIXED INVESTMENT			INVENTORY INVESTMENT		EXPORTS	IMPORTS	GROSS NATIONAL EXPENDITURE AT MARKET PRICES
			RESIDENTIAL CONST- RUCTION	NON- RESIDENTIAL CONST- RUCTION	MACHINERY AND EQUIPMENT	BUSINESS NON-FARM	FARM AND GICC (1)			
1977	122530	43374	12806	13472	15125	294	37	52548	-57262	208868
1978	135271	47676	13552	14590	17008	-66	369	62985	-67970	230353
1979	150617	51979	14085	16127	20986	3988	117	77087	-82671	261961
1980	168146	57913	13843	21937	24730	-770	-491	90258	-93443	289859
1981	190025	66192	16093	26398	28749	877	688	98999	-107177	328501
1980 I	160536	54826	14572	21244	23660	2636	-16	87276	-92356	280224
II	163956	57096	12928	21288	23992	4084	-736	86416	-92532	284368
III	171124	58712	13332	22084	25116	-4620	-424	90888	-92664	291052
IV	176968	61016	14540	23132	26152	-5180	-788	96452	-96220	303792
1981 I	182644	62420	16080	24656	27908	1776	116	95000	-102128	315572
II	188740	64644	17604	25500	29288	432	252	100604	-109856	325148
III	192480	67992	16136	26644	28324	3248	1820	99612	-111828	332500
IV	196236	69712	14552	28792	29476	-1948	464	100780	-104896	340784

SOURCE: NATIONAL INCOME AND EXPENDITURE ACCOUNTS, CATALOGUE 13-001, STATISTICS CANADA.
(1) GICC - GRAIN IN COMMERCIAL CHANNELS.

GROSS NATIONAL EXPENDITURE
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	PERSONAL EXPENDI- TURE	GOVERNMENT EXPENDI- TURE	BUSINESS FIXED INVESTMENT			INVENTORY INVESTMENT		EXPORTS	IMPORTS	GROSS NATIONAL EXPENDITURE AT MARKET PRICES
			RESIDENTIAL CONST- RUCTION	NON- RESIDENTIAL CONST- RUCTION	MACHINERY AND EQUIPMENT	BUSINESS NON-FARM (1)	FARM AND GICC (1) (2)			
1977	10.5	13.2	3.9	11.3	6.9	-755	-436	15.2	14.6	9.3
1978	10.4	9.9	5.8	8.3	-12.4	-360	332	19.9	18.7	10.3
1979	11.3	9.0	3.9	24.2	23.4	4054	-252	22.4	21.6	13.7
1980	11.6	11.4	-1.7	21.0	17.8	-4758	-608	17.1	13.0	10.6
1981	13.0	14.3	16.3	20.3	16.3	1647	1179	9.7	14.7	13.3
1980 I	3.2	2.7	2.0	6.3	4.5	-2368	-148	4.4	6.3	1.8
II	2.1	4.1	-11.3	.2	1.4	1448	-720	-1.0	.2	1.5
III	4.4	2.8	3.1	3.7	4.7	-8704	312	5.2	.1	2.4
IV	3.4	3.9	9.1	4.7	4.1	-560	-364	6.1	3.8	4.4
1981 I	3.2	2.3	10.6	6.6	6.7	6956	904	-1.5	6.1	3.9
II	3.3	3.6	9.5	3.4	4.9	-1344	136	5.9	7.6	3.0
III	2.0	5.2	-8.3	4.5	-3.3	2816	1688	-1.0	1.8	2.3
IV	2.0	2.5	-9.8	8.1	4.1	-5196	-1456	1.2	-6.2	2.5

SOURCE: NATIONAL INCOME AND EXPENDITURE ACCOUNTS, CATALOGUE 13-001, STATISTICS CANADA.
(1) DIFFERENCE FROM PRECEDING PERIOD, ANNUAL RATES.
(2) GICC - GRAIN IN COMMERCIAL CHANNELS.

GROSS NATIONAL EXPENDITURE
MILLIONS OF 1971 DOLLARS
SEASONALLY ADJUSTED AT ANNUAL RATES

	PERSONAL EXPENDI- TURE	GOVERNMENT EXPENDI- TURE	BUSINESS FIXED INVESTMENT			INVENTORY INVESTMENT		EXPORTS	IMPORTS	GROSS NATIONAL EXPENDITURE
			RESIDENTIAL CONST- RUCTION	NON- RESIDENTIAL CONST- RUCTION	MACHINERY AND EQUIPMENT	BUSINESS NON-FARM	FARM AND GICC (1)			
1977	77416	22392	6152	7647	9515	172	-112	28046	-32844	121762
1978	79550	22757	5947	7791	9743	126	106	30929	-34345	126281
1979	81136	22880	5513	8824	10831	1892	-20	31766	-36420	130115
1980	81955	22762	4926	8917	11434	-562	-200	32087	-35615	130160
1981	83374	23227	4897	10753	12074	592	180	32548	-36733	134070
1980 I	81608	22584	5380	9896	11296	572	72	31568	-36268	130332
II	81176	22704	4684	8752	11188	900	-476	31300	-35792	128986
III	82184	22776	4708	9916	11536	-2248	-224	32104	-34896	129192
IV	82852	22984	4932	10104	11716	-1472	-172	33376	-35504	132128
1981 I	83332	23068	5212	10488	12128	748	184	31204	-35932	133404
II	83900	23160	5528	10552	12404	596	36	33756	-37840	135304
III	83136	23280	4888	10724	11740	1676	408	32608	-37456	134136
IV	83128	23400	4360	11248	12024	-852	82	32624	-35704	133436

SOURCE: NATIONAL INCOME AND EXPENDITURE ACCOUNTS, CATALOGUE 13-001, STATISTICS CANADA.

(1) GICC - GRAIN IN COMMERCIAL CHANNELS.

GROSS NATIONAL EXPENDITURE IN 1971 DOLLARS
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	PERSONAL EXPENDI- TURE	GOVERNMENT EXPENDI- TURE	BUSINESS FIXED INVESTMENT			INVENTORY INVESTMENT		EXPORTS	IMPORTS	GROSS NATIONAL EXPENDITURE
			RESIDENTIAL CONST- RUCTION	NON- RESIDENTIAL CONST- RUCTION	MACHINERY AND EQUIPMENT	BUSINESS NON-FARM (1)	FARM AND GICC (1) (2)			
1977	2.9	3.2	-6.3	3.0	-4	-571	-335	6.9	2.1	2.1
1978	2.8	1.6	-3.3	1.9	2.4	-46	218	10.3	4.6	3.7
1979	2.0	.6	-7.3	13.3	11.2	1766	-126	2.7	6.0	3.0
1980	1.0	-.5	-10.6	12.4	5.6	-2454	-180	1.0	-2.2	.0
1981	1.7	2.0	1.4	8.4	5.6	1154	380	1.4	3.1	3.0
1980 I	.8	-.9	.1	4.8	.2	-1248	-20	-1.8	1.1	-.9
II	-.5	.5	-12.9	-1.5	-1.0	328	-548	-.8	-1.3	-1.0
III	1.2	.3	.5	1.7	3.1	-3148	252	2.6	-2.5	.2
IV	.8	.9	4.8	1.9	1.6	776	52	4.0	1.7	2.3
1981 I	.6	.4	5.7	3.8	3.5	2220	356	-6.5	1.2	1.0
II	.7	.4	6.1	.6	2.3	-152	-148	8.2	5.3	1.4
III	-.9	.6	-11.6	1.6	-5.4	1080	372	-3.4	-1.0	-.9
IV	.0	.5	-10.8	4.9	2.4	-2328	-316	.0	-4.7	-.5

SOURCE: NATIONAL INCOME AND EXPENDITURE ACCOUNTS, CATALOGUE 13-001, STATISTICS CANADA.

(1) DIFFERENCE FROM PRECEDING PERIOD, ANNUAL RATES.

(2) GICC - GRAIN IN COMMERCIAL CHANNELS.

GROSS DOMESTIC PRODUCT IN CONSTANT (1971) PRICES BY INDUSTRY
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	TOTAL	TOTAL EXCLUDING AGRICULTURE	INDUSTRIAL PRODUCTION	GOODS INDUSTRIES	GOODS INDUSTRIES EXCLUDING AGRICULTURE	SERVICES INDUSTRIES	COMMERCIAL INDUSTRIES	COMMERCIAL INDUSTRIES EXCLUDING AGRICULTURE	NON- COMMERCIAL INDUSTRIES
1977	2.9	2.9	2.6	1.9	1.8	3.5	3.2	3.2	1.7
1978	3.3	3.5	3.5	2.3	2.6	4.0	3.7	3.9	1.5
1979	3.7	4.0	5.3	3.5	4.6	3.8	4.3	4.8	.3
1980	.4	.3	-2.0	-1.6	-2.0	1.6	.3	.1	.8
1981	2.5	2.4	1.1	2.3	1.8	2.6	2.6	2.5	1.9
1980 I	-.4	-.4	-.9	-.6	-.8	-.2	-.3	-.4	-.9
II	-.6	-.7	-2.6	-2.4	-2.7	.4	-1.1	-1.2	1.9
III	-.2	-.3	.0	-.3	-.2	.5	.1	.2	.5
IV	1.5	1.5	2.2	2.1	2.4	1.1	1.8	1.7	.8
1981 I	1.3	1.1	.6	1.8	1.3	.9	1.6	1.3	-.2
II	1.2	1.3	2.8	2.3	2.6	.5	1.4	1.4	-.1
III	-1.1	-1.1	-3.0	-2.6	-2.8	-.2	-1.5	-1.5	1.0
IV	-.8	-.8	-4.3	-3.2	-3.5	.6	-1.0	-1.1	.4
1981 FEB	.8	.7	1.8	1.9	1.8	.1	1.0	.9	-.3
MAR	.5	.5	1.5	1.1	1.1	.1	.5	.6	.1
APR	.2	.3	.0	.1	.2	.3	.3	.3	-.3
MAY	.3	.4	1.3	1.0	1.1	.1	.3	.4	.7
JUN	.5	.5	.9	.7	.8	.3	.5	.6	.1
JUL	-1.1	-1.2	-2.3	-1.9	-2.1	-.5	-1.4	-1.5	.9
AUG	-.6	-.8	-1.7	-1.7	-1.7	.0	-.7	-.7	-.2
SEP	-.1	-.1	-1.5	-1.2	-1.4	.5	-.1	-.2	.0
OCT	-.4	-.5	-1.4	-.7	-.7	-.3	-.5	-.6	.5
NOV	.1	.1	-1.7	-1.2	-1.4	.8	.1	.0	.0
DEC	-.5	-.5	-.8	-1.3	-1.3	-.1	-.5	-.5	-.1
1982 JAN	-1.3	-1.3	-1.8	-1.4	-1.5	-1.2	-1.6	-1.7	-.2
FEB	.1	.2	-.3	-.2	-.2	.4	.2	.2	.0

SOURCE: GROSS DOMESTIC PRODUCT BY INDUSTRY, CATALOGUE 61-005, STATISTICS CANADA.

GROSS DOMESTIC PRODUCT IN CONSTANT (1971) PRICES BY INDUSTRY
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES
CONTINUED

	AGRICULTURE	FORESTRY	FISHING AND TRAPPING	MINING	MANUFACTURING			CONSTRUCTION
					TOTAL	DURABLE	NONDURABLE	
1977	3.4	6.0	12.0	3.0	2.0	2.5	1.5	-2.0
1978	-1.6	4.8	11.9	-7.6	5.0	4.5	5.7	-2.1
1979	-10.1	1.4	1.2	9.8	4.7	3.4	6.0	1.2
1980	5.4	-3.7	-7.4	2.1	-3.1	-4.7	-1.4	-1.8
1981	8.4	-4.4	7.4	-5.8	1.7	2.3	1.2	6.3
1980 I	3.5	5.6	-4.4	-1.2	-1.2	-1.5	-1.0	-1.8
II	2.2	-9.1	-15.0	1.7	-3.2	-5.0	-1.4	-2.4
III	-2.6	.5	-11.0	-2.2	-.2	.7	-1.1	-.8
IV	-1.5	4.7	13.1	-.6	2.6	3.8	1.3	2.5
1981 I	11.2	8.2	10.1	-.7	1.3	1.2	1.4	3.5
II	-1.2	-13.0	.2	-2.5	3.5	5.4	1.6	3.4
III	.1	-18.1	1.9	-5.2	-3.4	-5.4	-1.4	-.5
IV	.6	27.4	-9.1	1.8	-5.6	-8.0	-3.1	-2.1
1981 FEB	2.6	-3.7	7.4	1.4	2.6	3.7	1.6	1.4
MAR	.1	-1.5	1.7	-1.0	1.7	2.6	.7	-.1
APR	-1.5	.0	-2.8	.3	-.1	.3	-.4	1.1
MAY	-.6	-20.0	.3	-2.7	1.7	1.8	1.5	2.8
JUN	-.6	8.5	-1.8	-2.4	1.3	2.8	.0	.1
JUL	1.1	-17.5	4.6	-8.1	-2.2	-3.0	-1.3	.1
AUG	-.8	-7.3	-1.9	10.0	-3.1	-5.5	-.7	-1.1
SEP	.5	21.2	-.8	-2.1	-1.8	-3.1	-.4	-2.4
OCT	-.1	13.1	-7.3	-.3	-1.8	-2.7	-.8	1.2
NOV	1.4	7.9	3.4	.1	-2.1	-2.0	-2.1	-.9
DEC	-.9	-9.4	-8.9	1.2	-1.0	-.6	-1.4	-2.3
1982 JAN	-.8	-1.9	-7.0	.1	-2.5	-3.3	-1.8	-.1
FEB	-.7	4.0	1.7	-1.3	-.2	.1	-.6	-.4

SOURCE: GROSS DOMESTIC PRODUCT BY INDUSTRY, CATALOGUE 61-005, STATISTICS CANADA.

GROSS DOMESTIC PRODUCT IN CONSTANT (1971) PRICES BY INDUSTRY
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES
CONTINUED

	TRANSPORTATION, COMMUNICATION AND OTHER UTILITIES			TRADE			FINANCE INSURANCE REAL ESTATE	COMMUNITY, BUSINESS & PERSONAL SERVICES	PUBLIC ADMINIS- TRATION
	TOTAL	TRANSPOR- TATION	UTILITIES	TOTAL	WHOLESALE	RETAIL			
1977	5.5	4.1	6.3	1.4	1.4	1.5	6.0	3.1	2.3
1978	4.3	3.4	4.1	3.4	4.8	2.5	5.2	3.9	2.5
1979	6.9	6.3	5.8	3.4	4.7	2.5	4.4	3.3	-4
1980	2.4	-1.5	2.5	.0	.9	-7	3.1	1.3	1.1
1981	3.1	.8	3.1	.9	-4	1.8	2.9	3.6	1.8
1980 I	.8	-3	1.7	.0	.5	-5	.9	-1.6	.6
II	-5	-1.4	-1.4	-1.1	-1.0	-1.1	.4	1.7	.8
III	1.2	-4	3.1	.7	-1.1	2.0	.3	.4	.7
IV	1.7	1.3	2.6	1.6	2.1	1.2	.9	.9	.8
1981 I	.6	1.4	-2.6	1.3	.7	1.7	.9	.9	-6
II	1.1	.5	2.2	.0	.5	-3	.2	.9	.4
III	-1.2	-3.5	2.2	-2.3	-2.7	-2.1	1.0	1.0	1.4
IV	1.7	1.4	-8	-1.9	-3.3	-9	1.3	.5	.9
1981 FEB	.2	1.1	-2.3	-3	-2	-3	-2	.6	-1.1
MAR	.8	.0	2.7	-5	-1.2	-1	.6	.2	.3
APR	.0	-3	-1	1.1	1.5	.8	-1	.3	-8
MAY	.5	.2	1.7	-9	.5	-1.9	-2	.2	1.8
JUN	.6	.9	.3	-1	-1.4	.8	.3	.3	.5
JUL	-2.8	-3.5	1.6	-1.1	-1.1	-1.2	.3	.7	.5
AUG	.6	-2.2	-4	-7	.1	-1.3	.6	-3	-5
SEP	2.1	2.4	.4	-1.0	-2.6	.2	.5	.4	.6
OCT	-4	-5	-2	-1.1	-3	-1.5	-4	.1	.5
NOV	.6	1.3	-4	1.0	-3	1.8	1.7	.3	.1
DEC	.3	.6	-1.5	-1.6	-3.0	-7	.3	.1	.1
1982 JAN	-2.2	-4.2	1.0	-1.9	.9	-3.9	-7	-5	-1
FEB	.7	.7	.2	1.3	-4	2.6	-5	.3	.1

SOURCE: GROSS DOMESTIC PRODUCT BY INDUSTRY, CATALOGUE 61-005, STATISTICS CANADA.

REAL MANUFACTURING SHIPMENTS, ORDERS, AND UNFILLED ORDERS
MILLIONS OF 1971 DOLLARS, SEASONALLY ADJUSTED

	SHIPMENTS			NEW ORDERS			UNFILLED ORDERS		
	TOTAL	DURABLE	NONDURABLE	TOTAL	DURABLE	NONDURABLE	TOTAL	DURABLE	NONDURABLE
1977	64109	31863	32246	64856	32558	32288	7295	6439	857
1978	69975	35168	34807	71303	36341	34963	8623	7611	1012
1979	72744	36483	36281	73563	37348	36215	9442	8495	947
1980	69691	34272	35419	69302	33873	35429	8054	8097	957
1981	71007	35208	35799	70187	34486	35701	8235	7375	859
1980 I	17780	8832	8947	17781	8861	8919	9443	8524	919
II	16896	8179	8718	16442	7755	8687	8990	8101	889
III	17269	8470	8799	17351	8545	8805	9071	8176	895
IV	17746	8790	8955	17729	8711	9018	9054	8097	957
1981 I	17755	8824	8931	17672	8773	8899	8971	8048	925
II	18432	9337	9095	18276	9193	9083	8815	7902	913
III	17851	8860	8992	17751	8782	8969	8715	7824	890
IV	16958	8187	8781	16488	7738	8750	8235	7375	859
1981 FEB	5914	2947	2966	5989	2992	2998	9008	8053	955
MAR	6043	3032	3011	6005	3025	2980	8971	8048	925
APR	6118	3080	3039	6096	3067	3029	8948	8033	915
MAY	6133	3105	3028	6018	2997	3021	8832	7925	908
JUN	6180	3153	3028	6163	3130	3033	8815	7902	913
JUL	6159	3105	3054	6200	3163	3038	8855	7959	896
AUG	5913	2954	2959	5896	2749	2947	8639	7755	884
SEP	5779	2801	2979	5855	2870	2984	8715	7824	890
OCT	5707	2743	2964	5588	2657	2931	8596	7738	857
NOV	5669	2727	2943	5391	2458	2933	8317	7470	847
DEC	5592	2718	2874	5509	2623	2886	8235	7375	859
1982 JAN	5487	2855	2832	5284	2446	2838	8031	7166	865
FEB	5561	2707	2855	5415	2602	2814	7885	7061	824

SOURCE: INVENTORIES, SHIPMENTS AND ORDERS IN MANUFACTURING INDUSTRIES, CATALOGUE 31-001, STATISTICS CANADA. BASED ON 1970 SIC. STOCKS ARE MEASURED AT THE END OF THE PERIOD. 1971 DOLLAR VALUES ARE OBTAINED BY DEFLATING AT THE TWO DIGIT INDUSTRY LEVEL BY THE APPROPRIATE INDUSTRY SELLING PRICE INDEXES (SEE TECHNICAL NOTE, MARCH 1982).

REAL MANUFACTURING SHIPMENTS, ORDERS, AND UNFILLED ORDERS
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED 1971 DOLLAR VALUES

	SHIPMENTS			NEW ORDERS			UNFILLED ORDERS		
	TOTAL	DURABLE	NONDURABLE	TOTAL	DURABLE	NONDURABLE	TOTAL	DURABLE	NONDURABLE
1977	3.1	3.4	2.9	6.0	9.2	3.0	11.4	12.1	6.4
1978	9.2	10.4	7.9	9.9	11.6	8.3	18.2	18.2	18.2
1979	4.0	3.7	4.2	3.2	2.8	3.6	9.5	11.6	-6.5
1980	-4.2	-6.0	-2.4	-5.8	-9.3	-2.2	-4.1	-4.7	1.1
1981	1.9	2.7	1.1	1.3	1.8	.8	-9.0	-8.9	-10.2
1980 I	-.7	-1.0	-.5	-1.9	-3.6	-.1	.0	.3	-2.9
II	-5.0	-7.4	-2.6	-7.5	-12.5	-2.6	-4.8	-5.0	-3.3
III	2.2	3.6	.9	5.5	10.2	1.4	.9	.9	.7
IV	2.8	3.8	1.8	2.2	1.9	2.4	-.2	-1.0	7.0
1981 I	.1	.4	-.3	-.3	.7	-1.3	-.9	-.6	-3.4
II	3.8	5.8	1.8	3.4	4.8	2.1	-1.7	-1.8	-1.3
III	-3.2	-5.1	-1.1	-2.9	-4.5	-1.3	-1.1	-1.0	-2.5
IV	-4.9	-7.6	-2.3	-7.1	-11.9	-2.4	-5.6	-5.7	-3.5
1981 FEB	2.0	3.6	.4	5.5	8.6	2.6	.8	.6	3.4
MAR	2.2	2.9	1.5	.3	1.1	-.6	-.4	-.1	-3.2
APR	1.2	1.6	.9	1.5	1.4	1.6	-.3	-.2	-1.0
MAY	.2	.8	-.3	-1.3	-2.3	-.3	-1.3	-1.3	-.8
JUN	.8	1.5	.0	2.4	4.4	.4	-.2	-.3	.6
JUL	-.3	-1.5	.9	.6	1.1	.2	.5	.7	-1.8
AUG	-4.0	-4.9	-3.1	-8.1	-13.1	-3.0	-2.4	-2.6	-1.3
SEP	-2.3	-5.2	.7	2.8	4.4	1.3	.9	.9	.7
OCT	-1.3	-2.1	-.5	-4.6	-7.4	-1.8	-1.4	-1.1	-3.7
NOV	-.7	-.6	-.7	-3.5	-7.5	.1	-3.2	-3.5	-1.2
DEC	-1.4	-.3	-2.3	2.2	6.7	-1.6	-1.0	-1.3	1.5
1982 JAN	-1.9	-2.3	-1.5	-4.1	-6.8	-1.7	-2.5	-2.8	.7
FEB	1.3	1.9	.8	2.5	6.4	-.9	-1.8	-1.5	-4.7

SOURCE: INVENTORIES, SHIPMENTS AND ORDERS IN MANUFACTURING INDUSTRIES, CATALOGUE 31-001, STATISTICS CANADA. BASED ON 1970 SIC, STOCKS ARE MEASURED AT THE END OF THE PERIOD. 1971 DOLLAR VALUES ARE OBTAINED BY DEFLATING AT THE TWO DIGIT INDUSTRY LEVEL BY THE APPROPRIATE INDUSTRY SELLING PRICE INDEXES (SEE TECHNICAL NOTE, MARCH 1982).

REAL MANUFACTURING INVENTORY OWNED, AND
REAL INVENTORY/SHIPMENT RATIO
SEASONALLY ADJUSTED

	REAL VALUE OF INVENTORY OWNED (1)			REAL INVENTORY/SHIPMENT RATIO		
	TOTAL	DURABLE	NONDURABLE	TOTAL	DURABLE	NONDURABLE
1977	11504	5924	5580	2.14	2.20	2.09
1978	11581	6159	5422	1.98	2.05	1.90
1979	12467	6882	5585	1.99	2.16	1.81
1980	12185	6699	5486	2.14	2.41	1.89
1981	12857	7169	5689	2.13	2.39	1.88
1980 I	12460	6879	5581	2.10	2.33	1.87
II	12592	6972	5619	2.24	2.56	1.94
III	12339	6849	5489	2.17	2.44	1.90
IV	12185	6699	5486	2.07	2.30	1.83
1981 I	12434	6865	5570	2.09	2.31	1.86
II	12579	6999	5580	2.04	2.23	1.84
III	12778	7108	5669	2.13	2.40	1.88
IV	12857	7169	5689	2.28	2.64	1.94
1981 FEB	12337	6771	5566	2.09	2.30	1.88
MAR	12434	6865	5570	2.06	2.26	1.85
APR	12486	6912	5573	2.04	2.24	1.83
MAY	12536	6929	5607	2.04	2.23	1.85
JUN	12579	6999	5580	2.04	2.22	1.84
JUL	12587	6998	5589	2.04	2.25	1.83
AUG	12706	7060	5626	2.15	2.40	1.90
SEP	12778	7108	5669	2.21	2.54	1.90
OCT	12867	7200	5666	2.25	2.63	1.91
NOV	12909	7230	5679	2.28	2.65	1.93
DEC	12857	7169	5689	2.30	2.64	1.96
1982 JAN	12893	7169	5724	2.35	2.70	2.02
FEB	12941	7183	5758	2.33	2.85	2.02

SOURCE: INVENTORIES, SHIPMENTS AND ORDERS IN MANUFACTURING INDUSTRIES, CATALOGUE 31-001, STATISTICS CANADA. BASED ON 1970 SIC, STOCKS ARE MEASURED AT THE END OF THE PERIOD. 1971 DOLLAR VALUES ARE OBTAINED BY DEFLATING AT THE TWO DIGIT INDUSTRY LEVEL BY THE APPROPRIATE INDUSTRY SELLING PRICE INDEXES (SEE TECHNICAL NOTE, MARCH 1982).
(1) MILLIONS OF 1971 DOLLARS.

REAL MANUFACTURING INVENTORY OWNED BY STAGE OF FABRICATION
MILLIONS OF 1971 DOLLARS, SEASONALLY ADJUSTED

	RAW MATERIALS			GOODS IN PROCESS			FINISHED GOODS		
	TOTAL	DURABLE	NONDURABLE	TOTAL	DURABLE	NONDURABLE	TOTAL	DURABLE	NONDURABLE
1977	4245	2144	2102	2536	1660	876	4723	2120	2603
1978	4399	2309	2090	2686	1798	888	4496	2052	2444
1979	4750	2543	2207	2947	2105	842	4769	2234	2536
1980	4655	2470	2185	2920	2090	829	4610	2138	2472
1981	4851	2780	2191	2983	2143	840	4924	2266	2658
1980 I	4743	2520	2223	2940	2098	842	4777	2261	2516
II	4754	2532	2222	2951	2120	830	4887	2320	2567
III	4662	2498	2164	2903	2087	816	4773	2264	2510
IV	4855	2470	2185	2920	2090	829	4610	2138	2472
1981 I	4612	2626	2185	2948	2112	836	4675	2126	2549
II	4831	2656	2175	3048	2203	845	4700	2140	2561
III	4910	2721	2189	3037	2185	852	4831	2203	2628
IV	4951	2780	2191	2983	2143	840	4924	2266	2658
1981 FEB	4737	2527	2210	2984	2144	840	4616	2099	2516
MAR	4812	2626	2185	2948	2112	836	4675	2126	2549
APR	4819	2643	2176	2996	2152	845	4671	2118	2553
MAY	4833	2646	2188	3005	2161	844	4698	2123	2575
JUN	4831	2656	2175	3048	2203	845	4700	2140	2561
JUL	4840	2673	2187	3015	2167	848	4732	2157	2574
AUG	4916	2726	2190	3022	2182	841	4767	2172	2595
SEP	4910	2721	2189	3037	2185	852	4831	2203	2628
OCT	4938	2741	2197	3053	2203	850	4876	2257	2619
NOV	4952	2779	2183	3033	2188	845	4914	2263	2651
DEC	4951	2760	2191	2983	2143	840	4924	2266	2658
1982 JAN	4916	2722	2194	3020	2168	852	4957	2278	2679
FEB	4951	2728	2223	3039	2174	855	4950	2280	2670

SOURCE: INVENTORIES, SHIPMENTS AND ORDERS IN MANUFACTURING INDUSTRIES, CATALOGUE 31-001, STATISTICS CANADA, BASED ON 1970
SIC. STOCKS ARE MEASURED AT THE END OF THE PERIOD. 1971 DOLLAR VALUES ARE OBTAINED BY DEFLATING AT THE TWO
DIGIT INDUSTRY LEVEL BY THE APPROPRIATE INDUSTRY SELLING PRICE INDEXES.

REAL MANUFACTURING INVENTORY OWNED BY STAGE OF FABRICATION
CHANGES OF SEASONALLY ADJUSTED FIGURES IN MILLIONS OF 1971 DOLLARS

	RAW MATERIALS			GOODS IN PROCESS			FINISHED GOODS		
	TOTAL	DURABLE	NONDURABLE	TOTAL	DURABLE	NONDURABLE	TOTAL	DURABLE	NONDURABLE
1977	-70	-13	-58	98	90	8	-228	-68	-159
1978	154	185	-11	151	138	13	274	182	92
1979	351	234	117	261	307	-46	-160	-96	-64
1980	-95	-73	-22	-28	-15	-13	314	128	186
1981	296	290	6	63	52	11			
1980 I	-8	-23	16	-8	-7	-1	8	27	-19
II	11	12	-1	11	22	-11	110	60	50
III	-92	-34	-58	-47	-33	-15	-114	-56	-57
IV	-7	-28	21	16	3	13	-164	-126	-38
1981 I	156	156	0	29	22	7	85	-12	77
II	19	29	-10	100	91	9	26	13	12
III	79	65	14	-11	-19	7	131	63	68
IV	41	39	2	-54	-42	-12	93	64	29
1981 FEB	8	11	-3	37	27	11	22	-18	41
MAR	74	99	-25	-36	-32	-4	59	27	32
APR	7	17	-9	48	39	9	-4	-8	4
MAY	15	3	12	9	9	-1	27	5	23
JUN	-3	10	-13	43	42	1	2	17	-15
JUL	10	17	-8	-33	-36	3	32	18	14
AUG	76	53	23	8	15	-7	36	15	21
SEP	-6	-5	-1	15	3	11	63	30	33
OCT	28	20	8	16	18	-2	45	54	-9
NOV	25	39	-14	-20	-15	-5	38	7	31
DEC	-11	-19	8	-50	-45	-5	10	3	7
1982 JAN	-35	-38	3	38	26	12	33	12	21
FEB	35	5	30	19	6	13	-6	2	-9

SOURCE: INVENTORIES, SHIPMENTS AND ORDERS IN MANUFACTURING INDUSTRIES, CATALOGUE 31-001, STATISTICS CANADA, BASED ON 1970
SIC. STOCKS ARE MEASURED AT THE END OF THE PERIOD. 1971 DOLLAR VALUES ARE OBTAINED BY DEFLATING AT THE TWO
DIGIT INDUSTRY LEVEL BY THE APPROPRIATE INDUSTRY SELLING PRICE INDEXES.

CAPACITY UTILIZATION RATES IN MANUFACTURING
SEASONALLY ADJUSTED

	MANUFACTURING			PAPER AND ALLIED INDUSTRIES	PRIMARY METALS	METAL FABRICATING	MACHINERY	TRANSPOR- TATION EQUIPMENT	ELECTRICAL PRODUCTS	CHEMICAL AND CHEMICAL PRODUCTS
	TOTAL	NON-DURABLE	DURABLE							
1977	82.4	84.5	80.4	81.1	73.3	78.6	78.2	87.4	74.0	77.3
1978	84.3	87.3	81.4	91.2	75.4	79.9	83.7	96.0	73.9	75.0
1979	86.2	90.6	81.8	97.0	76.6	82.6	86.0	86.0	80.4	76.1
1980	81.0	87.3	74.8	94.6	77.9	79.8	89.8	86.8	77.1	73.7
1981	79.5	85.8	73.3	89.1	75.9	78.9	89.1	81.8	79.8	71.6
1980 I	83.7	89.3	78.3	99.5	79.3	84.8	93.7	71.9	79.4	76.0
II	80.4	87.5	73.4	95.6	76.0	79.2	91.7	83.2	76.9	73.7
III	79.4	86.0	73.0	91.6	76.5	77.2	87.7	64.2	75.8	71.8
IV	80.5	86.3	74.7	91.6	79.8	77.8	86.1	67.8	76.2	73.3
1981 I	80.8	86.9	74.9	92.1	79.2	79.7	83.6	62.1	78.2	74.1
II	82.7	87.6	76.0	92.4	82.7	83.0	88.9	67.8	82.7	72.7
III	79.4	85.6	73.2	83.7	76.7	81.2	88.7	63.5	82.1	71.8
IV	75.0	83.2	67.0	88.1	85.1	75.7	85.1	53.8	76.4	68.0

SOURCE: CAPACITY UTILIZATION RATES, CATALOGUE 31-003, STATISTICS CANADA.

VALUE OF BUILDING PERMITS
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	TOTAL	NONRESIDENTIAL			INSTITU- TIONAL AND GOVERNMENT	RESIDENTIAL	TOTAL FOR 55 MUNICI- PALITIES
		TOTAL	INDUSTRIAL	COMMERCIAL			
1977	1.5	1.5	-1.5	-3.6	14.1	1.4	2.9
1978	5.8	15.8	4.1	28.5	1.7	-1.6	5.4
1979	7.7	14.5	24.9	18.7	-2.8	2.6	5.3
1980	9.2	25.2	45.3	15.9	31.3	-3.9	10.8
1981	21.2	11.7	-9.4	21.0	11.8	31.4	39.7
1980 I	10.2	33.9	33.0	16.7	83.3	-9.0	12.4
II	-17.3	-18.9	-8.5	-9.9	-42.4	-15.3	-15.2
III	16.4	5.5	1.2	5.6	10.2	28.8	14.5
IV	22.6	29.3	79.1	18.5	7.2	16.4	7.3
1981 I	4	-14.0	-34.1	-7.4	6	16.4	7.2
II	5.3	8.6	-8.1	19.5	-2.4	2.7	19.5
III	-9.0	9	5.8	-8.7	27.6	-17.1	-6.7
IV	9.7	14.3	-13.5	21.8	20.6	5.2	36.2
1981 JAN	-12.6	-27.0	-59.0	-5.0	-2.6	4.5	18.9
FEB	7.5	5.2	-9.2	10.2	7.3	9.5	20.2
MAR	-4	-6.8	21.0	-28.4	36.4	4.7	-29.6
APR	10.3	18.0	-5.4	53.2	-22.5	4.9	88.3
MAY	-12.3	-11.8	-19.4	-14.2	5.6	-12.7	-28.7
JUN	5.6	9.5	5.6	16.3	-5.4	2.4	18.4
JUL	5.7	11.3	10.1	-1.5	58.7	9	18.2
AUG	-18.3	-12.4	1.9	-14.1	-18.9	-18.9	-24.8
SEP	-8.4	-9.2	-3.9	-7.4	-18.0	-7.6	-15.1
OCT	-1.6	4.6	-17.0	12.1	7.4	-6.0	18.2
NOV	32.2	40.0	11.8	31.5	86.8	23.1	59.9
DEC	10.9	-9.4	-4.2	-2	-29.9	37.7	7.1
1982 JAN	-26.4	-17.2	-20.1	-23.2	1.6	-34.5	-59.5

SOURCE: BUILDING PERMITS, CATALOGUE 84-001, STATISTICS CANADA.

HOUSING STARTS, COMPLETIONS AND MORTGAGE APPROVALS
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	URBAN HOUSING STARTS				URBAN HOUSING UNDER CONSTR.	URBAN HOUSING COMPLETIONS	TOTAL NEWLY COMPLETED UNOCCUPIED DWELLINGS (2)	MORTGAGE LOAN APPROVALS (2)		
	THOUSANDS OF STARTS (1)	TOTAL	SINGLES	MULTIPLES				TOTAL	NHA	CONVENTIONAL
1977	198.5	-6.5	-14.2	-1.1	2.2	15.0	NA	8987	4302	2685
1978	183.6	-7.5	-1.1	-11.3	-8.3	-3.8	10.5	5638	2313	3324
1979	151.4	-17.5	-1.0	-28.5	-22.1	-10.1	-5.1	4346	363	3983
1980	125.6	-17.1	-15.8	-18.2	-24.8	-19.8	-8.4	3287	114	3173
1981	144.2	14.8	7.2	22.0	-2.5	-3.4	-10.8	2818	155	2663
1980 II	112.0	-16.4	-11.7	-20.3	-9.2	-10.1	-8.5	657	15	642
III	122.3	9.2	13.2	5.6	-6.3	-11.0	-4.9	888	32	956
IV	134.0	9.5	19.4	.0	-.2	-2.8	-8.3	978	64	914
1981 I	143.3	7.0	20.0	-8.0	-2.7	8.3	-3.5	740	7	733
II	176.3	23.0	.0	57.6	9.9	1.7	-2.1	1068	20	1048
III	145.0	-17.8	-31.0	-5.2	1.9	.0	2.0	607	46	581
IV	112.0	-22.8	-47.8	-5.4	-7.2	-8.4	16.9	403	82	321
1982 I	148.0	32.1	9.7	40.7		-9.6				
1981 MAR	151.0	2.7	-5.6	15.5	-1.0	9.2	1.2	312	4	308
APR	189.0	25.2	8.3	46.3	5.8	-2.8	-2.6	368	5	363
MAY	173.0	-8.5	-5.5	-11.2	7.2	-6.5	-.7	386	6	380
JUN	167.0	-3.5	-5.8	-1.1	.1	18.5	1.1	314	9	305
JUL	149.0	-10.8	-19.8	-2.3	-1.3	-7.8	-2.9	246	12	234
AUG	141.0	-5.4	-9.2	-2.4	1.5	-5.6	2.9	170	15	155
SEP	145.0	2.8	-8.5	11.0	-.1	9.7	7.5	191	19	172
OCT	82.0	-43.4	-37.0	-47.3	-6.0	-11.6	8.0	114	21	93
NOV	98.0	19.5	-17.6	45.8	-3.9	-.8	2.8	118	27	91
DEC	156.0	59.2	10.7	78.6	3.1	6.2	1.1	171	34	137
1982 JAN	133.0	-14.7	9.7	-20.8		-22.6		144	0	144
FEB	170.0	27.8	2.9	36.4		14.2				
MAR	141.0	-17.1	-5.7	-20.0		8.3				

SOURCE: HOUSING STARTS AND COMPLETIONS, CATALOGUE 64-002, STATISTICS CANADA, AND CANADIAN HOUSING STATISTICS, CMHC.

(1) SEASONALLY ADJUSTED, ANNUAL RATES.

(2) NOT SEASONALLY ADJUSTED.

INDICATORS OF PERSONAL EXPENDITURE ON GOODS
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	CURRENT DOLLAR (1)					1971 DOLLARS (2)				
	TOTAL	NEW PASSENGER CAR SALES	DURABLE GOODS	SEMI-DURABLE GOODS	NON-DURABLE GOODS	TOTAL	NEW PASSENGER CAR SALES	DURABLE GOODS	SEMI-DURABLE GOODS	NON-DURABLE GOODS
1977	8.7	11.9	8.7	7.6	9.1	2.0	4.8	3.9	1.3	.3
1978	11.1	8.7	10.6	10.6	11.7	3.0	.6	5.6	5.7	-1.9
1979	11.7	14.7	12.4	10.9	11.6	1.4	2.4	4.0	-.3	-.4
1980	8.6	3.1	4.1	7.2	15.0	-1.3	-7.3	-4.7	-5.4	5.9
1981	13.3	9.5	14.6	13.4	12.4	2.5	-1.7	6.2	5.5	-3.7
1980 I	2.0	3.1	-.5	-1.5	5.6	-.3	.7	-2.8	-4.8	6.0
II	1.7	-9.8	-1.9	3.1	3.7	-1.5	-12.3	-4.6	-.4	1.2
III	5.2	15.8	7.5	3.7	4.3	2.4	11.8	5.3	1.4	-.2
IV	3.6	1.3	3.9	3.4	3.4	.8	-.9	2.5	2.0	-1.8
1981 I	4.2	3.6	7.4	5.9	1.3	2.1	-.2	5.1	4.0	-3.8
II	2.5	1.5	2.0	1.7	3.2	-.3	-.8	-1.1	-.4	.7
III	1.1	-3.0	-2.4	1.0	3.7	-1.6	-5.2	-4.2	-.7	1.1
IV	1.7	1.3	1.1	.8	2.6	-.1	-1.0	-.8	.0	.8
1981 FEB	-.6	-.9	-1.8	-.6	.2	-1.7	-2.2	-3.8	-.2	.0
MAR	1.4	3.6	2.8	1.8	.2	.2	3.5	1.9	.6	-2.4
APR	2.1	5.7	2.2	.3	2.7	1.3	5.7	1.3	-.5	2.5
MAY	-.9	-9.6	-2.9	-.2	.2	-1.7	-11.8	-3.8	-.7	.3
JUN	1.1	1.7	2.0	1.4	.3	.1	1.0	.8	.7	-1.1
JUL	-.1	-4.9	-3.0	.2	2.0	-1.2	-5.0	-3.2	-.6	.8
AUG	.8	3.8	-.3	.1	1.9	.2	3.0	-.7	1.1	1.8
SEP	.6	5.5	1.6	-.6	.5	.0	4.6	.5	-.6	-.2
OCT	-1.2	-22.0	-6.4	.6	1.6	-1.9	-20.7	-5.4	.2	.9
NOV	4.5	56.2	15.9	.5	-1.1	4.4	49.3	12.3	.5	-1.9
DEC	-2.3	-26.1	-9.5	.1	2.2	-3.3	-25.7	-9.5	-.2	2.5
1982 JAN	-2.1	-19.8	-4.9	-1.5	-.5	-2.9	-19.0	-4.3	-1.8	-2.0
FEB	2.0	10.7	3.4	1.9	1.2	1.2	10.3	2.5	1.3	-.3

SOURCE: RETAIL TRADE, CATALOGUE 63-005, 1974 RETAIL COMMODITY SURVEY, CATALOGUE 63-526, NEW MOTOR VEHICLE SALES, CATALOGUE 63-007, THE CONSUMER PRICE INDEX, CATALOGUE 62-001, STATISTICS CANADA.

(1) THESE INDICATORS ARE CALCULATED BY THE REMEETING OF RETAIL TRADE BY TYPE OF BUSINESS (CATALOGUE 63-005) TO OBTAIN RETAIL TRADE BY COMMODITY. THE WEIGHTS WERE TAKEN FROM THE 1974 RETAIL COMMODITY SURVEY (CATALOGUE 63-526). PASSENGER CAR SALES ARE TAKEN FROM NEW MOTOR VEHICLE SALES (CATALOGUE 63-007) AND ARE USED AS AN INDICATOR OF SALES OF CARS TO PERSONS. SEASONAL ADJUSTMENT IS DONE BY COMMODITY TO END POINT (SEE GLOSSARY).

(2) THESE DATA ARE THE RESULT OF DEFLATION BY COMMODITY OF THE RETAIL SALES DATA CALCULATED BY THE METHODOLOGY EXPLAINED BY FOOTNOTE 1.

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LABOUR FORCE SURVEY SUMMARY
SEASONALLY ADJUSTED

	LABOUR FORCE (1)	EMPLOYMENT				UNEMPLOYMENT RATE			UNEMPLOY- MENT (1)	PARTICI- PATIDN RATE
		TOTAL (1)	FULL-TIME (1) (2)	PART-TIME (1) (2)	PAID HOURS (1)	TOTAL	AGES 15-24	AGES 25 AND OVER		
1977	2.9	1.8	1.0	8.1	1.6	8.1	14.4	5.8	16.9	61.5
1978	3.7	3.4	2.9	7.2	3.0	8.4	14.5	6.1	7.2	62.6
1979	3.0	4.0	3.5	7.6	4.1	7.5	13.0	5.4	-8.0	63.3
1980	2.8	2.8	2.2	6.2	3.3	7.5	13.2	5.4	3.5	64.0
1981	2.7	2.6	2.0	6.8	2.7	7.6	13.3	5.6	3.6	64.7
1980 II	.3	.0	.2	1.5	.3	7.8	13.8	5.6	4.4	63.9
III	.3	.6	.2	2.6	.7	7.6	13.3	5.5	-2.8	63.9
IV	.9	1.2	.8	1.6	1.2	7.3	12.7	5.3	-2.9	64.2
1981 I	1.2	1.2	1.1	2.4	1.4	7.3	13.0	5.2	1.1	64.7
II	.5	.5	.8	1.5	.5	7.2	12.7	5.2	-.2	64.7
III	.3	-.1	-.2	.5	-.2	7.6	13.1	5.6	5.3	64.7
IV	.2	-.7	-1.3	.1	-.8	8.4	14.6	6.3	11.4	64.6
1982 I	-.7	-.9	-1.1	.4	-.8	8.6	15.3	6.4	2.1	63.9
1981 MAR	.1	-.1	-.2	.2	-.2	7.4	13.4	5.2	3.0	64.8
APR	.0	.3	.8	-.7	.3	7.0	12.5	5.1	-4.4	64.7
MAY	.3	.1	-.3	2.9	.0	7.2	12.8	5.2	2.8	64.7
JUN	.3	.2	.4	-1.8	.1	7.4	12.9	5.4	2.1	64.8
JUL	-.2	-.2	-.1	.3	-.3	7.4	12.7	5.5	-.1	64.6
AUG	.0	.3	.1	.3	-.2	7.1	12.2	5.3	-3.7	64.5
SEP	.8	-.4	-.7	.9	-.4	8.2	14.3	6.1	17.0	65.0
OCT	-.2	-.2	-.5	-1.0	-.3	8.3	14.2	6.2	-.7	64.6
NOV	-.3	-.2	-.3	.9	-.3	8.3	14.7	6.1	-.6	64.6
DEC	-.1	-.5	-.8	-.6	-.4	8.6	14.8	6.5	4.4	64.4
1982 JAN	-.6	-.2	-.2	1.0	-.1	8.3	15.0	6.0	-4.2	64.0
FEB	-.1	-.4	-.4	-.5	-.4	8.6	15.0	6.4	2.7	63.8
MAR	.4	-.1	.1	-.5	-.2	9.0	15.8	6.7	5.8	64.0

SOURCE: THE LABOUR FORCE, CATALOGUE 71-001, STATISTICS CANADA.

(1) PERCENTAGE CHANGE.

(2) END POINT SEASONALLY ADJUSTED (SEE GLOSSARY) BY C.E.A. STAFF.

CHARACTERISTICS OF THE UNEMPLOYED
NOT SEASONALLY ADJUSTED

	TOTAL UN- EMPLOYMENT (1)	PERCENTAGE OF TOTAL UNEMPLOYED					AVERAGE DURATION OF UNEMPLOY- MENT (WEEKS)	
		LOOKING 1-4 WEEKS	LOOKING 5-13 WEEKS	LOOKING 14 WEEKS AND OVER	LOOKING FUTURE START	NOT LOOKING, ON LAYOFF		NOT LOOKING FUTURE JOB
1977	850	24.4	27.3	33.1	4.0	6.5	3.5	14.6
1978	911	23.8	27.1	35.2	3.9	5.3	3.4	15.5
1979	836	25.9	27.0	32.6	4.3	5.3	3.5	14.8
1980	867	25.8	27.0	32.1	3.9	6.2	3.2	14.7
1981	898	25.9	26.1	32.3	4.2	6.2	3.5	15.2
1980 II	909	24.3	22.7	36.6	4.7	5.6	4.7	15.6
III	817	27.8	26.5	29.5	4.1	5.8	4.3	14.5
IV	785	27.8	29.4	30.6	3.3	4.9	2.1	14.7
1981 I	952	23.5	28.0	33.9	3.7	6.4	2.3	15.1
II	865	24.3	22.0	36.1	5.7	4.7	5.8	16.4
III	839	28.3	24.9	29.6	4.6	6.9	4.0	15.1
IV	935	27.5	29.6	29.2	2.9	6.9	1.7	14.2
1982 I	1147	20.8	28.5	34.5	2.9	6.3	2.1	15.1
1981 MAR	983	22.9	27.5	35.5	4.6	5.1	2.8	15.8
APR	886	20.0	22.2	40.0	4.9	6.0	5.4	17.1
MAY	854	25.1	20.8	36.3	6.3	4.0	6.2	16.7
JUN	855	27.7	22.9	32.2	6.0	4.2	5.8	15.5
JUL	835	29.0	25.0	29.1	4.8	7.4	3.4	14.6
AUG	790	22.0	26.8	31.5	4.7	7.3	5.9	16.1
SEP	891	33.9	22.8	28.8	4.3	5.8	2.8	14.5
OCT	891	29.9	28.2	29.4	3.1	5.8	2.0	14.5
NOV	928	28.0	31.4	28.1	2.9	5.9	1.5	14.0
DEC	987	24.5	29.4	30.2	2.5	9.0	1.6	14.1
1982 JAN	1096	23.6	27.6	30.5	2.6	10.8	1.9	13.8
FEB	1116	18.1	30.4	35.1	2.9	7.9	1.8	15.2
MAR	1228	19.6	27.5	38.0	3.3	6.3	2.5	16.3

SOURCE: THE LABOUR FORCE, CATALOGUE 71-001, STATISTICS CANADA.

(1) THOUSANDS OF PERSONS.

LABOUR FORCE SUMMARY, AGES 15-24 AND 25 AND OVER
SEASONALLY ADJUSTED

	AGES 15-24					AGES 25 AND OVER				
	LABOUR FORCE (1)	EMPLOY- MENT (1)	UNEMPLOY- MENT (1)	UNEMPLOY- MENT RATE	PARTICI- PATION RATE	LABOUR FORCE (1)	EMPLOY- MENT (1)	UNEMPLOY- MENT (1)	UNEMPLOY- MENT RATE	PARTICI- PATION RATE
1977	3.0	1.0	16.8	14.4	63.2	2.8	2.0	17.2	5.8	81.0
1978	3.3	3.1	3.9	14.5	64.4	3.8	3.4	9.9	8.1	82.0
1979	3.7	5.8	-7.1	13.0	66.2	2.7	3.4	-8.6	5.4	62.3
1980	1.9	1.6	3.8	13.2	67.3	3.1	3.2	2.9	5.4	62.9
1981	.4	.3	1.0	13.3	67.9	3.5	3.4	6.1	5.6	63.6
1980 II	.4	-.5	6.5	13.8	67.4	.3	.2	2.6	5.6	82.8
III	-.2	.4	-3.8	13.3	67.3	.5	.8	-1.8	5.5	82.7
IV	.3	1.0	-4.1	12.7	67.5	1.2	1.3	-1.8	5.3	63.1
1981 I	.9	.6	3.2	13.0	66.2	1.2	1.4	-.7	5.2	63.5
II	-.1	.2	-2.5	12.7	68.2	.7	.7	1.9	5.2	63.6
III	-1.0	-1.4	1.7	13.1	67.8	.8	.4	8.4	5.6	63.7
IV	-.7	-2.4	10.8	14.6	67.5	.5	-.2	12.0	6.3	63.7
1982 I	-1.8	-2.6	3.0	15.3	66.5	-.2	-.4	1.4	6.4	63.1
1981 MAR	.0	-.7	4.5	13.4	68.3	.1	.0	1.6	5.2	63.6
APR	-.7	.4	-7.4	12.5	67.9	.2	.3	-1.5	5.1	63.6
MAY	.5	.2	3.1	12.8	68.3	.2	.1	2.5	5.2	63.6
JUN	.2	.1	1.0	12.9	68.5	.3	.2	3.1	5.4	63.6
JUL	-1.3	-1.0	-3.0	12.7	67.7	.1	.0	2.3	5.5	63.6
AUG	-.7	-.2	-4.1	12.2	67.3	.2	.4	-3.3	5.3	63.6
SEP	1.4	-1.0	18.1	14.3	68.3	.6	-.2	16.2	6.1	63.9
OCT	-1.1	-1.1	-1.4	14.2	67.6	.2	.0	2.4	6.2	63.9
NOV	-.3	-.8	2.7	14.7	67.5	-.3	-.1	-3.3	6.1	63.6
DEC	-.3	-.6	.4	14.8	67.3	.0	-.5	7.7	6.5	63.5
1982 JAN	-1.2	-1.5	.4	15.0	66.6	-.3	.2	-7.8	6.0	63.1
FEB	-.5	-.5	-.4	15.0	66.3	.0	-.4	5.5	6.4	63.0
MAR	.1	-.8	4.9	15.8	66.5	.6	-.2	6.6	6.7	63.2

SOURCE: THE LABOUR FORCE, CATALOGUE 71-001, STATISTICS CANADA.
(1) PERCENTAGE CHANGE.

LABOUR FORCE SUMMARY, WOMEN, AGES 15-24 AND 25 AND OVER
SEASONALLY ADJUSTED

	AGES 15-24					AGES 25 AND OVER				
	LABOUR FORCE (1)	EMPLOY- MENT (1)	UNEMPLOY- MENT (1)	UNEMPLOY- MENT RATE	PARTICI- PATION RATE	LABOUR FORCE (1)	EMPLOY- MENT (1)	UNEMPLOY- MENT (1)	UNEMPLOY- MENT RATE	PARTICI- PATION RATE
1977	2.7	.5	17.3	13.8	57.5	4.8	4.0	16.3	7.4	42.1
1978	3.7	3.7	4.6	13.9	58.9	7.0	6.6	12.5	7.7	44.0
1979	4.2	5.5	-4.9	12.7	61.0	4.2	5.0	-6.2	7.0	44.9
1980	2.7	2.7	2.3	12.7	62.6	5.5	6.0	-1.4	8.5	46.2
1981	.4	.8	-2.8	12.3	63.2	6.1	5.9	8.7	6.7	47.9
1980 II	.4	-.1	3.7	13.0	62.6	.3	.0	4.3	6.9	46.0
III	.1	.5	-2.2	12.7	62.7	.6	1.1	-6.7	6.4	46.0
IV	.1	.7	-4.1	12.2	62.8	2.0	2.3	-2.3	6.1	46.6
1981 I	.5	.4	1.3	12.3	63.3	2.0	1.9	3.7	6.2	47.3
II	.5	1.0	-2.7	11.9	63.7	1.6	1.6	1.6	6.2	47.8
III	-1.5	-1.6	-.8	12.0	63.0	1.4	.8	9.7	6.7	48.1
IV	-.3	-1.3	7.1	12.9	63.0	.7	-.1	11.1	7.4	48.2
1982 I	-.7	-1.2	2.9	13.4	62.7	-.1	.2	-3.6	7.2	47.9
1981 MAR	-.9	-1.4	2.3	12.6	63.0	.4	.4	1.0	8.2	47.5
APR	-.1	.7	-5.6	11.9	63.0	.3	.3	.5	6.2	47.6
MAY	1.7	1.6	2.4	12.0	64.1	.9	1.0	.0	6.2	47.9
JUN	-.2	-.1	-1.2	11.9	64.0	.4	.2	3.4	6.3	48.0
JUL	-1.7	-1.4	-3.5	11.6	63.1	.0	-.1	1.4	6.4	47.9
AUG	-1.0	-.5	-4.8	11.2	62.5	.5	.5	.0	6.4	48.0
SEP	1.2	-1.0	19.1	13.2	63.3	1.3	.2	17.4	7.4	48.5
OCT	-.9	-.2	-5.3	12.6	62.8	.1	-.1	1.6	7.5	48.5
NOV	.4	-.2	4.5	13.1	63.1	-.5	-.4	-1.5	7.4	48.2
DEC	-.2	-.1	-1.1	13.0	63.0	-.2	-.1	-1.2	7.4	48.0
1982 JAN	-.3	-.6	1.6	13.2	62.9	.0	.8	-10.3	6.6	47.9
FEB	-.8	-.6	-2.2	13.1	62.5	-.1	-.7	8.8	7.2	47.7
MAR	.4	-.5	6.0	13.8	62.8	.8	.2	8.1	7.7	48.0

SOURCE: THE LABOUR FORCE, CATALOGUE 71-001, STATISTICS CANADA.
(1) PERCENTAGE CHANGE.

LABOUR FORCE SUMMARY, MEN, AGES 15-24 AND 25 AND OVER
SEASONALLY ADJUSTED

	AGES 15-24					AGES 25 AND OVER				
	LABOUR FORCE (1)	EMPLOY- MENT (1)	UNEMPLOY- MENT (1)	UNEMPLOY- MENT RATE	PARTICI- PATION RATE	LABOUR FORCE (1)	EMPLOY- MENT (1)	UNEMPLOY- MENT (1)	UNEMPLOY- MENT RATE	PARTICI- PATION RATE
1977	3.3	1.4	15.1	14.9	88.8	1.8	1.0	18.0	4.9	80.9
1978	2.8	2.7	3.9	15.1	88.7	2.1	1.7	8.2	5.2	81.0
1979	3.5	5.6	-9.2	13.3	71.4	1.9	2.6	-11.0	4.5	80.9
1980	1.3	.7	5.0	13.8	72.0	1.7	1.5	6.8	4.8	80.5
1981	.4	-.1	3.9	14.2	72.5	2.0	1.9	4.0	4.8	80.3
1980 II	.4	-.9	8.7	14.5	72.1	.3	.3	1.2	4.7	80.5
III	-.5	.3	-5.1	13.9	71.7	.5	.3	2.5	4.8	80.4
IV	.4	1.2	-4.2	13.2	72.1	.6	.7	-1.4	4.7	80.5
1981 I	1.3	.7	4.7	13.6	73.1	.8	1.0	-4.2	4.5	80.7
II	-.7	-.4	-2.3	13.4	72.6	.1	.1	2.1	4.6	80.4
III	-.5	-1.1	3.6	13.9	72.4	.4	.1	7.3	4.9	80.2
IV	-1.1	-3.4	13.1	16.0	71.9	.4	-.3	12.8	5.5	80.0
1982 I	-2.8	-3.9	3.0	16.9	70.1	-.4	-.7	5.8	5.9	79.3
1981 MAR	.8	-.1	6.2	14.1	73.5	-.1	-.2	2.1	4.6	80.6
APR	-1.2	.1	-8.8	13.0	72.6	.1	.3	-3.3	4.4	80.6
MAY	-.4	-1.0	3.7	13.5	72.4	-.3	-.5	4.7	4.6	80.2
JUN	.6	.3	2.7	13.8	72.9	.3	.2	2.8	4.8	80.3
JUL	-1.0	-.7	-2.6	13.5	72.2	.2	.1	3.1	4.9	80.3
AUG	-.5	.0	-3.5	13.1	72.0	.0	.3	-6.1	4.6	80.2
SEP	1.5	-.9	17.4	15.2	73.1	.2	-.5	15.0	5.3	80.2
OCT	-1.2	-1.7	1.6	15.6	72.3	.2	.1	3.2	5.4	80.2
NOV	-.8	-1.2	1.5	16.0	71.8	-.1	.1	-4.8	5.2	80.0
DEC	-.4	-.8	1.5	16.3	71.5	.1	-.7	15.6	6.0	79.9
1982 JAN	-2.1	-2.4	-.4	16.6	70.1	-.6	-.2	-5.9	5.7	79.3
FEB	-.2	-.4	.7	16.7	70.1	.0	-.1	3.0	5.8	79.2
MAR	-.2	-1.0	4.1	17.5	70.0	.4	.1	5.4	6.1	79.4

SOURCE: THE LABOUR FORCE, CATALOGUE 71-001, STATISTICS CANADA.
(1) PERCENTAGE CHANGE.

EMPLOYMENT BY INDUSTRY, LABOUR FORCE SURVEY
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	GOODS INDUSTRIES					SERVICE INDUSTRIES				
	TOTAL EXCLUDING AGRICULTURE	TOTAL EXCLUDING AGRICULTURE	PRIMARY INDUSTRIES EXCLUDING AGRICULTURE	MANUFAC- TURING	CONSTRUC- TION	TOTAL	TRANSPOR- TATION, COMMUNICA- TION AND OTHER UTILITIES	TRADE	FINANCE, INSURANCE AND REAL ESTATE	OTHER (1)
1977	2.0	-1.0	2.6	-1.7	-.3	3.3	-.6	2.1	7.1	4.3
1978	3.4	3.0	7.1	3.5	-.3	3.6	4.6	3.5	2.8	3.5
1979	4.1	4.8	5.8	5.9	1.4	3.8	4.8	3.9	1.3	3.8
1980	3.0	1.4	8.4	1.7	-3.3	3.7	.3	1.4	9.9	4.8
1981	2.7	1.9	6.1	.7	4.2	3.0	.3	2.5	-2.6	4.7
1980 II	.1	-.8	1.9	-.9	-1.7	.5	.8	-.7	3.1	.5
III	.8	-.5	-1.8	-.3	-.8	1.4	.0	.8	.9	2.2
IV	1.1	.7	4.5	.8	-1.5	1.2	-.9	1.2	-1.4	2.1
1981 I	1.3	1.9	2.7	1.0	4.4	.9	.4	.6	-3.6	1.9
II	.5	.6	1.2	.4	1.2	.5	1.0	.3	.1	.6
III	-.2	.2	1.2	-.3	1.3	-.3	-1.3	1.0	1.0	-.9
IV	-.6	-2.4	-4.7	-2.8	-.3	.1	1.5	-.3	1.1	-.2
1982 I	-.7	-2.9	-5.2	-2.6	-2.9	.1	-.3	-.6	3.2	.2
1981 MAR	-.2	.1	1.0	-.5	1.6	-.2	-.8	-1.5	.2	.5
APR	.3	.2	.9	.1	.4	.4	1.2	.6	.2	.0
MAY	.1	.2	-.9	.6	-.8	-.1	-1.1	.4	.0	.0
JUN	.1	-.3	.0	-.7	.8	.6	2.4	.2	1.4	.2
JUL	-.3	.6	.3	.3	1.7	-.8	-3.6	.1	.2	-.8
AUG	.1	.0	2.2	-.1	-.6	.3	1.8	1.1	.0	-.3
SEP	-.2	-.8	-.8	-.8	-.6	-.1	.1	-.1	-.3	-.1
OCT	-.3	-1.2	-3.7	-1.0	-.5	.0	1.0	-.1	.7	-.4
NOV	-.2	-.3	-1.0	-.5	.8	-.1	.2	-.7	1.3	-.1
DEC	-.2	-1.8	-1.3	-2.7	.8	.3	-.7	-.1	-.7	.9
1982 JAN	-.3	-.5	-1.0	-.2	-1.1	-.1	.6	-.3	2.0	-.4
FEB	-.2	-1.4	-1.0	-.4	-4.6	.0	-.3	-.2	1.5	-.1
MAR	-.1	-.6	-7.4	-.2	1.6	.2	-.9	.3	.5	.3

SOURCE: THE LABOUR FORCE, CATALOGUE 71-001, STATISTICS CANADA.
BASED ON THE 1970 STANDARD INDUSTRIAL CLASSIFICATION.
(1) COMMUNITY, BUSINESS, PERSONAL SERVICES AND PUBLIC ADMINISTRATION.

ESTIMATES OF EMPLOYEES BY INDUSTRY
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	GOODS INDUSTRIES					SERVICE INDUSTRIES				
	TOTAL EXCLUDING AGRICULTURE	TOTAL EXCLUDING AGRICULTURE	PRIMARY INDUSTRIES EXCLUDING AGRICULTURE	MANU- FACTURING	CONSTRUCT- TION	TOTAL	TRANSPORT- ATION, COMMUNICA- TION AND OTHER UTILITIES	TRADE	ALL COMMERCIAL SERVICES (1)	NON- COMMERCIAL SERVICES INCLUDING PUBLIC ADMINIS- TRATION
1977	2.7	1.1	7.1	.1	2.4	3.4	2.0	.9	8.5	2.1
1978	2.0	-.1	7.2	1.6	-6.5	2.9	1.0	3.8	4.1	2.0
1979	3.6	4.7	7.4	3.9	6.8	3.1	2.1	3.3	5.8	1.1
1980	2.1	-.6	8.0	-1.2	-2.1	3.2	2.8	2.6	5.5	2.0
1981	3.5	2.2	1.9	1.8	4.3	4.1	.8	4.7	6.3	3.0
1980 I	.1	-.6	2.5	-.4	-2.8	.4	.9	-.3	.9	.3
II	.2	-1.7	1.5	-1.6	-3.7	.9	.9	.3	1.1	1.2
III	.7	-.2	-1.0	-.4	3.4	.9	.6	.7	1.2	.9
IV	1.3	1.5	1.8	1.0	3.6	1.3	.9	1.2	2.0	.8
1981 I	1.5	1.5	.4	1.8	.9	1.4	-.1	1.5	3.0	.7
II	1.0	1.7	2.6	1.5	2.1	.7	-.1	2.0	.1	.7
III	-.1	-1.9	-3.8	-1.7	-1.9	.6	-1.1	1.0	1.2	.6
IV	-.2	-1.5	1.4	-1.8	-2.5	.3	1.6	-.9	.5	.5
1981 JAN	.5	-.3	-.9	.3	-2.4	.8	.1	.7	1.8	.2
FEB	.6	1.5	.9	1.5	1.8	.2	-1.3	.2	.5	.6
MAR	.1	.3	1.7	.0	.5	.1	1.8	.1	-.9	.3
APR	.3	.8	.7	.7	1.3	.0	-1.6	.6	.4	-.1
MAY	.6	.3	.3	.2	1.1	.8	1.1	1.4	.3	.5
JUN	.1	-.2	.5	.3	-2.5	.1	-.1	.7	-.4	.3
JUL	-.3	-1.5	-5.0	-1.6	1.0	.2	-3.2	.3	1.4	.4
AUG	-.4	-.8	-1.0	-.7	-1.0	-.2	2.7	-.8	-.7	-.4
SEP	.6	.3	4.5	.5	-2.8	.7	.5	.9	1.2	.3
OCT	-.4	-1.2	-.4	-1.2	-1.3	-.1	.4	-1.0	-.2	.5
NOV	-.2	-.6	-.9	-.8	.3	-.1	-.3	-.3	-.1	.0
DEC	.1	.0	-.4	-.5	2.5	.2	.5	-.2	.5	.0
1982 JAN	.2	-1.4	-2.1	-1.0	-2.5	.8	-.3	1.8	.2	.8

SOURCE: ESTIMATES OF EMPLOYEES BY PROVINCE AND INDUSTRY, CATALOGUE 72-008.
BASED ON THE 1980 STANDARD INDUSTRIAL CLASSIFICATION.

(1) FINANCE, INSURANCE AND REAL ESTATE AND COMMUNITY, BUSINESS AND PERSONAL SERVICES.

LARGE FIRM EMPLOYMENT BY INDUSTRY (1)
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	INDUSTRIAL COMPOSITE (2)	FORESTRY	MINING	MANUFACTURING		
				TOTAL	DURABLE	NONDURABLE
1977	.1	3.2	3.7	-1.4	-1.8	-1.1
1978	1.5	4.4	-3.0	1.0	1.7	.5
1979	2.8	2.3	7.5	3.0	3.9	2.1
1980	1.1	-4.0	11.5	-1.9	-3.0	-.7
1981	2.1	-7.9	3.6	.7	-.2	1.5
1980 I	.3	2.1	2.5	-.5	-.8	-.5
II	-.3	-3.1	3.8	-1.5	-2.7	-.4
III	.0	-7.0	.5	-.8	-.9	-.8
IV	.5	1.0	1.7	.4	.3	.8
1981 I	1.6	.0	1.8	1.6	1.4	1.8
II	1.0	-1.7	.2	1.8	2.7	.7
III	-.7	-7.4	-2.0	-2.2	-3.8	-.7
IV	-.5	2.6	.4	-2.7	-3.3	-2.0
1981 JAN	1.0	.9	.6	.5	-.9	1.5
FEB	.1	-1.3	.7	1.0	2.1	.2
MAR	.5	2.9	.7	.2	.7	-.3
APR	.3	-4.4	.2	1.1	1.1	.7
MAY	.4	2.1	-1.3	.0	.1	.2
JUN	.3	-.5	.5	.6	1.0	.1
JUL	-1.3	-13.2	.1	-2.3	-4.3	-.8
AUG	.3	2.6	-3.7	-.5	-.6	.4
SEP	.3	13.3	1.5	.1	.8	-.8
OCT	-.4	-.5	.4	-1.5	-2.2	-.8
NOV	-.3	-5.7	.0	-1.2	-1.7	-.7
DEC	-.5	-6.3	.6	-1.0	-.7	-.8
1982 JAN	-.3	5.8	-1.3	-.7	-1.1	-.8

SOURCE: EMPLOYMENT, EARNINGS AND HOURS, CATALOGUE 72-002, STATISTICS CANADA.
BASED ON 1980 STANDARD INDUSTRIAL CLASSIFICATION.

(1) SEE GLOSSARY.

(2) EXCLUDES AGRICULTURE, FISHING AND TRAPPING, EDUCATION, HEALTH, RELIGIOUS ORGANIZATIONS,
AND PUBLIC ADMINISTRATION AND DEFENSE.

LARGE FIRM EMPLOYMENT BY INDUSTRY (1)
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES
CONTINUED

	CONSTRUC- TION	TRANSPOR- TATION COMMUNICA- TION & UTILITIES	TRADE			FINANCE INSURANCE & REAL ESTATE	COMMUNITY, BUSINESS & PERSONAL SERVICES
			TOTAL	WHOLESALE	RETAIL		
1977	-2.8	1.0	-1.5	-2.2	-1.1	5.7	3.0
1978	-10.1	1.9	2.4	-4	3.9	2.4	4.3
1979	-3.5	1.7	3.1	3.0	3.1	3.3	4.0
1980	-2.8	3.3	1.8	1.5	2.0	1.4	4.6
1981	5.5	.7	1.9	.9	2.3	3.2	6.4
1980 I	-.1	1.2	.4	.5	.5	-.2	1.3
II	-3.6	1.0	.1	-.1	.1	.7	.7
III	2.0	.1	.5	.4	.6	.3	.4
IV	.6	.6	.0	.1	-.1	.5	.8
1981 I	4.4	-.4	1.4	.7	1.7	.8	3.5
II	.8	.3	.6	.5	.8	.8	1.2
III	.0	-.6	-.2	-.3	-.1	1.8	.9
IV	-.5	1.9	-.8	-1.2	-.7	.8	1.6
1981 JAN	3.5	.2	1.0	.6	1.8	.3	2.8
FEB	1.8	-2.1	.4	.3	-.6	.0	.1
MAR	-1.4	1.4	.0	.4	.5	.2	.4
APR	1.6	-.4	.2	-.4	.4	.2	.4
MAY	-.8	.5	.1	.7	.1	.7	.7
JUN	.3	-.2	.8	.2	.9	.1	.0
JUL	.1	-3.1	-.2	-.1	-.3	.7	.5
AUG	.2	3.2	-.5	-.3	-.4	1.1	-.4
SEP	-.4	.2	-.5	-1.1	-.3	.1	1.4
OCT	-.5	.7	-.1	-.4	-.2	.2	.5
NOV	1.5	-.1	-.2	-.8	.0	.2	.2
DEC	-2.3	.3	-.5	-.7	-.6	.0	.5
1982 JAN	2.7	.0	.2			.5	-1.7

SOURCE: EMPLOYMENT, EARNINGS AND HOURS, CATALOGUE 72-002, STATISTICS CANADA.
BASED ON 1960 STANDARD INDUSTRIAL CLASSIFICATION.
(1) SEE GLOSSARY.

WAGES AND SALARIES BY INDUSTRY
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	GOODS INDUSTRIES					CONSTRUC- TION
	TOTAL	AGRICULTURE	FORESTRY	MINING	MANUFAC- TURING	
1977	9.1	17.7	10.2	13.8	8.4	8.5
1978	6.6	14.8	10.8	5.2	9.9	-3.2
1979	12.4	11.4	13.3	20.6	13.6	5.7
1980	9.0	6.0	7.5	23.7	8.1	7.0
1981	13.2	9.0	2.5	17.3	12.0	17.3
1980 I	2.1	-11.4	3.4	3.8	2.0	3.9
II	.2	7.2	1.6	7.2	.3	-4.3
III	1.9	.5	-7.6	3.0	1.2	5.7
IV	5.0	9.5	4.4	4.9	4.1	7.4
1981 I	4.0	-4.4	5.3	4.5	4.3	4.2
II	4.4	3.2	2.6	4.5	5.1	2.8
III	.0	3.8	-14.4	1.5	-1.0	4.2
IV	2.2	1.0	14.6	3.2	1.3	3.3
1981 JAN	1.1	-9.4	.0	1.7	1.2	2.3
FEB	1.5	10.7	.2	2.1	1.5	.1
MAR	.1	-7.8	7.7	-.3	.4	-.5
APR	1.5	2.3	-4.1	3.0	2.2	-.6
MAY	2.6	6.7	1.3	1.1	2.0	5.0
JUN	1.6	-4.0	2.6	.9	2.1	1.0
JUL	-1.1	1.6	-14.0	1.0	-1.2	-.3
AUG	-2.7	3.1	-13.4	-1.6	-4.4	2.8
SEP	3.2	2.1	22.1	2.0	3.6	.5
OCT	.4	-4.4	12.3	1.1	.3	-.5
NOV	.9	4.3	-5.8	1.0	.0	4.3
DEC	.0	.8	-6.8	1.6	.4	-1.1
1982 JAN	-.6	-10.9	1.9	1.3	-.7	.1

SOURCE: ESTIMATES OF LABOUR INCOME, CATALOGUE 72-005, STATISTICS CANADA.
BASED ON THE 1960 STANDARD INDUSTRIAL CLASSIFICATION.

MAGES AND SALARIES BY INDUSTRY
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES
CONTINUED

	TOTAL	TRANSPOR- TATION STORAGE AND COMMU- NICATION	SERVICE INDUSTRIES				TOTAL MAGES AND SALARIES (2)	SUPPLE- MENTARY LABOUR INCOME	TOTAL LABOUR INCOME	TIME LOST IN WORK STOPPAGES (3)
			TRADE	FINANCE, INSURANCE & REAL ESTATE	COMMUNITY, BUSINESS & PERSONAL SERVICES	PUBLIC ADMINIS- TRATION AND DEFENSE (1)				
1977	10.5	10.7	6.0	13.4	11.6	11.8	10.0	13.8	10.3	275.7
1978	9.9	9.7	7.9	12.5	10.4	9.8	8.8	13.9	8.1	516.1
1979	11.8	12.7	12.5	16.1	11.3	8.3	12.0	8.5	11.7	648.8
1980	12.5	14.3	11.0	13.2	12.7	11.8	11.3	10.1	11.2	747.9
1981	13.6	12.4	11.3	13.8	15.3	13.5	13.5	13.4	13.5	728.0
1980 I	3.0	4.8	2.6	3.7	1.6	5.2	2.7	1.6	2.6	800.0
II	3.2	2.8	1.7	1.2	5.2	1.9	2.2	2.1	2.2	706.7
III	3.0	2.4	2.9	3.3	3.0	3.8	2.6	2.3	2.6	959.0
IV	3.4	2.3	3.2	4.3	3.5	4.3	4.0	4.3	4.0	525.9
1981 I	2.5	2.5	3.1	3.7	2.4	1.0	3.0	2.9	3.0	584.0
II	3.9	4.9	2.6	2.8	4.6	3.8	4.1	4.1	4.1	482.4
III	3.7	.6	2.4	3.6	5.1	5.7	2.4	2.4	2.4	1382.8
IV	3.0	7.0	1.4	1.6	2.8	2.1	2.7	2.7	2.7	462.8
1981 JAN	.5	.8	.6	1.9	.3	-.1	.7	.4	.7	308.8
FEB	.4	.0	1.0	-.9	1.3	-1.2	.8	.8	.8	668.4
MAR	.7	1.5	.6	.7	.8	-.3	.5	.5	.5	774.9
APR	2.0	3.3	1.2	1.7	1.9	1.8	1.8	1.8	1.8	561.1
MAY	1.4	.9	.4	1.2	1.6	3.1	1.8	1.8	1.8	462.6
JUN	1.1	.1	1.1	.5	1.6	1.4	1.3	1.3	1.3	423.5
JUL	.7	-3.7	1.8	2.5	.5	3.9	.1	.0	.1	1764.1
AUG	.5	3.9	-.5	-.1	.6	-1.8	-.6	-.6	-.6	1713.3
SEP	4.3	4.4	.4	1.2	7.4	3.0	3.9	4.0	3.9	671.1
OCT	-.7	2.4	.7	-.5	-3.0	.4	-.3	-.4	-.3	651.0
NOV	.6	.4	.6	1.4	.8	.1	.7	.7	.7	545.3
DEC	.8	.2	.6	1.1	1.1	.8	.5	.5	.5	192.1
1982 JAN	.5	-1.0	.2	.3	1.9	-.9	.2	.1	.2	

SOURCE: ESTIMATES OF LABOUR INCOME, CATALOGUE 72-005, STATISTICS CANADA.
BASED ON THE 1960 STANDARD INDUSTRIAL CLASSIFICATION.

- (1) EXCLUDES MILITARY PAY AND ALLOWANCES.
(2) INCLUDES FISHING AND TRAPPING.
(3) THOUSANDS OF PERSON-DAYS, NOT SEASONALLY ADJUSTED.

AVERAGE WEEKLY HOURS BY INDUSTRY
SEASONALLY ADJUSTED

	MINING	TOTAL	MANUFACTURING		TOTAL	CONSTRUCTION	
			DURABLE	NONDURABLE		BUILDING	ENGINEERING
1977	40.6	38.7	39.5	37.8	38.7	37.0	41.6
1978	40.5	38.8	39.6	37.9	38.9	37.2	42.1
1979	41.1	38.8	39.5	38.0	39.3	37.8	42.5
1980	40.8	38.5	39.2	37.8	39.1	37.6	41.9
1981	40.4	38.5	39.3	37.8	38.9	37.6	41.9
1980 I	41.3	38.7	39.4	38.0	39.4	38.0	42.1
II	41.1	38.4	39.1	37.8	38.7	37.1	41.8
III	40.6	38.3	39.0	37.7	38.8	37.6	41.8
IV	40.4	38.6	39.4	37.9	39.2	37.8	42.0
1981 I	40.6	38.7	39.4	38.0	39.3	38.0	42.2
II	40.6	38.9	39.7	38.0	38.6	37.3	41.6
III	40.4	38.5	39.4	37.6	38.9	37.6	42.1
IV	38.9	38.1	38.7	37.6	38.8	37.6	41.8
1981 JAN	40.8	38.9	39.7	38.2	39.9	38.5	43.0
FEB	40.6	38.7	39.2	38.0	39.1	37.8	41.9
MAR	40.4	38.6	39.3	37.7	38.9	37.6	41.7
APR	40.7	38.8	39.7	37.9	37.8	36.6	41.4
MAY	40.7	39.0	39.8	38.1	38.9	37.6	41.7
JUN	40.3	38.9	39.7	38.0	39.0	37.5	41.8
JUL	40.1	38.9	39.9	37.7	38.6	37.5	41.3
AUG	40.5	38.4	39.4	37.5	39.3	37.7	43.2
SEP	40.6	38.1	38.8	37.5	38.9	37.7	41.7
OCT	40.4	38.5	39.2	37.8	38.1	37.5	40.0
NOV	40.2	38.0	38.5	37.6	39.0	37.7	41.8
DEC	39.1	37.7	38.3	37.3	39.5	37.6	43.8
1982 JAN	40.0	37.9	38.5	37.4	38.4	37.2	41.1

SOURCE: EMPLOYMENT, EARNINGS AND HOURS, CATALOGUE 72-002, STATISTICS CANADA.
BASED ON 1960 STANDARD INDUSTRIAL CLASSIFICATION.

AVERAGE WEEKLY WAGES AND SALARIES BY INDUSTRY
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	INDUSTRIAL COMPOSITE	FORESTRY	MINING	MANU- FACTURING	CONS- TRUCTION	TRANS- PORTATION	WHOLESALE TRADE	RETAIL TRADE	FINANCE	COMMUNITY, BUSINESS & PERSONAL SERVICES
1977	9.9	8.7	9.8	10.6	11.7	11.4	9.8	7.6	7.8	7.0
1978	6.2	4.4	8.1	7.4	5.4	7.6	6.7	5.4	8.2	5.1
1979	8.6	10.6	11.4	8.9	8.3	9.0	9.3	7.7	9.5	7.3
1980	9.8	12.2	11.7	9.7	9.3	11.3	10.4	7.6	11.5	9.0
1981	12.4	11.8	14.0	12.5	13.0	12.6	11.2	9.8	16.5	11.5
1980 I	2.3	2.2	3.2	2.2	3.2	3.6	2.4	1.0	2.9	1.7
II	2.7	1.0	2.8	2.6	.3	3.0	2.9	2.8	2.4	3.3
III	2.5	3.5	2.4	2.8	3.8	2.2	2.6	2.4	2.9	2.6
IV	3.2	3.1	2.6	3.3	4.0	2.7	3.0	2.2	3.9	2.4
1981 I	3.6	3.8	4.5	3.4	2.8	4.0	3.1	3.3	8.0	3.1
II	3.0	1.6	3.1	2.9	2.7	2.5	1.8	1.6	2.2	2.6
III	1.9	1.4	3.7	2.2	3.9	2.6	2.6	2.2	2.1	3.0
IV	2.9	5.2	2.8	3.2	2.5	4.2	2.9	1.5	.6	2.5
1981 JAN	1.4	.4	2.3	1.0	2.4	1.3	1.2	2.5	7.0	1.4
FEB	1.7	-.3	1.2	1.9	-1.1	2.4	1.5	1.4	.8	1.5
MAR	.1	3.0	.6	.2	.2	-.4	-.2	.1	-.2	-.2
APR	-.7	-1.3	1.4	1.0	-.7	.6	-.4	-.7	1.0	1.1
MAY	2.8	.6	1.2	1.4	4.9	1.8	1.2	-.4	1.4	1.1
JUN	-.7	2.0	.4	.8	1.3	.6	.6	.5	.6	1.0
JUL	.1	-2.4	1.3	.4	-1.0	-.6	1.3	1.1	1.1	.9
AUG	1.5	2.1	1.8	.9	3.7	3.5	1.1	-.4	-.1	1.2
SEP	1.0	2.7	1.7	.8	-.2	1.5	1.3	.5	-.4	.7
OCT	-.9	3.4	.4	1.6	-.5	1.5	.9	.8	.1	.8
NOV	-.9	-1.8	1.2	.8	2.5	.3	.9	.5	.6	1.0
DEC	.5	1.5	-.2	.7	.6	.8	.7	-.3	-.3	.7
1982 JAN	.3	-.7	1.9	1.0	-1.3	-.7			.6	1.2

SOURCE: EMPLOYMENT, EARNINGS AND HOURS, CATALOGUE 72-002, STATISTICS CANADA.

WAGE SETTLEMENTS

	AVERAGE ANNUAL INCREASE TO BASE RATE OVER THE LIFE OF THE CONTRACT(1)									EMPLOYEES COVERED BY NEW SETTLEMENTS
	ALL AGREEMENTS			WITH COLA CLAUSE			WITHOUT COLA CLAUSE			
	ALL INDUSTRIES	COMMERCIAL	NON- COMMERCIAL (2)	ALL INDUSTRIES	COMMERCIAL	NON- COMMERCIAL (2)	ALL INDUSTRIES	COMMERCIAL	NON- COMMERCIAL (2)	
1977	7.6	7.4	7.6	6.5	6.0	6.7	7.8	7.9	7.7	260603
1978	7.0	7.2	6.7	6.2	5.8	7.2	7.2	7.8	6.7	326761
1979	8.2	8.1	8.3	7.4	7.1	7.3	8.8	9.4	8.3	280741
1980	10.3	9.8	10.6	8.8	8.2	9.6	11.0	11.3	10.8	302953
1981	12.3	11.4	13.3	9.6	9.3	10.2	13.6	13.9	13.5	221898
1980 I	9.1	8.8	9.1	8.8	8.1	9.1	9.6	10.6	9.3	403920
II	10.3	9.1	10.9	8.0	8.1	10.1	11.2	10.9	11.2	326610
III	11.1	11.2	10.9	9.4	8.0	10.2	11.5	12.0	11.1	233240
IV	10.8	10.1	11.4	8.0	7.6	9.1	11.6	11.6	11.7	248040
1981 I	12.3	11.6	13.0	8.7	8.3	11.2	13.7	14.5	13.1	172845
II	12.0	10.8	12.4	9.4	8.8	10.8	12.6	12.8	12.5	309795
III	12.2	11.5	13.9	10.5	10.6	12.1	14.3	14.4	14.3	229900
IV	12.7	11.8	13.9	9.8	9.7	12.1	14.0	14.0	14.0	175050

SOURCE: LABOUR DATA - WAGE DEVELOPMENTS, LABOUR CANADA. BASED ON NEW SETTLEMENTS COVERING COLLECTIVE BARGAINING UNITS OF 500 OR MORE EMPLOYEES, CONSTRUCTION INDUSTRY EXCLUDED.

(1) INCREASES EXPRESSED IN COMPOUND TERMS.

(2) INCLUDES HIGHWAY AND BRIDGE MAINTENANCE, WATER SYSTEMS AND OTHER UTILITIES, HOSPITALS, WELFARE ORGANIZATIONS, RELIGIOUS ORGANIZATIONS, PRIVATE HOUSEHOLDS, EDUCATION AND RELATED SERVICES, PUBLIC ADMINISTRATION AND DEFENCE. COMMERCIAL INDUSTRIES CONSIST OF ALL INDUSTRIES EXCEPT THE NON-COMMERCIAL INDUSTRIES.

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CONSUMER PRICE INDEXES, 1971 = 100
PERCENTAGE CHANGES, NOT SEASONALLY ADJUSTED

	ALL ITEMS	FOOD	HOUSING	CLOTHING	TRANS- PORTATION	HEALTH	RECREATION & EDUCATION	TOBACCO & ALCOHOL	ENERGY
1977	8.0	8.4	9.4	6.8	7.0	7.4	4.8	7.1	12.2
1978	9.0	15.5	7.5	3.8	5.8	7.2	3.9	8.1	9.3
1979	9.1	13.2	7.0	9.2	9.7	9.0	6.9	7.2	9.8
1980	10.1	10.7	8.2	11.8	12.8	10.0	9.5	11.2	16.0
1981	12.5	11.4	12.4	7.1	18.4	10.9	10.1	12.8	30.1
1980 II	2.8	2.8	2.0	3.7	3.2	2.8	2.7	4.7	3.1
III	2.8	4.2	2.3	1.3	2.5	2.8	2.6	3.0	2.5
IV	2.8	3.1	2.6	2.1	4.2	2.0	2.3	2.0	8.5
1981 I	3.2	3.0	3.1	1.3	5.8	2.7	2.7	1.4	9.6
II	3.1	2.3	3.3	1.8	4.4	3.7	2.2	4.4	6.6
III	3.0	2.5	3.5	1.3	3.5	2.1	2.0	4.4	6.4
IV	2.5	-1.6	3.4	2.0	4.1	1.7	2.6	4.9	4.3
1982 I	2.5	1.9	3.0	.4	3.7	2.8	1.2	2.3	5.0
1981 MAR	1.3	.7	1.5	1.0	2.1	2.6	.7	1.0	4.9
APR	.7	1.0	.8	.2	1.0	.5	.0	.8	.0
MAY	.9	-1.6	1.1	.2	1.6	1.2	1.8	2.8	2.2
JUN	1.5	1.8	1.4	.7	2.3	.3	.5	2.5	4.9
JUL	.9	1.3	1.1	-.3	.6	.7	.6	.9	.9
AUG	.7	.3	1.1	1.1	.3	1.1	.6	1.0	.5
SEP	.7	-.2	1.0	.9	1.8	.2	.2	.6	3.1
OCT	1.0	-.1	1.9	.7	.4	.2	1.8	2.1	1.0
NOV	.9	-.2	.4	.7	2.5	1.3	.7	2.6	-.1
DEC	.4	-.8	.7	-.4	2.0	.3	.1	.4	2.9
1982 JAN	.7	1.0	1.3	-1.6	.7	.4	-.1	.5	1.0
FEB	1.2	2.0	.9	2.4	.3	1.3	1.3	.9	.3
MAR	1.3	.8	1.6	1.3	1.8	2.3	.4	.1	5.4

SOURCE: THE CONSUMER PRICE INDEX, CATALOGUE 62-001, STATISTICS CANADA.

CONSUMER PRICE INDEXES, 1971 = 100
RATIO OF SELECTED COMPONENTS TO ALL ITEMS INDEX, NOT SEASONALLY ADJUSTED

	FOOD	HOUSING	CLOTHING	TRANS- PORTATION	HEALTH	RECREATION & EDUCATION	TOBACCO & ALCOHOL	ENERGY
1977	112.0	100.7	87.7	95.4	96.4	88.7	89.4	118.0
1978	118.7	99.4	83.6	92.6	94.9	84.6	88.8	118.4
1979	123.1	97.4	83.6	93.1	94.8	82.9	87.2	119.2
1980	123.7	95.6	84.8	95.3	94.6	82.4	88.0	125.4
1981	122.6	95.5	80.8	100.3	83.3	80.6	88.3	144.9
1980 II	122.8	95.7	85.9	95.1	94.9	82.6	88.5	124.0
III	124.9	95.2	84.5	95.1	94.8	82.4	88.6	123.5
IV	124.6	95.1	84.0	96.3	94.0	82.0	87.9	130.4
1981 I	124.5	95.0	82.4	88.7	93.5	81.5	86.3	138.4
II	123.6	95.1	81.3	99.9	94.0	80.8	87.4	143.0
III	123.0	95.6	80.0	100.4	93.2	80.1	88.6	147.8
IV	119.4	96.5	79.6	102.0	82.5	80.2	90.7	150.4
1982 I	118.7	97.0	78.0	103.2	82.7	78.1	90.5	154.0
1981 MAR	124.3	95.0	82.3	99.0	94.5	81.2	86.0	141.3
APR	124.6	95.0	81.9	99.2	94.2	80.6	86.1	140.3
MAY	122.9	95.2	81.3	98.9	94.5	81.3	87.7	142.0
JUN	123.2	95.1	80.7	100.6	93.3	80.5	88.5	146.7
JUL	123.8	95.3	79.7	100.3	93.2	80.3	88.5	146.8
AUG	123.3	95.6	80.0	100.0	93.5	80.2	88.8	146.6
SEP	122.1	95.9	80.2	101.0	93.0	79.7	88.7	150.0
OCT	120.7	96.7	79.9	100.4	92.2	80.4	89.7	150.1
NOV	119.5	96.3	79.8	102.0	92.7	80.2	91.3	148.7
DEC	118.0	96.5	79.2	103.6	92.6	79.9	91.2	152.4
1982 JAN	118.3	97.1	77.4	103.6	92.4	79.3	91.1	152.9
FEB	119.2	96.8	78.3	102.7	92.5	79.4	90.8	151.5
MAR	118.7	97.1	78.3	103.3	93.4	78.7	89.7	157.6

SOURCE: THE CONSUMER PRICE INDEX, CATALOGUE 62-001, STATISTICS CANADA.

CONSUMER PRICE INDEXES, 1971 = 100
PERCENTAGE CHANGES, NOT SEASONALLY ADJUSTED

	ALL ITEMS	TOTAL	GOODS DURABLES	SEMI- DURABLES	NON- DURABLES	SERVICES	TOTAL EXCLUDING FOOD	TOTAL EXCLUDING ENERGY
1977	8.0	7.4	5.1	6.5	8.1	9.0	7.8	7.6
1978	9.0	10.1	5.8	3.9	12.4	6.8	6.4	8.9
1979	9.1	10.6	9.6	8.7	11.2	7.0	7.9	9.1
1980	10.1	11.4	10.9	9.7	12.2	8.2	10.0	9.8
1981	12.5	13.1	9.4	8.1	15.9	11.5	12.8	11.0
1980 II	2.8	3.2	3.1	2.9	3.3	2.1	2.7	2.7
III	2.8	3.1	2.5	1.8	3.8	2.4	2.4	2.9
IV	2.8	3.4	2.1	2.2	4.2	2.1	2.8	2.4
1981 I	3.2	3.4	2.1	1.5	4.4	3.0	3.3	2.7
II	3.1	3.1	2.4	2.5	3.6	3.0	3.4	2.8
III	3.0	3.0	2.0	1.4	3.7	3.0	3.1	2.6
IV	2.5	1.7	2.6	2.2	1.3	3.6	3.4	2.3
1982 I	2.5	1.9	.4	.6	2.8	3.4	2.7	2.2
1981 MAR	1.3	1.6	.7	1.8	1.8	.9	1.5	1.0
APR	.7	.5	.3	.6	.7	1.1	.7	.8
MAY	.9	.9	2.0	.0	.7	.9	1.3	.8
JUN	1.5	1.8	.4	.8	2.8	1.2	1.5	1.2
JUL	.9	.9	.6	-.1	1.1	.9	.7	.9
AUG	.7	.5	.3	1.0	.5	1.1	.9	.7
SEP	.7	.7	.5	.8	.7	.8	1.0	.5
OCT	1.0	.5	.3	.9	.5	1.7	1.3	1.0
NOV	.9	.8	2.5	.8	.1	1.0	1.2	.9
DEC	.4	.2	.4	-.3	.2	.9	.8	.2
1982 JAN	.7	.2	-.7	-1.5	1.0	1.4	.6	.6
FEB	1.2	1.3	-.1	2.3	1.5	1.1	.9	1.3
MAR	1.3	1.5	.1	1.4	2.0	.9	1.4	.8

SOURCE: THE CONSUMER PRICE INDEX, CATALOGUE 62-001, STATISTICS CANADA.

CONSUMER PRICE INDEXES, 1971 = 100
RATIO OF SELECTED COMPONENTS TO ALL ITEMS INDEX, NOT SEASONALLY ADJUSTED

	TOTAL GOODS	GOODS DURABLES	SEMI- DURABLES	NON- DURABLES	SERVICES	TOTAL EXCLUDING FOOD	TOTAL EXCLUDING ENERGY
1977	99.5	81.9	86.0	107.6	101.5	95.8	98.7
1978	100.6	79.6	82.1	111.0	99.5	93.6	98.7
1979	101.9	78.8	81.7	113.1	97.6	92.5	98.6
1980	103.1	80.4	81.3	115.1	95.9	92.4	98.2
1981	103.7	78.3	78.2	118.7	95.0	92.8	97.0
1980 II	103.0	80.8	81.9	114.4	96.1	92.6	98.3
III	103.2	80.5	81.1	115.4	95.7	92.2	98.3
IV	103.8	79.9	80.6	116.9	95.0	92.2	97.9
1981 I	103.9	79.0	79.2	118.2	94.8	92.2	97.4
II	103.9	78.5	78.7	118.8	94.7	92.4	97.1
III	103.9	77.8	77.5	119.6	94.7	92.6	96.8
IV	103.2	77.9	77.3	118.3	95.8	93.4	96.6
1982 I	102.5	76.2	75.8	118.6	96.6	93.5	96.3
1981 MAR	104.1	78.6	79.5	118.7	94.5	92.3	97.2
APR	103.8	78.2	79.4	118.5	94.8	92.2	97.3
MAY	103.8	79.1	78.6	118.3	94.8	92.6	97.1
JUN	104.1	78.2	78.1	119.5	94.5	92.5	96.8
JUL	104.1	78.0	77.3	119.8	94.5	92.4	96.8
AUG	103.9	77.7	77.5	119.5	94.8	92.5	96.8
SEP	103.8	77.6	77.6	119.5	94.9	92.8	96.6
OCT	103.3	77.0	77.5	119.0	95.5	93.1	96.6
NOV	103.2	78.3	77.4	118.1	95.7	93.4	96.7
DEC	102.9	78.2	76.9	117.8	96.1	93.7	96.5
1982 JAN	102.4	77.2	75.2	118.1	96.8	93.6	96.4
FEB	102.5	76.2	76.0	118.4	96.7	93.4	96.5
MAR	102.7	75.3	76.1	119.3	96.4	93.5	96.1

SOURCE: THE CONSUMER PRICE INDEX, CATALOGUE 62-001, STATISTICS CANADA.

NATIONAL ACCOUNTS IMPLICIT PRICE INDEXES, 1971 = 100
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	GROSS NATIONAL EXPENDITURE	PERSONAL EXPENDITURE				SERVICES	GOVERNMENT EXPENDITURE
		TOTAL	DURABLE GOODS	SEMI-DUR- ABLE GOODS	NON-DUR- ABLE GOODS		
1977	7.1	7.5	4.9	6.1	8.9	7.7	9.6
1978	6.3	7.4	5.0	4.5	10.6	7.1	8.2
1979	10.4	9.2	8.3	11.0	10.1	8.5	8.5
1980	10.6	10.5	8.6	11.2	12.2	9.4	12.0
1981	10.0	11.1	9.0	7.8	14.9	10.0	12.0
1980 I	2.7	2.3	1.7	2.7	2.9	2.0	3.6
II	2.6	2.7	2.8	2.5	2.6	2.4	3.6
III	2.2	3.1	3.0	2.1	4.4	2.7	2.5
IV	2.0	2.6	1.1	1.3	4.4	2.3	3.0
1981 I	2.9	2.6	1.8	2.0	3.4	2.6	1.9
II	1.6	2.6	2.6	2.5	3.1	2.3	3.1
III	3.2	2.9	2.7	1.3	3.7	2.3	4.7
IV	3.0	2.0	2.0	1.4	2.0	2.1	2.0

SOURCE: NATIONAL INCOME AND EXPENDITURE ACCOUNTS, CATALOGUE 13-001, STATISTICS CANADA.

NATIONAL ACCOUNTS IMPLICIT PRICE INDEXES, 1971 = 100
RATIO OF SELECTED COMPONENTS TO GNE INDEX, SEASONALLY ADJUSTED

	TOTAL	PERSONAL EXPENDITURE			SERVICES	GOVERNMENT EXPENDITURE
		DURABLE GOODS	SEMI-DUR- ABLE GOODS	NON-DUR- ABLE GOODS		
1977	92.3	79.9	83.2	98.2	96.5	112.9
1978	93.2	78.9	81.7	102.1	97.2	114.8
1979	92.2	77.4	82.2	102.0	95.6	112.9
1980	92.1	76.0	82.6	103.3	94.5	114.2
1981	93.0	75.3	80.9	107.9	94.5	116.2
1980 I	91.5	75.7	82.7	101.6	94.3	112.9
II	91.6	75.9	82.7	101.7	94.1	114.1
III	92.4	76.5	82.7	103.9	94.6	114.4
IV	92.9	75.8	82.1	106.2	94.9	115.5
1981 I	92.6	75.0	81.4	106.7	94.6	114.4
II	93.6	75.8	82.1	108.4	95.3	116.1
III	93.4	75.5	80.6	108.9	94.5	117.8
IV	92.4	74.7	79.4	107.8	93.6	116.6

SOURCE: NATIONAL INCOME AND EXPENDITURE ACCOUNTS, CATALOGUE 13-001, STATISTICS CANADA.

NATIONAL ACCOUNTS IMPLICIT PRICE INDEXES, 1971 = 100
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	BUSINESS FIXED INVESTMENT				EXPORTS		IMPORTS	
	TOTAL	RESIDENTIAL CONSTRUC- TION	NON- RESIDENTIAL CONSTRUC- TION	MACHINERY & EQUIPMENT	TOTAL	MERCHANDISE	TOTAL	MERCHANDISE
1977	8.4	10.9	7.9	7.4	7.8	7.1	12.3	12.2
1978	8.2	9.5	6.3	9.6	8.6	8.8	13.3	13.4
1979	9.9	12.1	9.5	11.0	19.2	21.1	14.9	14.3
1980	9.0	10.0	7.8	11.7	15.9	16.6	15.6	16.5
1981	11.2	14.8	10.9	10.2	8.2	7.1	11.2	10.7
1980 I	2.6	1.8	1.4	4.2	6.3	7.1	5.2	5.7
II	1.5	1.9	1.7	2.3	-1	-5	1.5	1.3
III	1.8	2.6	2.0	1.5	2.5	2.2	2.7	3.3
IV	3.1	4.1	2.8	2.5	2.1	1.7	2.1	1.5
1981 I	3.4	4.6	2.7	3.1	5.3	5.9	4.9	5.0
II	3.0	3.2	2.8	2.6	-2.1	-3.2	2.1	2.2
III	2.3	3.6	2.8	2.2	2.5	2.5	2.9	2.4
IV	1.3	1.1	3.0	1.6	1.1	.8	-1.6	-2.2

SOURCE: NATIONAL INCOME AND EXPENDITURE ACCOUNTS, CATALOGUE 13-001, STATISTICS CANADA.

NATIONAL ACCOUNTS IMPLICIT PRICE INDEXES, 1971 = 100
RATIO OF SELECTED COMPONENTS TO GNE INDEX, SEASONALLY ADJUSTED

	BUSINESS FIXED INVESTMENT				EXPORTS		IMPORTS	
	TOTAL	RESIDENTIAL CONSTRUC- TION	NON- RESIDENTIAL CONSTRUC- TION	MACHINERY & EQUIPMENT	TOTAL	MERCHANDISE	TOTAL	MERCHANDISE
1977	110.9	130.0	109.9	99.3	116.9	118.1	108.9	110.5
1978	112.1	132.9	109.2	101.7	118.6	120.0	115.2	117.0
1979	115.8	140.1	112.5	106.1	132.9	136.6	124.4	125.8
1980	114.4	139.7	109.9	107.4	139.8	144.4	130.4	132.9
1981	115.0	144.9	110.2	107.0	136.7	139.9	131.0	133.1
1980 I	116.3	140.7	111.5	108.8	143.6	149.2	132.3	134.8
II	113.9	138.4	109.5	107.5	138.5	143.3	129.6	131.9
III	113.5	138.8	109.2	106.8	138.8	143.3	130.2	133.2
IV	114.0	140.8	109.4	106.6	138.1	141.9	129.5	131.8
1981 I	114.7	143.5	109.3	107.0	141.6	146.3	132.2	134.7
II	115.2	144.4	109.6	107.1	135.1	138.1	131.7	134.2
III	115.4	146.5	110.3	107.1	135.6	138.5	132.5	134.5
IV	114.6	145.2	111.4	106.6	134.4	136.8	127.8	128.8

SOURCE: NATIONAL INCOME AND EXPENDITURE ACCOUNTS, CATALOGUE 13-001, STATISTICS CANADA.

INDUSTRY SELLING PRICE INDEXES, 1971 = 100
PERCENTAGE CHANGES, NOT SEASONALLY ADJUSTED

	TOTAL MANUFACTURING	FOOD AND BEVERAGE	TOBACCO PRODUCTS	RUBBER AND PLASTICS	LEATHER PRODUCTS	TEXTILES	KNITTING	WOOD	FURNITURE & FIXTURES	PAPER AND ALLIED INDUSTRIES
1977	7.9	7.0	6.0	5.5	7.8	5.5	5.6	12.4	5.8	5.9
1978	9.2	10.6	5.1	5.6	10.5	6.2	5.7	19.4	6.2	5.5
1979	14.5	12.7	7.4	11.5	25.0	13.2	10.0	15.8	13.8	17.3
1980	13.5	10.7	12.0	16.3	2.5	12.8	8.8	-6.2	12.0	15.7
1981	10.2	8.9	11.8	10.6	6.8	11.9	8.4	.3	10.5	10.4
1980 II	1.1	1.5	.8	3.8	-1.9	3.4	2.3	-7.1	2.1	5.8
III	2.8	5.1	1.2	1.8	1.8	1.8	2.0	5.6	2.7	1.0
IV	3.3	5.1	5.2	1.9	1.7	2.1	.7	-4	1.5	2.3
1981 I	2.6	.6	2.6	3.2	3.6	4.4	3.0	-3	3.4	3.4
II	2.2	.7	1.7	2.1	1.4	2.8	2.3	2.5	2.2	1.3
III	2.1	1.7	.9	2.8	.2	2.7	2.3	-1	3.1	3.2
IV	1.3	.1	9.3	3.0	1.1	.8	.7	-6.6	2.0	1.7
1982 I	1.3	1.2	.8	2.2	2.1	.1	2.1	.2	3.8	1.5
1981 MAR	.7	-.7	.0	.5	.6	.5	.5	-.3	.4	-.2
APR	.9	.7	1.0	.7	.7	1.1	1.2	1.4	.8	.7
MAY	.8	.0	.8	.7	.3	1.0	.4	1.7	1.1	.5
JUN	.9	1.3	.0	.7	-.1	1.1	.7	.1	.9	.5
JUL	.7	.6	.1	.8	.0	1.1	1.4	2.4	1.6	1.1
AUG	.7	.4	.1	1.7	.1	.6	.5	-2.7	.5	2.5
SEP	.3	-.4	1.3	.5	.1	.2	-.1	-3.9	.5	-.5
OCT	.9	.4	7.2	1.6	.3	.6	.5	-3.1	.8	1.2
NOV	-.2	-.3	1.6	.6	.8	.1	.1	-1.0	.8	-.3
DEC	.4	.0	.0	.1	.2	-.2	.1	1.9	.7	.4
1982 JAN	.6	.5	.2	1.2	1.7	.1	1.8	-.6	2.7	.3
FEB	.5	1.1	.0	.8	-.1	.2	.1	-.4	.6	.9
MAR	.3	.2	.1	.5	.0	.0	.5	.5	.1	1.3

SOURCE: INDUSTRY PRICE INDEXES, CATALOGUE 62-011, STATISTICS CANADA.

INDUSTRY SELLING PRICE INDEXES, 1971 = 100
RATIO OF SELECTED COMPONENTS TO MANUFACTURING INDEX, NOT SEASONALLY ADJUSTED

	FOOD AND BEVERAGE	TOBACCO PRODUCTS	RUBBER AND PLASTICS	LEATHER PRODUCTS	TEXTILES	KNITTING	WOOD	FURNITURE & FIXTURES	PAPER AND ALLIED INDUSTRIES
1977	106.6	83.8	85.0	99.4	86.3	75.9	108.2	99.2	111.0
1978	108.0	80.7	82.2	100.5	83.9	73.4	118.3	96.5	107.3
1979	106.4	75.7	79.9	109.9	82.9	70.6	119.8	95.9	110.0
1980	103.7	74.7	82.0	99.3	82.5	67.7	99.0	84.6	112.1
1981	102.6	75.8	82.2	96.3	83.8	66.6	90.2	94.8	112.4
1980 II	102.3	74.9	83.1	99.4	83.6	68.6	96.4	95.3	114.7
III	104.5	73.7	82.3	98.4	82.8	88.0	99.1	95.3	112.6
IV	106.4	75.1	81.3	97.0	81.8	66.3	95.5	93.6	111.6
1981 I	104.3	75.1	81.7	97.9	83.3	66.6	92.7	94.3	112.4
II	102.7	74.7	81.6	97.1	83.8	66.6	93.0	94.3	111.5
III	102.3	73.8	82.1	95.2	84.2	66.7	91.0	95.2	112.6
IV	101.1	79.6	83.5	95.0	83.8	66.4	83.9	95.9	113.1
1982 I	101.1	79.2	84.3	95.7	82.9	66.9	83.0	98.3	113.3
1981 MAR	103.3	74.7	81.8	97.9	83.4	66.6	92.2	94.2	112.0
APR	103.1	74.8	81.7	97.7	83.5	66.8	92.7	94.1	111.8
MAY	102.3	74.9	81.6	97.2	83.7	66.6	93.5	94.4	111.5
JUN	102.8	74.3	81.5	96.3	84.0	66.4	92.8	94.5	111.1
JUL	102.7	73.8	81.5	95.6	84.3	66.9	94.4	95.2	111.6
AUG	102.4	73.4	82.3	95.1	84.2	66.8	91.2	95.1	113.5
SEP	101.8	74.2	82.5	94.9	84.1	66.6	87.4	95.3	112.7
OCT	101.3	78.8	83.1	94.4	83.9	66.3	84.0	95.2	113.1
NOV	101.2	80.2	83.8	95.4	84.1	66.5	83.2	96.1	113.1
DEC	100.9	79.9	83.6	95.2	83.6	66.3	84.5	96.4	113.1
1982 JAN	100.7	79.6	84.1	96.2	83.1	67.0	83.5	98.3	112.7
FEB	101.3	79.2	84.3	95.7	82.9	66.8	82.7	98.4	113.1
MAR	101.2	79.0	84.4	95.3	82.6	66.9	82.9	98.1	114.2

SOURCE: INDUSTRY PRICE INDEXES, CATALOGUE 62-011, STATISTICS CANADA.

INDUSTRY SELLING PRICE INDEXES, 1971 = 100
PERCENTAGE CHANGES, NOT SEASONALLY ADJUSTED

	PRIMARY METALS	METAL FABRICATION	MOTOR VEHICLES	MOTOR VEHICLE PARTS	ELECTRICAL PRODUCTS	NON- METALLIC MINERALS	CHEMICALS	NON-DURABLE MANUFACT- URING	DURABLE MANUFACT- URING
1977	12.1	6.1	8.2	10.1	5.1	8.8	5.2	7.6	8.5
1978	9.0	9.3	8.8	11.0	6.6	8.3	7.7	8.9	9.5
1979	24.8	12.4	12.2	8.0	9.8	9.2	13.5	14.5	14.4
1980	19.1	10.0	11.9	10.5	9.9	11.9	17.1	15.8	10.5
1981	1.4	10.0	12.2	9.6	7.4	15.1	13.8	12.3	7.4
1980 II	-3.4	2.7	3.2	2.4	2.2	1.9	4.8	2.0	-1.1
III	2.1	1.4	3.3	1.8	1.4	.9	.7	3.2	2.4
IV	2.0	2.1	5.5	3.4	1.5	2.7	1.7	4.1	2.2
1981 I	-1.6	3.3	1.7	1.6	1.7	8.3	6.0	3.4	1.6
II	1.6	2.7	2.6	2.8	2.3	2.9	3.3	2.1	2.4
III	.4	1.2	.8	2.6	1.9	1.8	2.7	2.7	1.3
IV	.1	3.4	5.1	1.4	1.6	1.1	2.2	1.3	1.2
1982 I	-.4	2.5	-1.7	2.9	1.4	6.4	1.7	1.2	1.4
1981 MAR	1.5	.7	.1	-.2	1.0	2.0	1.2	.6	.8
APR	.8	1.4	1.5	1.4	1.3	.2	1.3	.7	1.2
MAY	.6	.7	1.4	1.7	.3	1.5	1.0	.6	1.0
JUN	.0	.3	.1	.3	-.1	.4	.5	1.4	.2
JUL	-1.2	.7	.0	.8	1.3	.6	1.6	.9	.5
AUG	1.8	-.1	.0	2.1	.4	.3	.7	.9	.4
SEP	.6	.3	.2	-1.2	1.0	.4	.0	.4	.1
OCT	-.1	2.6	5.4	1.4	.3	.7	2.0	.8	.9
NOV	-1.5	.6	-.6	.0	.3	.0	.0	-.2	-.2
DEC	.7	.5	.0	.4	.5	.0	.2	.3	.6
1982 JAN	-.3	1.5	-1.1	1.4	.7	5.7	1.6	.5	.8
FEB	.7	.6	-.6	1.7	.2	.6	.0	.6	.4
MAR	-1.5	.1	.0	.0	.1	.6	.0	.6	-.1

SOURCE: INDUSTRY PRICE INDEXES, CATALOGUE 62-011, STATISTICS CANADA.

INDUSTRY SELLING PRICE INDEXES, 1971 = 100
RATIO OF SELECTED COMPONENTS TO MANUFACTURING INDEX, NOT SEASONALLY ADJUSTED

	PRIMARY METALS	METAL FABRICATION	MOTOR VEHICLES	MOTOR VEHICLE PARTS	ELECTRICAL PRODUCTS	NON- METALLIC MINERALS	CHEMICALS	NON-DURABLE MANUFACT- URING	DURABLE MANUFACT- URING
1977	109.3	98.8	75.8	90.4	84.5	101.9	100.9	104.4	95.0
1978	108.1	98.9	75.5	91.9	82.5	101.1	99.5	104.1	95.3
1979	118.6	97.1	74.1	86.7	79.2	96.5	98.6	104.2	95.3
1980	124.8	94.1	73.0	84.4	76.7	95.1	101.8	106.3	92.8
1981	114.8	94.0	74.4	84.0	74.8	89.3	105.2	108.4	90.4
1980 II	124.2	95.4	72.8	85.1	77.8	96.3	104.2	106.2	92.9
III	123.3	94.1	73.1	84.2	76.7	94.5	102.1	106.5	92.5
IV	121.7	93.0	74.7	84.3	75.4	94.0	100.5	107.4	91.5
1981 I	116.6	93.6	74.0	83.5	74.7	99.1	103.8	108.1	90.6
II	116.0	94.0	74.3	83.9	74.8	99.7	104.9	108.0	90.8
III	114.0	93.2	73.2	84.3	74.7	99.3	105.5	108.6	90.1
IV	112.7	95.1	76.0	84.4	74.9	99.1	106.4	108.7	90.0
1982 I	110.8	96.2	73.7	85.7	74.9	104.1	106.9	108.6	90.1
1981 MAR	116.6	93.8	73.7	83.1	75.0	100.0	104.4	108.1	90.7
APR	116.5	94.2	74.2	83.5	75.3	99.4	104.9	107.9	90.9
MAY	116.2	94.1	74.6	84.3	74.9	100.1	105.1	107.8	91.1
JUN	115.2	93.6	74.1	83.9	74.2	99.6	104.7	108.3	90.5
JUL	113.0	93.7	73.5	83.9	74.6	99.5	105.6	108.5	90.3
AUG	114.3	92.9	73.1	85.1	74.4	99.2	105.6	108.7	90.0
SEP	114.7	93.0	73.0	83.9	75.0	99.3	105.3	108.8	89.9
OCT	113.6	94.6	76.3	84.3	74.6	99.1	106.4	108.7	90.0
NOV	112.1	95.3	76.0	84.4	75.0	99.4	106.6	108.7	89.9
DEC	112.4	95.4	75.7	84.4	75.1	98.9	106.3	108.6	90.1
1982 JAN	111.4	96.2	74.4	85.1	75.1	103.9	107.3	108.5	90.3
FEB	111.6	96.3	73.5	86.1	74.9	104.1	106.8	108.6	90.2
MAR	109.5	96.1	73.3	85.8	74.8	104.4	106.5	108.9	89.8

SOURCE: INDUSTRY PRICE INDEXES, CATALOGUE 62-011, STATISTICS CANADA.

UNIT LABOUR COST BY INDUSTRY
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	AGRICULTURE	FORESTRY	MINING	MANUFACTURING	CONSTRUCTION	TRANSPORTATION, COMMUNICATION AND UTILITIES	TRADE	FINANCE, INSURANCE, REAL ESTATE	COMMUNITY, BUSINESS AND PERSONAL SERVICES	PUBLIC ADMINISTRATION AND DEFENSE
1977	13.8	3.9	10.5	6.3	10.7	5.0	4.5	7.0	8.3	9.4
1978	16.6	6.1	14.2	4.6	-1.1	5.2	4.3	7.0	6.3	7.1
1979	24.0	11.2	9.6	8.6	4.4	5.5	8.7	11.2	7.7	8.7
1980	.7	11.5	21.3	11.6	9.0	11.7	11.0	9.8	11.3	10.5
1981	.5	8.3	24.7	10.3	10.4	9.0	10.4	10.7	11.3	11.5
1980 I	-14.4	-2.1	5.1	3.2	5.9	3.9	2.7	2.9	3.2	4.6
II	4.9	12.2	5.4	3.7	-2.0	3.3	2.8	.7	3.5	1.1
III	3.2	-8.4	5.4	1.4	6.4	1.2	2.2	3.0	2.5	3.1
IV	11.1	-.3	5.6	1.5	4.8	.6	1.6	3.3	2.6	3.5
1981 I	-14.1	-2.6	5.2	2.9	.6	1.8	1.8	2.8	1.5	1.6
II	4.4	18.9	7.3	1.5	-.7	3.8	2.6	2.6	3.6	3.4
III	3.7	3.6	7.2	2.5	4.8	1.7	4.8	2.5	4.0	4.3
IV	.4	-9.9	1.1	7.3	5.6	5.2	3.4	.3	2.2	1.3
1981 JAN	-18.1	-9.1	1.7	2.7	-.9	-.8	-1.7	1.4	-.1	.3
FEB	8.0	4.1	.7	-1.1	-1.3	-.3	1.3	-.7	.6	-.1
MAR	-7.9	9.3	.7	-1.3	-.4	.7	1.2	.0	.6	-.6
APR	3.8	-4.1	2.7	2.3	-1.7	3.3	.1	1.9	1.6	2.6
MAY	7.3	26.6	3.9	.3	2.1	.4	1.3	1.4	1.4	1.3
JUN	-3.4	-5.4	3.4	.7	1.0	-.5	1.2	.2	1.3	.9
JUL	.6	4.3	9.9	1.0	-.4	-.9	2.9	2.2	-.2	3.4
AUG	3.9	-6.7	-10.5	-1.3	4.1	3.2	.2	-.7	.8	-1.4
SEP	1.6	.7	4.2	6.4	3.0	2.2	1.4	.7	7.0	2.3
OCT	-4.3	-.7	1.4	2.1	-1.8	2.8	1.8	.0	-3.1	-.1
NOV	2.9	-12.7	.9	2.1	5.3	-.2	-.4	-.3	.5	.0
DEC	1.7	2.8	.4	1.4	1.3	-.1	2.3	.8	1.0	.8
1982 JAN	-11.6	4.0	1.2	1.9	.2	1.3	2.1	1.0	2.4	-.8

SOURCE: INDEXES OF REAL DOMESTIC PRODUCT BY INDUSTRY, CATALOGUE 61-005, ESTIMATES OF LABOUR INCOME, CATALOGUE 72-005, STATISTICS CANADA.

EXPORT AND IMPORT PRICES
PERCENTAGE CHANGES IN PAASCHÉ INDEXES (1)
NOT SEASONALLY ADJUSTED

	EXPORTS					IMPORTS				
	TOTAL	FOOD, FEED, BEVERAGES AND TOBACCO	CRUDE MATERIALS	FABRICATED MATERIALS	END PRODUCTS	TOTAL	FOOD, FEED, BEVERAGES AND TOBACCO	CRUDE MATERIALS	FABRICATED MATERIALS	END PRODUCTS
1977	6.5	-9.3	11.0	11.3	7.8	12.1	19.3	11.0	13.4	12.3
1978	8.8	10.9	8.7	11.1	9.3	13.4	12.5	7.4	16.1	14.0
1979	20.9	22.1	26.9	23.6	11.5	14.3	12.6	20.2	21.8	10.8
1980	17.3	15.1	33.9	14.7	11.0	16.7	10.4	19.7	20.5	11.9
1981	6.9	8.5	3.6	7.3	11.1	10.9	5.4	19.0	3.7	13.8
1980 I	8.6	-2.0	23.6	9.0	3.0	6.0	1.9	8.0	5.8	4.5
II	-.6	3.8	-8.8	-3.1	3.2	1.3	3.1	3.0	1.8	2.8
III	2.3	4.6	-2.5	-.9	2.9	3.3	5.8	1.3	-4.4	2.1
IV	1.1	8.6	7.1	7.7	1.5	1.6	7.1	-2.4	2.8	3.8
1981 I	6.8	-3.2	12.7	2.7	3.5	5.3	3.2	14.4	-.2	6.5
II	-3.7	7.9	-12.3	-2.1	2.3	1.9	-4.3	5.4	6.7	1.4
III	2.3	-6.5	-1.5	2.9	2.5	2.4	-2.9	9.2	-1.4	1.9
IV	.3	-.8	2.1	1.0	2.9	-2.3	-6.9	-15.5	-2.3	1.0
1981 FEB	1.4	-1.2	6.3	2.0	1.0	-1.9	2.1	-9.0	7.9	.0
MAR	-5.7	-.5	-12.9	-3.4	.4	-.7	1.8	19.2	-5.8	-.8
APR	.3	3.4	7.6	.5	1.0	1.9	-4.6	-9.1	7.4	.6
MAY	-.6	8.4	-14.6	-.8	1.1	2.8	-4.4	10.8	2.8	1.9
JUN	-.7	-1.5	-8.9	-1.4	.0	-2.0	3.8	-1.1	-3.2	.1
JUL	2.7	-5.6	13.0	4.4	1.4	1.3	-2.6	-2.1	-.8	.9
AUG	1.9	-2.9	-.4	-.2	1.5	5.4	-.5	25.2	-1.6	1.5
SEP	-2.9	-2.1	-4.1	-.2	-.9	-5.7	-2.9	-19.2	5.2	-2.1
OCT	.3	.5	.0	.4	2.8	-.5	-3.7	-7.3	-6.0	1.6
NOV	2.1	3.4	8.3	2.3	-.6	-2.6	-2.5	-14.2	1.2	.0
DEC	-.2	-3.1	-1.3	-2.3	1.7	6.6	1.3	26.6	.6	.8
1982 JAN	4.3	-6.2	20.7	.4	-.3	-1.8	8.2	-4.0	1.0	.6
FEB	-4.0	1.6	.6	-1.7	-1.8	3.0	.8	10.8	1.8	3.2

SOURCE: SUMMARY OF EXTERNAL TRADE, CATALOGUE 65-001, STATISTICS CANADA.
(1) SEE GLOSSARY.

Foreign Sector

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EXTERNAL TRADE
MERCHANDISE EXPORTS BY COMMODITY GROUPINGS
MILLIONS OF DOLLARS, NOT SEASONALLY ADJUSTED

	INDEX OF PHYSICAL VOLUME	TOTAL EXPORTS	DOMESTIC EXPORTS						
			FOOD AND LIVE ANIMALS	CRUDE MATERIALS INEDIBLE	CRUDE PETROLEUM & NATURAL GAS	FABRICATED MATERIALS INEDIBLE	END PRODUCTS INEDIBLE TOTAL	MACHINERY & EQUIPMENT FOR INVESTMENT	MOTOR VEHICLES AND PARTS
1977	131.8	44554.4	4608.0	8850.2	3778.7	14926.9	15231.1	2128.1	10423.8
1978	144.8	53182.7	5301.6	8830.8	3763.1	19155.0	18855.0	2707.1	12540.4
1979	147.5	85641.2	6314.0	12537.8	5293.8	24375.7	20923.8	3572.4	11899.7
1980	145.3	75963.7	6214.9	14756.3	6883.0	29334.0	21726.4	4076.3	10818.4
1981	148.8	83696.4	9435.8	15207.8	6874.8	30566.2	25347.9	4990.8	13071.6
1980 II	147.5	18978.9	2004.5	3880.0	1765.7	7204.2	5423.7	1128.2	2532.4
III	135.2	17806.9	2331.7	3471.7	1449.1	6960.4	4584.5	893.9	2120.5
IV	154.2	20522.4	2360.9	3586.8	1652.1	7659.4	6342.9	1011.7	3520.1
1981 I	140.5	20085.1	1842.7	3962.4	2046.1	7948.3	5554.3	1130.4	2737.9
II	163.0	22441.5	2505.9	3757.9	1576.2	8355.0	6974.6	1306.3	3693.6
III	138.4	19503.3	2354.5	3588.0	1493.4	8948.8	5848.1	1234.3	2953.2
IV	153.3	21868.5	2732.7	3899.5	1759.2	7314.1	6970.9	1319.6	3686.9
1982 I		20349.5	1854.0	3939.6	2145.2	7217.0	6672.8	1238.4	3581.0
1981 MAR	152.6	7046.9	621.8	1252.6	631.4	2758.1	2112.4	417.4	1114.2
APR	151.8	7031.2	592.0	1192.9	602.7	2722.3	2237.5	437.5	1167.1
MAY	159.5	7320.4	870.5	1228.5	492.2	2628.6	2313.4	421.9	1215.3
JUN	177.6	8089.9	1043.4	1336.5	481.3	3004.1	2423.7	446.9	1311.2
JUL	143.2	6735.1	697.8	1158.3	484.3	2536.8	2054.6	450.3	1004.7
AUG	125.1	5963.6	792.6	1140.5	499.1	2128.0	1673.7	360.1	809.5
SEP	146.8	8804.6	864.1	1289.2	510.0	2284.0	2119.8	423.9	1139.0
OCT	155.2	7213.5	936.6	1241.5	532.3	2455.5	2332.4	453.3	1209.3
NOV	160.7	7628.4	1002.0	1378.9	621.1	2544.7	2428.6	424.1	1389.0
DEC	144.1	6826.6	794.1	1279.1	605.8	2313.9	2209.9	442.2	1088.6
1982 JAN	121.5	5997.3	533.5	1264.8	721.5	2223.8	1780.2	385.2	832.8
FEB	142.4	6757.5	599.5	1329.3	764.2	2318.8	2285.0	403.0	1268.5
MAR		7594.7	721.0	1345.5	658.5	2674.4	2607.6	450.2	1459.7

SOURCE: TRADE OF CANADA, EXPORTS, CATALOGUE 65-004, STATISTICS CANADA.

EXTERNAL TRADE
MERCHANDISE EXPORTS BY COMMODITY GROUPINGS
YEAR OVER YEAR PERCENTAGE CHANGES

	INDEX OF PHYSICAL VOLUME	TOTAL EXPORTS	DOMESTIC EXPORTS						
			FOOD AND LIVE ANIMALS	CRUDE MATERIALS INEDIBLE	CRUDE PETROLEUM & NATURAL GAS	FABRICATED MATERIALS INEDIBLE	END PRODUCTS INEDIBLE, TOTAL	MACHINERY & EQUIPMENT FOR INVESTMENT	MOTOR VEHICLES AND PARTS
1977	8.9	15.8	7.3	6.8	-3.2	22.1	19.8	16.4	26.7
1978	9.9	19.4	15.1	-2	-4	28.3	23.8	27.2	20.3
1979	1.8	23.4	19.1	42.0	40.7	27.3	11.0	32.0	-5.1
1980	-1.5	15.7	30.1	17.7	30.0	20.3	3.8	14.1	-9.1
1981	2.4	10.2	14.9	3.1	-1	4.2	16.7	22.4	20.8
1980 II	-1.0	17.7	40.0	28.9	41.4	21.3	1.0	22.0	-21.1
III	-4.7	9.2	33.4	5.6	17.0	11.6	-1.7	-9	-7.8
IV	1.2	13.3	18.8	.5	2.5	16.4	13.9	5.3	18.0
1981 I	-2.6	7.7	21.4	3.8	1.5	5.8	3.3	8.4	3.5
II	10.5	18.2	25.0	-3.1	-10.7	16.0	28.6	15.8	45.9
III	2.4	9.5	1.0	3.3	3.1	-2	27.6	38.1	39.3
IV	-6	5.6	15.7	8.7	6.5	-4.5	9.9	30.4	4.7
1982 I		1.3	.6	-6	4.8	-9.2	20.1	9.6	30.8
1981 MAR	-9	7.7	21.1	-1.4	1.1	4.8	6.8	17.9	14.1
APR	3.3	11.5	22.6	-8.5	-5.8	11.7	16.5	9.1	29.3
MAY	12.2	20.4	41.0	.4	-12.0	12.8	32.0	10.2	48.4
JUN	15.8	22.8	15.4	-1.2	-15.0	23.3	38.4	29.8	61.7
JUL	4.0	11.6	-6.2	-4.6	-1.9	4.8	36.2	34.5	63.1
AUG	.6	7.7	-5.7	5.9	4.7	-2.3	28.8	33.1	49.5
SEP	2.4	9.1	15.6	9.2	6.6	-3.3	19.3	46.9	18.3
OCT	-6.4	-3	-1.9	2.9	8.1	-9.0	6.4	26.5	-1.8
NOV	3.8	11.4	40.0	14.6	16.8	-1.8	13.5	36.8	11.9
DEC	1.5	5.9	15.0	8.7	-3.6	-2.4	9.9	28.8	4.0
1982 JAN	-12.5	-10.1	-17.6	-10.0	2.3	-15.9	1.4	6.1	4.6
FEB	9.4	6.1	4.6	1.9	7.7	-8.9	35.5	15.2	55.7
MAR		7.8	16.0	7.4	4.5	-3.0	23.4	7.9	31.0

SOURCE: TRADE OF CANADA, EXPORTS, CATALOGUE 65-004, STATISTICS CANADA.

EXTERNAL TRADE
MERCHANDISE IMPORTS BY COMMODITY GROUPINGS
MILLIONS OF DOLLARS, NOT SEASONALLY ADJUSTED

	INDEX OF PHYSICAL VOLUME	TOTAL IMPORTS	FOOD AND LIVE ANIMALS	CRUDE MATERIALS INEDIBLE	CRUDE PETROLEUM	FABRICATED MATERIALS INEDIBLE	END PRODUCTS INEDIBLE	MACHINERY & EQUIPMENT FOR INVESTMENT	MOTOR VEHICLES AND PARTS
1977	153.1	42362.6	3306.7	5320.2	3215.2	6993.2	26321.5	6101.7	11575.6
1978	158.0	50107.9	3781.7	5882.1	3457.0	8748.2	31303.5	7308.9	13385.9
1979	175.5	62870.6	4236.2	7970.0	4497.1	12023.8	38073.3	9770.5	15160.7
1980	165.4	69127.9	4803.0	11335.4	6919.3	12700.6	39525.6	11081.7	13478.9
1981	170.5	76875.9	5183.8	12144.8	7839.8	14553.8	45892.2	12288.9	15960.9
1980 II	174.5	17939.7	1156.2	2727.8	1615.6	3422.9	10450.8	2951.5	3788.3
III	148.1	15720.6	1169.5	2869.5	1792.2	2702.4	8789.2	2575.4	2517.7
IV	171.2	18437.1	1495.4	2935.5	1691.7	3139.1	10645.5	2814.1	3841.8
1981 I	166.8	18912.8	1201.5	2992.9	1984.7	3316.5	11154.3	3023.5	3715.1
II	188.6	21804.2	1345.9	3291.3	2164.2	4087.4	12807.3	3315.9	4955.8
III	161.1	19033.3	1288.1	3032.8	2017.9	3572.2	10858.1	2983.7	3818.6
IV	165.4	19125.6	1348.3	2827.8	1673.0	3577.7	11072.5	2965.8	3671.4
1982 I		17418.0	1132.1	2367.9	1648.5	3178.8	10516.0	2818.7	3424.5
1981 MAR	184.4	8895.4	440.9	985.8	696.3	1230.0	4145.3	1140.3	1364.1
APR	188.0	7163.1	436.7	1108.1	692.2	1340.5	4194.1	1077.5	1550.9
MAY	180.5	7069.2	421.0	1121.5	745.0	1359.5	4081.4	1063.6	1588.3
JUN	187.3	7571.9	488.2	1061.7	727.0	1387.4	4531.8	1174.8	1816.6
JUL	172.3	6697.7	474.7	1029.0	648.0	1190.4	3893.1	1069.2	1342.6
AUG	139.6	5718.2	382.9	1074.9	799.6	1080.4	3101.8	863.4	986.1
SEP	171.3	6617.4	430.5	928.9	570.3	1301.4	3863.2	1051.1	1289.9
OCT	176.6	6791.4	483.1	985.4	587.6	1285.8	3924.6	1090.0	1277.0
NOV	169.8	6356.4	448.3	780.4	394.6	1221.0	3830.0	998.1	1323.8
DEC	149.8	5977.8	416.9	1082.0	690.8	1070.9	3317.9	877.7	1070.6
1982 JAN	125.7	4930.0	324.0	688.3	454.1	981.7	2870.4	829.1	800.1
FEB	144.4	5833.3	357.2	842.5	615.2	1032.8	3521.7	894.8	1208.8
MAR		6654.7	450.9	837.1	579.2	1164.3	4123.9	1094.8	1415.6

SOURCE: TRADE OF CANADA, IMPORTS, CATALOGUE 65-007, STATISTICS CANADA.

EXTERNAL TRADE
MERCHANDISE IMPORTS BY COMMODITY GROUPINGS
YEAR OVER YEAR PERCENTAGE CHANGES

	INDEX OF PHYSICAL VOLUME	TOTAL IMPORTS	FOOD AND LIVE ANIMALS	CRUDE MATERIALS INEDIBLE	CRUDE PETROLEUM	FABRICATED MATERIALS INEDIBLE	END PRODUCTS INEDIBLE	MACHINERY & EQUIPMENT FOR INVESTMENT	MOTOR VEHICLES AND PARTS
1977	.7	13.0	15.2	4.5	-2.0	12.6	15.3	8.3	22.6
1978	3.2	16.3	14.4	10.6	7.5	25.1	18.9	19.8	15.8
1979	11.1	25.5	12.0	35.5	30.1	37.4	21.6	33.7	13.3
1980	-5.7	10.0	13.4	42.2	53.9	5.6	3.8	13.4	-11.1
1981	3.0	14.1	7.9	7.1	13.3	14.6	16.1	10.9	18.4
1980 II	-5.5	13.7	10.3	56.5	81.4	17.5	4.9	17.1	-10.9
III	-11.6	2.1	6.1	30.3	41.0	-9.7	-1.8	.2	-16.5
IV	-2.7	9.5	28.1	23.0	26.0	-9.4	10.6	16.7	-1.6
1981 I	-7.7	11.1	22.4	6.8	9.1	-3.5	15.7	10.3	10.9
II	8.1	21.5	16.4	20.7	34.0	19.4	22.5	12.3	31.5
III	8.7	21.1	10.1	5.7	12.6	32.2	23.5	15.9	43.7
IV	-3.4	3.7	-9.8	-3.7	-1.1	14.0	4.0	5.4	-4.4
1982 I		-7.9	-5.8	-20.9	-16.9	-4.2	-5.7	-6.8	-7.8
1981 MAR	5.0	13.7	38.3	3.9	10.4	-6.1	20.9	16.1	9.2
APR	1.2	10.5	20.3	7.0	1.8	.7	13.7	6.1	10.4
MAY	8.0	23.9	11.9	22.2	35.5	33.1	22.6	9.4	35.9
JUN	15.6	31.6	17.0	37.1	88.5	29.7	32.0	21.9	51.9
JUL	8.4	21.0	3.8	7.9	10.0	24.6	25.4	14.0	52.5
AUG	2.0	18.7	1.1	34.8	70.5	22.2	14.8	4.3	44.5
SEP	15.3	23.3	29.2	-17.0	-22.3	50.7	29.5	29.8	35.1
OCT	-7.1	.2	-6.2	-15.5	-15.1	8.1	2.7	5.0	-6.0
NOV	.1	6.6	-7.2	-10.5	-17.7	24.6	7.3	9.9	.7
DEC	-2.8	4.9	-16.2	17.6	32.9	10.5	2.0	1.1	-8.4
1982 JAN	-19.4	-17.7	-20.0	-38.1	-39.1	-2.0	-15.5	-12.6	-25.3
FEB	-9.7	-3.2	.4	-5.8	13.5	-4.8	-2.5	-4.2	-5.5
MAR		-3.5	2.3	-15.1	-16.8	-5.3	-1.5	-4.0	3.8

SOURCE: TRADE OF CANADA, IMPORTS, CATALOGUE 65-007, STATISTICS CANADA.

CURRENT ACCOUNT BALANCE OF INTERNATIONAL PAYMENTS
RECEIPTS
MILLIONS OF DOLLARS, SEASONALLY ADJUSTED

	MERCHAN- DISE EXPORTS	SERVICE RECEIPTS				TOTAL	TRANSFER RECEIPTS		WITHHOLD- ING TAX	TOTAL CURRENT RECEIPTS
		TRAVEL	INTEREST AND DIVIDENDS	FREIGHT AND SHIPPING	OTHER SERVICE RECEIPTS		INHERI- TANCES AND MIGRANTS' FUNDS	PERSONAL & INSTITU- TIONAL REMITTANCES		
1977	44253	2025	874	2371	3025	8295	690	331	534	54103
1978	53054	2378	1208	2714	3631	9931	616	394	582	64577
1979	65275	2887	1271	3469	4185	11812	799	448	754	79088
1980	76170	3349	1860	3894	5185	14088	1161	507	995	92921
1981	84140	3731	1607	4193	5328	14859	1404	544	1110	102057
1980 I	18487	825	343	929	1235	3332	247	118	314	22498
II	18039	833	470	936	1326	3565	308	118	253	22263
III	19164	840	399	994	1325	3558	287	135	226	23370
IV	20480	851	448	1035	1299	3633	319	136	202	24770
1981 I	20224	930	403	1008	1185	3526	357	127	244	24478
II	21533	941	329	1074	1274	3618	346	128	236	25861
III	21067	944	391	1041	1460	3836	329	144	367	25743
IV	21316	916	484	1070	1409	3879	372	145	263	25975

SOURCE: QUARTERLY ESTIMATES OF THE CANADIAN BALANCE OF INTERNATIONAL PAYMENTS, CATALOGUE 67-001, STATISTICS CANADA.

CURRENT ACCOUNT BALANCE OF INTERNATIONAL PAYMENTS
RECEIPTS
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	MERCHAN- DISE EXPORTS	SERVICE RECEIPTS				TOTAL	TRANSFER RECEIPTS		WITHHOLD- ING TAX	TOTAL CURRENT RECEIPTS
		TRAVEL	INTEREST AND DIVIDENDS	FREIGHT AND SHIPPING	OTHER SERVICE RECEIPTS		INHERI- TANCES AND MIGRANTS' FUNDS	PERSONAL & INSTITU- TIONAL REMITTANCES		
1977	16.5	4.9	5.9	13.9	9.2	9.1	-5.1	19.1	6.0	14.8
1978	19.9	17.4	38.2	14.5	20.0	19.7	-10.7	19.0	9.0	19.4
1979	23.0	21.4	5.2	27.8	15.3	18.9	29.7	13.7	29.6	22.5
1980	16.7	16.0	30.6	12.3	23.9	19.3	45.3	13.2	32.0	17.5
1981	10.5	11.4	-3.2	7.7	2.8	5.5	20.9	7.3	11.6	9.8
1980 I	3.8	5.0	5.5	1.6	15.7	7.8	-3.5	.9	95.0	4.9
II	-2.4	1.0	37.0	.8	7.4	7.0	24.7	.0	-19.4	-1.0
III	6.2	.8	-15.1	6.2	-1.1	-1.2	-6.8	14.4	-10.7	4.9
IV	6.9	1.3	12.3	4.1	-2.0	2.1	11.1	.7	-10.6	6.0
1981 I	-1.3	9.3	-10.0	-2.6	-8.8	-2.9	11.9	-6.6	20.8	-1.2
II	6.5	1.2	-18.4	6.5	7.5	2.6	-3.1	.8	-3.3	5.6
III	-2.2	.3	18.8	-3.1	14.6	6.0	-4.9	12.5	55.5	-5.5
IV	1.2	-3.0	23.8	2.8	-3.5	1.1	13.1	.7	-28.3	.9

SOURCE: QUARTERLY ESTIMATES OF THE CANADIAN BALANCE OF INTERNATIONAL PAYMENTS, CATALOGUE 67-001, STATISTICS CANADA.

MAR 30, 1982

TABLE 58

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CURRENT ACCOUNT BALANCE OF INTERNATIONAL PAYMENTS
PAYMENTS
MILLIONS OF DOLLARS, SEASONALLY ADJUSTED

	MERCHAN- DISE IMPORTS	SERVICE PAYMENTS					TRANSFER PAYMENTS		OFFICIAL CONTRIBU- TIONS	TOTAL CURRENT PAYMENTS
		TRAVEL	INTEREST AND DIVIDENDS	FREIGHT AND SHIPPING	OTHER SERVICE PAYMENTS	WITHHOLD- ING TAX	INHERI- TANCES AND MIGRANTS' FUNDS	PERSONAL & INSTITU- TIONAL REMITTANCES		
1977	41523	3686	4532	2397	4610	534	235	364	-543	58404
1978	49047	4084	5904	2583	5770	582	252	380	-910	69512
1979	61125	3955	6512	3180	7185	754	255	411	-645	83982
1980	68360	4577	7204	3526	8781	995	286	436	-680	94825
1981	77504	4889	8589	3950	11135	1110	273	485	-718	108633
1980 I	16855	1107	1779	845	2189	314	66	108	-181	23444
II	16938	1103	1847	856	2136	253	65	108	-152	23458
III	16874	1155	1858	899	2154	226	68	109	-216	23559
IV	17693	1212	1720	926	2302	202	67	111	-131	24364
1981 I	18545	1182	2088	957	2516	244	67	115	-159	25873
II	20193	1218	2053	973	2791	236	67	115	-177	27823
III	20208	1212	2239	1020	2911	367	70	117	-187	28331
IV	18558	1277	2209	1000	2917	263	69	118	-195	26606

SOURCE: QUARTERLY ESTIMATES OF THE CANADIAN BALANCE OF INTERNATIONAL PAYMENTS, CATALOGUE 67-001, STATISTICS CANADA.

MAR 30, 1982

TABLE 69

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CURRENT ACCOUNT BALANCE OF INTERNATIONAL PAYMENTS
PAYMENTS
PERCENTAGE CHANGES OF SEASONALLY ADJUSTED FIGURES

	MERCHAN- DISE IMPORTS	SERVICE PAYMENTS					TRANSFER PAYMENTS		OFFICIAL CONTRIBU- TIONS	TOTAL CURRENT PAYMENTS
		TRAVEL	INTEREST AND DIVIDENDS	FREIGHT AND SHIPPING	OTHER SERVICE PAYMENTS	WITHHOLD- ING TAX	INHERI- TANCES AND MIGRANTS' FUNDS	PERSONAL & INSTITU- TIONAL REMITTANCES		
1977	13.4	17.5	36.4	7.4	10.1	6.0	29.8	6.1	19.3	14.6
1978	18.1	11.4	30.3	7.8	25.2	9.0	7.2	4.4	67.6	19.0
1979	24.6	-3.2	10.3	22.3	24.2	29.8	1.2	8.2	-29.1	20.8
1980	11.8	15.7	10.6	11.6	22.6	32.0	4.3	6.1	5.4	12.9
1981	13.4	6.8	19.2	12.0	26.8	11.6	2.6	6.7	5.6	14.6
1980 I	4.7	6.2	3.6	3.3	16.3	85.0	1.5	3.8	-7.7	6.2
II	.5	-4	3.8	1.3	-2.4	-19.4	-1.5	.0	-16.0	.1
III	-4	4.7	.6	5.0	.8	-10.7	4.6	.9	42.1	.4
IV	4.9	4.9	-7.4	3.0	6.9	-10.6	-1.5	1.8	-39.4	3.4
1981 I	4.8	-2.5	21.4	3.3	9.3	20.8	.0	3.6	21.4	6.2
II	8.9	3.0	-1.7	1.7	10.9	-3.3	.0	.0	11.3	7.5
III	.1	-5	9.1	4.8	4.3	55.5	4.5	1.7	5.6	1.6
IV	-8.2	5.4	-1.3	-2.0	.2	-28.3	-1.4	.9	4.3	-6.1

SOURCE: QUARTERLY ESTIMATES OF THE CANADIAN BALANCE OF INTERNATIONAL PAYMENTS, CATALOGUE 67-001, STATISTICS CANADA.

CURRENT ACCOUNT BALANCE OF INTERNATIONAL PAYMENTS
BALANCES
MILLIONS OF DOLLARS, SEASONALLY ADJUSTED

	MERCHAN- DISE TRADE	SERVICE TRANSACTIONS			TOTAL	TRANSFERS		TOTAL	GOODS AND SERVICES	TOTAL CURRENT ACCOUNT
		TRAVEL	INTEREST AND DIVIDENDS	FREIGHT AND SHIPPING		INHERI- TANCES AND MIGRANTS' FUNDS	PERSONAL & INSTITU- TIONAL REMITTANCES			
1977	2730	-1641	-3658	-26	-7444	455	-33	413	-4714	-4301
1978	4007	-1706	-4696	131	-8992	364	14	50	-4985	-4935
1979	4150	-1068	-5241	309	-9734	544	37	690	-5584	-4894
1980	7810	-1228	-5544	368	-10995	895	71	1281	-3185	-1904
1981	6636	-1158	-6982	243	-14814	1131	79	1602	-8178	-6576
1980 I	1632	-282	-1436	84	-2902	181	10	324	-1270	-946
II	1101	-270	-1377	80	-2630	243	10	354	-1529	-1175
III	2290	-315	-1459	95	-2734	219	26	255	-444	-189
IV	2787	-361	-1272	109	-2729	252	25	348	58	406
1981 I	1679	-252	-1685	51	-3461	290	12	367	-1782	-1395
II	1340	-277	-1724	101	-3653	279	13	351	-2313	-1962
III	859	-268	-1848	21	-3913	259	27	466	-3054	-2588
IV	2758	-361	-1725	70	-3787	303	27	398	-1029	-631

SOURCE: QUARTERLY ESTIMATES OF THE CANADIAN BALANCE OF INTERNATIONAL PAYMENTS, CATALOGUE 67-001, STATISTICS CANADA.

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MONETARY AGGREGATES

	NOT SEASONALLY ADJUSTED YEAR OVER YEAR PERCENTAGE CHANGES					SEASONALLY ADJUSTED MONTHLY PERCENTAGE CHANGES				
	HIGH POWERED MONEY (1)	M1 (2)	M1B (3)	M2 (4)	M3 (5)	HIGH POWERED MONEY (1)	M1 (2)	M1B (3)	M2 (4)	M3 (5)
1977	10.2	8.4	7.2	14.0	15.8	10.3	8.4	7.2	14.1	15.8
1978	12.1	10.1	8.8	10.6	13.7	12.1	10.0	8.8	10.7	13.7
1979	10.4	6.9	4.8	15.7	19.3	10.3	6.9	4.8	15.7	19.3
1980	7.7	6.3	4.4	18.1	14.3	7.6	6.3	4.4	18.1	14.3
1981	7.4	3.7	2.7	14.4	12.2	7.6	3.9	2.8	14.4	12.2
1980 II	6.9	3.5	1.5	19.0	15.9	3.1	-.5	-.5	3.5	2.9
III	7.4	4.6	2.6	17.5	13.4	2.6	3.2	2.8	3.3	2.2
IV	9.7	9.7	8.7	16.5	10.7	3.1	3.9	4.3	3.6	1.6
1981 I	10.3	6.4	6.2	13.5	11.1	1.6	.3	-.1	2.5	3.9
II	8.8	8.8	7.6	13.8	8.4	1.2	1.2	.4	3.8	.5
III	7.5	4.6	3.4	14.6	12.1	1.3	-1.0	-1.5	4.1	5.7
IV	3.5	-4.1	-5.6	15.4	16.8	-.7	-4.3	-4.2	4.2	5.9
1982 I		-.4	-2.2	17.5	17.3		3.6	3.0	4.3	4.3
1981 MAR	10.4	7.0	6.1	13.3	9.9	.3	1.3	.7	1.4	-1.0
APR	8.8	9.5	8.4	13.8	9.5	-.6	1.0	.8	1.7	1.5
MAY	10.1	9.3	8.2	13.7	7.2	2.1	-.3	-.5	.6	-1.1
JUN	7.6	7.6	6.2	13.8	8.5	-.7	-1.9	-1.8	.9	2.2
JUL	8.2	9.8	7.5	14.7	9.1	.6	3.8	2.6	2.4	2.6
AUG	7.1	4.2	3.2	14.6	12.9	.1	-3.6	-2.5	.7	2.1
SEP	7.3	.1	-.5	14.6	14.5	.9	-2.8	-2.8	1.2	1.4
OCT	5.6	-4.3	-5.0	13.8	13.4	-.8	-1.9	-1.8	.7	.7
NOV	2.3	-7.9	-9.0	15.4	17.1	-1.8	-2.2	-2.4	2.4	3.5
DEC	2.6	-.1	-2.8	16.8	19.9	2.1	6.8	5.8	2.2	3.3
1982 JAN	6.5	1.3	-1.3	18.2	16.8	2.4	1.3	1.0	1.4	-.4
FEB	4.8	-.8	-2.5	17.5	16.0	.1	-2.1	-1.4	.5	1.2

SOURCE: BANK OF CANADA REVIEW.

- (1) NOTES IN CIRCULATION, COINS OUTSIDE BANKS AND CHARTERED BANK DEPOSITS WITH THE BANK OF CANADA.
 (2) CURRENCY AND DEMAND DEPOSITS.
 (3) CURRENCY AND ALL CHEQUABLE DEPOSITS.
 (4) CURRENCY AND ALL CHEQUABLE, NOTICE AND PERSONAL TERM DEPOSITS.
 (5) CURRENCY AND TOTAL PRIVATELY-HELD CHARTERED BANK DEPOSITS.

FOREIGN EXCHANGE AND MONEY MARKET INDICATORS
SEASONALLY ADJUSTED
MILLIONS OF DOLLARS

	CHANGE IN HOLDINGS BY BANK OF CANADA			RATIO OF ACTUAL TO REQUIRED CASH RESERVES	CALL LOAN RATE (1)	CHARTERED BANKS				
	OFFICIAL INTER- NATIONAL RESERVES (IN \$ U.S.)	GOVERNMENT OF CANADA TREASURY BILLS	ALL GOVERNMENT OF CANADA SECURITIES			TOTAL ASSETS (1)	LIQUID ASSETS (1)	TOTAL LOANS (1)	ORDINARY PERSONAL LOANS (2)	BUSINESS LOANS (2)
1977	-1236	333	1840	1.007	7.35	90955	15789	58636	18706	31984
1978	-41	1071	1699	1.008	8.11	106278	17053	65868	21634	35180
1979	-679	751	1628	1.008	11.23	125260	17709	82087	25148	45838
1980	143	1012	2242	1.007	12.13	139299	17645	96275	28839	56630
1981	341	-7	1121	1.009	17.62	185470	17956	130609		
1980 II	638	-181	-171	1.005	13.54	134341	17347	89990	26392	51808
III	-357	384	818	1.009	9.87	135685	18396	90474	27282	51374
IV	80	588	845	1.007	12.45	139299	17645	96275	28839	56630
1981 I	-314	-1307	-894	1.007	16.78	147885	18948	103234	29940	60687
II	-661	1139	1242	1.007	17.55	152870	18705	108650	30461	65082
III	-58	-923	-620	1.013	19.38	164892	19993	118752	31354	72182
IV	1374	1085	1193	1.009	16.77	185470	17856	130609		
1982 I	-1402				14.28	186897	17128	130064		
1981 APR	-551	395	326	1.004	16.79	150150	18709	106058	30081	60905
MAY	14	-98	38	1.008	17.17	149094	18744	105044	30722	60356
JUN	-124	841	878	1.008	18.69	152870	18705	108650	30461	65082
JUL	-747	-152	148	1.015	18.59	155924	19193	111065	31098	66294
AUG	985	151	154	1.014	20.26	161841	19291	116483	31295	70763
SEP	-295	-923	-922	1.010	19.28	164892	19993	118752	31354	72182
OCT	-190	-134	16	1.007	18.64	165566	19817	119736	31382	73755
NOV	1748	626	598	1.007	16.78	183559	18370	127115		
DEC	-184	592	579	1.013	14.90	185470	17956	130609		
1982 JAN	-73	-907	-904	1.009	13.85	183787	18532	127483		
FEB	-797	-179	-305	1.010	14.06	185204	18198	127476		
MAR	-532				14.93	186897	17128	130064		
APR	553									

SOURCE: BANK OF CANADA REVIEW.

- (1) AVERAGE OF WEDNESDAYS.
 (2) MONTH END.

NET NEW SECURITY ISSUES PAYABLE IN CANADIAN AND FOREIGN CURRENCIES
MILLIONS OF CANADIAN DOLLARS
NOT SEASONALLY ADJUSTED

	GOVERNMENT OF CANADA			PROVINCIAL GOVERNMENTS	MUNICIPAL GOVERNMENTS	CORPORATIONS		OTHER INSTITU- TIONS AND FOREIGN DEBTORS	TOTAL
	BONDS	TREASURY BILLS	TOTAL			BONDS	PREFERRED AND COMMON STOCKS		
1977	5537	2470	8007	7463	1205	5020	3143	62	24897
1978	7670	2820	10490	7240	650	4543	6924	3	29847
1979	6159	2125	8284	6464	587	2895	4350	47	22625
1980	5913	5475	11388	8708	439	3829	4796	215	29374
1981	12785	-35	12750	11455	361	6547	5507	54	36673
1980 I	1233	1065	2298	1936	58	915	816	2	6025
II	-78	2300	2222	3572	64	1142	1476	19	8495
III	1571	1180	2731	1162	195	1067	981	160	6296
IV	3187	950	4137	2038	122	705	1523	34	8558
1981 I	714	1035	1749	2289	-60	1366	1380	80	6805
II	-602	620	18	2248	151	1767	2100	3	6285
III	786	500	1266	3019	16	911	1156	-26	6342
IV	11907	-2190	9717	3899	254	2503	871	-3	17241

SOURCE: BANK OF CANADA REVIEW.

INTEREST RATES
MONTH-END
NOT SEASONALLY ADJUSTED

	BANK RATE	GOVERNMENT OF CANADA SECURITIES					MCLEOD, YOUNG WEIR AVERAGES			90 DAY FINANCE COMPANY RATE
		3-MONTH BILLS	1-3 YEAR BONDS	3-5 YEAR BONDS	5-10 YEAR BONDS	10+ YEAR BONDS	10 PROV- INCIALS	10 MUNI- CIPALS	10 INDUS- TRIALS	
1977	7.71	7.33	7.33	7.79	8.13	8.70	9.53	9.71	9.71	7.48
1978	8.98	8.68	8.74	9.00	9.08	9.27	9.88	10.06	10.02	8.83
1979	12.10	11.69	10.75	10.42	10.16	10.21	10.74	10.94	10.88	12.07
1980	12.89	12.79	12.44	12.32	12.29	12.48	13.02	13.35	13.24	13.15
1981	17.93	17.72	15.96	15.50	15.29	15.22	15.95	16.46	16.22	18.33
1980 II	12.72	12.37	11.23	11.02	11.24	11.57	12.10	12.49	12.43	12.98
III	10.55	10.50	11.83	12.19	12.17	12.57	13.23	13.49	13.43	10.72
IV	14.03	14.21	13.05	12.89	12.85	12.97	13.48	13.93	13.76	14.53
1981 I	16.91	16.71	13.59	13.44	13.25	13.27	14.00	14.39	14.20	17.13
II	18.51	18.20	16.06	15.44	15.06	15.02	15.65	16.21	15.97	18.57
III	20.18	20.15	18.82	18.06	17.45	17.17	18.10	18.63	18.32	21.02
IV	16.12	15.81	15.35	15.04	15.41	15.42	16.05	16.62	16.41	16.62
1982 I	14.86	14.58	15.41	15.02	15.27	15.34	16.59	17.04	17.01	15.35
1981 MAR	16.59	16.44	14.04	13.83	13.61	13.48	14.18	14.65	14.41	17.00
APR	17.40	17.35	15.78	15.30	14.84	15.07	15.79	16.16	16.03	17.50
MAY	19.06	18.43	16.22	15.51	15.09	14.96	15.53	16.10	15.94	19.00
JUN	19.07	18.83	16.19	15.52	15.24	15.03	15.63	16.36	15.93	19.20
JUL	19.89	20.29	18.77	17.91	17.37	17.07	18.09	18.50	17.93	21.25
AUG	21.03	20.82	18.77	17.58	17.00	16.77	17.48	18.24	17.95	22.20
SEP	19.63	19.35	18.93	18.68	17.99	17.66	18.73	19.15	19.09	19.60
OCT	18.30	17.96	17.30	16.91	16.79	16.66	17.01	17.65	17.28	18.80
NOV	15.40	15.07	13.56	13.41	14.14	14.32	15.16	15.84	15.46	15.40
DEC	14.86	14.41	15.19	14.80	15.29	15.27	15.97	16.37	16.48	15.65
1982 JAN	14.72	14.34	15.93	15.73	15.95	15.94	16.81	17.15	16.87	14.90
FEB	14.74	14.58	14.99	14.58	14.87	15.01	16.53	16.94	17.24	15.00
MAR	15.11	14.86	15.32	14.76	14.99	15.06	16.44	17.04	16.93	15.15

SOURCE: BANK OF CANADA REVIEW.

EXCHANGE RATES
CANADIAN DOLLARS PER UNIT OF OTHER CURRENCIES
NOT SEASONALLY ADJUSTED

	U.S. DOLLAR	BRITISH POUND	FRENCH FRANC	GERMAN MARK	SWISS FRANC	JAPANESE YEN (THOUSAND)	INDEX OF GROUP OF TEN COUNTRIES (1)
1977	1.063	1.857	.217	.459	.445	3.982	105.9
1978	1.141	2.191	.254	.570	.644	5.484	117.0
1979	1.171	2.486	.276	.640	.705	5.369	121.4
1980	1.169	2.720	.277	.644	.698	5.185	121.8
1981	1.199	2.430	.222	.532	.613	5.452	121.5
1980 II	1.170	2.674	.278	.647	.696	5.059	121.6
III	1.159	2.760	.281	.653	.710	5.273	121.3
IV	1.184	2.825	.268	.620	.687	5.624	123.6
1981 I	1.194	2.757	.246	.573	.630	5.810	123.5
II	1.199	2.492	.222	.527	.589	5.455	121.7
III	1.212	2.225	.209	.499	.579	5.228	120.9
IV	1.192	2.244	.211	.531	.652	5.315	119.8
1982 I	1.209	2.231	.202	.515	.645	5.173	120.6
1981 MAR	1.191	2.660	.240	.565	.620	5.706	122.7
APR	1.191	2.592	.233	.551	.604	5.541	121.9
MAY	1.201	2.507	.219	.524	.582	5.449	121.9
JUN	1.204	2.376	.213	.507	.581	5.374	121.2
JUL	1.211	2.269	.209	.496	.578	5.216	121.0
AUG	1.223	2.227	.204	.489	.564	5.236	121.6
SEP	1.201	2.179	.214	.511	.594	5.232	120.0
OCT	1.203	2.215	.214	.534	.639	5.196	120.5
NOV	1.187	2.280	.211	.533	.665	5.327	119.6
DEC	1.185	2.257	.208	.525	.654	5.422	119.4
1982 JAN	1.192	2.249	.205	.520	.647	5.306	119.7
FEB	1.214	2.241	.202	.513	.641	5.152	121.0
MAR	1.220	2.204	.199	.513	.647	5.061	121.1

SOURCE: BANK OF CANADA REVIEW, ECONOMIC REVIEW, DEPARTMENT OF FINANCE.

(1) GEOMETRICALLY WEIGHTED BY 1971 BILATERAL SHARES OF TRADE. THE GROUP OF TEN COUNTRIES COMPRISE BELGIUM, CANADA, FRANCE, GERMANY, ITALY, JAPAN, THE NETHERLANDS, SWEDEN, THE UNITED KINGDOM, THE UNITED STATES AND SWITZERLAND.

CAPITAL ACCOUNT BALANCE OF INTERNATIONAL PAYMENTS
LONG-TERM CAPITAL FLOWS
MILLIONS OF DOLLARS, NOT SEASONALLY ADJUSTED

	DIRECT INVESTMENT		NET CANADIAN STOCKS	OUTSTANDING CANADIAN BONDS	NEW ISSUES OF CANADIAN BONDS	RETIREMENTS OF CANADIAN BONDS	TOTAL CANADIAN BONDS	EXPORT CREDITS
	IN CANADA	ABROAD						
1977	475	-740	-105	243	5876	-903	5216	-523
1978	85	-2150	-271	35	6404	-1314	5125	-881
1979	675	-2350	525	476	5080	-2175	3381	-877
1980	585	-2780	1450	1071	4972	-2072	3971	-1186
1981	-5300	-4900	-841	1267	13230	-2773	11724	-895
1980 I	250	-445	658	86	1162	-436	812	-173
II	215	-660	435	176	1438	-341	1273	-419
III	340	-475	558	316	1093	-653	756	-333
IV	-220	-1200	-201	493	1279	-642	1130	-261
1981 I	205	-1305	-411	279	1633	-446	1466	-66
II	-3405	-840	-301	466	2161	-609	2018	-457
III	-580	-1560	101	246	2938	-488	2696	-206
IV	-1520	-1195	-230	276	6498	-1230	5544	-166

SOURCE: QUARTERLY ESTIMATES OF THE CANADIAN BALANCE OF INTERNATIONAL PAYMENTS, CATALOGUE 67-001, STATISTICS CANADA.

CAPITAL ACCOUNT BALANCE OF INTERNATIONAL PAYMENTS
LONG-TERM CAPITAL FLOWS CONTINUED
MILLIONS OF DOLLARS, NOT SEASONALLY ADJUSTED

	FOREIGN SECURITIES			GOVERNMENT OF CANADA LOANS AND SUBSCRIPTIONS			OTHER LONG-TERM CAPITAL	TOTAL LONG-TERM CAPITAL
	TRADE IN OUTSTANDING SECURITIES	NEW ISSUES	RETIREMENTS	TO NATIONAL GOVERNMENTS	TO INTER- NATIONAL AGENCIES	REPAYMENTS		
1977	166	-41	86	-200	-339	36	176	4217
1978	29	-25	21	-261	-248	262	1395	3081
1979	-315	-313	46	-230	-322	33	1846	2089
1980	60	-194	20	-238	-279	36	-140	1305
1981	-7	-97	9	-319	-309	41	2234	1340
1980 I	46	-64	5	-97	-8	5	-19	970
II	162	-5	5	-64	-8	1	101	1035
III	39	-70	4	-40	0	0	-217	562
IV	-187	-55	6	-37	-262	30	-5	-1262
1981 I	-243	-17	4	-124	-24	9	-14	-520
II	-315	-22	2	-29	-9	1	43	-3314
III	548	-50	2	-67	-57	0	1260	2087
IV	3	-8	1	-99	-219	31	945	3087

SOURCE: QUARTERLY ESTIMATES OF THE CANADIAN BALANCE OF INTERNATIONAL PAYMENTS, CATALOGUE 67-001, STATISTICS CANADA.

CAPITAL ACCOUNT BALANCE OF INTERNATIONAL PAYMENTS
SHORT-TERM CAPITAL FLOWS
MILLIONS OF DOLLARS, NOT SEASONALLY ADJUSTED

	NON-RESIDENT HOLDINGS OF:						OTHER PAPER	TOTAL
	CANADIAN DOLLAR DEPOSITS	GOVERNMENT DEMAND LIABILITIES	TREASURY BILLS	FINANCE COMPANY PAPER	OTHER FINANCE COMPANY OBLIGATIONS	COMMERCIAL PAPER		
1977	230	172	242	42	-55	-65	243	
1978	37	55	-53	128	-40	-186	144	
1979	524	217	-178	-5	0	153	527	
1980	-56	171	542	-164	70	-64	751	
1981	1401	164	-61	760	471	-86	543	
1980 I	-108	-16	165	300	58	177	513	
II	34	-19	212	-290	27	-65	512	
III	74	-25	240	-18	-36	-48	-532	
IV	-56	231	-75	-156	21	-128	258	
1981 I	402	-8	26	73	29	92	563	
II	-4	-57	-93	285	135	-11	-99	
III	-43	41	213	209	200	0	491	
IV	1046	188	-207	213	107	-167	-412	

SOURCE: QUARTERLY ESTIMATES OF THE CANADIAN BALANCE OF INTERNATIONAL PAYMENTS, CATALOGUE 67-001, STATISTICS CANADA.

CAPITAL ACCOUNT BALANCE OF INTERNATIONAL PAYMENTS
SHORT-TERM CAPITAL FLOWS CONTINUED
MILLIONS OF DOLLARS, NOT SEASONALLY ADJUSTED

	RESIDENT FOREIGN CURRENCY HOLDINGS		ALL OTHER TRAN- SACTIONS	TOTAL SHORT-TERM CAPITAL	NET CAPITAL MOVEMENT	MOVEMENTS OF OFFICIAL INTER- NATIONAL RESERVES
	CHARTERED BANKS' NET POSITION	NONBANK HOLDINGS				
1977	1384	-855	-870	668	4885	-1421
1978	2771	-667	-952	1237	4318	-185
1979	4107	7	1400	6752	8851	-858
1980	1406	-517	-1026	1113	2418	-542
1981	17898	-6141	-59	14890	16230	382
1980 I	-706	-149	-550	-316	854	-425
II	96	-642	819	884	1719	331
III	-254	390	-195	-404	158	-532
IV	2270	-116	-1100	1149	-113	84
1981 I	5912	-1337	362	6114	5594	-314
II	8098	-1241	-190	6803	3489	-637
III	2721	-1949	-2783	-900	1187	-126
IV	1167	-1614	2552	2873	5960	1459

SOURCE: QUARTERLY ESTIMATES OF THE CANADIAN BALANCE OF INTERNATIONAL PAYMENTS, CATALOGUE 67-001, STATISTICS CANADA.

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