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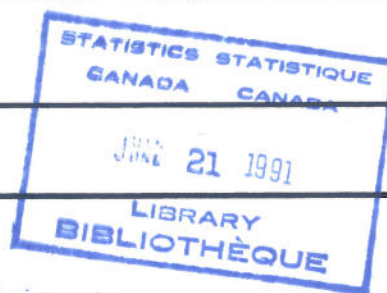
- **National Income and Expenditure Accounts, First Quarter 1993** 2
Real GDP at market prices grew 0.9% in the first quarter of 1993 after advancing 0.7% in the fourth quarter.
- **Balance of International Payments, First Quarter 1993** 9
Canada's seasonally adjusted current account deficit amounted to \$6.0 billion, virtually unchanged from the previous quarter when it reached its lowest level in more than two years.
- **Financial Flow Accounts, First Quarter 1993** 15
Total funds raised on financial markets rose in the first quarter of 1993 to the highest level in a year.
- **Retail Trade, April 1993** 19
Higher sales by motor vehicle and recreational vehicle dealers (+3.8%) led to a 1.0% rise in seasonally adjusted retail sales in April. The trend has been rising steadily since April 1992, up 0.3% in April 1993.

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National Income and Expenditure Accounts

First Quarter 1993

Gross Domestic Product (GDP) at market prices grew 0.7% in the first quarter of 1993 to a seasonally adjusted annual rate of \$701 billion. GDP at 1986 prices increased 0.9% (equivalent to a compound annual rate of 3.8%), while the implicit price index declined slightly from its fourth-quarter value (see Charts 1 and 2).

The first-quarter expansion of economic activity continued the pickup evident in the fourth quarter. Consumer spending, business outlays for machinery and equipment and exports all grew substantially and the pace of business inventory liquidation moderated.

The only declining component of aggregate demand was construction, which continued its prolonged period of decline.

Final domestic demand increased 0.4% (see Chart 3) and, reflecting the strong demand for goods, real imports rose 2.5%. Labour income increased 1.1% and corporation profits improved by 7.8%.

Components of Demand

Real consumer spending grew substantially in the first quarter after levelling off in the fourth quarter. The growth was reflected in retail sales - which rose sharply in January, fell back partially in February and levelled off in March. The quarterly pickup reflected a large 1.0% real increase in goods purchases and a smaller 0.3% rise in the volume of spending on consumer services.

Real expenditure on durable goods rose 0.8% despite a drop in outlays for motor vehicles, parts and accessories. Spending on semi-durable goods advanced 0.4%, with significant increases in footwear, men's and boys' clothing, and household furnishings. Among non-durable commodities, outlays were higher for electricity, gas and other fuels, motor fuels, and food and beverages.

Consumer spending on services grew more slowly as substantial increases for gross rent, communications and recreational services were partially offset by declining outlays on financial services, auto-related services, and some other services.

Components of Final Demand at Constant Prices

	First Quarter 1993	
	At 1986 Prices	At Fourth Quarter 1992 Prices ¹
	% change from previous quarter	
Personal expenditure	0.6	0.5
Durable goods	0.8	0.8
Semi-durable goods	0.4	0.3
Non-durable goods	1.3	1.1
Services	0.3	0.2
Government current expenditure	0.7	0.7
Government investment expenditure	2.1	2.6
Business investment in fixed capital	-0.9	-1.5
Residential construction	-5.8	-6.3
Non-residential construction	-0.8	-0.8
Machinery and equipment	2.3	3.2
Final domestic demand	0.4	0.3
Exports of goods and services	1.4	1.6
Merchandise	1.6	1.8
Non-merchandise	0.5	0.4

¹ This is the chain Laspeyres volume index.

Despite lower mortgage rates and continuing weakness in housing prices, residential investment fell notably in the first quarter. The drop followed two quarters of moderate expansion. A large part of the first-quarter decline was attributable to lower real estate commissions as resale activity fell sharply.

Reflecting lower housing starts, new construction decreased 2.3%. Starts averaged 145,500 (at a seasonally adjusted annual rate) in the quarter, rose to 171,300 in April, then slipped back to 147,600 in May. The first-quarter decline in new construction was concentrated in Quebec, Ontario and the Atlantic provinces.

The apartment vacancy rate fell slightly, although it remained at a relatively high level, and the number of newly completed but unoccupied single and semi-detached dwelling units increased vis-à-vis the fourth quarter. Spending on alterations and improvements to existing dwellings also declined markedly in the first quarter.

Chart 1
GDP at 1986 Prices

Quarterly % change

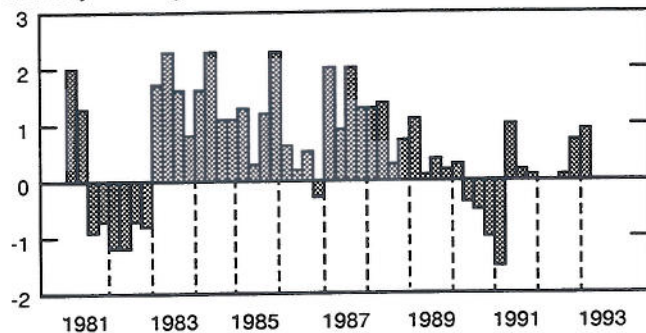


Chart 2
GDP Implicit Price Index

Quarterly % change

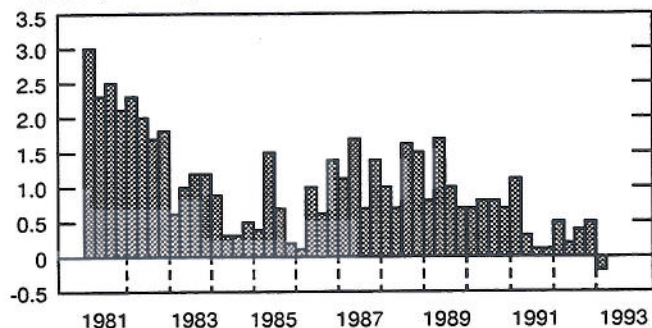


Chart 3
Components of Final Domestic Demand at 1986 Prices

Year-over-year % change

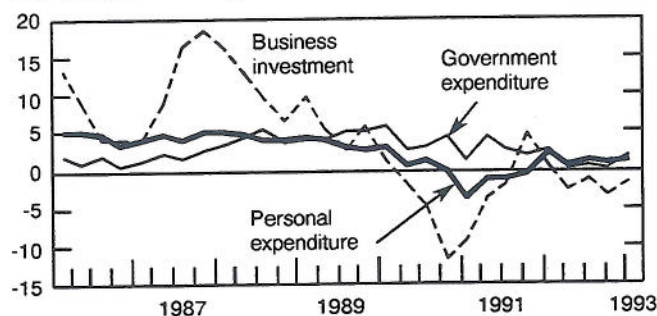


Chart 4
Exports and Imports

\$ Billions

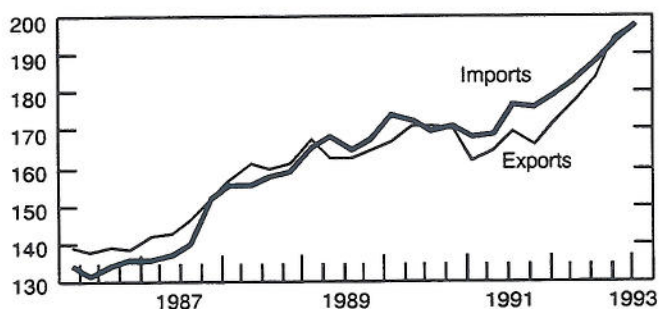
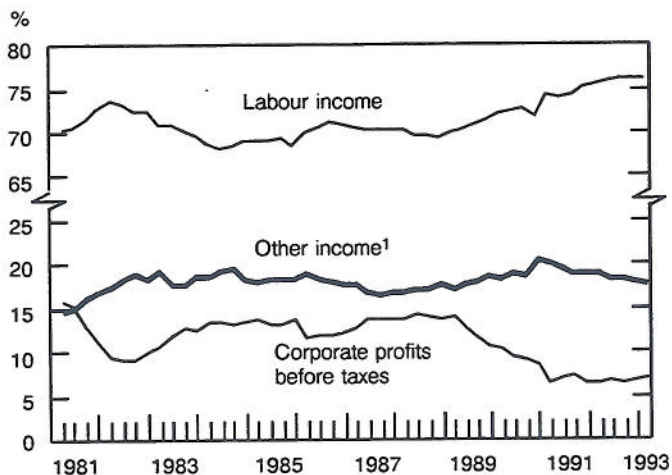


Chart 5
Shares in Net Domestic Income at Factor Cost



¹ Includes interest and miscellaneous investment income, accrued net income of farm operators from farm production, net income of non-farm unincorporated business (including rent) and the inventory valuation adjustment.

Business investment in plant and equipment increased 1.3% during the quarter. Purchases of machinery and equipment rose 2.3%, as businesses spent more on industrial machinery and office equipment. Non-residential construction outlays fell modestly in the quarter after declining substantially through 1992. Declines continued in building construction, while engineering construction registered a marginal gain.

Non-farm inventories were reduced in the first quarter, but by substantially less than in the fourth quarter. As a result, the inventory swing gave a large 0.9% boost to GDP.

Cutbacks in stocks were most widespread among non-durable goods manufacturers, and were particularly notable for refined petroleum, wood and building materials. Manufacturers reduced stock levels at less than half the rate of the fourth quarter. It was the thirteenth consecutive quarter in which manufacturers reduced inventories – most recently, reductions occurred in finished goods rather than raw materials or goods in process.

In the farm sector, stocks increased marginally on a seasonally adjusted basis. Pending the availability of harvest information for 1993, the farm inventories estimates assume that the grain crop this year will be roughly equal to the average of the last 10 years, implying a volume increase of about 7% compared to the 1992 harvest.

Imports grew 2.5% in volume terms during the quarter, while real exports increased 1.4% (see Chart 4). The rise in imports occurred primarily in motor vehicle parts, crude and refined petroleum, industrial machinery, and office equipment.

As for exports, the growth was mostly accounted for by motor vehicles and parts. Exports of telecommunications equipment, aircraft, and natural gas were also higher; exports of precious metals and alloys, pulp and paper, lumber and wheat were somewhat lower.

With the greater strength in imports, the balance of trade in goods and services swung from a surplus of \$1.7 billion in the fourth quarter to a deficit of \$0.2 billion in the first quarter (in current dollars, seasonally adjusted at annual rates).

Price Indexes

The GDP implicit price index fell 0.2% in the first quarter. All of the decline was attributable to compositional changes in the inventories component and, with inventories excluded, the index rose 0.2%.

The chain price index for GDP excluding inventories increased 0.3%. Consumer prices, export prices, and business investment prices all increased moderately. The low inflation picture reflected continuing slack in factor and product markets.

Major collective bargaining wage settlements reported by Labour Canada averaged just 1.3% (at a compound annual rate) in the first quarter and Statistics Canada's fixed-weight average hourly earnings indicator rose 2.7% on a year-over-year basis.

Quarterly Price Indices

	1992				1993
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter
% change from previous quarter					
Implicit Price Indices					
Gross domestic product					
At factor cost	0.6	-0.2	0.4	0.5	-0.2
Indirect taxes less subsidies	-0.1	2.8	0.4	0.3	0.4
At market prices	0.5	0.2	0.4	0.5	-0.2
Personal expenditure					
At factor cost	0.3	0.3	0.5	0.5	0.1
Indirect taxes less subsidies	0.3	1.3	0.7	0.4	0.5
At market prices	0.3	0.4	0.6	0.5	0.2
Chain Price Indices					
Personal expenditure	0.3	0.5	0.6	0.6	0.3
Government current expenditure	1.0	0.7	0.8	0.7	0.0
Residential construction	-0.5	1.0	0.1	-0.2	0.8
Non-residential construction	0.3	0.6	0.3	-0.2	1.3
Machinery and equipment	1.6	0.4	0.1	1.4	0.1
Final domestic demand	0.5	0.6	0.6	0.6	0.3
Exports	1.5	1.2	1.2	3.1	0.4
Less: imports	2.6	1.4	1.0	3.6	0.3
Gross domestic product ¹	1.0	0.8	0.8	1.5	0.3
Fixed-weighted Price Indices					
Personal expenditure	0.2	0.6	0.6	0.6	0.2
Consumer price index	0.5	0.5	0.5	0.4	0.7
Net price index ²	0.3	0.3	0.4	0.3	0.6
Gross domestic product ¹	0.2	0.7	0.6	0.5	0.4

¹ Excludes value of physical change in inventories.

² Consumer price index excluding indirect taxes and subsidies.

Components of Income

Wages, salaries and supplementary labour income grew 1.1% in the first quarter. Much of the increase was because of higher supplementary labour income, as the employer and employee contribution rates for the Canada and Quebec Pension Plans, as well as the level of maximum insurable earnings for the Unemployment Insurance Program, were raised. Total compensation per employee rose 1.2% in the quarter and 3.5% on a year-over-year basis.

Paid employee hours-worked edged down 0.1% during the quarter and slipped a further 0.2% in both April and May. The continuing weakness in employment was felt most in the Atlantic and Prairie regions and in Quebec.

Viewed from an industry perspective, the increase in labour income occurred mostly in forestry, local government administration, construction, transportation, and manufacturing. There were labour income declines in wholesale and retail trade and in federal government administration.

Measured on a domestic basis, for purposes of gross domestic product, corporation profits before taxes recovered 7.8% in the first quarter. On a national basis, which includes net investment income received from abroad, profits rose 20.7%.

The surge in profits was especially evident in petroleum and natural gas, motor vehicles, parts and accessories, beverages and tobacco, and in financial intermediaries such as investment dealers and stock brokers. With the advance, domestic profits were still just \$35 billion (seasonally adjusted at annual rates), compared with the \$68 billion peak reached in early 1989.

Much of the gain in profits over the past year or so has been attributable to capital gains on inventories as raw material prices have risen – gains that are reflected in the inventory valuation adjustment. Interest and miscellaneous investment income, held

back by falling interest rates, was largely unchanged in the quarter, while accrued net farm income rose 15.2%.

Net income of non-farm unincorporated business edged up 0.2% as gains in community services, retail trade and net rental income were offset by declines in construction and business services.

Personal income rose 0.9% in the quarter, reflecting higher labour income and government transfer payments counterbalanced by lower investment income. Personal disposable (after-tax) income grew 1.1% during the quarter and the personal savings rate edged up from 10.5% in the fourth quarter to 10.7% in the first quarter.

Total government sector spending in current dollars rose 1.1% in the quarter, as current expenditure on goods and services, subsidies to business, transfers to persons, interest on the public debt and capital spending all increased while capital assistance and foreign aid transfers to non-residents decreased.

Total government sector revenue grew 0.4% with personal direct taxes essentially unchanged and direct taxes from corporate and government business enterprises growing substantially.

The federal deficit, on a national accounts basis, rose from \$29.2 billion in the fourth quarter to \$32.3 billion in the first, while the combined provincial government deficit was somewhat lower than in the previous quarter, at \$17.9 billion.

Employment and Hours

	1991				1992				1993
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter
	% change from previous quarter								
Paid employment*	-1.3	0.4	-0.1	-0.6	-0.8	-0.3	0.4	0.1	0.1
Goods-producing industries	-2.5	-0.3	-0.1	-1.9	-2.3	0.1	0.3	-0.4	0.1
Services-producing industries	-0.8	0.6	-0.1	-0.1	-0.3	-0.4	0.4	0.2	0.1
Atlantic provinces	-1.2	-0.6	-0.6	0.5	-0.7	-0.6	0.4	-0.6	-0.6
Quebec	-1.3	0.6	-0.6	-0.9	-0.3	-0.8	0.9	-0.6	0.0
Ontario	-2.5	0.2	0.5	-0.9	-1.2	-0.3	0.0	0.2	0.4
Prairie provinces	0.5	0.2	0.2	-0.9	-0.8	0.0	0.1	-0.5	-0.4
British Columbia	0.4	1.3	-0.9	1.2	-1.1	0.8	0.8	2.0	0.2
Full-time	-1.8	-0.1	-0.3	0.0	-1.1	-0.2	-0.3	0.4	-0.1
Part-time	0.9	2.3	0.9	-2.7	0.3	-0.5	3.1	-1.4	0.5
Average weekly hours	-0.5	-0.4	-0.1	0.4	0.1	-0.2	-0.3	0.4	-0.1
Total paid hours	-1.7	0.0	-0.2	-0.2	-0.7	-0.5	0.1	0.4	-0.1

* Includes paid employees plus working proprietors with paid help and excludes employees on unpaid absence. Multiple job holders are counted twice. Based on Labour Force Survey data.

Output by Industry

Goods producers boosted output 1.8% after posting a 0.7% gain in the fourth quarter of 1992. The advance was led by a large increase in manufacturing, although there was substantial strength elsewhere, too, as goods production excluding manufacturing rose 1.4%. Output of services rose 0.6% following a 0.4% increase in the previous quarter.

In manufacturing, durable goods production jumped 3.9% as six of nine major industry groups recorded gains. Manufacturers of transportation equipment increased production 10.2%, responding to very strong demand for automotive products from the United States. Domestic sales of motor vehicles were weak, but improved considerably during the last month of the quarter.

Output of non-durable goods edged up 0.1%. Lower pulp and newsprint production accounted for most of the weakness, as exports slipped in the first quarter and prices fell 2.5%.

Mining output increased 2.5% following a 2.4% decline in the previous quarter.

Higher demand abroad for natural gas spurred a 1.5% increase in crude oil and natural gas production. Drilling activity climbed a further 11.8% after a 23.4% jump the previous quarter, when the Government of Alberta lowered royalties.

Output of services advanced 0.6% as all major industries boosted output at a faster pace than in the fourth quarter of 1992. Sales by wholesalers and retailers advanced 1.1% and 1.0%, respectively. Securities dealers handled a sharp increase in provincial government bonds and in new corporate shares; there was also a gain in stock trading. Real estate remained weak for a second consecutive quarter.

Revisions to Previous Years' Estimates

Revised estimates of the National Income and Expenditure Accounts that cover the period from 1989 to 1992 are released with the results for the first quarter of 1993. The statistics have been revised to incorporate the most current source data and revised seasonal patterns.

The new estimates indicate slightly stronger economic growth in 1989 and 1990 and marginally weaker growth in 1992. The largest revisions affect the following: corporation profits before taxes, up \$1.5 billion in both 1990 and 1991 but down \$2.0 billion in 1992 compared with previous estimates;

wages, salaries and supplementary labour income, down \$2.2 billion in 1991 and \$1.1 billion in 1992; and government current expenditure on goods and services, up \$1.7 billion in 1990, \$2.3 billion in 1991 and \$2.2 billion in 1992.

The revised estimates for corporation profits and labour income reflect new benchmark information from income tax records, while those for government expenditure come mainly from provincial and municipal government financial statements.

Revisions to GDP Growth

	1989	1990	1991	1992
	% change from previous year			
GDP at current prices				
Previous estimate	7.3	2.8	1.0	1.9
Revised estimate	7.4	3.1	0.7	1.9
Revision	0.1	0.3	-0.3	0.0
GDP at 1986 prices				
Previous estimate	2.3	-0.5	-1.7	0.9
Revised estimate	2.4	-0.2	-1.7	0.7
Revision	0.1	0.3	0.0	-0.2
GDP implicit price index				
Previous estimate	4.8	3.2	2.8	1.0
Revised estimate	4.8	3.3	2.5	1.1
Revision	--	0.1	-0.3	0.1

Available on CANSIM: matrices 6701-6702, 6704-6707, 6709-6716, 6718, 6720-6722, 6724-6727, 6729-6736, 6738, 6740, 6828-6839, 6846 and 7420-7432.

For further information about the subject matter in this release, call 613-951-3640 and ask for the information officer, National Accounts and Environment Division.

The fourth quarter 1993 issue of *National Income and Expenditure Accounts* (13-001, \$25/\$100), which contains 33 statistical tables, will be released in July.

A computer printout, which contains 57 tables of unadjusted and seasonally adjusted data plus supplementary analytical tables, is also available on release day (\$50/\$180).

On release day at 8:30 a.m., the complete quarterly national accounts data set is available on microcomputer diskette by modem transfer (\$125/\$500). The diskettes are also available by mail seven days after the official release date (\$25/\$100).

To purchase any of these products or to obtain more information about them, call 613-951-3640 and ask for the client services officer, National Accounts and Environment Division. □

Gross Domestic Product, Income-based

	1992				1993	Third Quarter 1992 to Fourth Quarter 1992	Fourth Quarter 1992 to First Quarter 1993
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter		
seasonally adjusted at annual rates							
	\$ millions					% change	
Wages, salaries and supplementary labour income ¹	388,296	390,748	393,512	396,856	401,100	0.8	1.1
Corporation profits before taxes	31,308	32,848	30,824	32,732	35,284	6.2	7.8
Interest and miscellaneous investment income	58,388	56,248	56,240	55,088	55,016	-2.0	-0.1
Accrued net income of farm operators from farm production	4,328	4,204	3,472	2,872	3,308	-17.3	15.2
Net income of non-farm unincorporated business, including rent	36,808	36,980	37,164	37,520	37,612	1.0	0.2
Inventory valuation adjustment	-2,772	-3,556	-3,676	-2,800	-4,648	876 ²	-1,848 ²
Net domestic income at factor cost	516,356	517,472	517,536	522,268	527,672	0.9	1.0
Indirect taxes less subsidies	83,144	83,520	85,424	87,112	86,228	2.0	-1.0
Capital consumption allowances	81,196	81,860	82,624	83,812	84,580	1.4	0.9
Statistical discrepancy	3,176	2,536	2,844	3,284	2,968	440 ²	-316 ²
Gross Domestic Product at market prices	683,872	685,388	688,428	696,476	701,448	1.2	0.7

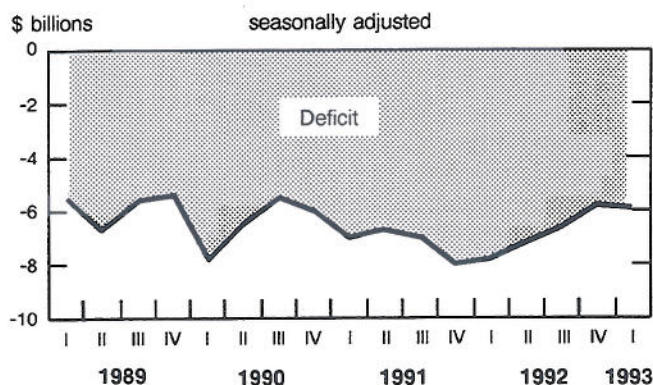
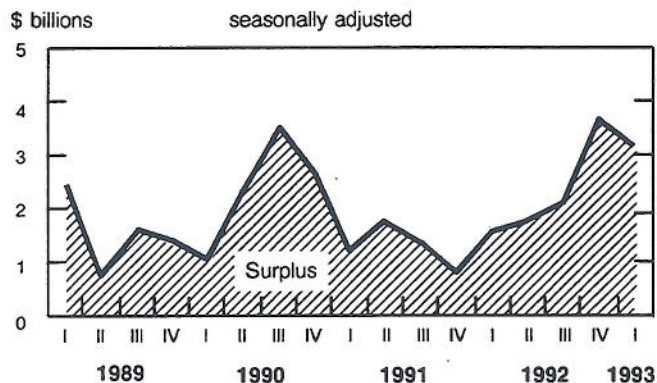
¹ Includes military pay and allowances.

² Actual change in millions of dollars.

Gross Domestic Product, Expenditure-based

	1992				1993	Third Quarter 1992 to Fourth Quarter 1992	Fourth Quarter 1992 to First Quarter 1993
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter		
seasonally adjusted at annual rates							
	\$ millions, at current prices					% change	
Personal expenditure on consumer goods and services	415,260	417,452	421,604	423,828	427,120	0.5	0.8
Durable goods	52,912	52,964	53,648	53,644	54,468	0.0	1.5
Semi-durable goods	37,408	37,672	38,460	38,604	38,816	0.4	0.5
Non-durable goods	109,812	110,812	110,844	112,072	113,420	1.1	1.2
Services	215,128	216,004	218,652	219,508	220,416	0.4	0.4
Government current expenditure on goods and services	146,600	147,360	149,052	150,496	151,484	1.0	0.7
Government investment in fixed capital	16,372	16,416	16,756	16,648	17,116	-0.6	2.8
Government investment in inventories	144	-232	-92	20	-16	112 ¹	-36 ¹
Business investment in fixed capital	115,324	113,144	112,932	112,360	111,092	-0.5	-1.1
Residential construction	43,196	43,640	44,472	44,660	42,096	0.4	-5.7
Non-residential construction	33,272	30,700	29,316	27,468	27,588	-6.3	0.4
Machinery and equipment	38,856	38,804	39,144	40,232	41,408	2.8	2.9
Business investment in inventories	208	-556	-4,624	-5,260	-2,164	-636 ¹	3,096 ¹
Non-farm	836	-1,076	-2,716	-4,876	-2,396	-2,160 ¹	2,480 ¹
Farm and grain in commercial channels	-628	520	-1,908	-384	232	1,524 ¹	616 ¹
Exports of goods and services	172,500	177,256	183,648	194,388	197,912	5.8	1.8
Merchandise	147,672	151,928	157,908	168,760	172,000	6.9	1.9
Non-merchandise	24,828	25,328	25,740	25,628	25,912	-0.4	1.1
Deduct: Imports of goods and services	179,360	182,920	188,004	192,720	198,132	2.5	2.8
Merchandise	141,540	145,020	149,628	154,164	159,440	3.0	3.4
Non-merchandise	37,820	37,900	38,376	38,556	38,692	0.5	0.4
Statistical discrepancy	-3,176	-2,532	-2,844	-3,284	-2,964	-440 ¹	320 ¹
Gross Domestic Product at market prices	683,872	685,388	688,428	696,476	701,448	1.2	0.7
Final domestic demand	693,556	694,372	700,344	703,332	706,812	0.4	0.5
	\$ millions, at 1986 prices						
Personal expenditure on consumer goods and services	334,732	335,008	336,544	336,616	338,680	0.0	0.6
Durable goods	47,140	46,852	47,492	47,488	47,860	0.0	0.8
Semi-durable goods	29,252	29,548	30,076	30,116	30,228	0.1	0.4
Non-durable goods	87,100	87,400	86,848	87,232	88,368	0.4	1.3
Services	171,240	171,208	172,128	171,780	172,224	-0.2	0.3
Government current expenditure on goods and services	116,736	116,460	116,820	117,188	118,052	0.3	0.7
Government investment in fixed capital	16,456	16,596	17,228	17,188	17,556	-0.2	2.1
Government investment in inventories	128	-204	-80	16	-16	96 ¹	-32 ¹
Business investment in fixed capital	106,672	105,424	106,308	105,844	104,892	-0.4	-0.9
Residential construction	32,548	32,640	32,944	32,964	31,048	0.1	-5.8
Non-residential construction	28,416	26,096	24,816	23,292	23,112	-6.1	-0.8
Machinery and equipment	45,708	46,688	48,548	49,588	50,732	2.1	2.3
Business investment in inventories	-736	-936	-4,156	-6,200	-1,380	-2,044 ¹	4,820 ¹
Non-farm	328	-996	-1,232	-5,596	-1,508	-4,364 ¹	4,088 ¹
Farm and grain in commercial channels	-1,064	60	-2,924	-604	128	2,320 ¹	732 ¹
Exports of goods and services	173,116	175,824	181,040	186,720	189,412	3.1	1.4
Merchandise	152,956	155,428	160,412	166,308	168,892	3.7	1.6
Non-merchandise	20,160	20,396	20,628	20,412	20,520	-1.0	0.5
Deduct: Imports of goods and services	185,720	187,088	192,032	191,720	196,504	-0.2	2.5
Merchandise	149,876	151,764	156,708	157,424	162,456	0.5	3.2
Non-merchandise	35,844	35,324	35,324	34,296	34,048	-2.9	-0.7
Statistical discrepancy	-2,588	-2,060	-2,304	-2,648	-2,400	-344 ¹	248 ¹
Gross Domestic Product at market prices	558,796	559,024	559,368	563,004	568,292	0.7	0.9
Final domestic demand	574,596	573,488	576,900	576,836	579,180	0.0	0.4
	implicit price indexes, 1986 = 100						
Personal expenditure on consumer goods and services	124.1	124.6	125.3	125.9	126.1	0.5	0.2
Government current expenditure on goods and services	125.6	126.5	127.6	128.4	128.3	0.6	-0.1
Government investment in fixed capital	99.5	98.9	97.3	96.9	97.5	-0.4	0.6
Business investment in fixed capital	108.1	107.3	106.2	106.2	105.9	0.0	-0.3
Exports of goods and services	99.6	100.8	101.4	104.1	104.5	2.7	0.4
Deduct: Imports of goods and services	96.6	97.8	97.9	100.5	100.8	2.7	0.3
Gross Domestic Product at market prices	122.4	122.6	123.1	123.7	123.4	0.5	-0.2
Final domestic demand	120.7	121.1	121.4	121.9	122.0	0.4	0.1

¹ Actual change in millions of dollars.

Current Account Balance**Merchandise Trade Balance****Balance of International Payments**

First Quarter 1993

Canada's seasonally adjusted current account deficit amounted to \$6.0 billion in the first quarter, virtually unchanged from the previous quarter when it reached its lowest level in more than two years.

During the current quarter, the merchandise trade surplus declined for the first time in over a year, narrowing from \$3.6 billion to \$3.1 billion. The surplus, however, remained substantial with both exports and imports continuing to advance. The lower deficit on non-merchandise transactions stemmed from increases in dividend receipts following a low fourth quarter. Other accounts did not change substantially.

In the capital account – which is unadjusted – non-residents acquired an unprecedented amount of Canadian bonds and also invested significantly in Canadian stocks. The net investment in bonds was led by the United States and the United Kingdom and was roughly split between U.S. and Canadian dollar issues.

The net investment in Canadian stocks, which came largely from the United States, was at its highest since the market fall of 1987. Conversely, Canadian investors significantly increased their investment abroad in a wide range of instruments, including deposits, direct investment and stocks.

Current Account, Seasonally Adjusted

The current account deficit of \$6.0 billion resulted from a surplus of \$3.1 billion on merchandise trade and a deficit of \$9.1 billion on non-merchandise transactions.

Merchandise exports rose 1.9% to \$43.0 billion. Higher sales abroad were led by automotive products, especially cars. Exports of lumber, as well as a range of machinery and equipment and petroleum products, were also higher. Lower exports included ores and several metals, together with crude oil and wood pulp.

Imports of merchandise rose 3.4% to \$39.9 billion. Higher imports were registered in all major commodity groups. Nearly three-quarters of the gain was represented by auto parts, industrial machinery and equipment and crude petroleum. The increase came mainly from the United States.

The investment income account showed a deficit of \$6.0 billion, slightly lower than in the previous quarter, as dividend receipts from direct investment increased sharply.

The deficit on travel edged up to \$2.0 billion, in line with the quarterly average that prevailed for 1992. The net deficit amounted to \$1.5 billion with the United States and \$0.5 billion with other countries.

Current and Capital Accounts, Unadjusted

The current account deficit declined to \$7.7 billion from \$9.8 billion in the first quarter of 1992. This was entirely due to a higher surplus on merchandise trade, with exports increasing faster than imports.

Financial Liabilities

Among financial liabilities, non-residents purchased \$22 billion of Canadian bonds – \$14 billion in net new issues and \$8 billion in outstanding issues. Net new financing was largely accounted for by the provinces and their enterprises with global issues – which are bonds of sizeable amounts – issued in several markets, including the Canadian domestic market. As for the net investment in outstanding issues, non-residents came directly into the domestic market to purchase federal issues.

The foreign currency operations of the Canadian chartered banks caused a record net outflow of \$6.0 billion, which arose from lower deposit liability as well as from increased investment in securities. During the quarter, the banks also reduced almost \$1 billion of Canadian dollar deposits held by non-residents ("other liabilities"). These net outflows could be related to the rechanneling abroad of some of the proceeds raised from new bond issues.

Foreign investors acquired, on a net basis, \$2.3 billion of Canadian stocks, by far the largest net quarterly investment since the market fall of 1987. The major portion of the first quarter's net investment continued to come from the United States. Canadian stock prices, as measured by the TSE 300 rose a healthy 7.5% during the quarter.

Financial Assets

Among financial assets, the Canadian non-bank sector increased its deposits abroad by a record \$4.6 billion. Again, part of this net outflow was related to the temporary rechanneling abroad of proceeds from new issues of bonds.

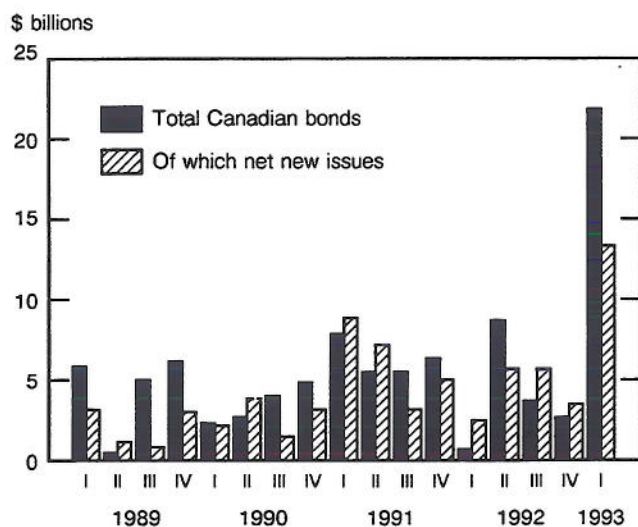
Canadian direct investors sent \$2.2 billion to their operations abroad, the largest quarterly net outflow in almost four years. The net investment was geographically widespread.

Canadian residents continued to add to holdings of foreign stocks, investing a further \$1.3 billion in the first quarter. The net investment was roughly split between U.S. and other foreign stocks.

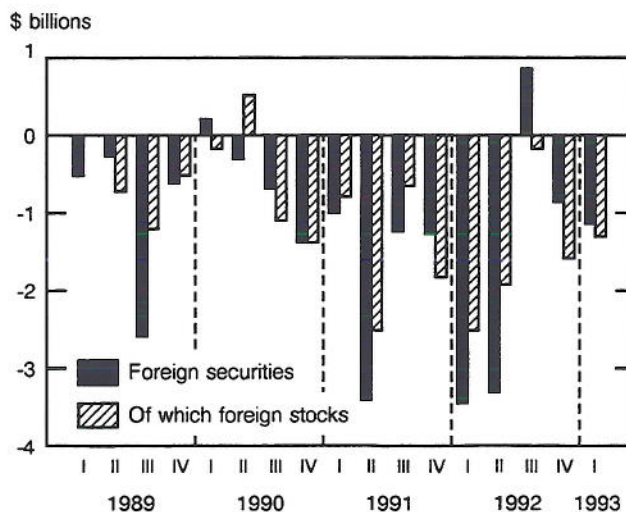
Canada's international reserves increased for the first quarter in over a year, resulting in a net outflow of \$1.1 billion. By the end of March 1993, the reserves stood at \$16.5 billion.

The statistical discrepancy (the balancing item between the recorded estimates of the current and capital accounts) was equivalent to a net debit of \$0.7 billion.

Foreign Investment in Canadian Bonds



Canadian Investment in Foreign Securities



The Canadian dollar strengthened against the U.S. dollar in the first quarter, contrasting the depreciation that prevailed for most of 1992. It closed the first quarter at 79.46 U.S. cents, up from 78.68 U.S. cents at the end of December. On an average basis, however, the Canadian dollar remained at about the same level as in the previous quarter. The Canadian dollar also appreciated against major overseas currencies during the quarter.

Revisions

The balance of payments accounts have been revised for the period from 1989 to 1992 in order to reflect new information, such as the latest annual survey results and additional administrative data.

As a result, the merchandise trade surplus was reduced for the four years, as was the non-merchandise deficit. In total, the current account deficit was increased for 1989 and 1990 but reduced for 1991 and 1992.

In the capital account, Canadian claims abroad were increased, leading to higher net outflows. Conversely, Canadian liabilities to non-residents were higher than initially measured, resulting in additional net inflows, except for 1992.

Available on CANSIM: matrices 1364, 1370, 2323-2329, 2331-2339, 2343-2349, 2353-2355 and 2357.

The first quarter 1993 issue of Canada's *Balance of International Payments* (67-001, \$27.50/\$110) will be available in July. See "How to Order Publications".

For further information, contact Lucie Laliberté (613-951-9055), Balance of Payments Division. □

Balance of International Payments

	1992				1993	1991	1992
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter		
	unadjusted						
	\$ millions						
Current Account							
Receipts							
Merchandise exports	36,409	40,016	37,743	42,399	42,337	141,097	156,567
Non-merchandise:							
Services	5,156	6,583	8,012	5,630	5,424	24,024	25,381
Investment income ¹	2,383	2,215	2,345	1,991	2,368	10,260	8,934
Transfers	1,125	1,079	1,052	1,105	1,029	3,955	4,361
Total non-merchandise receipts	8,664	9,877	11,409	8,726	8,821	38,239	38,676
Total receipts	45,073	49,893	49,153	51,125	51,158	179,336	195,243
Payments							
Merchandise imports	35,497	37,896	36,061	38,134	39,629	136,107	147,587
Non-merchandise:							
Services	9,770	9,585	9,738	9,069	9,927	36,069	38,162
Investment income ¹	8,469	8,236	7,655	8,774	8,267	32,184	33,134
Transfers	1,159	848	1,065	971	989	4,011	4,043
Total non-merchandise payments	19,398	18,669	18,458	18,814	19,183	72,264	75,339
Total payments	54,894	56,565	54,519	56,948	58,813	208,371	222,926
Balances							
Merchandise	+ 912	+ 2,120	+ 1,682	+ 4,265	+ 2,708	+ 4,990	+ 8,979
Non-merchandise	-10,734	-8,793	-7,049	-10,088	-10,363	-34,025	-36,663
Total current account	-9,822	-6,672	-5,366	-5,823	-7,655	-29,035	-27,683
Capital Account²							
Canadian claims on non-residents, net flows							
Canadian direct investment abroad ¹	-1,043	-697	-970	-1,790	-2,155	-6,200	-4,500
Portfolio securities:							
Foreign bonds	-934	-1,374	+ 1,032	+ 728	+ 182	-1,113	-548
Foreign stocks	-2,529	-1,931	-170	-1,593	-1,305	-5,795	-6,223
Government of Canada assets:							
Official international reserves	+ 1,734	+ 689	+ 3,611	+ 953	-1,094	+ 2,830	+ 6,987
Loans and subscriptions	-734	-217	-427	-317	-330	-1,785	-1,696
Non-bank deposits abroad	+ 101	+ 999	-810	+ 1,347	-4,588	-386	+ 1,636
Other claims	+ 103	-1,587	+ 1,189	+ 694	+ 2,302	+ 1,515	+ 399
Total Canadian claims, net flow	-3,303	-4,118	+ 3,454	+ 22	-6,987	-10,934	-3,945
Canadian liabilities to non-residents, net flows							
Foreign direct investment in Canada ¹	+ 1,155	+ 844	+ 1,816	+ 2,184	+ 135	+ 7,500	+ 6,000
Portfolio securities:							
Canadian bonds	+ 678	+ 8,721	+ 3,726	+ 2,668	+ 21,788	+ 25,246	+ 15,794
Canadian stocks	+ 294	+ 22	-223	+ 943	+ 2,283	-990	+ 1,036
Canadian banks' net foreign currency transactions with non-residents ³	+ 2,089	-1,580	-4,086	+ 27	-5,956	+ 5,382	-3,550
Money Market instruments:							
Government of Canada paper	+ 3,231	-278	-3,330	+ 2,292	+ 1,831	+ 2,288	+ 1,915
Other paper	+ 1,603	+ 1,823	-677	+ 234	-2,001	+ 2,140	+ 2,983
Allocation of Special Drawing Rights	-	-	-	-	-	-	-
Other liabilities	+ 1,262	+ 1,151	-310	+ 1,501	-2,748	+ 2,882	+ 3,603
Total Canadian liabilities, net flow	+ 10,311	+ 10,703	-3,083	+ 9,850	+ 15,331	+ 44,448	+ 27,782
Total capital account, net flow	+ 7,008	+ 6,585	+ 371	+ 9,872	+ 8,343	+ 33,514	+ 23,837
Statistical Discrepancy	+ 2,813	+ 87	+ 4,995	-4,049	-689	-4,479	+ 3,846

¹ Excludes retained earnings.² A minus sign denotes an outflow of capital resulting from an increase in claims on non-residents or a decrease in liabilities to non-residents.³ When the banks' foreign currency position (booked in Canada) with non-residents is a net asset, series is classified as part of Canadian claims on non-residents.

- Nil or zero.

Current Account

	1992				1993	1991	1992
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter		
	seasonally adjusted						
	\$ millions						
Receipts							
Merchandise exports	36,918	37,982	39,477	42,190	43,000	141,097	156,567
Non-merchandise							
Services:							
Travel	2,001	2,050	2,002	2,006	2,009	7,802	8,059
Freight and shipping	1,464	1,479	1,553	1,495	1,500	5,502	5,991
Business services	2,265	2,327	2,372	2,412	2,455	8,827	9,376
Government transactions	213	208	218	218	237	868	856
Other services	264	268	290	276	277	1,024	1,098
Total services	6,207	6,331	6,435	6,408	6,477	24,024	25,381
Investment income ¹ :							
Interest	1,170	1,082	1,122	929	883	5,274	4,303
Dividends	1,192	1,116	1,388	935	1,419	4,986	4,631
Total investment income	2,362	2,199	2,510	1,864	2,302	10,260	8,934
Transfers:							
Inheritances and immigrants' funds	453	474	408	416	421	1,480	1,751
Personal and institutional remittances	255	259	261	267	295	967	1,042
Canadian withholding tax	506	360	268	434	392	1,507	1,569
Total transfers	1,214	1,093	937	1,116	1,108	3,955	4,361
Total non-merchandise receipts	9,783	9,623	9,882	9,388	9,887	38,239	38,676
Total receipts	46,701	47,606	49,359	51,578	52,887	179,336	195,243
Payments							
Merchandise imports	35,385	36,255	37,407	38,541	39,860	136,107	147,587
Non-merchandise							
Services:							
Travel	4,106	4,127	4,092	3,890	4,001	15,365	16,215
Freight & shipping	1,374	1,389	1,421	1,507	1,526	5,285	5,691
Business services	3,355	3,377	3,467	3,639	3,531	12,957	13,839
Government transactions	402	362	368	377	388	1,617	1,510
Other services	216	220	246	226	227	845	908
Total services	9,453	9,475	9,595	9,639	9,673	36,069	38,162
Investment income ¹ :							
Interest	7,335	6,991	6,912	7,275	7,327	27,573	28,513
Dividends	1,247	1,297	1,089	988	1,013	4,611	4,621
Total investment income	8,582	8,287	8,001	8,263	8,340	32,184	33,134
Transfers:							
Inheritances and emigrants' funds	76	79	87	82	80	299	324
Personal and institutional remittances	284	285	285	287	298	1,078	1,141
Official contributions	694	401	612	548	511	2,272	2,255
Foreign withholding tax	78	85	81	79	88	361	323
Total transfers	1,132	850	1,064	996	978	4,011	4,043
Total non-merchandise payments	19,166	18,612	18,661	18,899	18,990	72,264	75,339
Total payments	54,551	54,867	56,068	57,440	58,850	208,371	222,926
Balances							
Merchandise	+ 1,533	+ 1,727	+ 2,070	+ 3,649	+ 3,140	+ 4,990	+ 8,979
Non-merchandise:							
Services	-3,246	-3,143	-3,160	-3,232	-3,196	-12,045	-12,781
Investment income ¹	-6,220	-6,089	-5,491	-6,400	-6,038	-21,924	-24,200
Transfers	+ 82	+ 243	-127	+ 120	+ 131	-56	+ 318
Total non-merchandise	-9,383	-8,989	-8,779	-9,512	-9,103	-34,025	-36,663
Total current account	-7,851	-7,261	-6,709	-5,863	-5,963	-29,035	-27,683

¹ Excludes retained earnings.

Balance of Payments Balances – Revisions
 1989-1992

	1989	1990	1991	1992
	\$ millions			
Current Account				
Merchandise (Balance of Payments basis)	-361	-466	-791	-507
Non-merchandise	-146	+ 228	+ 1,005	+ 1,387
Services	-125	-71	+ 238	+ 612
Travel	-1	-	-	+ 136
Freight and shipping	-67	-1	+ 177	+ 332
Business services	+ 6	-6	+ 74	+ 14
Government transactions	-27	-18	+ 31	+ 172
Other services	-36	-45	-44	-42
Investment income	+ 7	+ 336	+ 461	+ 692
Transfers	-28	-38	+ 306	+ 83
Current Account Balance	-507	-238	+ 214	+ 880
Capital Account				
Canadian claims on non-residents, net flows				
Canadian direct investment abroad	-	+ 200	-1,800	-1,164
Portfolio securities:				
Foreign bonds	-	-29	+ 15	-11
Foreign stocks	-18	+ 135	-86	-1,337
Official International Reserves	-	-	-	+ 8
Government of Canada loans and subscriptions	-	+ 11	-4	+ 29
Non-bank deposits abroad	-309	-488	+ 53	+ 109
Other claims	+ 22	-320	-1,095	-294
Total Canadian claims, net flow	-304	-491	-2,916	-2,659
Canadian liabilities to non-residents, net flows				
Foreign direct investment in Canada	-300	+ 880	+ 1,610	+ 1,283
Portfolio securities:				
Canadian bonds	+ 151	+ 546	-583	-2,430
Canadian stocks	-	-	-	+ 2
Canadian banks' net foreign currency transactions with non-residents	+ 12	-	+ 425	+ 3
Money market instruments:				
Government of Canada paper	-	+ 808	-	-
Other paper	-	-	-	-88
Other liabilities	+ 290	+ 173	-66	+ 415
Total Canadian liabilities, net flow	+ 153	+ 2,407	+ 1,385	-813
Total Capital Account, net flow	-152	+ 1,915	-1,531	-3,472
Statistical Discrepancy	+ 658	-1,677	+ 1,316	+ 2,592

- Nil or zero.

Financial Flow Accounts

First Quarter 1993

Total funds raised on financial markets rose in the first quarter of 1993 to the highest level in a year.

Domestic Non-financial Sectors

Total funds raised by domestic non-financial sectors on credit markets amounted to \$120.3 billion in the first quarter of 1993, seasonally adjusted at annual rates (see Chart 1). This was a pronounced increase vis-à-vis the fourth quarter of 1992, when \$86.8 billion was raised. Bond issues by governments and government-owned enterprises accounted for 62% of all funds raised. Flows of funds in other instruments – such as shares, consumer credit and Treasury bills – also recorded significant increases. It was the largest quantity of funds raised since the second quarter of 1992 and reflected the pickup in business activity over the last six months and the higher borrowing requirements of governments.

Among the more important financial developments during the quarter were the following: an easing of monetary conditions and a strengthening domestic currency; a firming in the demand for funds by non-financial private corporations; a sharp increase in borrowing by government business enterprises; and a doubling in credit market borrowing by the federal government.

The long-term slide in nominal interest rates that was abruptly interrupted early in the fourth quarter of 1992 resumed in December and continued through

the first quarter of 1993. This re-established an upward sloping yield curve with short-term rates reaching, in the first quarter of 1993, their lowest levels since the August-September period of the previous year.

Interest rates were down across the maturity spectrum in the quarter. The chartered banks' rate on prime business loans in the first quarter of 1993 reached a low of 6% – a level not attained since well before the 1981 historical high. However mortgage rates, while having declined, did not quite reach the low levels realized in the summer of 1992. The easing of monetary conditions that began as the Canadian dollar stabilized in December 1992 continued with a relatively strong performance by the domestic currency over the first three months of the year. The dollar slowly appreciated over most of the quarter, going from 78.7 U.S. cents to 79.5 U.S. cents from yearend 1992 to March 31, 1993.

Federal Government Borrowing

Borrowing by the federal government was up sharply from the fourth quarter (see Chart 2), in line with a widening in the deficit. Although there were significant issues of short-term paper in the quarter, most of the financing was accomplished through marketable bonds. The composition of financing between these two instruments was not much changed from the two previous quarters, in spite of the pronounced movements in market rates since the summer of 1992. There was, however, a longer average term to maturity on the bonds issued in the first quarter than was the case in the fourth quarter.

Funds Raised on Financial Markets by Non-financial Sectors

	1990	1991				1992				1993
	Fourth Quarter	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter
Total funds raised (% of GDP)	18.2	19.9	14.7	12.7	13.6	9.6	17.6	11.9	12.5	17.1
Sectoral shares (% of total)										
Personal sector	27.9	11.9	22.7	25.3	22.9	30.3	17.4	29.0	33.0	21.6
Non-financial private corporations	22.8	33.4	3.2	-0.3	18.0	9.6	14.1	15.9	4.0	16.0
Government business enterprises	4.0	14.2	8.6	8.1	3.7	15.3	4.4	5.0	-1.0	10.2
Federal government	29.8	27.0	30.9	43.3	27.7	30.6	26.1	38.6	21.8	31.4
Other levels of government	15.5	13.4	34.5	23.6	27.7	14.2	38.0	11.5	42.2	20.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Figures may not add due to rounding.

Chart 1
Total Funds Raised on Credit Markets by Domestic Non-financial Sectors
seasonally adjusted at annual rates

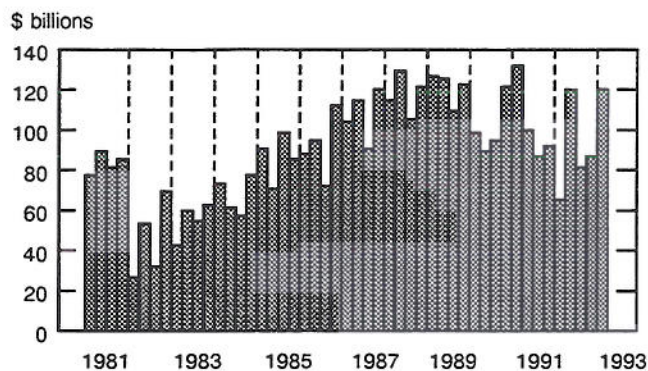


Chart 2
Funds Raised by the Federal Government
seasonally adjusted at annual rates

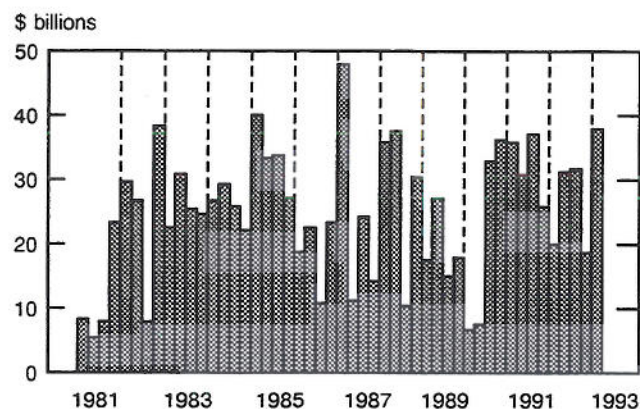


Chart 3
Funds Raised by Other Levels of Government
seasonally adjusted at annual rates

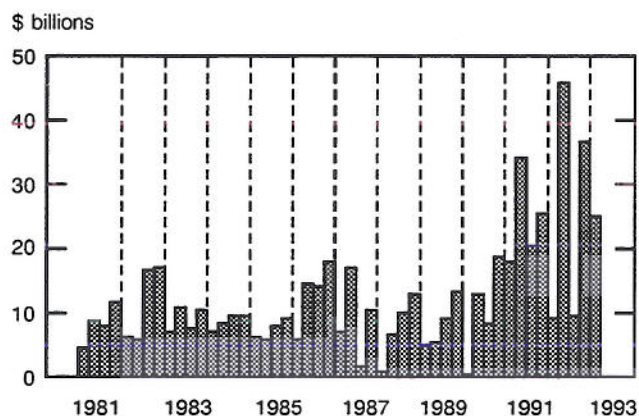


Chart 4
Funds Raised by Non-financial Private Corporations
seasonally adjusted at annual rates

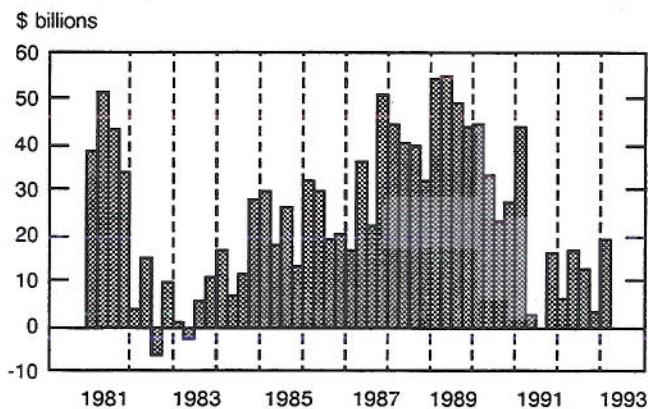


Chart 5
Consumer Credit Borrowing in the Personal Sector
seasonally adjusted at annual rates

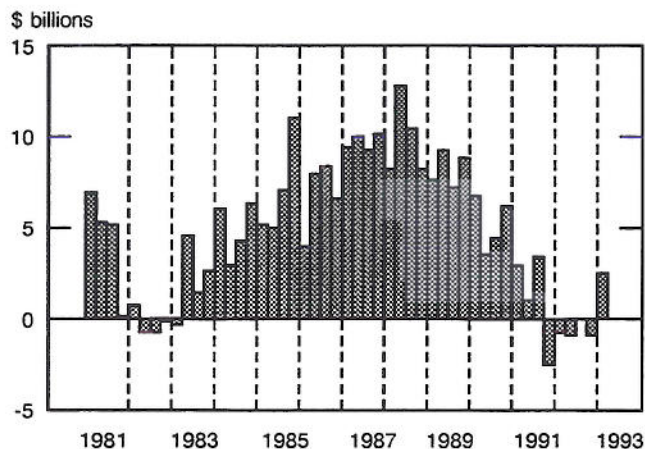
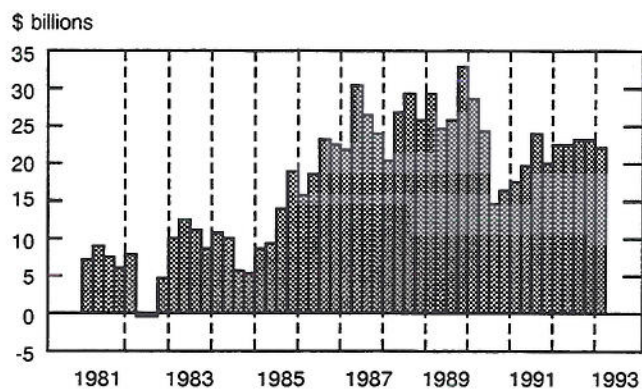


Chart 6
Mortgage Borrowing in the Personal Sector
seasonally adjusted at annual rates



Other Levels of Government

Demand for funds by other levels of government softened somewhat in the first quarter, following fairly heavy borrowing in the previous quarter (see Chart 3). Bond issues were the principal sources of funds. There was a lower level of net borrowing by the provincial government sector in the quarter, as shorter-term debt was replaced with longer-term debt. However, funds raised still exceeded the combined deficit of the provinces.

Non-financial Private Corporations

Non-financial private corporations' demand for funds rose (see Chart 4) as business investment in machinery and equipment strengthened substantially and inventory reduction slowed. Corporations increased their outstanding credit market debt in the first quarter of 1993, following a net repayment in the fourth quarter of 1992. Share issues exceeded the level attained in the previous quarter. This strength in equity issues was consistent with continued relatively high share prices and with expectations of improved earnings, as corporate profits recovered somewhat.

Non-financial Government Business Enterprises

Non-financial government business enterprises sharply increased their borrowing in the first quarter, as in 1992. This demand for financing arose principally in the provincial government enterprises sector. Net new issues of bonds accounted for most of the funds raised by these enterprises in the quarter.

Personal Sector

The overall demand for funds in the personal sector weakened in the first quarter of 1993. The level of consumer credit debt rose moderately (see Chart 5), in line with the growth in personal expenditure on goods. Mortgage borrowing slowed, reflecting the decline in residential construction and sluggish resale activity in the housing market (see Chart 6). Nonetheless, growth in borrowing outpaced gains in after-tax income, so that the ratio of consumer credit and mortgage debt to personal disposable income increased to 86.1%.

Debt-to-income Ratios

	1991				1992				1993
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter
Persons and Unincorporated Business*									
Debt									
Consumer Credit	98.8	99.0	99.8	99.1	99.1	99.1	99.3	99.2	99.8
Mortgages	273.8	278.8	284.9	290.0	295.6	301.2	306.9	312.6	318.1
Total	372.5	377.8	384.7	389.1	394.7	400.3	406.2	411.8	417.9
Personal Disposable Income	462.5	468.4	469.5	463.8	468.0	478.1	481.2	480.4	485.6
Debt-to-income Ratio (%)	80.6	80.7	81.9	83.9	84.4	83.7	84.4	85.7	86.1
Debt-to-GDP Ratio (%)	55.8	55.8	56.7	57.2	57.7	58.4	59.0	59.1	59.6
Federal Government**									
Debt	324.1	331.5	340.5	346.7	351.7	359.5	367.4	372.1	381.6
Debt-to-GDP Ratio (%)	48.6	49.0	50.2	50.9	51.4	52.5	53.4	53.4	54.4
Other Levels of Government									
Debt	168.3	177.3	182.8	189.6	192.8	205.1	208.4	218.4	224.7
Debt-to-GDP Ratio (%)	25.2	26.2	26.9	27.9	28.2	29.9	30.3	31.4	32.0
Non-financial Private Corporations									
Debt	344.0	343.0	341.2	343.5	343.9	347.0	349.1	348.8	353.6
Debt-to-GDP Ratio (%)	51.6	50.7	50.3	50.5	50.3	50.6	50.7	50.1	50.4
Gross Domestic Product (GDP)	667.4	676.9	678.8	680.6	683.9	685.4	688.4	696.5	701.4

* Consumer credit and mortgages only.

** National Accounts basis, excludes superannuation accounts.

Figures may not add due to rounding.

For further information about the subject matter in this release, call 613-951-3640 and ask for the information officer, National Accounts and Environment Division.

The first quarter 1993 issue of *Financial Flow Accounts* (13-014, \$25/\$100), which contains an overview of the quarter plus 40 analytical and statistical tables, will be released in July.

A computer printout, which contains detailed financial flows matrices, is also available (\$50/\$180).

On release day at 8:30 a.m., financial flows data are available on microcomputer diskettes by modem transfer (\$300/\$1,200). The diskettes are also available by mail, seven days after the official release date (\$60/\$240).

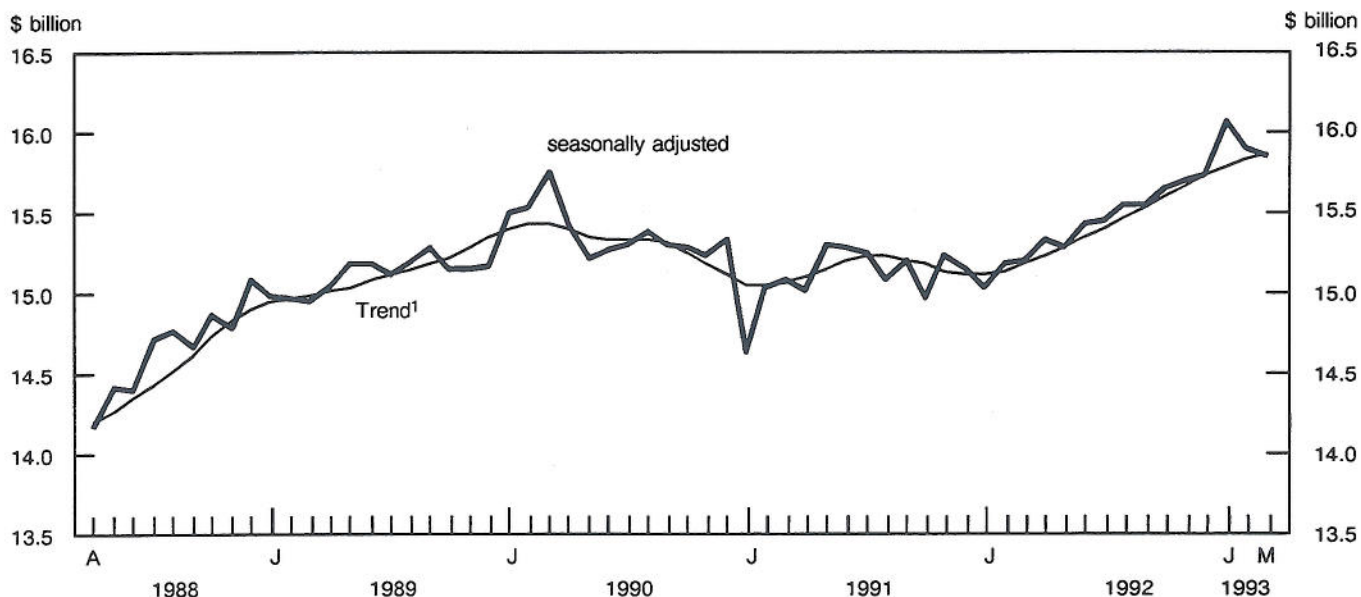
To purchase any of these products or to obtain more information about them, call 613-951-3640 and ask for the client services officer, National Accounts and Environment Division.

Financial Market Summary Table

	1992				1993
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter
	seasonally adjusted				
	\$ millions				
Persons and Unincorporated Business					
Funds Raised:	19,912	20,876	23,656	28,644	25,956
Consumer Credit	-700	-908	-64	-916	2,448
Bank Loans	32	368	1,420	1,616	1,784
Other Loans	-1,916	-1,264	-816	5,044	-992
Mortgages	22,668	22,508	23,108	23,104	21,980
Bonds	-172	172	8	-204	736
Non-financial Private Corporations					
Funds Raised:	6,280	16,932	12,964	3,472	19,188
Bank Loans	27,152	-14,176	3,140	8,588	4,644
Other Loans	-3,744	2,036	800	3,288	-3,824
Other Short-term Paper	-31,608	6,948	-8,232	-30,916	1,232
Mortgages	10,052	3,816	5,736	8,008	7,780
Bonds	-4,660	8,044	4,424	8,464	84
Shares	9,088	10,264	7,096	6,040	9,272
Non-financial Government Enterprises					
Funds Raised:	10,028	5,352	4,120	-872	12,252
Bank Loans	-588	-496	-1,640	1,848	-976
Other Loans	400	-1,116	924	-56	-464
Other Short-term Paper	744	396	264	1,852	908
Mortgages	-12	-12	-12	-8	-20
Bonds	9,484	6,580	2,184	-5,488	12,804
Shares	-	-	2,400	980	-
Federal Government					
Funds Raised:	20,116	31,388	31,556	18,928	37,712
Other Loans	-4	-	-	-4	-
Canada Short-term Paper	19,552	15,176	9,636	7,544	14,180
Canada Saving Bonds	-452	576	-376	-5,448	132
Marketable Bonds	1,020	15,636	22,296	16,836	23,400
Other Levels of Government					
Funds Raised:	9,332	45,748	9,396	36,676	25,184
Bank Loans	272	100	-716	1,172	-640
Other Loans	1,520	-736	76	192	-956
Short-term Paper	-3,820	19,176	-12,660	11,992	-11,716
Provincial Bonds	8,872	25,784	19,768	22,596	36,044
Municipal Bonds	2,440	1,468	3,176	788	2,420
Other bonds	48	-44	-248	-64	32
Total Funds Raised by Domestic Non-financial Sectors	65,668	120,296	81,692	86,848	120,292
Consumer Credit	-700	-908	-64	-916	2,448
Bank Loans	26,868	-14,204	2,204	13,224	4,812
Other Loans	-3,744	-1,080	984	8,464	-6,236
Canada Short-term Paper	19,552	15,176	9,636	7,544	14,180
Other Short-term Paper	-34,684	26,520	-20,628	-17,072	-9,576
Mortgages	32,708	26,312	28,832	31,104	29,740
Bonds	16,580	58,216	51,232	37,480	75,652
Shares	9,088	10,264	9,496	7,020	9,272

- Nil or zero.

Retail Sales



Data prior to 1991 have been adjusted to remove the Federal Sales Tax to be comparable to January 1991 and subsequent data.
 ¹ Trend represents smoothed seasonally adjusted data.

Retail trade

April 1993 (Preliminary)

Seasonally adjusted retail sales increased 1.0% in April to \$16.1 billion, following changes of -0.1% in March, -1.1% in February and +2.2% in January. However, excluding motor vehicle and recreational vehicles, retail sales increased by a modest 0.3% in April. The trend in overall sales, which has risen steadily since April 1992, rose a further 0.3% in April 1993.

Seasonally Adjusted

Sales for most of the trade groups moved higher in April. The most significant increases in dollar terms were reported by the automotive (+2.2%) and other retail stores (+1.5%) groups. The largest decreases were in food (-0.3%) and drugs (-0.5%).

April's sales increase for automotive retailers offset decreases in the previous two months. The number of new motor vehicles sold rose 1.0% in April. Sales of motor vehicles and recreational vehicles increased by a strong 3.8% in April after a 0.5% gain in March.

The trend for automotive retail sales rose in April for the fifteenth consecutive month. The pace, however, slowed from an increase of 0.7% in January to 0.3% this period.

The 0.3% sales decrease in April in the food sector is the third consecutive monthly decline. Lower sales by supermarkets and grocery stores account for these monthly declines. Sales by supermarkets and grocery stores had been increasing since July 1992.

The trend for the food sector had been positive since December 1991, but the rate of growth has been decreasing since October 1992.

Provinces and Territories

In April, nine provinces and territories posted sales increases that ranged from +0.2% in Manitoba to +6.0% in New Brunswick. Sales decreased in British Columbia (-3.1%), the Yukon (-1.1%) and Saskatchewan (-0.3%).

Trend

The trend for retail sales has been rising, with monthly increases ranging between +0.2% and +0.5% since March 1992. The trend increased by 0.3% in April 1993. (The trend smooths out irregular month-to-month movements that are not sustained over a longer period.)

Available on CANSIM: matrices 2299, 2398-2417.

Unadjusted and seasonally adjusted retail trade estimates in constant dollars, as well as price indices for April 1993 and revised estimates for preceding months, will be available on CANSIM (matrix 2420) or on request from Retail Trade Section, Industry Division on June 28.

The April 1993 issue of *Retail Trade* (63-005, \$18.20/\$182) will be available the first week of July. See "How to Order Publications".

For more detailed information on this release, contact Pierre Desjardins (613-951-9236), Retail Trade Section, Industry Division. □

Retail Sales

Trade group	April 1992 ^r	March 1993 ^r	April 1993 ^P	April 1992 to April 1993	April 1992 ^r	Jan. 1993 ^r	Feb. 1993 ^r	March 1993 ^r	April 1993 ^P	March to April 1993	April 1992 to April 1993
	unadjusted				seasonally adjusted						
	\$ millions		% change		\$ millions		% change				
Food											
Supermarkets and grocery stores	3,719	3,668	3,891	4.6	3,768	3,972	3,916	3,897	3,880	-0.4	3.0
All other food stores	267	259	294	10.1	270	275	283	287	290	1.1	7.7
Drug											
Drug and patent medicine stores	852	946	950	11.6	880	950	965	978	973	-0.5	10.6
Clothing											
Shoe stores	127	100	135	6.8	130	134	132	126	133	5.0	2.4
Men's clothing stores	121	104	130	7.5	137	143	144	144	145	0.7	5.5
Women's clothing stores	292	256	304	3.8	301	310	308	302	307	1.8	2.0
Other clothing stores	299	283	322	7.8	325	344	339	338	342	1.3	5.2
Furniture											
Household furniture and appliance stores	577	621	650	12.7	637	684	675	682	699	2.5	9.7
Household furnishings stores	171	166	177	3.6	181	181	181	184	185	0.4	2.4
Automotive											
Motor vehicle and recreational vehicle dealers	3,652	3,525	3,958	8.4	3,168	3,345	3,265	3,282	3,405	3.8	7.5
Gasoline service stations	1,097	1,151	1,133	3.2	1,162	1,201	1,215	1,209	1,198	-0.9	3.1
Automotive parts, accessories and services	856	821	922	7.7	851	904	917	905	911	0.6	6.9
General Merchandise											
General merchandise stores	1,632	1,460	1,639	0.5	1,751	1,797	1,752	1,748	1,751	0.2	--
Retail stores not elsewhere classified											
Other semi-durable goods stores	468	450	525	12.3	512	567	564	566	574	1.5	12.2
Other durable goods stores	355	330	380	7.0	417	432	432	434	440	1.3	5.3
All other retail stores n.e.c.	764	701	791	3.4	841	855	839	829	842	1.6	0.1
Total, Retail Sales	15,250	14,843	16,203	6.3	15,331	16,094	15,924	15,911	16,075	1.0	4.9
Total excluding motor vehicle and recreational vehicle dealers	11,598	11,318	12,245	5.6	12,162	12,748	12,659	12,630	12,669	0.3	4.2
Department store type merchandise	4,894	4,716	5,214	6.5	5,271	5,540	5,490	5,502	5,549	0.9	5.3
Provinces/Territories											
Newfoundland	270	251	274	1.6	275	282	269	275	277	0.9	0.7
Prince Edward Island	62	58	66	7.4	65	68	71	67	70	4.4	7.4
Nova Scotia	503	471	536	6.4	506	527	512	513	529	3.0	4.5
New Brunswick	385	374	429	11.6	392	408	403	404	429	6.0	9.3
Quebec	3,941	3,617	4,156	5.4	3,792	3,974	3,892	3,862	3,939	2.0	3.9
Ontario	5,587	5,467	5,937	6.3	5,697	5,923	5,868	5,936	5,976	0.7	4.9
Manitoba	514	510	560	9.0	516	558	550	555	556	0.2	7.7
Saskatchewan	446	437	463	3.8	450	468	469	468	467	-0.3	3.6
Alberta	1,565	1,525	1,664	6.4	1,596	1,701	1,659	1,611	1,679	4.2	5.2
British Columbia	1,930	2,088	2,070	7.3	1,990	2,135	2,180	2,172	2,105	-3.1	5.8
Yukon Territory	16	15	15	-2.3	17	16	17	17	17	-1.1	-3.3
Northwest Territories	32	30	33	4.4	34	33	33	33	34	3.5	-0.5

^P Preliminary figures.

^r Revised figures.

-- Amount too small to be expressed.

DATA AVAILABILITY ANNOUNCEMENT

Corrugated Boxes and Wrappers

May 1993

Domestic shipments of corrugated boxes and wrappers totalled 180 876 thousand square metres in May 1993, up 12.9% from the 160 237 thousand square metres shipped a year earlier.

For January to May 1993, domestic shipments totalled 865 875 thousand square metres, up 9.1% from the 793 907^r (revised) thousand square metres for the same period in 1992.

The May 1993 issue of *Corrugated Boxes and Wrappers* (36-004, \$5/\$50) will be available at a later date.

For more detailed information on this release, contact Sandra Bohatyretz (613-951-3531), Industry Division.



The Daily
Statistics Canada

Wednesday, September 23, 1992 For release at 9:30 a.m.

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Retail Trade, March 1993.

Catalogue number 63-005

(Canada: \$18.20/\$182; United States: US\$21.80/
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