## TheDaily



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- Property and casualty insurance companies reported an underwriting loss of $\$ 101$ million in the third quarter of 1986 , down from a loss of $\$ 224$ million in the third quarter of 1985
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## Major Releases

Monthly Retail Trade, Unadjusted and Seasonally Adjusted, Canada, 1984-1986


Month-to-month Changes (seasonally adjusted)


## Retail Trade

October 1986

## Highlights

## Seasonally Adjusted Sales

- Adjusted for seasonal fluctuations and the number of trading days, preliminary estimates indicate that retail sales totalled $\$ 11,913$ million in October 1986, a decline of $0.6 \%$ from the previous month's revised total of $\$ 11,989$ million. The decrease in October was predominantly attributable to a $4.5 \%$ decline in motor vehicle dealer sales.
- The $0.6 \%$ decrease in sales in October 1986 followed three months of growthereraging $1.4 \%$ on a monthly basis, further extending the trend of fluctuating but generally increasing sales observed since, the beginning of 1986.

- Partly offsetting the impact of the $4.5 \%$ decrease in motor vehicle dealer sales were increases for department stores (\$23 million or $2.2 \%$ ), grocery, confectionery and sundries stores ( $\$ 8$ million or $1.3 \%$ ) and all other food stores ( $\$ 7$ million or $3.0 \%$ ). The increase recorded by department stores in October followed two consecutive monthly declines. Sales by combination stores and service stations remained virtually unchanged in October.
- Excluding new and used motor vehicle dealers, retail trade actually increased by $0.4 \%$ in October 1986, following a marginal decline of $0.1 \%$ in September and an increase of $1.3 \%$ in August.
- On a provincial basis, retail sales declines in Ontario ( $\$ 33$ million or $-0.7 \%$ ), Quebec ( $\$ 28$ million or $-0.9 \%$ ), British Columbia ( $\$ 19$ million or $-1.5 \%$ ) and Alberta ( $\$ 18$ million or $-1.5 \%$ ) had the largest impact on the decrease at the national level.
(continued on page 3)


## Unadjusted Sales

- Total retail trade for October 1986 rose $9.1 \%$ or $\$ 1,023$ million over the same month last year, totalling $\$ 12,237$ million. Cumulative retail sales for the first 10 months of 1986 amounted to $\$ 113.0$ billion, up $8.4 \%$ over the corresponding period in 1985.
- The two largest groups within retail trade recorded increases over October 1985 - food stores ( $+11.2 \%$ ) and motor vehicle dealers $(+10.2 \%)$. Department store sales, which totalled $\$ 1,084$ million in October 1986, were up $5.0 \%$ over the same month a year earlier. Service station sales declined for the seventh consecutive month, on a year-over-year basis, to total $\$ 900$ million, down $7.7 \%$ from the October 1985 level.
- On a provincial basis, most of the year-over-year growth registered in October 1986 was concentrated in Ontario (\$483
million or $+11.3 \%$ ), Quebec ( $\$ 276$ million or $+9.9 \%$ ) and British Columbia ( $\$ 95$ million or $+7.8 \%$ ). New Brunswick $(+11.7 \%)$ and Saskatchewan ( $+8.9 \%$ ) also posted significant gains.
- At the metropolitan level, the following sales gains were recorded: Toronto $(+13.9 \%)$, Vancouver $(+10.4 \%)$, Montreal $(+8.1 \%)$ and Winnipeg $(+6.4 \%)$. (see table on page 4)

Available on CANSIM: matrices 2300-2304, 2306-2313, 2315-2317, 2320 and 2321.

Order the October 1986 issue of Retail Trade (63-005, \$14/\$140), available the fourth week of January 1987. Contact: Lina Di Piétro (613-991-3551) or Maurice Massaad (613-990-9682), Retail Trade Section, Industry Division.

## Retail Trade, Canada, by Kind of Business

|  |  |  |  |  |  |  |  |  |  |  |
| :--- | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: |

p Preliminary.
r Revised.

- Nil or zero.


## Canada's Foreign Trade in Automotive Products

January-September 1986
Canada's rising trade deficit with overseas countries outstripped the trade surplus with the United States, resulting in a nine-month trade deficit of $\$ 834$ million, the first since 1981.

## Trade with the United States, Reconciled Basis (Table 1)

Canada posted a $\$ 2.9$ billion trade surplus in automotive products with the United States during the first nine months of 1986, down $\$ 200$ million from the same period last year.

Exports continued to increase, although at a slower rate, reaching a new high of $\$ 25.5$ billion, up $\$ 803$ million ( $+3.3 \%$ ) from 1985. Increased car exports accounted for virtually all of the rise ( $\$ 765$ million). Small advances were recorded for trucks, other motor vehicles and tires and tubes, softened by declining exports of parts.

Imports advanced $\$ 1.0$ billion ( $+4.6 \%$ ) to a record $\$ 22.6$ billion. Sizeable gains were recorded for parts ( $\$ 474$ million), cars ( $\$ 417$ million), and trucks and other motor vehicles ( $\$ 151$ million).

## Trade with Overseas Countries, Customs Basis (Table 2)

Canada's trade deficit with overseas countries continued to grow and reached the record level of $\$ 3.7$ billion, offsetting Canada's trade surplus with the United States.

The increase in the deficit was due to a surge in imports, rising $\$ 924$ million from 1985 $(+26.9 \%)$ to $\$ 4.4$ billion. Advances were posted for all import commodities, most notably for cars ( $\$ 578$ million), accounting for $63 \%$ of the rise. Other gains were recorded for parts ( $\$ 209$ million) and trucks and other motor vehicles ( $\$ 133$ million).

Total exports advanced $\$ 131$ million $(+25.4 \%)$ to $\$ 646$ million. The gain was concentrated in parts ( $\$ 87$ million) and reexports ( $\$ 40$ million).
(continued on page 6)

## Note to Data Users

Canada-United States trade in automotive products, shown in this special release, is measured by comparing the import statistics of each country. U.S. statistics on imports from Canada (converted to Canadian dollars) are used to represent Canadian exports because this enables a more exact comparison of the two trade flows. This greater exactness results from several factors. Customs revenue is collected on the basis of import documentation and consequently, the filing and scrutiny of import documents is more rigorous. The use of Customs tariff along with the commodity code allows assignment of the trade of certain commodities to the automotive sector. Examples of such commodities are tires, hardware, fabric, glass, metal materials, lighting fixtures, ignition equipment, etc., which may or may not be related to production of automobiles.

As a result, the data in this release, for automotive trade with the L.S. differ significantly from data released in all other Statistics Canada trade reports such as the Preliminary Statement of Canadian International Trade (65-001P) and the monthly Summary of Canadian International Trade (65-001). Data in these trade reports give statistics by commodity which can serve as an approximation of automotive trade; however, they should not be expected to agree precisely with this release.

The data published in Table 1 of this release also appear in the Annual Report of the President to the (U.S.) Congress on the operation of the Automotive Products Trade Act of 1965, and are accepted in both countries as the official measure of trade in automotive products.

Exports to all countries except the United States are measured using Canadian export statistics, and not the counterpart country import statistics.

## Source of Passenger Automobile Imports

 (Table 3)During the first nine months of $1986,820,900$ passenger cars were imported, a $4.2 \%$ rise from 1985. Market shares have remained stable since last year with the United States capturing $66 \%$ of the import market and overseas countries $34 \%$. Within overseas countries, changing import shares were reflected for Japan ( $+1.6 \%$ ) and "Other Countries" ( $-1.1 \%$ ).

The average price of passenger cars increased $7.4 \%$ from the year-earlier level. Price of imports from the United States posted a modest $2.6 \%$ rise. But imports from overseas countries had a price increase of $24 \%$.

The average price is derived by dividing the total value by the total number of units. Increases in average price may therefore reflect changes in the size and type of cars imported, changes in exchange rates, as well as inflationary price increases.
(see tables on page 7)
Contact: G. Blaney (613-990-9647), Trade Information Unit, or R. Schipizky (613-9909786), Trade Measures and Analysis Section, International Trade Division.

Canada-United States Trade in Automotive Products, Reconciled Basis ${ }^{1}$ (Table 1)
First nine months 1985 and 1986

|  | Annual |  | First nine months |  | Change between the first nine months of |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1984 | 1985 | 1985 | 1986 | 1985 | 1986 |
|  | (millions of dollars - Canadian) |  |  |  |  | (\%) |
| Exports - (United States imports from Canada) |  |  |  |  |  |  |
| Cars | 13,085 | 15,277 | 10.908 | 11.673 | 765 | 7.0 |
| Trucks and other motor vehicles | 5,880 | 6,422 | 4.673 | 4,723 | 50 | 1.1 |
| Parts | 10,287 | 11,512 | 8,634 | 8,580 | -54 | -0.6 |
| Tires and tubes | 598 | 592 | 442 | 484 | 42 | 9.5 |
| Total | 29,850 | 33,803 | 24,657 | 25,460 | 803 | 3.3 |
| Imports - (Canadian <br> imports from the U.S.) |  |  |  |  |  |  |
| Cars | 6.085 | 8,566 | 6,462 | 6,879 | 417 | 6.5 |
| Trucks and other motor vehicles | 2,039 | 2,570 | 1,890 | 2.041 | 151 | 8.0 |
| Parts | 15,446 | 17,438 | 13,017 | 13,491 | 474 | 3.6 |
| Tires and tubes | 345 | 264 | 211 | 172 | . 39 | -18.5 |
| Total | 23,915 | 28,838 | 21,580 | 22,583 | 1,003 | 4.6 |
| Balance |  |  |  |  |  |  |
| Cars | 7.000 | 6,711 | 4,446 | 4,794 | 348 |  |
| Trucks and other motor vehicles | 3.841 | 3.852 | 2,783 | 2.682 | -101 |  |
| Parts | -5,159 | -5,926 | -4,383 | -4,911 | . 528 |  |
| Tires and tubes | 253 | 328 | 231 | 312 | 81 |  |
| Total | 5,935 | 4,965 | 3,077 | 2,877 | . 200 |  |
| Excluded: adjustments to values of imported parts for special tooling charges. | 417 | 454 | 319 | 416 |  |  |

${ }^{1}$ Refer to 'Notes to Data Users'.

Canada-Overseas Countries Trade in Automotive Products, Customs Basis (Table 2)
First nine months 1985 and 1986

|  | Annual |  | First nine months |  | Change between the first nine months of |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1984 | 1985 | 1985 | 1986 | 1985 | 1986 |
|  | (millions of dollars - Canadian) |  |  |  |  | (\%) |
| Domestic Exports |  |  |  |  |  |  |
| Cars | 189 | 39 | 32 | 27 | . 5 | -15.6 |
| Trucks and other motor vehicles | 144 | 177 | 130 | 139 | 9 | 6.9 |
| Parts | 280 | 307 | 220 | 307 | 87 | 39.5 |
| Tires and tubes | 30 | 45 | 33 | 33 | 0 | 0.0 |
| Re-exports | 168 | 134 | 100 | 140 | 40 | 40.0 |
| Total Canadian Exports | 811 | 702 | 515 | 646 | 131 | 25.4 |
| Imports |  |  |  |  |  |  |
| Cars - | 1,805 | 2,726 | 1,897 | 2,475 | 578 | 30.5 |
| Trucks and other motor vehicles | 372 | 381 | 281 | 414 | 133 | 47.3 |
| Parts | 1,328 | 1,459 | 1.091 | 1,300 | 209 | 19.2 |
| Tires and tubes | 207 | 207 | 162 | 166 | 4 | 2.5 |
| Total Canadian Imports | 3,712 | 4,773 | 3,431 | 4,355 | 924 | 26.9 |
| Balance |  |  |  |  |  |  |
| Cars | -1,616 | -2,687 | -1,865 | -2,448 | -583 |  |
| Trucks and other motor vehicles | . 228 | -204 | . 151 | -275 | -124 |  |
| Parts | -1,048 | -1,152 | . 871 | -993 | -122 |  |
| Tires and tubes | -177 | -162 | -129 | -133 | . 4 |  |
| Re-exports | 168 | 134 | 100 | 140 | 40 |  |
| Total | -2,901 | -4,071 | .2,916 | -3,709 | . 793 |  |

## Canadian Passenger Car Imports, Customs Basis (Table 3)

First nine months of 1985 and 1986

|  | Number of units |  |  |  | Import share |  | Average price |  | Change | Exchange rate ${ }^{1}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Change |  |  |  |  |  |  |  |
|  | 1985 | 1986 | $\begin{array}{r} 19861 \\ 1985 \end{array}$ | $\begin{gathered} 1986 / \\ 1985 \end{gathered}$ | 1985 | - 1986 | 1985 | 1986 | $\begin{array}{r} 1986 / \\ 1985 \end{array}$ | $\begin{array}{r} 1986 / \\ 1985 \end{array}$ |
|  | ('000) | ('000) | ('000) | \% | \% | \% | \$ | S | \% | \% |
|  |  |  |  |  |  | nine m | ths |  |  |  |
| United States | 521.7 | 541.5 | 19.7 | 3.8 | 66.2 | 66.0 | 12,385 | 12,704 | 2.6 | 1.9 |
| Overseas countries | 265.8 | 279.5 | 13.6 | 5.1 | 33.8 | 34.0 | 7,136 | 8,858 | 24.1 | - |
| Japan | 152.9 | 172.1 | 19.1 | 12.5 | 19.4 | 21.0 | 6,683 | 8,502 | 27.2 | 58.3 |
| West Germany | 31.1 | 34.9 | 3.9 | 12.4 | 3.9 | 4.3 | 11,456 | 14,495 | 26.5 | 46.2 |
| United Kingdom | 1.1 | 1.6 | 0.5 | 48.3 | 0.1 | 0.2 | 27,097 | 29,791 | 9.9 | 21.4 |
| France | 6.2 | 2.0 | -4.2 | -67.3 | 0.8 | 0.2 | 5,993 | 7.199 | 20.1 | 38.2 |
| Sweden | 3.6 | 4.6 | 1.1 | 30.6 | 0.5 | 0.6 | 14,125 | 14,875 | 5.3 | 28.1 |
| Italy | 0.9 | 0.1 | . 0.9 | -92.4 | 0.1 | 0.0 | 6,171 | 54,861 | 789.1 | 36.5 |
| Other countries | 70.0 | 64.1 | -5.9 | -8.4 | 8.9 | 7.8 | 5,670 | 5,796 | 2.2 | - |
| All countries | 787.6 | 820.9 | 33.4 | 4.2 | 100.0 | 100.0 | 10.613 | 11,395 | 7.4 | 21.9 |

${ }^{1}$ Minus sign (.) indicates depreciation of the value of the currency of the country against the Canadian dollar. Rate for all countries is the rate against the Canadian dollar of the SDR (Special Drawing Rights), a weighted average of 16 world currencies, by the International Monetary Fund.

- Nil or zero.


## Financial Institutions: Financial Statistics

Third Quarter 1986
Property and casualty insurance companies reported underwriting losses of $\$ 101$ million in the third quarter of 1986. This compares with losses of $\$ 74$ million in the previous quarter and $\$ 224$ million in the third quarter of 1985.

Net investment income was $\$ 376$ million in the third quarter of 1986 , compared with $\$ 376$ million in the previous quarter and $\$ 326$ million in the third quarter of 1985.

Available on CANSIM: matrices 3797-3809, 3815, 3820, 3834-3845, 3849, 3857-3859 and 3883-3886.

Order the Third Quarter 1986 issue of Financial Institutions (61-006, \$40/\$160), available towards the end of January 1987.

Contact: Robert Moreau (613-991-2677) or Garry Somers (613-991-2669), Financial Institutions Section, Industrial Organization and Finance Division.

## Financial Institutions

Third Quarter 1986

|  | Third quarter 1986 | Change from previous quarter | Change from same period a year earlier |  |
| :---: | :---: | :---: | :---: | :---: |
|  |  | (millions of dollars) |  | \% |
| Trust companies |  |  |  |  |
| Mortgages | 43,998 | 1,926 | 6,001 | 16.6 |
| Total assets | 74,940 | 1,954 | 9,434 | 15.0 |
| Deposits | 65,092 | 1,097 | 8,071 | 14.5 |
| Mortgage companies |  |  |  |  |
| Mortgages | 46,682 | 3.636 | 7,449 | 18.1 |
| Total assets | 56,049 | 4,767 | 8,031 | 15.5 |
| Deposits | 37,405 | 3,074 | 8,937 | 28.5 |
| Financial corporations |  |  |  |  |
| Retail sales financing: |  |  |  |  |
| Industrial and commercial | 4,041 | 191 | 783 | 22.9 |
| Consumer | 5,322 | 384 | 1,324 | 28.9 |
| Wholesale finanacing | 3,580 | -416 | 753 | 24.6 |
| Personal loans | 750 | 15 | . 88 | 10.8 |
| Total assets | 18,837 | 1,169 | 3,098 | 18.5 |
| Finance leasing corporations |  |  |  |  |
| Lease contracts outstanding | 3,328 | 159 | 442 | 14.7 |
| Total assets | 3.920 | 189 | 608 | 17.8 |
| Investment funds |  |  |  |  |
| Total assets: |  |  |  |  |
| Cost | 19,105 | 1,618 | 6,470 | 56.6 |
| Market | 21,904 | 1,116 | 8,571 | 64.3 |
| Total portfolio: |  |  |  |  |
| Cost | 18,109 | 1,581 | 5.960 | 54.4 |
| Market | 20,908 | 1,078 | 8,049 | 62.6 |
| Property and casualty Insurance companies |  |  |  |  |
| Net premiums earned | 2,546 | 146 | 478 | 23.1 |
| Underwriting gains | -101 | -27 | 123 |  |
| Total assets | 20,885 | 1,054 | 2,868 | 16.2 |

... figures not appropriate or not applicable.

## Data Availability Announcement

## Steel Ingots

Week Ending December 13, 1986
Preliminary estimates indicate that Canadian steel ingot production for the week ending December 13, 1986 totalled 287192 tonnes, an increase of $1.4 \%$ from the preceding week's total of 283102 tonnes but down $0.8 \%$ from the year-earlier level of 289417 tonnes.

The cumulative total in 1986 was 13328037 tonnes, a decrease of $4.1 \%$ from 13895498 tonnes for the same period in 1985.

Contact: Gerry W. Barrett (613-991-3515), Industry Division.

## Publication Released

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