

The Daily

Statistics Canada

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Major Releases

Gross Domestic Product

Third Quarter 1986

Gross domestic product at market prices grew by 1.5% to a level of \$509.4 billion, seasonally adjusted at annual rates, in the third quarter. After allowing for price changes, real GDP expanded by 0.3%, following growth of 0.6% and 0.8% in the first and second quarters respectively.

The growth in real GDP reflected a sharp gain in final domestic demand, spearheaded by higher household spending and increased exports, up 3.0% in volume. Most of the increase, however, was met by higher imports and a decline in inventory accumulation. Output in the goods producing industries declined for the second consecutive quarter while output in the service producing industries continued to rise.

Components of Demand

Consumer demand for goods and services continued to accelerate, rising 1.8% in volume in the third quarter. Purchases of goods jumped by 2.2%, fuelled by a 4.5% increase in durable goods. New car and truck sales rose 10.6%, while outlays for furniture and appliances also strengthened in line with the gain in housing. Spending on semi- and non-durable goods rose by about 1%, while consumption of services rose at the same rate as in the second quarter (1.4%). The sharp increase in demand for motor vehicles was met by a rundown of motor vehicle inventories.

Investment in housing grew by 3.9% in volume. The increase was led by sharply higher transfer costs on sales of existing homes, along with further gains in new construction. The concentration of higher housing demand in central Canada, where price increases have been relatively higher than in the rest of Canada, led to a 3.4% increase in the implicit price index for housing.

Business investment in plant and equipment decreased by 1.3% in volume, following a drop of 3.9% in the second quarter. Outlays for machinery and equipment rose by 3%, after marginal gains in the first half of the year. Increased spending on transportation equipment accounted for much of the upturn. Expen-

ditures on non-residential construction decreased by 6.8%, after a 9% drop last quarter. A sharp drop in spending on exploration and development for oil and gas was concentrated early in the quarter.

Total non-farm inventories recorded a sharply reduced rate of accumulation in the third quarter, up \$3.5 billion compared to \$5.0 billion in the second. The slowdown was largely attributable to the rundown in motor vehicle stocks at the retail and wholesale level in line with strong final demand and a decline in domestic production. In addition, there were large decumulations of lumber inventories at the manufacturing and wholesale level. This coincides with strong domestic demand for lumber products as a result of the increase in residential construction and lower production at the sawmills (attributable to strike activity during the quarter).

Growth in real merchandise imports was widespread. In particular, there was a large increase recorded in refined petroleum products. Smaller, but widespread, gains of imports of household goods were in line with strong personal spending. The 2.7% increase in real merchandise exports accompanied a pick-up in growth in the U.S. economy. On the service side, travel receipts increased sharply reflecting the effect of EXPO 86.

Production by Industry

On an industry basis, virtually all of the growth in the third quarter originated among the service producing industries, as was the case in the second quarter. In both the second and third quarters, goods producing industries posted declines in output, marking the first occasion in the current expansion that consecutive quarterly output decreases were recorded.

Most of the growth in the third quarter occurred in those community, business and personal service industries particularly affected by EXPO 86, as well as in wholesale and retail trade, in line with the strength in final domestic demand. The most notable output declines were recorded in the mining, manufacturing and non-residential construction industries.

(continued on page 3)

Components of Income

Both labour income and corporate profits rose about 1% in the third quarter. These gains in income were partly offset by a sharp drop in net farm income. The weakness in farm income slowed the growth of personal income, while disposable income was virtually unchanged in the quarter. Together with the sharp gain in personal spending, the personal savings rate dropped from 11.6% to 9.1% in the quarter, its lowest level since 1974.

The government sector deficit, on a national accounts basis, decreased \$6.4 billion to a seasonally adjusted rate of \$22.2 billion in the third quarter. Revenues advanced 2.7%, due to higher returns from personal direct taxes and indirect taxes. Total expenditures declined slightly as increases in spending on goods and services and transfers to persons

were more than offset by lower outlays for agricultural subsidies from the irregularly high second quarter level, and for interest on the public debt.

Available on CANSIM: matrices 6701-6741, 6641-6642.

A printout containing all tables is also available on the day of release from the Income and Expenditure Accounts Division (\$35/\$140).

Order the third quarter 1986 issue of *National Income and Expenditure Accounts* (13-001, \$15/\$60) scheduled for release the third week of December, 1986, or contact Barbara Clift (613-990-9158), Income and Expenditure Accounts Division.

Gross Domestic Product, Income Based (Seasonally Adjusted at Annual Rates)

	1985 III	IV	1986 I	II	III	II'86 I'86	III'86 II'86
	(\$ millions)					% Change	
Wages, salaries and supplementary labour income ¹	258,092	261,636	265,460	268,900	271,808	1.3	1.1
Corporation profits before taxes ²	47,548	50,776	43,752	44,684	45,296	2.1	1.4
Interest and miscellaneous investment income ²	39,480	41,848	42,816	38,172	40,292	-10.8	5.6
Accrued net income of farm operators from farm production	3,372	3,716	4,804	6,972	3,664	45.1	-47.4
Net income of non-farm unincorporated business, including rent	29,500	30,316	30,532	31,460	32,196	3.0	2.3
Inventory valuation adjustment	-1,392	-2,452	-1,332	876	-240	2,208 ³	-1,116 ³
Net domestic income at factor cost	376,600	385,840	386,032	391,064	393,016	1.3	0.5
Indirect taxes less subsidies	47,340	49,360	52,264	52,840	57,572	1.1	9.0
Capital consumption allowances	54,172	54,616	56,064	56,648	57,932	1.0	2.3
Statistical discrepancy	2,068	1,044	1,520	1,448	860		
Gross Domestic Product at market prices	480,180	490,860	495,880	502,000	509,380	1.2	1.5

¹ Includes military pay and allowances

² These aggregates differ from those shown in earlier tables in that they are on a "domestic" basis and thus include interest and dividends paid to non-residents and exclude interest and dividends received from non-residents.

³ Actual change in millions of dollars.

Gross Domestic Product, Expenditure Based
(Seasonally Adjusted at Annual Rates)

	1985 III	IV	1986 I	II	III	II'86 I'86	III'86 II'86
	At current prices (\$ millions)					% Change	
Personal expenditure on consumer goods and services	278,540	284,420	288,244	293,700	301,728	1.9	2.7
Durable goods	41,012	42,156	42,504	43,316	45,800	1.9	5.7
Semi-durable goods	28,864	29,748	29,924	30,664	31,332	2.5	2.2
Non-durable goods	81,356	83,184	83,728	84,040	85,980	0.4	2.3
Services	127,308	129,332	132,088	135,680	138,616	2.7	2.2
Government current expenditure on goods and services	94,648	97,372	98,260	98,956	100,144	0.7	1.2
Government investment in fixed capital	11,796	11,832	11,792	11,816	11,872	0.2	0.5
Government investment in inventories	-132	-76	56	-16	-284	-72 ¹	-268 ¹
Business investment in fixed capital	82,952	85,476	86,532	85,908	87,764	-0.7	2.2
Residential	26,260	28,516	28,188	29,552	31,736	4.8	7.4
Plant and equipment	56,692	56,960	58,344	56,356	56,028	-3.4	-0.6
Business investment in inventories	4,684	1,244	7,144	6,156	3,840	-988 ¹	-2,316 ¹
Exports of goods and services ²	134,392	141,084	139,868	134,396	138,336	-3.9	2.9
Deduct: Imports of goods and services ³	124,632	129,448	134,500	127,472	133,164	-5.2	4.5
Statistical discrepancy	-2,068	-1,044	-1,516	-1,444	-856		
Gross Domestic Product at market prices	480,180	490,860	495,880	502,000	509,380	1.2	1.5
Final Domestic Demand	467,936	479,100	484,828	490,380	501,508	1.1	2.3
	At 1981 prices (\$ millions)						
Personal expenditure on consumer goods and services	217,580	219,992	220,512	223,116	227,180	1.2	1.8
Durable goods	35,812	36,700	36,608	36,440	38,076	-0.5	4.5
Semi-durable goods	24,028	24,612	24,568	25,012	25,268	1.8	1.0
Non-durable goods	61,608	62,220	61,892	62,900	63,716	1.6	1.3
Services	96,132	96,460	97,444	98,764	100,120	1.4	1.4
Government current expenditure on goods and services	73,520	74,700	74,468	74,544	74,616	0.1	0.1
Government investment in fixed capital	10,216	10,096	9,964	9,944	9,892	-0.2	-0.5
Government investment in inventories	-108	-48	44	-12	-220	-56 ¹	-208 ¹
Business investment in fixed capital	72,408	73,748	73,504	72,204	72,528	-1.8	0.4
Residential	22,904	24,664	23,968	24,620	25,568	2.7	3.9
Plant and equipment	49,504	49,084	49,536	47,584	46,960	-3.9	-1.3
Business investment in inventories	3,968	1,308	6,732	7,004	5,036	272 ¹	-1,968 ¹
Exports of goods and services ²	122,068	128,544	129,044	126,016	129,752	-2.3	3.0
Deduct: Imports of goods and services ³	108,532	111,100	114,292	109,812	115,044	-3.9	4.8
Statistical discrepancy	-1,660	-824	-1,220	-1,156	-676		
Gross Domestic Product at market prices	389,460	396,418	398,756	401,848	403,064	0.8	0.3
Final Domestic Demand	373,724	378,536	378,448	379,808	384,216	0.4	1.2
	Implicit price indexes						
Personal expenditure on consumer goods and services	128.0	129.3	130.7	131.6	132.8	0.7	0.9
Durable goods	114.5	114.9	116.1	118.9	120.3	2.4	1.2
Semi-durable goods	120.1	120.9	121.8	122.6	124.0	0.7	1.1
Non-durable goods	132.1	133.7	135.3	133.6	134.9	-1.2	1.0
Services	132.4	134.1	135.6	137.4	138.4	1.3	0.8
Government current expenditure on goods and services	128.7	130.4	131.9	132.7	134.2	0.6	1.1
Government investment in fixed capital	115.5	117.2	118.3	118.8	120.0	0.4	1.0
Business investment in fixed capital	114.6	115.9	117.7	119.0	121.0	1.1	1.7
Residential	114.7	115.6	117.6	120.0	124.1	2.1	3.4
Plant and equipment	114.5	116.0	117.8	118.4	119.3	0.6	0.7
Exports of goods and services ²	110.1	109.8	108.4	106.6	106.6	-1.6	-0.0
Deduct: Imports of goods and services ³	114.8	116.5	117.7	116.1	115.8	-1.4	-0.3
Gross Domestic Product at market prices	123.3	123.8	124.4	124.9	126.4	0.5	1.2
Final Domestic Demand	125.2	126.6	128.1	129.1	130.5	0.8	1.1

¹ Actual change in millions of dollars.

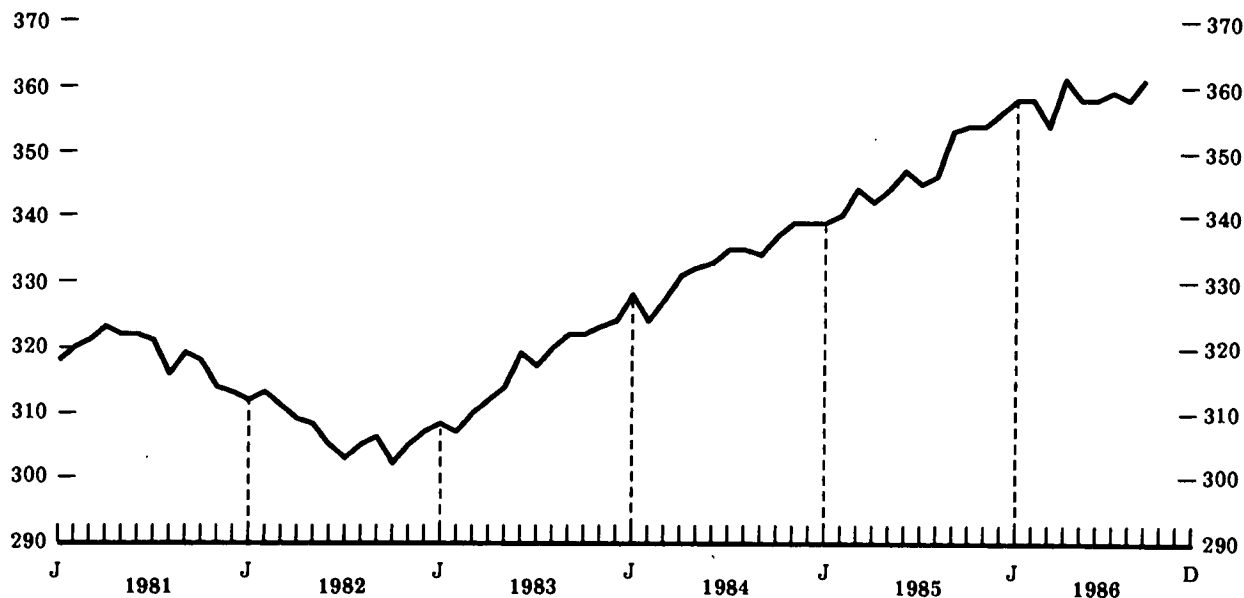
² Excludes investment income received from non-residents.

³ Excludes investment income paid to non-residents.

Real Gross Domestic Product by Industry at Factor Cost, in 1981 Prices

(Seasonally adjusted at annual rates)

(Millions of dollars)



Real Gross Domestic Product at Factor Cost, by Industry

September 1986

Gross Domestic Product at factor cost, in 1981 prices, advanced 0.7% in September, following a decline of 0.3% in August and a 0.7% gain in July. With advances in five of the first nine months of this year, GDP now stands 2.3% above the level of September 1985.

Services-producing Industries

Output of services-producing industries advanced 1.4% in September, following a slight 0.3% decline in August. This represents the second largest monthly increase of the year after a 1.8% gain in April. Much of the September increase originated in the finance and real estate industries due to increased activity among banking and other financial institutions, significant trading on the Canadian stock exchanges, and an active resale housing market.

Wholesale trade industries also contributed to the September growth, with significant gains recorded among wholesalers of industrial machinery and equipment, food products, motor vehicles and agricultural machinery and equipment. Retail trade activity advanced for the third consecutive month. Most of the September growth was due to increased sales by new motor vehicle dealers. Also contributing to the September increase in services were communication industries and community, business and personal service industries.

Goods-producing Industries

Production among the goods-producing industries declined 0.4% in September, following a 0.4% drop the previous month. Output of goods-producing industries now stands 3.7% below its last peak level of April 1986. Most of the decline among goods-producing industries this month was attributed to sharp cutbacks in (continued on page 6)

oil and gas exploration and development and in construction of oil and gas facilities.

Manufacturing output fell 0.1% in September to its lowest level of the year. Much of the decline in manufacturing was due to production cutbacks among manufacturers of chemicals, paper products, machinery, food products and furniture and fixtures. These declines were offset to some degree by production increases among producers of transportation equipment, clothing and wood products. Elsewhere in the goods-producing industries output increased in utilities and forestry operations.
(see table on page 7)

Note to Users

It should be noted that the monthly estimates for agriculture, construction and finance, insurance and real estate have been revised back to January 1986.

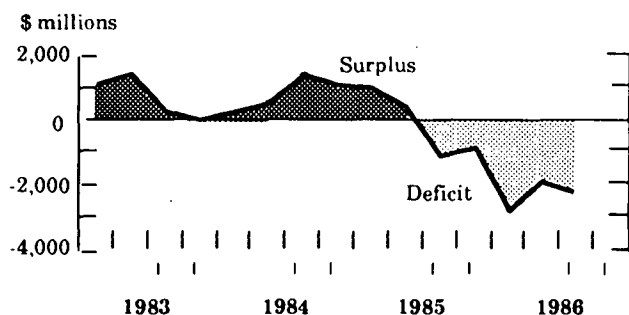
Available on CANSIM: matrices 4665-4668.

Order the September 1986 issue of *Gross Domestic Product by Industry* (61-005, \$10/\$100), scheduled for release in the first half of January 1987. Contact: Richard Martel (613-990-9145), Industry Measures and Analysis Division.

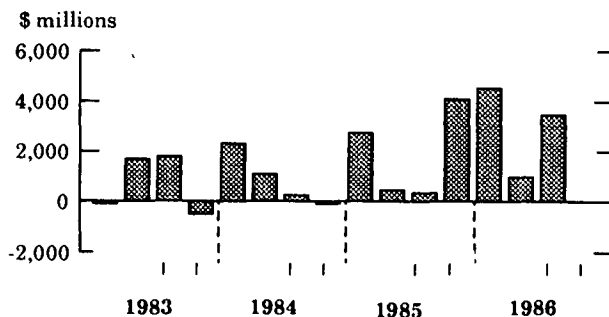
Real Gross Domestic Product by Industry at Factor Cost, in 1981 Prices, Monthly
(Seasonally Adjusted at Annual Rates)
(\$ millions)

	1985	1986			
	September	June	July	August	September
Total Economy	353,712.0	358,168.8	360,650.1	359,436.0	361,998.0
Business Sector					
Agricultural and related services industries	10,701.6	11,625.6	11,746.8	11,613.6	11,529.6
Fishing and trapping industries	552.0	478.8	500.4	496.8	483.6
Logging and forestry industry	2,040.0	2,182.8	2,464.8	2,583.6	2,734.8
Mining, quarrying and oil well industries	19,917.6	18,540.0	18,132.0	18,912.0	18,358.8
Manufacturing industries	66,516.0	65,054.4	66,674.1	64,561.2	64,468.8
Construction industries	24,913.2	22,964.4	22,766.4	23,620.8	23,466.0
Transportation and storage industries	15,895.2	16,335.6	16,123.2	16,050.0	16,148.4
Communication industries	9,832.8	10,395.6	10,527.6	10,294.8	10,494.0
Other utility industries	10,915.2	10,897.2	10,924.8	10,896.0	11,060.4
Wholesale trade industries	16,330.8	17,281.2	17,988.0	17,566.8	18,260.4
Retail trade industries	22,628.4	23,026.8	23,457.6	23,584.8	23,770.8
Finance, insurance and real estate	54,634.8	55,444.8	55,040.4	55,192.8	56,802.0
Community, business and personal services	36,607.2	39,933.6	40,380.0	40,202.4	40,450.8
Non-business sector					
Mining industries	55.2	68.4	85.2	19.2	55.2
Manufacturing industries	64.8	66.0	68.4	63.6	60.0
Forestry services industry	284.4	286.8	252.0	262.8	236.4
Transportation industries	1,568.4	1,569.6	1,557.6	1,542.0	1,540.8
Communication industries	52.8	55.2	52.8	51.6	51.6
Water systems industry	525.6	574.8	547.2	546.0	556.8
Insurance and other finance industry	304.8	332.4	333.6	340.8	340.8
Government service industry	23,198.4	23,428.8	23,239.2	23,236.8	23,288.4
Community and personal services	36,172.8	37,626.0	37,788.0	37,797.6	37,839.6
Special aggregations					
Business sector:	291,484.8	294,160.8	296,726.1	295,575.6	298,028.4
- goods	135,555.6	131,743.2	133,209.3	132,684.0	132,102.0
- services	155,929.2	162,417.6	163,516.8	162,891.6	165,926.4
Non-business sector	62,227.2	64,008.0	63,924.0	63,860.4	63,969.6
- goods	645.6	709.2	700.8	628.8	672.0
- services	61,581.6	63,298.8	63,223.2	63,231.6	63,297.6
Goods-producing industries	136,201.2	132,452.4	133,910.1	133,312.8	132,774.0
Services-producing industries	217,510.8	225,716.4	226,740.0	226,123.2	229,224.0
Industrial production	97,994.4	95,200.8	96,431.7	94,998.0	94,560.0
Non-durable manufacturing industries	30,636.0	30,920.4	31,495.2	30,806.4	30,618.0
Durable manufacturing industries	35,880.0	34,134.0	35,178.9	33,754.8	33,850.8

Current Account Balance (seasonally adjusted)



Capital Account - Net Flow



Quarterly Estimates of the Canadian Balance of International Payments

Third Quarter 1986

Current account transactions, on a seasonally adjusted basis, resulted in a large deficit for the third consecutive quarter. During the current quarter, merchandise trade transactions produced the lowest surplus in the last five years. The decline in the merchandise surplus was largely reduced by higher receipts on dividend and travel accounts. The higher receipts on travel, which were mostly generated by Expo 86, along with lower payments abroad, virtually eliminated the customary deficit on travel.

Among capital account transactions, which are not seasonally adjusted, a record net inflow was recorded from bond borrowings abroad, of which 40% originated from Japan. The total net inflow for this year is already much larger than the previous record set in 1982. A net inflow was also recorded for foreign direct investment in Canada. This represented a sharp increase from the previous quarter when there were offsetting outflows related to residents purchasing foreign interests in Canada. Among claims on non-residents, substantial net outflows arose from residents increasing both their direct investment and their deposits abroad.

Current Account, Seasonally Adjusted The main quarterly features were:

- A current account deficit of \$2.2 billion, compared to \$2.0 billion in the previous quarter. There was a drop in the merchandise trade surplus (-\$664 million) to \$1.9 billion; this was largely offset by a decline of \$441 million in the deficit on non-merchandise transactions to \$4.1 billion;
- An increase of \$1.4 billion (5%) in merchandise imports, reversing a large decline in the previous quarter. Increases were widespread: automotive products, office machines and other communication equipment, apparel and metal ores and alloys;
- A relatively moderate increase of \$697 million (2.4%) in merchandise exports, following declines in the first half of the year. Increases were recorded in metal alloys, aircraft engines and parts, fish and coal. Decreases were recorded in metal ores, lumber, wheat and electricity;
- Among non-merchandise transactions, a virtual balance on international travel compared to a deficit of \$263 million in the previous quarter. Receipts increased by a substantial 13%, whereas payments edged (continued on page 9)

down for the second consecutive quarter. The decline in payments was with countries other than the United States;

- A reduction of \$405 million in the deficit on investment income to \$3.6 billion. This was attributable to dividends, where both higher receipts and lower payments were recorded.

Current and Capital Accounts Not Seasonally Adjusted

The main quarterly features were:

- A more than doubling of the current account deficit compared with the third quarter of 1985, to \$1.2 billion. This increase in the deficit stemmed from merchandise trade transactions where the surplus was sharply reduced;
- A large net inflow of \$5.7 billion from transactions in Canadian bonds, compared to \$3.7 billion in the previous quarter. Half of this increase went into the secondary market where Japanese investors continued to be major investors. There was also a substantial decline in bond retirements from the high level of the previous quarter when favourable market conditions led to major refinancing;
- A net inflow of \$1.1 billion for foreign direct investment in Canada, mostly to the manufacturing and petroleum sectors;
- A net outflow of \$2.6 billion from the foreign currency transactions of the chartered banks, up from \$2.1 billion in the previous quarter. The current quarter net outflow, which reflected a reduction in deposit liabilities, was partly offset by sizeable debenture borrowings in foreign markets;
- For Canadian direct investment abroad, a net outflow of \$1.2 billion, similar to the net outflow of the previous quarter. The current investments were from all industries, as opposed to the previous quarter when they originated mainly from the financial industry;
- A shift to a net outflow of \$935 million as residents other than banks increased their deposits abroad. For the year-to-date, these deposits abroad increased by more than \$5 billion, of which almost 70% were channelled to the United States;
- A decline of \$442 million in reserve assets, which was partly related to a net repayment (\$652 million) of foreign currency liabilities by the Government of Canada;
- A statistical discrepancy (the balancing item between the recorded estimates of current and capital accounts) equivalent to a net debit of \$2.1 billion;
- A relatively stable Canadian dollar against the United States currency, continuing to hover around 72 U.S. cents for the second consecutive quarter. The Canadian dollar, however, depreciated against major overseas currencies (except for the pound sterling).
(see table on page 10)

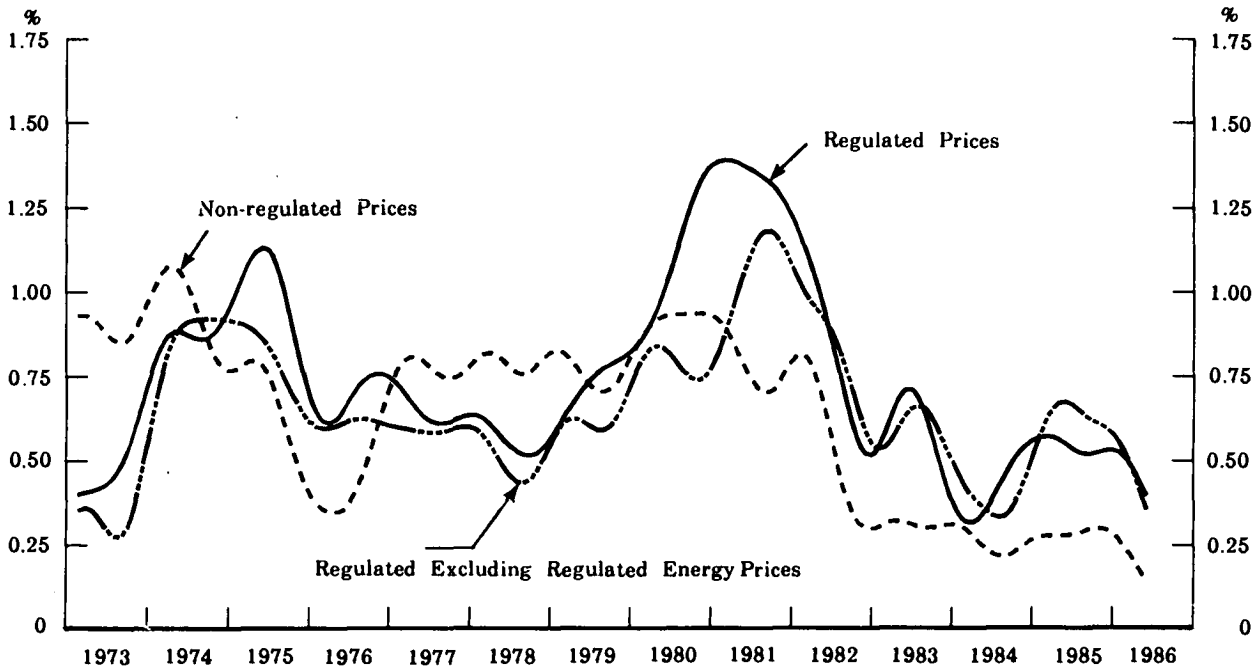
Available on CANSIM: matrices 147, 279-280, 1363, 1364, 2343, 2344 and 2353.

Order the third quarter 1986 issue of *Quarterly Estimates of the Canadian Balance of International Payments* (67-001P, \$8/\$32), now available. Contact: Lucie Laliberté (613-990-9050), Balance of Payments, International and Financial Economics Division.

The Canadian Balance of International Payments – Summary
(\$ millions)

	1985		1986			1984	1985
	III	IV	I	II	III		
Seasonally adjusted							
Current account balances							
Merchandise	3,494	4,014	2,460	2,601	1,937	20,726	17,475
Non-merchandise:							
Services	-1,055	-1,106	-1,118	-869	-644	-4,384	-4,298
Investment income	-3,665	-4,063	-4,466	-3,969	-3,564	-13,794	-14,598
Transfers	88	243	405	259	71	813	836
Total non-merchandise	-4,631	-4,926	-5,179	-4,578	-4,137	-17,364	-18,060
Total current account	-1,137	-912	-2,720	-1,977	-2,200	3,362	-584
Not seasonally adjusted							
Current account balance	-548	-90	-4,392	-2,444	-1,250	3,362	-584
Capital account							
Canadian claims on non-residents, net flows:							
Direct investment	-1,234	-1,137	-1,098	-1,083	-1,158	-3,300	-5,100
Portfolio securities	12	-951	82	-814	-59	-2,037	-1,208
Other	-113	2,675	-4,411	-49	-927	-6,537	119
Total Canadian claims, net flow	-1,334	586	-5,427	-1,947	-2,144	-11,874	-6,189
Canadian liabilities to non-residents, net flows:							
Direct investment	-2,550	-36	1,117	13	1,082	1,698	-2,950
Portfolio securities	3,909	3,010	6,340	3,345	6,028	8,215	12,964
Other	312	552	2,386	-594	-1,603	5,557	3,859
Total Canadian liabilities, net flow	1,671	3,527	9,843	2,764	5,506	15,470	13,873
Total net capital flow	337	4,113	4,416	817	3,362	3,597	7,684
Statistical discrepancy	212	-4,023	-24	1,627	-2,112	-6,958	-7,100

CPI "Regulated" Prices - Filtered Monthly Percentage Changes



CPI "Regulated" Prices

April 1973 to June 1986

From April 1973 to June 1986, regulated prices increased by an average of 0.7% per month. This compares with an increase of 0.6% for non-regulated prices.

As defined in a study released today, "Regulated Prices" includes CPI commodities whose prices are reviewed by a government agency and commodities that have a portion of their price set by legislation. The study examines the behaviour of aggregates of those prices, but not the effects of regulation on the level of the CPI.

Data for the period covered by the study (see above chart) show that the cyclical movements of the changes in regulated prices tend to lag those of non-regulated prices. They

also show that, as expected, regulated energy prices have a strong influence on regulated prices as a whole.

Rent and university tuition fees have been included in the aggregate of regulated prices for the provinces and periods in which they were regulated. The regulated commodities over the period examined accounted for from more than 20% to nearly 30% of the weight of the CPI basket.

More data and information about regulated prices are included in the study, CPI "Regulated" Prices, which will be contained, as a supplement, in the July-September 1986 issue of *Consumer Prices and Price Indexes* (62-010, \$15/\$60), available mid-December. Contact: Keith Hannett and John Degan (613-993-4777/6), Prices Division.

**Union Formation and Dissolution:
Results from the Family History
Survey
1984**

Results from the Family History Survey suggest that marriages preceded by a common-law union appear to have a slightly higher rate of break up than those not preceded by a common-law union.

Union Formation and Dissolution: Results from the 1984 Family Survey, indicates the relatively high break up rates seem to be a result of commitment levels in common-law relationships.

The Family History Survey also points out that while most common-law unions tend to be short-lived (less than five years), they have become a temporary alternative for many Canadians in the 18 to 29-year age group. The couples involved either marry, or end the relationship quickly. The majority of them marry.

The Family History Survey, undertaken in February 1984, addressed questions about the occurrences and timing of different family events such as marriage, living together,

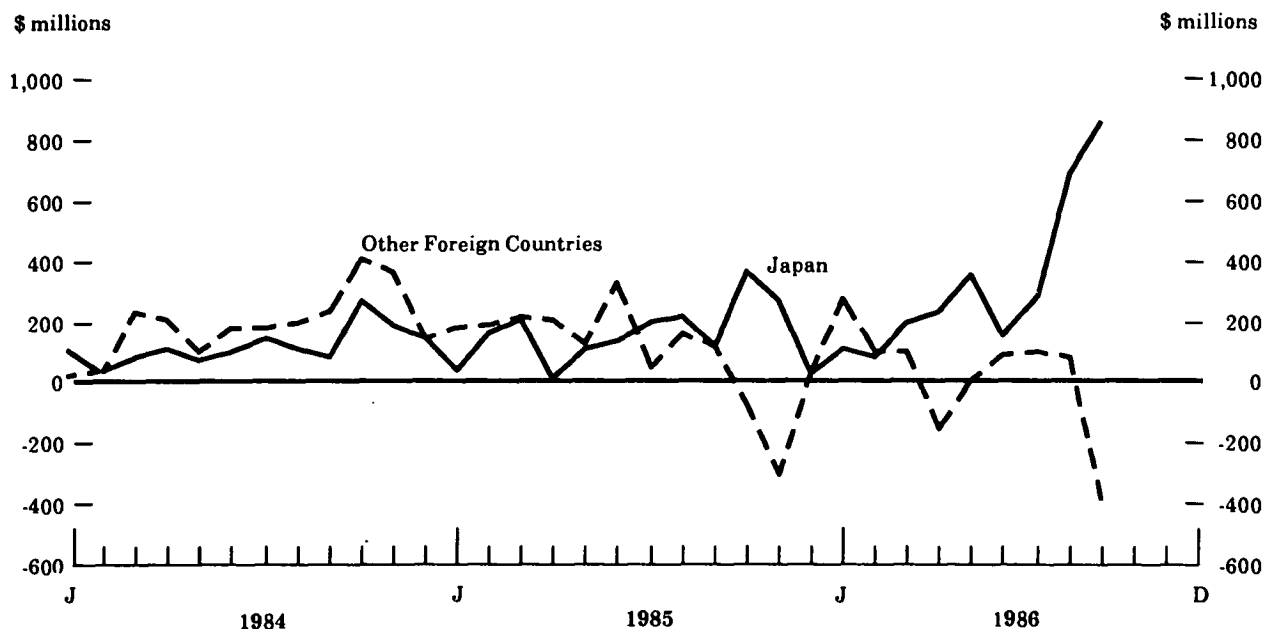
childbirth, adoption, divorce, remarriage and labour force participation.

Other highlights from *Union Formation and Dissolution* include:

- Among Canadians 18 to 29 years, 25% of men and 29% of women participating in the Family History Survey reported that they had entered into a common-law union by age 25.
- Young Canadians are postponing formal marriages, but this is being offset by common-law unions. If the data for marriages and common-law unions are combined, it appears that young Canadians are forming "unions" at about the same rate as their parents.

Union Formation and Dissolution: Results from the 1984 Family History Survey (99-963, \$16/\$17), prepared for Statistics Canada by Dr. Thomas K. Burch and Ashok K. Madan of the University of Western Ontario is now available. Contact: Boriss Mazikins (613-991-2542), Housing, Family and Social Statistics Division.

**Net Trade in Outstanding Canadian Bonds With Japan and All Other Foreign Countries
(Net Sales + / Net Purchases-)**



**Transactions in Outstanding Securities with Non-residents
September 1986**

Outstanding Canadian Securities

Net sales to non-residents of outstanding Canadian bonds remained high (\$469 million), although some \$300 million lower than the record set in August. These net sales were largely due to Japanese investments, which climbed to record levels for the second month. The net inflow from Japan amounted to some \$900 million in September and included sizeable investments in provincial bonds. This was partly offset by a sharp reduction in holdings of Canadian bonds by residents of the United States.

Outstanding Foreign Securities

Residents reduced their holdings of outstanding foreign bonds by a substantial \$255 million in September. Net purchases of foreign stocks amounted to \$118 million, and were more than accounted for by investments directed to overseas countries. Net purchases of overseas stocks have been rising throughout the year (exceeding \$600 million for the year-to-date), whereas holdings of United States stocks have been declining in recent months. (see table on page 14)

Order the September 1986 issue of *Security Transactions with Non-residents* (67-002, \$15/\$150), available in December. Contact: J. Motala (613-990-9052), Balance of Payments, International and Financial Economics Division.

Transactions in Outstanding Securities with Non-residents

September 1986

(\$ millions)

Type of security	Sales to Non-residents	Purchases from Non-residents	Net Sales (+)
Canadian securities:			
Bonds	3,008	2,539	+469
Common and preferred stocks	1,037	933	+104
Total - September 1986	4,045	3,472	+573
Total - August 1986	3,759	2,910	+850
Foreign securities:			
Bonds	2,643	2,388	+255
Common and preferred stocks	1,458	1,575	-118
Total - September 1986	4,101	3,964	+137
Total - August 1986	3,536	3,338	+198

Data Availability Announcements

Postcensal Quarterly Estimates of Population – Canada, the Provinces and Territories July 1, 1986

The estimates of population for Canada, the provinces and territories at July 1, 1986 as well as current quarterly figures on immigration and interprovincial migration are now available on CANSIM: quarterly population estimates, matrix 1; immigration, matrices 2, 3 and 397; interprovincial migration (Revenue Canada), matrix 6981; interprovincial migration (family allowances), matrices 5731 and 6982.

These postcensal estimates will appear in catalogue 91-001 (\$6/24), available in the next few weeks. Contact: Lise Champagne (613-991-2320), Demography Division.

Process Cheese and Instant Skim Milk Powder October 1986

Production of process cheese in October 1986 totalled 5 381 347 kilograms, down 25.3% from September 1986 and down 1.2% from October 1985. The 1986 cumulative year-to-date production totalled 58 801 397 kilograms, down from the corresponding 1985 amount of 61 553 335 kilograms.

Total production of instant skim milk powder during the month was 399 276 kilograms – a decrease of 5.0% from September 1986 and a decrease of 26.0% from October 1985. The 1986 cumulative year-to-date production totalled 4 943 756 kilograms, down from the 5 546 964 kilograms reported for the corresponding period in 1985.

Available on CANSIM: matrix 188 (series 1.10).

Order the October 1986 issue of *Production and Inventories of Process Cheese and Instant Skim Milk Powder* (32-024, \$4/\$40), to be released the week of December 8. Contact: Brian Preston (613-991-3511), Industry Division.



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The Daily, December 2, 1986

Publications Released

**Industrial Chemicals and
Synthetic Resins, September 1986**
Catalogue number 46-002
(Canada: \$5/\$50; Other Countries: \$6/\$60)

**Quarterly Estimates of the
Canadian Balance of International
Payments, Third Quarter 1986**
Catalogue number 67-001P
(Canada: \$8/\$32; Other Countries: \$9/\$36)

**Federal Government Employment,
April-June 1986**
Catalogue number 72-004
(Canada: \$20/\$80; Other Countries: \$21/\$84)

**Union Formation and
Dissolution - Results from
the 1984 Family History Survey**
Catalogue number 99-963
(Canada: \$16; Other Countries: \$17)

Statistics Canada publications may be purchased by mail order from Publication Sales, Room 1710, Main Building, Statistics Canada, Ottawa K1A 0T6.

Please enclose cheque or money order payable to the Receiver General for Canada and provide full information on publications required (catalogue number, title, issue).

Publications may also be ordered through Statistics Canada's offices in St. John's, Halifax, Montreal, Ottawa, Sturgeon Falls, Toronto, Winnipeg, Regina, Edmonton and Vancouver, or from authorized bookstore agents or other booksellers.

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