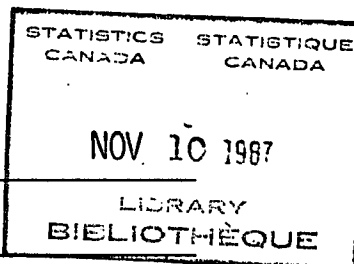


The Daily

Statistics Canada

Tuesday, November 10, 1987



Major Releases

- | | |
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| Composite Leading Indicator, August 1987 | 2 |
| <ul style="list-style-type: none">• The leading indicator (1971 = 100) advanced by 0.9% from July, reaching a level of 187.9. | |
| New Motor Vehicle Sales, September 1987 | 4 |
| <ul style="list-style-type: none">• Sales of all new motor vehicles totalled 112,724 units, down 4.8% from the September 1986 level. | |
| Estimates of Labour Income, August 1987 | 7 |
| <ul style="list-style-type: none">• Labour income rose 6.7% from a year earlier. | |
| Farm Product Price Index, September 1987 | 9 |
| <ul style="list-style-type: none">• Farm prices dropped 1.1% from August. | |
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Data Availability Announcements

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| Railway Carloadings, Seven-day Period Ending October 21, 1987 | 11 |
| Footwear Statistics, September 1987 | 11 |
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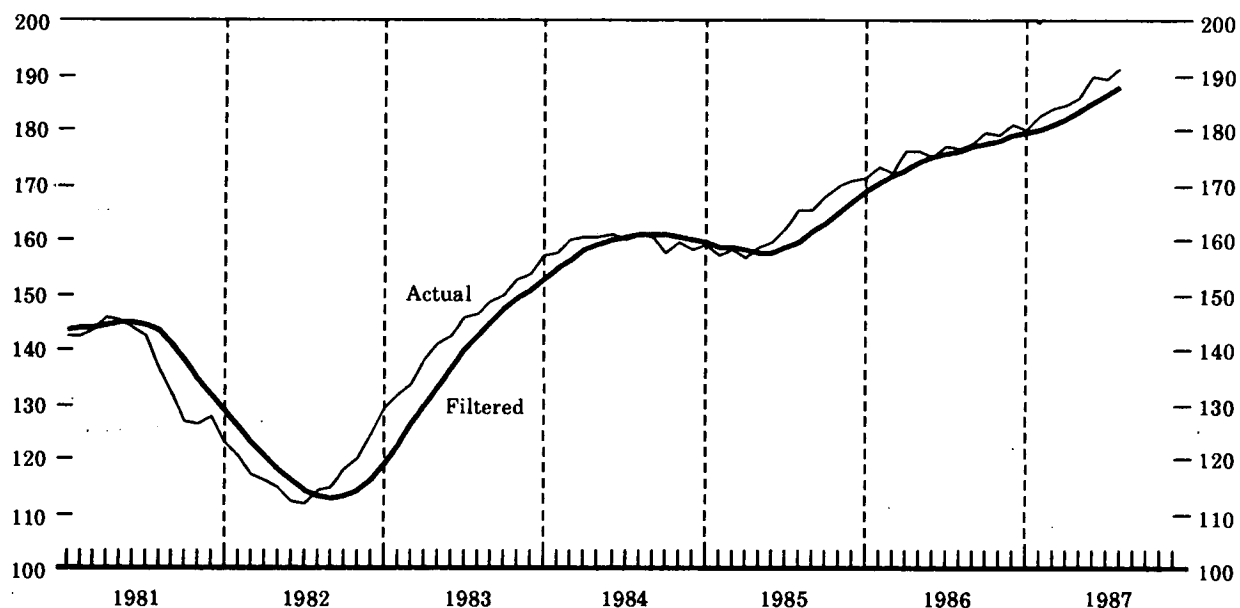
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Major Releases

The Canadian Composite Leading Index (1971 = 100)

January 1981 to August 1987



Composite Leading Indicator August 1987

In August, the Canadian leading indicator (1971=100) advanced by 0.9% to 187.9, after a 0.8% increase in July. The indicators of manufacturing activity in particular continued to strengthen, reflecting widespread increases in domestic spending in the first eight months of the year. Eight of the 10 components of the leading indicator were up in August, the same as in July.

In August, real GDP by industry posted its largest increase (0.8%) since the gain of 1.0% in February. Strong advances were recorded in manufacturing of durable goods, retail trade and energy production. These gains preceded a third consecutive large increase in employment in October, according to the Labour Force Survey.

(see table on page 3)

Available on CANSIM: matrix 161.

Additional data and further analysis of the Leading Indicator are available in the monthly *Current Economic Indicators* (13-005, \$10/\$100). This publication also contains the *Monthly Economic Review*. The November issue of this publication will be released on the 19th of this month. For further information on data published in this issue and the next release dates, or about ordering, contact L. Bussière (613-951-1640). For general information contact P. Cross (613-951-9162), International and Financial Economics Division.

Canadian Leading Indicators

	Percentage Change			Level
	June	July	August	August
Composite Leading Index (1971 = 100)				
Filtered	0.8	0.8	0.9	187.9
Unfiltered	2.2	-0.2	1.0	191.4
Retail Trade				
Furniture and appliance sales	1.8	1.7	1.0	141,418 ⁴
New motor vehicle sales	2.0	1.3	1.5	768,965 ⁴
Residential construction index¹	2.6	0.6	-0.2	133.9
Manufacturing				
New orders - durable	0.3	0.2	0.5	3,530 ⁵
Shipment to inventory ratio - (finished goods ²)	0.00	0.01	0.01	1.73
Average workweek (hours)	0.1	-0.0	-0.0	38.8
Percentage change in price per unit labour cost ²	-0.06	-0.02	0.01	-0.6
United States composite leading index (1972 = 100)	0.6	0.6	0.6	190.4
TSE 300 stock price index (excluding oil and gas)	1.8	2.2	2.1	3,716
Money supply (M1) (\$1971)³	1.4	0.9	0.6	11,185 ⁵

¹ Composite index of housing starts (units), building permits (constant dollars) and mortgage loan approvals (numbers).

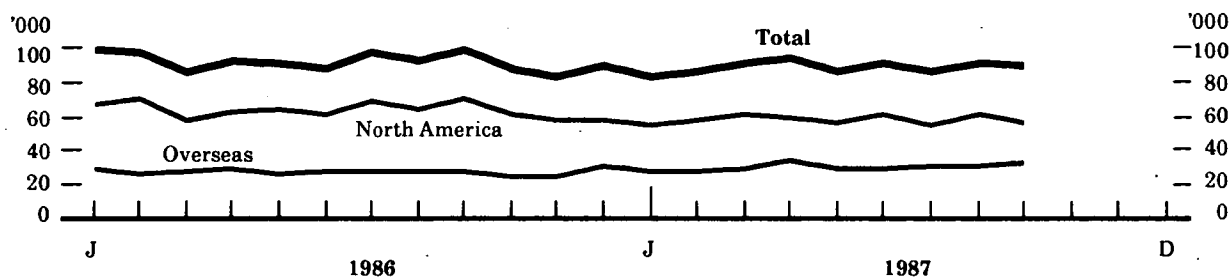
² Difference from previous month.

³ Deflated by the consumer price index for all items.

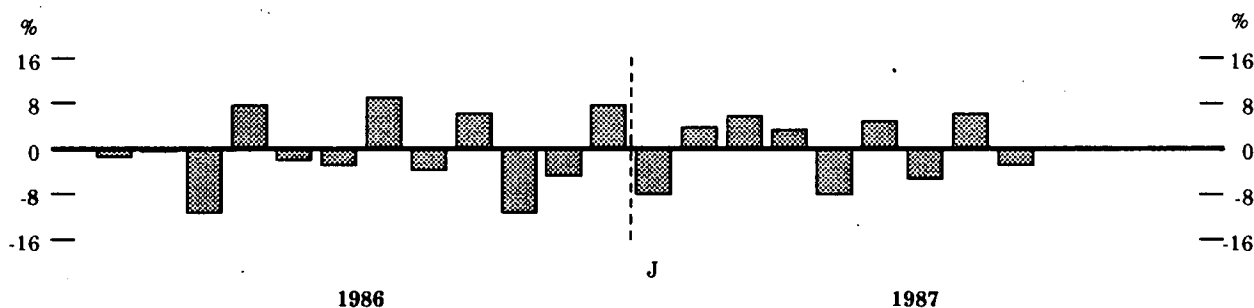
⁴ Thousands of 1971 dollars.

⁵ Millions of 1971 dollars.

Monthly Sales of New Passenger Cars by Origin, Canada, Seasonally Adjusted, in Units, 1985-1987



Month-to-month Changes in Total New Passenger Car Sales (Seasonally Adjusted)



New Motor Vehicle Sales September 1987

Highlights

Seasonally Adjusted Sales

- Adjusted for seasonal fluctuations and the number of trading days, preliminary estimates indicate that sales of all new motor vehicles totalled 125,665 units in September 1987, a decrease of 4.3% from the revised August 1987 level of 131,309 units. In September, lower sales were posted for both commercial vehicles (-7.0%) and passenger cars (-3.1%).
- During the first nine months of 1987, new motor vehicle sales have been characterized by significant fluctuations but with a generally moderately rising trend. Motor vehicle sales decreased an average of 0.2% a month in the third quarter of 1987, in contrast to an average monthly increase of 1.1% in the first two quarters of the year.

- On an origin basis, sales of North American built passenger cars recorded a significant decrease of 7.1% in September 1987 to a level of 56,069 units, while imported passenger cars increased by 4.7% to a level of 32,228 units. The decline in September for North American built passenger car sales followed an increase of 9.3% in August, whereas imported passenger car sales rose for the third consecutive month.

Unadjusted Sales

- Sales of all new motor vehicles totalled 112,724 units in September 1987, down 4.8% from the September 1986 level. In September 1987, passenger car sales fell by 8.7% to 79,317 units, while commercial vehicle sales recorded a rise of 5.9% to 33,407 units.

(continued on page 5)

- The September decrease in passenger car sales was primarily due to a 22.2% drop for North American built passenger cars. Unit sales of imported passenger cars rose 23.3% from their level in September 1986, as increases in Japanese cars (+27.9%) and in imported cars from other countries (+39.4%) more than offset the sales decrease in South Korean cars (-9.6%).
- In terms of market share, North American manufacturers held 59.9% of the Canadian passenger car market in September 1987 (based on unit sales), the lowest level on record and down significantly from the 70.3% share in the same month last year. The Japanese market share rose to 26.8% from 19.2% a year earlier. Manufacturers from other countries (including South Korea) held 13.3% of the market in September 1987, up from 10.5% in September 1986. South Korea, the largest component of the "other countries" category, held 5.2% of the market in September 1987, unchanged from a year earlier.
- With the exception of Newfoundland and Prince Edward Island, where unit sales increased by 12.7% and 2.1% respectively, all other provinces registered lower unit sales of motor vehicles in September 1987 compared to September 1986. The decreases ranged from 20.2% in Saskatchewan to 1.3% in Nova Scotia.

- For the first nine months of 1987, total new motor vehicle sales decreased by 1.1% from the same period last year to 1,167,909 units. Sales of domestic cars were down 10.1% to 543,899 units, while imported passenger car sales rose 9.1% to 278,034 units. Commercial vehicle sales totalled 345,976 units during this period, up 7.8% from a year earlier.

(see table on page 6)

Note to Users:

North American vehicles: motor vehicles manufactured or assembled in North America. These vehicles may be built by domestic or foreign-owned companies.

Imported vehicles: motor vehicles manufactured or assembled overseas and marketed in Canada by domestic or foreign-owned companies.

Available on CANSIM: matrix 64.

Order the September 1987 issue of *New Motor Vehicle Sales* (63-007, \$8/\$80), available the third week of December. Contact Roger Laplante (613-951-3549), Retail Trade Section, Industry Division.

New Motor Vehicle Sales (Unadjusted) - Canada
September 1987

	September 1987	Change 1987/86 ^r	Jan.-Sept. 1987	Change 1987/86 ^r
	Units	%	Units	%
Total New Motor Vehicles	112,724	-4.8	1,167,909	-1.1
Passenger Cars by Origin:				
North America	47,512	-22.2	543,899	-10.1
Japan	21,279	27.9	184,313	22.0
Other Countries	10,526	15.1	93,721	-9.6
(Including South Korea)	(4,102)	(-9.6)	(40,110)	(-30.4)
Total	79,317	-8.7	821,933	-4.4
Commercial Vehicles by Origin:				
North America	29,321	11.0	308,082	9.3
Overseas	4,086	-20.3	37,894	-2.9
Total	33,407	5.9	345,976	7.8
	Value \$000	%	Value \$000	%
Total New Motor Vehicles	1,787,369	4.7	18,121,548	8.4
Passenger Cars by Origin:				
North America	696,993	-12.0	7,727,191	-0.7
Japan	312,194	27.7	2,666,149	30.1
Other Countries	170,382	12.4	1,639,009	6.6
(Including South Korea)	(37,574)	(-3.0)	(356,611)	(-27.3)
Total	1,179,569	-0.8	12,032,349	5.8
Commercial Vehicles by Origin:				
North America	542,951	20.6	5,510,986	14.5
Overseas	64,849	-8.3	578,213	9.5
Total	607,800	16.6	6,089,199	14.0

^r Revised figures.

Estimates of Labour Income

August 1987

The August 1987 preliminary estimate of labour income, which represents approximately 50% of Gross Domestic Product (GDP) in the National Income and Expenditure Accounts, was \$24,425 million, an increase of 6.7% from August 1986. The year-over-year changes for the first seven months of 1987 were characterized by a steady acceleration from January (+5.4%) to June (+7.1%) with a small deceleration in July (+6.3%).

Seasonally Adjusted

The August 1987 estimate of wages and salaries¹ remained virtually unchanged (-0.01%) from July. This is the second consecutive month of little change, following month-to-month changes in the first six months of between +0.5% (April) and +1.1% (May).

The August 1987 estimate of wages and salaries in the goods-producing industries decreased by 0.4% from the previous month, largely due to special payments made in July. All industries within this group showed declines except for mines, quarries and oil wells which increased by 0.8%.

The estimate of wages and salaries in the service-producing industries was little changed (+0.2%) in August 1987 from July. All industries within this group except for public administration and transportation, communication and other utilities showed small increases in wages and salaries. The latter industry was affected by a Canada-wide railway strike in August 1987.

On a provincial basis, the seasonally adjusted estimates of wages and salaries for the majority of the provinces showed a change of less than 1% from the previous month.

Unadjusted for Seasonal Variation

On a year-over-year basis, the estimate of wages and salaries in August 1987 in the goods-producing industries increased by 8.1% from August 1986. This change was the largest year-over-year increase in 1987 and was substantially higher than the 6.7% change in July. Manufacturing increased by 8.6% from August 1986 compared to the 6.8% change in the previous month.

Wages and salaries in the service-producing industries increased by 6.0%, compared to the average change for 1987 of 6.3%. Finance, insurance and real estate, which continued to show strong yearly growth rates, increased 9.3% from August 1986. All industries within this group showed increases exceeding 6.0% except for federal administration and transportation, communication and other utilities.

The majority of all provinces showed little change in yearly growth rates in wages and salaries from the previous month.

(see table on page 8)

Available on CANSIM: matrices 1791 and 1792.

Order the July-September 1987 issue of *Estimates of Labour Income* (72-005, \$15/\$60), available in January 1988. Contact Georgette Gauthier (613-951-4051), Labour Income Section, Labour Division.

¹ Wages and salaries account for 90% of labour income.

Wages and Salaries and Supplementary Labour Income
(millions of dollars)

	August 1987 ^p	July 1987 ^r	June 1987 ^f	August 1986
Unadjusted for seasonal variation				
Agriculture, fishing and trapping	287.5	260.8	229.0	271.9
Forestry	172.2	180.3	188.6	148.0
Mines, quarries and oil wells	551.7	558.2	569.5	519.3
Manufacturing industries	4,574.9	4,716.8	4,710.2	4,213.4
Construction industry	1,460.4	1,436.7	1,362.3	1,366.6
Transportation, communications and other utilities	2,203.7	2,241.9	2,237.2	2,121.1
Trade	3,000.2	3,009.2	3,041.6	2,808.6
Finance, insurance and real estate	1,795.5	1,814.1	1,771.5	1,643.3
Commercial and personal service	2,950.1	2,934.5	2,869.5	2,772.9
Education and related services	1,578.3	1,650.6	2,002.3	1,473.4
Health and welfare services	1,583.2	1,587.5	1,581.4	1,490.2
Federal administration and other government offices	758.1	766.5	764.1	783.8
Provincial administration	598.0	604.7	609.0	562.4
Local administration	476.5	490.9	489.1	447.5
Total wages and salaries	21,990.3	22,252.7	22,425.5	20,622.2
Supplementary labour income	2,435.0	2,465.2	2,486.6	2,268.0
Labour income	24,425.3	24,717.9	24,912.1	22,890.2
Adjusted for seasonal variation				
Agriculture, fishing and trapping	182.5	185.8	188.8	172.7
Forestry	152.3	156.4	166.6	128.6
Mines, quarries and oil wells	544.5	540.2	555.2	512.2
Manufacturing industries	4,533.9	4,554.5	4,552.4	4,176.5
Construction industry	1,263.8	1,268.8	1,263.7	1,184.3
Transportation, communications and other utilities	2,176.3	2,199.5	2,189.1	2,095.0
Trade	3,011.0	2,984.4	2,988.9	2,820.1
Finance, insurance and real estate	1,772.1	1,766.1	1,747.2	1,622.6
Commercial and personal service	2,851.3	2,829.4	2,801.2	2,681.5
Education and related services	1,933.9	1,929.1	1,931.1	1,795.5
Health and welfare services	1,565.8	1,552.3	1,558.1	1,474.1
Federal administration and other government offices	742.9	745.4	755.3	767.9
Provincial administration	574.9	580.6	595.0	540.3
Local administration	462.9	474.5	473.1	435.0
Total wages and salaries	21,750.1	21,751.5	21,777.1	20,404.3
Supplementary labour income	2,405.2	2,405.4	2,408.2	2,243.2
Labour income	24,155.4	24,156.9	24,185.4	22,647.6

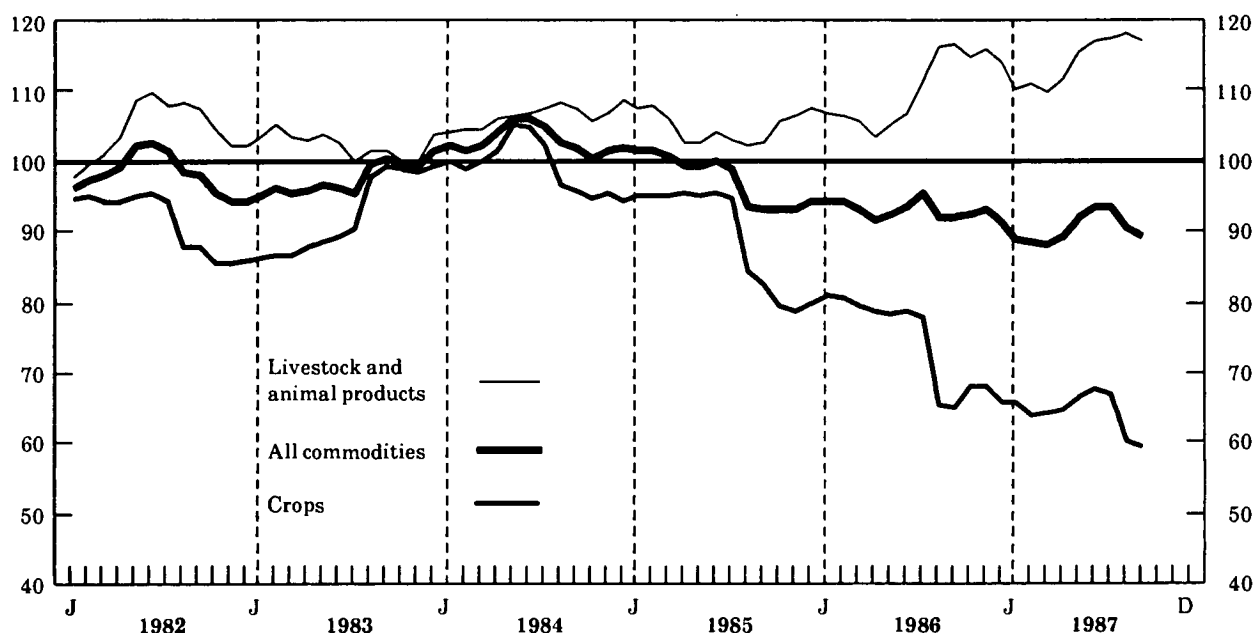
^p Preliminary estimates.

^r Revised estimates.

^f Final estimates.

The estimates of wages and salaries for the individual industries are seasonally adjusted independently from the Canada all-industry aggregate. A difference may exist between the sum of the industries and the Canada all-industry total. Please refer to the explanatory note in catalogue 72-005 or contact the Labour Income Section for further details.

Farm Product Price Index (1981 = 100)



Farm Product Price Index

September 1987

The Farm Product Price Index (1981=100) for Canada stood at 89.4 in September, down 1.1% from the revised August level of 90.4. This was the third consecutive decrease in the index after three monthly increases. Both crop and livestock prices fell in September to contribute to the decrease in the overall index. The September 1987 index stood 2.7% below the year-earlier level of 91.9.

The percentage changes in the index between August and September 1987 by province were as follows:

● Newfoundland	-0.4%
● Prince Edward Island	-13.1%
● Nova Scotia	-2.3%
● New Brunswick	-6.7%
● Quebec	-2.5%
● Ontario	-1.2%

● Manitoba	0.0%
● Saskatchewan	-0.9%
● Alberta	1.1%
● British Columbia	0.5%
● Canada	-1.1%

Crops

The crops index decreased 1.3% in September and stood at 59.4. Oilseed and potato prices were lower than in August while cereal prices were unchanged. The crops index was at its lowest level since February 1978.

- The potato index decreased for the third consecutive month. The index, at 88.7, has fallen 28% during this period and was at its lowest level since December 1986. Potato prices have fallen as harvesting continues for a larger potato crop than that of 1986.

(continued on page 10)

- The oilseeds index decreased 0.3% in September to a level of 73.2. This was the third consecutive decrease in the index as price drops for canola offset increases in flaxseed and soybeans prices. Despite the decrease in September 1987, the oilseeds index remained 3.1% higher than its year-earlier level.
- The cereals index stood at 46.5% in September, unchanged from the previous month. The index was down 14.0% from the September 1986 level, largely due to lower Canadian Wheat Board initial prices for wheat, oats and barley which took effect in August 1987. Since August 1987, the index has been at its lowest point since July 1973 and was 57% below the January 1981 peak of 107.0.
- The cattle index increased 0.9% in September, mainly due to higher prices for slaughter and feeder cattle. These prices reached record levels in some provinces as beef production in Canada and the U.S. remained below year-earlier levels. The cattle index, at 118.6, has been generally trending upward since July 1986 and in September reached a record for the 16 years for which it has been calculated.

User Note

The index is designed to measure changes in prices received by producers when ownership of a commodity first changes hands. Prices used in the index for Western wheat, oats and barley sold to the Canadian Wheat Board prior to August 1986 are final prices. Beginning in August 1986, initial prices are used and therefore exclude any forthcoming adjustment or final payments. Sub-indexes for livestock, crops and their components are also available on a provincial basis.

Available on CANSIM: matrix 176.

Order the September 1987 issue of *Farm Product Price Index* (62-003, \$6/\$60), scheduled for release November 24. Contact Paul Murray (613-951-2437), Farm Income and Prices Section, Agriculture Division.

Livestock and Animal Products

The total livestock and animal products index decreased 0.8% in September 1987 from its record level in August, mainly due to lower hog prices. Cattle prices increased while those for milk, eggs and poultry showed little change. This was the first decrease in the index in six months.

- Hog prices dropped 6.1% in September. Associated with the price decrease in September was increased pork production in both Canada and the U.S. The hog index, at 126.9, was 10.4% below its relatively high year-earlier level.

Data Availability Announcements

Railway Carloadings

Seven-day Period ending October 21, 1987

Highlights

- Revenue freight loaded by railways in Canada during the week totalled 5.8 million tonnes, an increase of 14.0% from the previous year.
- Piggyback traffic increased 22.3% from the same period last year. The number of cars loaded increased 5.8%.
- The tonnage of revenue freight loaded to date this year is 3.6% more than that loaded in the previous year.

	Seven-day Period ending October 21, 1987	Year-to-date
Carload Traffic		
Tonnes	5 843 218	197 209 350
% change from previous year	14.0	3.6
Cars	78,668	2,905,701
% change from previous year	3.8	1.7
Piggyback Traffic		
Tonnes	311 157	10 175 820
% change from previous year	22.3	4.9
Cars	9,693	364,384
% change from previous year	5.8	3.9

Note: Piggyback traffic includes trailers and containers on flat cars. The 1986 figures and the 1987 year-to-date figures have been revised. Piggyback traffic numbers are included in total carload traffic.

Contact Angus McLean (613-951-2484), Surface Transport Unit, Transportation Division.

Footwear Statistics

September 1987

Canadian manufacturers produced 3,795,972 pairs of footwear in September 1987, a decrease of 2.7% from the 3,900,592^r (revised figure) pairs produced a year earlier.

Year-to-date production for January to September 1987 totalled 30,130,192 pairs of footwear, down 9.3% from 33,236,312^r pairs produced during the same period in 1986.

Available on CANSIM: matrix 8.

Order the September issue of *Footwear Statistics* (33-002, \$4/\$40), to be released the week of November 20. Contact Carla Mouradian (613-951-3510), Industry Division.



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The Daily, November 10, 1987

Publications Released

Cereals and Oilseeds Review, August 1987.

Catalogue number 22-007

(Canada: \$10/\$100; Other Countries:
\$11/\$110).

**Production and Stocks of Eggs
and Poultry, August 1987.**

Catalogue number 23-003

(Canada: \$10/\$100; Other Countries:
\$11/\$110).

Livestock Report - Pigs, October 1, 1987.

Catalogue number 23-008

(Canada: \$15/\$60; Other Countries: \$16/\$64).

Refined Petroleum Products, July 1987.

Catalogue number 45-004

(Canada: \$15/\$150; Other Countries:
\$16/\$160).

Railway Operating Statistics, June 1987.

Catalogue number 52-003

(Canada: \$9.50/\$95; Other Countries:
\$10.50/\$105).

Oil Pipe Line Transport, August 1987.

Catalogue number 55-001

(Canada: \$8/\$80; Other Countries: \$9/\$90).

Retail Chain and Department Stores, 1985.

Catalogue number 63-210

(Canada: \$25; Other Countries: \$26).

Building Permits, July 1987.

Catalogue number 64-001

(Canada: \$20/\$200; Other Countries:
\$21/\$210).

**Preliminary Statement of Canadian
International Trade, September 1987.**

Catalogue number 65-001P

Available November 12 at 7:00 a.m.

Statistics Canada publications may be purchased by mail order from Publication Sales, Room 1710, Main Building, Statistics Canada, Ottawa K1A 0T6 or phone 613-951-7276.

Please enclose cheque or money order payable to the Receiver General for Canada/Publications 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.

A national toll-free telephone order service is now in operation at Statistics Canada. The toll-free line (1-800-267-6677) can be used by Canadian customers for the ordering of Statistics Canada products and services.