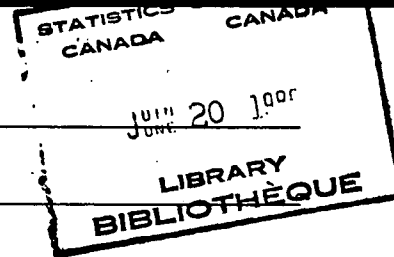


# The Daily

## Statistics Canada

Monday, June 20, 1988



### Major Releases

#### National Income and Expenditure Accounts, First Quarter 1988

3

- Gross domestic product in constant 1981 prices increased 0.8%.

#### Quarterly Balance of International Payments, First Quarter 1988

9

- The seasonally adjusted current account deficit shrank to \$1.5 billion, following a sharp increase in dividend receipts from Canadian direct investment abroad.

(continued on page 2)

#### Real Gross Domestic Product at Factor Cost by Industry - Note to Users

Preliminary estimates for April and revised estimates for January to March will be published in the June 29<sup>th</sup> issue of *The Daily*.

#### Profiles - Federal Electoral Districts - 1987 Representation Order: Part 2 1986 Census

Part 2 of the statistical profile of the 295 new federal electoral districts (FEDs) in Canada, as defined by the 1987 Representation Order, is now available. Data for Canada, the provinces and territories are also included.

The 1987 Representation Order differs substantially from the 1976 Representation Order used to organize census-taking for the 1986 Census. Profile data for FEDs based on the 1976 Representation Order are found in *Federal Electoral Districts: Part 1* (94-125) and *Part 2* (94-126). *Part 1* is already available and *Part 2* will become available during the summer of 1988.

The profile released today provides social, cultural, labour and 1985 income characteristics along with additional information on housing, households and families. The data are collected from a 20% sample of households. Included are population counts by language, ethnicity, immigration, citizenship, mobility, schooling, industry, occupation and income.

A separate publication in this series is also available - *Federal Electoral Districts - 1987 Representation Order: Part 1* (94-133, \$38) presenting basic demographic, housing and family characteristics collected from all households in Canada. See "How to Order Publications".

For a copy of *Profiles - Federal Electoral Districts - 1987 Representation Order: Part 2* (94-134, \$58) or for more information on Census products, please contact your nearest Regional Reference Centre.



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## **Major Releases – continued**

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### **Composite Leading Indicator, March 1988** 12

- The composite leading indicator posted an advance of 0.6%, following increases of 0.4% in February and 0.3% in January.

### **Sales of Natural Gas, April 1988** 14

- Sales of natural gas in Canada climbed 11.1% from the previous year's level.

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## **Data Availability Announcements**

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## Major Releases

### National Income and Expenditure Accounts

First Quarter 1988

Gross domestic product at market prices grew 1.7% in the first quarter of 1988, reaching a seasonally adjusted annual rate of \$580 billion. In constant 1981 prices the increase was 0.8%, in contrast with the average quarterly advance of 1.5% in the four quarters of 1987. The GDP implicit price index rose 0.8% in the first quarter, also representing a slowing from the 1.1% average quarterly pace of 1987.

Final domestic demand grew 0.6% in real terms. Business plant and equipment investment and government current spending on goods and services expanded substantially while consumer outlays increased slightly. Growth was boosted by a positive swing in the trade balance, as exports rose more rapidly than imports. The rate of business non-farm inventory accumulation increased somewhat and a sharp drop in farm inventory investment held back the overall growth rate.

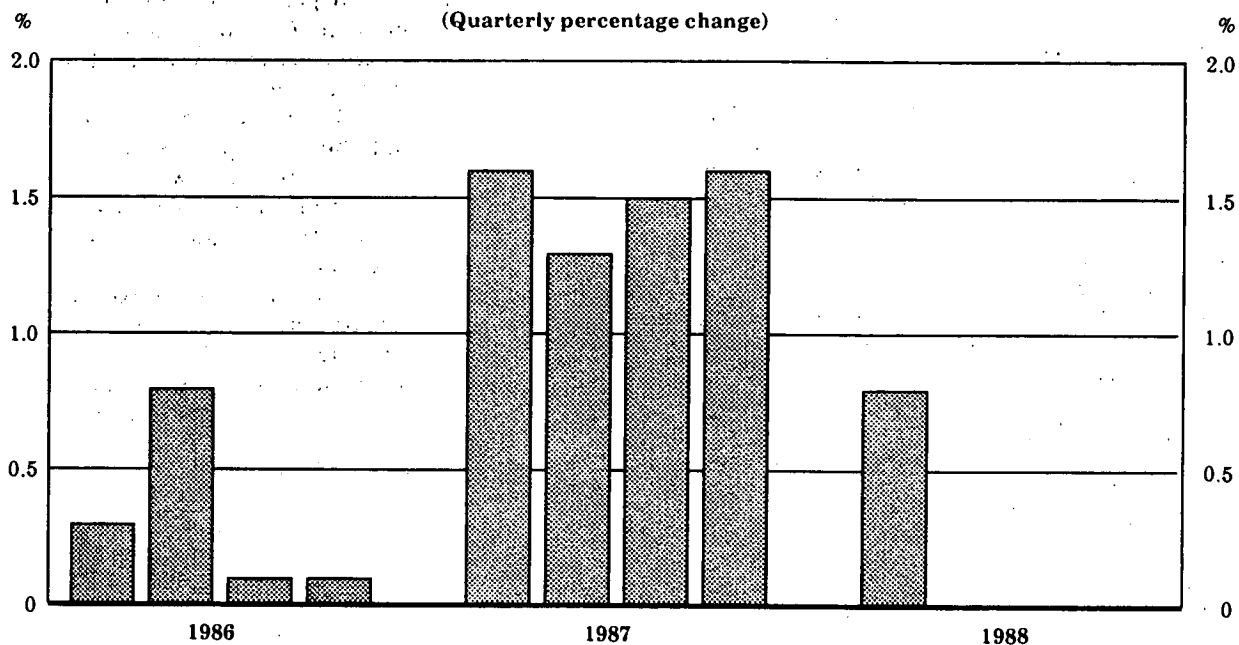
#### Note to Users:

Revised estimates of the Income and Expenditure Accounts covering the period 1984 to 1987 are released with the results for the first quarter of 1988. The data have been revised to incorporate the most current source data and revised seasonal patterns.

A new set of chain price indexes are also released with these estimates. The chain indexes are available for the period 1981 to 1988 and provide another perspective on price movements for the main expenditure components of Gross Domestic Product. The series are available on CANSIM in matrices 6826 and 6827 and will be published on a quarterly basis in *National Income and Expenditure Accounts*, catalogue 13-001. An article describing the indexes will be published in an upcoming issue of *Canadian Economic Observer*, catalogue 11-010.

(continued on page 4)

Chart 1  
Real GDP Growth



### Components of Demand

The largest component of real final demand, personal expenditure on consumer goods and services, increased only slightly in the quarter. Spending on semi-durable goods such as clothing and footwear recorded a 2.0% volume decline. Total outlays on durable goods such as automobiles and furniture were virtually unchanged. Purchases of non-durable goods such as food and electricity rose 0.3%. Expenditure on services grew 0.5% as increases of 1.7% in gross rents and 1.4% in restaurant and hotel accommodation were offset by slower growth in other services.

Government expenditure on current goods and services rose 1.7% in constant dollar terms, largely due to higher outlays for military equipment.

Following a slight decline in the fourth quarter of 1987, residential construction activity levelled off in the first quarter. Housing starts peaked in August and new construction put-in-place declined in both the fourth and the first quarters. Offsetting this trend in the first quarter were increases in spending on alterations and improvements and on real estate commissions, the latter being strongly affected by rising housing prices in Central Canada.

Consistent with the Private and Public Investment Intentions Survey for 1988, business plant and equipment investment surged ahead for the sixth consecutive quarter, bringing the first quarter to a level 19.2% above that a year earlier. In the first quarter of 1988, non-residential construction grew 0.3% and purchases of machinery and equipment rose 2.2%. Continuing strong final demand growth, rising capacity utilization rates, healthy profit growth through 1987 and lower capital goods prices are some of the key factors stimulating the investment upsurge. Government non-residential construction and machinery and equipment spending also advanced strongly in the quarter.

The overall rate of business non-farm inventory accumulation in the first quarter was somewhat stronger than the pace in the fourth quarter of 1987. The manufacturing and trade industries both continued to build up stocks. In the latter case there was a pickup in inventory accumulation at the wholesale level and a reduced buildup rate at the retail level. In

agriculture, stocks fell sharply as wheat exports rose.

The current dollar surplus on trade in goods and services amounted to \$3.7 billion at a seasonally adjusted annual rate, up \$2.8 billion from the fourth quarter. The volume of exports of goods and services grew 3.3%, outpacing import growth of 1.5%, while the implicit price indexes for exports and imports both declined by 1.5%.

The current dollar merchandise trade surplus rose from \$8.3 billion to \$9.5 billion at a seasonally adjusted annual rate. There were substantial increases in export values for wheat, crude petroleum, natural gas and automobiles. The rise in import values was confined largely to machinery and equipment and auto parts.

The current dollar deficit on service trade declined from \$7.3 billion to \$5.8 billion at a seasonally adjusted annual rate. One element in this drop was the reduction that occurred in the international travel deficit, which was attributable in part to the Calgary Winter Olympics.

### Implicit Price Indexes

The overall rate of inflation, measured by the implicit price index for GDP, was 0.8% in the first quarter. This was a considerable moderation from the 1.2% rate in the fourth quarter. Final domestic demand prices rose only 0.5%, as the appreciation of the Canadian dollar vis-à-vis the U.S. dollar was associated with a 1.5% drop in the implicit price index for imports. The appreciation was 5.3% between the first quarter of 1987 and the first quarter of 1988 and 3.3% in the first quarter of 1988 alone. A drop of 1.5% in the implicit price index for exports helped moderate the overall increase in the GDP implicit price index.

Movements in the implicit price indexes are influenced by compositional changes in expenditures as well as by price changes. In the first quarter, such compositional changes accounted for a substantial part of the moderation in the rate of inflation, particularly within the business investment and exports components. The chain price index for GDP excluding the value of physical change in inventories, which provides an indication of the price change component, rose 1.1%.

*(continued on page 5)*

### Production by Industry

The preliminary estimate of real GDP at factor cost by industry (released May 31, 1988) grew 0.5% in the first quarter. Output of services-producing industries decreased from an average growth rate of 1.2% in the four quarters of 1987 to 0.7% in the first quarter of 1988. Growth of the goods-producing industries fell from an average quarterly growth rate of 1.6% in 1987 to 0.2% in the first quarter of 1988.

Industries contributing most to the growth of services output were finance, insurance and real estate, community, business and personal services, communications and transportation and storage industries.

Output of the finance, insurance and real estate industries increased 1%, about the same growth rate as in the previous three quarters. Community, business and personal services also gained 1% in the first quarter, a rebound from a small decline in the fourth quarter of 1987. In the communications industry, output increased 2.8% following steady growth of about 1.5% per quarter in the previous year, as telecommunications carriers and the postal service industry recorded substantial advances. The transportation and storage industries recorded a 1.2% rise, with air transport and pipeline transport leading the increase.

In the goods-producing industries, mining, quarrying and oil wells posted the most substantial gain, led by a 4.3% increase in output of crude petroleum and natural gas. This was partially offset by a 0.4% decline in output of mining industries. Elsewhere in the goods-producing industries, small declines were recorded in construction, forestry and manufacturing.

### Components of Income

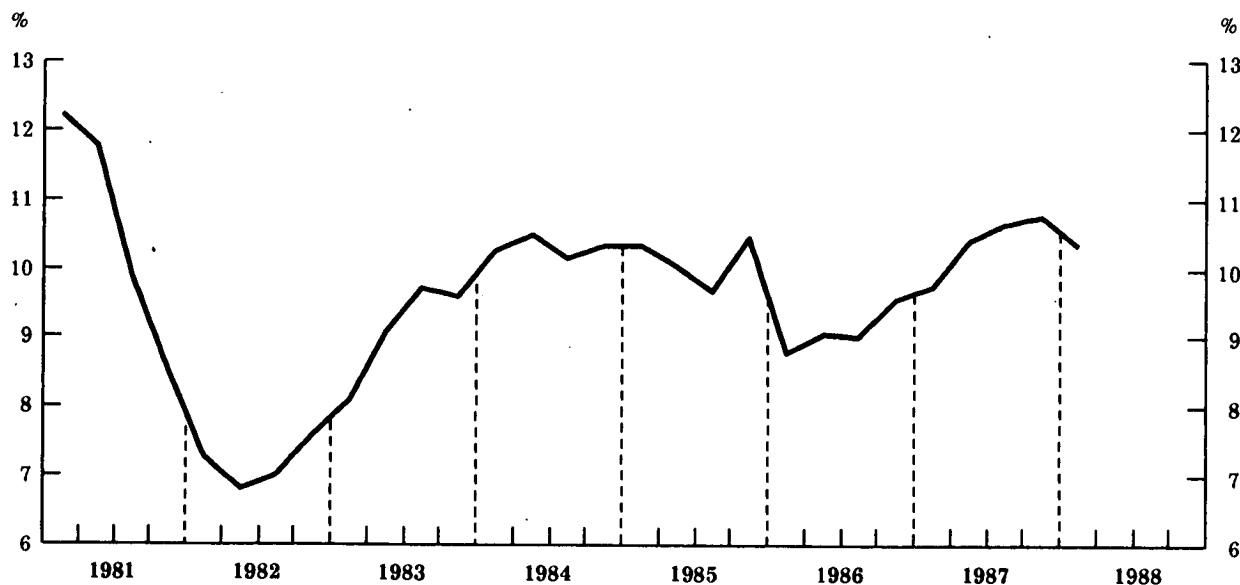
Wages, salaries and supplementary labour income grew 1.9% in the quarter, bringing labour income to a level 7.6% above that in the first quarter of 1987. Total employment, as measured by the Labour Force Survey seasonally adjusted paid worker series, advanced 1.1%, implying that average compensation per employee rose 0.8%.

Corporation profits before taxes fell 2.0% from their fourth quarter level, although they remained 16.2% higher than a year earlier. Much of the first quarter drop was the result of a decrease in inventory profits, as prices rose less rapidly than in previous quarters. As a share of GDP, profits reached a peak level of

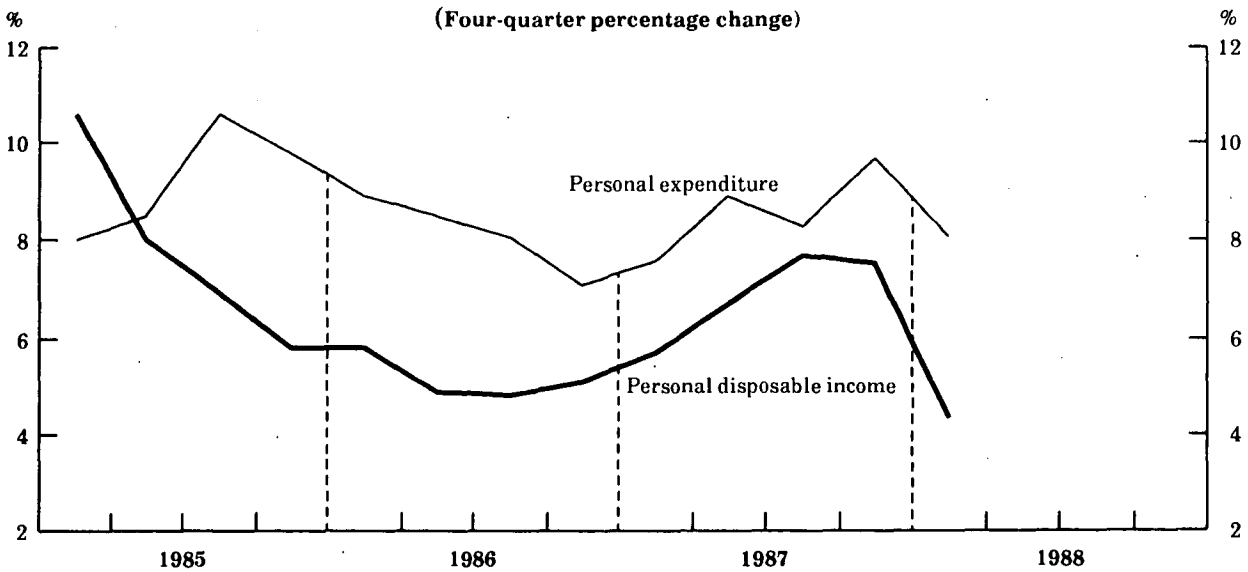
(continued on page 7)

Chart 2

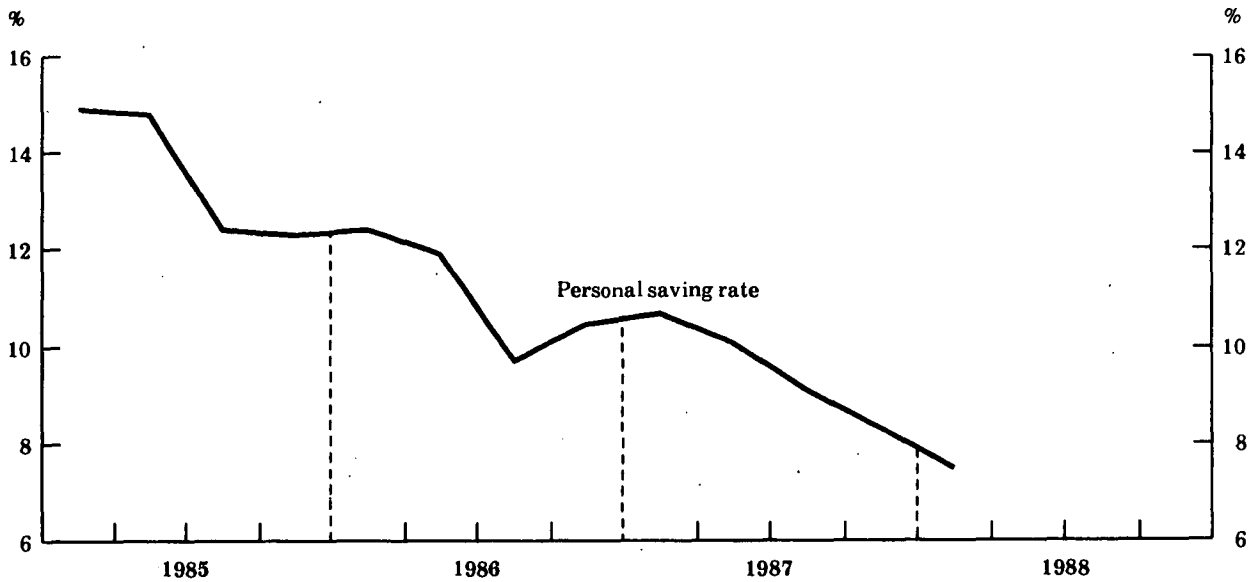
### Corporation Profits Before Taxes as a Percentage of GDP



**Chart 3a**  
**Growth in Personal Disposable Income and Personal Expenditure**  
**on Goods and Services**



**Chart 3b**  
**Personal Saving as a Percentage of Personal Disposable Income**



10.8% in the fourth quarter of 1987 and dropped to 10.4% in the first quarter. The previous peak in the profit share was 10.5% in the second quarter of 1984. The mineral fuels industry and the refined petroleum and coal products industry both felt the effects of lower world prices for crude oil. The rise in the Canadian dollar also had adverse effects on profits in some industries. The lower level of profits in retail trade was linked to the weakness in consumer goods sales.

Two other major GDP income components also showed declines in the quarter. Interest and miscellaneous investment income declined 5.1% and farm income slipped 0.3%. Net income of non-farm unincorporated business including rent increased 1.4%.

The personal saving rate fell from 8.3% in the fourth quarter to 7.5% in the first, despite a slowing in consumer expenditure. This decline may give a misleading indication of consumer behaviour in the quarter. The drop can be attributed in large measure to the fact that

income tax collections rose sharply and personal disposable income recorded a 0.5% decrease. The increase in income tax payments was due in large part to the February 18, 1987 federal budget measure involving accelerated remittances of employer source deductions, a measure which affected employers rather than employees.

Order the first quarter 1988 issue of *National Income and Expenditure Accounts* (catalogue 13-001, at a price of \$17.25 per quarter or \$69.00 for an annual subscription). This publication is scheduled for release in July 1988. The data are available on CANSIM in matrices 6701-6741, 6641-6642 and 6826-6827. A computer printout containing all tables is also available on the day of release from the Income and Expenditure Accounts Division at a price of \$35 per quarter or \$140 for an annual subscription. For further information contact Michel Pascal at 951-3797 or Karen Wilson at 951-9155.

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

	I	II	1987 III	IV	1988 I	IV'87/ III'87	I'88/ IV'87
	(\$ millions)				% Change		
Wages, salaries and supplementary labour income <sup>1</sup>	287,332	293,652	298,316	303,360	309,144	1.7	1.9
Corporation profits before taxes <sup>2</sup>	51,864	56,612	59,020	61,520	60,272	4.2	-2.0
Interest and miscellaneous investment income <sup>2</sup>	38,820	41,588	40,932	43,772	41,536	6.9	-5.1
Accrued net income of farm operators from farm production	4,172	8,460	3,024	5,268	5,252	74.2	-0.3
Net income of non-farm unincorporated business, including rent	30,960	31,740	32,344	33,116	33,592	2.4	1.4
Inventory valuation adjustment	-448	-4,020	-4,296	-3,712	-1,384	584 <sup>3</sup>	2,328 <sup>3</sup>
<b>Net domestic income at factor cost</b>	<b>412,700</b>	<b>428,032</b>	<b>429,340</b>	<b>443,324</b>	<b>448,412</b>	<b>3.3</b>	<b>1.1</b>
Indirect taxes less subsidies	56,292	53,568	61,520	60,664	62,208	-1.4	2.5
Capital consumption allowances	61,156	62,496	63,800	65,756	67,144	3.1	2.1
Statistical discrepancy	-452	-476	304	744	2,180		
<b>Gross Domestic Product at market prices</b>	<b>529,696</b>	<b>543,620</b>	<b>554,964</b>	<b>570,488</b>	<b>579,944</b>	<b>2.8</b>	<b>1.7</b>

<sup>1</sup> Includes military pay and allowances

<sup>2</sup> 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.

<sup>3</sup> Actual change in millions of dollars.

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

	1987				1988	IV'87/ III'87	I'88/ IV'87
	I	II	III	IV	I		
	% Change						
At current prices (\$ millions)							
Personal expenditure on consumer							
goods and services	311,096	320,112	326,424	334,248	336,208	2.4	0.6
Durable goods	46,452	48,944	50,416	51,948	52,300	3.0	0.7
Semi-durable goods	32,412	33,392	34,160	35,112	34,900	2.8	-0.6
Non-durable goods	86,128	88,876	90,336	92,252	92,588	2.1	0.4
Services	146,104	148,900	151,512	154,936	156,420	2.3	1.0
Government current expenditure on							
goods and services	104,280	106,260	106,632	108,788	111,744	2.0	2.7
Government investment in fixed capital	12,608	12,636	12,896	13,048	13,448	1.2	3.1
Government investment in inventories	72	-104	-200	80	188	280 <sup>1</sup>	108 <sup>1</sup>
Business investment in fixed capital	94,096	99,324	104,160	108,744	110,072	4.4	1.2
Residential	35,944	38,628	40,412	40,740	41,608	0.8	2.1
Plant and equipment	58,152	60,696	63,748	68,004	68,464	6.7	0.7
Business investment in inventories	900	876	812	5,380	6,744	4,568 <sup>1</sup>	1,364 <sup>1</sup>
Exports of goods and services <sup>2</sup>	140,948	140,488	143,604	151,812	154,460	5.7	1.7
Deduct: Imports of goods and services <sup>3</sup>	134,756	136,448	139,060	150,872	150,744	8.5	-0.1
Statistical discrepancy	452	476	-304	-740	-2,176		
Gross Domestic Product at market prices	529,696	543,620	554,964	570,488	579,944	2.8	1.7
Final Domestic Demand	522,080	538,332	550,112	564,828	571,472	2.7	1.2
At 1981 prices (\$ millions)							
Personal expenditure on consumer							
goods and services	232,164	236,652	239,536	243,368	243,512	1.6	0.1
Durable goods	38,544	40,636	41,604	42,376	42,328	1.9	-0.1
Semi-durable goods	25,472	25,996	36,324	26,780	26,232	1.7	-2.0
Non-durable goods	61,968	63,048	63,392	64,284	64,500	1.4	0.3
Services	106,180	106,972	108,216	109,928	110,452	1.6	0.5
Government current expenditure on							
goods and services	76,304	76,108	76,240	76,864	78,204	0.8	1.7
Government investment in fixed capital	10,608	10,568	10,596	10,784	11,096	1.8	2.9
Government investment in inventories	56	-80	-152	60	140	212 <sup>1</sup>	80 <sup>1</sup>
Business investment in fixed capital	80,168	84,308	88,420	91,804	92,688	3.8	1.0
Residential	27,456	29,108	30,188	29,864	29,848	-1.1	-0.1
Plant and equipment	52,712	55,200	58,232	61,940	62,840	6.4	1.5
Business investment in inventories	500	720	944	4,092	3,340	3,148 <sup>1</sup>	-752 <sup>1</sup>
Exports of goods and services <sup>2</sup>	136,652	135,776	138,112	144,212	148,956	4.4	3.3
Deduct: Imports of goods and services <sup>3</sup>	121,448	123,860	126,572	136,920	138,908	8.2	1.5
Statistical discrepancy	368	376	-228	-556	-1,640		
Gross Domestic Product at market prices	415,372	420,568	426,896	433,708	437,388	1.6	0.8
Final Domestic Demand	399,244	407,636	414,792	422,820	425,500	1.9	0.6
Implicit Price Indexes							
Personal expenditure on consumer							
goods and services	134.0	135.3	136.3	137.3	138.1	0.7	0.6
Durable goods	120.5	120.4	121.2	122.6	123.6	1.2	0.8
Semi-durable goods	127.2	128.5	129.8	131.1	133.0	1.0	1.4
Non-durable goods	139.0	141.0	142.5	143.5	143.5	0.7	--
Services	137.6	139.2	140.0	140.9	141.6	0.6	0.5
Government current expenditure on							
goods and services	136.7	139.6	139.9	141.5	142.9	1.1	1.0
Government investment in fixed capital	118.9	119.6	121.7	121.0	121.2	-0.6	0.2
Business investment in fixed capital	117.4	117.8	117.8	118.5	118.8	0.6	0.3
Residential	130.9	132.7	133.9	136.4	139.4	1.9	2.2
Plant and equipment	110.3	110.0	109.5	109.8	108.9	0.3	-0.8
Exports of goods and services <sup>2</sup>	103.1	103.5	104.0	105.3	103.7	1.3	-1.5
Deduct: Imports of goods and services <sup>3</sup>	111.0	110.2	109.9	110.2	108.5	0.3	-1.5
Gross Domestic Product at market prices	127.5	129.3	130.0	131.5	132.6	1.2	0.8
Final Domestic Demand	130.8	132.1	132.6	133.6	134.3	0.8	0.5

<sup>1</sup> Actual change in millions of dollars.

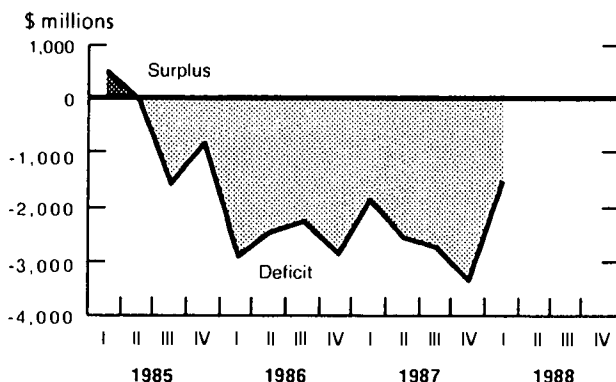
<sup>2</sup> Excludes investment income received from non-residents.

<sup>3</sup> Excludes investment income paid to non-residents.

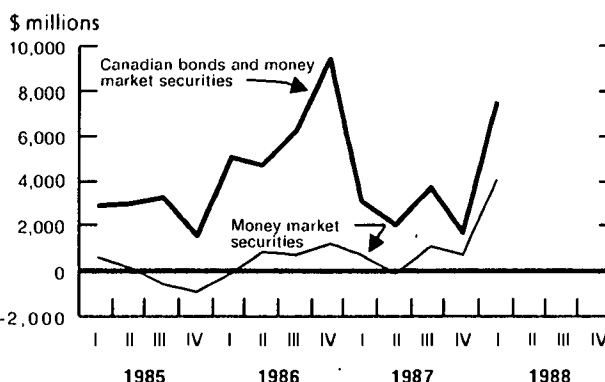
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**Current Account Balance (seasonally adjusted)**



**Net Foreign Investment in Canadian Bonds and Money Market Securities**



## Quarterly Estimates of the Canadian Balance of International Payments

First Quarter 1988

### Highlights

The seasonally adjusted current account deficit shrank to its lowest level since the end of 1985. The reduction was largely attributable to higher dividend receipts from Canadian direct investment abroad. Among other accounts, the merchandise trade surplus increased, resulting from a small advance in exports and virtually no change in imports. (Both merchandise exports and imports had increased strongly in the previous quarter.) The Winter Olympics generated higher service receipts, notably in travel where the deficit declined.

The capital account, which is not seasonally adjusted, was characterized by large flows of funds on selected accounts. Non-residents invested heavily in Canada in the form of interest-bearing instruments, specifically bonds and money market securities, and of direct investment. Official purchases of foreign exchange led to a record increase in reserve assets. The Canadian dollar, in terms of the United States dollar, climbed to its highest level since 1983; it also strengthened against other major currencies during the quarter.

### Current Account, Seasonally Adjusted

The main quarterly features were:

- A current account deficit of \$1.5 billion, down sharply from the \$3.4 billion deficit of the previous quarter. Most of this decrease stemmed from a sharp decline of \$1.5 billion in the deficit on non-merchandise transactions to \$3.9 billion. The merchandise trade surplus increased by a moderate \$0.3 billion to \$2.4 billion.
- A small increase of \$0.4 billion (1.1%) in merchandise exports to \$33.6 billion. Higher exports of motor vehicles and wheat were accompanied by lower sales abroad of metals, lumber, auto parts and a range of machinery and equipment;
- Virtually no change in total imports following a strong growth in the fourth quarter of 1987. Higher imports of machinery and equipment and of auto parts were offset by lower imports of motor vehicles and energy products;
- A deficit of \$3.3 billion in the investment income account, down sharply from \$4.2 billion in the previous quarter. This was due to higher receipts of dividends which reached a record \$2.1 billion. Some of these

*(continued on page 10)*

receipts were linked to Canadian acquisitions of foreign companies abroad and, to that extent, a capital outflow is also shown in Canadian direct investment abroad;

- A deficit of \$1.4 billion on service transactions, down from \$1.8 billion in the previous quarter. This decline was attributable to the Winter Olympics held in February 1988 which boosted travel receipts by 8% to \$1.8 billion and resulted in a doubling of miscellaneous service receipts to \$0.3 billion;
- A record surplus of \$0.8 billion on unilateral transfers, resulting from increases in immigrants' funds to Canada, notably from Asia. These funds have been rising over the last year and a half.

#### **Current and Capital Accounts, Not Seasonally Adjusted**

The main quarterly features were:

- A deficit of \$4.8 billion in the current account, up from \$3.6 billion in the first quarter of 1987. This increase stemmed largely from merchandise trade transactions where the surplus was sharply reduced;
- Among financial liabilities, a net inflow of \$7.5 billion from foreign investments in Canadian debt instruments of which \$3.4 billion was in bonds and a record \$4.0 billion in money market securities. This foreign net investment was widely spread geographically, with the notable exception of Japan. While their overall holdings remained unchanged, Japanese investors traded (sales and purchases) heavily in Canadian bonds;
- A doubling of the net inflow from foreign direct investment in Canada to a record \$2.4 billion. The net investment in the last two quarters resulted from several large takeovers of Canadian corporations by non-residents;
- A net outflow of \$0.7 billion from portfolio transactions in Canadian stocks, as non-

residents continued to reduce their holdings of Canadian equities in the aftermath of the October decline in the stock market. The total net disinvestment amounted to almost \$2 billion for this period;

- Among financial assets, a net outflow of \$5.5 billion from an increase in official international reserves to U.S. \$12.6 billion, over 50% higher than the level at the end of December 1987;
- A net outflow of \$2.1 billion in Canadian direct investment abroad, similar to the large investment recorded in the previous quarter. In both quarters, some 60% of the investment went to acquire new interests abroad;
- A statistical discrepancy (the balancing item between the recorded estimates of current and capital accounts) equivalent to a net credit of \$2.3 billion;
- A further strengthening of the Canadian dollar against the United States dollar as it closed 5% higher than at the end of the previous quarter. The increase of the average noon rates amounted to 3% for the quarter. The Canadian dollar also appreciated against other major currencies.

#### **Revisions**

As is the usual practice in the first quarter of each year, the current account has been revised; revisions have been carried back to 1984.

(see table on page 11)

Available on CANSIM: matrices 147, 1364, 1369, 1370, 2333-2339, 2343-2349 and 2353.

For further information, contact Lucie Laliberté (613-951-9050), Balance of Payments, International and Financial Economics Division.

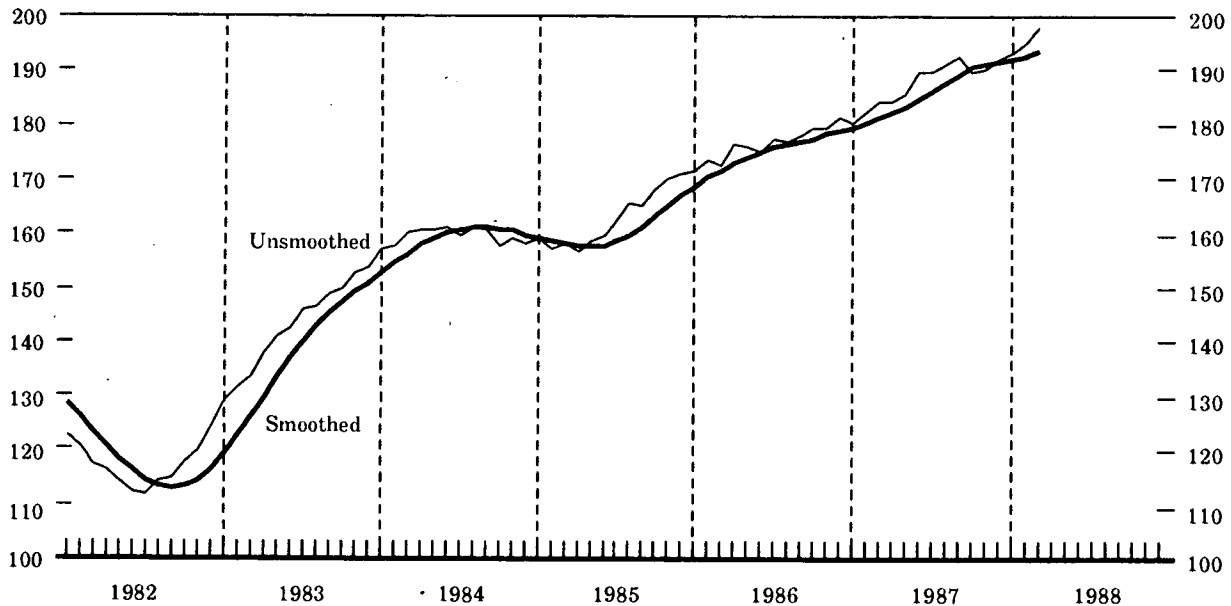
## Canadian Balance of International Payments, Summary

	1987				1988	1986	1987
	I	II	III	IV	I		
(millions of dollars)							
Seasonally Adjusted							
Current account balances							
Merchandise	3,171	2,752	2,988	2,065	2,377	9,811	10,976
Non-merchandise							
Services	-1,621	-1,742	-1,851	-1,830	-1,447	-5,231	-7,045
Investment income <sup>1</sup>	-3,666	-4,218	-4,503	-4,219	-3,263	-16,555	-16,606
Transfers	248	641	582	627	814	1,479	2,100
Total non-merchandise	-5,039	-5,319	-5,772	-5,422	-3,895	-20,306	-21,552
Total current account	-1,868	-2,567	-2,784	-3,357	-1,519	-10,496	-10,576
Not Seasonally Adjusted							
Current account balance	-3,576	-2,553	-1,206	-3,241	-4,785	-10,496	-10,576
Capital account <sup>2</sup>							
Canadian claims on non-residents, net flows							
Canadian direct investment abroad <sup>1</sup>	-1,243	-1,494	-1,011	-2,261	-2,109	-4,521	-6,009
Foreign portfolio securities	121	-1,277	376	-1,075	290	-2,412	-1,855
Other claims	-3,434	339	-3,163	1,399	-6,197	-5,128	-4,859
Total Canadian claims, net flow	-4,556	-2,432	-3,798	-1,937	-8,016	-12,060	-12,723
Canadian liabilities to non-residents, net flows							
Foreign direct investment in Canada <sup>1</sup>	2,122	434	719	1,086	2,411	1,550	4,361
Canadian portfolio securities	4,864	4,753	5,416	-292	2,753	24,500	14,740
Other liabilities	1,373	104	819	5,620	5,368	-771	7,915
Total Canadian liabilities, net flow	8,358	5,290	6,954	6,414	10,532	25,279	27,016
Total net capital flow	3,803	2,858	3,156	4,477	2,516	13,219	14,293
Statistical discrepancy	-227	-304	-1,951	-1,235	2,269	-2,723	-3,717

<sup>1</sup> Excludes reinvested earnings.<sup>2</sup> 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.

## The Canadian Composite Leading Indicator (1971 = 100)

January 1982 to March 1988



### Composite Leading Indicator March 1988

The Canadian Composite Leading Indicator (1971=100) posted an advance of 0.6% in March, following increases of 0.4% in February and 0.3% in January. The rate of decrease in the stock exchange index continued to slow, while new orders for durable goods jumped by 3.1% in March. The unsmoothed version of the index grew by 1.3% in March, the strongest increase registered since June 1987. Eight of the 10 components were up.

Most of the surge in new orders for durable goods is attributable to transportation equipment, as business investment is expected to continue its expansion in 1988. Shipments were also up, led by increases in consumer goods industries. This rise, combined with a slight increase in inventory, left the ratio of shipments to finished good inventories unchanged at a high level (1.81). The length of the average work week declined slightly.

The United States leading indicator was unchanged in March, after three consecutive monthly declines. The unsmoothed version increased slightly in March after a 1.2% jump in February. Household demand indicators continued to lead the increase in March as consumer confidence rebounded. Personal expenditure was up 1.1% in the first quarter, after a 0.6% dip in the fourth.

(see table on page 13)

Available on CANSIM: matrix 161.

For more information on the economy, order the *Canadian Economic Observer* (11-010, \$20/\$200). See "How to Order Publications".

For more detailed information on data published in this issue and the next release dates, contact F. Roy-Mayrand (613-951-3627).

## Canadian Leading Indicators

	Percentage Change			Level
	Jan.	Feb.	March	March
<b>Composite Leading Indicator (1971 = 100)</b>				
Smoothed	0.3	0.4	0.6	193.8
Unsmoothed	0.5	1.0	1.3	197.8
<b>Retail Trade</b>				
Furniture and appliance sales	-0.2	-0.2	-0.3	144,631 <sup>4</sup>
New motor vehicle sales	0.7	-0.3	0	814,629 <sup>4</sup>
<b>Residential construction index<sup>1</sup></b>	-3.0	-3.2	-2.4	112.1
<b>Manufacturing</b>				
New orders - durable	0.6	0.5	3.1	3,867 <sup>5</sup>
Shipment to inventory ratio - (finished goods) <sup>2</sup>	0.01	0.00	0.00	1.81
Average workweek (hours)	0.0	-0.1	-0.1	38.8
Percentage change in price per unit labour cost <sup>2</sup>	0.13	0.14	0.14	0.09
<b>United States composite leading index (1967 = 100)</b>	-0.2	-0.1	0.0	191.2
<b>TSE 300 stock price index (excluding oil and gas)</b>	-4.1	-3.2	-1.8	3,100
<b>Money supply (M1) (\$1971)<sup>3</sup></b>	-0.3	-0.3	-0.4	11,062 <sup>5</sup>

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

<sup>2</sup> Difference from previous month.

<sup>3</sup> Deflated by the consumer price index for all items.

<sup>4</sup> Thousands of 1971 dollars.

<sup>5</sup> Millions of 1971 dollars.

## Sales of Natural Gas

April 1988

Sales of natural gas (including direct sales) in Canada during April 1988 totalled 4 475.3 million cubic metres, an 11.1% increase from the level recorded the previous year.

On the basis of rate structure information, sales in April 1988 were broken down as follows, with the percentage changes from April 1987 in brackets: residential sales, 1 161.9 million cubic metres (+19.9%); commercial sales, 979.2 million cubic metres (+18.9%) and industrial sales (including direct sales) 2 334.2 million cubic metres (+4.4%).

Year-to-date figures for the first four months of 1988 indicate that sales of natural gas in Canada amounted to 22 744.3 million cubic metres, a 10.3% increase from the level recorded during the same period of 1987.

On the basis of rate structure information, year-to-date sales were broken down as follows, with the percentage changes from the corresponding period in 1987 in brackets: residential sales, 6 846.3 million cubic metres (+12.7%); commercial sales, 5 675.4 million cubic metres (+12.7%) and industrial sales (including direct sales) 10 222.6 million cubic metres (+7.6%).

The April 1988 issue of *Gas Utilities* (55-002, \$11.50/\$115) will be available the third week of July. See "How to Order Publications".

For more detailed information on this release, contact Gary Smalldridge (613-951-3567), Energy Section, Industry Division.

## Sales of Natural Gas

April 1988 (Preliminary Data)

	Rate structure				
	Residential	Commercial	Industrial	Direct	Total
	(thousands of cubic metres)				
New Brunswick	-	-	-	-	-
Quebec	72 323	136 917	270 957	3 170	483 367
Ontario	608 826	447 830	738 655	146 024	1 941 335
Manitoba	69 520	68 617	35 784	-	173 921
Saskatchewan	64 726	50 432	12 692	65 000	192 850
Alberta	227 993	173 783	876 761	-	1 278 537
British Columbia	118 481	101 619	122 564	62 650	405 314
<b>April 1988 - Canada</b>	<b>1 161 869</b>	<b>979 198</b>	<b>2 057 413</b>	<b>276 844</b>	<b>4 475 324</b>
April 1987 - Canada	969 059	823 714	2 120 612	116 287	4 029 672
% change	19.9	18.9		4.4	11.1
<b>Year to date 1988 - Canada</b>	<b>6 846 354</b>	<b>5 675 395</b>	<b>9 123 923</b>	<b>1 098 687</b>	<b>22 744 359</b>
Year to date 1987 - Canada	6 073 661	5 034 635	8 963 838	539 053	20 611 187
% change	12.7	12.7		7.6	10.3

**Note:** Revised figures will be available in the "Gas Utilities" publication (Catalogue # 55-002) as well as on CANSIM.  
- Nil.

## Data Availability Announcements

### Railway Carloadings

Seven-day Period Ending June 7, 1988

#### Highlights

- Revenue freight loaded by railways in Canada during the week totalled 5.2 million tonnes, an increase of 3.2% from the previous year.
- Piggyback traffic increased 8.8% from the same period last year. The number of cars loaded increased 4.3% during the same period.
- The tonnage of revenue freight loaded to date this year is 5.5% more than that loaded in the previous year.

	Seven-day Period Ending June 7, 1988	Year to date
<b>Carload Traffic</b>		
Tonnes	5 181 558	112 268 895
% change from previous year	3.2	5.5
<b>Cars</b>	75,307	1,622,952
% change from previous year	1.7	2.1
<b>Piggyback Traffic</b>		
Tonnes	275 310	6 000 197
% change from previous year	8.8	6.8
<b>Cars</b>	9,344	203,385
% change from previous year	4.3	1.3

**Note:** Piggyback traffic includes trailers and containers on flat cars. The 1987 figures and the 1988 year-to-date figures have been revised. Piggyback traffic numbers are included in total carload traffic.

For more detailed information on this release, contact Angus McLean (613-951-2484), Surface Transport Unit, Transportation Division.

### Gross Domestic Product at Factor Cost by Industry

1984-85

The revised annual estimates for current price Gross Domestic Product (GDP) at factor cost by industry for 1984 and the preliminary estimates for 1985 are released today. These estimates were derived from the Input-Output tables. Annual Input-Output tables for the same period, both in current and constant prices, and GDP by industry (1981 prices) are scheduled to be released in late August 1988.

Current price GDP estimates for 1984 and 1985 are available on CANSIM matrix 4663 and will be published in the forthcoming publication *The Input-Output Structure of the Canadian Economy, 1984-1985* (15-201, \$28). All components of GDP by industry are also available on request.

For more detailed information on this release contact Yusuf Siddiqi (613-951-8909), Input-Output Division.

### Selected Service Industries in Canada

1982-85

Estimates of the number of businesses and total revenue of selected service industries for the 1982-85 period are now available on CANSIM matrices 41 and 42.

For more detailed information on this release, contact R. Pagnutti (613-951-2195), Services Division.

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## Publications Released

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**Pulpwood and Wood Residue  
Statistics, April 1988.**

**Catalogue number 25-001**

(Canada: \$5.50/\$55; Other Countries:  
\$6.50/\$65).

**Monthly Production of Soft Drinks,  
May 1988.**

**Catalogue number 32-001**

(Canada: \$2.50/\$25; Other Countries:  
\$3.50/\$35).

**Fruit and Vegetable Preservation  
Service Bulletin, Vol. 16, No. 15, Pack of  
Processed Carrots, 1987.**

**Catalogue number 32-023**

(Canada: \$7/\$115; Other Countries: \$8/\$125).

**Production and Stocks of Tea, Coffee  
and Cocoa, Quarter ended March 1988.**

**Catalogue number 32-025**

(Canada: \$6.25/\$25; Other Countries:  
\$7.25/\$29).

**Rubber and Plastic Products Industries,  
Plastic Bag Industry, 1986 Census  
of Manufactures.**

**Catalogue number 33-250B 1691**

(Canada: \$4; Other Countries: \$5).

**Production, Shipments and Stocks on  
Hand of Sawmills in British Columbia,  
March 1988.**

**Catalogue number 35-003**

(Canada: \$6.50/\$65; Other Countries:  
\$7.50/\$75).

**Production and Shipments of Steel Pipe  
and Tubing, April 1988.**

**Catalogue number 41-011**

(Canada: \$4.50/\$45; Other Countries:  
\$5.50/\$55).

**Gypsum Products, April 1988.**

**Catalogue number 44-003**

(Canada: \$4.50/\$45; Other Countries:  
\$5.50/\$55).

**Chemical and Chemical Products  
Industries, Adhesives Industry,  
1986 Census of Manufactures.**

**Catalogue number 46-250B 3792**

(Canada: \$4; Other Countries: \$5).

**Production and Shipments of Blow-  
moulded Plastic Bottles,**

**Quarter Ended March 31, 1988.**

**Catalogue number 47-006**

(Canada: \$6.25/\$25; Other Countries:  
\$7.25/\$29).

**Shipments of Plastic Film and Bags  
Manufactured from Resin, Quarter Ended  
March 31, 1988.**

**Catalogue number 47-007**

(Canada: \$6.25/\$25; Other Countries:  
\$7.25/\$29).

**Oil Pipe Line Transport, March 1988.**

**Catalogue number 55-001**

(Canada: \$9/\$90; Other Countries: \$10/\$100).

**Touriscope, International Travel,  
Advance Information, April 1988.**

**Catalogue number 66-001P**

(Canada: \$5.50/\$55; Other Countries:  
\$6.50/\$65).

**Quarterly Estimates of the Canadian  
Balance of International Payments,  
Catalogue number 67-001P**

(Canada: \$9.25/\$37; Other Countries:  
\$10.25/\$41).

**Profiles - Federal Electoral  
Districts - 1987 Representation  
Order: Part 2, 1986 Census.**

**Catalogue number 94-134**

(Canada: \$58; Other Countries: \$60).



## Regional Reference Centres

Statistics Canada's regional reference centres provide a full range of the bureau's products and services. Each reference centre is equipped with a library and a sales counter where users can consult or purchase our publications, microcomputer diskettes, microfiche, maps and more.

Each centre has facilities to retrieve information from Statistics Canada's computerized data retrieval systems CANSIM and Telichart. A telephone inquiry service is also available with toll free numbers for regional clients outside local calling areas. Many other valuable services – from seminars to consultations – are offered. Call or write your regional reference centre for information.

### **Newfoundland and Labrador**

Advisory Services  
Statistics Canada  
3<sup>rd</sup> floor  
Viking Building  
Crosbie Road  
St. John's, Newfoundland  
A1B 3P2  
Local calls: 772-4073  
Toll free service: 1-800-563-4255

### **Ontario**

Advisory Services  
Statistics Canada  
10<sup>th</sup> Floor  
Arthur Meighen Building  
25 St. Clair Avenue East  
Toronto, Ontario  
M4T 1M4  
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Toll free service: 1-800-268-1151

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### **Maritime Provinces**

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North American Life Centre  
1770 Market Street  
Halifax, Nova Scotia  
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Local calls: 426-5331  
Toll free service: 1-800-565-7192

### **Nipissing Region**

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Statistics Canada  
Civic Administration Centre  
225 Holditch Street  
Sturgeon Falls, Ontario  
P0H 2G0  
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Room 245  
220-4th Avenue South East  
Calgary, Alberta  
T2P 3C1  
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Toll free service: 1-800-472-9708

### **Quebec**

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Statistics Canada  
200 René Lévesque Bld. W.  
Guy Favreau Complex  
Suite 412 East Tower  
Montreal, Quebec  
H2Z 1X4  
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Toll free service: 1-800-361-2831

### **Manitoba**

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Statistics Canada  
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General Post Office Building  
266 Graham Avenue  
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R3C 0K4  
Local calls: 983-4020  
Toll free service: 1-800-542-3404

### **British Columbia and the Yukon**

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3<sup>rd</sup> Floor  
Federal Building, Sinclair Centre  
757 West Hastings Street  
Suite 440F  
Vancouver, B.C. V6C 3C9  
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Toll free service:  
1-800-663-1551 (except Atlin, B.C.)  
Yukon and Atlin, B.C. Zenith 08913

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Statistics Canada  
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Holland Avenue  
Ottawa, Ontario  
K1A 0T6  
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please dial the toll free number for  
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### **Saskatchewan**

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Regina, Saskatchewan  
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Toll free service: 1-800-667-7164

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