

# The Daily

Statistics Canada

Thursday, February 9, 1989

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## Major Releases

### Quarterly Business Conditions Survey, Canadian Manufacturing Industries, January 1989

- Canadian manufacturers remain positive about orders and production prospects, little changed from the situation in October 1988.

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### New Housing Price Index, December 1988

- Toronto contributed significantly to the increase of the Canada Total index, which was up 1.4% from November 1988 and 13.6% from a year earlier.

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## Major Releases

### Quarterly Business Conditions Survey, Canadian Manufacturing Industries January 1989

#### Seasonally Adjusted

The January 1989 Business Conditions Survey showed that, on balance, Canadian manufacturers remained positive about orders and production prospects, there being little change from the October 1988 results. The proportion of manufacturers experiencing difficulty with shortages of skilled labour remained historically high.

#### Highlights

- The balance of manufacturers' opinion concerning the **volume of production over the next three months**, at +13 for the January 1989 survey, was virtually identical to the October 1988 survey result. The improvement recorded between the July 1988 and October surveys was therefore maintained.
- The balance of +13 for January 1989 is calculated by subtracting the pessimistic 20% expecting lower production from the optimistic 33% expecting higher production. While the balance was unchanged in January 1989, this was brought about by an increased polarization of opinion. An increase of seven points for those expecting higher production (from 26% to 33%) was balanced by an increase of six points in those expecting lower production. As a result, those expecting production to be about the same dropped from 60% to 47%.
- The balance of opinion concerning the **backlog of unfilled orders and orders received** was also unchanged between the October 1988 and January 1989 surveys, and remained positive at +6.
- Manufacturers' opinions concerning the level of **finished product inventories** continued to improve, from a balance of -19 in July 1988 to -10 in October and -8 in January 1989.

#### Note:

Individual responses to the Business Conditions Survey are weighted by the value of the respondent's shipments reported to the annual Census of Manufactures. The proportions, therefore, reflect the magnitude of the individual manufacturer's contribution to the total.

The balance is the difference between the proportion associated with the positive-type response (e.g. higher volume of production) and the proportion related to the negative-type response (e.g. lower volume of production).

Both the raw data (raw) and seasonally adjusted (s.a.) data are given for the balance. The seasonally adjusted value for the neutral components (e.g. expected production about the same) is calculated by subtracting the sum of the seasonally adjusted values of the other two components from 100.

#### Unadjusted

- The proportion of manufacturers experiencing a shortage of skilled labour remained high, having doubled from 7% in January 1988 to 14% in January 1989.

*(see table & graph on next pages.)*

The Business Conditions Survey is carried out in January, April, July and October and the majority of responses are recorded in the first two weeks of these months.

Data users should note the October 1988 results have been revised to include responses received after the first release of these results.

Available on CANSIM (raw data only): matrices 2843-2845.

For more information on this release, contact Henry Glouchkow (613-951-9833), Monthly Survey of Manufacturing Section, Industry Division.

**Business Conditions Survey, Canadian Manufacturing Industries**  
January 1989

All Manufacturing Industries	January 1988	April 1988	July 1988	October 1988	January 1989
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**Volume of production during next three months compared with last three months will be:**

	(Seasonally adjusted)				
About the same	56	49	45	60	47
Higher	29	33	28	26	33
Lower	15	18	27	14	20
Balance	14	15	1	12	13
	(Raw)				
Balance	8	33	-10	13	7

**Orders received are:**

	(Seasonally adjusted)				
About the same	63	65	64	66	58
Rising	25	24	21	20	24
Declining	12	11	15	14	18
Balance	13	13	6	6	6
	(Raw)				
Balance	11	18	8	5	3

**Present backlog of unfilled orders is:**

	(Seasonally adjusted)				
About normal	69	66	62	75	68
Higher than normal	22	23	24	15	19
Lower than normal	9	11	14	10	13
Balance	13	12	10	5	6
	(Raw)				
Balance	10	12	14	5	3

**Finished product inventory on hand is:**

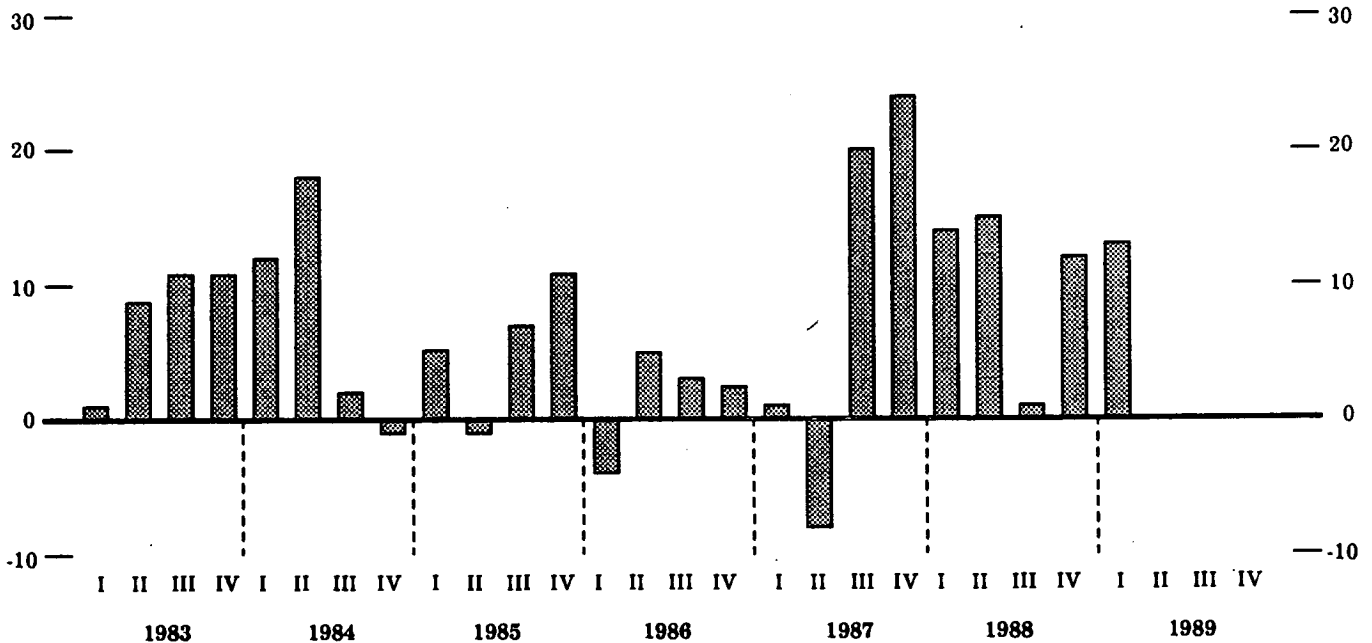
	(Seasonally adjusted)				
About right	72	70	65	80	72
Too low	9	8	8	5	10
Too high <sup>1</sup>	19	22	27	15	18
Balance	-10	-16	-19	-10	-8
	(Raw)				
Balance	-11	-15	-19	-8	-7

**Sources of production difficulties:**

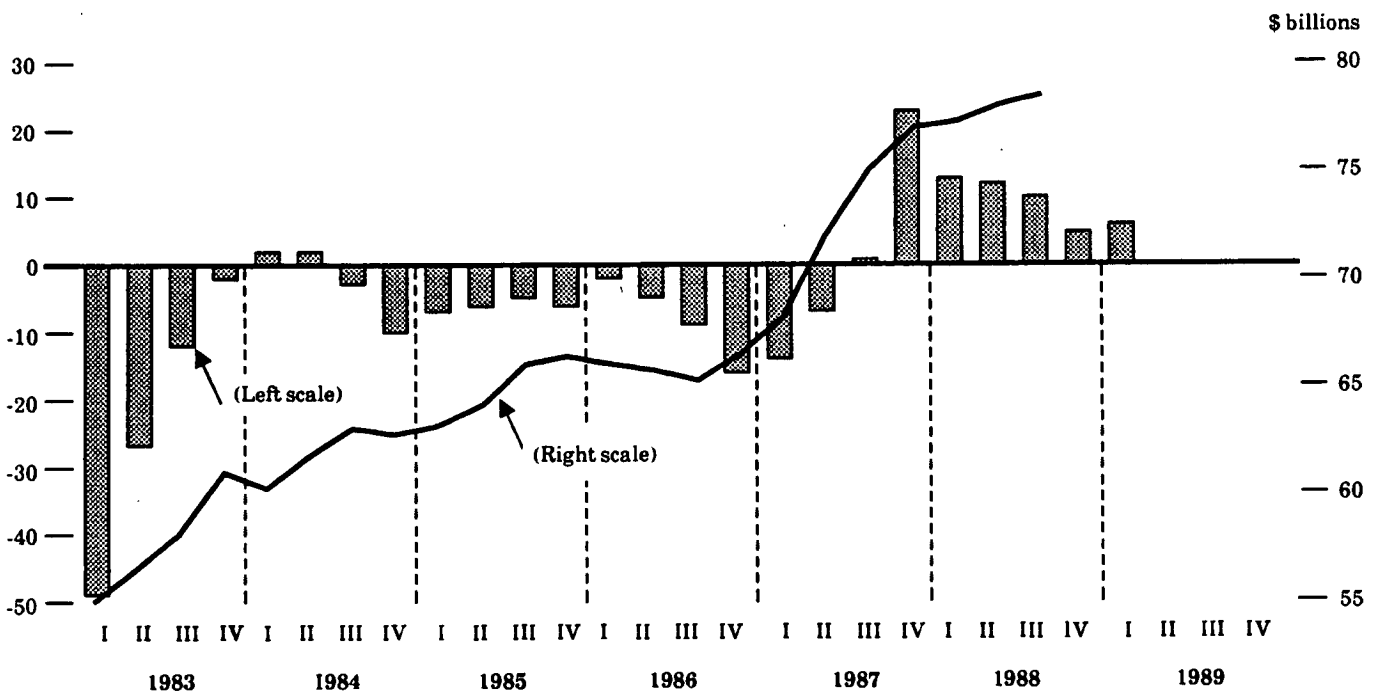
	(Raw)				
Working capital shortage	3	4	3	2	3
Skilled labour shortage	7	9	11	13	14
Unskilled labour shortage	2	2	3	4	4
Raw material shortage	7	7	7	4	5
Other difficulties	5	5	7	15	3
No difficulties	79	74	69	67	76

<sup>1</sup> No evident seasonality.

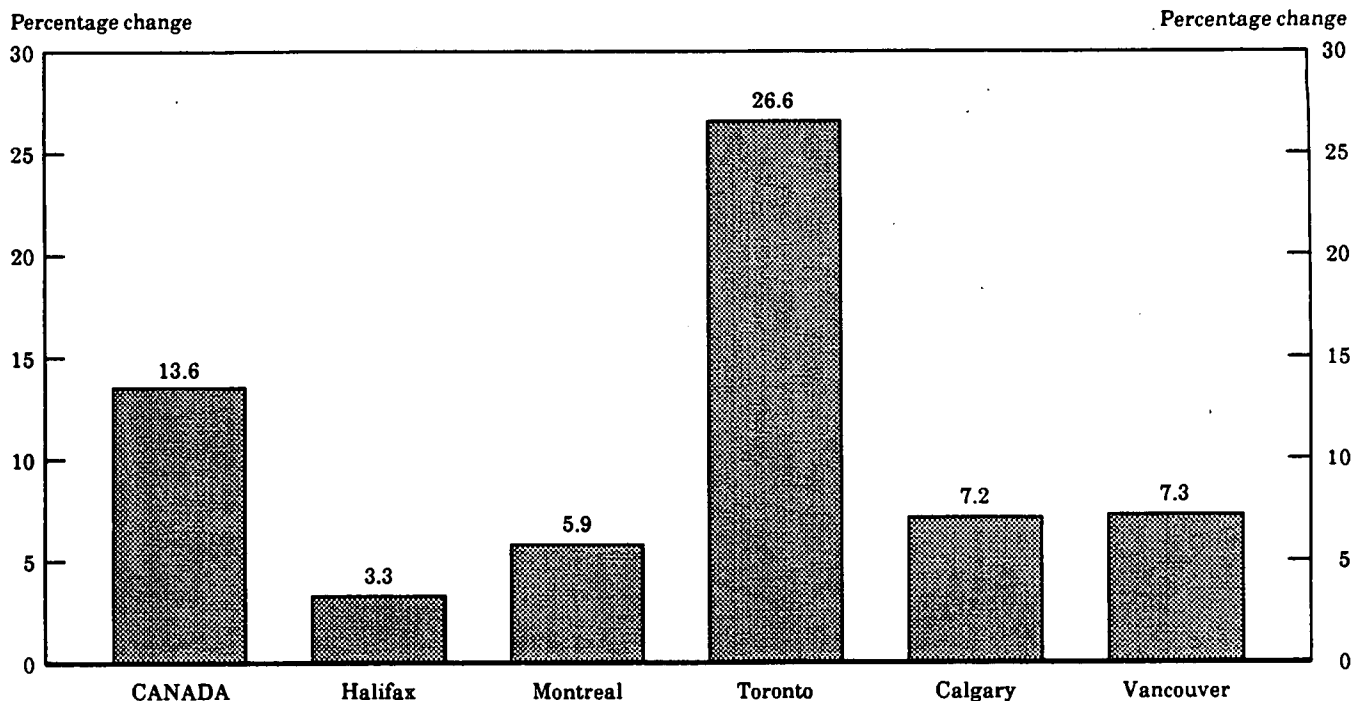
**Balance of Opinion for Expected Volume of Production During Next Three Months Compared with Last Three Months**



**Manufacturers' Balance of Opinion on Backlog of Unfilled Orders (Left Scale) in Relation to Real GDP for Manufacturing Industries (Right Scale) Seasonally adjusted**



**Percentage Change in New Housing Price Index from Same Month of the Previous Year,  
Canada and Selected Cities,  
December 1988**



**New Housing Price Index  
December 1988**

- The New Housing Price Index (1981 = 100) for Canada stood at 139.9 in December, up 1.4% from November.
- This index of Canadian housing contractors' selling prices now stands 13.6% higher than the year-earlier level.
- It should be noted that the city of Toronto had a very significant impact on the Canada Total index. Without the effect of Toronto, the Canada Total index would have been about 6.0% higher than the year-earlier level.

- Between November and December, the estimated House Only index increased 0.4%, while the estimated Land Only index increased 3.5%.
- Toronto exhibited the largest monthly increase of all cities surveyed (3.0%), due mainly to higher land costs. Kitchener-Waterloo registered a significant monthly increase (1.3%) as some builders passed on higher construction costs, as well as increased land costs to buyers.

*(see table on page 6.)*

- On a yearly basis, Toronto showed the largest price increase of all cities surveyed (26.6%). Selling prices in this area continue to be influenced by strong economic conditions, higher construction costs and increased costs of serviced lots.
- Index levels continued to remain below their 1981 price reference level of 100 in Edmonton, Vancouver and Victoria, despite price increases this month in all three cities.

Available on CANSIM: matrix 198.

The fourth quarter 1988 issue of *Construction Price Statistics* (62-007, \$16.50/\$66) will be available in March. See "How to Order Publications".

For more information on this release, contact the Information and Current Analysis Unit (613-951-9607), Prices Division.

(see table on page 6.)

### New Housing Price Indexes 1981=100

	Dec. 1988	Nov. 1988	Dec. 1987	% change		
				Dec.'88/ Nov.'88	Dec.'88/ Dec.'87	Annual 88/ Annual 87
Canada Total	139.9	138.0	123.2	1.4	13.6	10.4
Canada (House Only)	143.0	142.5	129.6	0.4	10.3	8.8
Canada (Land Only)	137.2	132.6	112.2	3.5	22.3	15.4
St. John's	117.6	117.5	114.2	0.1	3.0	2.3
Halifax	135.1	135.1	130.8	-	3.3	3.7
Saint John-Moncton-Fredericton	137.9	137.8	133.3	0.1	3.5	2.9
Quebec City	162.6	161.9	150.2	0.4	8.3	8.8
Montreal	169.7	169.2	160.3	0.3	5.9	9.5
Ottawa-Hull	150.2	149.3	141.5	0.6	6.1	6.7
Toronto	194.1	188.5	153.3	3.0	26.6	16.7
Hamilton	182.5	181.1	169.8	0.8	7.5	11.5
St. Catharines-Niagara	171.8	171.4	163.2	0.2	5.3	6.5
Kitchener-Waterloo	184.2	181.9	167.8	1.3	9.8	8.9
London	164.3	164.1	151.3	0.1	8.6	7.8
Windsor	128.6	128.6	122.7	-	4.8	5.3
Winnipeg	135.5	135.8	135.6	-0.2	-0.1	1.2
Regina	119.0	118.4	118.2	0.5	0.7	1.5
Saskatoon	113.1	113.1	111.6	-	1.3	1.9
Calgary	104.2	104.5	97.2	-0.3	7.2	8.8
Edmonton	96.8	96.2	91.1	0.6	6.3	5.2
Vancouver	84.0	83.7	78.3	0.4	7.3	5.1
Victoria	75.5	74.8	70.6	0.9	6.9	7.3

<sup>1</sup> Surveys in Sudbury and Thunder Bay are secured due to insufficient sample size. The survey has been discontinued in Prince George.  
- nil.

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## Data Availability Announcements

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### Housing Starts

December 1988

#### Highlights

##### Total (all areas):

- Seasonally adjusted at an annual rate, December housing starts were down 7.2% to 220,000 units compared to a revised level of 237,000 in November.
- Marginal gains in the single housing sector were more than offset by declines in the multiple housing sector.
- On an annual basis, 222,562 dwelling units were started in 1988, a 9.5% drop from the 1987 level.

##### Urban centres of 10,000 population and over:

- December starts in urban centres decreased 8.6% compared to the previous month.
- On a regional basis, declines were registered in all regions except the Atlantic Region and Quebec.

Available on CANSIM: matrices 23, 24, 25, 29, 440, 986, 988, 4091, 4092.

The December 1988 issue of *Housing Starts and Completions* (64-002, \$16.50/\$165) is scheduled for release the second week of March. See "How to Order Publications".

For more information on this release, contact F. Monette (613-951-2583), Science, Technology and Capital Stock Division.

### Steel Ingots

Week Ending February 4, 1989

Preliminary estimates indicate that Canadian steel ingot production for the week ending February 4, 1989 totalled 312 883 tonnes, a decrease of 4.8% from the preceding week's total of 328 513 tonnes but up 9.8% from the year-earlier level of 285 004 tonnes.

The cumulative total in 1989 was 1 528 656 tonnes, an increase of 4.7% from 1 460 158 tonnes for the same period in 1988.

For more information on this release, contact Greg Milsom (613-951-9827), Industry Division.

### Steel Ingots

December 1988

Steel ingot production for December 1988 totalled 1 301 506 tonnes, an increase of 8.7% from 1 196 917 tonnes the previous year.

Year-to-date production reached 15 056 336 tonnes (revised figure), up 3.0% from 14 622 161 tonnes a year earlier.

Available on CANSIM: matrix 58 (level 2, series 3).

The December 1988 issue of *Primary Iron and Steel* (41-001, \$4.50/\$45) will be available at a later date. See "How to Order Publications".

For more information on this release, contact Gerry Barrett (613-951-3515), Industry Division.

### Oil Pipeline Transport

November 1988

#### Highlights

- In November, net receipts of crude oil and refined petroleum products into Canadian pipelines decreased 1.8% from the same period last year to 14 410 283 cubic metres (m<sup>3</sup>). Year-to-date receipts, now at 154 827 009 m<sup>3</sup>, are up 5.5% from 1987.
- Pipeline exports of crude oil increased 14.2% compared to November 1987 while pipeline imports declined 21.4% for the same period. On a cumulative basis, exports in 1988 are now up 10.8% from 1987 levels, while imports are down by 13.5%.
- Deliveries of crude oil by pipeline to Canadian refineries this month declined 4.4% from 1987 while deliveries of liquid petroleum gases and refined petroleum products increased 16.8%.

Available on CANSIM: matrix 181.

The November 1988 issue of *Oil Pipeline Transport* (55-001, \$9/\$90) will be available the last week of February. See "How to Order Publications".

For more information on this release, contact G. O'Connor (613-951-3562), Energy Section, Industry Division.



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## Publication Released

**Labour Force Information, January 1989.**

**Catalogue number 71-001P**

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

Available at 7:00 a.m. February 10, 1989

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*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.*

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