



# The Daily

Statistics Canada

Thursday, May 17, 1990

For release at 10:00 a.m.

## MAJOR RELEASES

- **Preliminary Statement of Canadian International Merchandise Trade, March 1990**

Strong sales to the United States pushed total exports to \$11.9 billion in March, a 1.9% increase over February.

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- **Machinery and Equipment Index, First Quarter 1990**

The Machinery and Equipment Price Index (1971 = 100) reached a preliminary level of 322.5 in the first quarter of 1990, up 0.8% over its revised fourth quarter level.

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- **Canadian Civil Aviation, 1988**

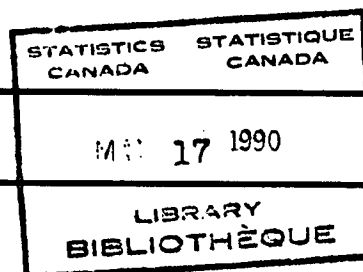
In 1988, licensed Canadian commercial air carriers reported a net income of \$121.2 million, a decrease of 28.4% or \$47.1 million from the \$169.3 million reported in 1987, but the second highest figure reported in the 1980s.

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## PUBLICATIONS RELEASED



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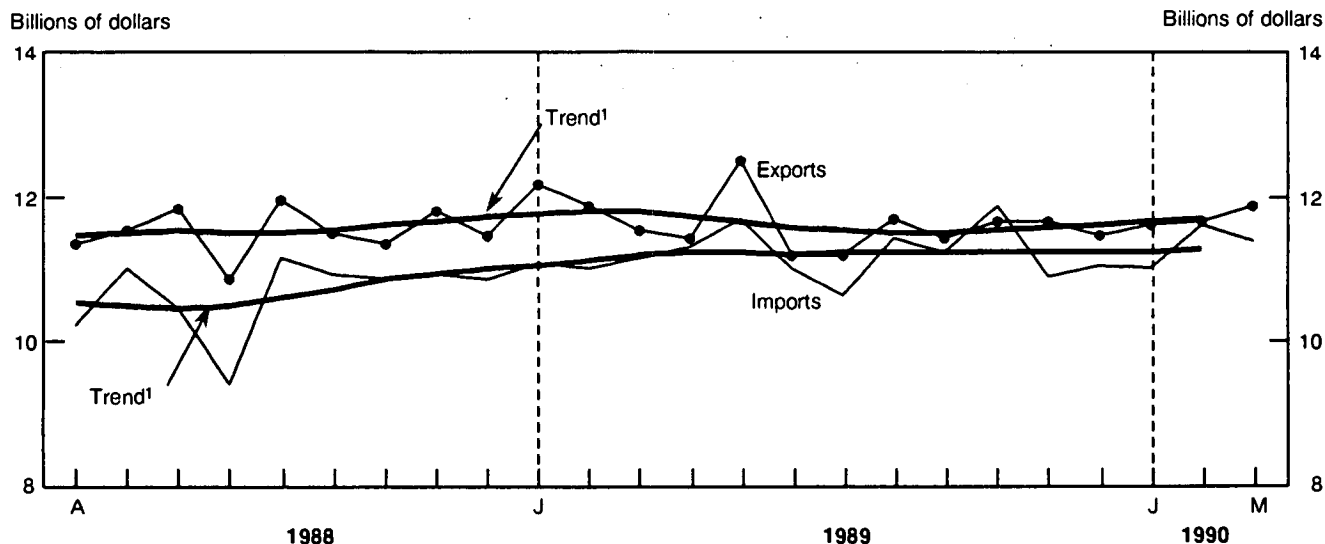


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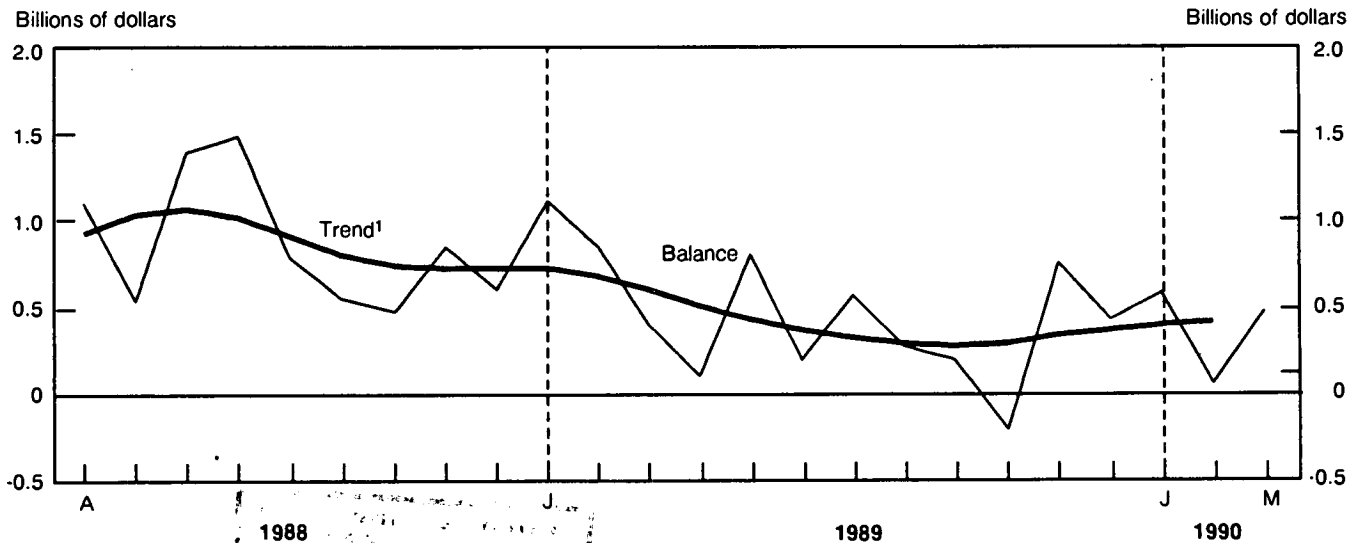
Canada

## MAJOR RELEASES

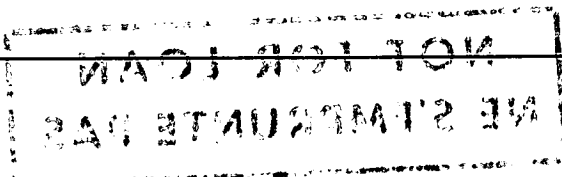
### Merchandise Trade (seasonally adjusted) Balance of Payments Basis



### Merchandise Trade Balance (seasonally adjusted) Balance of Payments Basis



<sup>1</sup> The short-term trend represents a weighted average of the data.



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## **Preliminary Statement of Canadian International Merchandise Trade (H.S. Based)**

March 1990

Strong sales to the United States pushed total exports to \$11.9 billion in March, an increase of 1.9% over the previous month. This is the third consecutive monthly increase this year. Exports of automotive products registered the largest growth in March, increasing by more than \$600 million compared to February. Wheat exports, which dropped off slightly in February, edged up to almost \$400 million in March.

Contrasting with the 5.3% increase in February, imports in March fell by 1.7% to \$11.4 billion. Imports from Japan and the European Economic Community (EEC) showed the sharpest drops, whereas imports from the United States rose marginally. With the exception of automotive product imports, which posted an increase of over 13%, imports of most major commodity groupings were somewhat lower than those posted in February. The sharpest decreases occurred in imports of machinery and equipment (-5.5%), and crude petroleum (-23.5%).

Canada's merchandise trade balance in March posted a \$471 million surplus, up \$418 million from February. Canada's merchandise trade surplus with the United States climbed from \$842 million in February to \$995 million in March.

Available on CANSIM: matrices 3633 to 3642, 3651, 3685 to 3713, 3718, 3719, 3887 to 3913.

For further information on international trade statistics (detailed tables, charts and a more complete analysis) order *Preliminary Statement of Canadian International Trade (H.S. Based)* (65-001P, \$10/\$100), now available. See "How to Order Publications".

For more detailed information on statistics, concepts and definitions, order the March 1990 issue of *Summary of Canadian International Trade (H.S. Based)* (65-001, \$18.20/\$182), available the first week of June 1990, or contact Gordon Blaney (613-951-9647), Trade Information Unit, or Jean-Pierre Simard (613-951-1711) (for analysis information), or Denis Pilon (613-951-4808) (for price index information), Trade Measures and Analysis Section, International Trade Division.

Current account data, which incorporate merchandise trade statistics as well as data concerning trade in services and capital account movements, are available on a quarterly basis in *Canada's Balance of International Payments* (67-001).

## Machinery and Equipment Index

First Quarter 1990

The Machinery and Equipment Price Index by industry of purchase (1971 = 100) reached a preliminary level of 322.5 in the first quarter of 1990, up 0.8% over its revised fourth quarter level of 319.8. This marks the seventh consecutive quarterly increase for the index.

The domestic and imported components rose 1.0% and 0.8%, respectively in the latest quarter. This is the fifth consecutive increase in the imported component.

On a year-over-year basis, the total index was up 3.2%, based on an increase in the domestic prices component of 3.9% and an increase in the imported prices component of 2.5%. This represents an acceleration in the year-over-year rate of change of the composite index after the last quarter's year-over-year deceleration.

Among the industry divisions, transportation, communication, storage and utilities showed the largest quarterly price increase for machinery and equipment at 1.2%, followed by manufacturing at 1.1%. On a year-over-year basis, manufacturing showed the largest increase at 3.7%, followed closely by the agriculture and the finance, insurance and real estate divisions with increases of 3.6%.

Users should note that indexes on a 1986 time basis will soon be published.

**Available on CANSIM: matrices 4000, 4002 and 4027.**

The first quarter 1990 issue of *Construction Price Statistics* (62-007, \$18/\$72) will be available in June. See "How to Order Publications".

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

### Machinery and Equipment Price Indexes (1971 = 100)

	Relative Importance <sup>1</sup>	Index			Percent Change	
		1 <sup>st</sup> Q. 1990	4 <sup>th</sup> Q. 1989	1 <sup>st</sup> Q. 1989	1 <sup>st</sup> Q. 1990/ 4 <sup>th</sup> Q. 1989	1 <sup>st</sup> Q. 1990/ 1 <sup>st</sup> Q. 1989
<b>Machinery and Equipment Price Index :</b>	<b>100.0</b>	<b>322.5</b>	<b>319.8</b>	<b>312.6</b>	<b>0.8</b>	<b>3.2</b>
<b>SIC Divisions:</b>						
1. Agriculture	10.3	324.9	324.8	313.6	0.0	3.6
2. Forestry	0.7	336.7	335.2	329.2	0.4	2.3
3. Fishing	0.6	342.5	345.6	338.7	-0.9	1.1
4. Mines, Quarries and Oil Wells	6.5	365.5	362.2	356.4	0.9	2.6
5. Manufacturing	30.4	358.8	354.9	346.1	1.1	3.7
6. Construction	4.1	299.3	296.5	292.3	0.9	2.4
7. Transportation, Communication, Storage and Utilities	25.5	308.0	304.2	300.2	1.2	2.6
8. Trade	4.8	296.2	295.2	287.5	0.3	3.0
9. Finance, Insurance and Real Estate	1.5	262.0	261.4	253.0	0.2	3.6
10. Community, Business and Personal Services	9.4	252.0	251.5	244.3	0.2	3.2
11. Public Administration	6.2	309.5	306.6	299.4	0.9	3.4

\* These indexes are preliminary

<sup>1</sup> Division weights are based on 1971 value of capitalized expenditures on new machinery and equipment by industry (Survey of Private and Public Investment in Canada, 1971.)

- Amount too small to be expressed

## Canadian Civil Aviation

1988

### Highlights

- One of the major developments in 1988 was the increase in the number of Canadian air carriers with operations primarily focused on the international passenger charter market, using large jet aircraft. The number of carriers, other than Level I carriers (Air Canada, Canadian Airlines International Ltd. and Wardair), which performed these operations rose from five in 1987 to 10 in 1988. The number of charter passengers carried by these air carriers increased 29.6% to 1.6 million, while their fleet increased in size from 13 aircraft in 1987 to 28 aircraft in 1988. As Wardair shifted the focus of its operations from the international charter markets to scheduled services, the number of carriers in the charter market grew, in the expectation of undercapacity.
  - In 1988, licensed Canadian commercial air carriers reported a net income of \$121.2 million. Although this was a decrease of 28.4% or \$47.1 million from the \$169.3 million reported in 1987, it represents the second highest figure reported in the 1980s.
  - Collectively, Air Canada, Canadian Airlines International Ltd. and Wardair reported a decrease of \$98.8 million in operating income in 1988. Although 1988 was characterized by substantial increases in the operations reported by Canadian air carriers, including the three Level I carriers, it was also a year in which a highly competitive environment prevailed. Competition was particularly evident among the three Level I carriers. The use of discount fares employed by these carriers, notably on domestic scheduled services, resulted in substantial increases in the industry's level of operations.
  - On scheduled services, Wardair posted increases in hours flown (103.0%), passengers (78.2%) and passenger-kilometres (53.5%) in 1988, while also increasing its volume of operations on charter services. This was accomplished by the addition of 12 new Airbus A310s to its fleet between December 1987 and September 1988. Wardair focused its additional capacity on domestic and transatlantic scheduled services, competing heavily with Air Canada and Canadian Airlines International Ltd. Although this resulted in a 57.8% increase in scheduled passenger revenues, and a 33.2% increase in total operating revenues, Wardair experienced an operating loss of \$21.3 million in 1988, after reporting an operating income of \$15.3 million in 1987. Wardair's aircraft operations expenses rose by 63.5% in 1988. In the non-operating income (expense) category, interest expenses increased from \$13.0 million to \$59.3 million, as Wardair's long term debt rose from \$230.4 million to \$675.6 million, contributing to the carrier's net loss of \$18.7 million.
  - Another major development in 1987 and 1988 was the process whereby Air Canada and Canadian Airlines International Ltd. created a network of affiliate carriers to connect their scheduled transcontinental services with the regional and local scheduled services of the affiliates. As the affiliates of Air Canada and Canadian Airlines International Ltd. were completed in 1988, they grew by 40.4% and 41.3%, respectively, over 1987, in terms of passenger-kilometres flown on scheduled routes.
  - Compared to a year earlier, the 1988 economy fare index for domestic scheduled services advanced by 10.0% in unadjusted terms, while the discount fare index fell by 3.2%. For the international market, the economy and discount fare indexes rose by 5.5% and 1.1%, respectively.
  - In 1988, 63.4% of domestic scheduled passengers travelled on discount fares, up from 54.6% in 1987. The main factor explaining this increase was the highly competitive environment among the three major carriers to increase their market share of scheduled passenger traffic. For the international markets, over two out of every three (69.2%) scheduled passengers flew on discount fares.
- The 1988 issue of *Canadian Civil Aviation* (51-206, \$36) will be available shortly. See "How to Order Publications".
- For further information on this release, contact Robert Lund (819-997-6192), Aviation Statistics Centre, Transportation Division. ■

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## DATA AVAILABILITY ANNOUNCEMENTS

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### **Federal Government Finance – Financial Management System Basis** 1989/90 and 1990/91 Estimates

On a Financial Management System (FMS) basis, general government gross revenues at the federal level for 1990/91 are estimated to be \$127.1 billion, an increase of 7% over the estimates for 1989/90. Gross expenditures are estimated to be \$155.5 billion for 1990/91 (or 4% higher than the estimated expenditures for 1989/90), resulting in an estimated deficit of \$28.4 billion. These estimates are based on the February 1990 Federal Budget and other financial statements. General government includes departments, agencies, boards, and commissions, but excludes government enterprises.

The data also reflect the exclusion of the Bank of Canada, the Foreign Exchange Fund and the Canada Pension Plan from the series coverage for the first time and therefore, are not comparable to data of earlier years. Data prior to 1989/90 are currently being revised to incorporate these changes.

#### **Note to Users:**

The Financial Management System (FMS) provides a standardized presentation of government accounting for the federal, provincial and local governments in Canada. The individual governments' accounting systems are not directly comparable because the policies and structure of governments differ. The FMS adjusts data from government budgets, estimates, public accounts and other records to provide detailed, intergovernmentally comparable data as well as compatible national aggregates that are consistent over time.

Hence, FMS statistics do not accord with the figures published in government financial statements.

**Available on CANSIM: matrices 2777-2778.**

Data are also available through special tabulation. For more information or general inquiries on Public Institutions Division's products or services contact Patricia Phillips (613-951-0767).

For further information on this release, contact Graham Marr (613-951-1781), Public Finance Section, Public Institutions Division. ■

### **Railway Carloadings**

Nine-day Period Ending April 30, 1990

Revenue freight loaded by railways in Canada during the week totalled 6.1 million tonnes, an increase of 11.3% over the same period last year.

Piggyback traffic increased 8.2% from the same period last year. The number of cars loaded had an increase of 5.6% during the same period.

The tonnage of revenue freight loaded to date this year is 4.6% higher than that loaded in the previous year.

**Note:** Piggyback traffic includes trailers and containers on flat cars. Piggyback traffic numbers are included in total carload traffic. All 1989 figures and 1990 cumulative data have been revised.

For further information on this release, contact Angus MacLean (613-951-2484), Surface Transport Unit, Transportation Division. ■

### **Steel Primary Forms (Steel Ingots)**

Week Ending May 12, 1990

Preliminary estimates indicate that Canadian steel primary forms production for the week ending May 12, 1990 totalled 317 282 tonnes, an increase of 10.7% over the preceding week's total of 286 509 tonnes, but down 0.2% from the year-earlier level of 317 983 tonnes. The cumulative total in 1990 was 5 229 474 tonnes, a decrease of 11.6% from 5 915 088 tonnes for the same period in 1989.

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

## Shipments of Rolled Steel

March 1990

Rolled steel shipments for March 1990 totalled 1 062 036 tonnes, an increase of 11.5% over the preceding month's total of 952 469 tonnes, but a decrease of 13.5% from the year-earlier level of 1 227 364 tonnes. Year-to-date shipments totalled 3 021 915 tonnes, a decrease of 10.5% compared to 3 374 775 tonnes the previous year.

**Available on CANSIM: matrices 58 and 122 (series 22-25).**

The March 1990 issue of *Primary Iron and Steel* (41-001, \$5/\$50) will be available at a later date. See "How to Order Publications".

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

## Tobacco Products

April 1990

Canadian tobacco product firms produced 4.14 billion cigarettes in April 1990, an 8.8% decrease from the 4.54 billion cigarettes manufactured during the same period in 1989.

Production for January to April 1990 totalled 16.15 billion cigarettes, down 10.6% from 18.06 billion cigarettes for the corresponding period in 1989.

**Available on CANSIM: matrix 46.**

Order the April 1990 issue of *Production and Disposition of Tobacco Products* (32-022, \$5/\$50), available at a later date. See "How to Order Publications".

For further information, contact Brian Preston (613-951-3511), Industry Division. ■

## Plastic Film and Bags

First Quarter 1990

Figures for the first quarter of 1990 for plastic film and bags are now available.

The publication *Shipments of PLastic Film and Bags Manufactured from Resin* (47-007, \$6.75/\$27) will be available at a later date. See "How to Order Publications".

For further information, contact T. Raj Sehdev (613-951-3513), Industry Division. ■

## Export and Import Price Indexes

March 1990

Current and fixed weighted export and import price indexes, on a balance of payments basis, are now available on a 1981 = 100 basis. Price indexes are listed from January 1981 to March 1990 for the five commodity sections and 62/61 major commodity groups.

**Available on CANSIM: matrices 3633-3642, 3651 and 3685.**

Customs based current and fixed weighted U.S. price indexes are also available. Price indexes are listed from January 1981 to March 1990 on a 1981 = 100 basis. Included with the U.S. commodity indexes are the 10 "All Countries" and "U.S. only" SITC section indexes.

**Available on CANSIM: matrices 3639-3642.**

The March 1990 issue of *Summary of Canadian International Trade* (H.S. Based) (65-001, \$18.20/\$182) will be available the first week of June 1990. See "How to Order Publications".

For further information on this release, contact Denis Pilon (613-951-4808), Price Index Unit, International Trade Division.



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The Daily, May 17, 1990

## PUBLICATIONS RELEASED

**Oils and Fats, March 1990.**

**Catalogue number 32-006**

(Canada: \$5.00/\$50.00; United States:

US\$6.00/US\$60.00; Other Countries:

US\$7.00/US\$70.00).

**Construction Type Plywood, March 1990.**

**Catalogue number 35-001**

(Canada: \$5.00/\$50.00; United States:

US\$6.00/US\$60.00; Other Countries:

US\$7.00/US\$70.00).

**Particleboard, Waferboard and Fibreboard, March 1990.**

**Catalogue number 36-003**

(Canada: \$5.00/\$50.00; United States:

US\$6.00/US\$60.00; Other Countries:

US\$7.00/US\$70.00).

**Consumer Price Index, April 1990.**

**Catalogue number 62-001**

(Canada \$9.30/\$93.00; United States:

US\$11.20/US\$112.00; Other Countries

US\$13.00/US\$130.00).

Available Friday, May 18, 1990 at 7 a.m.

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*Publications may also be ordered through Statistics Canada's offices in St. John's, Halifax, Montreal, Ottawa, Toronto, Winnipeg, Regina, Edmonton, Calgary 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.*

**The  
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