

# The Daily

Statistics Canada

Thursday, November 28, 1991

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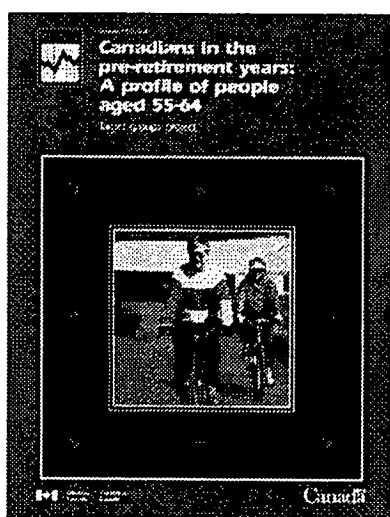
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## MAJOR RELEASES

- **Financial Statistics for Enterprises, Third Quarter 1991**  
In the third quarter of 1991, operating profits of financial and non-financial enterprises increased 10.0% to \$13.0 billion. 3
- **International Travel Account, Third Quarter 1991**  
On a seasonally adjusted basis, Canada's international travel account deficit reached \$1.5 billion during the third quarter of 1991, an increase of 8.5% from the preceding quarter. 5
- **Building Permits, September 1991**  
The preliminary value of building permits issued in Canada increased 14.0% in September to a level of \$2,719 million, up from \$2,386 million in August. 7

(Additional Major Releases are continued on page 2)



### Canadians in the pre-retirement years: A profile of people aged 55-64

While much has been written about the elderly in Canada, less is known about those Canadians who are nearing the age of 65. This report attempts to fill the gap by profiling the population aged 55-64.

What emerges is a portrait of a group in transition. On one hand, people in this age range exhibit many characteristics of the working-age population. At the same time, though, several traits associated with advancing age are beginning to emerge.

The information in this report has been integrated from a variety of Statistics Canada and other government sources to provide an overview of the demographic characteristics, family status, health, employment, income, housing, and activity patterns of 55-64-year-olds.

*Canadians in the pre-retirement years: A profile of people aged 55-64* (89-521E, \$36) is now available. See "How to Order Publications." For more information on this publication, see page 10 of today's DAILY or contact Colin Lindsay or Mary Sue Devereaux (613-951-8645).



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## MAJOR RELEASES – Concluded

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- **Corporations and Labour Unions Returns Act (CALURA), Part I – Corporations, 1988** 9  
In 1988, the share of foreign-controlled assets rose 0.6% to 18.9%.
  - **Canadians in the Pre-retirement Years: A Profile of People Aged 55-64** 10  
In 1990, people aged 55-64 years numbered almost 2.4 million. They made up 8.9% of the total population.
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## DATA AVAILABILITY ANNOUNCEMENT

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Steel Primary Forms, Week Ending November 23, 1991 11

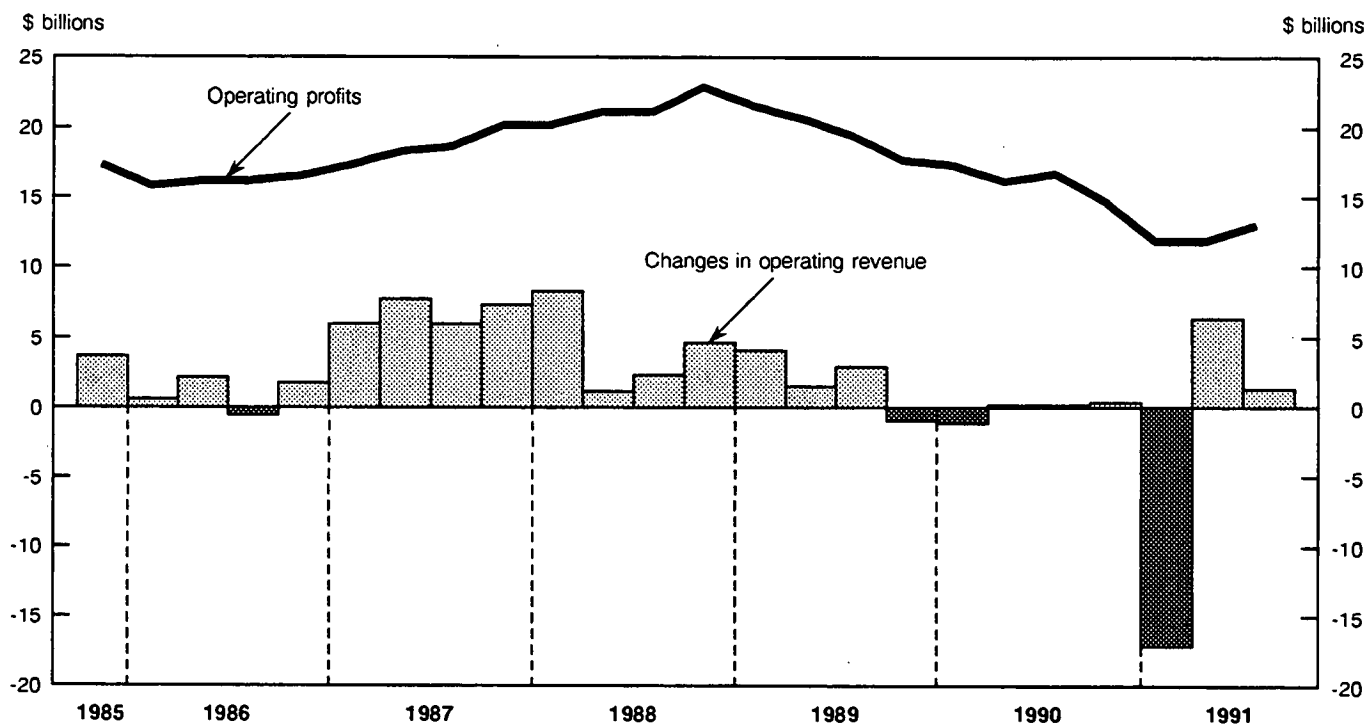
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## PUBLICATIONS RELEASED 12

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## MAJOR RELEASES

### Financial and Non-financial Enterprises Quarterly Operating Profits and Changes in Operating Revenue (seasonally adjusted)



### Quarterly Financial Statistics for Enterprises

Third Quarter 1991

#### Profits Summary (Seasonally Adjusted)

In the third quarter of 1991, operating profits of Canadian financial and non-financial enterprises increased by 10.0% to \$13.0 billion following an increase of less than 1% in the previous quarter. Operating profits are still well below the peak recorded in the fourth quarter of 1988 when they reached \$22.9 billion.

In the non-financial industries, operating profits increased by \$1.1 billion to \$9.5 billion, a 12.5% increase. Over one-half of the increase resulted from a sharp rise of \$744 million in the petroleum and natural gas industry. Significant increases in operating profits were also reported for motor vehicles, parts and accessories and tires as well as chemicals, chemical products and textiles. The

largest decline was recorded by the wood and paper industry.

In the financial industries, operating profits increased 3.7% to \$3.5 billion. In the previous four quarters, profits increased twice by 10% and decreased twice by 10%. The industries with the most significant third-quarter operating profits increases were chartered banks and life insurers. The largest profit declines were for trust companies and property and casualty insurers.

#### Industry Highlights

##### Non-financial Industries

**Petroleum and Natural Gas:** Profits more than doubled in the third quarter of 1991 to \$1.3 billion, following declines averaging 55% in the previous two quarters. The current-quarter profit increase resulted from a sharper decline in operating costs compared to operating revenue.

**Motor Vehicles, Parts and Tires:** Operating profits doubled in the third quarter of 1991 to \$940 million; this followed an increase of \$442 million between the first and second quarters of 1991. However, profits remained well below the \$1.1 billion peak in the fourth quarter of 1988.

**Chemicals, Chemical Products and Textiles:** Operating profits rebounded in the third quarter of 1991 by 22% to \$987 million. This followed a 20% decline in the first quarter of 1991 and a small decline in the second quarter.

**Wood and Paper:** Operating losses increased in the third quarter of 1991 to \$396 million from \$155 million. Operating profits have steadily declined since the fourth quarter of 1987 from a level of \$1.9 billion. The reasons cited are weak demand, falling prices and a stronger Canadian dollar.

### Financial Industries

**Chartered Banks:** Operating profits increased \$198 million to \$1.3 billion in the third quarter of 1991. Quarterly operating profits averaged \$1.2 billion throughout the 1988-1990 period.

**Trust Companies:** Operating profits fell from \$172 million in the second quarter of 1991 to \$93 million in the third quarter.

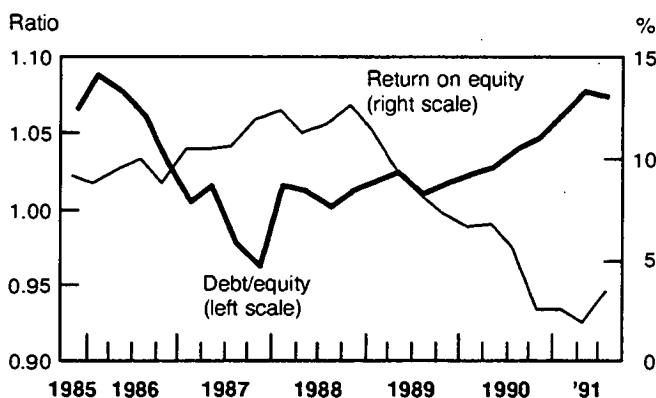
**Life Insurers:** Operating profits advanced \$126 million to \$309 million; this is in line with their quarterly average over the last two years.

**Property and Casualty Insurers:** Operating profits fell \$139 million, following a decrease of \$87 million in the previous quarter. The third-quarter level of \$186 million is well below the quarterly average of \$300 million reported throughout the 1988-1990 period.

### Financial Ratios – Financial and Non-Financial Enterprises

**Return on Equity:** The rate of return on shareholders' equity, a measure of profitability, jumped to 3.4% in the third quarter of 1991 from its low of 1.9% in the second quarter.

### Financial and non-financial Enterprises – Financial Ratios



**Debt to Equity:** This solvency indicator dropped to 1.07 from 1.08 in the second quarter. The debt-to-equity ratio reached a peak of 1.23 in the 1981-82 recession and fell to a low of .96 in 1987. From this point, it generally increased and is now at about the same level as in 1985.

**Available on CANSIM:** matrices 3860-3869, 3914-3971, 3974-3981.

The third quarter 1991 issue of *Quarterly Financial Statistics for Enterprises* (61-008, \$23/\$92) will be available in December. See "How to Order Publications". For further information on this release, contact Tony Bowen for non-financial industries data (613-951-9843) or Robert Moreau for financial industries data (613-951-2512), Industrial Organization and Finance Division. □

## Selected Financial Statistics

Third Quarter 1991

	3rd Quarter 1991	2nd Quarter 1991	1st Quarter 1991	4th Quarter 1990
(Billions)				
<b>Balance Sheet</b>				
Cash and Deposits	79.0	78.6	80.1	88.5
Accounts Receivable	134.6	133.5	129.6	133.3
Inventories	129.6	131.1	132.1	135.6
Investments	400.4	400.0	397.1	388.3
Loans	611.1	600.3	596.0	588.5
Capital Assets	450.2	449.2	446.4	444.5
All Other Assets	148.3	146.1	143.2	137.7
<b>Total Assets</b>	<b>1,953.2</b>	<b>1,938.8</b>	<b>1,924.5</b>	<b>1,916.4</b>
Deposits (Financial Institutions)	575.3	569.2	567.4	563.0
Accounts Payable	164.8	162.6	160.7	163.0
Borrowing	464.7	465.5	462.6	458.0
All Other Liabilities	315.6	309.0	298.6	294.5
<b>Total Liabilities</b>	<b>1,520.4</b>	<b>1,506.3</b>	<b>1,489.3</b>	<b>1,478.5</b>
Share Capital	212.3	210.1	207.4	204.1
Retained Earnings (Including Surplus)	220.5	222.4	227.8	233.8
<b>Total Equity</b>	<b>432.8</b>	<b>432.5</b>	<b>435.2</b>	<b>437.9</b>
Seasonally Adjusted				

## Income Statement

Operating Revenue	280.6	279.3	272.9	290.0
Operating Profit	13.0	11.8	11.8	14.6
<b>Net Profit</b>	<b>3.7</b>	<b>2.0</b>	<b>2.7</b>	<b>2.5</b>

## International Travel Account

Third Quarter 1991 (Preliminary Estimates)

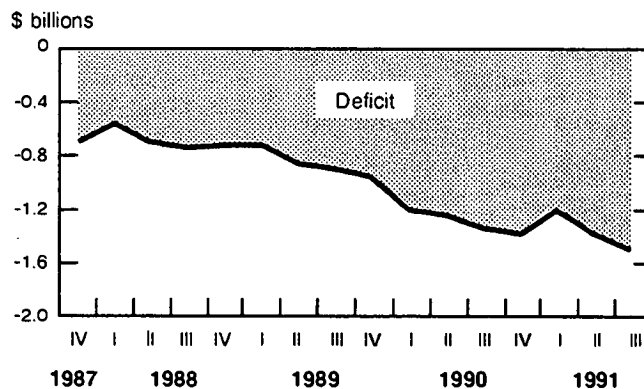
### Seasonally Adjusted Data

Seasonally adjusted data, which highlight trends, show that international travel transactions produced a seasonally adjusted deficit of \$1,523 million during the third quarter of 1991, marking the highest quarterly deficit ever recorded in current dollars. The balance deterioration reflected higher Canadian foreign expenditures (+4.1%) and flat receipts from non-residents (+0.9%).

### Highlights

- Receipts from the United States decreased 0.4% compared with the preceding quarter, to \$1,131 million in the third quarter of 1991, while receipts from other countries rose 2.9% to \$816 million.

## Travel Account Balance (seasonally adjusted)



- Expenditures by Canadian residents in the United States increased 3.5% compared with the previous quarter, and payments to other countries expanded 5.5%. The long-term upward trend observed in total payments resumed after a sharp decrease in the first quarter due to the Persian Gulf Crisis.

#### Unadjusted Data

- Canada's international travel account, in current dollars, registered a deficit of \$126 million during the third quarter of 1991. The travel balance

deteriorated with the United States, registering the largest deficit ever for the period (-\$326 million). However, a record surplus was achieved with all other countries (\$200 million).

The July-September 1991 issue of *Travel Between Canada and Other Countries* (66-001, \$38.50/\$154) will be available in January 1992. See "How to Order Publications". For further information on this release, contact Paul L. Paradis (613-951-8933), International Travel Section, Education, Culture and Tourism Division.

#### International Travel Receipts and Payments

(Millions of \$)

	1990P					1991P		
	Q.I	Q.II	Q.III	Q.IV	Total	Q.I	Q.II	Q.III
Seasonally Adjusted*								
<b>United States</b>								
Receipts	1,076	1,092	1,092	1,108	4,368	1,126	1,136	1,131
Payments	1,967	2,020	2,099	2,213	8,300	2,179	2,351	2,434
Balance	-891	-928	-1,008	-1,105	-3,932	-1,053	-1,216	-1,303
<b>All other countries</b>								
Receipts	752	770	767	779	3,069	793	793	816
Payments	1,075	1,095	1,109	1,066	4,344	952	982	1,036
Balance	-322	-325	-341	-286	-1,275	-159	-188	-220
<b>Total, all countries</b>								
Receipts	1,828	1,862	1,859	1,888	7,437	1,919	1,929	1,947
Payments	3,041	3,115	3,208	3,279	12,644	3,131	3,333	3,470
Balance	-1,213	-1,253	-1,349	-1,392	-5,207	-1,212	-1,404	-1,523

	1990P					1991P		
	Q.I	Q.II	Q.III	Q.IV	Total	Q.I	Q.II	Q.III
Unadjusted								
<b>United States</b>								
Receipts	514	1,083	2,040	731	4,368	540	1,129	2,111
Payments	2,265	2,252	2,101	1,682	8,300	2,463	2,615	2,437
Balance	-1,751	-1,169	-61	-951	-3,932	-1,923	-1,486	-326
<b>All other countries</b>								
Receipts	366	847	1,328	528	3,069	388	865	1,419
Payments	1,144	1,030	1,280	890	4,344	1,003	916	1,219
Balance	-778	-183	48	-362	-1,275	-615	-51	200
<b>Total, all countries</b>								
Receipts	880	1,930	3,368	1,259	7,437	928	1,994	3,530
Payments	3,409	3,282	3,381	2,572	12,644	3,466	3,531	3,656
Balance	-2,529	-1,352	-13	-1,313	-5,207	-2,538	-1,537	-126

\* Seasonally adjusted data may not add to totals due to rounding.

P Preliminary figures.

## Building Permits

September 1991 (Seasonally Adjusted Data)

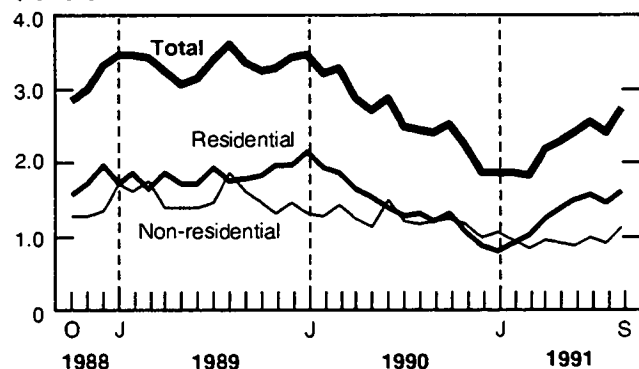
### Summary

The preliminary value of building permits issued in Canada increased 14.0% in September to a level of \$2,719 million, up from \$2,386 million in August. Both the residential and non-residential construction sectors contributed to this increase.

### Value of Building Permits Issued in Canada

Seasonally adjusted

\$ billions



Note: Revised data for August, preliminary data for September.

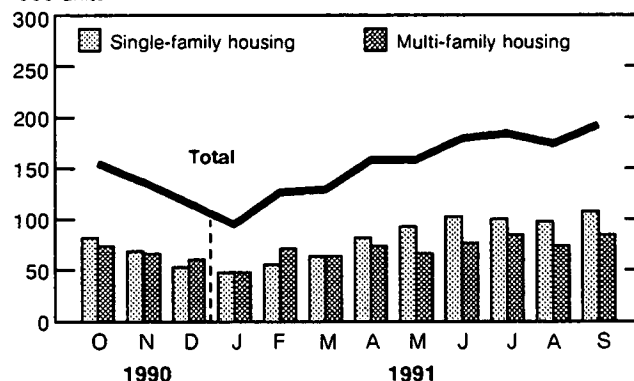
### Residential Sector

- The preliminary value of residential building permits increased 8.3% in September to \$1,586 million, up from \$1,464 million in August.
- Both components of residential construction improved in September. The single-family dwelling sector was up by 7.8% to \$1,146 million and the multi-family dwelling sector jumped 9.7% to a level of \$440 million.
- All regions except for the Atlantic region (-19.6%) reported gains in the value of residential building permits in September. The largest gain was reported in the Quebec region with a 26.7% increase.

### Dwelling Units Authorized in Canada

Seasonally adjusted at annual rates

'000 units



Note: Revised data for August, preliminary data for September.

- The preliminary total number of dwelling units authorized in September was up 10.3% to 190,000 units at an annual rate. The number of dwelling units increased by 8.6% in the single-detached sector to 107,000 units and by 12.5% in the multiple-dwelling sector to 83,000 units.

### Advance Estimate for the Residential Sector in October 1991

- The advance estimate for October indicated that the value of residential building permits issued in Canada declined 2.1% to \$1,549 million, down from the revised value<sup>1</sup> for September (\$1,581 million).
- The advance estimate of dwelling units authorized in October showed a decrease of 5.0% to 180,000 units at an annual rate, from the revised level of 189,000 units reported in September.

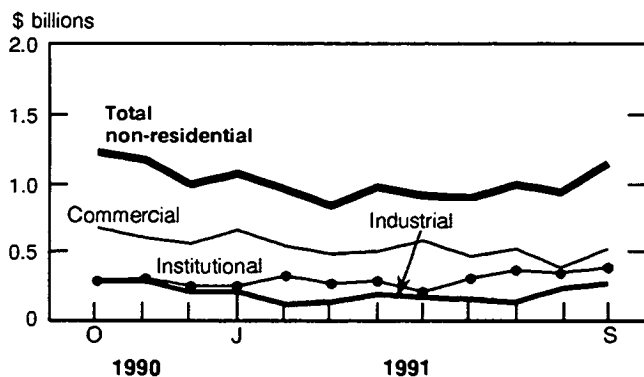
<sup>1</sup> The addition of data due to the advance estimate for October results in the revision of seasonally adjusted figures for previous months (including September).

## Non-residential Sector

- The preliminary value of non-residential building permits issued jumped 23.0% in September to \$1,133 million, from \$921 million in August.
- All three components of the non-residential sector were on the rise in September. The value of building permits issued increased 22.7% in the industrial sector (to \$260 million), 33.3% in the commercial sector (to \$504 million) and 11.4% in the institutional sector (to \$369 million).

### Value of Non-residential Permits Issued in Canada

Seasonally adjusted



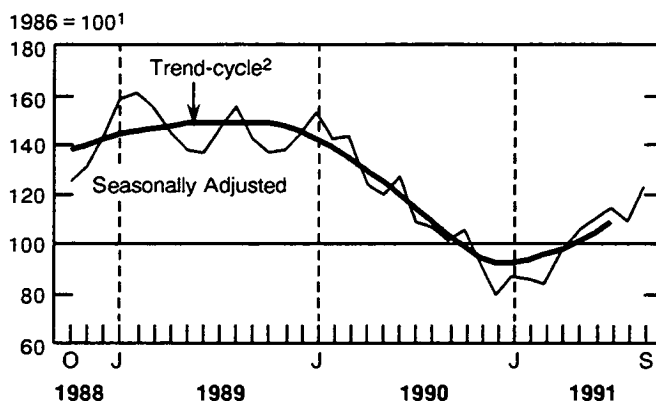
Note: Revised data for August, preliminary data for September.

- Quebec (-12.9%) was the only region to report a decline in the value of non-residential building permits in September. The largest increase occurred in the British Columbia region with a 58.8% gain.

### Short-term Trend

- The short-term trend (excluding engineering projects) rose to 107.6 in July, up 3.4% from the level of 104.1 recorded in June.

## Building Permits Indices



<sup>1</sup> This series is deflated by using the construction input price index which includes cost of material and labor.

<sup>2</sup> The trend-cycle shows the seasonally-adjusted value of building permits without irregular influences which can obscure the short-term trend. In order to reduce the number of false signals in the construction activity series, the trend-cycle is published with a two month lag.

- The trend index of residential permits increased 5.2% in July to 114.2 while the non-residential trend index grew by 0.5% to a level of 98.5. After 24 months of decline, the non-residential trend index reported gains in both June (+0.1%) and July (+0.5%).

Available on CANSIM: matrices 80 (levels 3-7, 16-22), 129, 137, 443, 989-992, 994, 995 and 4073.

The September 1991 issue of *Building Permits* (64-001, \$22/\$220) is scheduled for release the third week of December. For further information on statistics, contact Pierre Pichette (613-951-2585) or Marcel Poirier (613-951-2026), and for analytical information, contact Paul Gratton (613-951-2025), Investment and Capital Stock Division. ■



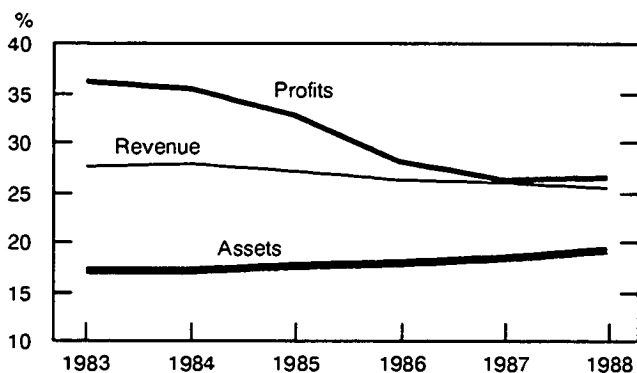
## Corporations and Labour Unions Returns Act (CALURA), Part I - Corporations

1988

In 1988, the aggregate level of foreign-controlled assets of corporations operating in Canada continued to increase while foreign-controlled revenue continued to decline. Foreign-controlled profits, which had been on the decline from 1983 to 1987, recorded a slight increase.

The 1988 CALURA report contains new data on foreign and domestic control by province with an additional breakdown of domestic control between private and government. Also added are data for two new categories of foreign control - Pacific Rim and E.E.C. countries.

**Foreign-controlled Shares of Total Assets, Revenue and Profits, 1983-1988**



### Highlights

#### Foreign Control Rises but Recent Mergers Down

In 1988, the share of foreign-controlled assets rose 0.6 of a percentage point to 18.9%. A high level of merger and acquisition activity accounted for all of the change from 1987. This activity, part of a global wave of mergers and acquisitions which commenced in the mid-1980s, subsided in Canada in 1989 and 1990. For 1990, little change in foreign control is expected due to merger and acquisition activity.

#### Pacific Rim Countries Expand and Diversify

Pacific Rim countries have increased their share of total foreign-controlled assets in recent years from

3.2% in 1983 to 9.6% in 1988. In particular, Japan has moved to a third-place ranking, behind the U.S. and U.K.. Other points of interest include the 1988 diversification of Japan's asset holdings into manufacturing from a concentration in wholesale trade, and increased asset holdings of Japan and Hong Kong in finance, insurance and real estate industries, particularly the deposit-accepting institutions, since the early 1980s. Japanese-controlled assets were concentrated in British Columbia and Ontario.

#### Foreign Control Grows in Financial Industries

Foreign control of Canada's finance, insurance and real estate industries increased in 1988, continuing the trend of the previous four years. Most of this increase was attributable to U.K.-controlled firms, with Japan and Hong Kong contributing most of the remainder. Particularly-large increases in the foreign-controlled share of deposit-accepting institutions have occurred following the 1980 changes to the Bank Act. However, despite these recent changes, Canadian-controlled corporations continued to hold the great majority of assets, and foreign control of financial industry assets amounted to only 14.4%, just over one-half of the foreign-controlled share in the non-financial industries.

#### Provinces Show Diversity in Foreign, Private and Government Control

An examination of the sources of corporate control in the provinces in 1988 indicates that Canadian private control was relatively high in Prince Edward Island and New Brunswick and relatively low in Alberta, Ontario and Manitoba. The role of government-controlled corporations was notable in Manitoba, Saskatchewan and Quebec while foreign control was greatest in Ontario, Alberta and British Columbia.

#### Little Change in Corporate Concentration

Corporate concentration, as measured by the share of assets held by the leading 25 enterprises, fluctuated around essentially the same level from 1983 to 1988. Measured in terms of revenue, concentration declined marginally. These large enterprises were mostly utilities and in the finance, insurance and real estate and manufacturing industries. Foreign-controlled and Canadian government-controlled enterprises exhibited a higher level of concentration than Canadian privately-controlled enterprises.

Available on CANSIM: matrices 7101 to 7353.

*Corporations and Labour Unions Returns Act: Report for 1988, Part I - Corporations* (61-210, \$65) is now available. See "How to Order Publications". For further information on this release, contact Janice McMechan (613-951-6904), Industrial Organization and Finance Division. ■

## Canadians in the Pre-retirement Years: A Profile of People Aged 55-64

Traditionally, people have been regarded as elderly once they turn 65; aging, however, is an evolutionary process. This shows up clearly in an examination of 55-64-year-olds, sometimes called the "pre-retirement" age group. For many Canadians, these are the golden years: their incomes are relatively high; the majority are mortgage-free homeowners; they are still comparatively healthy; and with most of their children having left home, they have considerable time to travel, shop, and enjoy leisure activities.

Yet at the same time, many characteristics of the senior population are beginning to emerge in this group. Disabilities become more common; death rates start to rise dramatically; and a growing number, especially women, are widowed and living alone.

The information in this report will be of particular interest to those involved in analyzing, planning, or implementing the delivery of services to older Canadians. It will be also a useful tool for sectors of the business community interested in tapping the potential of this market.

### Highlights

- In 1990, people aged 55-64 numbered almost 2.4 million. They made up 8.9% of the total population.
- The share of the population accounted for by 55-64-year-olds ranged from highs of 9.3% in Quebec and 9.2% in both Ontario and British Columbia to 7.5% in Alberta and 7.3% in Newfoundland.

- Most pre-retirees are, or have been, married. In 1990, 79% of 55-64-year-olds were married, while 9% were widowed, and 6% were divorced. Just 6% had never married.
- While the vast majority (91%) of pre-retirees have raised children, in most cases these children no longer live at home.
- After age 55, death rates rise sharply. In fact, at this age, death rates begin to exceed the level for the population overall.
- The average expectation of life for 55-year-old women is about 27 years, while for men, it is 22 years.
- The pre-retirement population tends to have less formal education than younger people.
- Employment among 55-64-year-old men has declined markedly in the last decade and a half, reflecting the fact that many of them have already retired.
- People in their pre-retirement years are more likely than younger or older age groups to be homeowners.
- A considerable amount of the free time that 55-64-year-olds gain when they retire is claimed by the mass media, especially television.
- People aged 55-64 are the most avid shoppers in Canada. On average, 55-64-year-old women shop about nine hours a week, while men in this age group spend almost six hours a week on this activity.
- On per-capita basis, no age group takes more international trips than 55-64-year-olds.

*Canadians in the pre-retirement years: A profile of people aged 55-64* (89-521E, \$36) is now available. See "How to Order Publications." For more information on this report, contact Colin Lindsay (613-951-2603) or Mary Sue Devereaux (613-951-8645), Housing, Family and Social Statistics Division. ■

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## DATA AVAILABILITY ANNOUNCEMENTS

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### Steel Primary Forms

Week Ending November 23, 1991

Preliminary estimates indicate that Canadian steel primary forms production for the week ending November 23, 1991 totalled 272 955 tonnes, a decrease of 1.8% from the preceding week's total of

277 829 tonnes but up 66.5% from the year-earlier level of 163 974 tonnes. The cumulative total in 1991 was 11 699 065 tonnes, an increase of 5.7% from 11 071 925 tonnes for the same period in 1990.

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

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### Statistics Canada's Official Release Bulletin for Statistical Information

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The Daily, November 28, 1991

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## PUBLICATIONS RELEASED

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**Crude Petroleum and Natural Gas Production,**  
August 1991.

**Catalogue number 26-006**

(Canada: \$10/\$100; United States: US\$12/US\$120;  
Other Countries: US\$14/US\$140).

**Canadian Civil Aviation, 1990.**

**Catalogue number 51-206**

(Canada: \$36; United States: US\$43; Other  
Countries: US\$50).

**Corporations and Labour Unions Returns Act,  
Part I: Corporations, 1988.**

**Catalogue number 61-210**

(Canada: \$65; United States: US\$78; Other  
Countries: \$91).

**New Motor Vehicle Sales, March 1991.**

**Catalogue number 63-007**

(Canada: \$14.40/\$144; United States:  
US\$17.30/US\$173; Other Countries:  
US\$20.20/US\$202).

**Business Services Preliminary Estimates, 1989.**

**Catalogue number 63-015**

(Canada: \$7.20/\$43; United States: US\$8.65/US\$52;  
Other Countries: US\$10/US\$60).

**Touriscope - International Travel,**

September 1991, Vol. 7, No. 9.

**Catalogue number 66-001P**

(Canada: \$6.10/\$61; United States: US\$7.30/US\$73;  
Other Countries: US\$8.50/US\$85).

**Canadians in the Pre-retirement Years: A Profile  
of People Aged 55-64.**

**Catalogue number 89-521E**

(Canada: \$36; United States: US\$43; Other  
Countries: US\$50).

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Information Sciences - Permanence of Paper for Printed  
Library Materials, ANSI Z39.48 - 1984.



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