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The Daily

Statistics Canada

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MAJOR RELEASES

DATA AVAILABILITY ANNOUNCEMENTS

PUBLICATIONS RELEASED

MAJOR RELEASES

Quarterly Business Conditions Survey, Manufacturing Industries

October 1993

The balance of manufacturers' opinions concerning the backlog of unfilled orders increased substantially during October 1993. The balance of opinions concerning employment prospects, the expected volume of production and the current level of orders received also increased.

Seasonally adjusted

The balance of manufacturers' opinions about the backlog of unfilled orders jumped between the July 1993 and October 1993 surveys. The balance of opinions on employment prospects in the next three months, the expected volume of production and on current orders received posted slight increases. The current level of finished-products inventories posted a decrease.

In October 1993, manufacturers expressed less pessimism about the expected volume of production over the next three months. The October 1993 balance of opinions posted a four-point increase to -5, from -9 in the July 1993 survey. This increase contrasts with a 20-point drop in the July 1993 survey.

The balance of -5 in October is calculated by subtracting the pessimistic 26% who indicated a "lower than normal" expected volume of production from the optimistic 21% who reported a "higher than normal" expected volume of production. The remaining 53% expected a normal volume of production.

The balance of opinion for current orders received increased slightly from +2 in July 1993 to +4 in the October 1993 survey. The balance has remained positive during the last four quarters following a period of 15 negative quarters.

The October 1993 balance of opinion concerning employment prospects in the next three months increased by two points to -11. Although still negative, this is an improvement when compared to the balance of -25 posted in the April 1991 survey. The last positive balance posted for employment prospects was +4 in the April 1989 survey.

The balance of opinion concerning the backlog of unfilled orders increased from -22 in July 1993 to -5 in October 1993. This 17-point increase returns the unfilled orders balance to a level that hasn't been seen since a -6 was posted in April 1989. The balance had bottomed out in April 1991 at -58. The October 1993 increase was mainly influenced by the transportation equipment, electrical and electronic products and primary metal industries.

> ***Note to users***
>
> *The balance of opinion is the difference between the proportion with a positive response (e.g., higher volume of production) and the related proportion with a negative response (e.g., lower volume of production). Both the unadjusted and seasonally adjusted 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 (the positive and negative components) from 100.*
>
> *The Business Conditions Survey is conducted in January, April, July and October; the majority of responses are recorded in the first two weeks of these months. Results are based on replies from about 5,000 manufacturers.*
>
> *Production, inventories and orders responses to the Business Conditions Survey are weighted by the value of the respondent's shipments reported to the 1989 Annual Survey of Manufactures. Weights for the employment prospects responses are based on number of employees reported to the Annual Survey of Manufactures.*

Unfilled orders are the stock of orders that will generate future shipments, assuming that orders are not cancelled.

The balance of manufacturers' opinions concerning current levels of finished-product inventories decreased six points to -24 in the October 1993 survey, as a result of a 10-point increase for manufacturers who indicated that finished-product inventories were too high and a four-point drop for those who indicated that they were too low.

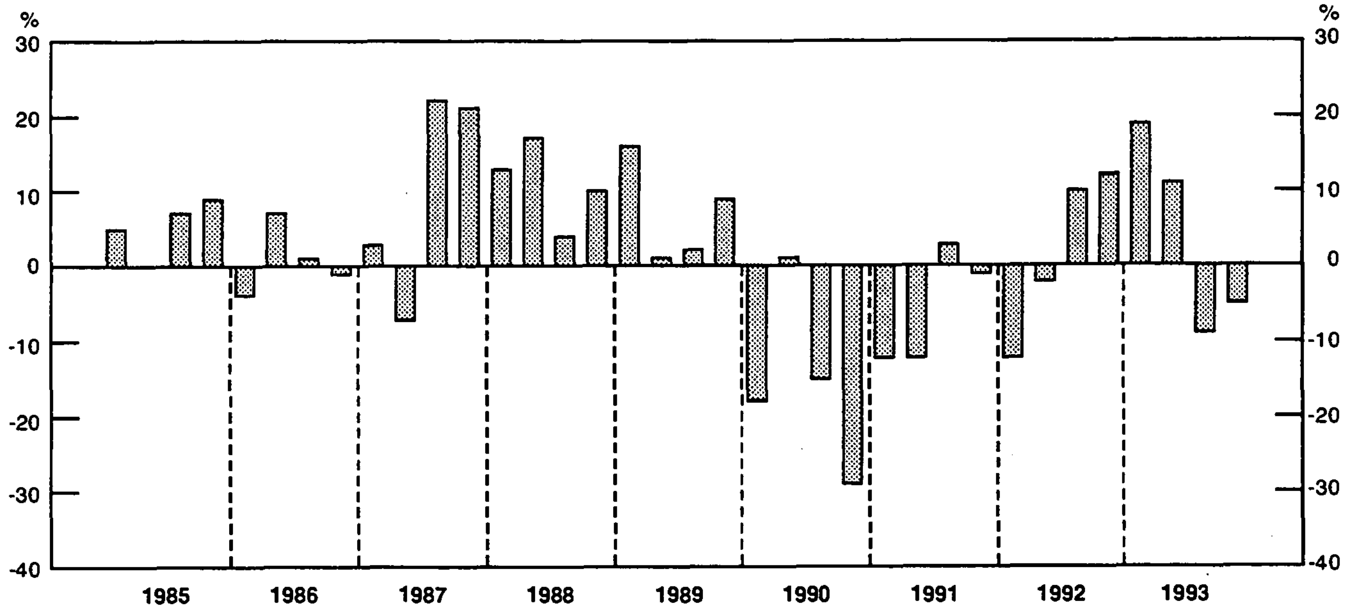
Unadjusted

About 83% of manufacturers did not report any particular production difficulties in the October 1993 survey. Some 6% reported that a shortage of working capital impeded their level of production. A shortage of skilled labour was indicated as a production impediment by 3% of manufacturers. For the 12th consecutive quarter, less than 0.5% of respondents reported that a shortage of unskilled labour is impeding their production.

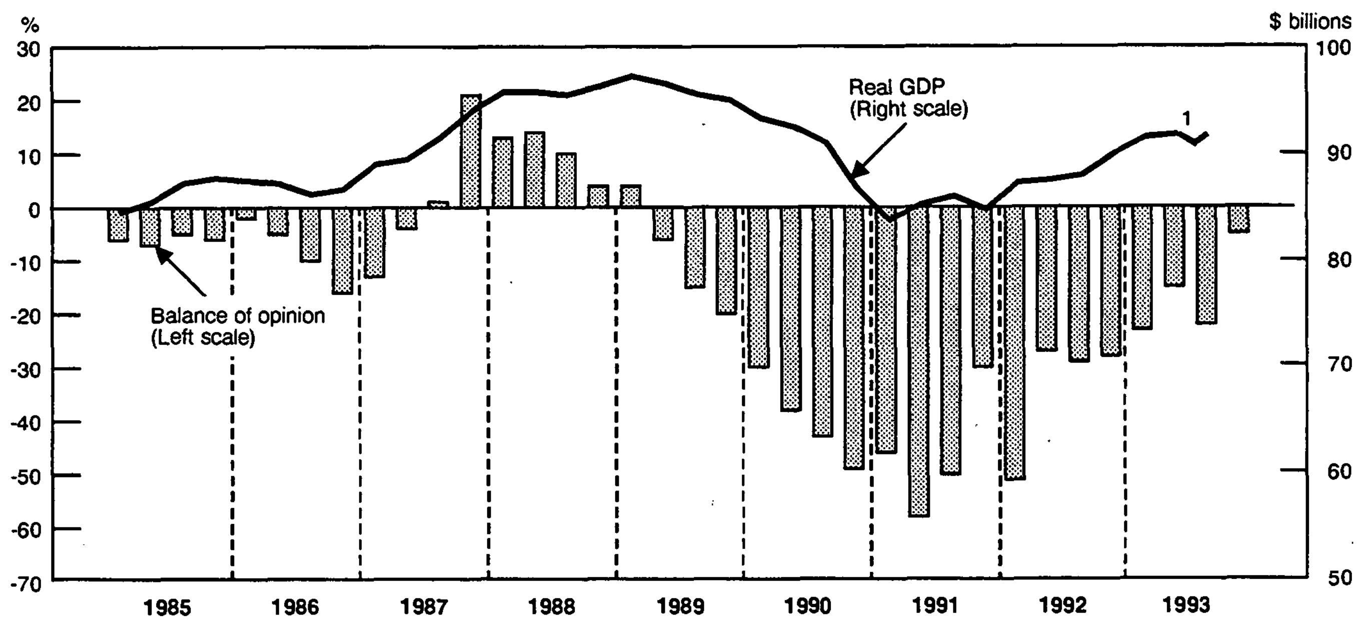
Available on CANSIM: matrices 2843 to 2845.

For further information, please contact Claude Robillard (613-951-3507), Monthly Survey of Manufacturing Section, Industry Division. □

Balance of opinion for expected volume of production
Next three months vs last three months



Balance of opinion on backlog of unfilled orders
and real GDP for manufacturing industries
Seasonally adjusted



[1] July and August 1993 average

Business Conditions Survey, manufacturing industries

	October 1992	January 1993	April 1993	July 1993	October 1993
Volume of production during next three months compared with last three months will be:					
			seasonally adjusted		
About the same	48	45	45	41	53
Higher	32	37	33	25	21
Lower	20	18	22	34	26
Balance	12	19	11	-9	-5
			unadjusted		
Balance	15	7	28	-17	-2
Orders received are:					
			seasonally adjusted		
About the same	62	57	58	58	64
Rising	13	28	27	22	20
Declining	25	15	15	20	16
Balance	-12	13	12	2	4
			unadjusted		
Balance	-15	11	14	2	3
Present backlog of unfilled orders is:					
			seasonally adjusted		
About normal	58	65	63	58	63
Higher than normal	7	6	11	10	16
Lower than normal	35	29	26	32	21
Balance	-28	-23	-15	-22	-5
			unadjusted		
Balance	-27	-22	-17	-23	-1
Finished product inventory on hand is:					
			seasonally adjusted		
About right	68	67	74	76	62
Too low	3	4	4	3	7
Too high[1]	29	29	22	21	31
Balance	-26	-25	-18	-18	-24
			unadjusted		
Balance	-25	-25	-19	-17	-23
Employment during the next three months will:					
			seasonally adjusted		
Change little	67	66	66	69	65
Increase	8	12	11	9	12
Decrease	25	22	23	22	23
Balance	-17	-10	-12	-13	-11
			unadjusted		
Balance	-25	-15	-2	-11	-18
Sources of production difficulties:					
			unadjusted		
Working capital shortage	6	6	5	6	6
Skilled labour shortage	2	2	2	2	3
Unskilled labour shortage	0	0	0	0	0
Raw material shortage	3	3	4	4	3
Other difficulties	7	5	3	4	4
No difficulties	80	84	85	83	83

1 *No evident seasonality.*

■

Short-term Expectations Survey

The increase in the Consumer Price Index for October was forecast at 1.9%, with minimum and maximum values of +1.7% and +2.0%, respectively. For September, the mean forecast (+1.8%) underestimated the outcome by 0.1%.

The mean forecast of the unemployment rate for October was 11.2% (minimum 11.0%, maximum 11.4%). For September, the mean forecast (11.3%) overestimated the outcome (11.2%).

September merchandise exports were forecast to be $15.0 billion with a minimum and maximum of $14.7 billion and $15.3 billion, respectively. For August, the mean forecast matched the actual outcome of $14.9 billion. The forecast of imports for September was $14.2 billion, with minimum and maximum values of $13.9 billion and $14.5 billion, respectively. For August, the mean forecast ($13.8 billion) underestimated the outcome by $0.5 billion.

Note to users

Since April 1990, Statistics Canada has been canvassing a small group of economic analysts (an average of 23 participants) and requesting from them a one-month-ahead forecast of key economic indicators.

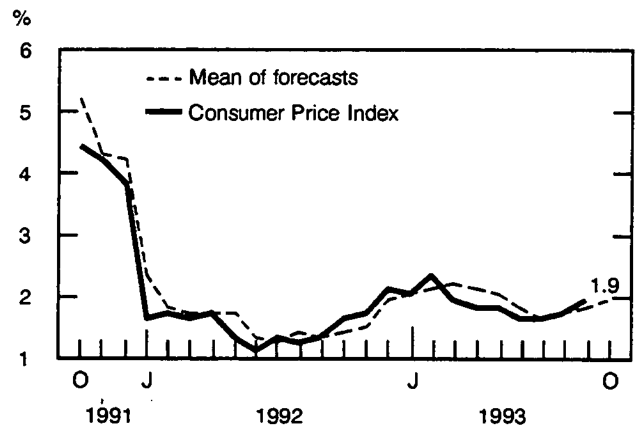
This month participants were asked for forecasts of the year-over-year changes in the Consumer Price Index and the unemployment rate for October 1993, the levels of merchandise exports and imports for September 1993, as well as the month-to-month change in the Gross Domestic Product at factor cost for September 1993.

Real Gross Domestic Product at factor cost is forecast to have changed by +0.2% between August and September 1993 (minimum 0.0% and maximum +0.5%). Between July and August 1993, the mean forecast (+0.3%) overestimated the outcome of 0.1%.

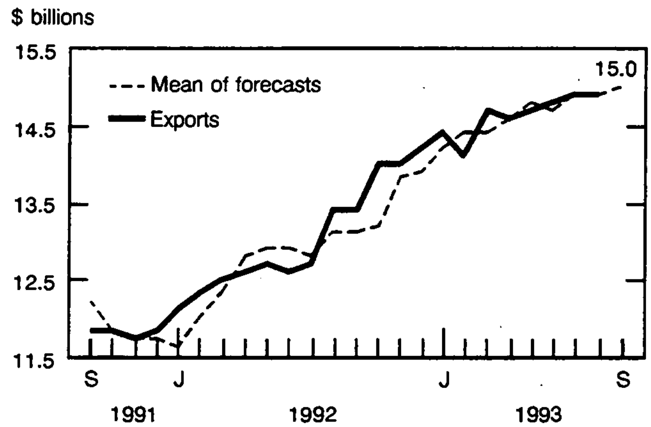
For a complete set of tables or more information about this survey, contact Diane Lachapelle (613-951-0568). □

Forecasts vs actual

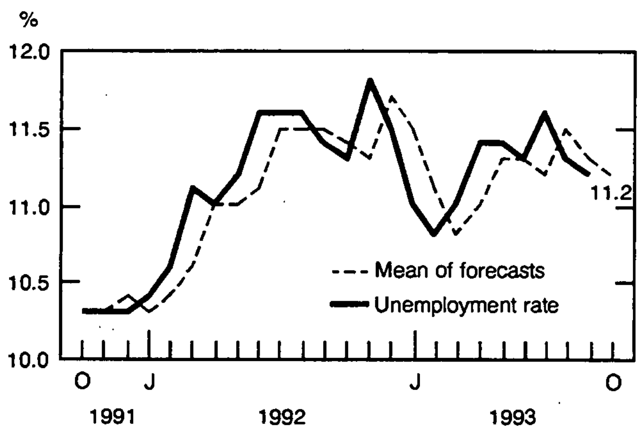
Consumer Price Index



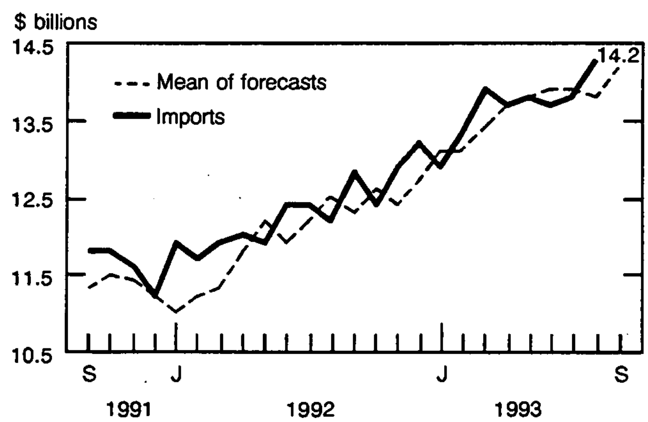
Mechandise exports



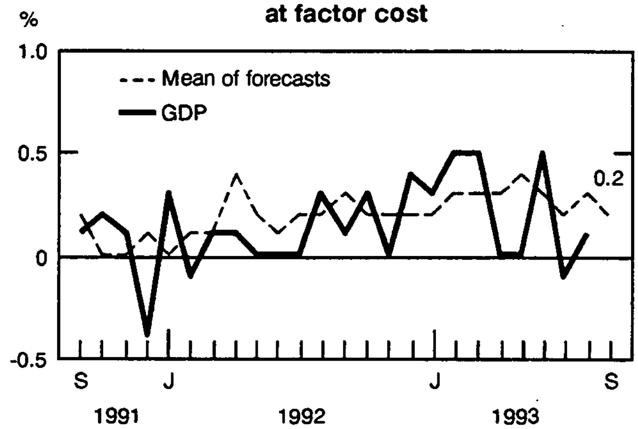
Unemployment rate



Mechandise imports



Gross Domestic Product at factor cost



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Non-residential Building Construction Price Index

Third Quarter 1993

While the composite price index for Montréal remained unchanged from the previous quarter, the other six cities all showed small increases.

Surveys of respondents in the construction industry reported that prices for non-residential construction were moving very slowly, with some indices up and others down, but the aggregate price index showed a 0.2% increase to 122.3 for the composite of the seven cities in the third quarter of 1993.

Once again Vancouver recorded the largest quarterly increase, small though it was at 0.3%, to an index of 121.4. Despite this increase, some trade contractors were indicating less confidence in the near future for new work projects.

At the other end of the scale was Montréal in which there was both positive and negative movement in many items but overall showed no composite index change from the second quarter and the index remained at 111.7.

The remaining five city indexes all recorded a quarterly increase of 0.2% with Halifax at 109.6, Ottawa at 127.1, Toronto at 125.6, Calgary at 123.9 and Edmonton at 125.6.

In a comparison with the third quarter of 1992, the price index for the seven-city aggregate increased 1.0%, the largest such increase in the last three years. On a city-by-city basis, Vancouver continued to lead the group (as it has since the second quarter 1992) with +2.4% followed by Ottawa +1.2%, Toronto +0.8%, Halifax +0.7%, Montréal +0.3% and Calgary and Edmonton both at +0.1%. Vancouver and Ottawa city indexes have exhibited this pattern, of exceeding the annual rate of change measured from each quarter, since the third quarter of 1991.

Available on CANSIM: matrices 2042 and 2043.

The third quarter 1993 issue of *Construction Price Statistics* (62-007, $18/$72) will be available in December. See "How to Order Publications".

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

Non-residential building construction price index

(1986 = 100)

	Relative Importance	Third Quarter 1992	Second Quarter 1993	Third Quarter 1993	Third Quarter 1992 to Third Quarter 1993	Second Quarter 1993 to Third Quarter 1993
						% change
Composite	**100.0**	**121.1**	**122.0**	**122.3**	**1.0**	**0.2**
Halifax	2.1	108.8	109.4	109.6	0.7	0.2
Montréal	19.3	111.4	111.7	111.7	0.3	0.0
Ottawa	8.1	125.6	126.9	127.1	1.2	0.2
Toronto	40.1	124.6	125.3	125.6	0.8	0.2
Calgary	5.0	123.8	123.7	123.9	0.1	0.2
Edmonton	6.2	125.5	125.4	125.6	0.1	0.2
Vancouver	19.2	118.5	121.0	121.4	2.4	0.3

■

DATA AVAILABILITY ANNOUNCEMENTS

Railway Carloadings

Seven-day Period Ending October 21, 1993

The number of railway cars loaded in Canada during the seven-day period increased by 13.5% from the same period last year; revenue-freight loaded increased by 12.9% to 4.9 million tonnes.

Piggyback traffic tonnage, which is included in total carload traffic, increased by 9.1% during the same period.

The tonnage of revenue-freight loaded as of October 21, 1993 decreased 2.6% from the previous year.

Cumulative data for 1992 and 1993 have been revised.

For further information, please contact Angus MacLean (613-951-2528, fax: 613-951-0579), Surface Transport Unit, Transportation Division. ■

For-hire Trucking Statistics (Commodity Origin and Destination)

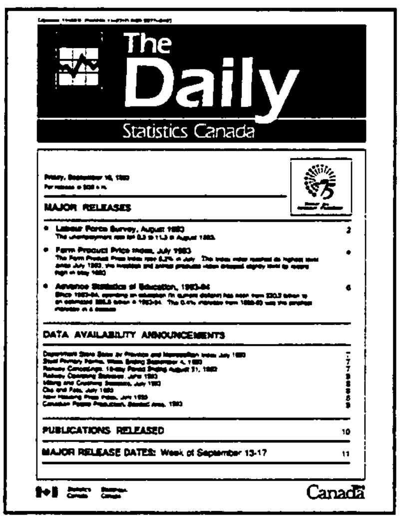
Third Quarter 1992 (Preliminary)

Preliminary results are available from the For-hire Trucking (Commodity Origin and Destination) Survey for the third quarter of 1992. The survey measures the intercity commodity movements (distances of 25 km or more) of Canada-based for-hire carriers.

Canada-based for-hire trucking companies carried 36.0 million tonnes of freight during the third quarter of 1992, down 12.4% from the third quarter of 1991.

Data for the third quarter of 1992 will appear in the Vol. 9, No. 8 issue of *Surface and Marine Transport Service Bulletin* (50-002, $9.40/$75). See "How to Order Publications".

For more information on this release, contact Robert Larocque (613-951-2486) or Kathie Davidson (613-951-8779), Transportation Division (fax: 613-951-0579). ■



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PUBLICATIONS RELEASED

Crude Petroleum and Natural Gas Production, July 1993.
Catalogue number 26-006
(Canada: $10/$100; United States: US$12/US$120; Other Countries: US$14/US$140).

Steel Wire and Specified Wire Products, September 1993.
Catalogue number 41-006
(Canada: $5/$50; United States: US$6/US$60; Other Countries: US$7/US$70).

Asphalt Roofing, September 1993.
Catalogue number 45-001
(Canada: $5/$50; United States: US$6/US$60; Other Countries: US$7/US$70).

Coal and Coke Statistics, August 1993.
Catalogue number 45-002
(Canada: $10/$100; United States: US$12/US$120; Other Countries: US$14/US$140).

Surface and Marine Transport Service Bulletin, Vol. 9, No. 6.
Catalogue number 50-002
(Canada: $9.40/$75; United States: US$11.25/US$90; Other Countries: US$13.15/US$105).

Electric Power Statistics, August 1993.
Catalogue number 57-001
(Canada: $10/$100; United States: US$12/US$120; Other Countries: US$14/US$140).

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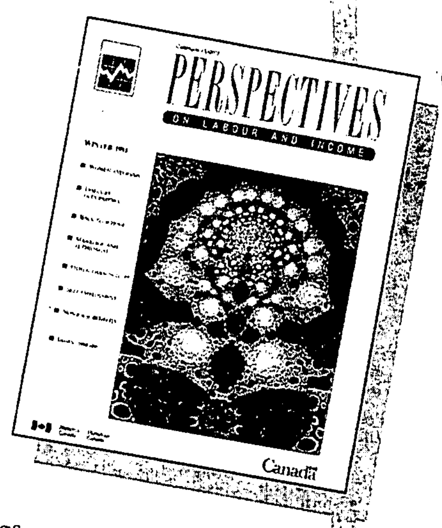

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