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Tuesday, November 30, 1993

For release at 8:30 a.m.

## MAJOR RELEASES

- **National Income and Expenditure Accounts, Third Quarter 1993**  
Real GDP at market prices expanded 0.6% in the third quarter of 1993, a bit slower growth than in the previous two quarters.

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- **Real Gross Domestic Product at Factor Cost by Industry, September 1993**  
Gross Domestic Product at Factor Cost rose 0.4% in September after a 0.2% gain in August and a decline of 0.2% in July.

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- **Balance of International Payments, Third Quarter 1993**  
Canada's seasonally adjusted current account deficit edged down to \$6.3 billion, from \$6.6 billion in each of the previous two quarters.

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- **Financial Flow Accounts, Third Quarter 1993**  
Funds raised in credit markets by domestic non-financial sectors totalled \$88.7 billion in the third quarter of 1993, down 16% from the second quarter.

18
- **Field Crop Reporting Series No. 8: November Estimate of Production of Principal Field Crops, November 30, 1993**  
Canola production hit a record 5.4 million tonnes this year. Soybean production in Eastern Canada reached a record 1.9 million tonnes, up 27.2% from last year.

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## MAJOR RELEASES

### National Income and Expenditure Accounts

Third Quarter 1993

Gross Domestic Product at market prices grew 0.5% in the third quarter of 1993 to a seasonally adjusted annual rate of \$714 billion. GDP at 1986 prices rose 0.6% (equivalent to a compound annual rate of 2.4%), while the implicit price index decreased 0.1% (see Charts 1 and 2).

Chart 1

#### GDP at 1986 prices

Quarterly % change

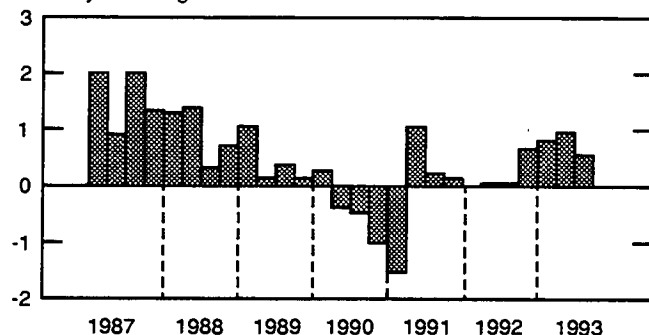
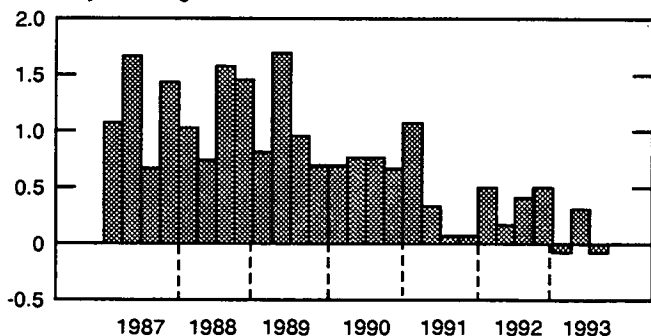


Chart 2

#### GDP implicit price index

Quarterly % change



The 0.6% pace of growth was a bit slower than in the previous two quarters. The main driving force was net exports of goods and services, which increased by an amount equivalent to 0.8% of real GDP as exports rose for the seventh consecutive quarter and imports fell. Business spending on

machinery and equipment also grew substantially. The volume of consumer spending rose a modest 0.3% while residential and non-residential construction both declined. There was a substantial liquidation of business non-farm inventories, offset in part by a buildup of farm inventories. Government current expenditure on goods and services fell in real terms for the second consecutive quarter. Import prices, up 2.0% in the quarter, added substantially to market rates of inflation but the GDP implicit price index, which nets out the effect of import prices, fell marginally.

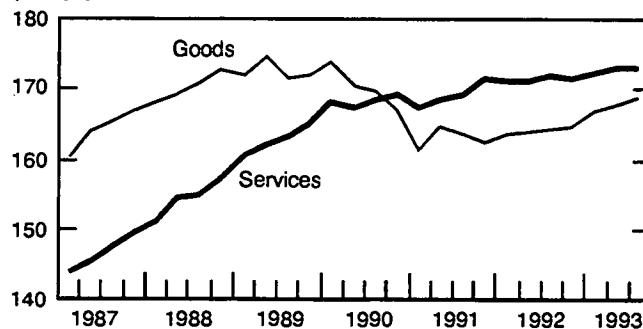
#### Personal expenditure on consumer goods and services

Personal expenditure grew 0.3% in volume terms during the third quarter as demand for goods rose 0.6% and expenditure on services edged up 0.1% (see Chart 3). For 1993 to date, real consumer spending increased 1.5% while personal disposable income, adjusted for inflation using the personal expenditure implicit price index, climbed 1.6%. The third-quarter rise in spending was broadly based among commodity groups. The most notable exception was net expenditure abroad, which decreased sharply—reflecting the continuing decline in the value of the Canadian dollar vis-à-vis the U.S. dollar. The number of travellers returning to Canada from outside the country dropped 3.9% in the quarter to 17.4 million; the count of non-residents entering Canada rose 1.9% to 9.0 million.

Chart 3

#### Personal expenditure on goods and services at 1986 prices

\$ billions



## Expenditure components of GDP at constant 1986 prices

Second Quarter 1993 to Third Quarter 1993

	\$ change*	% change
Final domestic demand	1,668	0.3
Personal expenditure	1,140	0.3
Durable goods	344	0.7
Semi-durable goods	184	0.6
Non-durable goods	420	0.5
Services	192	0.1
Government expenditure	-184	-0.1
Current goods and services	-456	-0.4
Investment	272	1.5
Business investment	712	0.7
Residential construction	-652	-2.1
Plant and equipment	1,364	1.8
Non-residential construction	-632	-2.7
Machinery and equipment	1,996	3.9
Inventory change	-2,712	...
Government	60	...
Business non-farm	-3,648	...
Farm	876	...
Balance of trade on goods and services	4,604	...
Exports of goods and services	3,672	1.9
Merchandise	3,288	1.9
Non-merchandise	384	1.8
Less: Imports of goods and services	-932	-0.5
Merchandise	1,064	0.6
Non-merchandise	-1,996	-5.9
Statistical discrepancy	-192	...
Gross Domestic Product at market prices	3,368	0.6

\* Millions of constant 1986 dollars.

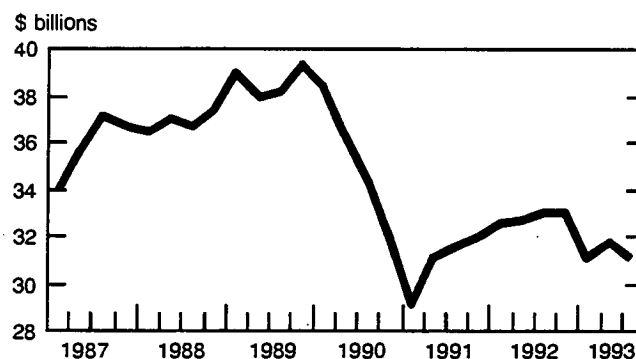
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### Residential construction

Residential investment declined 2.1% in real terms after an increase of similar size in the second quarter. Residential construction was stalled at a level 21% below the peak reached at the end of 1989 (see Chart 4), despite a large improvement in housing affordability. About half of the third-quarter drop was due to a 4.7% decrease in transfer costs associated with housing resale activity. Reflecting lower housing starts earlier in the year, new construction work also fell, by 2.8%. However, starts increased marginally during the third quarter (from 153,500 units at a seasonally adjusted annual rate in the second quarter to 159,500 units in the third) and they climbed further in October, reaching 166,000 units. The other major component of residential investment, spending on

Chart 4

### Business residential construction investment at 1986 prices



alterations and improvements to existing dwellings, rose 1.0% in the third quarter while remaining 2.5% below its year-earlier level.

### Plant and equipment investment

Business plant and equipment investment spending increased significantly for the third consecutive quarter. Purchases of machinery and equipment, accounting for about 60% of total plant and equipment outlays, jumped 3.9% due to higher spending on industrial machinery, office equipment and a wide range of other capital goods. Total non-residential construction decreased 2.7% in real terms, reflecting lower spending by electric power utilities and reduced oil and gas drilling. Building construction, accounting for 40% of total non-residential construction, rose 2.7% due mainly to higher spending on industrial structures.

### Business inventories

There was a substantial liquidation of inventories by businesses in the third quarter. The decrease was concentrated in wholesale and retail trade, where inventories dropped sharply after remaining virtually unchanged in the second quarter. A large part of the cutback was in motor vehicles and in machinery and equipment products. The level of stocks held by manufacturers also dropped during the quarter, although by a comparatively small amount. Durable goods manufacturers built up stocks; non-durable goods producers reduced them. In the farm sector, inventories accumulated at a stronger pace than in the second quarter. The grain crop was much larger compared with 1992, although smaller than forecast earlier this year.

## Exports and imports

Merchandise exports grew 1.9% and imports rose 0.6% in volume terms during the third quarter. For exports, it was the seventh consecutive strong quarter. The positive trend has been the result both of ongoing economic recovery in the United States and of improved competitiveness in Canada due to the depreciation of the Canadian dollar and slow growth in unit labour costs.

In volume terms, exports of services grew 1.8% while imports of services dropped 5.9%. Higher exports of business services accounted for approximately two-thirds of the increase in services exports. Spending by foreign travellers in Canada and freight receipts were also higher. In the case of services imports, the decline was mainly due to lower spending by Canadian travellers outside the country, although business services imports and freight payments also fell.

The balance of trade in goods and services, at current prices and seasonally adjusted at annual rates, moved to a surplus of \$0.6 billion after a \$1.7 billion deficit in the second quarter. The current account deficit, which also includes net investment income flows and transfer payments, contracted slightly from \$26.2 billion in the second quarter to \$25.2 billion in the third.

## Price indexes

There was essentially no inflation on a national accounts basis in the third quarter. The chain price index for GDP excluding inventories, the best overall indicator of price change, remained constant after increases of 0.2% in the second quarter and 0.4% in the first quarter. Prices of domestically consumed and exported goods and services both rose about 0.5%, but the entire increase was attributable to import prices, up 2.0%. The effects of import price changes are netted out in the calculation of GDP, which measures domestic production. One important factor accounting for the faster growth of import prices was the weak Canadian dollar, which depreciated a further 2.6% vis-à-vis the U.S. dollar.

## Chain price indexes

Second Quarter 1993 to Third Quarter 1993

	% change
Final domestic demand	0.5
Personal expenditure	0.5
Durable goods	0.7
Semi-durable goods	0.2
Non-durable goods	0.2
Services	0.6
Government expenditure	0.5
Current goods and services	0.5
Investment	0.8
Business investment	0.5
Residential construction	0.1
Non-residential construction	0.3
Machinery and equipment	0.9
Exports of goods and services	0.6
Merchandise	0.7
Non-merchandise	-0.4
Less: Imports of goods and services	2.0
Merchandise	1.8
Non-merchandise	3.2
Gross Domestic Product at market prices <sup>1</sup>	0.0

<sup>1</sup> Excludes value of physical change in inventories.

## Personal income

Personal income rose 0.5% in the third quarter due mainly to growth in wages, salaries and supplementary labour income. Farm and other unincorporated business income and government transfer payments also increased, while investment income was unchanged. Personal disposable (after-tax) income also rose 0.5% during the quarter. The personal savings rate, at 10.9%, remained relatively high, particularly in relation to the inflation rate.

## Components of income at current prices

Second Quarter 1993 to Third Quarter 1993

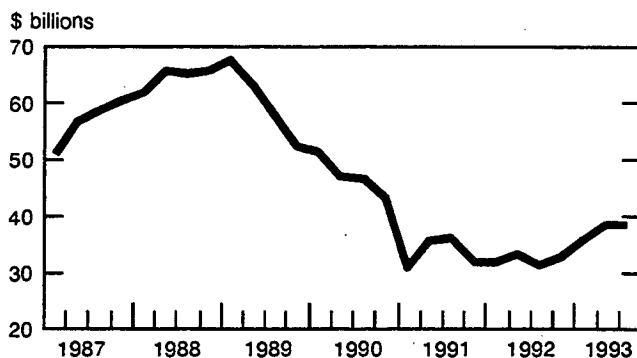
	% change
Personal income	0.5
Labour income	0.6
Net farm income	3.9
Net unincorporated business income	0.4
Investment income of persons	0.0
Government transfer payments	0.2
Other transfers to persons	7.7
Transfers to government	0.4
Income taxes	0.8
Social insurance and pensions	-0.5
Other transfers	0.6
Personal disposable income	0.5

## Business income

Corporation profits before taxes, on a seasonally adjusted national accounts basis, were essentially unchanged in the third quarter following gains of 9.0% in the second quarter and 7.4% in the first quarter (see Chart 5). There were wide variations by industry. Notable profit increases occurred for enterprises in banking, machinery and equipment, iron and steel, and in accommodation and food. Operating profits, as reported in the Quarterly Survey of Financial Statistics for Enterprises, declined 6.9%, due in part to bank provisions for future loan losses. These provisions are excluded in the national accounts measure of profits.

Chart 5

### Corporation profits before taxes



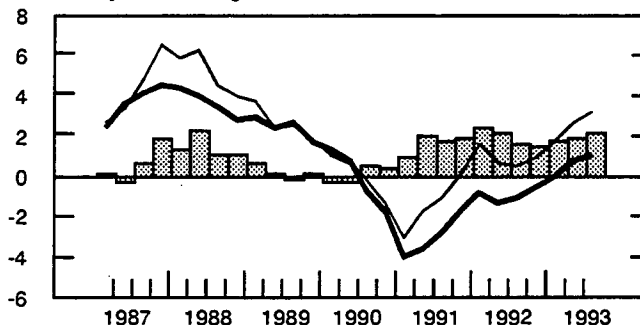
### Employment and hours worked

Paid employment advanced 0.6% during the quarter. The largest increases were in the Prairie provinces and British Columbia. At the national level, the advance was entirely accounted for by a 2.7% rise in the number of part-time jobs. Full-time employment was unchanged in the third quarter. Average weekly hours worked per employee dropped 0.2% and total paid hours worked increased 0.4%. Real GDP per hour worked, a measure of labour productivity, advanced 0.2% in the third quarter and was up 2.1% on a year-over-year basis (see Chart 6).

Chart 6

### Employment and output

Year-over-year % change



▨ Real GDP per person-hour

— GDP at 1986 prices

— Person-hours of employment

### Employment and hours worked

	Third Quarter 1993	Second Quarter 1993 to Third Quarter 1993
	thousands of employees	% change
Paid employment*	10,991	0.6
Goods-producing industries	2,766	-1.0
Services-producing industries	8,226	1.1
Atlantic provinces	788	-0.5
Quebec	2,641	0.2
Ontario	4,307	0.6
Prairie provinces	1,882	1.1
British Columbia	1,373	1.0
Full-time	8,667	0.0
Part-time	2,324	2.7
Average weekly hours	...	-0.2
Total paid hours worked	...	0.4

\* Includes paid employees plus working proprietors with paid help and excludes employees on unpaid absence. Multiple job holders are counted twice.

... Figures not appropriate or not applicable.  
Based on Labour Force Survey data.

## Government revenue and expenditure

Government tax and other revenue rose 0.9% in the third quarter, total current expenditure rose 0.3% and the aggregate government sector deficit edged down from \$53.6 billion in the second quarter to \$52.3 billion in the third. The increase in revenue was accounted for by higher corporate income taxes and indirect taxes, evident at the federal and at the provincial levels of government. The rise in expenditure was largest for provincial governments, which spent more on interest on the public debt, subsidies and capital assistance.

## Output by industry

Output of services advanced a further 0.6%, about equal to its growth pace in the first and second quarters of 1993. The gain in services was widespread, unlike the previous quarter when growth was concentrated in the finance group. Expansion in finance, insurance and real estate slowed to 0.9%, from 2.0% in the second quarter, as growth in activity by real estate agents and mutual funds subsided. Some of the slack was picked up by securities brokers, reflecting large issues of new corporate stock. Sales by wholesalers jumped 2.2% led by strong sales of machinery and equipment. Retail trade sales rose 0.7% but weakened toward the end of the quarter. In transportation the advance was led by trucking services. A rebound in exports and in domestic consumption of natural gas spurred an advance in pipeline services.

Goods production rose 0.3% following stronger increases in the previous two quarters. Output of manufacturing and utilities contributed most to the advance. In manufacturing, only five of 21 major groups recorded lower production. Construction and forestry activities fell substantially after moderate gains the previous quarter. Homebuilders reduced their activity for a third consecutive quarter while electric utilities cut back engineering construction. After posting very strong growth in the first and second quarters, mining output increased only 0.8% as drilling activity tumbled with the end of the royalty holiday program in Alberta.

## Output by industry at constant 1986 prices

Second Quarter 1993 to Third Quarter 1993

	% change
GDP at factor cost	0.5
Goods-producing industries	0.3
Primary industries	0.1
Manufacturing	0.5
Construction	-1.8
Utilities	2.8
Services-producing industries	0.6
Transportation and communications	1.5
Wholesale and retail trade	1.4
Finance, insurance and real estate	0.9
Community, business and personal services	0.0
Government administration	-0.9

Available on CANSIM: matrices 6701-6702, 6704-6707, 6709-6716, 6718, 6720-6722, 6724-6727, 6729-6736, 6738, 6740, 6828-6839, 6846 and 7420-7432.

For further information about the subject matter in this release, call 613-951-3640 and ask for the information officer, National Accounts and Environment Division.

The third quarter 1993 issue of *National Income and Expenditure Accounts* (13-001, \$25/\$100) will be released in December. A set of 57 printed tables of unadjusted and seasonally adjusted data plus supplementary analytical tables and charts is also available on release day (\$50/\$180).

On release day at 8:30 a.m., the complete quarterly national accounts data set is available on microcomputer diskette by modem transfer (\$125/\$500). The diskettes are also available by mail seven days after the official release date (\$25/\$100).

To purchase any of these products or to obtain more information about them, call 613-951-3640 and ask for the client services officer, National Accounts and Environment Division. □

**Gross Domestic Product, income-based**

	1992		1993			First Quarter 1993 to Second Quarter 1993	Second Quarter 1993 to Third Quarter 1993
	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter		
	\$ millions					% change at quarterly rates	
	seasonally adjusted at annual rates <sup>1</sup>						
Wages, salaries and supplementary labour income <sup>1</sup>	393,512	396,856	400,684	401,356	403,704	0.2	0.6
Corporation profits before taxes	30,824	32,732	35,164	38,332	38,408	9.0	0.2
Interest and miscellaneous investment income	56,240	55,088	55,020	54,216	52,972	-1.5	-2.3
Accrued net income of farm operators from farm production	3,472	2,872	3,616	4,420	4,608	22.2	4.3
Net income of non-farm unincorporated business, including rent	37,164	37,520	37,764	38,484	38,644	1.9	0.4
Inventory valuation adjustment	-3,676	-2,800	-4,232	-1,504	-2,456	2,728 <sup>2</sup>	-952 <sup>2</sup>
Net domestic income at factor cost	517,536	522,268	528,016	535,304	535,880	1.4	0.1
Indirect taxes less subsidies	85,424	87,112	87,220	87,052	88,664	-0.2	1.9
Capital consumption allowances	82,624	83,812	84,008	84,296	85,340	0.3	1.2
Statistical discrepancy	2,844	3,284	2,252	3,496	3,728	1,244 <sup>2</sup>	232 <sup>2</sup>
<b>Gross Domestic Product at market prices</b>	<b>688,428</b>	<b>696,476</b>	<b>701,496</b>	<b>710,148</b>	<b>713,612</b>	<b>1.2</b>	<b>0.5</b>

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

<sup>2</sup> Actual change in millions of dollars.



## Gross Domestic Product, expenditure-based

	1992		1993			First Quarter 1993 to Second Quarter 1993	Second Quarter 1993 to Third Quarter 1993
	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter		
	\$ millions at current prices					% change at quarterly rates	
	seasonally adjusted at annual rates						
Personal expenditure on consumer goods and services	421,604	423,828	427,568	431,404	434,768	0.9	0.8
Durable goods	53,648	53,644	54,844	55,624	56,376	1.4	1.4
Semi-durable goods	38,460	38,604	38,892	39,352	39,712	1.2	0.9
Non-durable goods	110,844	112,072	113,264	113,564	114,212	0.3	0.6
Services	218,652	219,508	220,568	222,864	224,468	1.0	0.7
Government current expenditure on goods and services	149,052	150,496	151,172	151,152	151,292	-0.0	0.1
Government investment in fixed capital	16,756	16,648	16,792	17,232	17,588	2.6	2.1
Government investment in inventories	-92	20	-16	-52	16	-36	68
Business investment in fixed capital	112,932	112,360	111,324	113,992	114,948	2.4	0.8
Residential construction	44,472	44,660	42,288	43,780	43,036	3.5	-1.7
Non-residential construction	29,316	27,468	27,724	28,348	27,736	2.3	-2.2
Machinery and equipment	39,144	40,232	41,312	41,864	44,176	1.3	5.5
Business investment in inventories	-4,624	-5,260	-1,752	1,576	-1,888	3,328 <sup>1</sup>	-3,464 <sup>1</sup>
Non-farm	-2,716	-4,876	-2,552	620	-3,412	3,172 <sup>1</sup>	-4,032 <sup>1</sup>
Farm and grain in commercial channels	-1,908	-384	800	956	1,524	156 <sup>1</sup>	568 <sup>1</sup>
Exports of goods and services	183,648	194,388	197,992	203,744	208,544	2.9	2.4
Merchandise	157,908	168,760	171,984	177,152	181,584	3.0	2.5
Non-merchandise	25,740	25,628	26,008	26,592	26,960	2.2	1.4
Deduct: Imports of goods and services	188,004	192,720	199,332	205,408	207,932	3.0	1.2
Merchandise	149,628	154,164	160,264	165,796	169,492	3.5	2.2
Non-merchandise	38,376	38,556	39,068	39,612	38,440	1.4	-3.0
Statistical discrepancy	-2,844	-3,284	-2,252	-3,492	-3,724	-1,240 <sup>1</sup>	-232 <sup>1</sup>
Gross Domestic Product at market prices	688,428	696,476	701,496	710,148	713,612	1.2	0.5
Final domestic demand	700,344	703,332	706,856	713,780	718,596	1.0	0.7
	\$ millions at 1986 prices						
Personal expenditure on consumer goods and services	336,544	336,616	339,048	340,824	341,964	0.5	0.3
Durable goods	47,492	47,488	48,188	48,708	49,052	1.1	0.7
Semi-durable goods	30,076	30,116	30,308	30,616	30,800	1.0	0.6
Non-durable goods	86,848	87,232	88,308	88,560	88,980	0.3	0.5
Services	172,128	171,780	172,244	172,940	173,132	0.4	0.1
Government current expenditure on goods and services	116,820	117,188	117,660	117,180	116,724	-0.4	-0.4
Government investment in fixed capital	17,228	17,188	17,264	17,624	17,896	2.1	1.5
Government investment in inventories	-80	16	-16	-44	16	-28 <sup>1</sup>	60 <sup>1</sup>
Business investment in fixed capital	106,308	105,844	104,740	106,720	107,432	1.9	0.7
Residential construction	32,944	32,964	31,052	31,692	31,040	2.1	-2.1
Non-residential construction	24,816	23,292	23,316	23,812	23,180	2.1	-2.7
Machinery and equipment	48,548	49,588	50,372	51,216	53,212	1.7	3.9
Business investment in inventories	-4,156	-6,200	-1,620	1,212	-1,560	2,832 <sup>1</sup>	-2,772 <sup>1</sup>
Non-farm	-1,232	-5,596	-2,020	504	-3,144	2,524 <sup>1</sup>	-3,648 <sup>1</sup>
Farm and grain in commercial channels	-2,924	-604	400	708	1,584	308 <sup>1</sup>	876 <sup>1</sup>
Exports of goods and services	181,040	186,720	189,352	193,172	196,844	2.0	1.9
Merchandise	160,412	166,308	168,724	172,168	175,456	2.0	1.9
Non-merchandise	20,628	20,412	20,628	21,004	21,388	1.8	1.8
Deduct: Imports of goods and services	192,032	191,720	197,156	201,104	200,172	2.0	-0.5
Merchandise	156,708	157,424	162,840	167,064	168,128	2.6	0.6
Non-merchandise	35,324	34,296	34,316	34,040	32,044	-0.8	-5.9
Statistical discrepancy	-2,304	-2,648	-1,820	-2,816	-3,008	-996 <sup>1</sup>	-192 <sup>1</sup>
Gross Domestic Product at market prices	559,368	563,004	567,452	572,768	576,136	0.9	0.6
Final domestic demand	576,900	576,836	578,712	582,348	584,016	0.6	0.3
	implicit price indexes, 1986 = 100						
Personal expenditure on consumer goods and services	125.3	125.9	126.1	126.6	127.1	0.4	0.4
Government current expenditure on goods and services	127.6	128.4	128.5	129.0	129.6	0.4	0.5
Government investment in fixed capital	97.3	96.9	97.3	97.8	98.3	0.5	0.5
Business investment in fixed capital	106.2	106.2	106.3	106.8	107.0	0.5	0.2
Exports of goods and services	101.4	104.1	104.6	105.5	105.9	0.9	0.4
Deduct: Imports of goods and services	97.9	100.5	101.1	102.1	103.9	1.0	1.8
Gross Domestic Product at market prices	123.1	123.7	123.6	124.0	123.9	0.3	-0.1
Final domestic demand	121.4	121.9	122.1	122.6	123.0	0.4	0.3

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

## Real Gross Domestic Product at Factor Cost by Industry

September 1993

Seasonally adjusted, Gross Domestic Product at Factor Cost rose 0.4% after a 0.2% gain in August and a decline of 0.2% in July. Both goods- and services-producing industries posted solid gains in September. A 0.4% increase in services followed sluggish growth in the first two months of the quarter. Goods producers recorded a second consecutive increase of 0.4%, but this followed a 0.9% decline in July. Manufacturing was a major contributor again in September as production of transportation equipment continued to increase rapidly.

### Services-producing industries

The gain in services was widespread as every major group except retail trade recorded higher output during September. Transportation and storage and wholesale trade posted the largest gains.

Output of transportation and storage jumped 2.2%, led by a 3.0% advance in transportation services. Higher carloadings of iron ore and coal spurred an 8.8% surge in rail services, while increased hauling of motor vehicles and lumber also contributed. Trucking services grew 2.5%, fuelled by higher manufacturing and wholesaling activities. Throughput of natural gas fell for a second consecutive month, leading a 1.3% decline in pipeline services. Foreign demand for natural gas fell in September after increasing marginally in August.

Sales by wholesalers jumped 1.3% to a level 4.3% higher than a year earlier. The monthly gain was widespread as eight of 11 trade groups recorded higher sales. Machinery and equipment wholesalers recorded the largest increase.

Community, business and personal services increased 0.5% after declining in the previous two months. Accommodation and food services as well as business services were responsible for most of the gain.

Finance, insurance and real estate advanced a further 0.2%, slightly less than its pace since last May. Output of finance and real estate rose 0.1% led by securities brokers, who were aided by several new corporate stock issues, and by banks. Lower sales by mutual funds restrained the increase.

Government services advanced 0.5% as provincial government services rebounded 1.3% after a decline in August, when Ontario implemented its social contract and Manitoba also cut back. Not all

the cutbacks were undone, however, as provincial government services remained lower than in July.

Retail sales fell 0.4% following a marginal gain in the previous month. Twelve of 18 trade groups declined compared with nine in August. Retailers of food products recorded the largest decline.

### Goods-producing industries

Goods production increased in two consecutive months for the first time since last March, mostly because of manufacturing. However, in September agriculture, mining and forestry added to the strength. Declines in utilities, construction and fishing moderated the gain.

Manufacturers increased production 1.1% after a similar gain in August. The increases in August and September more than offset losses between April and July and carried output 0.5% above its most recent peak in March 1993, but 4.5% below its pre-recession peak in February 1989.

For a second consecutive month, transportation equipment manufacturers dominated the advance. Producers of wood and electrical and electronic products also posted strong gains. In total, 11 of 21 industry groups recorded higher output. Manufacturers of fabricated metals and foodstuffs and petroleum refiners recorded the largest declines.

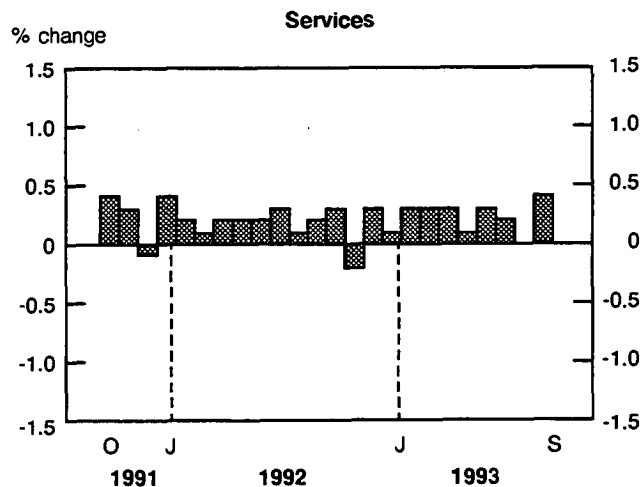
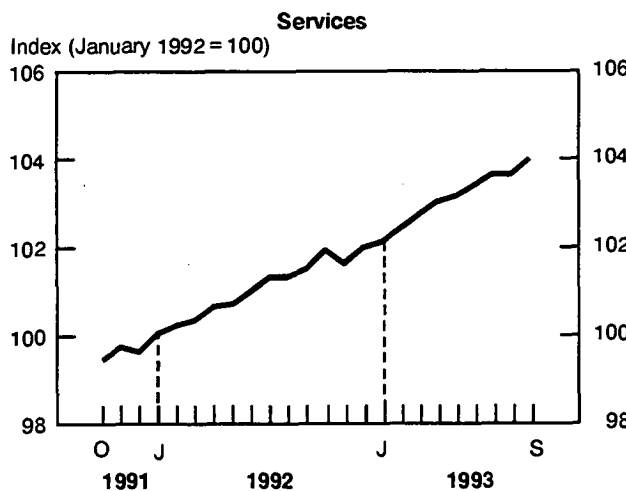
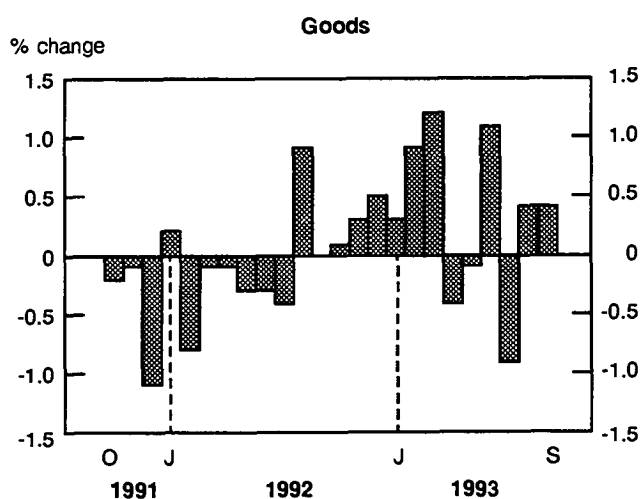
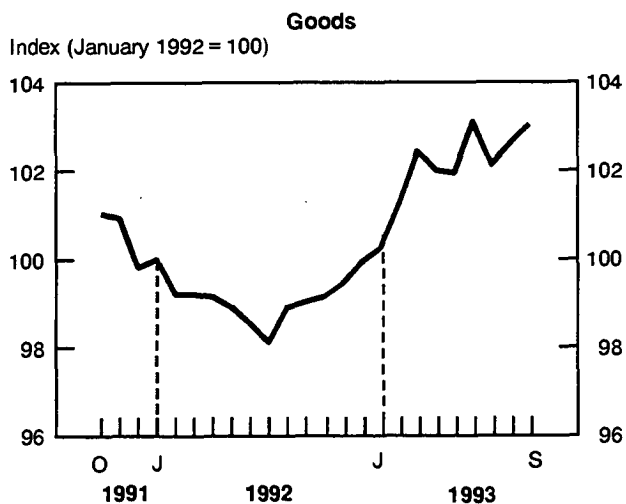
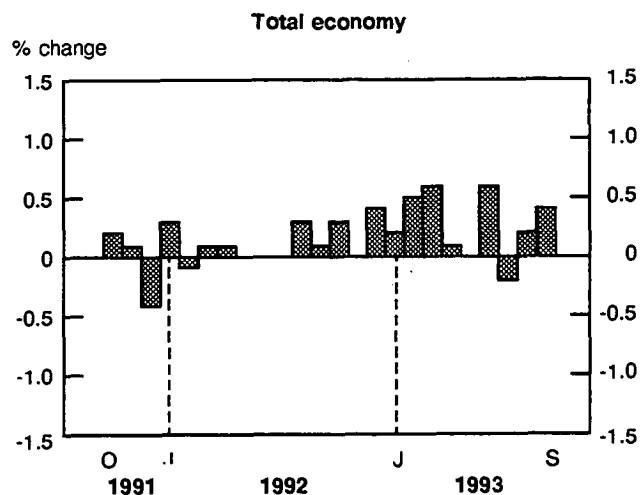
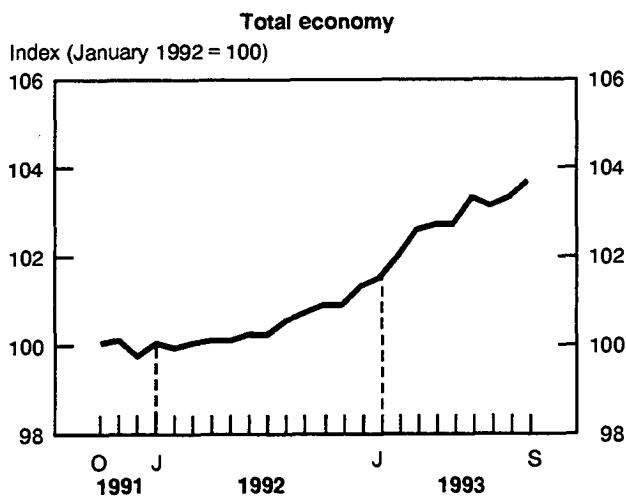
Manufacturers of motor vehicles boosted production 11.6%, accounting for most of a 3.7% gain in transportation equipment. A substantial increase in motor vehicle exports spurred the advance. Production of motor vehicle parts rose a much slower 0.6%, however, as imports of parts increased sharply after weakening in the previous two months.

Production of electrical and electronic products increased 2.9% following two consecutive declines. Manufacturers of office machinery raised output 7.0%, helped by a strong rebound in exports. Electronic equipment production advanced 0.7% as a gain in telecommunications equipment was partly offset by decreases in the production of electronic parts and other products. Despite the gain, production remained lower than in the second quarter.

Manufacturers of wood products increased output 2.9% after a series of increases and decreases that began last March. Sawmill operators raised output 4.1% and accounted for most of the advance. Producers of veneer and plywood posted a similar gain in percentage terms. A surge in exports contributed to the gain and the price of wood (which had receded substantially between March and July) rose in August and September.

# Gross Domestic Product

Seasonally adjusted at 1986 prices



Metal fabrication fell 1.3% after a 2.6% increase in August. The decline was fairly widespread as six of nine industries recorded lower output.

Refiners of petroleum products cut back output 2.8%, a third consecutive decline. Lower production of motor gasoline more than offset higher production of diesel and light fuel oil.

Elsewhere in manufacturing, chemical products producers increased output for a third consecutive month. Production grew 1.1% on average in the latest three months.

Mining output advanced 0.3% as strong increases in iron and coal mines were partly offset by a substantial decline in drilling activity. Iron ore producers boosted output 58.6% after reducing activity considerably in August. Output of coal mines also posted a large gain, advancing 9.1% after a similar decline in August, when production was curbed by a rail strike in British Columbia. Lower exploration and development activities were responsible for the weakness in drilling.

Forestry activity rose 1.7%, its first gain since last April. The advance was partly attributable to strong demand in the United States, where residential dwelling starts improved in August and September, and to exports of lumber and other wood products, which soared. Increased residential construction in

Canada also contributed to the gain, but continued weakness in the pulp and paper industry restrained the overall increase.

Output of utilities fell 2.0% due to lower electricity production. The decline reflected both lower domestic consumption and increased electricity imports.

Construction activity fell 0.5%, its fourth consecutive decline. Weakness in engineering construction, which was apparent throughout the third quarter, accounted for most of the decline. Electric utilities recorded notable cutbacks in investment in plant and equipment in the third quarter. Residential construction rose 0.9%, mainly due to an increase in the construction of apartments. It was only the second increase so far this year. Non-residential construction was almost unchanged as higher activity on industrial projects was offset by a decline in public projects.

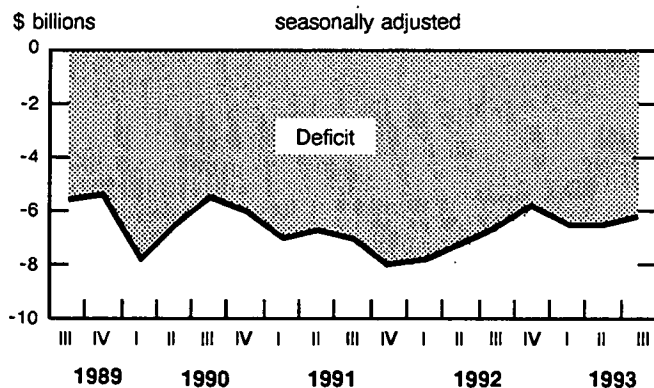
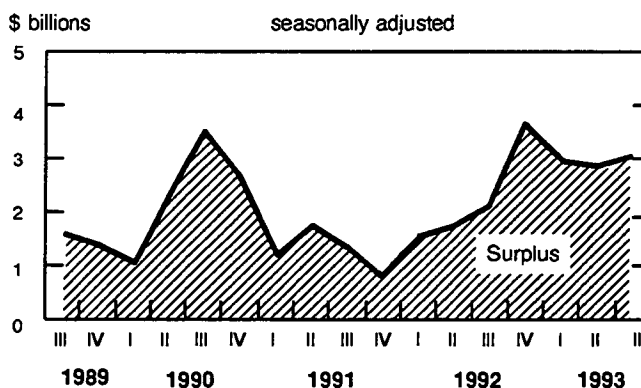
**Available on CANSIM: matrices 4671-4674.**

The September 1993 issue of *Gross Domestic Product by Industry* (15-001, \$12.70/\$127) will be released in December.

For further information, contact Michel Girard (613-951-9145), Industry Measures and Analysis Division. □

## Real Gross Domestic Product at Factor Cost by Industry

	1992	1993			
	September	June	July	August	September
\$ millions at 1986 prices					
seasonally adjusted at annual rates					
<b>Total economy</b>	<b>504,973.3</b>	<b>518,126.5</b>	<b>517,328.6</b>	<b>518,134.9</b>	<b>520,194.6</b>
Goods-producing industries	167,920.6	174,906.0	173,341.9	174,089.6	174,854.3
Services-producing industries	337,052.7	343,220.5	343,986.7	344,045.3	345,340.3
<b>Business sector</b>	<b>411,912.1</b>	<b>425,246.4</b>	<b>424,572.1</b>	<b>425,599.3</b>	<b>427,564.2</b>
<b>Goods</b>	<b>166,918.4</b>	<b>173,949.4</b>	<b>172,364.9</b>	<b>173,125.8</b>	<b>173,883.3</b>
Agriculture	10,638.6	11,782.3	11,791.0	11,816.9	11,960.3
Fishing and trapping	688.0	781.2	742.6	748.6	732.9
Logging industry	3,036.9	3,287.8	3,213.4	3,087.4	3,139.0
Mining industries	20,426.1	22,752.3	21,904.0	21,990.8	22,048.1
Manufacturing industries	88,327.0	91,827.0	91,129.8	92,035.3	93,021.6
Construction industries	28,326.8	28,047.3	27,884.6	27,599.3	27,457.0
Other utility industries	15,475.0	15,471.5	15,699.5	15,847.5	15,524.4
<b>Services</b>	<b>244,993.7</b>	<b>251,297.0</b>	<b>252,207.2</b>	<b>252,473.5</b>	<b>253,680.9</b>
Transportation and storage	21,939.9	22,449.7	22,657.2	22,514.6	23,001.5
Communications industries	18,888.3	19,339.4	19,473.8	19,584.1	19,591.3
Wholesale trade	30,691.0	31,434.7	31,619.7	31,613.7	32,016.1
Retail trade	30,011.6	30,805.7	31,157.6	31,198.3	31,076.2
Finance, insurance and real estate	83,495.7	85,878.9	86,098.5	86,415.2	86,553.3
Community, business and personal services	59,967.2	61,388.6	61,200.4	61,147.6	61,442.5
<b>Non-business sector</b>	<b>93,061.2</b>	<b>92,880.1</b>	<b>92,756.5</b>	<b>92,535.6</b>	<b>92,630.4</b>
<b>Goods</b>	<b>1,002.2</b>	<b>956.6</b>	<b>977.0</b>	<b>963.8</b>	<b>971.0</b>
<b>Services</b>	<b>92,059.0</b>	<b>91,923.5</b>	<b>91,779.5</b>	<b>91,571.8</b>	<b>91,659.4</b>
Government service industry	34,188.8	33,806.8	33,659.2	33,460.0	33,618.4
Community and personal services	54,362.3	54,547.6	54,570.4	54,516.4	54,418.0
Other services	3,507.9	3,569.1	3,549.9	3,595.4	3,623.0
<b>Other aggregations</b>	<b>125,230.3</b>	<b>131,007.4</b>	<b>129,710.3</b>	<b>130,837.4</b>	<b>131,565.1</b>
Industrial production	41,171.2	42,228.7	42,252.5	42,296.8	42,358.3
Non-durable manufacturing	47,155.8	49,598.3	48,877.3	49,738.5	50,663.3
Durable manufacturing					

**Current account balance****Merchandise trade balance****Balance of International Payments**

Third Quarter 1993

Canada's current account deficit, seasonally adjusted, edged down to \$6.3 billion, from \$6.6 billion in each of the previous two quarters. Again, the movement in the current account mirrored that in the merchandise trade surplus, the latter increasing slightly to \$3.0 billion. Both merchandise exports and imports continued to advance for the seventh consecutive quarter. Among non-merchandise transactions, lower travel payments in the United States narrowed the deficit to \$1.9 billion, its lowest level in more than two years. However, the narrowing in travel was offset by a rise in the investment income deficit to a record \$6.6 billion, the result of higher dividend payments.

In the capital account, which is not seasonally adjusted, non-residents invested a net \$7.6 billion in Canadian bonds, bringing to an unprecedented \$31.4 billion their investment in that market so far this year. They purchased, on a net basis, a record \$3.9 billion of Canadian stocks. Similarly, on the assets side, investments abroad by Canadian residents were strong and widespread: direct investment, \$2.7 billion; portfolio investment in foreign securities, \$0.6 billion; and short-term funds, \$2.8 billion. The foreign operations of the Canadian chartered banks also led to an additional net outflow of \$7.6 billion.

Underlying these movements, the Canadian dollar depreciated against the U.S. currency, reaching at the end of the quarter its lowest level in over six years.

**Current account, seasonally adjusted**

The current account deficit of \$6.3 billion comprised a surplus of \$3.0 billion on merchandise

trade and a \$9.3 billion deficit on non-merchandise transactions.

Merchandise exports rose by a further 3% to \$45.4 billion. The increase was led by automobiles and industrial materials and, to a lesser extent, by a range of agricultural products, and by industrial machinery, miscellaneous machinery and consumer goods. The main declines were in forest products, trucks, coal and refined petroleum products.

The 2% increase in merchandise imports to \$42.4 billion was largely due to machinery and equipment. There were also advances in industrial materials, consumer goods, trucks and auto parts. Declines resulted mainly from automobiles and crude petroleum.

The \$6.6 billion deficit on investment income continued to be entirely accounted for by net payments of interest. The small surplus on dividends, which had developed in the previous two quarters, shifted to a near-balance as dividend payments advanced from the low levels prevailing since mid-1992.

The travel deficit with the United States decreased from \$1.6 to \$1.4 billion during the quarter. Much of the change reflected reduced spending by Canadian travellers in the United States as the dollar continued to depreciate. On overseas travel, the deficit narrowed slightly to \$0.5 billion.

**Current and capital accounts, unadjusted**

The current account, at \$5.4 billion, was virtually unchanged from the third quarter of 1992. A higher merchandise surplus was accompanied by a higher deficit on investment income and some reduction in the services deficit.

## Financial liabilities

Among financial liabilities, the \$7.6 billion foreign net investment in Canadian bonds went largely to net new issues (\$6.9 billion), with the balance going to existing issues. The provinces received the bulk of net new issues, raising \$5.1 billion of capital, second only to the \$7.6 billion record they borrowed abroad in the first quarter of 1993. The financing came mostly from the United States.

The moderate \$0.7 billion net investment in outstanding Canadian bonds masked very large offsetting movements within the quarter as non-residents sold off a total \$3.4 billion of bonds in July and August but purchased a monthly record of \$4.1 billion in September, when the U.S./Canada interest rate differential increased in favour of Canada.

Since the fourth quarter 1992, non-residents have been steadily increasing their purchases of Canadian stocks, their net investment totalling \$10.1 billion over that period. Again, the funds came mostly from the United States and were largely directed to existing issues.

## Financial assets

Canadian enterprises increased their direct investment abroad, which gave rise to a net outflow of \$2.7 billion, the second largest on record. The funds were mostly from the services industries, such as retailing and finance.

The \$2.8 billion increase in short-term funds and deposits abroad was the third-largest on record and was directed to the United States.

The foreign currency operations of the chartered banks gave rise to a net outflow of \$7.6 billion, which was also directed to the United States. An increase of \$12.2 billion in the banks' external assets was partly offset by a \$4.6 billion increase in their liabilities. The bulk of the increases in both assets and liabilities was due to operations with the banks' foreign branches.

The statistical discrepancy (the balancing item between the recorded estimates of the current and capital accounts) was equivalent to a net credit of \$4.0 billion.

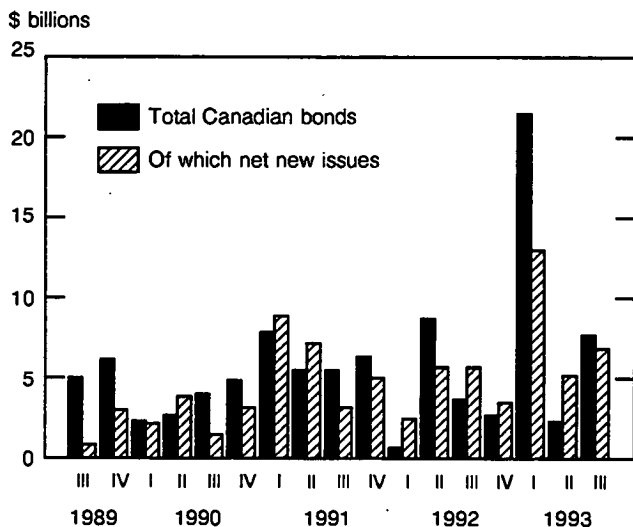
The Canadian dollar continued to depreciate during the quarter, touching a low of 74.77 U.S. cents in the last week of September. For the quarter, the noon-average of the Canadian dollar showed a clear decline of 2.03 U.S. cents, to 76.69 U.S. cents. The Canadian dollar also depreciated against such major overseas currencies as the yen and the Swiss franc.

**Available on CANSIM:** matrices 1364, 1370, 2323-2329, 2331-2339, 2343-2349, 2353-2355, 2357 and 3623-3625.

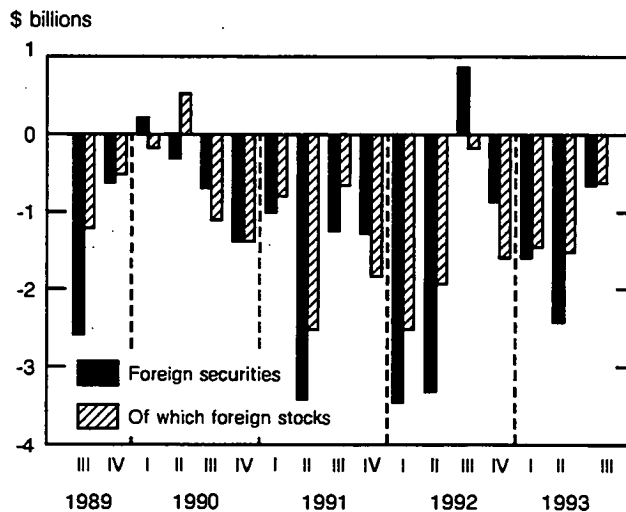
The third quarter 1993 issue of Canada's *Balance of International Payments* (67-001 \$27.50/\$110) will be available in January. See "How to Order Publications".

For further information, contact Lucie Laliberté (613-951-9055), Balance of Payments Division.

## Foreign investment in Canadian bonds



## Canadian investment in foreign securities



## Balance of international payments

	1992		1993			1991	1992
	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter		
	\$ millions						
	unadjusted						
<b>Current Account</b>							
<b>Receipts</b>							
Merchandise exports	37,743	42,399	42,578	46,673	43,135	141,097	156,567
Non-merchandise							
Services	8,012	5,630	5,428	6,914	8,434	24,024	25,381
Investment income <sup>1</sup>	2,345	1,991	2,406	2,225	2,084	10,260	8,934
Transfers	1,052	1,105	973	1,095	1,111	3,955	4,361
Total non-merchandise receipts	11,409	8,726	8,806	10,234	11,629	38,239	38,676
Total receipts	49,153	51,125	51,384	56,907	54,764	179,336	195,243
<b>Payments</b>							
Merchandise imports	36,061	38,134	39,980	43,180	41,183	136,107	147,587
Non-merchandise							
Services	9,738	9,069	10,010	10,040	9,729	36,069	38,162
Investment income <sup>1</sup>	7,655	8,774	8,324	8,520	8,404	32,184	33,134
Transfers	1,065	971	1,238	907	897	4,011	4,043
Total non-merchandise payments	18,458	18,814	19,572	19,466	19,030	72,264	75,339
Total payments	54,519	56,948	59,552	62,647	60,213	208,371	222,926
<b>Balances</b>							
Merchandise	+ 1,682	+ 4,265	+ 2,598	+ 3,493	+ 1,953	+ 4,990	+ 8,979
Non-merchandise	-7,049	-10,088	-10,766	-9,232	-7,401	-34,025	-36,663
Total current account	-5,366	-5,823	-8,168	-5,739	-5,448	-29,035	-27,683
<b>Capital Account<sup>2</sup></b>							
<b>Canadian claims on non-residents, net flows</b>							
Canadian direct investment abroad <sup>1</sup>	-970	-1,790	-2,095	-1,833	-2,709	-6,200	-4,500
Portfolio securities							
Foreign bonds	+ 1,032	+ 728	-146	-887	-24	-1,113	-548
Foreign stocks	-170	-1,593	-1,453	-1,532	-624	-5,795	-6,223
Government of Canada assets							
Official international reserves	+ 3,611	+ 953	-1,094	+ 1,878	+ 1,766	+ 2,830	+ 6,987
Loans and subscriptions	-427	-317	-82	-132	+ 94	-1,785	-1,696
Non-bank deposits abroad	-810	+ 1,347	-2,330	+ 1,278	-2,771	-386	+ 1,636
Other claims	+ 1,189	+ 694	+ 2,212	+ 95	+ 1,296	+ 1,515	+ 399
Total Canadian claims, net flow	+ 3,454	+ 22	-4,988	-1,132	-2,972	-10,934	-3,945
<b>Canadian liabilities to non-residents, net flows</b>							
Foreign direct investment in Canada <sup>1</sup>	+ 1,816	+ 2,184	+ 202	+ 1,096	+ 1,240	+ 7,500	+ 6,000
Portfolio securities							
Canadian bonds	+ 3,726	+ 2,668	+ 21,424	+ 2,390	+ 7,626	+ 25,246	+ 15,794
Canadian stocks	-223	+ 943	+ 2,304	+ 3,025	+ 3,857	-990	+ 1,036
Canadian banks' net foreign currency transactions with non-residents <sup>3</sup>	-4,086	+ 27	-6,133	+ 672	-7,604	+ 5,382	-3,550
Money market instruments							
Government of Canada paper	-3,330	+ 2,292	+ 3,350	+ 3,587	+ 1,695	+ 2,288	+ 1,915
Other paper	-677	+ 234	-1,974	+ 854	-2,304	+ 2,140	+ 2,983
Allocation of special drawing rights	-	-	-	-	-	-	-
Other liabilities	-310	+ 1,501	-1,333	+ 5	-48	+ 2,882	+ 3,603
Total Canadian liabilities, net flow	-3,083	+ 9,850	+ 17,840	+ 11,629	+ 4,461	+ 44,448	+ 27,782
Total capital account, net flow	+ 371	+ 9,872	+ 12,853	+ 10,497	+ 1,489	+ 33,514	+ 23,837
Statistical discrepancy	+ 4,995	-4,049	-4,685	-4,758	+ 3,960	-4,479	+ 3,846

<sup>1</sup> Excludes retained 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.<sup>3</sup> When the banks' foreign currency position (booked in Canada) with non-residents is a net asset, series is classified as part of Canadian claims on non-residents.

- Nil or zero.



## Current account

	1992		1993		
	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter
	\$ millions				
	seasonally adjusted				
<b>Receipts</b>					
Merchandise exports	39,477	42,190	42,996	44,288	45,396
Non-merchandise					
Services					
Travel	2,002	2,006	2,024	2,108	2,127
Freight and shipping	1,553	1,495	1,469	1,498	1,498
Business services	2,372	2,412	2,504	2,531	2,576
Government transactions	218	218	228	223	220
Other services	290	276	277	288	319
Total services	6,435	6,408	6,502	6,648	6,739
Investment income <sup>1</sup>					
Interest	1,122	929	864	871	872
Dividends	1,388	935	1,475	1,361	1,350
Total investment income	2,510	1,864	2,339	2,232	2,222
Transfers					
Inheritances and immigrants' funds	408	416	350	409	370
Personal and institutional remittances	261	267	287	279	283
Canadian withholding tax	268	434	416	398	376
Total transfers	937	1,116	1,053	1,086	1,029
Total non-merchandise receipts	9,882	9,388	9,893	9,966	9,990
Total receipts	49,359	51,578	52,889	54,255	55,386
<b>Payments</b>					
Merchandise imports	37,407	38,541	40,066	41,449	42,373
Non-merchandise					
Services					
Travel	4,092	3,890	4,088	4,221	3,978
Freight and shipping	1,421	1,507	1,502	1,519	1,449
Business services	3,467	3,639	3,563	3,559	3,574
Government transactions	368	377	386	373	379
Other services	246	226	228	231	230
Total services	9,595	9,639	9,767	9,904	9,609
Investment income <sup>1</sup>					
Interest	6,912	7,275	7,370	7,475	7,483
Dividends	1,089	988	1,033	1,052	1,328
Total investment income	8,001	8,263	8,403	8,527	8,811
Transfers					
Inheritances and emigrants' funds	87	82	81	84	88
Personal and institutional remittances	285	287	298	298	300
Official contributions	612	548	751	446	428
Foreign withholding tax	81	79	92	85	82
Total transfers	1,064	996	1,221	913	899
Total non-merchandise payments	18,661	18,899	19,391	19,343	19,320
Total payments	56,068	57,440	59,457	60,792	61,692
<b>Balances</b>					
Merchandise	+2,070	+3,649	+2,930	+2,840	+3,023
Non-merchandise					
Services	-3,160	-3,232	-3,265	-3,256	-2,870
Investment income <sup>1</sup>	-5,491	-6,400	-6,064	-6,295	-6,590
Transfers	-127	+120	-168	+174	+130
Total non-merchandise	-8,779	-9,512	-9,498	-9,377	-9,329
Total current account	-6,709	-5,863	-6,568	-6,538	-6,306

<sup>1</sup> Excludes retained earnings.  
Figures may not add due to rounding.

## Financial Flow Accounts

Third Quarter 1993

Funds raised in credit markets by domestic non-financial sectors totalled \$88.7 billion in the third quarter of 1993, seasonally adjusted at annual rates. This was down about 16% from the level of activity in the second quarter (see Chart 1). The amount of funds raised by non-financial private corporations rose, while the demand for funds by the federal government was somewhat lower.

Among the more important financial developments during the quarter were the following: interest rates fell moderately, although the declines varied by instrument; long-term debt issues were a major source of financing for most sectors of the economy; and, equity issues accounted for 70% of the funds raised by non-financial private corporations.

### Monetary conditions

While monetary conditions eased in the first half of 1993, the long-term slide in interest rates that began late in 1990 appeared to be approaching bottom in the third quarter of 1993. The Bank Rate fell in the first half of the quarter but, by the end of September, it had edged back up to roughly its level at the end of June. This reversal in the trend of the official rate occurred as the Canadian dollar weakened in August and September. Other money market rates followed a similar pattern, although bond yields ended the quarter at slightly lower levels than at the outset. The rate on prime business loans at chartered banks fell 25 basis points in the first week of July, to 5.75%,

and remained at that level for the balance of the quarter. This was the lowest prime rate in over 20 years and it was also 25 basis points lower than its counterpart in the United States. Other administered rates at financial institutions followed suit, with the return on non-chequable savings deposits falling 50 basis points to a mere 0.5%.

### Corporate sector

Non-financial private corporations' demand for funds showed significant strength for the first time in over two years (see Chart 2), accounting for over one-third of all funds raised in the third quarter. The activity in the first nine months of the year amounted to a moderate recovery in the demand for funds by these corporations compared to the depressed level of financing activity of previous years. This recovery took place against a backdrop of continued weak profits and slowly increasing capital outlays, and resulted in a substantial buildup of financial assets in the third quarter. A restructuring of corporate balance sheets also occurred, as shorter-term debt was replaced with bonds and equity. The majority of the borrowing was in the form of long-term debt, reflecting perhaps an expectation that interest rates may have stabilized after a lengthy decline that saw the prime rate reduced 8.5 percentage points over a three-year period. Debt in the form of loans was repaid on balance and there was a rise in short-term paper outstanding, almost entirely attributable to bankers' acceptances. A sharp increase in equity issues took place as share prices rose (see Chart 3). Stock markets continued to benefit from considerable investor demand for equity mutual funds.

### Funds raised on financial markets by non-financial sectors

	1991				1992				1993		
	QI	QII	QIII	QIV	QI	QII	QIII	QIV	QI	QII	QIII
<b>Total funds raised (% of GDP)</b>	<b>19.9</b>	<b>14.7</b>	<b>12.7</b>	<b>13.6</b>	<b>9.6</b>	<b>17.6</b>	<b>11.9</b>	<b>12.5</b>	<b>18.1</b>	<b>14.5</b>	<b>13.2</b>
<b>Sectoral shares (% of total)</b>											
Personal sector	11.9	22.7	25.3	22.9	30.3	17.4	29.0	33.0	17.6	22.5	24.3
Non-financial private corporations	33.4	3.2	-0.3	18.0	9.6	14.1	15.9	4.0	19.2	15.7	31.5
Government business enterprises	14.2	8.6	8.1	3.7	15.3	4.4	5.0	-1.0	9.5	-3.5	-0.8
Federal government	27.0	30.9	43.3	27.7	30.6	26.1	38.6	21.8	31.1	35.7	14.8
Other levels of government	13.4	34.5	23.6	27.7	14.2	38.0	11.5	42.2	22.6	29.6	30.2
<b>Total (%)</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Figures may not add due to rounding.

Chart 1  
**Total funds raised on credit markets by domestic non-financial sectors**

Seasonally adjusted at annual rates

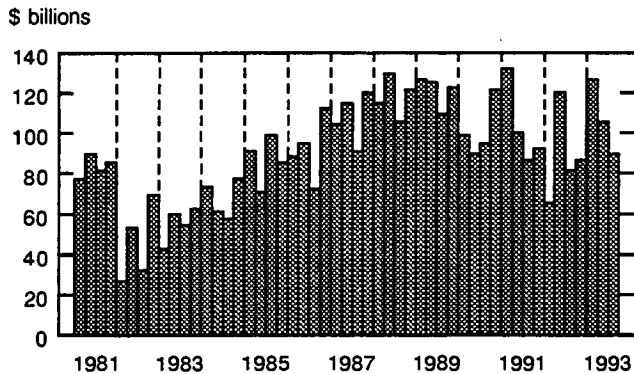


Chart 2  
**Funds raised by non-financial private corporations**

Seasonally adjusted at annual rates

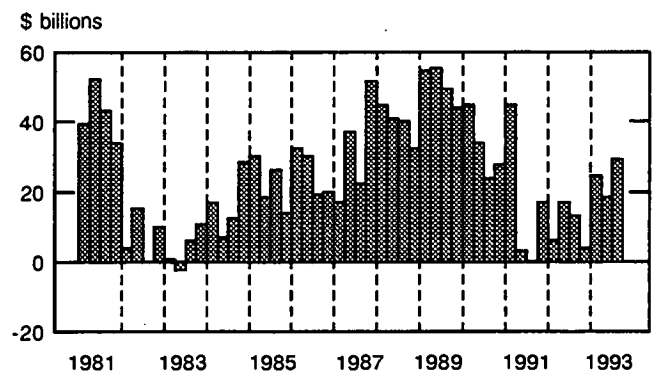


Chart 3  
**Non-financial private corporations, stocks**

Seasonally adjusted at annual rates

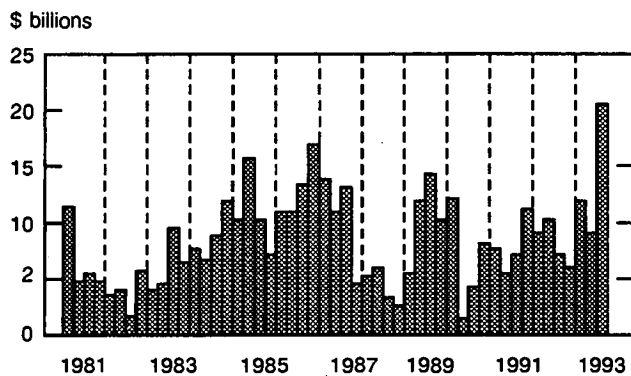


Chart 4  
**Consumer credit borrowing in the personal sector**

Seasonally adjusted at annual rates

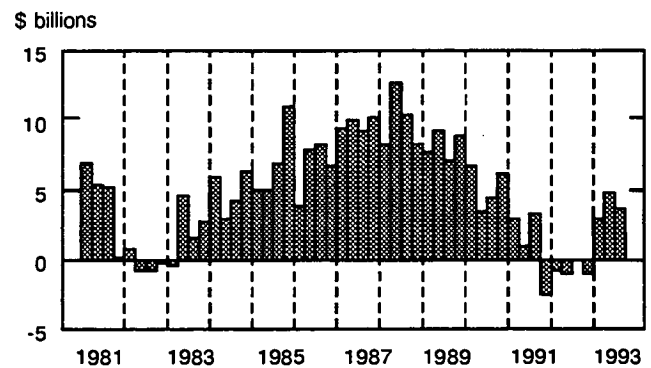


Chart 5  
**Mortgage borrowing in the personal sector**

Seasonally adjusted at annual rates

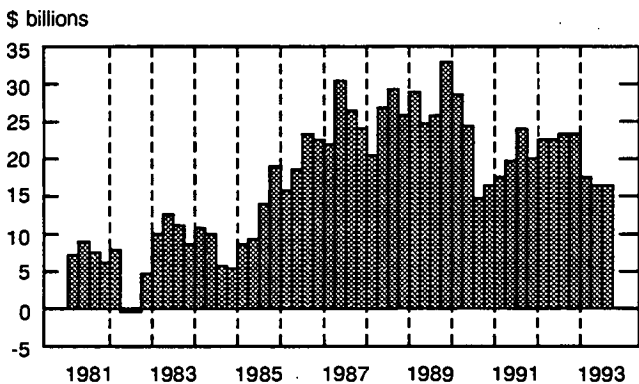
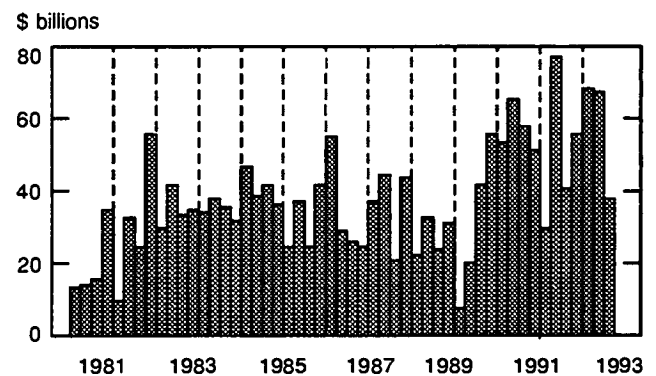


Chart 6  
**Funds raised by government**

Seasonally adjusted at annual rates



In contrast to the trend for private corporations, government business enterprise debt was reduced for the second consecutive quarter. Among financial instruments, short-term paper registered the largest drop. Instead of borrowing new funds, enterprises generally drew upon substantial financial assets built up in earlier periods.

### Personal sector

Funds were raised in the personal sector at a slower pace than in the previous quarter. Borrowing in the form of consumer credit fell (see Chart 4); personal expenditure grew modestly. However, the 1993 year-to-date consumer credit demand strengthened substantially compared with 1991 and 1992. The reduction of 75 basis points in the one-year mortgage rate appeared to do little to stimulate mortgage demand, which remained unchanged during the third quarter (see Chart 5). Increases in these borrowing instruments were larger, in relative terms, than those for personal disposable income, with the result that the household debt/disposable income ratio edged up to 86.7% by the end of the third quarter.

### Government sector

Funds raised by all levels of government were down from the first and second quarters (see Chart 6). However, for the first three quarters of 1993 taken together, the government sector's demand for funds was up somewhat from 1992.

Borrowing by the federal government weakened in the third quarter to one-third of the previous quarter's level. This drop was prompted by stronger financing activity in the first half of the year. The demand for funds was realized mostly through issues of marketable bonds, with virtually no recourse to the money market. Issues had a longer average term to maturity than in recent quarters.

The demand for funds by other levels of government softened in the third quarter, most notably for provincial governments. The decrease was in line with a reduction in the combined borrowing requirement of the provinces. As in other sectors, net new issues of bonds accounted for the bulk of the funds borrowed by other levels of government in the quarter, as long-term debt securities became a relatively attractive financing vehicle.

### Debt/income ratios

	1991				1992				1993		
	QI	QII	QIII	QIV	QI	QII	QIII	QIV	QI	QII	QIII
<b>Persons and unincorporated businesses*</b>											
Debt											
Consumer credit	98.4	98.7	99.5	98.9	98.7	98.4	98.3	98.0	98.7	100.0	100.8
Mortgages	273.7	279.0	285.2	290.5	296.5	302.5	308.6	314.7	319.1	323.2	327.3
Total	372.1	377.7	384.8	389.5	395.2	400.9	406.9	412.7	417.8	423.1	428.1
Personal disposable income	462.5	468.4	469.5	463.8	468.0	478.1	481.2	480.4	487.7	491.4	493.9
Debt/income ratio (%)	80.5	80.6	82.0	84.0	84.5	83.9	84.6	85.9	85.7	86.1	86.7
Debt/GDP ratio (%)	55.8	55.8	56.7	57.2	57.8	58.5	59.1	59.3	59.6	59.6	60.0
<b>Federal government**</b>											
Debt	323.3	330.6	339.7	345.8	351.0	359.0	367.1	372.0	381.9	391.0	394.5
Debt/GDP ratio (%)	48.4	48.8	50.0	50.8	51.3	52.4	53.3	53.4	54.4	55.1	55.3
<b>Other government</b>											
Debt	167.8	176.6	181.9	188.5	191.6	203.8	206.9	216.8	224.0	231.6	237.7
Debt/GDP ratio (%)	25.1	26.1	26.8	27.7	28.0	29.7	30.1	31.1	31.9	32.6	33.3
<b>Non-financial private corporations</b>											
Debt	341.6	340.5	338.6	340.8	341.3	344.4	346.5	346.2	352.3	356.8	364.2
Debt/GDP ratio (%)	51.2	50.3	49.9	50.1	49.9	50.2	50.3	49.7	50.2	50.2	51.0
<b>Gross Domestic Product (GDP)</b>	<b>667.4</b>	<b>676.9</b>	<b>678.8</b>	<b>680.6</b>	<b>683.9</b>	<b>685.4</b>	<b>688.4</b>	<b>696.5</b>	<b>701.5</b>	<b>710.1</b>	<b>713.6</b>

\* Consumer credit and mortgages only.

\*\* National Accounts basis, excludes superannuation accounts.

Figures may not add due to rounding.

**Available on CANSIM: matrices 701-741, 743 and 750.**

For further information about the subject matter in this release, contact the National Accounts and Environment Division at 613-951-3640 and ask for the information officer.

The third quarter 1993 issue of *Financial Flow Accounts* (13-014, \$12.50/\$50) will be released in December. A computer printout containing the detailed financial flows matrices is also available from

the National Accounts and Environment Division on release day (\$35/\$140).

On release day at 8:30 a.m., the complete financial flows data set is available on microcomputer diskette by modem transfer (\$300/\$1,200). The diskettes are also available by mail, seven days after the official release date (\$60/\$240).

To purchase any of these products or to obtain more information about them, call the National Accounts and Environment Division at 613-951-3640 and ask for the client services officer. □

## Financial market summary table

	1992		1993		
	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter
\$ millions					
seasonally adjusted at annual rates					
<b>Persons and unincorporated businesses</b>					
Funds raised:	23,656	28,644	22,292	23,140	21,892
Consumer credit	-64	-916	2,916	4,756	3,576
Bank loans	1,420	1,616	1,804	3,152	2,464
Other loans	-816	5,044	-604	-1,116	-488
Mortgages	23,108	23,104	17,440	16,456	16,416
Bonds	8	-204	736	-108	-76
<b>Non-financial private corporations</b>					
Funds raised:	12,964	3,472	24,340	18,180	29,420
Bank loans	3,140	8,588	4,244	-17,992	-2,940
Other loans	800	3,288	-4,624	1,424	-5,544
Other short-term paper	-8,232	-30,916	5,400	11,104	2,556
Mortgages	5,736	8,008	7,224	4,820	5,904
Bonds	4,424	8,464	252	9,736	8,864
Shares	7,096	6,040	11,844	9,088	20,580
<b>Non-financial government enterprises</b>					
Funds raised:	4,120	-872	12,088	-3,588	-740
Bank loans	-1,640	1,848	-1,016	-3,120	1,024
Other loans	924	-56	104	-1,492	80
Other short-term paper	264	1,852	892	2,548	-988
Mortgages	-12	-8	-24	-16	-16
Bonds	2,184	-5,488	12,132	-1,508	-840
Shares	2,400	980	-	-	-
<b>Federal government</b>					
Funds raised:	31,556	18,928	39,472	36,716	13,852
Other loans	-	-4	-	-4	-4
Canada short-term paper	9,636	7,544	15,200	12,416	-1,988
Canada saving bonds	-376	-5,448	-512	788	-636
Marketable bonds	22,296	16,836	24,784	23,516	16,480
<b>Other levels of government</b>					
Funds raised:	9,396	36,676	28,640	30,512	24,236
Bank loans	-716	1,172	-612	-156	472
Other loans	76	192	-636	728	2,616
Short-term paper	-12,660	11,992	-11,400	15,608	-11,912
Provincial bonds	19,768	22,596	37,820	14,840	29,588
Municipal bonds	3,176	788	3,436	-508	3,476
Other bonds	-248	-64	32	-	-4
<b>Total funds raised by domestic non-financial sectors</b>	81,692	86,848	126,832	104,960	88,660
Consumer credit	-64	-916	2,916	4,756	3,576
Bank loans	2,204	13,224	4,420	-18,116	1,020
Other loans	984	8,464	-5,760	-460	-3,340
Canada short-term paper	9,636	7,544	15,200	12,416	-1,988
Other short-term paper	-20,628	-17,072	-5,108	29,260	-10,344
Mortgages	28,832	31,104	24,640	21,260	22,304
Bonds	51,232	37,480	78,680	46,756	56,852
Shares	9,496	7,020	11,844	9,088	20,580

- Nil or zero.

## Field Crop Reporting Series No. 8: November Estimate of Production of Principal Field Crops

November 30, 1993

Canola production hit a record 5.4 million tonnes this year. Soybean production in Eastern Canada reached a record 1.9 million tonnes, up 27.2% from last year.

### Canola and flaxseed

Despite a relatively cool, wet growing season and a delayed harvest, canola production hit a record 5.4 million tonnes this year. The previous record was set in 1991 (4.2 million tonnes). A record yield in Alberta and a record harvested area in Canada were the main reasons for the increase in production.

After last year's large decrease, flaxseed production returned to more normal levels this year, at 620 thousand tonnes. An increase in harvested area was the main reason for this increase.

### Wheat

This year's total wheat production was 27.8 million tonnes, down 6.9% from last year's 29.9 million tonnes. Since yields were average to above-average in most provinces, the production decline was due mainly to a decrease in harvested area.

Spring wheat production in Western Canada was 23.8 million tonnes, down 5.5% from 25.2 million tonnes a year earlier; durum wheat production was up 7.0% to 3.4 million tonnes.

The winter wheat area seeded this fall is estimated to be 868 thousand acres, a 26.1% jump from last year's seeded area of 689 thousand acres. Most of the winter wheat crop is grown in Ontario.

#### Note to users

*This survey is the last of three production surveys conducted for the 1993/94 crop year. At the time of the survey (from October 22 to November 6), the harvest across Canada either was completed or near enough to completion for producers to report accurately on their crop production.*

### Soybeans and corn for grain

Soybean production in Eastern Canada reached a record 1.9 million tonnes, up 27.2% from last year and 26.8% from the previous record of 1.5 million tonnes set in 1991. The new production record was due mainly to a record harvested area and above-average yields.

After last year's disappointing harvest, corn for grain production reached 6.6 million tonnes, a return to normal levels.

### Dry peas and lentils

Dry pea production reached a record 970 thousand tonnes, almost double the previous record production of 505 thousand tonnes set last year. This jump in production was due to a record yield and a record harvested area.

Despite a record harvested area, low yields kept lentils production to only 349 thousand tonnes, almost the same production as last year.

**Available on CANSIM: matrices 1025-1030, 1033-1037, 1039-1043, 1047, 1048, 1050, 1051, 3541-3547, 3549-3553, 3555-3559 and 3561-3563.**

*Field Crop Reporting Series No. 8: November Estimate of Production of Principal Field Crops, Canada (22-002, \$12/\$80) is now available. See "How to Order Publications".*

For further information, please contact the Crops Section (613-951-8717), Agriculture Division. ■

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## DATA AVAILABILITY ANNOUNCEMENTS

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### Government Revenue and Expenditure (SNA Basis)

Third Quarter 1993

Federal, provincial and local government revenue and expenditure estimates on a national accounts basis for the quarter ended September 30, 1993 are now available. Revised estimates for the quarters ended March 31, 1993 and June 30, 1993 are also available.

**Available on CANSIM: matrices 2711 to 2713.**

For further information, contact James Temple (613-951-1832) or Paul Blouin (613-951-8563), Public Administration Section, Public Institutions Division.

Data are also available through custom and special tabulations.

For more information or general inquiries on Public Institutions Division products or services contact Jo-Anne Thibault, Data Dissemination and External Relations Co-ordinator (613-951-0767). ■

### Police Expenditures 1992

In 1992, total expenditures for all federal, provincial and municipal policing services were \$5.7 billion, up 5.3% from 1991. The per capita cost of policing services in 1992 was \$209, up 3.9% from \$201 in 1991.

Data on police expenditures for 1992 are now available. This five-page information package includes tables that display data on police expenditures by federal, provincial and municipal levels of policing. In addition, national trends are provided for the period from 1962 to 1992.

For details, contact Information and Client Services (613-951-9023, toll-free 1-800-387-2231) or the Policing Services Program (613-951-6642), Canadian Centre for Justice Statistics. ■

### Coal and Coke Statistics

September 1993

Coal production totalled 5 794 kilotonnes in September 1993, up 18.5% from September 1992. Year-to-date production at the end of September 1993 stood at 49 931 kilotonnes, down 0.6% from the previous year.

Exports in September rose to 2 218 kilotonnes, up 40.1% from September 1992; imports decreased 51.1% to 889 kilotonnes. For January to September 1993, exports totalled 19 988 kilotonnes, 10.4% below last year.

Coke production in September 1993 decreased to 275 kilotonnes, down 17.8% from September 1992.

**Available on CANSIM: matrix 9.**

The September 1993 issue of *Coal and Coke Statistics* (45-002, \$10/\$100) will be available the first week of October. See "How to Order Publications".

For detailed information on this release, contact Dave Madsen (613-951-9823), Energy Section, Industry Division. ■

### Rigid Insulating Board

October 1993

Shipments of rigid insulating board totalled 2 941 thousand square metres (12.7 mm basis) in October 1993, a 15.7% decrease from 3 490 thousand square metres in October 1992.

For January to October 1993, shipments totalled 27 075 thousand square metres, a 2.5% increase from 26 423 thousand square metres in 1992.

**Available on CANSIM: matrices 31 (series 1) and 122 (series 4-7).**

The October 1993 issue of *Rigid Insulating Board* (36-002, \$5/\$50) will be available at a later date.

For detailed information on this release, contact Sandra Bohatyretz (613-951-3531), Industry Division. ■



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## Industrial Chemicals and Synthetic Resins

October 1993

Chemical firms produced 136 823 tonnes of polyethylene synthetic resins in October 1993, a 2.6% decrease from 140 430<sup>r</sup> (revised) tonnes in October 1992.

For January to October 1993, production totalled 1 359 436 tonnes, down 1.2% from 1 375 724<sup>r</sup> tonnes a year earlier.

Data are also available on production of three other types of synthetic resins and 24 industrial chemicals for October 1992 and October 1993.

**Available on CANSIM: matrix 951.**

The October 1993 issue of *Industrial Chemicals and Synthetic Resins* (46-002, \$5.60/\$56) will be available at a later date.

For detailed information on this release, contact Raj Sehdev (613-951-3513), Industry Division. ■

## PUBLICATIONS RELEASED

**Field Crop Reporting Series No. 8: November Estimate of Production of Principal Field Crops, Canada, November 30, 1993.**  
**Catalogue number 22-002**  
(Canada: \$12/\$80; United States: US\$14/US\$96; Other Countries: US\$16/US\$112).

**Aviation Statistics Centre Service Bulletin, November 1993. Vol. 25, No. 11.**  
**Catalogue number 51-004**  
(Canada: \$9.30/\$93; United States: US\$11.20/US\$112; Other Countries: US\$13/US\$130).

**Gas Utilities, August 1993.**  
**Catalogue number 55-002**  
(Canada: \$12.70/\$127; United States: US\$15.20/US\$152; Other Countries: US\$17.80/US\$178).

The paper used in this publication meets the minimum requirements of American National Standard for Information Sciences - Permanence of Paper for Printed Library Materials, ANSI Z39.48 - 1984.



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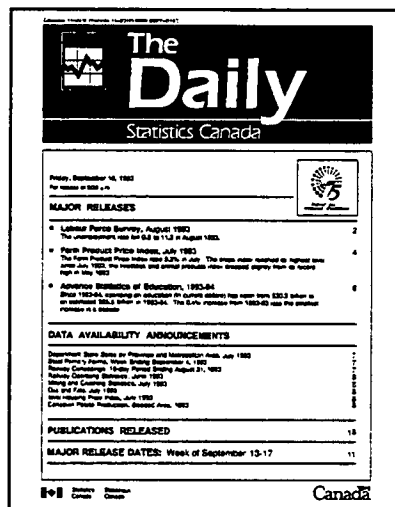
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**Editor: Tim Prichard (613-951-1103)**  
**Senior Editor: Greg Thomson (613-951-1187)**

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**MAJOR RELEASE DATES: December 1993**


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(Release dates are subject to change)

Release date	Title	Reference period
<b>December</b>		
1	Financial Packages — RRSP's, Savers, Investors	1992
1	Help-wanted Index	November 1993
1	Crude Oil and Natural Gas	September 1993
2	Industrial Capacity Utilization Rates	Third Quarter 1993
2	Short-term Expectations Survey	
3	Labour Force Survey	November 1993
6	Household Facilities and Equipment	1993
7	Estimates of Labour Income	September 1993
9	New Motor Vehicle Sales	October 1993
9	Farm Product Price Index	October 1993
10	New Housing Price Index	October 1993
10	Department Store Sales by Province and Metropolitan Area	October 1993
14	Travel Between Canada and Other Countries	October 1993
14	Income Distributions by Size	1992
15	Composite Index	November 1993
15	Building Permits	October 1993
16	Preliminary Statement of Canadian International Merchandise Trade	October 1993
16	Monthly Survey of Manufacturing	October 1993
17	Consumer Price Index	November 1993
17	Department Store Sales Advance Release	November 1993
17	Sales of Natural Gas	October 1993
20	Canada's International Transactions in Securities	October 1993
21	Retail Trade	October 1993
22	Wholesale Trade	October 1993
23	Employment, Earnings and Hours	October 1993
23	Unemployment Insurance Statistics	October 1993
24	Real Gross Domestic Product at Factor Cost by Industry	October 1993
24	<b>MAJOR RELEASE DATES</b>	January 1994

**Note:** Use the command **DATES** to retrieve this schedule from **CANSIM**. Contact Greg Thomson (613-951-1187), Communications Division.



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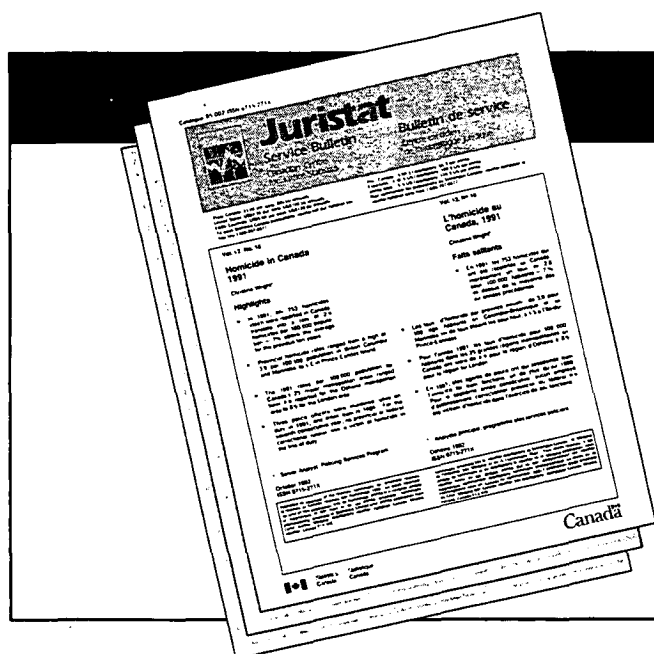
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