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Thursday, March 24, 1994

For release at 8:30 a.m.

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MAJOR RELEASES

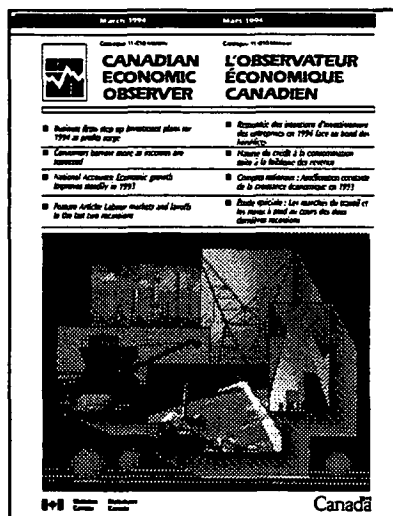
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Canadian Economic Observer March 1994

The March 1994 issue of *Canadian Economic Observer*, Statistics Canada's flagship publication for economic statistics, presents a summary of the economy, the major economic events in February and the fourth-quarter national accounts. This month's feature article is "Labour Markets and Layoffs During the Last Two Recessions." A statistical summary contains a wide range of tables and graphs on the principal economic indicators for Canada, the provinces and the major industrial nations.

The March 1994 issue of *Canadian Economic Observer* (11-010, \$22/\$220) is now available. See "How to Order Publications". For further information, contact Cindy Bloskie (613-951-3634), Current Economic Analysis.



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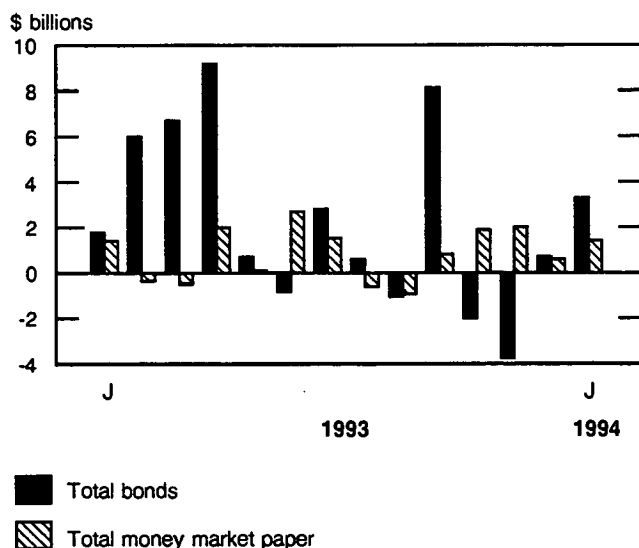
Canada's International Transactions in Securities

January 1994

In January 1994, non-residents increased their holdings of Canadian securities by \$5.8 billion, their highest net investment in four months. The foreign net investment was well-spread into the Canadian market, with \$3.3 billion into bonds, \$1.4 billion into money market instruments and \$1.1 billion into stocks.

As for the foreign market, Canadian residents purchased a net \$1.3 billion of foreign securities—entirely foreign stocks—well below the nearly \$3.0 billion average they invested during the last two months of 1993.

Non-resident net transactions in Canadian bonds and money market paper



Canadian bonds

The \$3.3 billion net purchase of Canadian bonds by non-residents in January was directed solely into net new issues (\$3.2 billion). Non-resident investment in existing bonds was virtually nil, at \$0.1 billion.

The \$3.2 billion investment of net new issues in January 1994 was the highest since September 1993. New bond issues remained high at \$4.3 billion, whereas retirements were relatively low at \$1.1 billion. Non-residents purchased \$2.2 billion of net new issues of the provinces and their enterprises, \$0.7 billion of federal issues and \$0.7 billion of corporate issues. Some 41% of gross new issues were denominated in Canadian dollars, 33% in U.S. dollars and 26% in other foreign currencies.

The foreign net investment of \$0.1 billion in existing bonds was made up of a net selling of \$0.7 billion of provincial direct and enterprises issues and a net buying of \$0.6 billion of federal issues and \$0.2 billion of corporate issues. European investors purchased a net \$0.7 billion of Canadian bonds; these were offset by net sales of \$0.3 billion each from the United States and Asia. Gross trading in the secondary market rebounded to \$97 billion in January, in line with the record levels of October and November 1993. Canadian long-term rates declined slightly while U.S. rates remained stable in January, narrowing the differential in favour of Canada by a further 10 basis points.

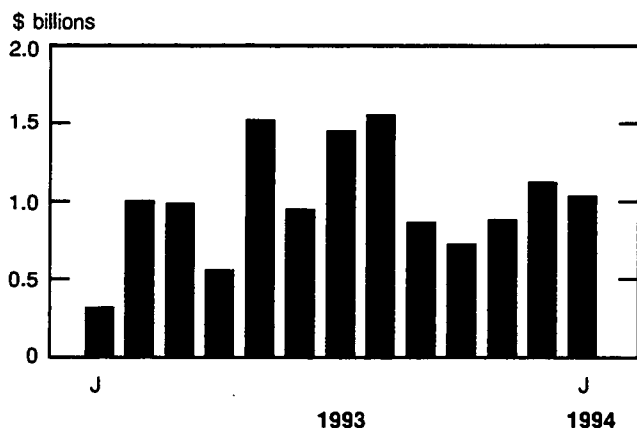
Canadian money market

In the Canadian money market, the \$1.4 billion net investment of January was the fifth successive monthly net foreign investment in that market. In January, the net buying was concentrated in Government of Canada treasury bills (\$1.8 billion) and to a lesser extent in corporate and commercial paper (\$0.5 billion). There was net selling of \$0.9 billion of other government paper. European Community countries led the way with a net foreign investment of \$1.9 billion, while residents of all other countries disinvested a net \$0.5 billion. Total gross trading reached a record \$51 billion.

Canadian stocks

The \$1.1 billion net purchase of Canadian stocks in January 1994 was similar to that in December 1993, bringing to a massive \$13.9 billion the total net investment by non-residents since October 1992. January's net investment went almost completely into existing shares. Some three-quarters of the net investment came from the United States and a significant one-quarter came from overseas countries.

Non-resident net transactions in Canadian stocks

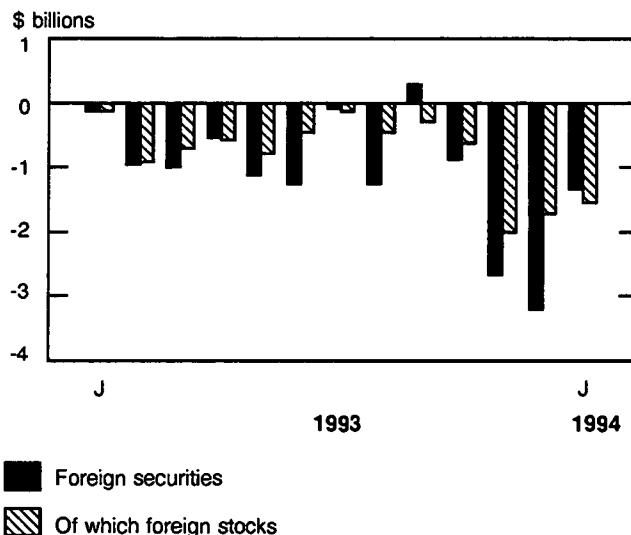


Gross value of trading in Canadian equities with non-residents amounted to \$6.8 billion, unchanged from December 1993. Canadian stock prices, as measured by the TSE 300 Index, jumped 5.4% in January 1994, which added to the 29% gain for all of 1993.

Foreign securities

In January 1994, Canadian residents (excluding banks) purchased a net \$1.5 billion of foreign stocks, while selling a small net \$0.2 billion of foreign bonds. January's net investment in foreign stocks was in line with the exceptionally large net investments averaging \$1.9 billion for the previous two months. January's net investment, which continued to be dominated by mutual funds, was 82% invested in overseas stocks (up from the 76% for all of 1993), with the balance going to U.S. stocks.

Canadian investment in foreign securities



Available on CANSIM: matrix 2330.

The January 1994 issue of *Canada's International Transactions in Securities* (67-002, \$15.80/\$158) will be available in April. See "How to Order Publications".

For further information on this release, contact Don Granger (613-951-1864), Balance of Payments Division. □

Canada's international transactions in securities

	July 1993	August 1993	September 1993	October 1993	November 1993	December 1993	January 1994	January 1993	Year 1993
\$ millions									
Canadian securities total	1,378	-342	9,800	534	-1,041	2,381	5,758	5,977	48,182
Bonds (net)	532	-1,005	8,066	-2,029	-3,951	714	3,295	6,021	26,998
Outstanding bonds	-1,784	-1,585	4,105	-1,752	-4,702	-977	62	2,155	-549
New issues	4,826	1,493	6,897	2,483	2,716	4,747	4,311	4,846	54,008
Retirements	-2,509	-913	-2,936	-2,760	-1,965	-3,056	-1,078	-980	-26,461
Money market paper (net)	-603	-883	871	1,844	2,039	551	1,434	-360	9,297
Government of Canada	-749	136	2,300	1,976	1,970	-1,292	1,803	79	10,940
Other money market paper	145	-1,019	-1,430	-132	69	1,843	-368	-439	-1,643
Stocks (net)	1,449	1,545	863	719	871	1,116	1,029	316	11,887
Outstanding stocks (net)	1,231	1,276	683	670	674	753	950	297	10,134
New issues (net)	217	269	180	49	197	363	79	19	1,753
Foreign securities total	-100	-1,246	272	-855	-2,667	-3,219	-1,340	-106	-12,759
Bonds (net)	24	-785	555	-242	-679	-1,496	184	3	-4,016
Stocks (net)	-124	-461	-282	-613	-1,988	-1,723	-1,523	-109	-8,743

Note: Net is the "sales to" less the "purchases from" non-residents. A minus sign indicates the purchase of securities from non-residents, i.e., an outflow of capital from Canada.

Labour Markets and Layoffs During the Last Two Recessions

Debate over the recession of the 1990s continues. Some suggest that it was the longest, most severe recession since the Depression of the 1930s. Others argue that it was over within a year of starting and paled in comparison with the 1981-82 downturn. One's view of the severity depends on whether the focus is changes in output or changes in employment.

The decline in output (GDP) was both shallower and shorter in the early 1990s (only -3.2% over 12 months) than in the 1981-82 recession (-6.7% over 18 months). But there was a year of almost no growth coming out of the recession—from mid-1991 to mid-1992.

In the labour markets, the recession was shallower but much more prolonged in 1990-92; employment fell by 3.1% over 27 months, compared with 5.5% over 15 months in 1981-82. Because of the prolonged nature of the employment downturn, the cumulative loss of person-months of employment was about 28% greater in 1990-92 (-6.3 million versus -4.9 million). Similarly, there was two-thirds more cumulative person-months of unemployment during the 1990s contraction than during the 1981-82 downturn. These measurements reflect the combined effects of both the depth and duration of the recessions.

In particular, manufacturing experienced a much more severe contraction in labour market terms, registering 4.7 million person-months of lost employment over a period of 41 months during the recent downturn versus 2.8 million lost over a period of 18 months in 1981-82.

Were layoffs more likely to be permanent in the recession of 1990-92?

The nature of the job losses during the recession has also been debated. Expectations formed in the late 1980s and early 1990s have led many to believe that layoffs are more likely to be permanent in the 1990s than during the recession of 1981-82.

Such expectations relate to notions regarding increased restructuring, greater global competition (symbolized by the Canada-U.S. Free Trade Agreement), the belief that some firms have intensified efforts to reduce labour costs, and the sheer duration of the recession itself. These forces may have led firms to turn more often to permanent rather than temporary layoffs during the recent recession.

Proxy data from the Labour Force Survey are used to answer this question about layoffs. Individuals who lose their jobs and enter unemployment are categorized as either temporary layoffs or "other" job losers. The latter category is mostly permanent layoffs and, therefore, becomes their proxy.

Temporary layoffs did account for a smaller share of all layoffs in the 1990-92 downturn than in the 1981-82 contraction (29% versus 36%). This implies that the share of layoffs for other reasons—mainly permanent layoffs—was about seven percentage points higher on average in the 1990-92 downturn than in the 1981-82 slump (71% versus 64%). A similar increase was seen in the United States. Although these preliminary results indicate that permanent job loss was somewhat higher in the recent recession, they do not support the view that there was a dramatic economy-wide shift toward more permanent job loss or permanent layoffs, which is associated by some with "restructuring". Manufacturing was an exception, however, as temporary layoffs fell from 55% to 32% of all layoffs in the last two recessions.

The pattern of permanent layoffs over recession and recovery is also of interest. Early in the recession temporary layoffs dominated. But near the end of the recession permanent layoffs rose in importance, perhaps a result—among others—of the prolonged downturn. The annual rate of "other" job losses (number of "other" job losers divided by employment) rose from 13% at the peak of the business cycle in 1988 to 14% in 1990 (early in the recession), and then rose to 17.5% in 1992 (late in the recession). In 1993 the rate remained at 16.7% as the recovery continued. This was well above the pre-recession level. Permanent layoff rates are slow to decline after recessions. After the 1981-82 recession, the permanent layoff rate fell to its pre-recession level only during 1987 and 1988. Such a pattern might be observed following the 1991-92 recession, however, the data have yet to confirm this.

Further details and analysis are featured in "Labour Markets and Layoffs During the Last Two Recessions", an article which appears in the March 1994 issue of *Canadian Economic Observer* (11-010, \$22/\$220), now available. See "How to Order Publications".

For further information, contact Garnett Picot (613-951-8214), Business and Labour Market Analysis Division. ■

DATA AVAILABILITY ANNOUNCEMENTS

Private Security and Public Policing

This *Juristat* examines the number of persons employed as private investigators and security guards as reported on the 1971, 1981 and 1991 Censuses. Comparable data are also provided on the number of public police officers. Data are available by sex, income and education level.

The Vol. 14, No. 10 issue of *Juristat Service Bulletin: Private Security and Public Policing in Canada* (85-002, \$3.60/\$65) is now available. See "How to Order Publications".

For further information, contact Information and Client Services, Canadian Centre for Justice Statistics (613-951-9023, toll-free in Canada 1-800-387-2231). ■

Local Government Long-term Debt

February 1994

Estimates for the accumulated long-term debt of local governments for all provinces except Ontario are now available.

For further information on this release, contact Marlene Vollmer (613-951-1830), Public Institutions Division.

Data are also available through custom and special tabulations. For further 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). ■

Steel Primary Forms

Week Ending March 19, 1994 (Preliminary)

Steel primary forms production for the week ending March 19, 1994 totalled 274 364 tonnes, down 4.0% from the week-earlier 285 697 tonnes and down 2.0% from the year-earlier 279 842 tonnes.

The cumulative total at the end of the week was 2 865 784 tonnes, a 5.9% decrease from 3 046 329 tonnes for the same period in 1993.

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

Traveller Accommodation Statistics

1989-1991

Data for 1989-1991 on the accommodation service industries are now available.

Traveller Accommodation Statistics, 1989-1991 (63-204, \$22) will be released shortly. See "How to Order Publications".

For further information on this release, contact Sam Lee (613-951-0663), Accommodation and Food Services Section, Services, Science and Technology Division. ■

Railway Carloadings

Seven-day Period Ending March 14, 1994

The number of railway cars loaded in Canada during the seven-day period increased by 7.2% from the year-earlier period; revenue-freight loaded increased by 6.9% to 4.8 million tonnes.

Piggyback traffic tonnage, which is included in total carload traffic, increased by 6.1% during the same period.

Tonnage of revenue-freight loaded as of March 14, 1994 increased by 0.1% from the previous year.

Cumulative data for 1993 have been revised.

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

Women's Sportswear Industry

1992 Annual Survey of Manufactures

In 1992, the value of shipments of goods of own manufacture for the women's sportswear industry (SIC 2442) totalled \$1,082.6 million, up 2.8% from \$1,052.6 million in 1991.

Available on CANSIM: matrix 5446.

Data for this industry will be released in *Clothing Industries* (34-252, \$38).

For further information on this release, contact Nicole Charron (613-951-3510), Industry Division. ■

Other Furniture and Fixture Industries

1992 Annual Survey of Manufactures

In 1992, the value of shipments of goods of own manufacture for the other furniture and fixture industries not elsewhere classified (SIC 2699) totalled \$368.4 million, up 6.0% from \$347.5 million in 1991.

Available on CANSIM: matrix 5481.

Data for this industry will be released in *Furniture and Fixtures Industries* (35-251, \$38).

For further information on this release, contact Keith Martin (613-951-3518), Industry Division. ■

Metal Tanks (heavy gauge) Industry

1992 Annual Survey of Manufactures

In 1992, the value of shipments of goods of own manufacture for the metal tanks (heavy gauge) industry (SIC 3021) totalled \$378.4 million, down 16.6% from \$453.7 million in 1991.

Available on CANSIM: matrix 5517.

Data for this industry will be released in *Fabricated Metal Products Industries* (41-251, \$38).

For further information on this release, contact Bruno Pépin (613-951-9837), Industry Division. ■

Metal Closure and Container Industry

1992 Annual Survey of Manufactures

In 1992, the value of shipments of goods of own manufacture for the metal closure and container industry (SIC 3042) totalled \$1,329.9 million, up 2.2% from \$1,301.6 million in 1991.

Available on CANSIM: matrix 5525.

Data for this industry will be released in *Fabricated Metal Products Industries* (41-251, \$38).

For further information on this release, contact Bruno Pépin (613-951-9837), Industry Division. ■

Metal Dies, Moulds and Patterns Industry

1992 Annual Survey of Manufactures

In 1992, the value of shipments of goods of own manufacture for the metal dies, moulds and patterns industry (SIC 3062) totalled \$869.2 million, up 3.5% from \$839.5 million in 1991.

Available on CANSIM: matrix 5532.

Data for this industry will be released in *Fabricated Metal Products Industries* (41-251, \$38).

For further information on this release, contact Bruno Pépin (613-951-9837), Industry Division. ■

Hand Tool and Implement Industry

1992 Annual Survey of Manufactures

In 1992, the value of shipments of goods of own manufacture for the hand tool and implement industry (SIC 3063) totalled \$125.9 million, up 0.3% from \$125.6 million in 1991.

Available on CANSIM: matrix 5533.

Data for this industry will be released in *Fabricated Metal Products Industries* (41-251, \$38).

For further information on this release, contact Bruno Pépin (613-951-9837), Industry Division. ■

Machine Shop Industry

1992 Annual Survey of Manufactures

In 1992, the value of shipments of goods of own manufacture for the machine shop industry (SIC 3081) totalled \$1,371.9 million, down 8.2% from \$1,493.6 million in 1991.

Available on CANSIM: matrix 5536.

Data for this industry will be released in *Fabricated Metal Products Industries* (41-251, \$38).

For further information on this release, contact Bruno Pépin (613-951-9837), Industry Division. ■

Motor Vehicle Wheel and Brake Industry 1992 Annual Survey of Manufactures

In 1992, the value of shipments of goods of own manufacture for the motor vehicle wheel and brake industry (SIC 3255) totalled \$970.3 million, up 13.1% from \$858.1 million in 1991.

Available on CANSIM: matrix 5559.

Data for this industry will be released in *Transportation Equipment Industries* (42-251, \$38).

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

Railroad Rolling-stock Industry 1992 Annual Survey of Manufactures

In 1992, the value of shipments of goods of own manufacture for the railroad rolling-stock industry (SIC 3261) totalled \$1,296.8 million, up 25.9% from \$1,029.7 million in 1991.

Available on CANSIM: matrix 5563.

Data for this industry will be released in *Transportation Equipment Industries* (42-251, \$38).

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


Sign and Display Industry 1992 Annual Survey of Manufactures

In 1992, the value of shipments of goods of own manufacture for the sign and display industry (SIC 3971) totalled \$573.3 million, down 8.9% from \$629.6 million in 1991.

Available on CANSIM: matrix 6892.

Data for this industry will be released in *Other Manufacturing Industries* (47-250, \$38).

For further information on this release, contact Suzanne Pépin (613-951-3514), Industry Division. ■



The Daily
Statistics Canada

Friday, September 16, 1993
For release at 9:00 a.m.

MAJOR RELEASES

- Labour Force Survey, August 1992
The unemployment rate of 5.2 is 11.3 in August 1992.
- Foreign Product Price Index, July 1993
The price index for foreign products rose 0.2% in July. This index rose for the highest level since July 1992, as increases in prices for most products were offset by a slight fall in the price of oil.
- Advance Statistics of Sales, 1992-93
Sales of 1992, according to the advance statistics of sales, have risen from \$50.2 billion in 1992 to \$50.4 billion in 1993. The 2.4% increase from 1992 is the highest increase in a decade.

DATA AVAILABILITY ANNOUNCEMENTS

- Department Store Sales for 1992 and 1993
Retail Sales of 1992, from January to August 1992, are \$1.1 billion.
- Business Conditions - 1992
Business Conditions - 1992, from January to August 1992, are \$1.1 billion.
- Business Conditions - 1993
Business Conditions - 1993, from January to August 1993, are \$1.1 billion.
- Business Conditions - 1994
Business Conditions - 1994, from January to August 1994, are \$1.1 billion.

PUBLICATIONS RELEASED

MAJOR RELEASE DATES: Week of September 13-17

Canada

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The Daily, March 24, 1994

PUBLICATIONS RELEASED

Canadian Economic Observer, March 1994.

Catalogue number 11-010

(Canada: \$22/\$220; United States: US\$26/US\$260;

Other Countries: US\$31/US\$310).

Production and Disposition of Tobacco Products,
February 1994.

Catalogue number 32-022

(Canada: \$5/\$50; United States: US\$6/US\$60;

Other Countries: US\$7/US\$70).

Corrugated Boxes and Wrappers, February 1994.

Catalogue number 36-004

(Canada: \$5/\$50; United States: US\$6/US\$60;

Other Countries: US\$7/US\$70).

Railway Carloadings, Vol. 71, No. 1. January 1994.

Catalogue number 52-001

(Canada: \$8.30/\$83; United States: US\$10/US\$100;

Other Countries: US\$11.60/US\$116).

The Labour Force, February 1994.

Catalogue number 71-001

(Canada: \$17.90/\$179; United States:

US\$21.50/US\$215;

Other Countries: US\$25.10/US\$251).

**Juristat Service Bulletin: Private Security and
Public Policing in Canada**. Vol. 14, No. 10.

Catalogue number 85-002

(Canada: \$3.60/\$65; United States: US\$4.30/US\$78;

Other Countries: US\$5/US\$91).

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



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