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Catalogue 11-001E (Français 11-001F) ISSN 0827-0465

# The Daily

## Statistics Canada



**Friday, October 27, 1995**
For release at 8:30 a.m.

## MAJOR RELEASES



*(continued on following page)*

## OTHER RELEASES

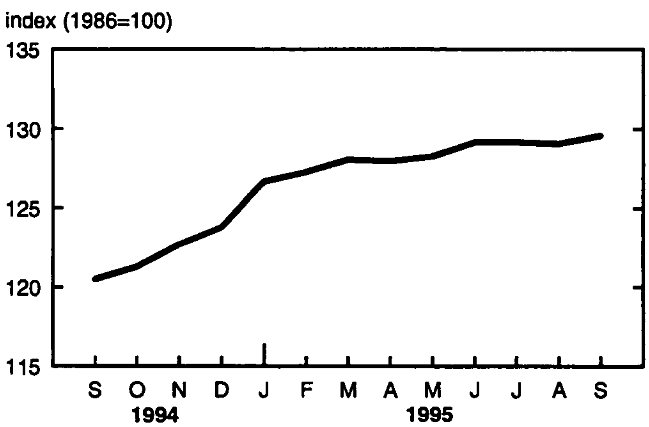
# MAJOR RELEASES

## Industrial product price index

September 1995 (preliminary)

Industrial prices edged up 0.4% in September as the economy strengthened in some sectors. The major factor in the increase was newsprint prices. Other increases included lumber, gasoline and fuel oil. These were partly offset by price declines for non-ferrous primary metal products and certain chemicals. About 20% of September's overall price increase was accounted for by a rise in the U.S. dollar.

**Industrial prices edged up in September**




> ***Note to readers***
>
> *The industrial product price index (IPPI) reflects the prices producers receive as goods leave their plants. It does not reflect what consumers pay. Unlike the consumer price index, the IPPI excludes indirect taxes and all costs (including the transportation, wholesale, and retail costs) occurring from the time a good leaves a plant until a final user takes possession.*
>
> *Canadian producers export many goods. They often quote their prices in foreign currencies, particularly for motor vehicles, pulp, paper, and wood products. A rise or fall in the value of the Canadian dollar against the U.S. dollar therefore affects the IPPI. A 1% change in the value of the Canadian dollar against the U.S. dollar has been estimated to change the IPPI by about 0.2%.*

The 12-month change in industrial prices ended a five-month decline in September, recovering to +7.6% from +7% in August. Most of this increase, however, was due to the movements in exchange rates that occurred in August and September of 1994 and 1995.

### Newsprint, lumber and fuels push prices up

September's most significant source of upward pressure on industrial prices came from newsprint (+7.4%), softwood lumber (+2.9%), and gasoline and fuel oil (+2.8%). Newsprint producers continue operating at full capacity, so a strong demand for newsprint is fuelling price increases, and some sellers are finding it necessary to ration sales to some buyers. If these conditions continue, further price increases for newsprint seem likely.

Much of the rise in softwood lumber prices was due to increases in the prices of spruce, pine and fir. These increases were encouraged by the rise in U.S. residential construction that began in May. Recent figures from the U.S. Department of Commerce indicate that U.S. housing starts declined in both August and September. Lumber inventories are low in the United States, and demand may increase if sellers begin restocking.

Both gasoline and fuel oil prices, which declined in the June-to-August period, showed increases in September. Crude oil prices, which began declining in May, turned around in August.

### Prices drop for non-ferrous metals and chemicals

Prices of the major non-ferrous metal products declined in September. Copper and copper alloy product prices were down 3.7%. Nickel product prices dropped 4.9%. Aluminum product prices fell 1.2%. Other price declines included zinc and aluminum scrap. Although prices have been fluctuating in recent months, exports of various base metals to the European Union have been rising.

Chemical prices fell 1.1% overall. Competitive pressures were said to be the reason behind most of the declines in chemical prices. A decline in plastic shipments since April has put downward pressure on the prices of some chemicals used as inputs.

The Canadian dollar depreciated against the U.S. dollar by 0.4% between August 15 and September 15. This meant that manufacturers selling goods priced in U.S. dollars received more Canadian dollars for their products. The most significant consequences were felt by manufacturers of motor vehicles, lumber, pulp, paper and non-ferrous primary metal products. If the effect of the Canadian dollar's fall were excluded, the monthly change in industrial prices would have been a little over +0.3%.

**Prices rise both for consumers and manufacturers of consumer goods**

In September, the 12-month change in the prices of goods increased for both consumers and manufacturers. The consumer price index (released October 20) indicated that the 12-month change in goods prices paid by consumers rose from +1.6% in August to +1.9% in September. For manufacturers, the 12-month change in the prices received for Canadian consumer goods rose from a little under +2.5% to a little under +3%. About half of what the consumer pays goes to manufacturers; the remainder is divided between retailers, wholesalers, indirect taxes and transporters.

**Perspective**

Although exports rose noticeably in August in most sectors, only forestry products manufacturers saw price increases in September. On the domestic side, the construction industry has been showing signs of improvement. As well, automobile shipments have increased as new models roll off production lines. Internationally, recent figures suggest industrial production has been increasing in the United States and Japan. If these trends continue, Canadian industrial prices may increase more than they did in September.

**Available on CANSIM: matrices 2000-2008.**

The August 1995 issue of *Industry price indexes* (62-011, $21/$210) will be available at the end of November. See "How to order publications".

For further information on this release, contact the Client Services Unit (613-951-3350, fax: 613-951-2848), Prices Division. □

## Industrial product price indexes
(1986=100)

| | Relative importance | Sept. 1994 | Aug. 1995[r] | Sept. 1995[p] | Sept. 1994 to Sept. 1995 | Aug. 1995 to Sept. 1995 |
|---|---|---|---|---|---|---|
| | | | | | % change | |
| **Industrial product price index (IPPI)** | **100.0** | **120.5** | **129.1** | **129.6** | **7.6** | **0.4** |
| IPPI excluding petroleum and coal products | 93.6 | 122.3 | 131.5 | 131.9 | 7.8 | 0.3 |
| **Intermediate goods[1]** | **60.4** | **121.1** | **133.3** | **133.9** | **10.6** | **0.5** |
| First-stage intermediate goods[2] | 13.4 | 124.7 | 149.0 | 147.4 | 18.2 | -1.1 |
| Second-stage intermediate goods[3] | 47.0 | 120.1 | 128.8 | 130.0 | 8.2 | 0.9 |
| **Finished goods[4]** | **39.6** | **119.6** | **122.7** | **123.1** | **2.9** | **0.3** |
| Finished foods and feeds | 9.9 | 122.1 | 123.9 | 124.2 | 1.7 | 0.2 |
| Capital equipment | 10.4 | 121.0 | 124.6 | 124.8 | 3.1 | 0.2 |
| All other finished goods | 19.3 | 117.6 | 121.2 | 121.6 | 3.4 | 0.3 |
| **Aggregation by commodities** | | | | | | |
| Meat, fish and dairy products | 7.4 | 118.5 | 121.2 | 121.4 | 2.4 | 0.2 |
| Fruit, vegetable, feed, miscellaneous food products | 6.3 | 122.7 | 125.5 | 125.5 | 2.3 | 0.0 |
| Beverages | 2.0 | 126.2 | 127.1 | 128.2 | 1.6 | 0.9 |
| Tobacco and tobacco products | 0.7 | 164.2 | 172.3 | 172.3 | 4.9 | 0.0 |
| Rubber, leather, plastic fabric products | 3.1 | 119.9 | 128.1 | 128.0 | 6.8 | -0.1 |
| Textile products | 2.2 | 112.9 | 118.1 | 118.3 | 4.8 | 0.2 |
| Knitted products and clothing | 2.3 | 116.2 | 118.4 | 118.6 | 2.1 | 0.2 |
| Lumber, sawmill, other wood products | 4.9 | 158.1 | 154.4 | 157.1 | -0.6 | 1.7 |
| Furniture and fixtures | 1.7 | 122.3 | 125.0 | 125.0 | 2.2 | 0.0 |
| Paper and paper products | 8.1 | 119.0 | 163.8 | 167.8 | 41.0 | 2.4 |
| Printing and publishing | 2.7 | 143.0 | 176.1 | 177.4 | 24.1 | 0.7 |
| Primary metal products | 7.7 | 122.3 | 136.3 | 134.7 | 10.1 | -1.2 |
| Metal fabricated products | 4.9 | 120.3 | 128.3 | 128.4 | 6.7 | 0.1 |
| Machinery and equipment | 4.2 | 122.9 | 126.7 | 126.7 | 3.1 | 0.0 |
| Autos, trucks, other transportation equipment | 17.6 | 115.7 | 119.2 | 119.4 | 3.2 | 0.2 |
| Electrical and communications products | 5.1 | 115.3 | 117.9 | 117.8 | 2.2 | -0.1 |
| Non-metallic mineral products | 2.6 | 116.8 | 124.3 | 124.2 | 6.3 | -0.1 |
| Petroleum and coal products[5] | 6.4 | 94.2 | 93.9 | 95.9 | 1.8 | 2.1 |
| Chemicals and chemical products | 7.2 | 126.0 | 134.7 | 133.2 | 5.7 | -1.1 |
| Miscellaneous manufactured products | 2.5 | 118.8 | 123.4 | 123.4 | 3.9 | 0.0 |
| Miscellaneous non-manufactured commodities | 0.4 | 88.4 | 101.8 | 98.7 | 11.7 | -3.0 |

1 *Intermediate goods are goods used principally to produce other goods.*
2 *First-stage intermediate goods are items used most frequently to produce other intermediate goods.*
3 *Second-stage intermediate goods are items most commonly used to produce final goods.*
4 *Finished goods are goods most commonly used for immediate consumption or for capital investment.*
5 *This index is estimated for the current month.*
r *Revised figures.*
p *Preliminary figures.*

■

# Raw materials price index

September 1995 (preliminary)

Manufacturers paid 1.5% less for raw materials in September, as lower prices for wood and non-ferrous metals were partly offset by higher crude oil prices.

The declines in wood prices (-7%) and non-ferrous metal prices (-3%) were somewhat offset by a 1.1% increase in crude oil prices.

In addition, with reserves at their lowest level in 20 years, wheat prices rose almost 8% in September.

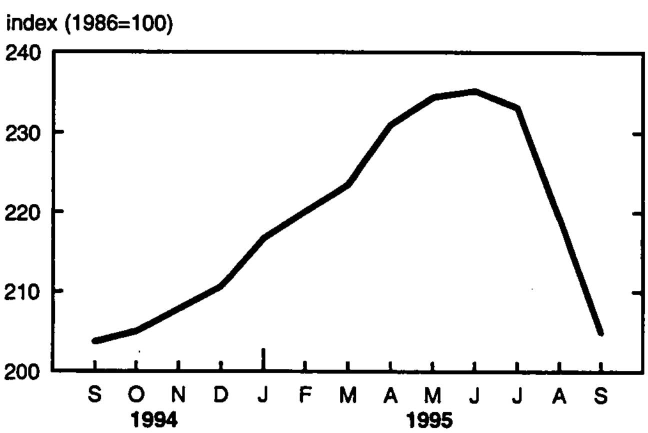
On an annual basis, raw material prices were 5.7% higher in September than they were a year earlier. The increase halted a long decline in the annual rate that started in January, when the change was +18.4%. It had gone down to +4.3% in August.

Excluding mineral fuels, raw material prices declined 2.5% in September, and the 12-month change fell to +5.6%, from +7.6% in August.

## Weaker wood prices

Wood prices have declined almost 13% over the last three months (July to September). Prices are almost comparable to what they were a year earlier.

**Wood prices continued their steep fall**




There is a glut of pulp logs on the market, so pulp prices showed only marginal increases in August and September. Newsprint prices continued to increase, however, moving up more than 7% in September. The newsprint industry is working at full capacity. In the near future, wood prices will probably remain stable or weaken further until the excess supply of pulp logs comes to market or there is a resurgence in the demand for lumber.

> ***Note to readers***
>
> *The raw materials price index (RMPI) reflects the prices paid by Canadian manufacturers for key raw materials. Many of these prices are set in world markets. Also, unlike the industrial product price index, the RMPI includes goods that are not produced in Canada.*

## Crude oil prices creep up again

In August, crude oil prices were subject to upward pressure due to renewed tensions in the Middle East. In September, crude oil prices rose (+1.1%) as Hurricanes Luis and Marilyn caused havoc at refineries in the Caribbean, particularly at Hess, the world's largest refinery. However, large world production of crude oil, along with the sale of 38 million barrels from the U.S. Strategic Petroleum Reserve (over five years) and the eventual return of Iraq to the market may depress prices in the long run.

Even though natural gas prices have declined almost 12% over the last 12 months (to September), Canada has been able to increase its share of the U.S. market to almost 14%.

Vegetable product prices increased almost 1% in September as higher prices for grains and rubber were partly offset by lower prices for coffee, sugar and oilseeds.

## Wheat prices heat up

Wheat prices moved up almost 8% in September because reserves are at their lowest levels in 20 years, and export demand is strong. Compared with September 1994, wheat prices were up 34%. China is expected to buy almost 5 million tonnes of wheat from Canada in 1995-96. The just harvested Russian crop has been reported to be the smallest in almost 30 years. All signs appear to point to stable or increased wheat prices in the near future.

In September, animal and animal product prices declined less than 1%. Prices over the 12 months to September were up almost 7%, mainly due to higher prices for hogs (+29%), unprocessed milk (+9) and fish (+13%). Lower cattle prices (-8%) dampened the overall increase. Even with an ample supply of available hogs, prices remained strong. According to market analysts, demand has been firm because the major fast food chain restaurants have been featuring bacon on their menus.

## Metal prices down

Non-ferrous metal prices fell 3% in September. Lower prices for copper concentrates (-4%), aluminum materials (-5%) and nickel concentrates (-6%) were the major contributors. Copper prices were subject to higher inventories. However, copper prices should strengthen in the next few months, if the North American motor vehicle and residential construction industries rebound. Because buying by investment funds helped to push base metal prices higher over the last 14 months, the recent selling has dampened prices somewhat.

**Available on CANSIM: matrix 2009.**

The August 1995 issue of *Industry price indexes* (62-011, $21/$210) will be available at the end of November. See "How to order publications."

For further information on this release, contact the Client Services Unit (613-951-3350, fax: 613-951-2848), Prices Division.

### Raw materials price index
(1986=100)

| | Relative importance | Sept. 1994 | Aug. 1995[r] | Sept. 1995[p] | Sept. 1994 to Sept. 1995 | Aug. 1995 to Sept. 1995 |
|---|---|---|---|---|---|---|
| | | | | | % change | |
| **Raw materials price index (RMPI)** | **100.0** | **121.4** | **130.3** | **128.3** | **5.7** | **-1.5** |
| Mineral fuels | 31.7 | 100.5 | 104.9 | 106.1 | 5.6 | 1.1 |
| Vegetable products | 10.3 | 115.6 | 128.2 | 129.1 | 11.7 | 0.7 |
| Animals and animal products | 25.5 | 105.3 | 112.7 | 112.4 | 6.7 | -0.3 |
| Wood | 13.1 | 203.7 | 219.3 | 204.9 | 0.6 | -6.6 |
| Ferrous materials | 3.6 | 122.4 | 123.7 | 123.6 | 1.0 | -0.1 |
| Non-ferrous metals | 13.2 | 129.6 | 145.3 | 141.3 | 9.0 | -2.8 |
| Non-metallic minerals | 2.6 | 101.1 | 105.9 | 105.8 | 4.6 | -0.1 |
| RMPI excluding mineral fuels | 68.3 | 131.2 | 142.1 | 138.6 | 5.6 | -2.5 |

[r] *Revised figures.*
[p] *Preliminary figures.*

■

# OTHER RELEASES

## National population health survey: Residents of health care institutions
1995

Only 43% of those aged 65 or over living in health care institutions rated their own health as good to excellent, compared with 73% of those in the same age group living in households.

More than two in three (68%) residents aged 65 or over reported having been diagnosed with three or more chronic health conditions. However, some conditions are more likely to be related to institutionalization. For example, almost half (49%) of those aged 65 or over living in health care institutions reported urinary or bowel incontinence. Fewer than 1 in 20 (4%) of those in the same age group living in households reported urinary incontinence.

In addition, there is a striking difference for Alzheimer's disease or other dementia. One in three (35%) of those aged 65 or over living in health care institutions were reported as having been diagnosed with Alzheimer's disease or other dementia. The proportion in the same age group living in households who reported that diagnosis was too low to be accurately estimated.

The effects of stroke were reported by about 1 in 5 (22%) of those aged 65 or over living in institutions, compared with fewer than 1 in 20 (4%) of those aged 65 or over living in households.

More and more there is discussion of how to keep people in the community and out of health care institutions. These results suggest that the presence of certain conditions—incontinence, Alzheimer's disease or other dementia, and the effects of stroke—makes it unlikely that a person will be living in the community. Two in three (68%) residents aged 65 or over living in health care institutions had one or more of these conditions, whereas the conditions were very uncommon in the community.

This release is based on a survey of long-term residents of 230 health care institutions that was conducted from January to March 1995. It is a special component of the first wave of the National Population Health Survey, the results of which were released in *The Daily* on September 22, 1995. The 2,287 residents for whom interviews were completed represent more than 227,800 individuals living in health care institutions in the provinces. Four out of five are aged 65 or over. While less than 1% of the Canadian population lives in a health care institution, 5% of those aged 65 or over do so; a substantial 18% of those aged 80 or over are institutionalized.

This survey represents a major new source of information, particularly about Canadians aged 65 or over. A public-use microdata file will be released December 15.

For further information on this release, contact Gary Catlin (613-951-3830) or Richard Trudeau (613-951-8388), Health Statistics Division. ■

## Industrial monitor
October 1995

The October 1995 edition of *Industrial monitor* is now available. Its tables present up-to-date statistics on 165 manufacturing industries in 22 sectors.

The *Industrial monitor* can be purchased as a full package (22 sectors) or by industrial sector. The annual subscription is $200 per industrial sector. The annual subscription for the totals of the manufacturing industries (15F0017XPE) costs $50. The full 22-sector package (15F0015XPE) is priced at $3,000, a savings of $650. See "How to order publications".

For further information on this release, contact the client services representative (613-951-9060), Industry Measures and Analysis Division. ■

## Railway carloadings
Seven-day period ending October 7, 1995

Carloadings of freight (excluding intermodal traffic) during the seven-day period ending October 7, 1995, decreased 6.4% to 4.8 million tonnes. The number of cars loaded decreased 8.1% from the same period of last year.

Intermodal traffic (piggyback) tonnage totalled 317 000 tonnes, a 12.6% decrease from the same period of last year. The year-to-date figures showed an increase of 9.6%.

Total traffic (carloadings of freight and intermodal traffic) decreased 6.8% during the period. This brought the year-to-date total to 194.6 million tonnes, a 2.4% increase from the previous year.

All year-to-date figures have been revised.

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

## Hog inventories
October 1, 1995

At October 1, 1995, the number of hogs was estimated at 12 million head, a 2% increase from the estimate for October 1, 1994. In the East, the inventories increased 1.5% from a year earlier to an estimated 7 million head; in the West, the number increased 3% to 5 million head. Nationwide, slaughter and exports in the third quarter of 1995 increased by 6.5% from a year earlier.

**Available on CANSIM: matrices 9500-9510.**

The October 1, 1995 estimates of the hog inventory will be available in mid-November in *Livestock statistics update 3* (23-603UE, $144). See "How to order publications". A facsimile service is also available.

For further information on this release, contact Peter Meszaros (613-951-2510), Agriculture Division.■

## Stocks of frozen meat products
October 1, 1995

Frozen meat in cold storage as of October 1, 1995, amounted to 36 273 tonnes, compared with 39 344 tonnes a month earlier and 39 262 tonnes a year earlier.

**Available on CANSIM: matrices 87 and 9517-9525.**

For further information on this release, contact Conrad Ogrodnik (613-951-2860), Livestock and Animal Products Section, Agriculture Division. ■

## Department store sales and stocks
September 1995

Data for September 1995 on department store sales and inventories by merchandise department are now available.

**Available on CANSIM: matrices 111-113.**

The September 1995 issue of *Department store sales and stocks* (63-002, $16/$160) will be available in November. See "How to order publications".

For further information on this release, contact Mary Beth Lozinski (613-951-9824), Retail Trade Section, Industry Division. ■

## Low income after tax
1993

Data for 1993 on low income after tax are now available from the Survey of Consumer Finances. These data are tabulated to show the rates and distributions of low income persons and family units, based on the low income after-tax cutoffs (LICO-IAT 1992 base) and on the low income after-tax measures (LIM-IAT).

These data are now available in *Low income after tax, 1993 (LICO-IAT 1992 base and LIM-IAT)* (13-592, $30), which is an update to the historical *Low income after-tax cutoffs (1992 base)* and *Low income after-tax measures*, which was released in March 1994.

For further information on this release, or to order the latest publication, contact Réjean Lasnier (613-951-4633), Household Surveys Division. ■

## Annual survey of manufactures
1994

The Annual Survey of Manufactures provides information on over 200 different industries. Principal statistics for each industry will be released as they become available. Data for the industries listed below are now available.

**Available on CANSIM: matrices 5420, 5426, 5433, 5436, 5555, 5559, 6891 and 6895.**

Data for the industries listed in the table will be released in *Leather and allied products* (33-251, $38), *Primary textiles industries* (34-250, $38), *Textile products industries* (34-251, $38), *Transportation equipment industries* (42-251, $38) and *Other manufacturing industries* (47-250, $38). The publications will be released at a later date. See "How to order publications".

### Value of shipments

| | 1993 | 1994 | 1993 to 1994 | Catalogue number | Contact | Phone (613) |
|---|---|---|---|---|---|---|
| | $ millions | | % change | | | |
| **Industry (SIC)** | | | | | | |
| Leather tanneries (1711) | 149.9 | 180.0 | 20.1 | 33-251 | N. Charron | 951-3510 |
| Wool yarn and woven cloth (1821) | 278.9 | 297.0 | 6.5 | 34-250 | N. Charron | 951-3510 |
| Narrow fabric (1991) | 118.5 | 126.0 | 6.3 | 34-251 | N. Charron | 951-3510 |
| Hygiene products of textile materials (1994) | 232.5 | 276.6 | 19.0 | 34-251 | N. Charron | 951-3510 |
| Motor vehicle engine and engine parts (3251) | 2,447.0 | 2,878.6 | 17.6 | 42-251 | A. Shinnan | 951-3515 |
| Motor vehicle wheel and brake (3255) | 1,106.7 | 1,333.9 | 20.5 | 42-251 | A. Shinnan | 951-3515 |
| Toys and games (3932) | 102.2 | 231.7 | 126.7 | 47-250 | S. O'Brien | 951-3514 |
| Floor tile, linoleum and coated fabrics (3993) | 280.7 | 342.5 | 22.0 | 47-250 | S. O'Brien | 951-3514 |

■

# PUBLICATIONS RELEASED

**Crude petroleum and natural gas production**, July 1995
**Catalogue number 26-006**
(Canada: $18/$180; United States: US$22/US$216; other countries: US$26/US$252).

**Construction type plywood**, August 1995
**Catalogue number 35-001**
(Canada: $6/$60; United States: US$8/US$72; other countries: US$9/US$84).

**Production, shipments and stocks on hand of sawmills in British Columbia**, August 1995
**Catalogue number 35-003**
(Canada: $8/$80; United States: US$10/US$96; other countries: US$12/US$112).

**Machinery industries (except electrical machinery)**, 1993
**Catalogue number 42-250**
(Canada: $38; United States: US$46; other countries: US$54).

**CALURA: Corporations—aspects of foreign control, provincial distribution**, 1988-91
**Catalogue number 61-222**
(Canada: $30; United States: US$36; other countries: US$42).

**Federal scientific activities**, 1995-96
**Catalogue number 88-204**
(Canada: $75; United States: US$90; other countries: US$105).

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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# RELEASE DATES

## October 30 to November 3

(Release dates are subject to change.)

| Release date | Title | Reference period |
|---|---|---|
| 30 | Employment, earnings and hours | August 1995 |
| 30 | Homeowner repairs and renovations | 1994 |
| 31 | Real gross domestic product at factor cost by industry | August 1995 |
| 1 | Farm input price index | Third quarter 1995 |
| 2 | Business conditions survey: Canadian manufacturing industries | October 1995 |
| 2 | Help-wanted index | October 1995 |
| 3 | Labour force survey | October 1995 |
| 3 | Estimates of labour income | August 1995 |