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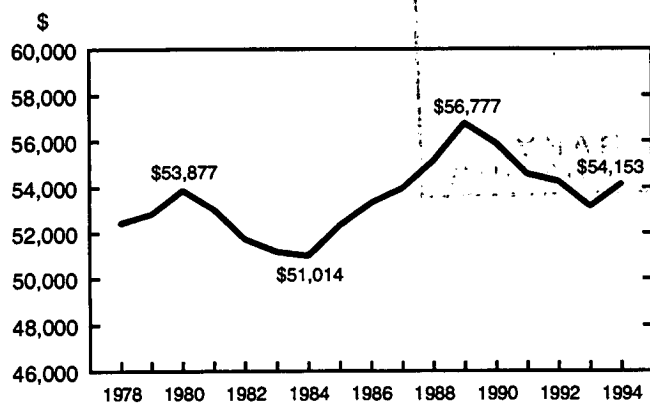
## MAJOR RELEASES

### Family income

1994

In 1994, after four years of decline, family income recovered some ground, fuelled primarily by renewed strength in full-time job creation. The proportion of persons below Statistics Canada's low income cut-offs declined for the first time since 1989.

Average family income in constant (1994) dollars



Average family income in 1994 was an estimated \$54,153, a 1.9% increase from 1993 after adjusting for inflation (as measured by changes in the consumer price index). The result was that family income recovered about \$1,000 of the \$3,620 lost since 1989, the peak year for income.

Even so, income in 1994 was at virtually the same level as in 1980, after adjusting for inflation. Average family income per capita, however, was 7.3% higher in 1994 than in 1980. This resulted from a decline in the average number of persons per family (from 3.30 in 1980 to 3.09 in 1994). In other words, family income was shared by fewer persons in 1994.

#### Income recovery attributed to renewed strength in labour market

This improvement in family income can be attributed mainly to renewed strength in the labour market during 1994. Data from the Labour Force Survey show that employment increased by 382,000 in 1994, the strongest job growth since 1987. A large portion of this increase was in the higher wage goods-producing industries.

#### Note to readers

Estimates of the number of families with low income are derived using Statistics Canada's low income cut-offs (1992 base). These cut-offs were selected on the basis that families with incomes below these limits usually spend more than 55% of their income on food, shelter and clothing, so they are considered as living in straitened circumstances. Although the cut-offs are often referred to as "poverty lines", Statistics Canada does not define poverty and does not recommend the use of the low income cut-offs for this purpose.

Income refers to money receipts of families and individuals. Cash benefits from government programs are included in the income reported, but not income tax payments to the government. The after-tax situation of families and individuals will appear in the upcoming Income after tax, distributions by size in Canada, 1994 (13-210).

These estimates were prepared from data collected by the Survey of Consumer Finances, an annual supplement to the April Labour Force Survey. The sample of approximately 38,000 households excludes the institutional population and households in the Yukon, the Northwest Territories, and on Indian reserves.

In addition, the gain in full-time employment was 466,000 while part-time work declined by 84,000. The proportion of families where at least one member experienced some unemployment declined to 28.9% in 1994, from 29.8% in 1993. In 1989, the peak income year, the proportion was 25.8%.

The growth in family earnings, due primarily to increased employment, was reflected in more weeks worked combined with more hours worked per week. Higher wage rates also contributed to increased earnings, although Human Resources Development's Workplace Information Directorate reported that the average annual wage increase from major settlements for unionized workers during 1994 was only 0.3%.

While employment earnings increased in 1994, other sources of family income either recorded no gain or declined. Government transfer payments, which had grown every year since 1989, showed no increase overall despite continued growth in transfer payments to the elderly. Unemployment insurance payments were down in 1994 due to program changes (effective in July) and because there were fewer beneficiaries as people found employment or exhausted benefits. Investment income decreased because of lower interest rates and a decline in the number of families with investment income.

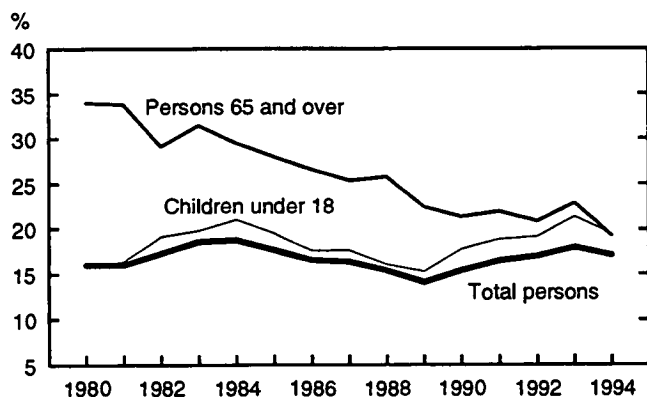
Since January 1995, however, improvements in labour market conditions have lost some momentum. Although employment continues to grow, the pace of

both full-time and part-time job creation has been weak compared with 1994. As well, wage settlements to date in 1995 have not shown any real gains. These factors suggest a weakening in the recovery in family income.

### Low income rates decreased

With incomes increasing, low income rates decreased in 1994. The proportion of persons with incomes below Statistics Canada's low income cut-offs was estimated at 17.1% in 1994, down from 18.0% in 1993. This was the first decrease since 1989, when the rate was at an all-time low of 14.1%. Before 1989, the rate had trended down from the 18.8% peak recorded in 1984.

Low income rates



The number of persons with incomes below the low income cut-offs was estimated at 4,941,000 in 1994, a decrease of 202,000 persons from 1993. However, this was still 1,171,000 or 31.1% more persons than in 1989.

### Low income rate for children dropped

The low income rate for children under 18 was 19.5% in 1994, down from the high of 21.3% in 1993. This halted a four-year upward trend from 15.3% in 1989. The previous peak was 21.0% in 1984.

An estimated 1,362,000 children under 18 lived in low income families in 1994, a decrease of 122,000

children from 1993. However, this was still 346,000 or 34.1% more children than in 1989.

### Low income rate for persons aged 65 and over reached a new low

The low income rate for persons aged 65 and over declined from 22.8% in 1993 to 19.3%—the lowest rate ever for this age group. The decline resumed a longstanding downward trend in the overall percentage of persons aged 65 and over with low income.

In this age group, declining rates were experienced by both unattached individuals and persons in families. However, the unattached still had one of the highest rates of any population group, at 47.6%. By contrast, the 1994 low income rate among persons aged 65 and over in families was only 6.1%.

### Over half of female lone parents had low income

Female lone-parent families still had one of the highest rates of low income in 1994, at 56.4%. This proportion has changed little throughout the past decade. For two-parent families with children, the 1994 rate was 11.5%, down from 12.2% in 1993. However, this was still substantially higher than the 8.7% recorded in 1989.

*Income distributions by size in Canada, 1994* (13-207, \$44) is now available. See "How to order publications".

The 1995 Survey of Consumer Finances was weighted to population estimates that incorporate an adjustment for under-enumeration in the census. The data from 1980 to 1993 have been reweighted to this base. All analysis in this release is based on the new estimates.

Microdata tapes containing data on the 1994 incomes of economic families and of individuals aged 15 and over, along with socio-demographic characteristics, will be released in the spring of 1996.

For further information on this release, or to order custom tabulations, contact Réjean Lasnier (613-951-5266), Daniel Dekoker (613-951-4643) or Donald Dubreuil (613-951-4633), Income and Housing Surveys Section, Household Surveys Division (the Internet: [income@statcan.ca](mailto:income@statcan.ca)). □

# **Estimated number of persons with low income**

	1989	1990	1991	1992	1993	1994
	'000					
<b>Total persons</b>	<b>3,770</b>	<b>4,179</b>	<b>4,543</b>	<b>4,757</b>	<b>5,143</b>	<b>4,941</b>
Children (under 18)	1,016	1,195	1,281	1,316	1,484	1,362
Aged 65 and over	640	629	665	650	732	635
All others (18 to 64)	2,114	2,355	2,596	2,792	2,927	2,944

# **Low income rates**

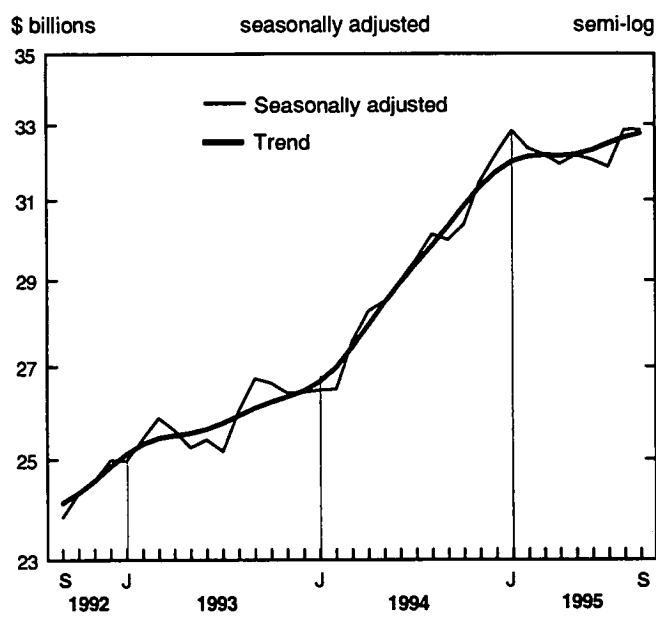
	1989	1990	1991	1992	1993	1994
	% with low income					
<b>Total persons</b>	<b>14.1</b>	<b>15.4</b>	<b>16.5</b>	<b>17.0</b>	<b>18.0</b>	<b>17.1</b>
Children (under 18)	15.3	17.8	18.9	19.2	21.3	19.5
Aged 65 and over	22.4	21.3	21.9	20.8	22.8	19.3
All others (18 to 64)	12.3	13.5	14.7	15.5	15.9	15.9

## Monthly survey of manufacturing

September 1995

Manufacturers achieved the same level of shipments as in August, aided by price increases for paper and wood. August had been boosted by a large surge in the automotive sector. The August increase brought shipments back to the record level set in January 1995 and compensated for decreases in the February-to-July 1995 period. Shipments were 10% higher than a year earlier.

### Shipments at same level as in August



Inventories continued to increase but at a more modest pace than before.

A strong base had been created for unfilled orders by a 25% increase over a period of a year and a half to a record level in April 1995. Unfilled orders were down again in September and were 4.3% below the April 1995 peak.

### Shipments at the same level as in August

Manufacturers' shipments at \$32.9 billion were unchanged from August as increases in paper and allied products (+3.1%), primary metals (+3.1%), machinery (+5.1%) and wood (+3.2%) were offset by decreases in motor vehicles and parts (-3.7%)

#### Definitions

*Unfilled orders* are the stock of orders that will contribute to future shipments, assuming orders are not cancelled.

*New orders* are the sum of shipments for the current month (that is, orders received and shipped during the same month) plus the change in unfilled orders.

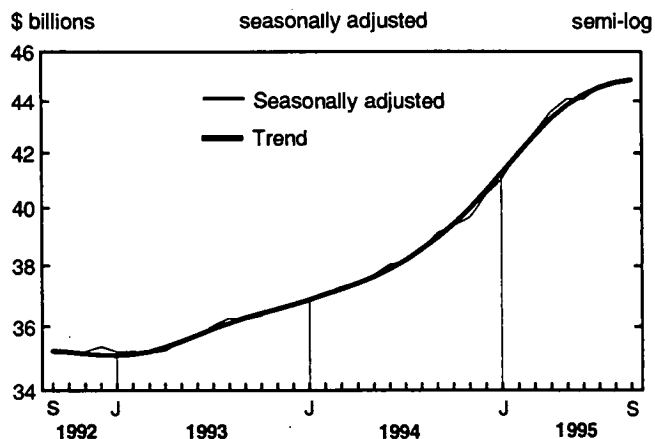
and electrical and electronic products (-2.5%). Price increases contributed to the increases in paper (+2.4%) and wood (+1.7%).

Manufacturing, apart from the automotive sector, increased 0.9% in September following an identical decrease in August.

### Inventories increased at a more modest pace again

For a second month in a row, the inventory increase was modest compared with most of the previous 12 months. Inventories, which have increased continuously over the last year, were 15% (\$5.7 billion) higher than a year earlier.

### Inventories increased at a more modest pace



The October 1995 Business Conditions Survey showed that on balance, manufacturers remained negative about the level of inventories. However the balance has remained at the same level for the last three surveys.

The September increase in inventories was mainly due to the aircraft and parts industry (+4.8%), with smaller increases in primary metals (+1.4%) and paper (+1.1%). These increases were partly offset by

decreases in electrical and electronic products (-1.7%) and machinery (-2.6%).

Given the modest increase in inventories and no change in shipments, the inventories-to-shipments ratio was up slightly to 1.37. The ratio, which has been at about this level for five months, was in September up from a record low of 1.25 in January 1995.

### Backlog of unfilled orders continued to fall

The backlog of unfilled orders was down nearly 2% to \$33 billion.

A strong base had been created for unfilled orders by a 25% increase over a period of a year and a half to a record level in April 1995. With decreases in four of the last five months, unfilled orders in September were 4.3% below the April 1995 peak.

In the July 1995 Business Conditions Survey, the balance of manufacturers' opinions about the backlog of unfilled orders took a sharp tumble into negative territory. The October survey showed a further but more modest decline.

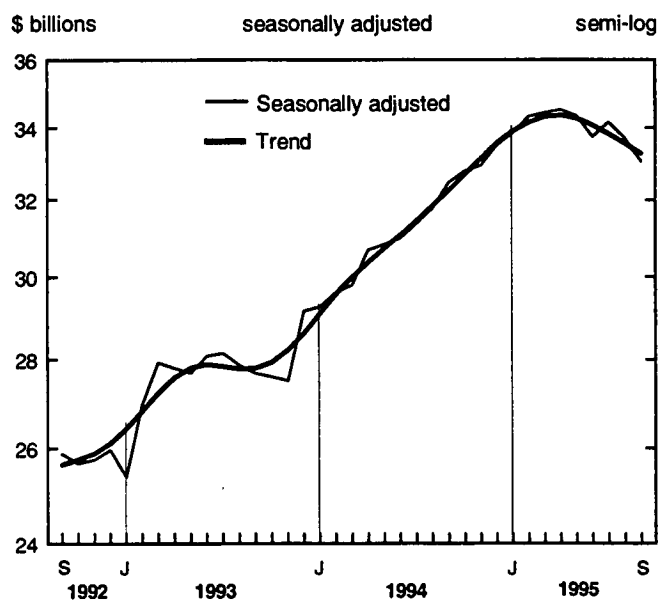
With the decline in unfilled orders and no change in shipments, new orders were down 0.5%.

**Available on CANSIM: matrices 9550-9579 and 9581-9582.**

The September 1995 issue of *Monthly survey of manufacturing* (31-001, \$19/\$190) will be available shortly. See "How to order publications".

Detailed data on shipments by province are available on request. For further information, or to order, contact Robert Traversy, Information and Classification Section (613-951-9497), or the Monthly Survey of Manufacturing Section (613-951-9832), Industry Division. □

Unfilled orders continued to fall



# Shipments, inventories and orders in all manufacturing industries

	Shipments		Inventories		Unfilled orders		New orders		Inventories-to-shipments ratio
	seasonally adjusted								
	\$ millions	% change	\$ millions	% change	\$ millions	% change	\$ millions	% change	
September 1994	29,978	-0.5	39,128	1.6	32,483	2.3	30,699	0.6	1.31
October 1994	30,363	1.3	39,372	0.6	32,796	1.0	30,676	-0.1	1.30
November 1994	31,463	3.6	39,682	0.8	32,948	0.5	31,615	3.1	1.26
December 1994	32,180	2.3	40,439	1.9	33,505	1.7	32,737	3.5	1.26
January 1995	32,830	2.0	41,055	1.5	33,848	1.0	33,173	1.3	1.25
February 1995	32,353	-1.5	42,036	2.4	34,323	1.4	32,828	-1.0	1.30
March 1995	32,177	-0.5	42,774	1.8	34,428	0.3	32,281	-1.7	1.33
April 1995	31,927	-0.8	43,547	1.8	34,519	0.3	32,018	-0.8	1.36
May 1995	32,164	0.7	44,071	1.2	34,343	-0.5	31,987	-0.1	1.37
June 1995	32,038	-0.4	44,058	0.0	33,750	-1.7	31,445	-1.7	1.38
July 1995	31,852	-0.6	44,532	1.1	34,162	1.2	32,264	2.6	1.40
August 1995	32,852	3.1	44,671	0.3	33,690	-1.4	32,380	0.4	1.36
September 1995	32,861	0.0	44,871	0.4	33,047	-1.9	32,218	-0.5	1.37

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## OTHER RELEASES

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### Construction union wage rate index October 1995

The construction union wage rate index (including supplements) remained unchanged in October 1995 at September's revised level of 137.7. On a year-over-year basis, the composite index increased 0.7% to 137.7 in October 1995, from 136.8 in October 1994.

Construction union wage rates and indexes (1986=100) comprise union wage rates for 16 trades in 22 metropolitan areas (including the basic rate and rates that include selected supplementary payments) and indexes for those cities where most trades are covered by collective agreements.

**Available on CANSIM: matrices 956-958 and 2033-2038.**

The fourth quarter 1995 issue of *Construction price statistics* (62-007, \$23/\$76) will be available in March 1996. See "How to order publications".

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

### Selected financial indexes October 1995

Data from October 1995 are now available for the selected financial indexes (1986=100).

**Available on CANSIM: matrix 2031.**

The fourth quarter 1995 issue of *Construction price statistics* (62-007, \$23/\$76) will be available in March 1996. See "How to order publications".

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

### Canada's alcohol and other drugs survey 1994

Data from Canada's Alcohol and Other Drugs Survey are now available. This microdata file contains data collected in the September-to-November 1994 period, and covers persons aged 15 and older for the 10 provinces.

The survey's main objectives are to measure the prevalence and patterns of alcohol and other drug use, to assess harm and other consequences of drug use, and to evaluate trends in recent patterns of use. This survey also updates and expands upon data collected in the first survey, the National Alcohol and Other Drugs Survey, which was conducted in 1989.

To order the microdata file (89M0007XDB94000), which costs \$2,000, contact Michael Sivy (613-951-4598, 1-800-461-9050), Special Surveys Division (the Internet: [special@statcan.ca](mailto:special@statcan.ca)).

For further information on this release, contact Bill Magnus (613-951-4577), Special Surveys Division. ■

### Potato production 1994 (final) and 1995 (preliminary)

Data for 1994 on the production sold, consumed and seeded and its value are now available. The 1995 preliminary data on the area harvested, yield and production of potatoes are also now available. These data are tabulated by province.

**Available on CANSIM: matrix 1044.**

These data are available in *Canadian potato production* (\$21/year). See "How to order publications".

For further information on this release, contact either Barb McLaughlin (902-893-7251) or Mark Elward (613-951-7438), Agriculture Division. ■



## Annual survey of manufactures 1994

The Annual Survey of Manufactures provides information on over 200 different industries. Principal statistics for each industry become available over a period of time. Data for the industries listed in the table below are released today.

Data for the industries listed in the table will be released in *Food industries* (32-250, \$38), *Rubber and plastic products industries* (33-250, \$38), *Clothing industries* (34-252, \$38), *Paper and allied products industries* (36-250, \$38) and *Non-metallic mineral products industries* (44-250, \$38). These publications will be released at a later date. See "How to order publications".

Available on CANSIM: matrices 5391, 5411, 5453, 5484, 6861 and 6899.

### Value of shipments

	1993	1994	1993 to 1994	Catalogue number	Contact	Phone (613)
	\$ millions		% change			
<b>Industry (SIC)</b>						
Biscuit (1071)	569.6	639.7	12.3	32-250	P. Zylstra	951-3511
Rubber hose and belting (1521)	272.3	330.0	21.2	33-250	B. Meyer	951-3528
Other rubber products (1599)	1,357.4	1,532.8	12.9	33-250	B. Meyer	951-3528
Glove (2493)	46.4	46.9	1.1	34-252	N. Charron	951-3510
Newsprint (2712)	6,545.3	7,534.7	15.1	36-250	B. Pépin	951-3516
Asbestos products (3592)	22.2	28.2	26.9	44-250	S. O'Brien	951-3514

## PUBLICATIONS RELEASED

### **Income distributions by size in Canada, 1994**

#### **Catalogue number 13-207**

(Canada: \$44; United States: US\$53; other countries: US\$62).

### **Monthly production of soft drinks, October 1995**

#### **Catalogue number 32-001**

(Canada: \$3/\$30; United States: US\$4/US\$36; other countries: US\$5/US\$42).

### **Canned and frozen fruits and vegetables, monthly, September 1995**

#### **Catalogue number 32-011**

(Canada: \$6/\$60; United States: US\$8/US\$72; other countries: US\$9/US\$84).

### **Particleboard, waferboard and fibreboard, September 1995**

#### **Catalogue number 36-003**

(Canada: \$6/\$60; United States: US\$8/US\$72; other countries: US\$9/US\$84).

### **Shipments of plastic film and bags manufactured from resin, quarter ended September 30, 1995**

#### **Catalogue number 47-007**

(Canada: \$10/\$32; United States: US\$12/US\$39; other countries: US\$14/US\$45).

### **The labour force, October 1995**

#### **Catalogue number 71-001**

(Canada: \$23/\$230; United States: US\$28/US\$276; other countries: US\$33/US\$322).

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

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**November 20-24**

(Release dates are subject to change.)

Release date	Title	Reference period
20	Retail trade	September 1995
20	Health reports	Second quarter 1995
21	Canadian international trade	September 1995
21	Wholesale trade	September 1995
22	Consumer price index	October 1995
23	Canada's international transactions in securities	September 1995
23	Quarterly financial statistics for enterprises	Third quarter 1995
24	Farm cash receipts	Third quarter 1995
24	Net farm income	1994 (revised)



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