C-3

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

The Daily

Statistics Canada

Thursday, December 7, 1995
For release at 8:30 a.m.

MAJOR RELEASES

OTHER RELEASES

PUBLICATIONS RELEASED

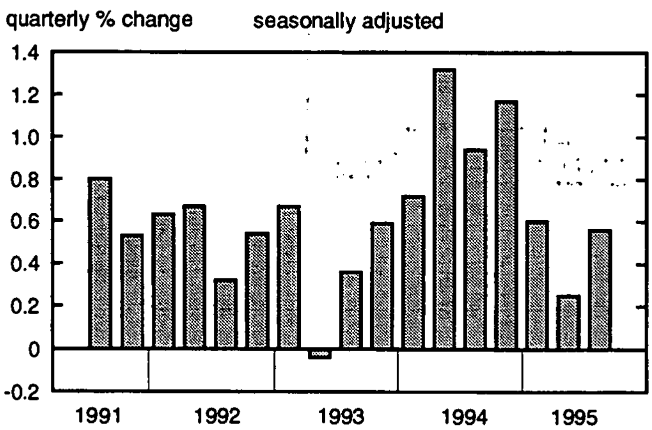
MAJOR RELEASES

Estimates of labour income

Third quarter 1995 and September 1995

Wages and salaries returned to moderate growth in the third quarter of 1995, increasing 0.5%, up from the slow 0.2% growth posted in the second quarter. Despite sluggish growth this year, wages and salaries remained 2.9% above last year's level.

Labour income



> ***Note to readers***
>
> *Labour income consists of wages and salaries (87%), plus supplementary labour income (13%). Wages and salaries include items such as bonuses, gratuities, taxable allowances and retroactive wage payments. Supplementary labour income is employer contributions to employee welfare, pension, workers' compensation and unemployment insurance plans. Labour income accounts for 54% of gross domestic product.*

Employers' contributions to supplementary labour income also increased in the third quarter (+0.9), contributing to overall moderate growth in labour income (+0.6%). Labour income's share of gross domestic product has fallen to 53.8%, down from its 56.7% peak posted in the third quarter of 1991.

The recent surge in economic activity was fuelled by export demand for office machines and equipment and by modest growth in consumer spending on motor vehicles.

Consequently, employment gains were posted in the third quarter, as many businesses expanded their work forces in both August and September. Employees' weekly earnings also rose, and, following two quarterly declines, employers significantly increased the hours of their hourly paid employees. As a result, wages and salaries paid to workers rebounded in August (+0.7%) and September (+0.6%), after declining in July (-0.8%).

Forestry regains lost wages

Wages and salaries paid to forestry workers grew 6.1% in the third quarter, regaining wages lost in the second quarter (-4.8%). September marked the fourth consecutive monthly increase in wages and salaries among forestry workers.

The logging and forestry industry expanded its work force in September, most likely in response to increased demand from the pulp and paper industry. Newsprint producers have been operating at full capacity in recent months.

Although the hours of hourly paid forestry workers remained steady in the third quarter compared with their strong second quarter increase, average weekly earnings of forestry workers increased for the first time this year (+0.7%), following two quarterly declines.

Upturn in manufacturing wages and salaries

Manufacturers' payrolls increased by just over 1.0% in both August and September, in contrast to the slow growth in wages and salaries earlier in 1995. Increases in wages and salaries had not risen above 0.5% since January 1995. The third-quarter growth in manufacturing wages and salaries (+0.8%) was the strongest quarterly gain so far this year. A burst of activity was evident in the auto sector in August as plant retooling ended and new car and truck models were produced.

The uptum in wages and salaries resulted from strong growth in average weekly earnings in the third quarter. Employment grew moderately, especially in the last two months, while average hours worked by hourly paid employees declined.

Other goods-producing industries experiencing slowdowns

Both the mining, quarrying and oil wells and construction industries posted slowdowns in wages and salaries in the third quarter. Third-quarter growth was the slowest posted in mining this year and was partly due to declines in employment, particularly in August and September. Alberta mining companies have substantially reduced their payrolls, paying fewer wages and salaries in the past few months than they did in 1994.

Similarly, growth in construction wages and salaries remained flat in the third quarter due to weak employment growth and declines in both average weekly earnings and average hours of hourly paid construction workers. Non-residential construction activity continued to buoy the wages and salaries of employees in the construction industry as residential construction remained stagnant.

Few service-producing industries posted strong third quarter growth

Payrolls in the transportation, storage, communications and other utilities industry registered another strong quarterly increase (+1.3%), up from the 0.7% advance in the second quarter. Wages and salaries have been increasing steadily over the past six months. This latest quarterly growth was partly due to an increase in special payments.

Similarly, finance, insurance and real estate companies posted strong a third quarter advance (+1.7%), regaining wages lost in the second quarter (-2.6%). A substantial increase in average weekly earnings in this industry contributed to the third quarter surge.

Once again, commercial and personal services industries — accommodation and food, business services, and other services — paid out more wages and salaries in the third quarter (+2.3%), up from the second quarter increase of 1.7%. Payrolls in commercial and personal services industries remained 6.3% above last year's level.

In contrast, declines were posted in trade (-0.1%), educational and related services (-0.7%), health and social services (-0.2%), federal administration (-0.7%), and provincial administration (-2.1%). Local administration was unchanged.

Prince Edward Island leads all provinces

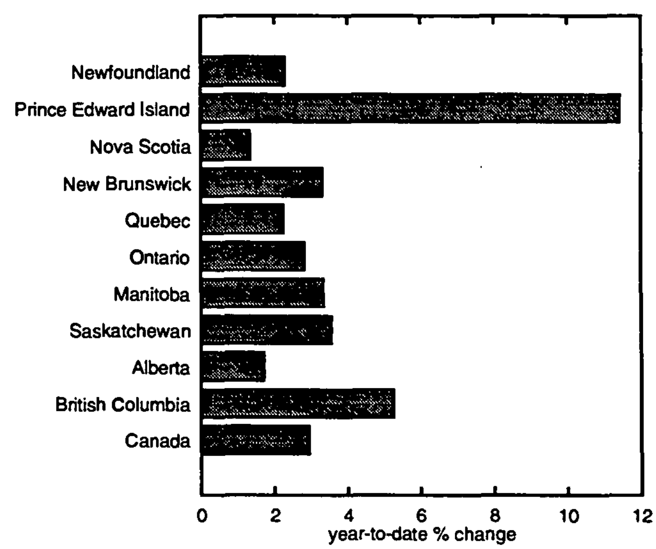
Prince Edward Island posted the strongest quarterly growth among all provinces for the second consecutive quarter with a third quarter gain of 6.7%. This was down slightly from its 7.7% advance in the second quarter. Strong employment growth coupled with increased hours worked and higher average weekly earnings contributed to the growth in wages and salaries in Prince Edward Island. New Brunswick was the only other Atlantic province to post strong quarterly growth (+2.6%).

Ontario posted its strongest quarterly growth this year (+1.4%) partly because of increases in manufacturing wages and salaries. Manufacturers in Ontario generally pay just over 50% of Canada's total manufacturing wages and salaries. Ontario's wages and salaries also increased in commercial and personal services; finance, insurance and real estate; and transportation, storage, communications and other utilities.

In contrast, Quebec posted its first quarterly decline (-0.6%) after eight straight quarterly increases. A large decline in July (-1.7%) was somewhat offset by increases in both August and September. Loss of employment coupled with declines in hours worked by hourly employees contributed to Quebec's weak third quarter. Little construction activity, continued weakness in public administration, and a slowdown in both transportation, storage, communications and other utilities and trade all contributed to the decline in wages and salaries.

Alberta also posted a drop in wages and salaries in the third quarter (-0.6%) and British Columbia posted its slowest growth this year (+0.9%).

Growth in Prince Edward Island wages and salaries exceeds the national average



September 1995

Wages and salaries increased 0.6% to $30.6 billion in September. This second consecutive monthly increase offset July's substantial decline (-0.8%). Wages and salaries grew substantially in logging and forestry (+4.8%), construction (+2.2%) and manufacturing (+1.2%). In contrast, local administration wages and salaries posted the largest decline (-1.6%). Employers' contributions to supplementary labour income also increased in September (+1.0%), contributing to the overall 0.6% growth in labour income.

Available on CANSIM: matrices 1791-1792.

For further information on this release, contact Jean Lambert (613-951-4090, fax: 613-951-4087), Labour Division. □

Wages and salaries and supplementary labour income

	Sept. 1994	Aug. 1995[r]	Sept. 1995[p]	Aug. 1995 to Sept. 1995
	seasonally adjusted			
	$ millions			% change
Agriculture, fishing and trapping	246.2	245.2	253.7	3.5
Logging and forestry	250.1	256.8	269.1	4.8
Mining, quarrying and oil wells	612.8	631.9	630.8	-0.2
Manufacturing	5,346.8	5,489.0	5,557.1	1.2
Construction	1,714.8	1,680.5	1,718.2	2.2
Transportation, storage, communications and other utilities	2,833.9	2,892.1	2,897.8	0.2
Trade	4,179.0	4,345.2	4,337.4	-0.2
Finance, insurance and real estate	2,448.8	2,521.4	2,528.2	0.3
Commercial and personal services	4,214.2	4,427.9	4,455.8	0.6
Educational and related services	2,770.7	2,758.8	2,746.3	-0.5
Health and social services	2,755.5	2,801.2	2,822.2	0.7
Federal administration and other government services	1,001.2	951.9	950.0	-0.2
Provincial administration	741.0	712.4	715.4	0.4
Local administration	693.8	700.7	689.3	-1.6
Total wages and salaries	**29,809.6**	**30,426.3**	**30,605.8**	**0.6**
Supplementary labour income	4,372.9	4,495.5	4,539.6	1.0
Labour income	**34,182.5**	**34,921.7**	**35,145.4**	**0.6**

	Sept. 1994	Aug. 1995[r]	Sept. 1995[p]	Sept. 1994 to Sept. 1995
	unadjusted			
	$ millions			% change
Agriculture, fishing and trapping	354.8	387.1	366.5	3.3
Logging and forestry	287.7	297.4	312.7	8.7
Mining, quarrying and oil wells	610.7	628.2	628.3	2.9
Manufacturing	5,387.4	5,536.7	5,632.1	4.5
Construction	1,954.3	1,964.6	1,974.0	1.0
Transportation, storage, communications and other utilities	2,867.9	2,946.6	2,939.4	2.5
Trade	4,190.4	4,369.8	4,354.9	3.9
Finance, insurance and real estate	2,431.8	2,534.4	2,518.5	3.6
Commercial and personal services	4,308.1	4,591.4	4,570.4	6.1
Educational and related services	2,765.4	2,290.4	2,739.7	-0.9
Health and social services	2,753.0	2,857.0	2,834.1	2.9
Federal administration and other government services	991.7	958.2	942.0	-5.0
Provincial administration	758.4	745.6	732.5	-3.4
Local administration	691.0	700.7	686.3	-0.7
Total wages and salaries	**30,352.4**	**30,808.1**	**31,231.3**	**2.9**
Supplementary labour income	4,414.7	4,544.9	4,603.1	4.3
Labour income	**34,767.1**	**35,353.0**	**35,834.5**	**3.1**

p *Preliminary figures.*
r *Revised figures.*

■

Estimates of production of principal field crops

November 1995

Increased supplies of wheat and barley are available for sale this year to tight world markets. Wheat production of 934.5 million bushels this year surpassed last year's production by 84.9 million bushels.

Production of major grains and oilseeds

Crop	1994	1995	1994 to 1995
	million bushels		% change
Total wheat	849.6	934.5	10.0
Spring wheat	628.1	703.4	12.0
Barley	536.9	598.7	11.5
Canola	318.9	283.8	-11.0
Oats	235.9	185.3	-21.4
Durum wheat	172.3	173.8	0.9
Flaxseed	37.8	43.2	14.3

World grain consumption to exceed production

According to the USDA Foreign Agricultural Service in "Grain: World Markets and Trade" (October 1995), world consumption of wheat is expected to exceed production by 16.4 million tonnes this year. At the same time, world consumption of coarse grains (grains used primarily for animal feed) is expected to exceed production by 40.1 million tonnes.

The Canadian Wheat Board, which controls the marketing of wheat and barley in Western Canada, has stated that world wheat and coarse grain supplies have never been so tight. This tightening of supplies in relation to worldwide demand has made for buoyant grain prices. World wheat prices have roughly doubled compared with July 1994.

Since 1985, major grain-producing countries have decreased wheat and coarse grain acreage and increased oilseed acreage. A general decrease in yields on a worldwide basis has also contributed to the current supply-demand imbalance.

Canadian wheat production increases in 1995

In Canada, the latest trend toward decreased wheat production began in 1991. Area peaked at 35.6 million acres in 1992, then dropped successively to 27.2 million acres in 1994, a decrease of 8.4 million acres. In the period from 1990 to 1994, production fell by 329.8 million bushels.

The 1995-96 crop year has shown a slight trend reversal, with wheat acreage increasing by about 967 000 acres but remaining 7.4 million acres below 1992. In 1995, production increased by 84.9 million bushels.

The steady increase in the production of Canada's major oilseed crop, canola, began in 1991 at 7.8 million acres and peaked in 1994 at 14.3 million acres, an increase of 6.5 million acres. In 1995, canola acreage dropped by about 1 million acres, resulting in a production decline of 35.1 million bushels.

World coarse grains are in short supply this year as well, because poor crop conditions reduced yields in major producing countries.

Trade reports indicate that as of mid-November, farmers have committed for delivery only a fraction of the barley needed to supply export demand. This is an indication that the intention may be to sell most of the crop into the domestic market instead of the export market, as was the case last year. This may put further pressure on an already short world supply situation, in which Canada is a major player.

Available on CANSIM: matrices 1025-1043, 1046-1051 and 3541-3565.

Field crop reporting series no. 8: November estimates of production of principal field crops, Canada, 1995 (22-002, $15/$85) is now available. See "How to order publications".

For further information on this release, contact Dave Burroughs (613-951-5138) or Oliver Code (613-951-8719), Crops Section, Agriculture Division. ■

OTHER RELEASES

Steel primary forms

Week ending December 2, 1995 (preliminary)

Steel primary forms production for the week ending December 2, 1995, totalled 266 354 tonnes, up 3.5% from 257 306 tonnes a week earlier and up 0.4% from 265 256 tonnes a year earlier.

The year-to-date total at the end of the week was 13 262 759 tonnes, a 4.3% increase from 12 711 075 tonnes for the same period in 1994.

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

Railway carloadings

Seven-day period ending November 21, 1995

Carloadings of freight (excluding intermodal traffic) during the seven-day period ending November 21, 1995, decreased 5.0% to 4.9 million tonnes. The number of cars loaded decreased 7.9% from the same period last year.

Intermodal traffic (piggyback) tonnage totalled 284 000 tonnes, a 19.2% decrease from the same period last year. The year-to-date figures show an increase of 5.8%.

Total traffic (carloadings of freight and intermodal traffic) decreased 5.9% during the period. This brought the year-to-date total to 227.3 million tonnes, a 1.6% 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. ■

Industrial chemicals and synthetic resins

October 1995

Chemical firms produced 131 821 tonnes of polyethylene synthetic resins in October, a 29.1% decrease from 185 981 tonnes in October 1994.

For January to October 1995, production totalled 1 703 024 tonnes, up 9.4% from 1 557 045 tonnes a year earlier.

Data for October 1994 and October 1995 on the production of 3 other types of synthetic resins and 24 industrial chemicals are also available.

Available on CANSIM: matrix 951.

The October 1995 issue of *Industrial chemicals and synthetic resins* (46-002, $6/$60) will be available shortly. See "How to order publications".

For further information on this release, contact Suzette DesRosiers (613-951-9836), Industry Division. ■

PUBLICATIONS RELEASED

Field crop reporting series no. 8: November estimates of production of principal field crops, Canada, 1995, vol. 74, no. 8
Catalogue number 22-002
(Canada: $15/$85; United States: US$18/US$102; other countries: US$21/US$119).

Surface and marine transport, November 1995, vol. 11, no. 8
Catalogue number 50-002
(Canada: $11/$80; United States: US$14/US$96; other countries: US$16/US$112).

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.
∞

How to order publications

Simplify your data search with *Statistics Canada Catalogue*, 1994 (11-204E, $15; United States: US$18; other countries: US$21). Its keyword index will guide you to statistics on Canada's social and economic activity.

Order *The Daily* and other publications by phone:

Please refer to the • Title • Catalogue number • Volume number • Issue number • Your VISA or MasterCard number.

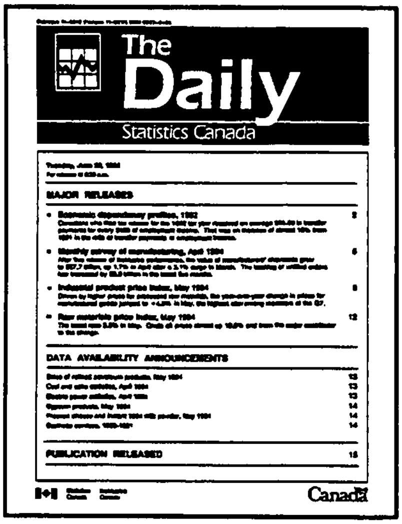
In Canada and the United States call:	**1-800-267-6677**
From other countries call:	**1-613-951-7277**
Or fax your order to us:	**1-613-951-1584**

For address changes: Please refer to your customer account number.

To order a publication by mail write: Sales and Service, Marketing Division, Statistics Canada, Ottawa, K1A 0T6. Include a cheque or money order payable to Receiver General of Canada/Publications. Canadian customers add 7% GST.

Statistics Canada Regional Reference Centres provide a full range of the Agency's products and services. For the reference centre nearest you, check the blue pages or your telephone directory under Statistics Canada.

Authorized agents and bookstores also carry Statistics Canada's catalogued publications.



Statistics Canada's official release bulletin

Catalogue 11-001E. (Canada: $240; United States: US$288; other countries: US$336.)

Published each working day by the Communications Division, Statistics Canada, 10-H, R.H. Coats Bldg., Tunney's Pasture, Ottawa, Ontario K1A 0T6.

To receive *The Daily* from the Internet, send an E-mail message to listproc@statcan.ca. Leave the subject line blank. In the body of the message, type "subscribe daily firstname lastname".

Editor: Blayne Haggart (613-951-1103)
Head of Official Release: Jacques Lefebvre (613-951-1088)