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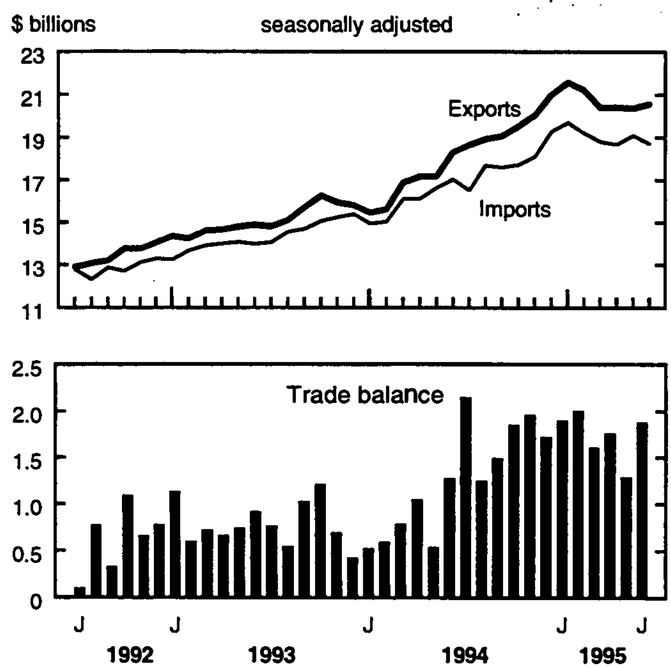
MAJOR RELEASES

Canadian international merchandise trade
June 1995

Exports ended the second quarter of 1995 on a somewhat positive note, advancing nearly 1% in June to $20.57 billion. In the wake of a four-month lull, exports gained on the strength of pulp, wheat and industrial goods as declines in the auto sector began to ease. Shipments to the United States and Japan advanced, but they fell to non-OECD countries and the European Union. Exports to other OECD countries rose sharply.

Exports, imports and trade balance



Imports were off 2.1% in June (to $18.71 billion), largely because of renewed weakness for automotive products. Demand also weakened for machinery and energy products after exceptional growth in May. Imports from the United States, Japan, and non-OECD countries fell most sharply, outweighing gains from the European Union.

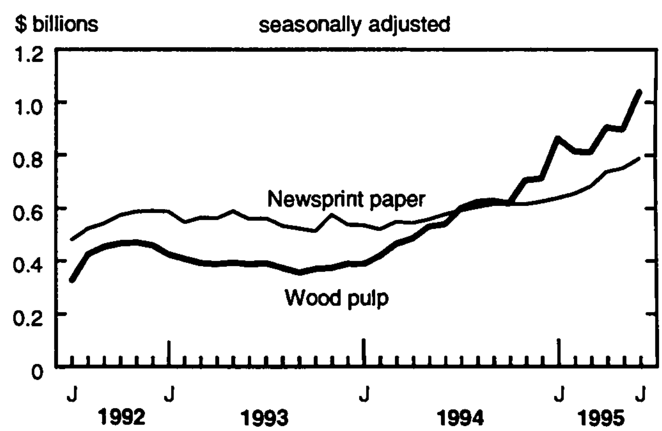
> ***Note to readers***
>
> *Merchandise trade is only one component of the current account of Canada's balance of payments, which also includes trade in services. In the first quarter of 1995, an overall merchandise trade surplus of $5.5 billion contrasted with a current account deficit of $4.0 billion.*

With exports up and imports returning to lower levels, June's merchandise trade surplus advanced to $1.87 billion from $1.28 billion. Surpluses with the United States and Japan continued to grow, but deficits remained with all other trading partners.

Pulp, paper, and industrial goods revived exports

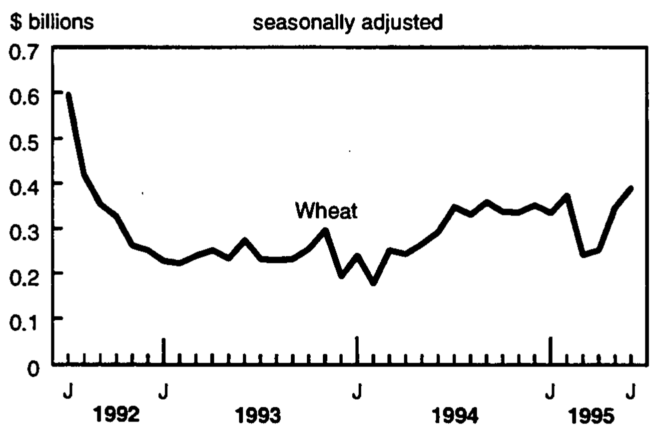
Forestry products led the export roster in June, growing 4.3% over May. The bulk of the increase was in pulp shipments (+16.2%), which grew in price and volume as demand swelled in Japan and the European Union. Producers of newsprint and other paper exported 2.3% more in June; their shipments advanced in each of the 14 months to June, as export prices soared 43%. Tempering overall gains in forestry exports were lower lumber shipments, dampened for the last six months by slack U.S. housing starts. These exports were curtailed further in June by shutdowns for maintenance at some mills.

Exports of forestry products



Strong wheat shipments have helped agricultural exports grow 10.5% since March. Low wheat stocks worldwide have put upward pressure on prices recently. Correspondingly, this has increased demand for Canada's wheat exports, which advanced 12.8% in June. Shipments to non-OECD countries grew the most.

Exports of agricultural products



Contributing significantly to the resurgent exports in June were industrial goods and materials (+1.7%). Shipments of copper ores from Western Canada grew sizably, reflecting rising demand from Europe and Japan. Exports of chemicals, plastics, steel products, and nickel all advanced, reflecting a small recovery in U.S. industrial output.

Consumer exports advanced 6.7% as U.S. retail sales moved ahead for a second straight month. Consumer goods have been trending upward for more than three years, unfettered by the recent slump in other exports.

Except for an increase in the volatile aircraft component, machinery exports were flat in June. Although growth in machinery exports has waned since February, second-quarter exports were 19% above their level in 1994.

Exports of passenger cars (-4.2%) continued to dampen the trade picture, with U.S. vehicle sales still in a slump. Reduced car exports reflected production cutbacks and lower manufacturers shipments in June. The rate at which overall automotive exports have been falling has slowed considerably in recent months, however, slowing from -4.4% in March to -0.7% in June.

Widespread decline in imports

Following a brief reprieve in May, imports were once again hamstrung by widespread weakness in the automotive sector. Demand for parts declined 6.7%, reflecting reduced domestic assembly rates; car and truck imports fell 7.6% and 3.0% respectively. Light vehicle imports since June 1994 have declined 5.9%, while sales over the same period have dropped 9.3%.

Imports of energy products fell 25.4% in June, reflecting lower demand for crude oil than in May. Imports of coal and refined petroleum products were also down.

Machinery and equipment imports fell 2.3%, as the demand for drilling machinery returned to normal following a one-time purchase of equipment for use at Hibernia in May. Partially buoying the machinery and equipment sector in June were increased imports of office machines and high-valued jet aircraft.

Some offsetting upward movements in imports came from widespread gains in consumer goods (+2.6%) and agricultural products (+1.1%). The trend in consumer imports has increased steadily since early 1994, but growth in agricultural products has flattened in recent months.

Revisions

Merchandise trade data are revised on a continuing basis for every month of the current year. Factors that make revisions necessary include late receipt of import and export documentation, incorrect information on customs documents, replacement of estimated figures with actual values once available, changes to classification of merchandise based on more current information, and updated seasonal adjustments.

Revised data for January 1991 to May 1995 are available in the relevant CANSIM matrices.

Available on CANSIM: matrices 3611-3616, 3618-3629, 3651, 3685-3713, 3718-3720 and 3887-3913.

This release contains a summary of the merchandise trade data that will be available next week in *Canadian international merchandise trade* (65-001, $19/$182). It will include detailed tables by commodity and country on a customs basis.

For more timely receipt of the merchandise trade data, a fax service is available on the morning of release.

Current account data, which incorporate merchandise trade statistics, services transactions, investment income and transfers, are available on a quarterly basis in *Canada's balance of international payments* (67-001, $30/$120). See "How to order publications".

For further information on this release, contact Suzie Carpentier (613-951-9647), Marketing and Client Services Section, International Trade Division (1-800-294-5583). □

Merchandise trade of Canada

	April 1995	May 1995	June 1995	April 1995 to May 1995	May 1995 to June 1995	January-June 1994	January-June 1995	January-June 1994 to January-June 1995	June 1994 to June 1995
	seasonally adjusted, $ current								
	$ millions			% change		$ millions		% change	
Principal trading partners									
Exports									
United States	16,425	16,419	16,618	0.0	1.2	82,377	100,343	21.8	-2.1
Japan	963	985	1,058	2.3	7.4	4,376	5,713	30.6	12.1
European Union	1,186	1,144	1,060	-3.5	-7.3	5,302	7,220	36.2	-12.2
Other OECD countries[1]	339	207	244	-38.9	17.9	1,652	1,826	10.5	-11.3
All other countries	1,514	1,626	1,593	7.4	-2.0	6,895	9,503	37.8	-12.5
Total	20,427	20,381	20,573	-0.2	0.9	100,601	124,606	23.9	-3.1
Imports									
United States	13,851	13,692	13,319	-1.1	-2.7	71,087	84,225	18.5	-7.7
Japan	875	733	675	-16.2	-7.9	4,184	4,719	12.8	-19.8
European Union	1,599	2,045	2,211	27.9	8.1	7,653	10,599	38.5	48.6
Other OECD countries[1]	698	760	765	8.9	0.7	2,798	4,313	54.1	15.6
All other countries	1,655	1,872	1,734	13.1	-7.4	10,184	10,378	1.9	-4.4
Total	18,678	19,102	18,705	2.3	-2.1	95,906	114,234	19.1	-2.7
Balance									
United States	2,574	2,727	3,299	...	...	11,290	16,118	...	...
Japan	88	252	383	...	...	192	994	...	...
European Union	-413	-901	-1,151	...	...	-2,351	-3,379	...	...
Other OECD countries[1]	-359	-553	-521	...	...	-1,146	-2,487	...	...
All other countries	-141	-246	-141	...	...	-3,289	-875	...	...
Total	1,749	1,279	1,868	...	...	4,695	10,372	...	...
Principal commodity groupings[2]									
Exports									
Agricultural and fishing products	1,482	1,552	1,586	4.7	2.2	8,372	9,412	12.4	0.8
Energy products	2,031	2,120	2,119	4.4	0.0	10,008	11,863	18.5	22.8
Forestry products	3,192	3,174	3,311	-0.6	4.3	14,420	18,850	30.7	8.7
Industrial goods and materials	3,920	3,849	3,913	-1.8	1.7	18,064	24,078	33.3	-6.7
Machinery and equipment	4,130	4,124	4,120	-0.1	-0.1	20,028	25,049	25.1	-3.6
Automotive products	5,185	4,995	4,959	-3.7	-0.7	26,164	32,223	23.2	-13.3
Other consumer goods	560	535	571	-4.5	6.7	2,753	3,318	20.5	5.0
Special transactions trade[3]	836	834	864	-0.2	3.6	4,329	5,120	18.3	0.6
Imports									
Agricultural and fishing products	1,099	1,134	1,146	3.2	1.1	5,909	6,739	14.0	-0.6
Energy products	510	965	720	89.2	-25.4	3,346	4,408	31.7	3.4
Forestry products	194	179	175	-7.7	-2.2	842	1,062	26.1	4.8
Industrial goods and materials	3,865	3,786	3,703	-2.0	-2.2	17,963	22,899	27.5	-2.5
Machinery and equipment	6,131	6,509	6,361	6.2	-2.3	30,475	37,507	23.1	3.4
Automotive products	4,071	4,106	3,843	0.9	-6.4	23,157	26,012	12.3	-17.1
Other consumer goods	2,202	2,189	2,245	-0.6	2.6	11,276	13,025	15.5	5.4
Special transactions trade[3]	473	457	427	-3.4	-6.6	2,404	2,643	9.9	0.5

[1] *Includes Australia, Iceland, Mexico, New Zealand, Norway, Switzerland and Turkey.*
[2] *Figures not adjusted to balance of payments basis.*
[3] *Mainly, these are low-valued transactions, value of repairs to equipment and goods returned to country of origin.*
... *Figures not appropriate or not applicable.*

Film and video production
1993/94

The film production industry recorded its best performance ever in fiscal year 1993/94, generating almost $734 million in production revenue, up 46.9% from four years earlier.

The expansion was largely due to tremendous growth in domestic film exports and consumer demand for home entertainment services. Growth in business investment and increased government grants and contributions were also factors. Since 1990, exports of Canadian films and videos have soared 85%, reaching $148.8 million in 1993/94.

Since 1991/92, film and video production revenue has increased at an annual rate of 12%. The television market rose 31% annually and the non-theatrical market 10%.

Film and video producers reported $86.8 million in profits in 1993/94, up 43.7% from a year earlier. That represents 9% of total revenue, unchanged from the previous year.

Canadian films a hit on international markets

After fluctuating around the $80 million mark in the early 1990s, revenues from exports suddenly took off in 1992/93, jumping almost 60% to $132 million. In 1993/94, export revenues rose another 13% to $148.8 million.

The export market for Canadian films is likely to keep expanding. A major reason for this trend is increased exports of films produced for the television market. Exports of television productions amounted to $121.1 million, up 7% from 1992/93 and 80% from 1991/92. Made-for-TV productions accounted for 81% of total exports in 1993/94.

Note to readers

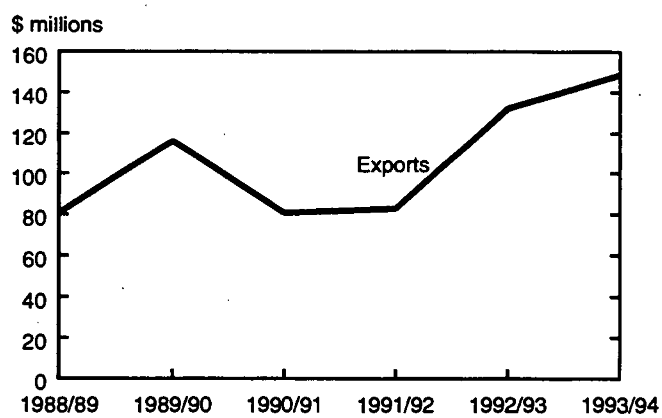
This release summarizes the activity in the 1993/94 fiscal year of 743 film, video and audio-visual production companies and 164 motion picture laboratories and post-production companies in the Canadian film and video industry. The data are from a census survey of these companies in 1994.

The non-theatrical sector comprises productions sponsored by advertising agencies, educational institutions, government boards, agencies, crown corporations or departments, and the industry at large.

The theatrical market represents films shown to paying audiences in regular motion picture theatres and drive-ins.

Post-production services include companies primarily engaged in processing and duplicating motion picture films and providing video production facilities.

Exports of Canadian films



Canadian films also gained exposure abroad through co-production agreements with foreign companies. In 1993/94, foreign direct investment in the theatrical and TV productions reported by producers reached $192.8 million, with 85% invested in television productions. Foreign direct investment represented 31% of the total investment ($612.6 million) in theatrical and TV production.

Overall, producers reported total private and public investment of $829.9 million in films and videos in 1993/94. Foreign investment accounted for 23%, up from 14% in 1991/92. Direct investment by the federal government reached $108.9 million or 13% of total investment, down from a 20% share in 1991/92. Other levels of government together invested $50.8 million. The Canadian private sector invested $477.4 million or 58% of the total investment, up from 61% in 1991/92.

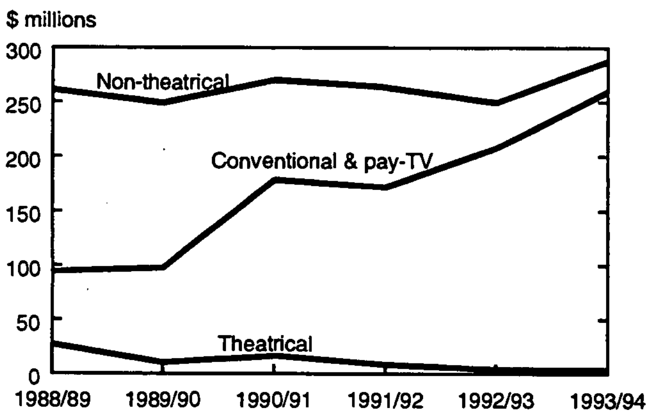
Non-theatrical sector most lucrative for producers

The non-theatrical sector (such as advertising and educational markets) remained the most lucrative for producers, earning them $288.0 million in 1993/94. However, the television market is on the verge of surpassing it as the major source of revenue.

After accounting for about 50% of production revenue for a number of years, the non-theatrical sector's share of revenue has steadily declined since 1989/90, to 39% in 1993/94.

Conventional and pay-TV now account for 35% of production revenue, up from less than 20% in 1989/90. The conventional television market alone (the second most lucrative market) captured $149 million or 32% of production revenue, while the pay-TV market represented another $23 million or 3%.

Film production revenue, by selected markets



The theatrical market accounted for less than $4 million, under 1% of the total production revenue in 1993/94. The remaining production revenue ($182 million or 25%) was generated by other placements and work contracted from other production companies.

Revenue from post-production services rose slightly

Motion picture laboratories and post-production services reported revenues of $323.7 million, up 4% from 1992/93. Their total expenses fell slightly to 92% of total revenue, from 95% the previous year.

As a result, profit before taxes rose to $24.2 million, representing almost 8% of total revenue, slightly higher than in the previous year.

The publication, *Film and video* (87-204) has been discontinued. Selected details from the Film, Video and Audio-visual Production Survey and from the Motion Picture Laboratory Operations and Post-production Services Survey are now available in table format ($50). A summary of the data will appear this fall in a new publication, *Canada's culture heritage and identity: A statistical perspective.* Data from the survey are also available by province and territory. Custom tabulations are available on a cost-recovery basis.

For further information on this release, or to order tables, contact Pina La Novara (613-951-1573, fax: 613-951-9040), Culture Statistics Program, Education, Culture and Tourism Division.

Film revenue, by selected markets for Canadian films

	1989/90	1991/92	1993/94
		$ millions	
Market			
Theatrical	10.3	8.5	3.7
Conventional and pay-TV	97.7	171.9	260.2
Non-theatrical[1]	249.0	263.6	288.0
Other production revenue[2]	142.6	137.8	182.0
Total production revenue	499.6	581.8	733.9
Other revenue[3]	84.0	106.4	262.6
Total revenue	583.6	688.2	996.5

1 *Includes advertising, government, educational, and industrial markets.*
2 *Includes revenue from other production companies, film societies and private screenings.*
3 *Includes revenue from rental of production facilities, post-production services, dividends, grants and subsidies.*

OTHER RELEASES

Export and import price indexes
June 1995

Current- and fixed-weighted export and import price indexes (1986=100) on a balance of payments basis are now available. Price indexes are listed from January 1986 to June 1995 for the five commodity sections and 62 (exports)/61 (imports) major commodity groups.

Current- and fixed-weighted U.S. price indexes (1986=100) are also available on a customs basis. Indexes are listed from January 1986 to June 1995. Included with the U.S. commodity indexes are the 10 all-countries and U.S.-only Standard International Trade Classification (SITC) section indexes. Indexes for the five commodity sections and 62/61 major commodity groups are also now available on a customs basis.

Available on CANSIM: matrices 3611-3616, 3618-3629, 3651 and 3685.

The June 1995 issue of *Canadian international merchandise trade* (65-001, $19/$182) will be available shortly. See "How to order publications".

For further information on this release, contact Denis Pilon (613-951-4808), Price Index Unit, International Trade Division. ■

Steel primary forms
Week ending August 12, 1995 (preliminary)

Steel primary forms production for the week ending August 12, 1995, totalled 271 838 tonnes, up 1.3% from 268 274 tonnes a week earlier and up 7.0% from 254 038 tonnes a year earlier.

The year-to-date total at the end of the week was 9 081 638 tonnes, an 8.1% increase from 8 404 697 tonnes for the same period in 1994.

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

Plastic film and bags
Second quarter 1995

Data for the second quarter of 1995 on shipments of plastic film and bags are now available.

Shipments of plastic film and bags manufactured from resin (47-007, $10/$32) will be available shortly. See "How to order publications".

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

Correction: Migration estimates
1993 to 1994

The 1993-to-1994 interprovincial migration figures for the Yukon and the Northwest Territories were transposed in the second table that appeared on page 3 of this release in the August 15 issue of *The Daily*.

The correct figures are presented in the excerpt below.

Net migration

	1993 to 1994		
	Interprovincial migration		
	In	Out	Net
Yukon	1,558	2,652	-1,094
Northwest Territories	3,303	3,339	-36

For further information on this release, contact Client Services (613-951-9720, fax: 613-951-4745), Small Area and Administrative Data Division. ■

PUBLICATIONS RELEASED

Provincial economic accounts, annual estimates 1981-1994
Catalogue number 13-213
(Canada: $50; United States: US$60; other countries: US$70).

Particleboard, waferboard and fibreboard, June 1995
Catalogue number 36-003
(Canada: $6/$60; United States: US$8/US$72; other countries: US$9/US$84).

Energy statistics handbook, August 1995
Catalogue number 57-601
(Canada: $330; United States: US$400; other countries: US$460).

Average prices of selected farm inputs, July 1995
Catalogue number 62-012
(Canada: $9/$48; United States: US$11/US$58; other countries: US$13/US$68).

The labour force, July 1995
Catalogue number 71-001
(Canada: $23/$230; United States: US$28/US$276; other countries: US$33/US$322).

Quarterly estimates of trusteed pension funds, first quarter 1995
Catalogue number 74-001
(Canada: $18/$60; United States: US$22/US$72; other countries: US$26/US$84).

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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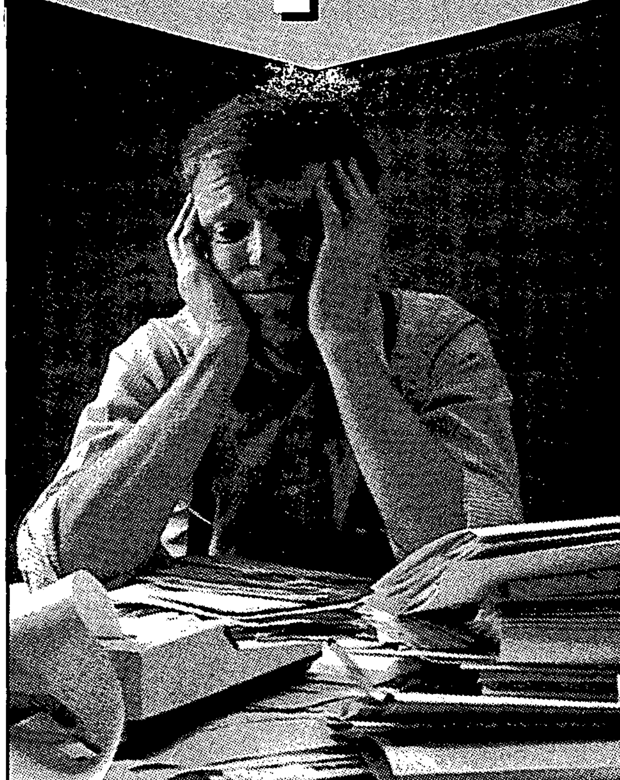

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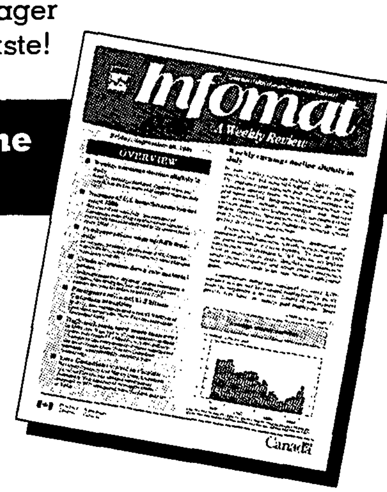

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