

The Daily

Statistics Canada

Thursday, September 8, 1988

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Major Releases

Composite Leading Indicator, June 1988 2

- The Composite Leading Indicator registered strong growth of 0.8% in June.

Financial Activity in Canada, Second Quarter 1988 4

- The personal sector reduced its borrowing activity compared with the second quarter of 1987, but all other sectors increased their demand for funds.

Tuition and Living Accommodation at Canadian Universities, 1987-88 and 1988-1989 7

- University students in many provinces will be paying more for tuition in 1988-89, as increases in tuition have more than kept pace with inflation.

Help-wanted Index, August 1988 8

- The Help-wanted Index increased sharply in August, to reach a record level of 163.

Data Availability Announcements

Pulpwood and Wood Residue Statistics, July 1988 10

Phonograph Records and Pre-recorded Tapes, July 1988 10

Animal and Poultry Feeds, First Half 1988 10

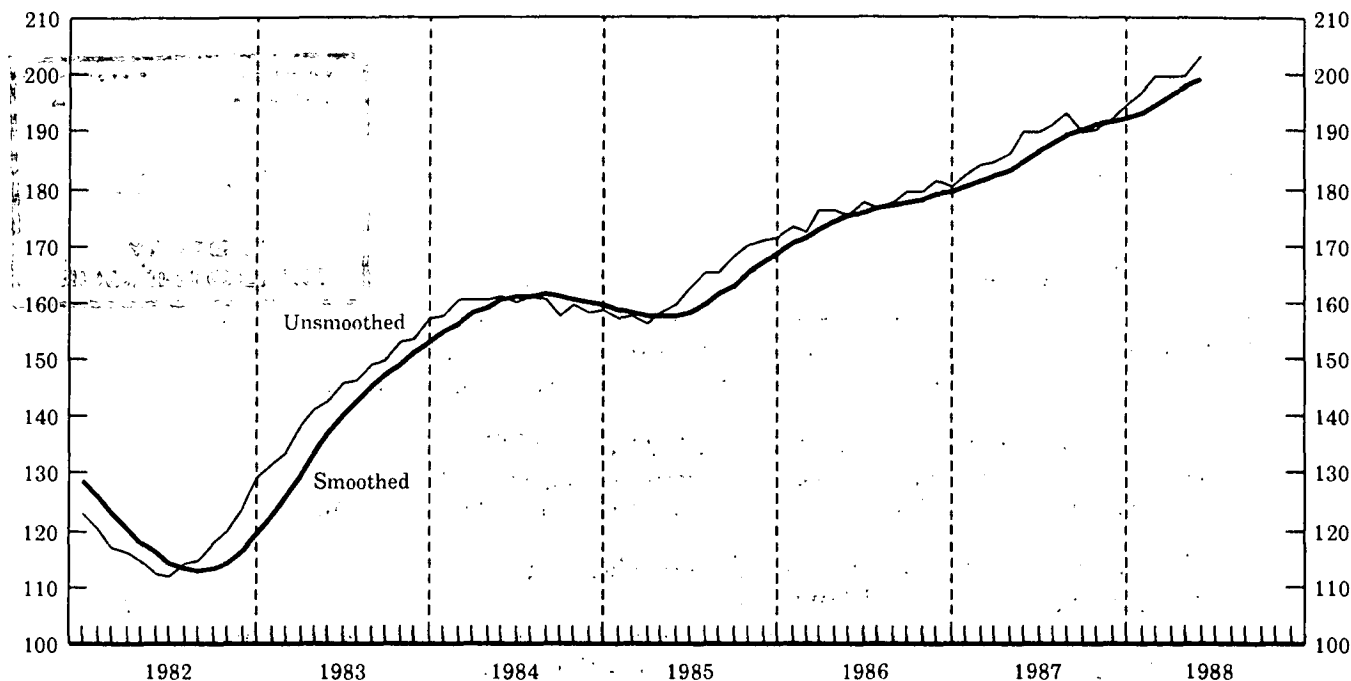
Publications Released 11



Major Releases

The Canadian Composite Leading Indicator (1971 = 100)

January 1982 to June 1988



Composite Leading Indicator June 1988

The Canadian Composite Leading Indicator registered steady growth in June (0.8%), after similar increases in the previous few months. The main source of strength continued to be the manufacturing industries, while a rising number of the indicators of final demand were also up. Seven out of 10 components contributed in June to the strong 1.8% growth in the unsmoothed version of the index, which has risen each month since the stock market crash.

New orders for durable goods grew by over 1.0% for the third consecutive month, with the highest rates of increase in the investment and export related industries. With unfilled orders rising steadily since March, shipments grew only moderately. The ratio of shipments to finished good inventories was little changed, while the average workweek declined slightly.

The residential construction index increased by 1.2% in June, while furniture and appliance sales firmed after five consecutive monthly declines. House sales, however, registered their second consecutive decline in June, while starts also sagged at a time of rising interest rates. In June, the stock market posted its first gain since October 1987.

(see table on page 3)

Available on CANSIM: matrix 161.

For more detailed information on this release, or about the next release dates, contact F. Roy-Mayrand (613-951-3627), International and Financial Economics Division.

For more information on the economy, order the September issue of *Canadian Economic Observer* (11-010, \$20/\$200), available the week of September 19. See "How to Order Publications". This issue also includes a feature article on international trade in services, and a paper on chain price indexes.

Canadian Leading Indicators

	Percentage Change			Level
	April	May	June	June
Composite Leading Indicator (1971 = 100)				
Smoothed	0.8	0.7	0.8	199.2
Unsmoothed	0.2	0.0	1.8	203.4
Retail Trade				
Furniture and appliance sales	-0.1	-0.6	0.0	143,263 ⁴
New motor vehicle sales	-0.2	1.0	-0.5	815,124 ⁴
Residential construction index¹	0.2	1.3	1.2	118.0
Manufacturing				
New orders - durable	1.1	1.1	1.0	3,936 ⁵
Shipment to inventory ratio - (finished goods ²)	0.00	0.00	0.00	1.82
Average workweek (hours)	0.0	-0.1	-0.1	38.7
Percentage change in price per unit labour cost ²	0.15	0.13	.10	0.51
United States composite leading index (1967 = 100)	0.1	0.0	0.2	191.8
TSE300 stock price index (excluding oil and gas)	-0.7	-0.2	1.0	3,105
Money supply (M1) (\$1971)³	-0.3	-0.2	0.0	11,030 ⁵

¹ Composite index of housing starts (units), building permits (constant dollars) and mortgage loan approvals (numbers).

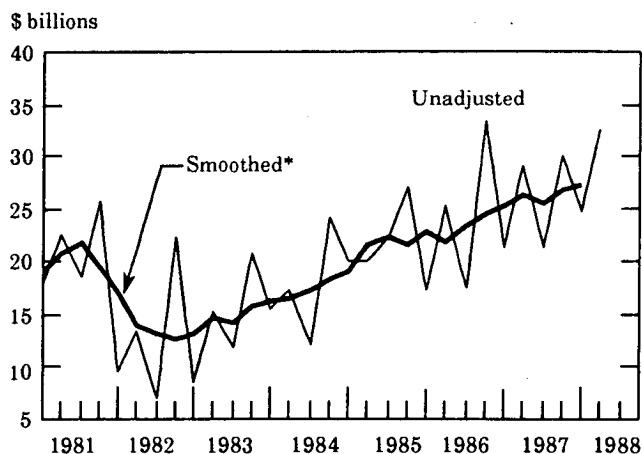
² Difference from previous month.

³ Deflated by the consumer price index for all items.

⁴ Thousands of 1971 dollars.

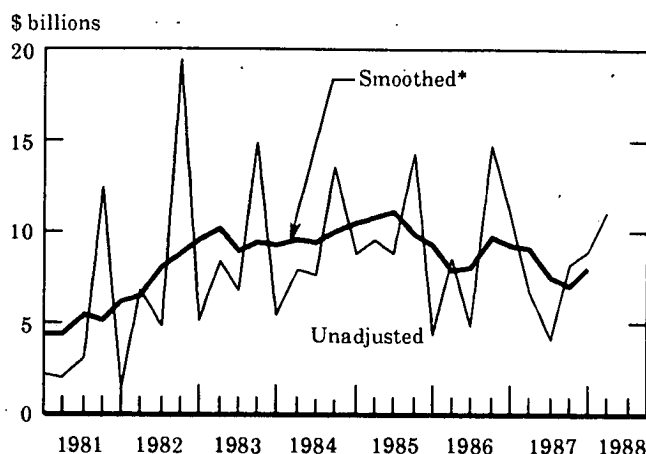
⁵ Millions of 1971 dollars.

Total Funds Raised on Conventional Credit Markets by Domestic Non-financial Sectors



* 4 quarter moving average

Funds Raised by Governments



Financial Activity in Canada Second Quarter 1988

Non-financial sectors of the Canadian economy raised \$32.6 billion on credit markets during the second quarter of 1988, an increase of 11.9% in nominal value from the same quarter a year earlier. During the same period, Gross Domestic Product at current prices grew by 8.7%. While the personal sector reduced its borrowing activity, all other sectors increased their demand for funds.

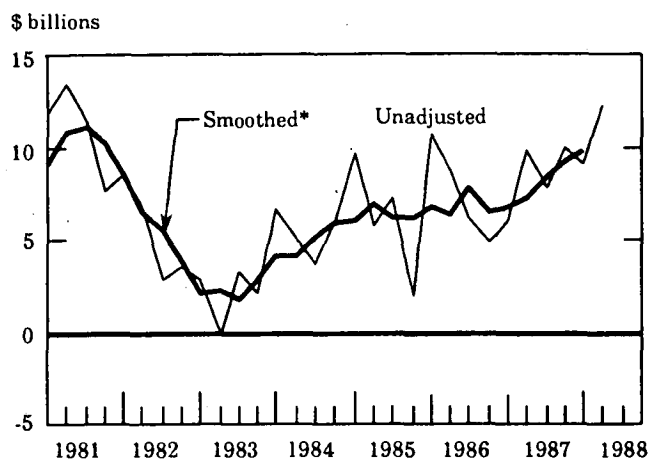
Households' net borrowing in the form of consumer credit registered a year-over-year drop for a second consecutive quarter, while mortgage borrowing declined for a third consecutive quarter. The level outstanding at the end of the second quarter of both of these instruments represented

73.7% of personal disposable income, similar to a plateau reached at the end of 1987 and below the peak of about 75% reached in 1979.

The increase in demand for funds by non-financial private corporations reflected the strength in investment in plant and equipment. The sector's financing continued to be characterized by reliance on debt instruments. Net new issues of shares of \$1 billion, which included \$135 million in flow-through shares, remained well below pre-crash volumes. The issues were concentrated in the metal mines, metal fabrication and mineral fuels industries. Debt financing showed some shift to bonds from short-term paper as yield differentials narrowed.

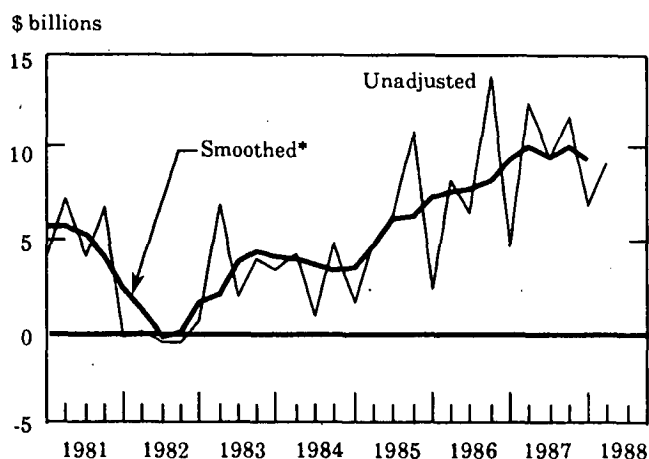
(continued on page 5)

Funds Raised by Non-financial Corporations



* 4 quarter moving average

Funds Raised by Persons and Unincorporated Business



Borrowing by the federal government, \$8.7 billion during the quarter, showed a marked increase over the \$2.4 billion of a year earlier, although the federal government's financing requirement was actually reduced. Part of the proceeds of the increased net new issues of bonds and treasury bills augmented cash reserves by \$3.2 billion. A year earlier, a reduction in cash reserves of \$2.7 billion had supplemented borrowing. The decrease in provincial government borrowing was in line with a continued reduction in deficit-financing requirements.

(see table on page 6)

Available on CANSIM: matrices 701-741, 743 and 750.

The second quarter 1988 issue of *Financial Flow Accounts* (13-002P, \$11.50/\$46), is available today. See "How to Order Publications".

For more detailed information on this release, contact Gerry Gravel or Christian Lajule (613-951-9043), Financial Flows Section, International and Financial Economics Division.

Financial Market Summary Table

	1987				1988	
	I	II	III	IV	I	II
(Millions of Dollars)						
1. Persons and Unincorporated Business	4,395	12,549	9,510	11,739	6,710	9,240
Consumer Credit	1,341	3,430	2,436	2,643	762	2,445
Bank Loans	-1,072	748	584	896	1,462	698
Other Loans	520	448	-292	2,919	1,112	-20
Mortgages	3,633	8,038	6,830	5,329	3,363	6,146
Bonds	-27	-115	-48	-48	11	-29
2. Non-financial Private Corporations	5,322	10,061	6,741	10,296	9,062	11,517
Bank Loans	-1,054	1,342	240	1,801	2,374	2,233
Other Loans	-327	744	61	3,525	-97	1,914
Short-term Paper	2,589	1,000	1,356	2,037	3,055	1,647
Mortgages	891	1,950	1,274	1,563	1,576	2,884
Bonds	79	1,848	571	311	1,147	1,780
Stocks	3,144	3,177	3,239	1,059	1,007	1,059
3. Non-financial Government Enterprises	646	-308	931	-316	58	779
Bank Loans	119	-232	-32	-334	-40	192
Other Loans	-80	-140	-260	-70	30	-250
Short-term Paper	201	-54	678	-269	244	741
Mortgages	-2	-3	-2	-2	-3	-2
Government of Canada Bonds	-	-	-	-94	-	-
Provincial Government Bonds	566	138	373	544	-72	894
Municipal Government Bonds	-	-	-	-	-	-
Other Bonds	-158	-17	174	-	-	-66
Stocks	-	-	-	-91	-101	-730
4. Federal Government	9,172	2,448	4,910	6,907	7,181	8,671
Bank Loans	-	-	-	-	-	-
Other Loans	112	-57	-86	310	-101	-120
Short-term Bills	6,977	1,700	2,806	-7,150	6,447	6,504
Bonds	2,083	805	2,190	13,747	835	2,287
5. Other Levels of Government	1,751	4,344	-816	1,429	1,682	2,353
Bank Loans	310	-289	-50	244	203	-397
Other Loans	166	208	-43	20	382	607
Short-Term Paper	-648	1,507	-801	1,152	-2,196	272
Provincial Government Bonds	1,797	2,975	388	155	3,128	1,422
Municipal Government Bonds	135	-47	-289	-131	182	457
Other Bonds	-9	-10	-21	-11	-17	-8
6. Total Borrowing by Domestic Non-financial Sectors	21,286	29,094	21,276	30,055	24,693	32,560
(as a percentage of GDP)	16.86	21.65	14.64	20.91	17.83	22.15
7. Rest of the World	490	814	-1,097	4,588	-720	2,591
8. Domestic Financial Institutions	7,739	7,202	4,898	4,415	3,530	5,170
9. Total Funds Raised	29,515	37,110	25,077	39,058	27,503	40,321

- Nil or zero.

Tuition and Living Accommodation Costs at Canadian Universities 1987-88 and 1988-89

University students in many provinces will be paying more for tuition in 1988-89, as fees continue to rise at most Canadian universities. A full-time student in an undergraduate Arts and Science program living in university residences or housing can generally expect to pay between \$450 to \$1,850 for tuition, and another \$2,500 to \$4,300 for room and board. This does not include additional compulsory fees charged by these universities and personal costs such as books, transportation, and clothing.

Highlights from *Tuition and Living Accommodation Costs at Canadian Universities, 1987-88 and 1988-89* include:

- Increases in tuition fees at most Canadian universities have more than kept pace with inflation. Between July 1987 and July 1988 the Consumer Price index rose by 3.8%, while tuition fees for undergraduate Arts and Science programs generally increased by 4% to 8% from the previous academic year. There are however, a number of significant exceptions, the most notable being Quebec, where students will pay last year's prices for this year's tuition.
- University students in Quebec pay the lowest tuition fees in the country, with undergraduate Arts and Science students paying between \$450 to \$570 per year. By comparison, representative tuition fees in the Atlantic provinces are \$1,650

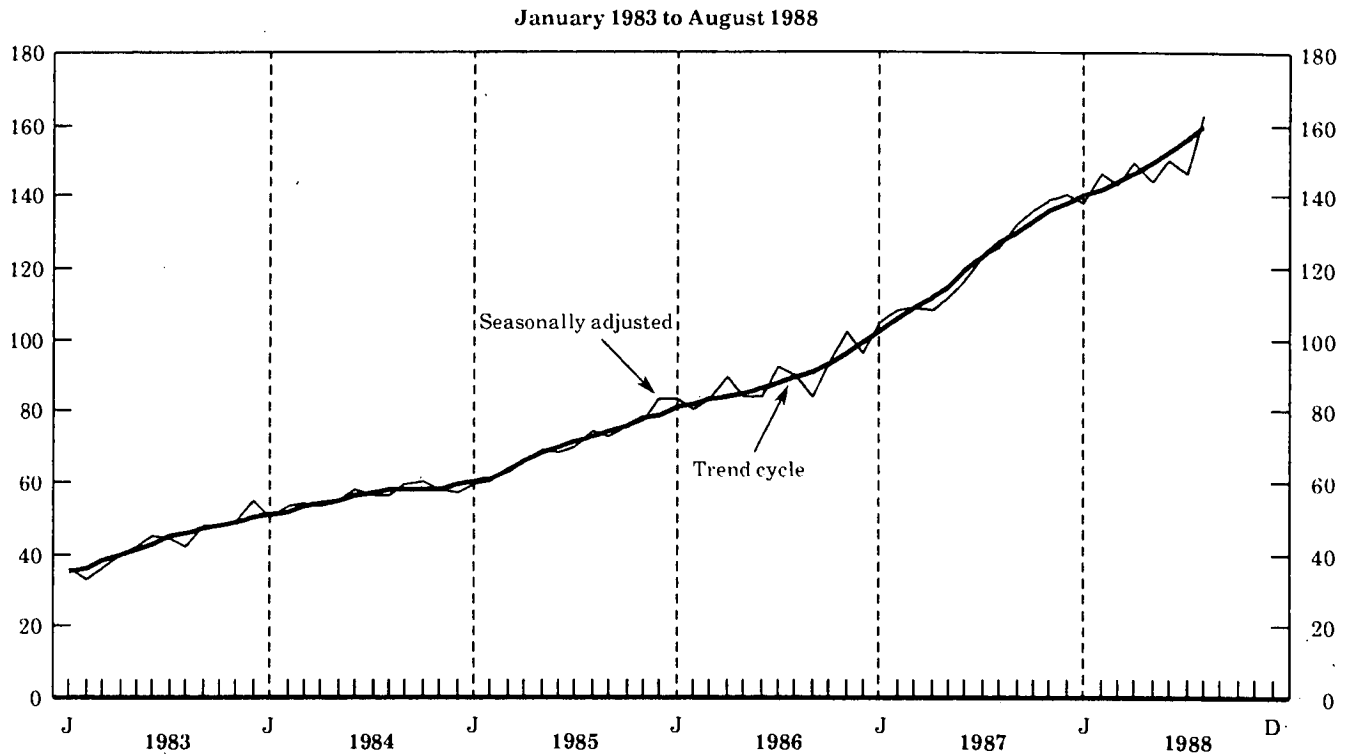
to \$1,850; in Ontario, \$1,350 to \$1,450; in the Prairie provinces, \$1,000 to \$1,400; and in British Columbia, \$1,450 to \$1,750.

- Except in Newfoundland and Manitoba, most Canadian universities charge foreign students higher tuition fees than their Canadian counterparts. These differential fees range from a low of \$500 in Alberta to highs of \$4,000 in Ontario and \$5,400 in Quebec.
- The undergraduate programs with the highest tuition fees are medicine, dentistry and engineering, where tuition fees can be as high as \$2,500.
- Students choosing to live on campus (room and board) can generally expect to pay from 2.5% to 8% more than the previous academic year. Generally, the cost of room and board in university-administered residences ranges from \$2,500 to \$4,300, and depends upon the type of quarters (ie. single or double room), the type of meal plan chosen and the number of meals included.

The 1987-88 and 1988-89 edition of *Tuition and Accommodation Costs at Canadian Universities* (81-219, \$20/\$21) is now available. See "How to Order Publications".

For further information, contact T.M. Omiecinski or R. Lortie, Postsecondary Education Section, Education, Culture and Tourism Division (613-951-1526/1525).

Help-wanted Index, Canada (1981 = 100)



Help-wanted Index

August 1988

- The Help-wanted Index serves as an indicator of the demand for labour by monitoring the space devoted to help-wanted ads published in 18 major metropolitan area newspapers.
- After advancing slowly at the beginning of the year, the seasonally adjusted Help-wanted Index for Canada (1981 = 100) jumped to 163 from 146 between July and August 1988. This is the largest monthly change since the recession of the early 1980s. All regions contributed to the rise in the Canada index.

- In August 1988, the Canada trend-cycle¹ continued its advance which began in December 1982 (see chart).

Changes by region

- The index for the Atlantic region advanced to 195 from 191, but it remained below the level of 209 observed in April 1988.

¹ The trend cycle provides an indication of the direction in the demand for labour as estimated by the Help-wanted Index. It is calculated by the X-11 ARIMA seasonal adjustment program. Essentially, the calculation involves a 13-term Henderson moving average which smoothens irregular fluctuations in the seasonally adjusted data.

(continued on page 9)

- The Quebec Help-wanted Index reached a record level, advancing to 196 from 173. Increases have been observed for the past three months.
- In Ontario, the index rose to a record level of 209 from 190. This follows slight declines during the previous two months.
- The Prairie region index increased to 66 from 61, returning to the level observed in May.

- In British-Columbia, the Help-wanted Index advanced to 68 from 59. This is the highest level since February 1982 when the index registered 71.

Available on CANSIM: matrix 105.

For historical data, covering the period from January 1962 to December 1987, order *Help-wanted Index* (71-204, \$15), now available.

For further information, contact Jean-Pierre Maynard (613-951-4045) or Horst Stiebert (613-951-4044), Labour Division.

Help-wanted Index (1981 = 100), Canada and Regions Seasonally Adjusted

Year and month	Canada	Atlantic Region	Quebec	Ontario	Prairie Region	British Columbia
1987						
August	125	164	131	171	54	53
September	132	171	146	177	60	50
October	136	170	148	185	55	55
November	139	173	154	184	59	57
December	140	164	150	189	58	55
1988						
January	138	181	144	190	62	58
February	146	154	163	197	58	58
March	143	172	160	194	60	56
April	149	209	155	201	70	60
May	144	189	153	198	66	56
June	150	183	172	196	64	60
July	146	191	173	190	61	59
August	163	195	196	209	66	68

Data Availability Announcements

Pulpwood and Wood Residue Statistics July 1988

Pulpwood receipts amounted to 4 100 592 cubic metres in July 1988, an increase of 7.2% from 3 826 396 cubic metres a year earlier. Receipts of wood residue totalled 4 401 061 cubic metres, down 3.6% from 4 564 809 cubic metres in July 1987. Consumption of pulpwood and wood residue was reported as 8 695 885 cubic metres, an increase of 1.7% from 8 554 175 cubic metres reported the previous year. The closing inventory of pulpwood and wood residue totalled 17 296 767 cubic metres, an increase of 1.8% from 16 995 945 cubic metres a year earlier.

Year-to-date receipts of pulpwood totalled 24 811 424 cubic metres, a decrease of 1.0% from 24 988 541 cubic metres a year earlier. Receipts of wood residue decreased 1.1% to 32 518 153 cubic metres from the year-earlier level of 32 879 669 cubic metres. Consumption of pulpwood and wood residue, at 58 935 269 cubic metres, was up 1.2% from 58 234 210 cubic metres a year earlier.

Available on CANSIM: matrix 54.

The July 1988 issue of *Pulpwood and Wood Residue Statistics* (25-001, \$5.50/\$55) will be available at a later date. See "How to Order Publications".

For more detailed information on this release, contact Jacques Lepage, (613-951-3516), Industry Division.

Phonograph Records and Pre-recorded Tapes

July 1988

Canadian manufacturers produced 3,007,446 phonograph records in July 1988, up 7.3% from the 2,802,413^r (revised figure) produced a year earlier. Production of tapes increased to 4,365,181 in July 1988, up 28.2% from 3,404,574 tapes in July 1987.

Year-to-date production of phonograph records amounted to 20,300,470^r, down 8.2% from the 22,117,895^r produced during the January to July 1987 period. Cumulative production of tapes decreased 2.2% to 24,485,673^r from 25,030,138 tapes during the same period in 1987.

Available on CANSIM: matrix 2904.

The July 1988 issue of *Production and Sales of Phonograph Records and Pre-recorded Tapes in Canada* (47-004, \$4.50/\$45) will be available at later date. See "How to Order Publications".

For more detailed information on this release, contact Danielle Côté, (613-951-3521), Industry Division.

Animal And Poultry Feeds

First Half 1988

Data on animal and poultry feeds for the first half of 1988 are now available. The publication *Shipments of Animal and Poultry Feeds-Semi-Annual* (32-004, \$6/\$12) will be released at a later date.

For further information, contact Brian Preston (613-951-3511), Industry Division.

Publications Released

Financial Flow Accounts, Second Quarter 1988
Catalogue number 13-002P
(Canada: \$11.50/\$46; Other Countries: \$12.50/\$50)

Canned and Frozen Fruits and Vegetables, April 1988. Catalogue number 32-011
(Canada: \$4.50/\$45; Other Countries: \$5.50/\$55).

Industry Price Indexes, June 1988.
Catalogue number 62-011
(Canada: \$16.50/\$165; Other Countries: \$18.50/\$185).

Retail Trade, May 1988.
Catalogue number 63-005
(Canada: \$16/\$160; Other Countries: \$17/\$170).

Building Permits, February 1988.
Catalogue number 64-001
(Canada: \$20/\$200; Other Countries: \$21/\$210).

Exports by Commodity (H.S. Based), May 1988.
Catalogue number 65-004
(Canada: \$50/\$500; Other Countries: \$60/\$600).

Labour Force Information, August 1988
Catalogue number 71-001P
(Canada: \$5.50/\$55; Other Countries: \$6.50/\$65)
Available September 9th at 7:00 A.M.

Tuition and Living Accommodation Costs at Canadian Universities, 1987-1988 and 1988-1989.
Catalogue number 81-219
(Canada: \$20; Other Countries: \$21).

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