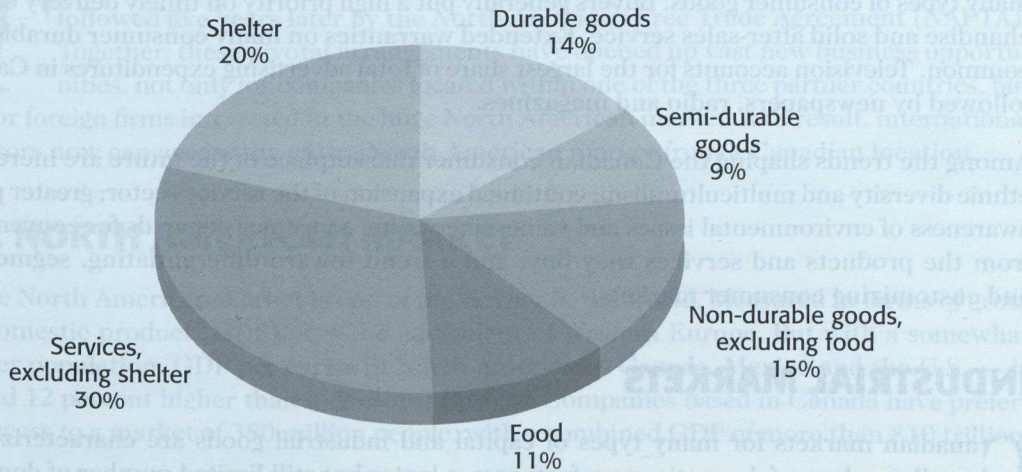


A closer look at consumer spending patterns (Table 1.4) shows the variation in the growth rates of consumer spending for four broad groups of products and services since 1981. As consumer tastes evolve, new products and services develop, and the proportion of most households' income available to purchase "non-essentials" tends to rise.

Figure 1.7: Spending on Goods and Services
(percentage of total personal expenditures in 1993)



Source: Statistics Canada, *Canadian Economic Observer*, (February 1995), Table 2.

TABLE 1.4
Growth in Consumer Spending in Selected Areas
(average annual change in percent, 1981-1994)

Spending on "essentials"	Percentage	"Top gainers":	Percentage
Financial services	5	Computers	20
Housing	4	Audio/visual electronics	9
Home heating	2	New/used trucks and vans	9
Food/beverages	1	Child care	8
		Lotteries	8
Spending on "non-essentials"		Telecommunications, cable/pay television	8
Drugs/cosmetics	4		
Personal care	3	"Big losers":	
Recreation services	3	Pari-mutuel betting	-4
Home furnishings	2	Alcohol	-3
Clothing	1	Tobacco	-3
Restaurant meals	1	Movie theatres	-2
		New passenger cars	-1

Source: Statistics Canada, *Canadian Economic Observer* (February 1995).