



The Daily

Statistics Canada

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- **Farm input price index, fourth quarter 1996** 2
Farmers got a substantial break on farm input prices between the third and fourth quarters of 1996. Declining prices for seed and feed, as well as lower interest costs, drove input prices down 2.4%, the largest quarterly drop in the Farm Input Price Index since it began in 1961.

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MAJOR RELEASES

Farm input price index

Fourth quarter 1996 (preliminary)

Farmers got a substantial break on farm input prices between the third and fourth quarters of 1996. Declining prices for feed and seed, as well as lower interest costs, drove input prices down 2.4%, the largest quarterly drop in the Farm Input Price Index since it began in 1961.

However, it still cost farmers 2.3% more to do business in the fourth quarter of 1996 than in the same quarter of 1995, despite a 19.4% drop in interest costs. But the year-over-year increase was down significantly from the 5.0% rise recorded in the third quarter of 1996.

Eastern Canadian farmers incurred larger price increases for the fifth straight quarter. Their input prices were up 3.2% compared to the same period a year earlier, the result of higher prices for seed and feed. By comparison, western producers faced an overall year-over-year increase of 1.6%, as seed prices rose 8.0% and pesticide prices went up 2.1%.

First quarterly drop in prices in two years

The drop in input prices between the third and fourth quarters of 1996 was the first decline since the fourth quarter of 1994.

Compared with the third quarter of 1996, lower prices for feed (-11.5%), weanling pigs (-4.2%), and poultry chicks (-7.3%) contributed most to the decrease in animal production (-6.9%). Farmers also experienced lower prices for fertilizers, in particular for nitrogen fertilizers (-10.0%) and phosphoric fertilizers (-7.5%). These helped push the crop production index down 3.8%. Farmers continued to pay less for interest (-7.0%), as a result of lower costs for non-mortgage loans.

However, prices rose in the remaining input categories in the fourth quarter. Supplies and services went up 1.3%, due to higher prices for heating fuel, while higher prices for diesel fuel and automobiles pushed machinery and motor vehicles up 1.7%.

Seed and feed costs contributed to annual increase

Nationwide, the jump in prices for inputs into animal production (+4.8%) contributed most to the year-over-year increase. Producers paid more for weanling pigs

(+25.1%), broiler chicks (+9.4%) and prepared feed (+11.5%), but profited from lower prices for cattle, down 7.9% compared with the same period a year earlier.

Farmers again faced price increases for inputs into crop production (+4.5%). In particular, grains and oilseeds rose 7.7% and farmers paid more for phosphoric fertilizers (+5.7%) on a year-over-year basis.

Higher prices for heating fuel and custom work contributed most to a 4.7% annual increase in supplies and services. Farmers also faced higher prices for building and fencing (+5.7%) and for petroleum products, such as diesel fuel and gasoline, which pushed the index for machinery and motor vehicles up 4.3% from the fourth quarter of 1995.

On the other hand, farmers saw the index for non-mortgage interest drop 28.3% compared with a year earlier, while the index for mortgage interest fell 2.4%.

Prices for weanling pigs higher for eastern farmers

Higher prices for weanling pigs (+27.7%) and broiler chicks (+9.1%) in the East contributed most to the increase in animal production (+5.6%) on an annual basis. In fact, farmers in the East faced price increases in all input categories surveyed in the fourth quarter except for interest, which fell as a result of lower costs for non-mortgage loans (-27.9%).

In the West, where the overall annual price increase was much less, farmers also experienced price increases in six of the seven input categories that were surveyed in the fourth quarter. Western farmers paid higher prices for electricity (+6.9%), seeds (+8.0%) and weanling pigs (+13.9%). However, they also benefited from lower costs for non-mortgage loans, which tumbled 28.7% compared with the same period a year earlier.

Available on CANSIM: matrices 550-582 (level 7) and 2050-2063.

The fourth quarter 1996 issue of *Farm input price indexes* (62-004-XPB, \$24/\$80) will be available shortly. See *How to order publications*.

For further information on this release, contact Sandra Shadlock (613-951-9606; fax: 613-951-2848; Internet: shadsan@statcan.ca), Prices Division. □

Farm input price indexes
(1986=100)

	Fourth quarter 1995	Third quarter 1996	Fourth quarter 1996	Fourth quarter 1995 to fourth quarter 1996	Third to fourth quarter 1996
	% change				
Canada, total farm input	121.8	127.6	124.6	2.3	-2.4
Building and fencing	129.2	133.7	136.5	5.7	2.1
Machinery and motor vehicles	131.4	134.8	137.1	4.3	1.7
Crop production	122.1	132.7	127.6	4.5	-3.8
Animal production	115.2	129.7	120.7	4.8	-6.9
Supplies and services	125.6	129.8	131.5	4.7	1.3
Hired farm labour	140.9	142.6	145.1	3.0	1.8
Property taxes	136.8	140.4	140.4	2.6	0.0
Interest	90.6	78.5	73.0	-19.4	-7.0
Farm rent	127.2	120.8	120.8	-5.0	0.0
Eastern Canada, total farm input	126.4	134.0	130.5	3.2	-2.6
Building and fencing	136.3	141.2	143.3	5.1	1.5
Machinery and motor vehicles	136.6	140.5	143.0	4.7	1.8
Crop production	126.6	132.6	132.5	4.7	-0.1
Animal production	116.9	135.1	123.5	5.6	-8.6
Supplies and services	132.9	135.9	138.1	3.9	1.6
Hired farm labour	152.5	151.6	158.9	4.2	4.8
Property taxes	144.6	151.4	151.4	4.7	0.0
Interest	96.1	82.7	76.6	-20.3	-7.4
Farm rent	152.3	151.8	151.8	-0.3	0.0
Western Canada, total farm input	118.0	122.7	119.9	1.6	-2.3
Building and fencing	121.3	125.3	128.9	6.3	2.9
Machinery and motor vehicles	128.6	131.9	134.0	4.2	1.6
Crop production	119.6	132.6	124.9	4.4	-5.8
Animal production	112.9	122.5	116.8	3.5	-4.7
Supplies and services	118.2	123.7	125.0	5.8	1.1
Hired farm labour	126.7	133.6	129.1	1.9	-3.4
Property taxes	134.8	137.5	137.5	2.0	0.0
Interest	87.3	76.0	70.7	-19.0	-7.0
Farm rent	118.8	110.3	110.3	-7.2	0.0



OTHER RELEASES

Non-residential building construction price indexes

Fourth quarter 1996

The composite price index for non-residential building construction (1986=100) for the fourth quarter of 1996 rose to 131.5, an increase of 0.4% over the previous quarter and up 1.9% from the same quarter one year earlier.

Between the third and fourth quarters of 1996, the indexes for Toronto and Edmonton both increased by 0.4%, followed by those for Montreal, Calgary and Vancouver (+0.3%), and Ottawa and Halifax (+0.2%).

The rate of increase for the annual average non-residential index dropped from 3.0% between 1994 and 1995 to 1.8% between 1995 and 1996.

Non-residential building construction price indexes provide an indication of changes in construction costs in seven major urban areas across Canada (Halifax, Montreal, Ottawa, Toronto, Calgary, Edmonton and Vancouver). Three construction categories — industrial, commercial and institutional buildings — are represented by selected models (a light factory building, an office building, a warehouse, a shopping centre and a school).

Besides the city indexes and national composites, further breakdown of the changes in costs is available by trade group — structural, architectural, mechanical and electrical — within the building types. These price indexes are derived from surveys of general and special trade group contractors. They report data on various categories of costs (material, labour, equipment, taxes, overhead and profit) relevant to the detailed construction specifications included in the surveys.

Non-residential building construction price indexes

(1986=100)

	Fourth quarter 1996	Fourth quarter 1995 to fourth quarter 1996	Third to fourth quarter 1996
	% change		
Composite	131.5	1.9	0.4
Halifax	116.0	0.6	0.2
Montreal	118.9	1.2	0.3
Ottawa	134.8	1.3	0.2
Toronto	136.0	1.8	0.4
Calgary	132.9	1.8	0.3
Edmonton	135.1	1.7	0.4
Vancouver	130.9	2.4	0.3

Available on CANSIM: matrices 2042 and 2043.

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

For further information on this release, contact Sandra Shadlock (613-951-9606, fax: 613-951-2848), Information and Current Analysis Unit, Prices Division. ■

Railway carloadings

Seven-day period ending January 21, 1997

Carloadings of freight (excluding intermodal traffic) during the seven-day period ending January 21, 1997, increased 0.7% to 4.1 million tonnes from the same period of last year. The number of cars loaded decreased 0.3%.

Intermodal traffic (piggyback) tonnage totalled 272 000 tonnes, a 3.5% increase from the same period of the year before. The year-to-date figures show an increase of 0.5%.

Total traffic (carloadings of freight and intermodal traffic) increased 0.8% during the period. This brought the year-to-date total to 11.7 million tonnes, an 8.5% decrease 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. ■

Low income cut-offs

1996

Low income cut-off data (LICOs) for 1996 are now available. Each year, the LICOs are updated to reflect cost of living increases, as indicated by the annual change in the Consumer Price Index (CPI). With the recent release of the 1996 CPI, the 1996 LICOs have been calculated.

They are presented in the latest edition of *Low income cut-offs* (13-551-XPB, \$5) for the years 1980 to 1996. Both the 1992-base and 1986-base LICOs are contained in the report.

For further information on this release, or to order this publication, contact Réjean Lasnier (613-951-5266) or Donald Dubreuil (613-951-4633), Dissemination Unit, Household Surveys Division (fax: 613-951-3012; Internet: income@statcan.ca). ■

Air fare statistics

First quarter 1996 (preliminary)

In the first quarter of 1996, the average domestic air fare (all types) paid by passengers was \$182, down 11% from the record average air fare of \$204 posted

in the second quarter of 1995, and 9% below the same quarter of the previous year.

The decrease in average fares was in part the result of a record share of passengers (75.3%) who travelled on discount fares on domestic scheduled services. This was up from the previous record of 74.4% in the third quarter of 1995, and 7.9 percentage points higher than the same quarter of the previous year.

Discount fares accounted for 76.9% of domestic passenger-kilometres in the first quarter of 1996, up from 70.5% in the same period of 1995.

The greatest use of discount fares was on long-haul services in the southern domestic sector, where 77.2% of passengers travelled on a discount. The lowest use was in the northern domestic sector, where 55.4% of passengers travelled on a discount.

Information on the types of fares used by passengers is based on data from the four Level I air carriers (AirBC, Air Canada, Canadian Airlines International Ltd. and Time Air) and from Inter-Canadien and Ontario Express. Preliminary estimates are now available for the first quarter of 1996.

These estimates will be published in the February 1997 issue of the *Aviation statistics centre service bulletin* (51-004-XPB, \$11/\$105). See *How to order publications*.

For further information on this release, contact Bradley Snider (819-997-6189; Internet: snidbra@statcan.ca), Aviation Statistics Centre, Transportation Division. ■

Software development and computer service industry

1994-95

Data for the software development and computer services industry (1994-95) are now available. Information on total revenues, revenue by type of service, expenses by category and revenue by class of customer is included.

The data will be released in *Software development and computer services, 1994-95* (63-222-XPB, \$32), which will be available shortly. See *How to order publications*.

For further information on this release, contact Moreno Da Pont (613-951-0342), Services Division. ■

PUBLICATIONS RELEASED

Wood industries, 1994
Catalogue number 35-250-XPB
 (Canada: \$53; United States: US\$64; other countries: US\$75).

Coal and coke statistics, November 1996
Catalogue number 45-002-XPB
 (Canada: \$11/\$110; United States: US\$14/US\$132; other countries: US\$16/US\$154).

How to order publications

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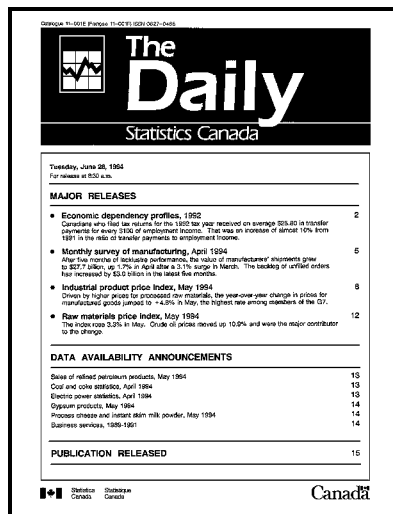
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