



# The Daily

Statistics Canada

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## MAJOR RELEASES

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- **Monthly Survey of Manufacturing, September 2001** 2  
Manufacturers reported widespread decreases in September, as shipments fell 2.5% to \$41.8 billion. Shipments were at their lowest in almost two years, continuing the downward trend that started in the fourth quarter of 2000.

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## NEW PRODUCTS

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## MAJOR RELEASES

### Monthly Survey of Manufacturing

September 2001

Manufacturers reported widespread decreases in September, as shipments fell 2.5% to \$41.8 billion. Led by sharp declines in the petroleum and coal products, aerospace products and parts, and computer and electronic products industries, shipments were at their lowest in almost two years. This continued the downward trend that started in the fourth quarter of 2000. Declines were extensive in September—19 of 21 industries, representing 94% of total shipments, lost ground. Eight provinces reported lower shipment values.

#### Shipments by province and territory

	Aug. 2001	Sept. 2001	Aug. to Sept. 2001
Seasonally adjusted			
	\$ millions		% change
Newfoundland	192	194	1.3
Prince Edward Island	106	101	-4.8
Nova Scotia	722	733	1.5
New Brunswick	1,071	1,052	-1.9
Quebec	10,317	9,861	-4.4
Ontario	22,465	22,143	-1.4
Manitoba	968	916	-5.4
Saskatchewan	579	578	-0.1
Alberta	3,650	3,517	-3.6
British Columbia	2,818	2,740	-2.7
Yukon, Northwest Territories and Nunavut	5	6	39.6

Recent forecasts of economic instability were compounded by the September 11 terrorist attacks in the United States. In conjunction with the continuing economic slowdown, production cutbacks, layoffs, delivery delays and postponed or cancelled orders have affected the manufacturing sector. As October's Quarterly Business Conditions Survey noted, manufacturers were increasingly concerned about their pace of production and prospects of employment in the fourth quarter.

September's decrease, the third in four months, also offset the modest gain (+0.5%) reported in August. Following September's drop, shipments were 9.1% short of their record level of \$46 billion posted in October 2000. As well, inventories fell 0.7% in September to \$64.1 billion, the fourth consecutive monthly decline. Drawn down by raw materials and goods-in-process, inventories were at their lowest level since September 2000. Unfilled orders remained

#### Note to readers

In addition to current-month estimates, data for the previous three months are regularly revised. Factors influencing revisions include: late receipt of company data, incorrect information reported earlier, replacement of estimates with actual figures (once available), and seasonal adjustments. Consult the appropriate CANSIM tables for revised data.

**Unfilled orders** are a stock of orders that will contribute to future shipments, assuming that the orders are not cancelled.

**New orders** represent orders received, whether shipped in the current month or not. They are measured as the sum of shipments for the current month plus the change in unfilled orders. Some people interpret new orders as orders that will lead to future demand. This is inappropriate, because the "new orders" variable includes orders that have already been shipped. The month-to-month change in new orders may be volatile, particularly if the previous month's change in unfilled orders is large in relation to the current month's change.

Not all orders will be translated into Canadian factory shipments because portions of large contracts can be subcontracted out to manufacturers in other countries.

constant at \$48.9 billion in September, following a 0.9% drop in August.

Employment in manufacturing fell 31,000 in October, bringing losses since the start of 2001 to 75,000, according to the Labour Force Survey. The largest decline was in computer and electronic products manufacturing.

#### Petroleum, aerospace products and computers pulled down shipments

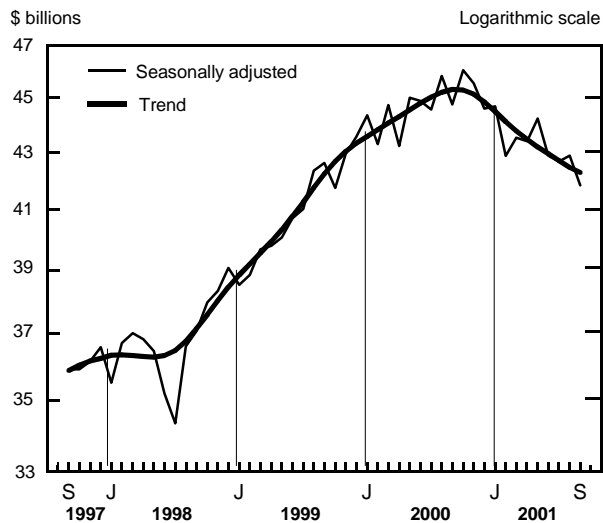
Despite a 3.5% rise in product prices, shipments of petroleum and coal products fell 9.1% in September to \$2.6 billion, their lowest level since May 2000. Maintenance shutdowns at various plants contributed to the lower value. Shipments of petroleum and coal products have varied throughout 2001, although the trend has been declining for some time.

The aerospace products and parts industry reported shipments of \$1.1 billion, a decrease of 16.6% and the lowest value in 2001. In recent months, production had remained reasonably stable, at levels nearing the industry's record of \$1.4 billion set in January.

Plagued by weak international demand, the computer and electronic products industry continued to slump in September. Shipments plunged 9.0% to \$1.8 billion, following a 6.2% drop in August. Manufacturers of computers and peripheral equipment, as well as those of communications equipment, have cut

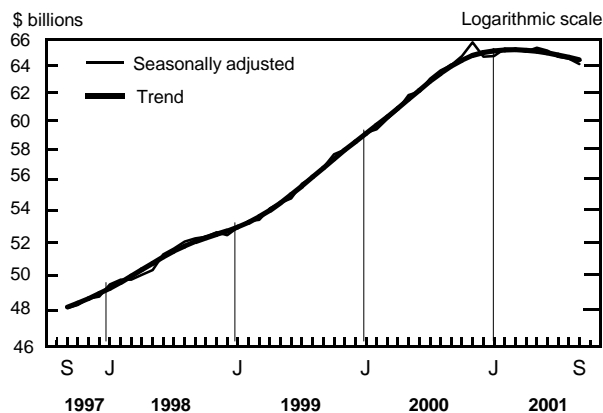
production throughout 2001. Computer and electronic product shipments peaked at \$3.6 billion in August 2000.

**Shipments dropped in September**



Slightly offsetting the decrease were higher finished-products inventories (+6.2%) for the aerospace products and parts industry. Total inventories for this industry rose 1.2% to \$8.3 billion.

**Inventories down for the fourth consecutive month**



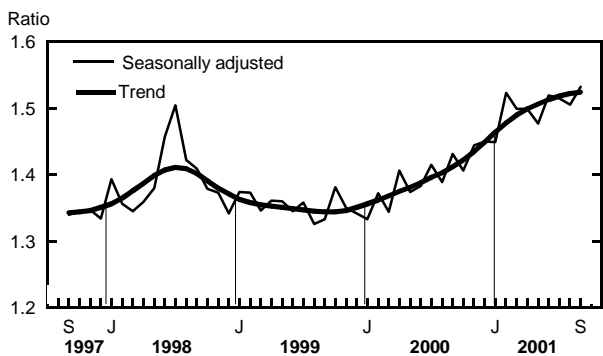
**Finished product inventories stayed high, despite efforts to cut production**

Decreasing stocks of raw materials helped cause inventories to contract 0.7% to \$64.1 billion in September, the sixth decrease in seven months. A modest 0.1% rise in finished-product inventories could not offset the declines in raw materials (-1.3%) and goods-in-process (-0.6%). Despite manufacturers' efforts to slash production throughout 2001, inventories have only shrunk modestly during the year, since their apex of \$65.8 billion in November 2000.

September's strong decline in shipments boosted the inventory-to-shipment ratio to 1.53, exceeding the previous nine-year high of 1.52 established earlier in 2001. The trend, which had been climbing consistently since late 1999, remained unchanged for the third consecutive month. The finished-product inventory-to-shipment ratio rose to 0.48 in September, its highest level since mid-1998. The ratio has been steadily rising since mid-2000.

Manufacturers of computer and electronic products reduced inventories 4.9% to \$5.8 billion in September, the third consecutive monthly decrease. In 2001, global demand for computer-related products has weakened significantly, while finished-product inventories have remained persistently high. In response, manufacturers scaled back production and cut employment and, slowly, inventories have started to contract. Finished-product inventories have dropped 5.0% since their peak in November 2000. During the same period, shipments have fallen 43%.

**The inventory-to-shipment ratio climbed**



Inventories of motor vehicles continued to decline in September, tumbling 5.5%, the largest monthly decrease since January. Before September, inventories had remained relatively stable in 2001, following sharp production and inventory cutbacks over the final quarter of 2000. At that time, manufacturers trimmed production to reduce inventories.

**Unfilled orders were unchanged**

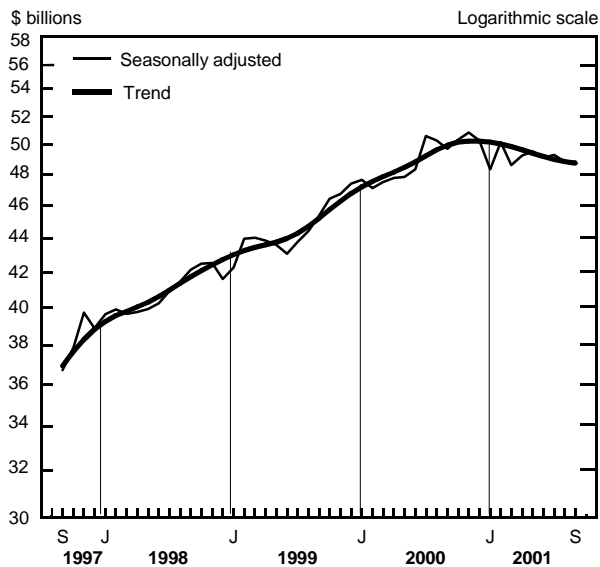
Unfilled orders held steady at \$48.9 billion in September, following a 0.9% drop in August. Although unfilled orders have fluctuated throughout 2001, the

trend has been gradually decreasing since late 2000, a reflection of the slowing economy. Unfilled orders peaked at \$50.9 billion in November 2000.

Increases in the machinery (+4.1%) and aerospace products and parts (+0.7%) industries were offset by declines in computer and electronic products (-5.4%), fabricated metal products (-2.7%) and motor vehicles (-5.2%). Excluding the impact of the aerospace industry, unfilled orders dropped 0.5%. Manufacturers of computer and electronic products reported orders of \$4.0 billion in September, a 24% drop from the industry's peak of \$5.3 billion, posted just 10 months previous.

However, the increases in new orders reported by the aerospace products and parts and machinery industries were too small to offset the slump in orders of the computer and electronic products industry. New orders declined 1.4% to \$41.8 billion in September, the third decline in four months. Excluding the impact of the aerospace industry, new orders fell 2.1%.

**Unfilled orders were steady in September**



**Available on CANSIM: tables 3040014 and 3040015.**

The September 2001 issue of the *Monthly Survey of Manufacturing* (31-001-XIB, \$15/\$147) will be available soon. See *How to order products*.

Data for shipments by province in greater detail than normally published may be available on request. To order data, or for general information, contact the dissemination officer (1-866-873-8789, 613-951-9497, [manufact@statcan.ca](mailto:manufact@statcan.ca)). For analytical information, or to enquire about the concepts, methods or data quality of this release, contact Russell Kowaluk (613-951-0600; [kowarus@statcan.ca](mailto:kowarus@statcan.ca)), Manufacturing, Construction and Energy Division. □

**Shipments, inventories and orders in all manufacturing industries**

	Shipments		Inventories		Unfilled orders		New orders		Inventories/ shipments ratio		
	Seasonally adjusted										
	\$ millions	% change	\$ millions	% change	\$ millions	% change	\$ millions	% change			
September 2000	44,748	-2.3	64,035	0.6	49,745	-1.1	44,197	-2.8	1.43		
October 2000	46,042	2.9	64,724	1.1	50,342	1.2	46,638	5.5	1.41		
November 2000	45,536	-1.1	65,771	1.6	50,874	1.1	46,069	-1.2	1.44		
December 2000	44,592	-2.1	64,675	-1.7	50,302	-1.1	44,019	-4.4	1.45		
January 2001	44,668	0.2	64,723	0.1	48,352	-3.9	42,719	-3.0	1.45		
February 2001	42,868	-4.0	65,287	0.9	50,186	3.8	44,701	4.6	1.52		
March 2001	43,535	1.6	65,239	-0.1	48,634	-3.1	41,983	-6.1	1.50		
April 2001	43,397	-0.3	65,071	-0.3	49,277	1.3	44,040	4.9	1.50		
May 2001	44,231	1.9	65,350	0.4	49,570	0.6	44,524	1.1	1.48		
June 2001	42,886	-3.0	65,146	-0.3	49,121	-0.9	42,437	-4.7	1.52		
July 2001	42,681	-0.5	64,679	-0.7	49,324	0.4	42,883	1.1	1.52		
August 2001	42,893	0.5	64,533	-0.2	48,878	-0.9	42,448	-1.0	1.50		
September 2001	41,841	-2.5	64,110	-0.7	48,885	0.0	41,847	-1.4	1.53		

**Manufacturing industries except motor vehicles, parts and accessories**

	Shipments		Inventories		Unfilled orders		New orders	
	Seasonally adjusted							
	\$ millions	% change	\$ millions	% change	\$ millions	% change	\$ millions	% change
September 2000	36,221	-1.8	60,362	0.8	47,775	-1.1	35,691	-2.8
October 2000	37,190	2.7	61,023	1.1	48,481	1.5	37,896	6.2
November 2000	37,109	-0.2	62,104	1.8	48,989	1.0	37,617	-0.7
December 2000	36,557	-1.5	60,998	-1.8	48,501	-1.0	36,069	-4.1
January 2001	37,082	1.4	61,238	0.4	46,614	-3.9	35,195	-2.4
February 2001	35,606	-4.0	61,808	0.9	48,426	3.9	37,418	6.3
March 2001	35,882	0.8	61,782	-0.0	46,949	-3.1	34,405	-8.1
April 2001	35,520	-1.0	61,652	-0.2	47,610	1.4	36,182	5.2
May 2001	35,891	1.0	61,919	0.4	47,952	0.7	36,232	0.1
June 2001	34,994	-2.5	61,765	-0.2	47,544	-0.8	34,587	-4.5
July 2001	34,790	-0.6	61,284	-0.8	47,746	0.4	34,992	1.2
August 2001	35,126	1.0	61,179	-0.2	47,253	-1.0	34,633	-1.0
September 2001	34,084	-3.0	60,847	-0.5	47,312	0.1	34,143	-1.4

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## OTHER RELEASES

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### Crushing statistics

October 2001

Canadian oilseed processors crushed 213 770 metric tonnes of canola in October, according to the monthly survey of crushing plants. Oil production totalled 89 390 tonnes, and meal production amounted to 132 574 tonnes.

**Available on CANSIM: table 10005.**

The October 2001 issue of the *Cereals and oilseeds review*, Vol. 24, no. 10 (22-007-XIB, \$11/\$112; 22-007-XPB, 15/\$149) will be available in January 2002. See *How to order products*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Karen Gray (204-983-2856; [karen.gray@statcan.ca](mailto:karen.gray@statcan.ca)), Agriculture Division. ■

### Construction Union Wage Rate Index

October 2001

The Construction Union Wage Rate Index (including supplements) for Canada rose 0.9% in October from the revised September level of 118.5 (1992=100). The composite index was up 1.8% from October 2000.

Union wage rates are published for 16 trades in 20 metropolitan areas for both the basic rates and rates including selected supplementary payments. Indexes (1992=100) are calculated for the same metropolitan areas and are published for those where a majority of trades are covered by current collective agreements.

**Available on CANSIM: tables 3270003 and 3270004.**

The fourth quarter 2001 issue of *Construction price statistics* (62-007-XPB, \$24/\$79) will be available in March 2002. See *How to order products*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Susie Boyd (613-951-9606; [infounit@statcan.ca](mailto:infounit@statcan.ca); fax: 613-951-1539), Prices Division. ■

### Steel wire and specified wire products

September 2001

Shipments of steel wire and specified wire products totalled 58 649 metric tonnes in September, up 0.9%

from 58 126 tonnes in September 2000. Production and export market data for selected commodities are also available.

**Available on CANSIM: table 3030010.**

The August 2001 issue of *Steel wire and specified wire products*, Vol. 56, no. 9 (41-006-XIB, \$5/\$47) is now available. See *How to order products*.

For general information or to order data, contact the dissemination officer (1-866-873-8789; 613-951-9497; [manufact@statcan.ca](mailto:manufact@statcan.ca)). To enquire about the concepts, methods or data quality of this release, contact David Routliffe (613-951-4925; [david.routliffe@statcan.ca](mailto:david.routliffe@statcan.ca)), Manufacturing, Construction and Energy Division. ■

### Light bulbs and tubes

September 2001

Light bulb and tube manufacturers sold 23.4 million light bulbs and tubes in September, down 10.7% from 26.2 million in September 2000.

Year-to-date sales at the end of September totalled 263.4 million light bulbs and tubes, a decrease of 2.1% from 269.1 million in the same period of 2000.

The September 2001 issue of *Electric lamps, light bulbs and tubes*, Vol. 30, no. 9 (43-009-XIB, \$5/\$47) is now available. See *How to order products*.

For general information or to order data, contact the dissemination officer (1-866-873-8789; 613-951-9497; [manufact@statcan.ca](mailto:manufact@statcan.ca)). To enquire about the concepts, methods or data quality of this release, contact Gregory Sannes (613-951-7205; [sanngre@statcan.ca](mailto:sanngre@statcan.ca)), Manufacturing, Construction and Energy Division. ■

### Production and value of honey and maple products

2001

Production of maple products dropped 40% in 2001 compared with 2000; the decrease was caused by a short spring in Quebec, resulting in less sap. However, stocks of maple products from previous years will ensure a steady supply for domestic and export markets. Most Canadian maple products are produced in Quebec; there is also some maple production in Ontario and New Brunswick.

Honey production was stable in 2001 at an estimated 70 million pounds. The average amount

of honey produced per colony also remained the same, 116 pounds per colony. Alberta, Saskatchewan and Manitoba are the key producers of honey.

Production and value data for 2000 and preliminary production estimates for 2001 are now available for honey and maple products.

**Available on CANSIM: tables 10007 and 10008.**

The 2001 issue of *Production and value of honey and maple products* (23-221-XIB, free) is available on Statistics Canada's Web site ([www.statcan.ca](http://www.statcan.ca)). From the *Our products and services* page, choose *Free publications*, then *Agriculture*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Sheba Mirza (613-951-0730), Agriculture Division. ■

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## NEW PRODUCTS

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**Rural and small town Canada analysis bulletin**, 1990–2000  
**Catalogue number 21-006-XIE**  
(free).

**Cereals and oilseeds review**, Vol. 24, no. 8, August 2001  
**Catalogue number 22-007-XIB** (\$11/\$112).

**Cereals and oilseeds review**, Vol. 24, no. 8, August 2001  
**Catalogue number 22-007-XPB** (\$15/\$149).

**Production and value of honey and maple products**, 2001  
**Catalogue number 23-221-XIB**  
(free).

**Steel wire and specidied wire products**, Vol. 56, no. 9, September 2001  
**Catalogue number 41-006-XIB** (\$5/\$47).

**Electric lamps, light bulbs and tubes**, Vol. 30, no. 9, September 2001  
**Catalogue number 43-009-XIB** (\$5/\$47).

**Motor vehicle sales**, September 2001  
**Catalogue number 63-007-XIB** (\$13/\$124).

**All prices are in Canadian dollars and exclude sales tax. Additional shipping charges apply for delivery outside Canada.**

Catalogue numbers with an -XIB or an -XIE extension are Internet versions; those with -XMB or -XME are microfiche; -XPB or -XPE are paper versions; -XDB are electronic versions on diskette and -XCD are electronic versions on compact disc.

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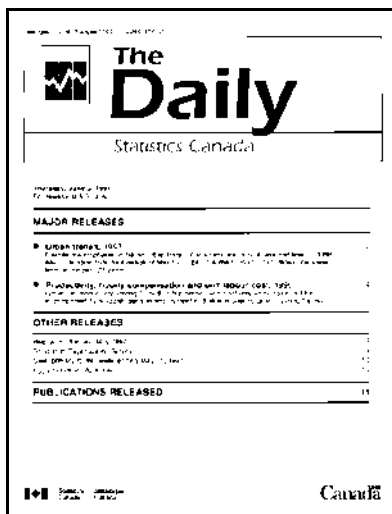
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