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## Statistics Canada

Thursday, June 21, 2001
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## MAJOR RELEASES

- Canadian international merchandise trade, April 2001

A resurgence in the automobile industry, combined with soaring exports of energy products, boosted merchandise exports in April. The auto industry was also the driving force behind an increase in imports.

- Retail trade, April 2001

Retail sales increased at their fastest pace in 16 months in April, on the strength of surging auto sales, higher gasoline prices and strong clothing sales. Retailers sold $\$ 24.2$ billion worth of goods, up 1.6\% from March.
(continued on page 2)


## Canadian economic observer

June 2001

The June issue of Statistics Canada's flagship publication for economic statistics, Canadian economic observer, analyses current economic conditions, summarizes the major economic events that occurred in May and presents a feature article on foreign control and corporate concentration. A separate statistical summary contains a wide range of tables and graphs on the principal economic indicators for Canada, the provinces and the major industrial nations.

The June 2001 issue of Canadian economic observer, Volume 14, number 6 (11-010-XPB, \$23/\$227) is now available. See How to order products. Visit the Canadian economic observer's page on Statistics Canada's Web site (www.statcan.ca). From the Canadian statistics page, choose Economic conditions, and on that page see the banner ad for Canadian economic observer. For more information, contact Francine Roy (613-951-3627; ceo@statcan.ca), Current Economic Analysis Group.

The Daily, June 21, 2001

## OTHER RELEASES

Employment Insurance, April 2001 ..... 10
Export and import price indexes, April 2001 ..... 11
Natural gas sales, April 2001 ..... 11
Steel primary forms, week ending June 16, 2001 ..... 11
NEW PRODUCTS ..... 12

## MAJOR RELEASES

## Canadian international merchandise trade

April 2001
A resurgence in the automobile industry, combined with soaring exports of energy products, boosted merchandise exports in April. The auto industry was also the driving force behind an increase in imports.

Canadian companies exported merchandise worth just over $\$ 37.0$ billion, a $1.7 \%$ increase from March, on the strength of higher exports of natural gas, passenger cars and lumber. It was the second straight monthly rise in exports. Imports rose $1.9 \%$ to $\$ 30.7$ billion; the main advances were in the automotive, agricultural and fishing sectors.

As a result, Canada's overall merchandise trade surplus increased to just over $\$ 6.3$ billion.

Merchandise exports to the United States, Canada's largest trading partner, advanced $4.4 \%$ in April, while imports from south of the border rose only $1.0 \%$. As a result, the trade surplus with the United States expanded substantially to almost $\$ 9.6$ billion, up from $\$ 8.5$ billion in March.

## Export growth led by energy, auto and lumber sectors

Most of the increase in merchandise exports in April was attributable to demand from the United States, which accounted for $86 \%$ of total exports, up from $84 \%$ in March.

Exports of energy products were more than $\$ 6.6$ billion, up $16.0 \%$ from March and up $91.1 \%$, or almost double, from April 2000. The substantial increase in April was mainly the result of natural gas exports, which jumped $35.7 \%$ to $\$ 3.6$ billion. This level was $213.1 \%$ higher than, or more than triple, the value of natural gas exports in April 2000, a result of higher prices.

Automotive products, Canada's second largest export group, grew $3.9 \%$ to $\$ 7.9$ billion in April. Exports of passenger autos, the largest sub-group, increased $5.9 \%$ to $\$ 4.3$ billion. Motor vehicle parts, along with trucks and other motor vehicles exports, contributed to April's growth, with increases of 1.2\% and $2.0 \%$, respectively.

Forestry products increased $3.2 \%$ to $\$ 3.4$ billion in the first full month following the expiry of the Canada-U.S. softwood lumber agreement. Continued strong housing starts in the United States pushed lumber exports up $16.1 \%$ to $\$ 1.0$ billion in April. However, this result was $7.8 \%$ lower than that of April 2000.

## Note to readers

Merchandise trade is one component of the current account of Canada's balance of payments, which also includes trade in services.

## Revisions

Merchandise trade data are usually revised continuously for each month of the current year. Factors influencing revisions include late receipt of import and export documentation, incorrect information on customs forms, replacement of estimates with actual figures (once available), changes in classification of merchandise based on more current information, and seasonal adjustments. Consult the appropriate CANSIM matrices for revised data.

Exports of machinery and equipment, which accounted for $23 \%$ of total exports in April, fell 8.2\% to $\$ 8.4$ billion. This occurred as the television, telecommunications and related equipment sub-sector resumed its downward movement, falling 20.5\% to $\$ 1.3$ billion, after a pause in March.

Exports of agricultural and fishing products edged up $0.1 \%$ to $\$ 2.5$ billion in April. For six straight months, exports of non-wheat agricultural products have increased, mainly due to strong export markets for canola. In April, canola exports rose $16.3 \%$ from March to $\$ 218.3$ million, up $329.8 \%$, or more than four times, from April 2000.

## Autos, auto parts and agricultural products boost imports

The United States accounted for just over $73 \%$ of Canadian imports in April.

Imports of automotive products rose 5.6\% to $\$ 6.3$ billion in April, the second straight monthly increase. This represented a $14.1 \%$ jump since February, when auto imports began their turnaround. Motor vehicle parts, which comprised the majority of imported automotive products, climbed $7.3 \%$ to $\$ 3.7$ billion as Canadian facilities avoided the same level of production down time as their American counterparts.

Imports of passenger autos, mainly from the United States, Japan and Mexico, rose $3.5 \%$ to $\$ 1.7$ billion in April. Passenger auto imports have risen $21.3 \%$ since February's decline.

Canadian imports of agricultural and fishing products grew $2.9 \%$ to a record $\$ 1.7$ billion in April. The main components of this increase were: fish and marine animals, ( $+15.1 \%$ ); and bulk purchases of sugar and sugar preparations, $(+21.1 \%)$. Corn for feed
rose $9.2 \%$, as import restrictions were relaxed in light of low supplies following a poor domestic growing season in 2000.

Exports, imports and trade balance


Available on CANSIM: tables 2260001, 2260002, 2270001, 2270002, 2280001-2280003 and 2280033-2280037 and matrices 3618, 3619, 3630, 3631, 3651, 3685-3699, 3701-3711, 3713, 3720, 3887-3913 and 8650-8661.

This release contains a summary of the merchandise trade data to be published soon in Canadian international merchandise trade (65-001-XIB, $\quad \$ 14 / \$ 141 ; \quad 65-001-X P B, \quad \$ 19 / \$ 188)$. The publication will include tables by commodity and country on a customs basis. Current account data, which incorporate merchandise trade statistics, service transactions, investment income and transfers, are available quarterly in Canada's balance of international payments (67-001-XIB, \$29/\$93; 67-001-XPB, \$38/\$124). See How to order products.

Merchandise trade data are available by fax on the morning of release.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Jocelyne Elibani, (1-800-294-5583; 613-951-9647), International Trade Division.

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| :--- | ---: | ---: | ---: | ---: | ---: | ---: |
| Merchandise trade |  |  |  |  |  |
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## Retail trade

## April 2001

Retail sales increased at their fastest pace in 16 months in April, on the strength of surging auto sales, higher gasoline prices and strong clothing sales.

Retailers sold $\$ 24.2$ billion worth of goods, up $1.6 \%$ from March. This was the strongest gain since December 1999, when retail sales rose 1.8\%. April's increase followed a $0.4 \%$ rise in March and a $0.2 \%$ decline in February. Previously, retailers reported strong sales increases in January 2001 and December 2000, after a period of essentially flat sales that started in July 2000. Excluding sales by motor and recreational vehicle dealers, retail sales advanced $0.6 \%$ in April, after a $0.1 \%$ decline in March.


April's growth in retail sales was concentrated in the automotive and clothing sectors. Retailers posted sales increases of $3.9 \%$ in each of these sectors compared with March. The only sector to report declining sales in April was furniture ( $-3.5 \%$ ). The remaining sectors (food stores, drug stores, general merchandise stores and other retail) all reported sales gains between $0.1 \%$ and $0.4 \%$.

## Canadian retail sales outperform sales south of the border

Since the spring of 2000, Canadian retail sales have advanced at almost twice the rate seen in the United States. In April, sales in Canada were $6.8 \%$ higher than in April 2000, compared with a rise of $3.6 \%$ in the United States. This recent relative strength in the Canadian

## Note to readers

Food services, building material dealers and nonstore retailers were excluded from total U.S. retail sales in order to compare them more directly with Canadian retail sales.
retail sector follows a decade during which U.S. retail sales growth was generally stronger than Canada's.

Big ticket items played an important role in Canada's relative strength. Sales by Canadian motor vehicle dealers rose 7.6\% in April over April 2000. This compares with a $4.0 \%$ increase in the United States. American consumers have also spent less in furniture stores since the spring of 2000. In April, U.S. sales in the furniture sector were 3.1\% lower than in April 2000, while they were up $3.0 \%$ in Canada.


## Strong sales acceleration in the auto sector

In April, retailers in the automotive sector posted a $3.9 \%$ rise, their strongest monthly sales increase in the last three years. Within this sector, motor and recreational vehicle dealers reported a $4.5 \%$ jump in sales, following a $1.6 \%$ gain in March. Sales in these two months were stimulated by incentives offered by some automobile manufacturers seeking to recapture lost market share. Motor and recreational vehicle dealers reached a new sales peak in April, after seeing a period of slow sales that started in the fall of 2000.

Gas prices at the pump were $5.5 \%$ higher in April; this pushed sales up in gasoline service stations $3.1 \%$ compared with March. This was the strongest monthly gain in sales by gasoline services stations since

September $2000(+4.1 \%)$, which also coincided with an large increase in gas prices.

Retailers of automotive parts, accessories and services also reported higher sales ( $+2.0 \%$ ) in April. Sales by these retailers have generally been advancing strongly since the end of 2000, after a period of essentially flat sales between May and November 2000.

## Consumers rushed into clothing stores

Clothing retailers enjoyed strong sales growth in three of the first four months of 2001. April's sales are up $7.1 \%$ compared with December 2000. Within this sector, "other" clothing stores have been gaining market share for several years from their more specialized competitors. Stores in the "other" category sell a variety of women's, men's and children's clothing. Other clothing stores have seen an $8.4 \%$ increase in sales since last December. Women's clothing stores have also reported considerable strength in recent months; their sales are up $9.1 \%$ in April compared with December 2000.

## Furniture stores suffered the only decline

Sales in furniture stores fell $3.5 \%$ in April, following a strong $2.1 \%$ rise in March. Despite this monthly setback, sales by furniture stores are still reflecting the strong activity in the housing market. Furniture store sales have generally been advancing rapidly since the spring of 1996.

## Strong sales gains in Quebec and New Brunswick

Retailers in the automotive and clothing sectors were particularly busy in Quebec and New Brunswick in April. Retail sales in Quebec ( $+3.9 \%$ ) and New Brunswick (+3.7) showed by far the strongest monthly increases in April. This was the third consecutive
monthly gain in Quebec, after a period of modest gains in retail sales that began in July 2000 . In New Brunswick, April's sharp sales increase followed declines the previous two months, and added strength to a retail sector that was essentially flat during most of 2000 .

Retailers in Manitoba, Ontario and Alberta also posted sales increases above $1.0 \%$ in April.

## Related indicators for May

Total employment edged up $0.1 \%$ in May, after advancing $0.2 \%$ in each of April and March. Despite these three consecutive monthly increases, the total employment growth rate slowed down in the last 12 months. According to sources in the automotive sector, the number of new motor vehicles sold in May fell compared with April. Housing starts dropped $4.3 \%$ in May, offsetting completely the 2.9\% increase observed in April. The Bank of Canada lowered its Bank Rate to $4.75 \%$ in May, the fourth decline since the start of the year.

Available on CANSIM: tables 800001-800005 and matrices 2399 and 2400 (main matrices), 2299, 2397, 2398, 2401-2416 and 2418-2420.

The April 2001 issue of Retail trade (63-005-XIB, $\$ 16 / \$ 155 ; 63-005-$-XPB, $\$ 21 / \$ 206$ ) will be available soon. See How to order products.

Retail sales estimates for May will be released on July 23.

To order data, or for general information, contact the Client Services Unit (1-877-421-3067; 613-951-3549; retailinfo@statcan.ca). For analytical information, or to enquire about the concepts, methods or data quality of this release, contact Paul Gratton (613-951-3541; gratpau@statcan.ca), Distributive Trades Division.

The Daily, June 21, 2001

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| :--- | ---: | ---: | ---: | ---: | ---: | ---: |
| Retail sales |  |  |  |  |  |
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[^1]| Retail sales |  |  |  |
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[^2]$p$ Preliminary figures.

## OTHER RELEASES

## Employment Insurance

April 2001 (preliminary)
The estimated number of people (adjusted for seasonality) who received regular Employment Insurance benefits in April decreased 1.2\% from March to 495,720. This follows increases in each of the previous five months. Led by Alberta ( $-8.6 \%$ ) and Ontario ( $-6.0 \%$ ), half the provinces and territories reported fewer regular beneficiaries than in March.

Regular benefit payments were $\$ 656.3$ million, up 7.0\% from March, in part reflecting an increase the number of weeks paid. The number of claims received increased by $2.6 \%$ to 247,490 .

## Number of beneficiaries receiving regular benefits

|  | $\begin{aligned} & \hline \text { April } \\ & 2001^{p} \end{aligned}$ | March <br> to <br> April <br> 2001 | $\begin{array}{r} \text { April } \\ 2000 \\ \text { to } \\ \text { April } \\ 2001 \\ \hline \end{array}$ |
| :---: | :---: | :---: | :---: |
|  | Seasonally adjusted |  |  |
|  |  | \% ch |  |
| Canada | 495,720 | -1.2 | 0.3 |
| Newfoundland | 35,020 | 1.2 | 4.0 |
| Prince Edward Island | 8,260 | 1.0 | -3.2 |
| Nova Scotia | 28,910 | -2.8 | 3.7 |
| New Brunswick | 35,070 | 2.7 | 5.1 |
| Quebec | 173,000 | -0.4 | -1.1 |
| Ontario | 109,860 | -6.0 | 7.5 |
| Manitoba | 12,760 | 4.9 | -7.9 |
| Saskatchewan | 10,650 | -0.8 | -9.5 |
| Alberta | 22,220 | -8.6 | -20.6 |
| British Columbia | 55,500 | 2.4 | 0.2 |
| Yukon | 760 | -1.3 | -15.6 |
| Northwest Territories and Nunavut | 930 | 2.2 | -19.8 |

Note: The historical revision to the number of beneficiaries of Employment Insurance (both unadjusted and adjusted for seasonal variation) is now complete. This revision was necessary due to an understating of beneficiaries' data from January 1997 to April 2000, and was a joint Statistics Canada and Human Resources Development Canada activity. At the same time, seasonal factors of the data series on claims received, benefits paid and weeks were revised from January 1997. In addition, the unadjusted claims received data for March 2001 have also been revised. The Employment Insurance Statistics Program is based on an administrative data source and may, from time to time, be subject to revision. A note describing the impact of the revision can be obtained from Labour Statistics Division's Client Services
(1-866-873-8788; 613-951-4090; fax: 613-951-2869; labour@statcan.ca). The number of beneficiaries is a measure of all persons who were receiving Employment Insurance benefits for the week containing the 15th day of the month. The regular benefit-payments series measures the total of all monies received by individuals for the entire month. These different reference periods must be considered when comparisons are made between the series. The Employment Insurance Act allows each province or administrative region of Human Resources Development Canada certain autonomy in the application of administrative procedures regarding renewal claims. Movements in levels from month to month may be affected by different administrative procedures regarding renewal claims from one province or region to another.

## Employment Insurance statistics


$p$ Preliminary figures.
Note: All beneficiaries includes all claimants receiving regular benefits (e.g., due to layoff) or special benefits (e.g., due to illness).
CANSIM tables and matrices for this release will be available soon.

For more information, or to enquire about concepts, methods or data quality of this release,
contact Jean Leduc (1-866-873-8788; fax: 613-951-2869; 613-951-4090; labour@statcan.ca), Labour Statistics Division.

## Export and import price indexes

April 2001
Current- and fixed-weighted export and import price indexes ( $1997=100$ ) on a balance of payments basis are now available. Price indexes are listed from January 1997 to April 2001 for the five commodity sections and the major commodity groups (62 exports and 61 imports).

Current- and fixed-weighted U.S. price indexes (1997=100) are also available on a customs basis. Price indexes are listed from January 1997 to April 2001. Included with the U.S. commodity indexes are the 10 all-countries and U.S.-only standard international trade classification section indexes.

Indexes for the five commodity sections and the major commodity groups are also now available on a customs basis.

Available on CANSIM: tables 2280001-2280003, 2280033-2280040 and matrices 3618, 3619, 3630, 3631, 3651, 3685 and 8650-8665.

The April 2001 issue of Canadian international merchandise trade (65-001-XIB, \$14/\$141; $65-001-\mathrm{XPB}, \$ 19 / \$ 188$ ) will be available soon. See How to order products.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Jocelyne Elibani (1-800-294-5583; 613-951-9647), International Trade Division.

## Natural gas sales

April 2001 (preliminary)
Natural gas sales totalled 5751 million cubic metres in April, down 7.1\% from April 2000. Sales to the industrial sector (including direct sales) fell $8.0 \%$ because of lower demand for natural gas by electric utilities. Warmer-than-normal weather throughout most of the country resulted in lower sales to the residential (-6.2\%) and commercial ( $-5.0 \%$ ) sectors.

Year-to-date sales dropped $6.2 \%$ from the same period in 2000. Lower demand by the industrial sector (including direct sales) led to a $9.6 \%$ decline compared with the same period in 2000. Sales to the residential (-1.9\%) and commercial (-1.2\%) sectors decreased, due to milder weather in January, February and April.

## Natural gas sales

|  | $\begin{aligned} & \hline \text { April } \\ & 2001^{p} \end{aligned}$ | $\begin{aligned} & \text { April } \\ & 2000 \end{aligned}$ | April 2000 to <br> April 2001 |
| :---: | :---: | :---: | :---: |
|  | thousands of cubic metres |  | \% change |
| Natural gas sales | 5751231 | 6193517 | -7.1 |
| Residential | 1244288 | 1326773 | -6.2 |
| Commercial | 877783 | 923746 | -5.0 |
| Industrial | 1599787 | 1883490 |  |
| Direct | 2029373 | 2059508 |  |
|  | Year-to-date |  |  |
|  |  |  | 2000 to r |
|  | $2001{ }^{\text {p }}$ | 2000 | 2001 |
|  | thousands of cubic metres |  | \% change |
| Natural gas sales | 28763051 | 30665729 | -6.2 |
| Residential | 7507964 | 7654603 | -1.9 |
| Commercial | 5331754 | 5399059 | -1.2 |
| Industrial | 6672476 | 7781873 |  |
| Direct | 9250857 | 9830194 |  |

p Preliminary figures.

## Available on CANSIM: tables 1290001-1290004 and matrices 1052-1055.

The April 2001 issue of Natural gas transportation and distribution ( $55-002-\mathrm{XIB}, \$ 13 / \$ 125$ ) will be available in July. See How to order products.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Gary Smalldridge (613-951-3567; gary.smalldridge@statcan.ca) or Tom Lewis (613-951-3596; tom.lewis@statcan.ca), Manufacturing, Construction and Energy Division.

## Steel primary forms

Week ending June 16, 2001 (preliminary)
Steel primary forms production for the week ending June 16 totalled 311855 metric tonnes, up $4.5 \%$ from 298403 tonnes a week earlier and down $5.7 \%$ from the 330795 tonnes produced in the same week of 2000. The year-to-date total at the end of the reference week was 6843949 tonnes, down 13.0\% from 7867661 tonnes produced in the same period of 2000 .

For more information, or to enquire about the concepts, methods or data quality of this release, contact Greg Milsom (613-951-7093; milsomg@statcan.ca), Manufacturing, Construction and Energy Division.

## NEW PRODUCTS

Canadian economic observer, June 2001, Vol. 14, no. 6
Catalogue number 11-010-XPB (\$23/\$227).
Monthly Survey of Manufacturing, April 2001
Catalogue number 31-001-XIB (\$15/\$147).

## 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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[^0]:    $r$ Revised figures
    ... Figures not appropriate or not applicable.
    $\dddot{1}$ Includes Australia, Iceland, Mexico, New Zealand, Norway, Switzerland, Turkey, Poland, South Korea, Hungary, the Czech Republic and Slovakia (a new member, which joined in January 2001).
    2 These are mainly low valued transactions, value of repairs to equipment, and goods returned to country of origin.

[^1]:    r Revised figures.
    $p$ Preliminary figures.

[^2]:    $r$ Revised figures.

