



# The Daily

Statistics Canada

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## MAJOR RELEASES

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## MAJOR RELEASES

### Industrial product and raw materials price indexes

June 2001

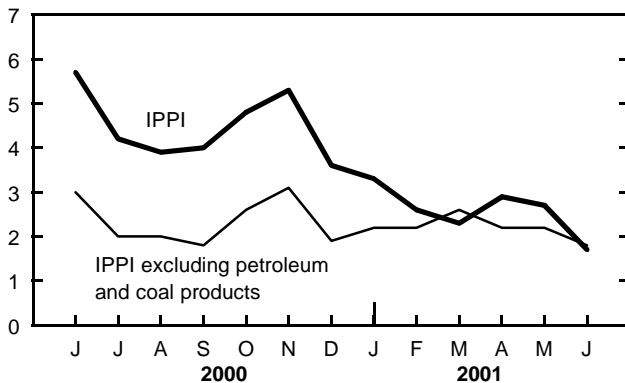
The annual rate of growth in industrial product prices continued to slow in June, whereas raw materials prices declined compared with June 2000.

Manufacturers' prices, as measured by the Industrial Product Price Index (IPPI), grew 1.7% from June 2000 to June 2001. That compares with a year-over-year gain of 2.7% in May.

Petroleum and coal product prices rose only 0.9% in June compared with June 2000. If the impact of petroleum and coal product prices were excluded, the IPPI would have gained 1.8% instead of 1.7%.

#### Petroleum product prices had waning influence on IPPI

12-month % change



Price rises for motor vehicles, lumber, chemicals and chemical products were the major contributors to the annual rise in manufacturers' prices. Falling prices for primary metal products and pulp had a dampening effect on the yearly increase.

On a month-to-month basis, industrial prices slipped 0.9% from May. Prices for motor vehicles, petroleum and coal products, pulp and newsprint were the major factors behind this decline.

Manufacturers paid 1.9% less for their raw materials in June than they did in June 2000 — the first negative 12-month change in more than two years. Mineral fuels were responsible for most of the decline in the Raw Materials Price Index (RMPI) in June, along with wood

#### Note to readers

The Industrial Product Price Index (IPPI) reflects the prices that producers in Canada receive as the goods leave the plant gate. It does not reflect what the consumer pays. Unlike the Consumer Price Index, the IPPI excludes indirect taxes and all the costs that occur between the time a good leaves the plant and the time the final user takes possession of it, including the transportation, wholesale, and retail costs.

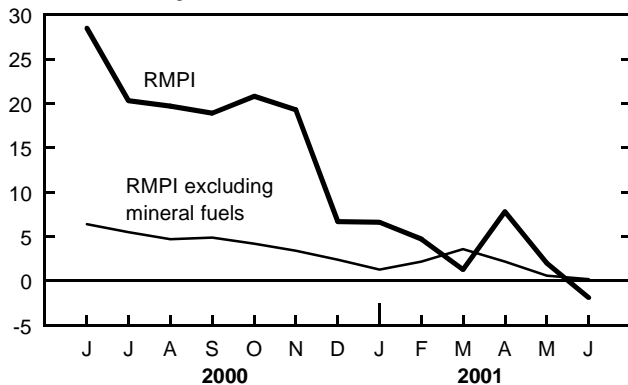
Canadian producers export many goods. They often quote their prices in foreign currencies, particularly for motor vehicles, pulp, paper, and wood products. Therefore, a rise or fall in the value of the Canadian dollar against its U.S. counterpart affects the IPPI.

The Raw Materials Price Index (RMPI) reflects the prices paid by Canadian manufacturers for key raw materials. Many of these prices are set in a world market. Unlike the IPPI, the RMPI includes goods not produced in Canada.

products and non-ferrous metals. If mineral fuels were excluded, the RMPI would have risen 0.2% in June on a year-over-year basis instead of declining 1.9%. These decreases were partly offset by higher prices for animals and animal products and vegetable products.

#### Crude oil prices affected annual growth rate of RMPI

12-month % change



On a monthly basis, raw materials prices were down 1.6% from May. Falling prices for mineral fuels, animal products and non-ferrous metals were the major contributors to the decline.

The IPPI (1992=100) stood at 129.8 in June, down from a revised 131.0 in May. The RMPI (1992=100) fell to 142.4 in June from its revised level of 144.7 in May.

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### Crude oil and lumber prices declined

Crude oil prices were 1.2% lower in June than in May, as inventory levels rose. Another factor in the price decline was anticipation of an agreement with Iraq to resume oil exports. This decrease spilled over to the IPPI; petroleum and coal product prices were down 2.8% from May.

Prices for lumber products fell 1.7% from May to June. Lower prices for softwood lumber were the major factor behind this monthly decrease, as inventories remained high. Similarly, the raw materials price for logs declined 2.0%.

### Exchange rate effect pushed prices down

From May to June, the value of the U.S. dollar weakened against the Canadian dollar, pushing down prices of commodities that are quoted in U.S. dollars — notably automobiles, pulp and newsprint. The impact on the IPPI was such that if the exchange rate had remained unchanged, the IPPI would have declined 0.4% instead of 0.9%.

On a 12-month basis, the influence of the dollar was also evident. Without the exchange rate effect, the IPPI would have risen 0.9% rather than 1.7% from June 2000 to June 2001.

### Motor vehicle prices led changes in finished goods

Rising prices for motor vehicles pushed up year-over-year prices for finished goods 2.8% from June 2000. Prices for tobacco products and paper and paper products also contributed to the increase.

In contrast, prices for motor vehicles and petroleum products dropped from May to June, and became the primary contributors to the 0.9% decline in the finished goods category.

"Finished goods" are those generally purchased for the purpose of either consumption or investment. Most of the foods and feeds category ends up in the hands of consumers. Most capital goods are equipment and machinery generally bought as investment by companies, government agencies, or governments. Much of the remainder is bought by consumers.

### Slower annual growth for input goods prices

Producers of intermediate goods received 1.1% more for their goods in June compared with June 2000. Prices for lumber, and paper and paper products were the driving force behind this increase.

On a monthly basis, prices for intermediate goods slipped 0.9% in June compared with May, owing to weak prices for paper and paper products, lumber and petroleum products.

"Intermediate goods," sometimes referred to as "input goods," are those that are generally bought by manufacturers to be further used in the production process, that is, to make other goods.

### Available on CANSIM: tables 3290001-3290012 and 3300001 and matrices 1870-1879.

The June 2001 issue of *Industry price indexes* (62-011-XPB, \$22/\$217) will be available in August. See *How to order products*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the Client Services Unit (613-951-9606; fax: 613-951-1539; [infounit@statcan.ca](mailto:infounit@statcan.ca)) or Danielle Gouin (613-951-3375; [danielle.gouin@statcan.ca](mailto:danielle.gouin@statcan.ca)), Prices Division. □

## Industrial product price indexes (1992=100)

	Relative importance	June 2000	May 2001 <sup>r</sup>	June 2001 <sup>p</sup>	June 2000 to June 2001	May to June 2001
						% change
<b>Industrial Product Price Index</b>	<b>100.00</b>	<b>127.6</b>	<b>131.0</b>	<b>129.8</b>	<b>1.7</b>	<b>-0.9</b>
<b>Intermediate goods<sup>1</sup></b>	<b>59.28</b>	<b>128.9</b>	<b>131.5</b>	<b>130.3</b>	<b>1.1</b>	<b>-0.9</b>
First-stage intermediate goods <sup>2</sup>	7.91	141.5	139.0	136.6	-3.5	-1.7
Second-stage intermediate goods <sup>3</sup>	51.37	127.0	130.3	129.3	1.8	-0.8
<b>Finished goods<sup>4</sup></b>	<b>40.72</b>	<b>125.6</b>	<b>130.3</b>	<b>129.1</b>	<b>2.8</b>	<b>-0.9</b>
Finished foods and feeds	10.38	117.4	119.5	119.3	1.6	-0.2
Capital equipment	10.21	125.5	130.8	129.7	3.3	-0.8
All other finished goods	20.13	129.8	135.7	133.8	3.1	-1.4
<b>Aggregation by commodities</b>						
Meat, fish and dairy products	7.27	128.1	130.4	130.4	1.8	0.0
Fruit, vegetable, feed, miscellaneous food products	6.72	110.8	112.6	113.2	2.2	0.5
Beverages	2.12	120.4	122.5	122.4	1.7	-0.1
Tobacco and tobacco products	0.72	143.8	156.7	156.7	9.0	0.0
Rubber, leather, plastic fabric products	3.01	120.1	120.5	120.2	0.1	-0.2
Textile products	1.82	107.5	109.9	109.8	2.1	-0.1
Knitted products and clothing	1.93	110.5	110.6	110.6	0.1	0.0
Lumber, sawmill, other wood products	5.20	134.2	145.6	143.1	6.6	-1.7
Furniture and fixtures	1.46	119.2	119.9	119.9	0.6	0.0
Pulp and paper products	7.65	143.3	144.8	141.5	-1.3	-2.3
Printing and publishing	3.05	138.5	143.2	142.6	3.0	-0.4
Primary metal products	7.58	127.2	123.5	121.8	-4.2	-1.4
Metal fabricated products	4.11	125.5	126.2	126.1	0.5	-0.1
Machinery and equipment	4.08	116.3	117.2	117.0	0.6	-0.2
Autos, trucks, other transportation equipment	18.76	131.6	138.7	136.8	4.0	-1.4
Electrical and telecommunications products	6.03	104.7	106.6	106.0	1.2	-0.6
Non-metallic mineral products	2.12	118.6	121.2	121.3	2.3	0.1
Petroleum and coal products <sup>5</sup>	6.01	163.9	170.1	165.4	0.9	-2.8
Chemicals and chemical products	7.60	123.8	128.8	128.3	3.6	-0.4
Miscellaneous manufactured products	2.45	120.9	122.1	121.8	0.7	-0.2
Miscellaneous non-manufactured commodities	0.31	119.8	121.8	118.7	-0.9	-2.5

<sup>r</sup> Revised figures.

<sup>p</sup> Preliminary figures.

<sup>1</sup> Intermediate goods are goods used principally to produce other goods.

<sup>2</sup> First-stage intermediate goods are items used most frequently to produce other intermediate goods.

<sup>3</sup> Second-stage intermediate goods are items most commonly used to produce final goods.

<sup>4</sup> Finished goods are goods most commonly used for immediate consumption or for capital investment.

<sup>5</sup> This index is estimated for the current month.

## Raw materials price indexes (1992=100)

	Relative importance	June 2000	May 2001 <sup>r</sup>	June 2001 <sup>p</sup>	June 2000 to June 2001	May to June 2001
						% change
<b>Raw Materials Price Index (RMPI)</b>	<b>100.00</b>	<b>145.1</b>	<b>144.7</b>	<b>142.4</b>	<b>-1.9</b>	<b>-1.6</b>
Mineral fuels	31.47	194.0	187.2	184.8	-4.7	-1.3
Vegetable products	9.41	112.6	120.9	119.8	6.4	-0.9
Animals and animal products	24.41	119.6	130.2	127.8	6.9	-1.8
Wood	14.88	141.2	132.7	130.4	-7.6	-1.7
Ferrous materials	3.17	118.6	114.3	114.0	-3.9	-0.3
Non-ferrous metals	13.81	116.0	114.2	110.5	-4.7	-3.2
Non-metallic minerals	2.85	121.4	122.5	122.5	0.9	0.0
<b>RMPI excluding mineral fuels</b>	<b>68.53</b>	<b>122.6</b>	<b>125.2</b>	<b>122.9</b>	<b>0.2</b>	<b>-1.8</b>

<sup>r</sup> Revised figures.

<sup>p</sup> Preliminary figures.

## OTHER RELEASES

### Department store sales and stocks

June 2001

Department store sales totalled \$1.65 billion (seasonally adjusted) in June, up 0.6% from May. The June increase was the fourth monthly gain since the beginning of the year; sales were unchanged in May and declined only in February.

The upward movement in department store sales that began in the spring of 2000 is continuing. Previously, sales had been declining since September 1999, following a period of increases that lasted more than a year.

Department store sales were up 0.7% in the second quarter compared with the first quarter. This gain followed an sharp 5.7% rise in the first quarter. Compared with the same quarter of 2000, department store sales were up 8.5% in the second quarter of 2001.

In June, department store sales (unadjusted for seasonality) were 9.2% higher than in June 2000. They advanced in all provinces.

The largest year-over-year increase was posted by the group formed by Newfoundland and Prince Edward Island (+21.2%); this was attributable, at least in part, to the opening of new stores in this region. Each of the western provinces and Ontario posted gains of at least 9.0%, while Quebec, New Brunswick and Nova Scotia all saw advances below 6.0%.

### Department store sales including concessions

	June 2000	June 2001	June 2000 to June 2001	Jan. to June 2001	Jan.-June 2000 to Jan.-June 2001
	Not seasonally adjusted				
	\$ millions		%	\$ millions	% change
<b>Canada</b>	<b>1,474.4</b>	<b>1,610.4</b>	<b>9.2</b>	<b>8,263.2</b>	<b>8.6</b>
Newfoundland and Prince Edward Island <sup>1</sup>	30.4	36.8	21.2	175.9	17.2
Nova Scotia	45.4	46.4	2.2	229.7	2.0
New Brunswick	35.3	36.6	3.6	182.2	5.5
Quebec	282.4	297.8	5.5	1,520.2	6.5
Ontario	632.5	693.3	9.6	3,520.0	8.1
Manitoba	58.7	65.9	12.3	340.2	8.4
Saskatchewan	51.9	57.7	11.2	297.2	10.2
Alberta	169.1	191.9	13.5	1,017.2	13.4
British Columbia, Yukon, Northwest Territories and Nunavut <sup>1</sup>	168.7	183.9	9.1	980.5	9.7

<sup>1</sup> For reasons of confidentiality, data for Newfoundland and Prince Edward Island are combined as are data for British Columbia, Yukon, the Northwest Territories and Nunavut.

Available on CANSIM: tables 760001-760004 and matrices 111, 112 (series 1) and 113 (series 3).

To order data, or for general information, contact the Client Services Unit (1-877-421-3067; 613-951-3549; [detaillantsinfo@statcan.ca](mailto:detaillantsinfo@statcan.ca)). For analytical information, or to enquire about the concepts, methods or data quality of this release, contact Cl rance Kimanyi (613-951-6363; [kimacle@statcan.ca](mailto:kimacle@statcan.ca)), Distributive Trades Division. ■

### Population of businesses with employees

Second quarter 2001

There were 1,004,728 businesses with employees in the second quarter, a 0.3% increase from the first quarter, when the number of employer businesses was 1,002,118.

This increase in the number of employer businesses is mainly explained by 0.9% growth from the first quarter in Alberta to a total of 124,534 and Ontario's 0.4% rise to 330,110.

Alberta's high performance makes the prairies the fastest-growing region, with a 0.6% increase over the first quarter to 195,418 employer businesses. Ontario ranked second (+0.4%). The number of employer businesses was stable in the other regions.

Information on Nunavut and the Northwest Territories will not be available until enough quarterly observations are collected.

Available on CANSIM: table 1780001 and matrix 1420.

For more information, or to enquire about the concepts, methods or data quality of this release, contact James Datey (613-951-0013; fax: 613-951-0104; [james.datey@statcan.ca](mailto:james.datey@statcan.ca)), Business Register Division. ■

### Sawmills and planing mills

May 2001

Sawmills produced 5 937.9 thousand cubic metres of lumber and ties in May, down 1.4% from 6 019.9 thousand cubic metres in May 2000. However, on a month-to-month basis, lumber production rose 2.9% from April.

Year-to-date production to the end of May was 28 979.7 thousand cubic metres, down 5.2% from 30 553.3 thousand cubic metres produced during the same period in 2000.

Lumber shipments grew 3.7% from April to May, reaching 6 097.1 thousand cubic metres. This was the second consecutive increase this year. May shipments were similar to May 2000 shipments, rising a modest 0.3%.

Sawmills stocks reached 9 327.3 thousand cubic meters in May, up 5.4% from May 2000.

Lumber exports increased 21.6% from May 2000 to 4 637.6 thousand cubic meters in May. However, this was down 12.8% from April. It was the second full month following the expiry of the Canada–U.S. softwood lumber agreement, which was limiting exports to United States.

Lumber and timber prices rose 14.3% from April to May — the fifth consecutive monthly increase. Higher

prices for softwood lumber were the major factor driving this monthly gain, the result of sustained growth in construction activity. Lumber and timber prices in May were 10.3% higher than May 2000.

Estimates for 2000 and 2001 have been revised.

**Available on CANSIM: table 3030009 and matrices 53 and 122 (series 2).**

The May 2001 issue of *Sawmills and planing mills*, Vol. 55, no. 5 (35-003-XIB, \$9/\$86) is now available. See *How to order products*.

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 Daniel Dufour (613-951-5370; [daniel.dufour@statcan.ca](mailto:daniel.dufour@statcan.ca)), Manufacturing, Construction and Energy Division. ■

## NEW PRODUCTS

**Infomat — A weekly review**, July 27, 2001  
Catalogue number **11-002-XIE** (\$3/\$109).

**Infomat — A weekly review**, July 27, 2001  
Catalogue number **11-002-XPE** (\$4/\$145).

**Sawmills and planing mills**, Vol. 55, no. 5, May 2001  
Catalogue number **35-003-XIB** (\$9/\$86).

**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.

### How to order products

#### Order products by phone:

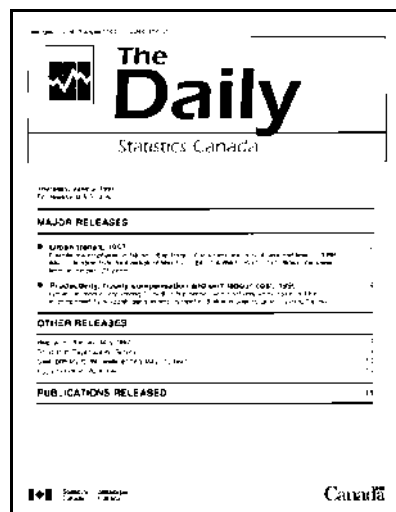
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*The Daily, July 27, 2001*

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**RELEASE DATES: JULY 30 TO AUGUST 3**

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(Release dates are subject to change.)

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<b>Release date</b>	<b>Title</b>	<b>Reference period</b>
30	<b>University finances</b>	1999/2000
31	<b>Real gross domestic product at factor cost by industry</b>	May 2001
2	<b>Business Conditions Survey: Canadian manufacturing industries</b>	July 2001

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