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The Daily

Statistics Canada

Monday, August 19, 2002
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MAJOR RELEASES

OTHER RELEASES

NEW PRODUCTS

MAJOR RELEASES

Monthly Survey of Manufacturing
June 2002

Manufacturers maintained their pace in June. Their shipments registered a slight 0.1% decline to $43.2 billion. This decline can be mostly attributed to the wood industry, which was affected by the re-instatement of US softwood lumber duties. Excluding this industry, total manufacturing shipments rose 0.4%. Despite the slight drop in June, the manufacturing sector maintained a high level of activity, continuing the upward trend that began at the end of 2001. In the first six months of 2002, shipments rose 3.0% compared with the last six months of 2001.

According to the results of July's Quarterly Business Conditions Survey, 91% of manufacturers expected little variation or an increase in production during the following three months. The Canadian situation is different from that in the United States, where the manufacturing sector has been on a downward trend that began in mid-2001.

According to July's Labour Force Survey, employment in manufacturing has increased by 128,000 since the start of 2002, accounting for more than one-third of overall employment growth.

In June, 12 of the 21 major groups, representing 49.6% of the total, declared a drop in shipments. New Brunswick, Ontario, Manitoba, British Columbia and the territories reported lower shipments than in May.

Shipments by province and territory

	May 2002	June 2002	May to June 2002
	Seasonally adjusted		
	$ millions		% change
Newfoundland and Labrador	181	207	14.3
Prince Edward Island	107	108	0.8
Nova Scotia	670	716	6.9
New Brunswick	1,049	1,026	-2.2
Quebec	10,328	10,343	0.1
Ontario	23,119	23,110	0.0
Manitoba	948	929	-2.0
Saskatchewan	583	608	4.2
Alberta	3,380	3,383	0.1
British Columbia	2,886	2,781	-3.6
Yukon, Northwest Territories and Nunavut	6	3	-45.4

Inventories rose 0.3% in June to $61.9 billion, after dropping 0.2% in May. This is the second increase in the past 13 months. Manufacturers' inventories had been declining since the economic slowdown of 2001; they had peaked at $65.8 billion in November 2000.

Unfilled orders rose 0.8% in June, their fifth consecutive increase, reaching $47.8 billion. New orders edged up 0.2% in June to $43.6 billion.

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 *are those 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 since the "new orders" variable includes orders that have already been shipped. Readers should take note that the month-to-month change in new orders may be volatile. This will happen particularly if the previous month's change in unfilled orders is large in relation to the current month's change.*

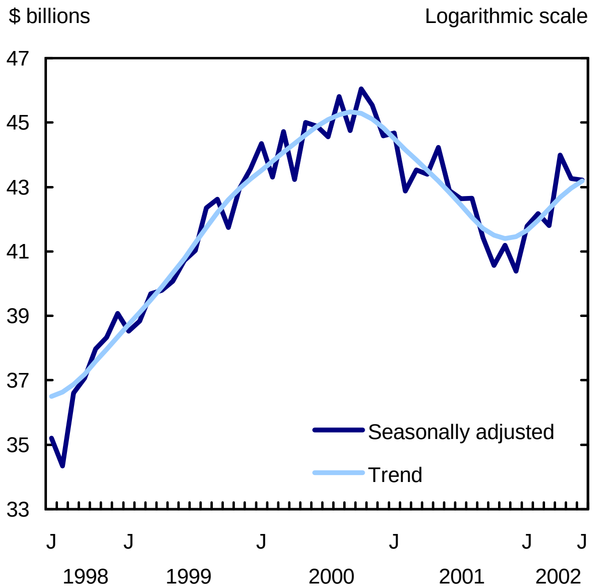
Not all orders will be translated into Canadian factory shipments because portions of large contracts can be subcontracted out to manufacturers in other countries.

Total shipments down because of the wood industry

Manufacturers in the wood industry saw their shipments decline in June, after reaching relatively high levels of output in April and May. Shipments dropped 7.8% to $2.3 billion in June, following the re-instatement of US softwood lumber duties on May 21. Prices in the wood industry also declined in June (-3.5%). Shipments in the United States showed similar movements, but were less pronounced. In fact, US shipments of wood products declined 0.6% to US$7.3 billion in June. The petroleum and coal products industry also saw its shipments decline in June (-3.2%), reaching $2.6 billion. This decrease is explained by a 1.1% drop in prices, combined with temporary halts in production. Computer and electronic products were down 3.9%.

These declines were partly offset by advances in the aerospace products and parts industry (+22.6%) and the motor vehicle industry (+1.1%), which has been holding steady after taking a breather in May, maintaining levels that are among the highest in the last 19 months.

Shipments down slightly in June



Manufacturers' inventories are up but still under control

After slipping 0.2% in May, inventories rose 0.3% in June to $61.9 billion, their second increase in 13 months. Goods-in-process inventories rose 1.9% in June to $15.9 billion, their highest level in 2002. This gain was offset by a drop in finished-product inventories, which fell 0.3%, and a 0.1% drop in raw material inventories. Finished-product inventories, at $19 billion, were at their lowest level in 23 months. They peaked at $20.2 billion in June 2001 and have been gradually declining ever since, now 5.0% below that peak. The trend for finished products has been unchanged for the past five months at -0.3.

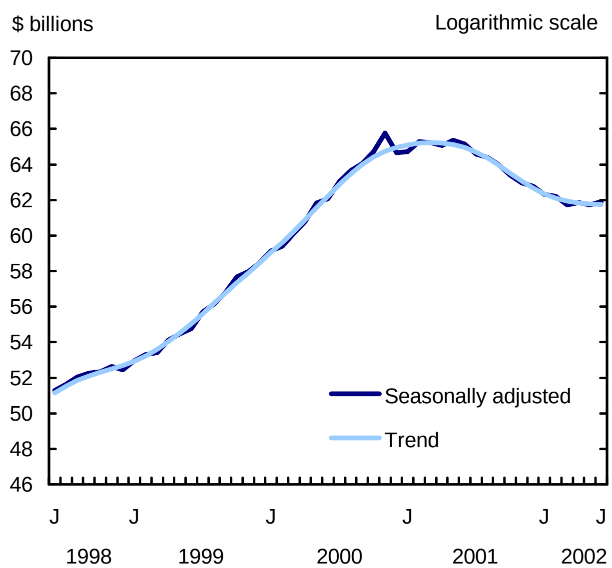
In July's Quarterly Business Conditions Survey, manufacturers stated that inventories were still under control. This was reflected in the second quarter with a drop of 0.4% from the first quarter, when inventories were down 1.5% from the fourth quarter of 2001.

Inventories of aerospace products and parts rose 2.8% in June to $7.9 billion, the highest level in 2002 and the first significant increase in nearly a year. Wood product inventories were also up, rising 1.6% to $4.5 billion. After boosting the production of softwood lumber to take advantage of the temporary expiration of US duties on that product, inventories have started to rise following the decrease in shipments that accompanied the re-instatement of the duties.

The chemical products industry reported the largest decline in its inventories since the start of 2002, almost entirely wiping out May's increase (+2.1%). These inventories fell 2.0% in June to $5.1 billion; the main cause was a decline in raw materials. The paper industry also reported a decrease in its inventories in June (-1.2%) to $3.5 billion. Lastly, the machinery industry reported a fifth straight decline in its inventories to $4.6 billion. Raw materials and goods in process were responsible for this decline.

The United States presented rather different results with respect to inventory control. The strong drop in inventories that began in July 2001 continued in June 2002, despite the variations seen from November 2001 to March 2002.

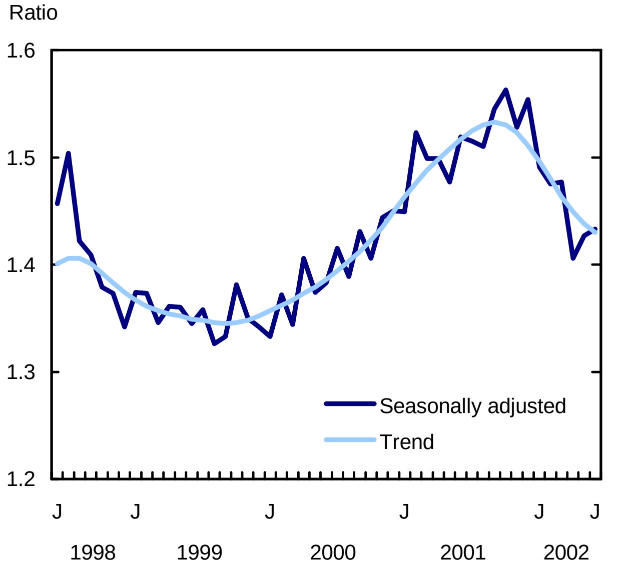
Manufacturers' inventories are up but still under control



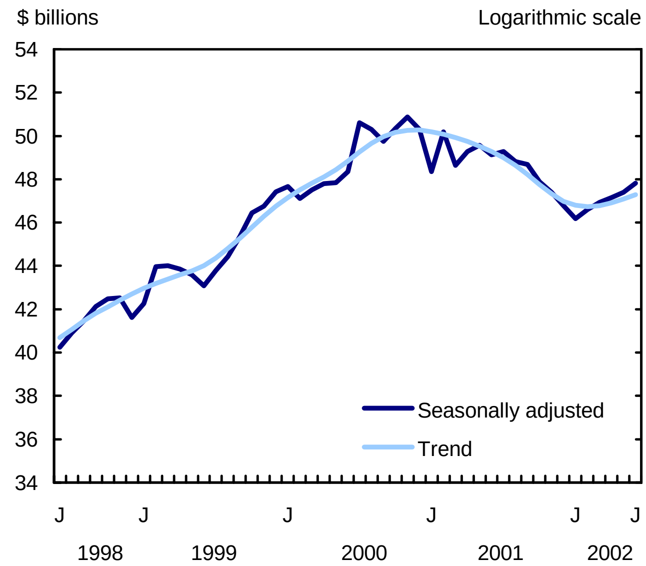
With June's slight decline in shipments and the modest increase in inventories, the inventory-to-shipment ratio was unchanged in June at 1.43. Despite the advance in May, the inventory-to-shipment ratio is well below the level of 1.56 reached in October 2001, a nine-year high. The trend, which stabilized in the fall of 2001, has resumed its descent in 2002, reaching 1.43 in June.

In June, the finished-product inventory-to-shipment ratio remained unchanged at 0.44 for a third straight month, its lowest level in 15 months. Both shipments and finished-product inventories declined in June, which explains why the ratio was stable this month. The ratio is a key measure of the time that would be required in order to exhaust finished-product inventories if shipments were to remain at their current level. The trend continued to fall, reaching 0.44 in June.

The inventory-to-shipment ratio unchanged in June



Unfilled orders continue their rise for a fifth straight month



Unfilled orders up for a fifth straight month

Unfilled orders rose 0.8% in June, a fifth consecutive increase, reaching $47.8 billion. This increase added to a longer series of monthly increases in unfilled orders extending back to the start of 2000. Computer and electronic products (+7.1%) and metal products manufacturing (+1.2%) were the industries that contributed the most to June's increase in unfilled orders. The trend continued to advance, showing positive signs since March.

Following the drop in May, new orders rose a modest 0.2% in June to $43.6 billion. The 1.6% drop in May followed a good start for the year and a very strong April (+5.0%). The main industries were aerospace products and parts, metal products manufacturing and computer and electronic products.

Available on CANSIM: tables 304-0014 and 304-0015.

The June 2002 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.

For general information or to order data, contact the dissemination officer (1-866-873-8789; 613-951-9497; *manufact@statcan.ca*). To enquire about the concepts, methods or data quality of the release, contact Daniela Ravindra (613-951-3514; *daniela.ravindra@statcan.ca*), Manufacturing, Construction and Energy Division. □

Shipments, inventories and orders in all manufacturing industries

	Shipments		Inventories		Unfilled orders		New orders		Inventories-to-shipments ratio
	Seasonally adjusted								
	$ millions	% change	$ millions	% change	$ millions	% change	$ millions	% change	
June 2001	42,886	-3.0	65,146	-0.3	49,121	-0.9	42,437	-4.7	1.52
July 2001	42,633	-0.6	64,585	-0.9	49,292	0.3	42,804	0.9	1.51
August 2001	42,651	0.0	64,404	-0.3	48,806	-1.0	42,165	-1.5	1.51
September 2001	41,429	-2.9	63,998	-0.6	48,694	-0.2	41,317	-2.0	1.54
October 2001	40,570	-2.1	63,392	-0.9	47,880	-1.7	39,756	-3.8	1.56
November 2001	41,190	1.5	62,954	-0.7	47,401	-1.0	40,712	2.4	1.53
December 2001	40,380	-2.0	62,767	-0.3	46,789	-1.3	39,768	-2.3	1.55
January 2002	41,782	3.5	62,311	-0.7	46,178	-1.3	41,170	3.5	1.49
February 2002	42,168	0.9	62,213	-0.2	46,596	0.9	42,586	3.4	1.48
March 2002	41,803	-0.9	61,724	-0.8	46,931	0.7	42,137	-1.1	1.48
April 2002	43,991	5.2	61,849	0.2	47,164	0.5	44,225	5.0	1.41
May 2002	43,257	-1.7	61,708	-0.2	47,411	0.5	43,504	-1.6	1.43
June 2002	43,215	-0.1	61,920	0.3	47,808	0.8	43,612	0.2	1.43

Manufacturing industries except motor vehicle, parts and accessories

	Shipments		Inventories		Unfilled orders		New orders	
	Seasonally adjusted							
	$ millions	% change	$ millions	% change	$ millions	% change	$ millions	% change
June 2001	34,994	-2.5	61,765	-0.2	47,544	-0.8	34,587	-4.5
July 2001	34,744	-0.7	61,172	-1.0	47,738	0.4	34,938	1.0
August 2001	35,009	0.8	61,022	-0.2	47,211	-1.1	34,481	-1.3
September 2001	33,758	-3.6	60,729	-0.5	47,150	-0.1	33,697	-2.3
October 2001	33,312	-1.3	60,111	-1.0	46,427	-1.5	32,589	-3.3
November 2001	33,555	0.7	59,667	-0.7	45,946	-1.0	33,074	1.5
December 2001	32,808	-2.2	59,489	-0.3	45,273	-1.5	32,135	-2.8
January 2002	34,114	4.0	58,890	-1.0	44,578	-1.5	33,419	4.0
February 2002	33,969	-0.4	58,798	-0.2	45,007	1.0	34,398	2.9
March 2002	33,955	0.0	58,362	-0.7	45,299	0.6	34,247	-0.4
April 2002	35,130	3.5	58,433	0.1	45,494	0.4	35,326	3.2
May 2002	35,030	-0.3	58,255	-0.3	45,700	0.5	35,237	-0.3
June 2002	34,898	-0.4	58,415	0.3	46,111	0.9	35,309	0.2

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OTHER RELEASES

Travel between Canada and other countries

June 2002

Travel to Canada slipped for the fourth consecutive month in June, remaining 13.5% below August 2001, the month preceding the events of September 11. Although trips to the United States and overseas countries increased slightly, after recording a 0.6% decline in May, they remained well below August 2001 levels.

Not only did the figures in June fall short of August 2001, but they also remained below the levels recorded in June 2001. Compared with June 2001, 13.5% fewer visitors came to Canada. This change was due to 13.3% fewer visitors from the United States and 16.0% fewer overseas visitors. Similarly, 14.7% fewer Canadians travelled to other countries in June compared with June 2001. There were 16.0% fewer Canadians who visited the United States, although only 3.3% fewer went to overseas destinations. (Unless otherwise specified, the data are seasonally adjusted).

An estimated 3.6 million travellers arrived in Canada in June, down 1.1% from May. The number of trips from the United States fell 1.0% and the number from overseas countries dropped 2.7%.

More than 3.3 million Americans travelled to Canada in June, 13.6% fewer than in August 2001. The number of same-day car trips from the United States declined 3.3% in June to less than 1.8 million and the number of overnight car trips fell 1.6% to 860,000. US residents made 312,000 overnight trips to Canada by plane, up 2.3% from May but still 8.4% below pre-September 11 levels.

In June, 297,000 travellers from overseas countries spent at least one night in Canada, down 3.4% from May and 12.1% from August 2001.

Canadian travel abroad increased 0.2% to 3.2 million trips in June, which was still 16.7% below pre-September 11 levels. Canadians made 2.8 million trips to the United States, unchanged from May. Travel to overseas countries increased 0.8% to 399,000 trips. This was the fifth consecutive monthly increase since February, which brought June's numbers to within 3.2% of August 2001.

Canadians took 1,077,000 overnight trips south of the border in June, up 1.4% from May. Overnight travel by car rose 1.7%, but overnight trips by plane fell 0.2% to 342,000. Overnight car travel was up a slight 0.2% from August 2001, but travel by plane remained 16.1% below those levels.

Canadians made fewer than 1.7 million same-day car trips to the United States in June, down 0.6%, the fifth consecutive monthly decline.

Five of Canada's top 12 overseas markets showed increases in same-day and overnight trips to this country in June. France recorded the largest monthly increase (+4.5%), followed by China (+4.4%), the Netherlands (+1.5%), Australia (+1.0%), and Germany (+0.7%). Japan recorded the largest decline (-14.1%), followed by Taiwan (-11.5%), and the United Kingdom (-10.6%).

China (+3.3%) was the only country in the top 12 overseas markets whose numbers exceeded those of August 2001.

Available on CANSIM: tables 427-0001 to 427-0006.

The June 2002 issue of *International travel, advance information*, Vol. 18, no. 6 (66-001-PIE, $6/$55) is now available. See *How to order products*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Frances Kremarik (613-951-4240; *frances.kremarik@statcan.ca*) or Client Services (1-800-307-3382; 613-951-7608; fax: 613-951-2909; *cult.tourstats@statcan.ca*), Culture, Tourism and the Centre for Education Statistics. □

Travel between Canada and other countries

	May 2002[r]	June 2002[p]	May to June 2002	August 2001[r] to June 2002	June 2002	June 2001 to June 2002
	Seasonally adjusted				Unadjusted	
	'000		% change		'000	% change
Canadian trips abroad[1]	**3,195**	**3,201**	**0.2**	**-16.7**	**3,205**	**-13.6**
To the United States	2,800	2,802	0.1	-18.3	2,892	-14.7
To other countries	396	399	0.8	-3.2	313	-1.2
Same-day car trips to the United States	1,687	1,677	-0.6	-23.4	1,821	-19.5
Total trips, one or more nights	1,458	1,476	1.2	-5.9	1,322	-3.6
United States[2]	1,062	1,077	1.4	-6.8	1,008	-4.3
Car	632	643	1.7	0.2	608	4.8
Plane	343	342	-0.2	-16.1	275	-17.0
Other modes of transport	87	93	6.0	-13.3	125	-12.2
Other countries[3]	396	399	0.8	-3.2	313	-1.2
Travel to Canada[1]	**3,657**	**3,615**	**-1.1**	**-13.5**	**4,785**	**-11.9**
From the United States	3,342	3,308	-1.0	-13.6	4,335	-11.3
From other countries	315	307	-2.7	-12.5	450	-17.1
Same-day car trips from the United States	1,856	1,794	-3.3	-21.7	2,136	-18.8
Total trips, one or more nights	1,619	1,606	-0.8	-4.2	2,362	-5.1
United States[2]	1,312	1,309	-0.2	-2.2	1,924	-2.2
Car	874	860	-1.6	1.3	1,257	1.9
Plane	305	312	2.3	-8.4	438	-5.8
Other modes of transport	132	136	2.7	-8.1	230	-14.6
Other countries[3]	308	297	-3.4	-12.1	438	-15.9
Most important overseas markets[4]						
United Kingdom	62	55	-10.6	-26.1	88	-18.7
Japan	34	29	-14.1	-23.8	40	-29.4
France	23	24	4.5	-19.1	30	-24.1
Germany	24	24	0.7	-17.4	38	-18.8
Mexico	14	13	-4.3	-6.9	16	-5.8
Australia	12	13	1.0	-8.8	18	-10.1
South Korea	13	12	-6.8	-10.6	17	-11.7
Hong Kong	9	9	-3.5	-15.4	14	-23.4
Netherlands	9	9	1.5	-9.8	15	-13.3
China	8	8	4.4	3.3	10	12.1
Taiwan	9	8	-11.5	-23.0	12	-26.9
Switzerland	7	7	-0.4	-5.5	11	-13.1

r *Revised figures.*
p *Preliminary figures.*
1 *Totals exceed the sum of "same-day car trips" and "total trips, one or more nights" because they include all of the same-day trips.*
2 *Estimates for the United States include counts of cars and buses, and estimated numbers for planes, trains, boats and other methods.*
3 *Figures for other countries exclude same-day entries by land only, via the United States.*
4 *Includes same-day and one or more night trips.*

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Construction Union Wage Rate Index
July 2002

The Construction Union Wage Rate Index (including supplements) for Canada remained unchanged in July from the revised June level of 121.8 (1992=100). The composite index rose 2.8% from the revised July 2001 index.

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 327-0003 and 327-0004.

The third quarter 2002 issue of *Capital expenditure price statistics* (62-007-XPB, $24/$79) will be available in December. See *How to order products*.

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

Steel wire and specified wire products
June 2002

Shipments of steel wire and specified wire products totalled 68 194 metric tonnes in June, down 3.3% from 70 557 tonnes in June 2001.

Year-to-date shipments to the end of June totalled 391 886 tonnes, up 0.3% from 390 529 tonnes in the same period of 2001.

Production and export market data for selected commodities are also available.

Available on CANSIM: table 303-0010.

The June 2002 issue of *Steel wire and specified wire products*, Vol. 57, no. 6 (41-006-XIB, $5/$47) is now available. See *How to order products*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the dissemination officer (1-866-873-8789; 613-951-9497; *manufact@statcan.ca*), Manufacturing, Construction and Energy Division. ■

NEW PRODUCTS

Steel wire and specified wire products, June 2002, Vol. 57, no. 6
Catalogue number 41-006-XIB ($5/$47).

Refined petroleum products, April 2002, Vol. 57, no. 4
Catalogue number 45-004-XIB ($16/$155).

Aviation: service bulletin, Vol. 34, no. 2
Catalogue number 51-004-XIB ($8/$82).

International travel, advance information, June 2002, Vol. 18, no. 6
Catalogue number 66-001-PIE ($6/$55).

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

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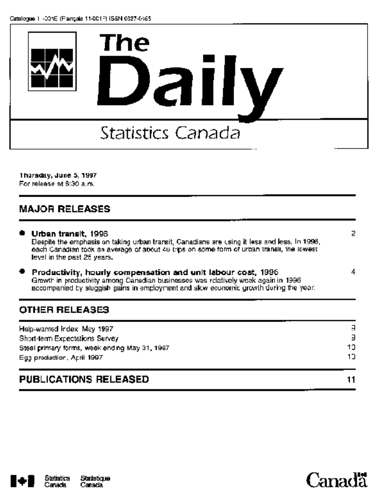
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The Daily

Statistics Canada

Thursday, June 5, 1997
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MAJOR RELEASES

- **Urban transit, 1996** 2
  Despite the emphasis on taking urban transit, Canadians are using it less and less. In 1996, each Canadian took an average of about 46 trips on some form of urban transit, the lowest level in the past 25 years.
- **Productivity, hourly compensation and unit labour cost, 1996** 4
  Growth in productivity among Canadian businesses was relatively weak again in 1996 accompanied by sluggish gains in employment and slow economic growth during the year.

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