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## MAJOR RELEASES

- Canadian economic accounts, second quarter 2003

Real gross domestic product edged down $0.1 \%$ in the second quarter, as the impacts of SARS, the mad cow disease scare and a stronger Canadian dollar rippled through the economy. This is the first quarterly contraction of economic activity since the third quarter of 2001.

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## MAJOR RELEASES

## Canadian economic accounts

## Second quarter 2003

Real gross domestic product (GDP) edged down 0.1\% in the second quarter, as the impacts of SARS, the mad cow disease scare and a stronger Canadian dollar rippled through the economy. This is the first quarterly contraction of economic activity since the third quarter of 2001. Much of the weakness came in April at the height of the SARS outbreak, as the economy posted gains in both May and June. On an annualized basis, GDP advanced $3.1 \%$ in the United States in the second quarter, compared with a $0.3 \%$ decline in Canada.

A slowdown of business investment in inventories held the economy back in the second quarter. The deceleration was centered entirely in the wholesale and retail trade industries. A $0.7 \%$ advance of domestic demand boosted imports, especially of consumer goods, machinery and equipment, and automotive products. The mining and utility industries lost ground, and manufacturing output contracted for the third straight quarter as a result of weaker international demand.

## Real gross domestic product, \$ chained $1997^{1}$

|  | Change | Annualized <br> change | Year-over-year <br> change |
| :--- | ---: | ---: | ---: |
|  |  | $\%$ |  |
|  | 1.4 | 5.8 | 2.5 |
| First quarter 2002 | 0.9 | 3.8 | 3.2 |
| Second quarter 2002 | 0.7 | 2.7 | 4.0 |
| Third quarter 2002 | 0.4 | 1.6 | 3.5 |
| Fourth quarter 2002 | 0.6 | 2.6 | 2.7 |
| First quarter 2003 | -0.1 | -0.3 | 1.6 |
| Second quarter 2003 |  |  |  |

1 The change is the growth rate from one period to the next. The annualized change is the growth rate compounded annually. The year-over-year change is the growth rate of a given quarter compared with the same quarter in a previous year.
Consumer spending ( $+0.7 \%$ ) and business investment ( $+0.5 \%$ ) both served to shore up the economy in the second quarter, but with less impact than in the first, as both slowed significantly from their first quarter pace. With SARS and the war in Iraq, the number of Canadians traveling abroad ( $-5.9 \%$ ) and of non-residents traveling to Canada ( $-14 \%$ ) both dropped sharply. Consumer spending on purchased transportation, restaurant and accommodation services was down. Continued strong demand for housing and renovation activity drove up business investment in residential structures, although at a reduced pace from the previous three quarters.

## Note to readers

Today's release of the Canadian economic accounts includes only a brief analysis. The detailed statistical tables are available in the Canadian economic accounts quarterly review (13-010-XIE), as usual. The write-ups that normally come with the review have been postponed until September 12.

Because of the recent problems with the electricity in Ontario, several working days were lost in the current production cycle for these statistics, leaving less time to compile, evaluate and review them. While all possible efforts have been taken to assure the quality for these estimates, users are advised that larger-than-normal revisions may be forthcoming.

In addition, a larger-than-usual adjustment has been made to the previously published data on merchandise trade related to the rapid appreciation of the Canadian dollar in the second quarter. As part of a data exchange agreement between Canada and the United States, in existence since the late 1980s, US imports from Canada are used to compile Canadian exports to the United States (and vice versa).

The use of a single set of customs documents as the basis for trade data in each of the national currencies requires exchange rate conversions at various points in the data processing. When exchange rates are stable or shift gradually, this presents little problem. However, the second quarter of 2003 saw the largest exchange rate shift in a single quarter in over half a century. When the trade data were reconciled with production and income data used to compile the quarterly National Accounts GDP figures, discrepancies emerged, in part as a result of the exchange rate conversions inherent in the calculation of trade statistics. Export values have therefore been revised up by $\$ 4$ billion and $\$ 10.8$ billion (seasonally adjusted at annual rates) for the first and second quarters of 2003, respectively, via a balance of payments adjustment.

These adjustments are preliminary estimates which may also be subject to larger than normal revisions for the first two quarters of 2003 in subsequent releases. Additional information on this measurement issue will be released as it becomes available.

A $0.6 \%$ rebound in the volume of exports, after two quarters of contraction, supported the economy in the second quarter. Government spending also propped up the economy through the health care and public administration sectors. The services sector continued to register solid gains, with travel-related industries the only major areas of weakness, as they were severely affected by SARS and the downturn in tourism.

Corporate profits fell $8.2 \%$, marking their first decline since the fourth quarter of 2001. This sharp drop stemmed largely from reduced energy prices in the second quarter, which contributed to substantially lower profits in the energy sector. Lower energy prices also
accounted for the $0.4 \%$ decline in economy-wide prices, as measured by the implicit chain price index for GDP.

## Slowdown in inventory investment held the economy back

Wholesalers and retailers built up inventories at a slower pace in the second quarter. More than half of this slowdown was due to motor vehicle inventories. In spite of this, the quarterly economy-wide stock-to-sales ratio increased slightly. Meanwhile, farmers accumulated cattle inventory as a result of the ban on exports related to mad cow disease.

## Travel-related industries suffer from SARS

Travel-related industries were the only major areas of weakness in the service sector, as many Canadians stayed home and international tourists went elsewhere. Air transportation was still recovering from the events of September 11 when the war in Iraq and SARS further hobbled the industry. Large declines in activity were also reported by hotels ( $-9.5 \%$ ) and travel agents $(-8.5 \%)$. Restaurants fared somewhat better, with output down only $1.0 \%$. Car rental agencies ( $-3.8 \%$ ) and the scenic sightseeing industry ( $-5.0 \%$ ) also posted lower output levels. Services in the arts and entertainment field seemed largely immune, advancing in the second quarter.

## Consumers continued support

Consumer spending ( $+0.7 \%$ ) continued to support the economy in the second quarter, but with less impact than in the first. Labour income growth slowed to 0.3\% and job gains were negligible.

Growth in spending on services accounted for three-fourths of the increase in consumer spending. Outlays on recreational services increased $2.6 \%$, bolstered by gambling and attendance at spectator sports. Canadian spending on travel outside Canada slipped and foreign spending on travel in Canada dropped sharply. SARS contributed to an 8.4\% reduction in spending on air transport and to the second straight decline in spending on restaurants and accommodation services. There were widespread, but modest, increases in spending on goods, with purchases of food and non-alcoholic beverages from stores increasing for the second quarter as people ate out less. Higher growth in furniture and appliance sales reflected continued strong demand for housing.

## Demand for housing remained strong

Investment in residential structures advanced 0.9\%, matching growth of the first quarter. Higher outlays for renovations and ownership transfer costs, including real estate commissions, were partly offset by lower spending on new construction. Housing starts exceeded 200,000 units, still at historically high levels, but were nonetheless below the starts in the previous three quarters.

## Business plant and equipment spending slowed

Growth in business investment in plant and equipment slowed to $0.4 \%$ in the second quarter, down from $1.6 \%$ in the first. A $1.3 \%$ advance of investment in non-residential buildings was offset by lower investment in engineering structures. Growth in machinery and equipment outlays slowed to $0.6 \%$ from $2.1 \%$ in the first quarter. Growth in investment in industrial machinery and in computer and other office equipment was mitigated by lower outlays on automobiles and on other transportation equipment.

## Exports picked up

Exports of goods and services grew $0.6 \%$ in the second quarter, after declining in the previous two quarters. Higher exports of goods were partly offset by lower exports of services. Automotive product exports advanced for the second consecutive quarter. Services exports slid $2.5 \%$, as exports of travel services, affected by SARS, plummeted $14 \%$.

Imports of goods and services advanced 1.4\% after a $0.9 \%$ gain in the first quarter. Higher imports of machinery and equipment ( $+1.2 \%$ ), automotive products ( $+1.5 \%$ ), and other consumer goods ( $+4.9 \%$ ) were the largest contributors. The implicit price index for imports fell $5.8 \%$, as the Canadian dollar appreciated against the US dollar during the second quarter.

## Manufacturing slump continues

Manufacturing output declined for the third consecutive quarter, as lower production levels were widely reported. Motor vehicle parts manufacturers pared back production. Food manufacturers were hard hit toward the end of the quarter by the mad cow disease scare. Sawmills were hampered by the stronger dollar, making it more difficult to compete in US markets. Manufacturers of information and communication technologies (ICT) equipment continued their downward spiral that started in late 2000. The continued slump in
manufacturing had adverse repercussions for the truck transportation industry.

## Gross domestic product by industry - June 2003

Canada's GDP inched up 0.1\% after a 0.2\% gain in May. On average, the level of economic activity has remained flat since the start of the year.

## Monthly gross domestic product by industry at basic prices, \$ chained 1997

|  | $\begin{gathered} \mathrm{Jan} \\ 2003^{r} \\ \hline \end{gathered}$ | $\begin{array}{r} \hline \text { Feb } \\ 2003^{r} \\ \hline \end{array}$ | $\begin{gathered} \text { Mar } \\ 2003^{r} \\ \hline \end{gathered}$ | $\begin{aligned} & \text { April } \\ & 2003^{r} \end{aligned}$ | $\begin{gathered} \text { May } \\ 2003^{r} \\ \hline \end{gathered}$ | $\begin{aligned} & \text { June } \\ & 2003^{p} \end{aligned}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Seasonally adjusted |  |  |  |  |  |
|  | Month-to-month \% change |  |  |  |  |  |
| All industries | 0.5 | 0.2 | 0.0 | -0.3 | 0.2 | 0.1 |
| Goods-producing industries | 0.7 | 0.1 | -0.1 | -0.8 | -0.1 | -0.5 |
| Service-producing industries | 0.4 | 0.3 | 0.0 | 0.0 | 0.3 | 0.4 |
| Industrial production | 1.0 | -0.7 | -0.1 | -0.9 | -0.3 | -0.7 |
| Construction | -1.1 | 2.5 | -0.3 | -0.1 | 0.4 | 0.0 |

$r$ Revised figures.
$p$ Preliminary figures.
Sluggishness in the economy resulted largely from a continuing decline in industrial production, with significantly lower output in manufacturing and utilities. The service sector of the economy advanced $0.4 \%$ in June after a comparable increase in May. Most service sectors fared well with the exception of wholesale trade. Output of the finance and real estate sector was boosted by an improving stock market and the torrid pace of existing housing sales. Post-secondary educational institutions were busier as a result of increased demand for summer programs, generated by the double cohort of Ontario high school graduates. The state of many tourism-related industries reeling from the impact of SARS improved somewhat in June.

Industrial production fell for a fifth consecutive month, declining $0.7 \%$ in June. A burst of oil and gas exploration mitigated the slide, as output in manufacturing and utilities fell significantly. Oil and gas drilling activities were up 18\% in June after three months of decline. Oil and gas production also increased significantly; however, a mining strike significantly reduced output for metal ore mines. Manufacturing output fell $1.1 \%$, the largest monthly decline since September 2001. In contrast, the US Index of Industrial Production edged up $0.1 \%$ in May and June, as output in manufacturing and mining strengthened.

The decline in manufacturing output was fairly widespread, affecting food products, textiles, clothing, petroleum and chemical products, wood products, primary metal products, plastics and rubber products, machinery, electronic goods and transportation equipment. Effects of the mad cow crisis continued to push down production of meat products and slaughtering. The output of Canadian sawmills fell 6.2\% in June, as the impact of a higher Canadian dollar coupled with punitive tariffs thwarted export sales to the United States. Production of motor vehicles was scaled back in light of large stocks of unsold 2003 vehicles. Manufacturing of computer and electronic products declined $1.8 \%$, with lower production of computers and communications equipment. Reduced manufacturing and forestry sector output was largely responsible for a decline in truck transportation services.

Real estate agents and brokers enjoyed another good month, as the sale of existing houses, spurred by low interest rates, remained brisk. Construction of new dwellings eased back slightly over the past two months in the wake of three months of declining housing starts. An increase in housing starts for June and July, however, indicates a resurgence of activity in residential construction in the months ahead.

Retailing services were up $0.5 \%$ after a strong $0.9 \%$ showing in May, but the underlying story was quite different. Sales at motor vehicle dealers fell in June after dominating retail trade in May. June retail activity was significantly higher at furniture, clothing and grocery stores. Wholesaling services were down marginally in June with most trade groups reporting slower sales.

Many of the industries related to tourism showed some improvement in June. Air transportation was up $4.1 \%$ after four months of sharp decline. Increased output was also recorded by travel agents, as well as by industries providing scenic and sightseeing tours, accommodations, car rentals, taxicabs and amusement and recreational services.

## Detailed analysis and tables

Today's release of the Canadian economic accounts includes only a brief analysis. The detailed statistical tables are available in the Canadian economic accounts quarterly review (13-010-XIE), as usual. The write-ups that normally come with the review have been postponed until September 12. From the Our products and services page, under Browse our Internet publications, choose Free, then National accounts.

## Products, services and contact information

Gross domestic product by income and by expenditure

Available on CANSIM: tables 378-0001, 378-0002, $380-0001$ to $380-0017,380-0019$ to $380-0035$, 380-0056 and 382-0006.

Definitions, data sources and methods: survey numbers, including related surveys, 1804, 1901 and 2602.

The second quarter 2003 issue of National income and expenditure accounts, quarterly estimates (13-001-XIB, \$33/\$109; 13-001-XPB, \$44/\$145) will be available soon. See How to order products.

Detailed printed tables of unadjusted and seasonally adjusted quarterly Income and expenditure accounts (13-001-PPB, \$50/\$180), Financial flow accounts (13-014-PPB, $\$ 50 / \$ 180$ ) and Estimates of labour income (13F0016XPB, \$20/\$65), including supplementary analytical tables and charts are now available.

At 8:30 am on release day, the complete quarterly income and expenditure accounts, financial flow accounts, and monthly estimates of labour income data sets can be obtained on computer diskette. The diskettes (13-001-DDB, \$125/\$500; 13-014-DDB, \$300/\$1200; and 13 F0016DDB, $\$ 125 / \$ 500$ ) can also be purchased
at a lower cost seven business days after the official release date (13-001-XDB, \$25/\$100; 13-014-XDB, \$60/\$240; and 13F0016XDB, \$25/\$100). To purchase any of these products, contact Client Services (613-951-3810; iead-info-dcrd@statcan.ca), Income and Expenditure Accounts Division.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the information officer (613-951-3640), Income and Expenditure Accounts Division.

## Gross domestic product by industry

Available on CANSIM: tables 379-0017 to 379-0022.
Definitions, data sources and methods: survey numbers, including related surveys, 1301 and 1302.

The June 2003 issue of Gross domestic product by industry ( $15-001-\mathrm{XIE}, \$ 11 / \$ 110$ ) will be available in September 2003. A print-on-demand version is available at a different price. See How to order products.

For general information or to order data, contact Yolande Chantigny (1-800-887-IMAD; imad@statcan.ca). To enquire about the concepts, methods or data quality of this release, contact Jo Ann MacMillan (613-951-7248; joann.macmillan@statcan.ca), Industry Measures and Analysis Division.

Canadian economic accounts key indicators ${ }^{1}$

|  | First quarter 2002 | Second quarter 2002 | Third quarter 2002 | Fourth quarter 2002 | $\begin{array}{r} \hline \text { First } \\ \text { quarter } \\ 2003 \\ \hline \end{array}$ | Second quarter 2003 | 2001 | 2002 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Seasonally adjusted at annual rates |  |  |  |  |  |  |  |
|  | \$ millions at current prices |  |  |  |  |  |  |  |
| National economic and financial accounts |  |  |  |  |  |  |  |  |
| Wages, salaries and supplementary labour |  |  |  |  |  |  |  |  |
|  | - 1.7 | - 0.9 | 600,048 1.3 | -1.7 | - 0.8 | - 0.3 | -4.6 | - 4.8 |
| Corporation profits before taxes | 120,004 | 132,648 | 138,656 | 140,708 | 151,984 | 139,544 | 127,530 | 133,004 |
|  | 10.2 | 10.5 | 4.5 | 1.5 | 8.0 | -8.2 | -6.0 | 4.3 |
| Interest and miscellaneous investment income | 48,940 | 49,976 | 49,756 | 49,028 | 50,788 | 49,004 | 53,010 | 49,425 |
|  | -0.3 | 2.1 | -0.4 | -1.5 | 3.6 | -3.5 | -2.3 | -6.8 |
| Net income of unincorporated business | 73,060 | 74,812 | 75,160 | 75,668 | 77,972 | 78,644 | 70,297 | 74,675 |
|  | 1.4 | 2.4 | 0.5 | 0.7 | 3.0 | 0.9 | 5.8 | 6.2 |
| Taxes less subsidies | 135,012 | 137,412 | 138,980 | 141,384 | 140,560 | 140,168 | 129,177 | 138,197 |
|  | 2.3 | 1.8 | 1.1 | 1.7 | -0.6 | -0.3 | 1.1 | 7.0 |
| Personal disposable income | 688,772 | 697,328 | 700,724 | 707,092 | 712,580 | 717,216 | 667,376 | 698,479 |
|  | 1.9 | 1.2 | 0.5 | 0.9 | 0.8 | 0.7 | 4.4 | 4.7 |
| Personal saving rate ${ }^{2}$ | 5.2 | 4.6 | 3.8 | 3.2 | 2.3 | 2.4 | 4.5 | 4.2 |
|  | ... | ... | ... | ... | ... | ... | ... | ... |


| Personal expenditure on consumer goods and services | \$ millions chained 1997 |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{array}{r} 593,710 \\ 1.2 \end{array}$ | $\begin{array}{r} 600,164 \\ 1.1 \end{array}$ | $\begin{array}{r} 602,163 \\ 0.3 \end{array}$ | $\begin{array}{r} 608,753 \\ 1.1 \end{array}$ | $\begin{array}{r} 615,288 \\ 1.1 \end{array}$ | $\begin{array}{r} 619,394 \\ 0.7 \end{array}$ | $\begin{array}{r} 581,590 \\ 2.6 \end{array}$ | $\begin{array}{r} 601,198 \\ 3.4 \end{array}$ |
| Government current expenditure on goods and services | 195,606 | 197,403 | 199,451 | 200,614 | 201,824 | 203,628 | 192,426 | 198,269 |
|  | 0.2 | 0.9 | 1.0 | 0.6 | 0.6 | 0.9 | 3.7 | 3.0 |
| Gross fixed capital formation | 212,675 | 213,417 | 215,087 | 215,153 | 218,593 | 220,049 | 211,356 | 214,083 |
|  | 0.8 | 0.3 | 0.8 | 0.0 | 1.6 | 0.7 | 4.3 | 1.3 |
| Investment in inventories | -6,122 | 9,932 | 7,920 | 11,566 | 20,194 | 13,131 | -2,044 | 5,824 |
| Exports of goods and services | 441,055 | 441,610 | 450,707 | 440,573 | 433,028 | 435,431 | 443,853 | 443,486 |
|  | 0.8 | 0.1 | 2.1 | -2.2 | -1.7 | 0.6 | -3.1 | -0.1 |
| Imports of goods and services | 372,277 | 389,046 | 394,603 | 393,171 | 396,808 | 402,280 | 384,782 | 387,274 |
|  | 0.8 | 4.5 | 1.4 | -0.4 | 0.9 | 1.4 | -5.0 | 0.6 |
| Gross Domestic Product at market prices | 1,062,382 | 1,072,315 | 1,079,490 | 1,083,875 | 1,090,732 | 1,089,797 | 1,040,388 | 1,074,516 |
|  | 1.4 | 0.9 | 0.7 | 0.4 | 0.6 | -0.1 | 1.9 | 3.3 |
| Gross domestic product by industry |  |  |  |  |  |  |  |  |
| Goods producing industries | 297,472 | 301,804 | 304,124 | 303,911 | 305,727 | 302,262 | 297,467 | 301,828 |
|  | 1.6 | 1.5 | 0.8 | -0.1 | 0.6 | -1.1 | -2.4 | 1.5 |
| Services producing industries | 666,143 | 673,935 | 679,185 | 683,380 | 687,748 | 690,804 | 649,760 | 675,661 |
|  | 1.4 | 1.2 | 0.8 | 0.6 | 0.6 | 0.4 | 3.3 | 4.0 |
| Industrial production | 225,859 | 230,096 | 231,929 | 231,170 | 231,492 | 227,689 | 225,036 | 229,763 |
|  | 2.5 | 1.9 | 0.8 | -0.3 | 0.1 | -1.6 | -3.4 | 2.1 |
| Non-durable manufacturing | 66,670 | 67,760 | 68,348 | 68,446 | 68,183 | 67,944 | 65,914 | 67,806 |
|  | 1.8 | 1.6 | 0.9 | 0.1 | -0.4 | -0.4 | 0.4 | 2.9 |
| Durable manufacturing | 94,307 | 96,566 | 97,586 | 96,600 | 96,559 | 94,608 | 93,972 | 96,265 |
|  | 3.7 | 2.4 | 1.1 | -1.0 | 0.0 | -2.0 | -7.6 | 2.4 |
| Information and communication technologies sector (ICT), total | 57,691 | 58,716 | 58,938 | 59,412 | 60,024 | 60,470 | 57,222 | 58,689 |
|  | -3.2 | 1.8 | 0.4 | 0.8 | 1.0 | 0.7 | -1.1 | -2.6 |
| Manufacturing | 160,922 | 164,291 | 165,902 | 164,980 | 164,688 | 162,449 | 159,853 | 164,024 |
|  | 2.9 | 2.1 | 1.0 | -0.6 | -0.2 | -1.4 | -4.6 | 2.6 |
| Agriculture, forestry, fishing and hunting | 20,462 | 20,763 | 20,859 | 21,070 | 22,075 | 22,049 | 22,036 | 20,789 |
|  | -3.6 | 1.5 | 0.5 | 1.0 | 4.8 | -0.1 | -5.3 | -5.7 |
| Construction | 51,009 | 50,776 | 51,161 | 51,521 | 52,079 | 52,486 | 50,347 | 51,117 |
|  | -0.1 | -0.5 | 0.8 | 0.7 | 1.1 | 0.8 | 3.9 | 1.5 |
| Wholesale trade | 56,344 | 58,423 | 59,129 | 59,980 | 61,717 | 61,852 | 54,534 | 58,469 |
|  | 2.5 | 3.7 | 1.2 | 1.4 | 2.9 | 0.2 | 1.9 | 7.2 |
| Retail trade | 54,103 | 54,165 | 54,328 | 54,730 | 55,344 | 55,568 | 51,399 | 54,331 |
|  | 2.5 | 0.1 | 0.3 | 0.7 | 1.1 | 0.4 | 3.9 | 5.7 |

[^0]
## OTHER RELEASES

## Automotive repair and maintenance services <br> 2001

Total operating revenue for automotive repair and maintenance services in 2001 was $\$ 10.4$ billion, an increase of $7.6 \%$ from the $\$ 9.7$ billion reported in 2000. In 2001, general auto repairs contributed $61 \%$ of operating revenues, followed by automotive body, paint, interior and glass repairs at $30 \%$ and other automotive repairs and maintenance at $9 \%$.

Total operating expenses for the industry were $\$ 9.3$ billion in 2001, an increase of $10.7 \%$ from the $\$ 8.4$ billion in 2000. The increase was mainly due to the $9.9 \%$ rise in the cost of goods sold.

With operating expenses rising faster than the operating revenues, the operating profit margin slipped to $10.5 \%$ from $12.8 \%$ in 2000.

The first release of estimates from the Annual Survey of Service Industries: Automotive Repair and Maintenance services is now available for reference year 2001, with comparative data for 2000 and 1999.

This survey does not include operating revenues from retailers such as car dealers, as they are covered by the Retail Commodity Survey. These retailers generated an additional $\$ 21.7$ billion in 2001 from the sale of automotive parts and accessories ( $\$ 12.8$ billion) and labour charges for automotive repairs ( $\$ 8.9$ billion).

## Available on CANSIM: table 361-0006.

Definitions, data sources and methods: survey numbers, including related surveys, 4720, 4721 and 4722.

For more information, or to enquire about the concepts, methods and data quality of this release, contact Alain Mbassegue (613-951-2011; alain.mbassegue@statcan.ca), Service Industries Division.

## Monthly Survey of Large Retailers

June 2003
Year-over-year sales growth in June was weak for most commodity groups. The strongest year-over-year gain for the group of large retailers was seen in health and personal care products. Clothing, footwear and accessories; hardware, lawn and garden products; and the other goods and services categories all declined on a year-over-year basis. The remaining commodity groups posted weak increases.

Overall sales amounted to $\$ 7.3$ billion, up only $0.9 \%$ from June 2002. This was the smallest year-over-year increase since the survey's inception in 1997.

Sales by commodity for the group of large retailers

|  | $\begin{gathered} \hline \text { May } \\ 2003^{r} \end{gathered}$ | $\begin{aligned} & \text { June } \\ & 2002 \end{aligned}$ | $\begin{aligned} & \hline \text { June } \\ & 2003^{p} \end{aligned}$ | $\begin{array}{r} \text { June } \\ 2002 \\ \text { to } \\ \text { June } \\ 2003 \\ \hline \end{array}$ |
| :---: | :---: | :---: | :---: | :---: |
|  | Unadjusted |  |  |  |
|  | \$ millions |  |  | \% change |
| Commodities Food and beverages Clothing, footwear and accessories | 2,517 | 2,286 | 2,301 | 0.7 |
|  | 1,380 | 1,361 | 1,340 | -1.6 |
| Home furnishings and electronics | 985 | 971 | 1,003 | 3.2 |
| Health and personal care products | 720 | 616 | 662 | 7.4 |
| Housewares | 337 | 307 | 311 | 1.3 |
| Sporting and leisure goods | 366 | 369 | 382 | 3.4 |
| Hardware and lawn and garden products | 582 | 489 | 474 | -3.1 |
| All other goods and services | 888 | 860 | 856 | -0.5 |
| Total | 7,775 | 7,260 | 7,328 | 0.9 |

r Revised figures.
$p$ Preliminary figures.
Health and personal care products posted the largest increase for the group of large retailers in June. Sales were up $7.4 \%$ from June 2002. About $70 \%$ of this increase came from the continued strength of drug sales (+10.9\%), which includes prescription and over-the-counter drugs.

After a weak April (-5.3\%) and a year-over-year rally in May ( $+7.4 \%$ ), clothing, footwear and accessory sales fell $1.6 \%$ in June from June 2002. The decline in sales is largely attributable to lower clothing and footwear prices across the country. Clothing prices across Canada dropped an average of $4.5 \%$ from June 2002, and footwear prices dropped $4.0 \%$. The clothing, footwear and accessories commodity group would have posted a gain of almost $2.5 \%$ in constant dollars.

Home furnishing and electronic sales posted mixed results in June, increasing 3.2\%. Household appliance sales were relatively strong ( $+7.5 \%$ ), in part because of a housing market that continued to be red-hot across the country. Household appliances were a strong performer in 2002, but had seen some weakening in early 2003. Sales of home electronics such as cameras and photographic supplies, and telephones and home office electronics also posted strong increases in June. However, home furnishings such as artwork, bedding, and floor coverings were weak, dropping $2.4 \%$ for the group of large retailers.

The other goods and services category posted a slight decrease in June from June 2002 ( $-0.5 \%$ ). This was another first for the group of large retailers, as this category historically has posted strong year-over-year increases. Sales of tobacco products and supplies, which represent about one-quarter of this category, dropped a sharp $11.1 \%$ from June 2002. This was despite a $16.1 \%$ price increase on a year-over-year basis. Two other commodities in this category, automotive fuels, oil and additives, and motor vehicle parts, service and rental - each representing about one-fifth of the sales - increased $5.3 \%$ and $0.4 \%$, respectively, compared with June 2002.

Note: This survey includes large retailers mainly in the food, clothing, home furnishings, electronics, sporting goods, and general merchandise sectors. These retailers represent about $38 \%$ of total annual retail sales, excluding recreational and motor vehicle dealers.

All data in this release are unadjusted for seasonality and all percentages are year-over-year changes.

Available on CANSIM: table 080-0009.
Definitions, data sources and methods: survey number 5027.

For general information or to order data, contact Client Services (1-877-421-3067; 613-951-3549; retailinfo@statcan.ca). To enquire about the concepts, methods or data quality of this release, contact Elton Cryderman (613-951-0669; elton.cryderman@statcan.ca), Distributive Trades Division.

## Steel primary forms - weekly data

Week ending August 23, 2003 (preliminary)
Steel primary forms production for the week ending August 23 totalled 258556 metric tonnes, up $14.3 \%$
from 226117 tonnes a week earlier but down 11.2\% from 291207 tonnes in the same week of 2002.

The year-to-date total as of August 23 was 10072214 tonnes, down $4.1 \%$ from 10499885 tonnes in the same period of 2002.

Definitions, data sources and methods: survey number 2131.

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.

## Primary iron and steel

June 2003
Data on primary iron and steel are now available for June.

Available on CANSIM: table 303-0010.
Definitions, data sources and methods: survey number 2184.

The June 2003 issue of Primary iron and steel, Vol 58, no 6 (41-001-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) Maufacturing, Construction and Energy Division.

## NEW PRODUCTS

Infomat - a weekly review, August 22, 2003
Catalogue number 11-002-XIE (\$3/\$109).

Infomat - a weekly review, August 22, 2003
Catalogue number 11-002-XPE (\$4/\$145).
National income and expenditure accounts, quarterly estimates, First quarter 2003, Vol. 51, no. 1 Catalogue number 13-001-XIB (\$33/\$109).

National income and expenditure accounts, quarterly estimates, Second quarter 2003, Vol. 51, no. 2
Catalogue number 13-001-PPB (\$50/\$180).
National income and expenditure accounts, quarterly estimates, Second quarter 2003, Vol. 51, no. 2
Catalogue number 13-001-XDB (\$25/\$100).
National income and expenditure accounts, quarterly estimates - Day of release, Second quarter 2003, Vol. 51, no. 2
Catalogue number 13-001-DDB (\$125/\$500).
Canadian economic accounts quarterly review,
Second quarter 2003, Vol. 2, no. 2
Catalogue number 13-010-XIE (free).

Financial flow accounts, quarterly estimates, Second quarter 2003
Catalogue number 13-014-PPB (\$50/\$180).
Financial flow accounts, quarterly estimates - Day of release, Second quarter 2003
Catalogue number 13-014-DDB ( $\$ 300 / \$ 1,200$ ).

Financial flow accounts, quarterly estimates,
Second quarter 2003
Catalogue number 13-014-XDB (\$60/\$240).

Estimates of labour income, monthly estimates -
Day of release, June 2003
Catalogue number 13F0016DDB (\$125/\$500).
Estimates of labour income, monthly estimates, June 2003
Catalogue number 13F0016XDB (\$25/\$100).
Estimates of labour income, monthly estimates, June 2003
Catalogue number 13F0016XPB (\$20/\$65).
The dairy review, April-June 2003, Vol. 64, no. 2 Catalogue number 23-001-XIB (\$27/\$89).

Primary iron and steel, June 2003, Vol. 58, no. 6 Catalogue number 41-001-XIB (\$5/\$47).

Exports by commodity, May 2003, Vol. 60, no. 5 Catalogue number 65-004-XMB (\$37/\$361).

Exports by commodity, May 2003, Vol. 60, no. 5 Catalogue number 65-004-XPB (\$78/\$773).

Imports by country, January-June 2003, Vol. 60, no. 2 Catalogue number 65-006-XMB (\$62/\$206).

Imports by country, January-June 2003, Vol. 60, no. 2 Catalogue number 65-006-XPB (\$124/\$412).

Guide to the analysis of Workplace and Employee Survey 2001, 2001
Catalogue number 71-221-GIE
(free).
All prices are in Canadian dollars and exclude sales tax. Additional shipping charges apply for delivery outside Canada.

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## RELEASE DATES: SEPTEMBER 2003

(Release dates are subject to change.)

| Release date | Title | Reference period |
| :---: | :---: | :---: |
| 2 | General Social Survey: Social support and aging | 2002 |
| 3 | Canadian Community Health Survey: Mental health and well-being |  |
| 3 | Industrial Product Price and Raw Materials Price Indexes | July 2003 |
| 4 | Longitudinal Survey of Immigrants to Canada |  |
| 5 | Labour Force Survey | August 2003 |
| 5 | Canadian Community Health Survey: Canadian Forces supplement |  |
| 8 | Building permits | July 2003 |
| 8 | Stocks of grain | July 31, 2003 |
| 9 | Performing arts | 2000/01 |
| 10 | Postsecondary Education Participation Survey | 2002 |
| 10 | Industrial capacity utilization rates | Second quarter 2003 |
| 10 | New Housing Price Index | July 2003 |
| 11 | Canadian international merchandise trade | July 2003 |
| 11 | Working hours in Canada and the United States |  |
| 12 | Labour productivity, hourly compensation and unit labour cost | Second quarter 2003 |
| 15 | New motor vehicle sales | July 2003 |
| 16 | Monthly Survey of Manufacturing | July 2003 |
| 16 | Family income and participaton in post-secondary education |  |
| 17 | Elementary-secondary school enrolments | 1999/2000 and 2000/01 |
| 18 | Household Internet Use Survey | 2002 |
| 18 | Canada's international transactions in securities | July 2003 |
| 19 | Wholesale trade | July 2003 |
| 22 | Retail trade | July 2003 |
| 23 | Consumer Price Index | August 2003 |
| 24 | Leading Indicators | August 2003 |
| 24 | Aboriginal peoples survey |  |
| 24 | Travel between Canada and other countries | July 2003 |
| 25 | Electronic commerce: Household shopping on the Internet | 2002 |
| 25 | International investment position |  |
| 25 | Employment, earnings and hours | July 2003 |
| 26 | National balance sheet accounts | Second quarter 2003 |
| 29 | National tourism indicators |  |
| 29 | Ethnic Diversity Survey |  |
| 30 | Industrial Product Price and Raw Materials Price Indexes | August 2003 |
| 30 | Gross domestic product by industry | July 2003 |
| 30 | Employment Insurance | July 2003 |


[^0]:    1 The first line is the series itself expressed in millions of dollars, seasonally adjusted at annual rates. The second line is the quarter to quarter percentage change at quarterly rates.
    2 Actual rate.
    ... Not applicable.

