



The Daily

Statistics Canada

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MAJOR RELEASES

- **Canada's Balance of International Payments, first quarter 2004** 3
Canada's current account surplus with the rest of the world, on a seasonally adjusted basis, rose \$2.8 billion in the first quarter of 2004 to \$9.5 billion, its highest level in three years. A higher surplus on trade in goods led to the increase.
- **Industrial product and raw materials price indexes, April 2004** 8
Manufacturers' prices were up 0.8% in April following an increase of 0.6% in March. Compared with April 2003, prices rose 1.5%, the first gain in 12 months. Meanwhile, prices of raw materials decreased 0.2% from March and were 8.4% higher than April 2003.

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Survey of Household Spending: Public-Use Microdata File 2002

Understanding consumer spending is important for a wide variety of users, including social policy analysts, advocacy and community groups, businesses and all levels of government. The Public-Use Microdata File from the 2002 Survey of Household Spending offers users information about spending on a wide variety of goods and services, as well as dwelling characteristics and information about household ownership of equipment. Results from the 2002 Survey of Household Spending were originally released on December 17, 2003. All records have been thoroughly screened to ensure the anonymity of respondents.

The survey collects information about expenditures made by households and families in Canada on a wide variety of goods and services: food, shelter, clothing, transportation, health care, child care, education, reading materials, communications, recreation, furniture, tobacco and alcohol, gambling, taxes, insurance premiums, pension contributions, money gifts, and charitable contributions.

It also collects information about dwelling characteristics such as type of dwelling, whether repairs are needed, tenure (owned or rented), year of move, period of construction, number of rooms and bathrooms, the age, and type of heating equipment and fuel used. Household equipment presented includes a variety of household appliances, communications and entertainment equipment, and the number of vehicles owned.

The Public-Use Microdata File for the Survey of Household Spending in 2002 (62M0004XCB, \$3,210) is now available. See *How to order products*.

For more information about the current survey results and related products and services, or to enquire about the concepts, methods or data quality of this release, contact Client Services (613-951-7355; 1-888-297-7355; fax: 613-951-3012; income@statcan.ca), Income Statistics Division.



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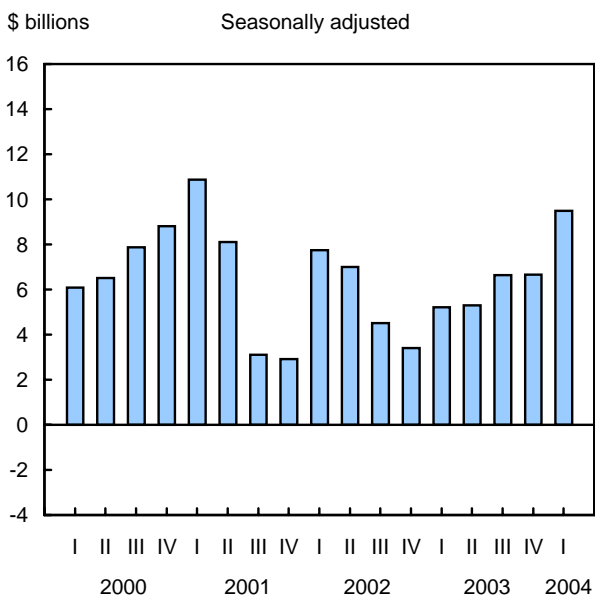
MAJOR RELEASES

Canada's Balance of International Payments

First quarter 2004

Canada's current account surplus with the rest of the world, on a seasonally adjusted basis, rose \$2.8 billion in the first quarter of 2004 to \$9.5 billion, its highest level in three years. A higher surplus on trade in goods led to the increase.

Current account balance



The capital and financial account (not seasonally adjusted) showed funds flowing out of Canada to the rest of the world for a fourth straight quarter. Canada's direct and portfolio assets abroad went up, but at a slower pace than in the fourth quarter. And there were offsetting changes to Canada's liabilities: non-residents invested in direct and portfolio securities, but residents reduced some of their deposit liabilities.

During the quarter, the Canadian dollar declined slightly against the US dollar after its strong appreciation over 2003. However, against other foreign currencies the story was mixed as the Canadian dollar was up against the Euro, but down sharply against the British pound and the Japanese yen.

Note to readers

The **balance of payments** covers all economic transactions between Canadian residents and non-residents. It includes the current account and the capital and financial account.

The **current account** covers transactions on goods, services, investment income and current transfers. Transactions in exports and interest income are examples of receipts, while imports and interest expense are payments. The balance from these transactions determines if Canada's current account is in surplus or deficit.

The **capital and financial account** mainly comprises of transactions in financial instruments. Financial assets and liabilities with non-residents are presented under three functional classes: direct investment, portfolio investment and other investment. These investments belong either to Canadian residents (Canadian assets) or to foreign residents (Canadian liabilities). Transactions resulting in a capital inflow are presented as positive values, while capital outflows from Canada are shown as negative values.

A current account surplus or deficit should correspond to an equivalent outflow or inflow in the capital and financial account. In other words, the two accounts should add to zero. In fact, as data are compiled from multiple sources, the two balance of payments accounts rarely equate. As a result, the **statistical discrepancy** is the net unobserved inflow or outflow needed to balance the accounts.

Revised estimates for Canadian money market securities

With this release, the quarterly series covering Canadian money market transactions and positions with non-residents have been revised back to the first quarter of 2003 using a new method. Money market securities are now estimated using an instrument by instrument approach as has been the case for long-term debt for many years. In the coming quarters, the new system will allow the production of increased detail on Canadian money market instruments (i.e., by currency of instrument) and also estimates for foreign money market paper owned by Canadians.

Current account

Goods surplus rebounds

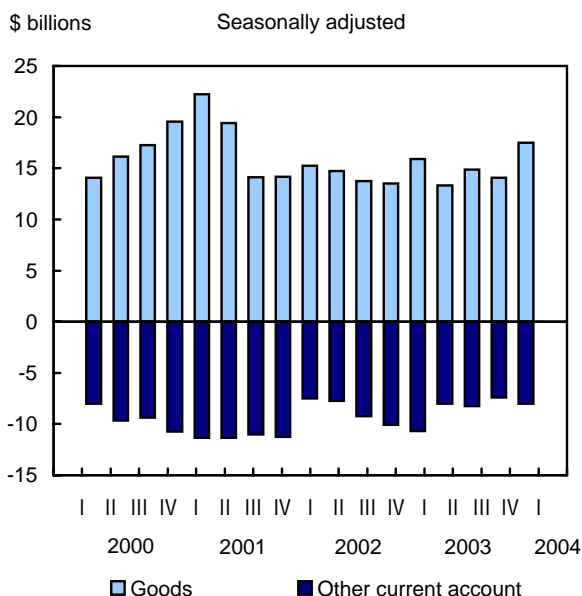
The surplus on trade in goods reached \$17.5 billion in the first quarter, up \$3.4 billion from the fourth quarter.

After three quarters of decline, exports increased by \$4.0 billion to \$101.5 billion. Once again, the largest change came from energy products as prices rebounded. Higher exports of industrial goods, and machinery and equipment products were led by exports of aircraft, engines and parts. Exports of automotive products fell slightly, but have remained relatively stable over the last four quarters.

Imports increased by \$0.5 billion to \$84.0 billion. Imports of industrial goods and machinery and

equipment products each increased approximately half a billion dollars. Automotive product imports declined by \$0.5 billion, reversing most of the gain observed in the fourth quarter.

Goods and other current account balances



Lower profits earned on direct investment abroad

The deficit on investment income increased \$0.5 billion to \$5.0 billion as profits earned on Canadian direct investment abroad dropped \$0.7 billion. Despite this, Canada registered its second lowest deficit on investment income in more than 12 years.

The \$4.3 billion of profits earned abroad were lower as a result of declines in the electrical products and wood and paper sectors. These reductions were partially offset by higher profits in the finance and insurance sector.

At the same time, profits earned by foreign investors on their direct investments in Canada decreased \$0.2 billion. The largest decrease came from the finance and insurance sector.

Services deficit remains stable

In the first quarter, the deficit on trade in services declined by \$0.1 billion to \$3.0 billion. All major components saw little change from the previous quarter.

Payments on travel services increased more than receipts as the number of Canadians travelling abroad remained relatively stable, while slightly fewer foreign visitors (especially from the United States) came to Canada. The first quarter deficit in travel services at \$1.3 billion was the highest since the end of 1993.

The transportation deficit increased slightly. This increase was concentrated in goods transportation as the deficit on passenger fares did not change. A small, widely spread improvement in the commercial services deficit partially offset these declines.

Financial account

Direct investment abroad moderate

After the robust \$19.3 billion investment of the fourth quarter, Canadian direct investment abroad returned to a moderate \$4.8 billion in the first quarter. It was a level similar to the first three quarters of 2003. About a third of the quarter's investment went to the acquisition of a number of foreign enterprises. Just under half was invested in American companies with the rest geographically spread out. Industrially, the investment was led by the energy and financial industry groups.

Canadian investment in foreign securities concentrated in bonds

Canadian investors bought \$2.7 billion of foreign securities in the first quarter, just half the value of the fourth quarter of 2003. It was, however, in line with the five quarters prior to the fourth quarter.

Canadians bought \$2.6 billion worth of foreign bonds, half of which went to overseas bonds, the most in four years. The remainder went to US corporate bonds and US treasuries. While overall Canadian investment in foreign equities was negligible, investors bought \$2.7 billion worth of US shares while selling a similar amount of overseas shares.

Foreign direct investment returns to Canada after two negative quarters

The foreign acquisition of a Canadian corporation helped raise foreign direct investment to \$5.3 billion in the quarter. This came after two negative quarters when foreign investors withdrew funds from Canada. Over two-thirds of first quarter direct investment came from the United States. On an industry basis, the foreign investment went to the communications sector. At the same time, the machinery and transportation equipment industry saw some withdrawals of funds.

Foreign portfolio investment in Canadian securities continues

Foreign portfolio investment of \$4.4 billion flowed into Canadian securities in the quarter, after the major \$10.1 billion injection in the fourth quarter. Foreign demand for Canadian equities continued; while for debt instruments, foreign investors purchased Canadian bonds, but sold a similar amount of money market securities.

With Canadian stock prices continuing to increase in the first quarter, foreign investors purchased \$4.3 billion of Canadian equities. Some \$5.6 billion was invested in existing shares, partly offset by a \$1.3 billion outflow, related to the acquisition noted earlier. Foreign investment in existing shares was at a three-and-a-half year high. Foreign investors bought a wide array of stocks led by issues of resource companies, manufacturers, and banks.

Canadian bonds continued to attract foreign investment during the quarter as foreign investors bought \$2.9 billion worth of bonds issued by federal enterprises and corporations. The investment originated in the United States and Asia. On a currency basis, foreign investors acquired \$3.0 billion

and \$1.2 billion respectively of Canadian-dollar and US-dollar denominated bonds, but sold \$1.3 billion denominated in other foreign currencies.

Foreign holdings of Canadian money market paper were reduced by \$2.8 billion in the quarter. Two-thirds of the reduction was in federal treasury bills with the rest split between paper issued by corporations and federal enterprises.

Other investment

In the first quarter, net transactions in the other investment category led to capital outflows. This reversed a similar capital inflow registered in these accounts in the fourth quarter. Principally, deposit liabilities of Canadian banks were drawn down in the first quarter. There was a small increase to Canada's international reserves halting six consecutive quarters of decline.

Available on CANSIM: tables 376-0001 to 376-0017 and 376-0035.

Definitions, data sources and methods: survey numbers, including related surveys, 1533, 1534, 1535, 1536 and 1537.

The first quarter 2004 issue of *Canada's Balance of International Payments* (67-001-XIE, \$32/\$100) will soon be available.

The balance of international payments data for the second quarter 2004 will be released on August 30.

For general information, contact Client Services (613-951-1855; infobalance@statcan.ca). To enquire about the concepts, methods or data quality of this release, contact Arthur Ridgeway (613-951-8907), Balance of Payments Division.

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Balance of payments, all countries

	First quarter 2003	Second quarter 2003	Third quarter 2003	Fourth quarter 2003	First quarter 2004	2002	2003
	not seasonally adjusted						
	\$ millions						
Current account							
Receipts							
Goods and services	119,596	115,187	112,766	112,425	116,351	477,694	459,974
Goods	105,638	100,587	95,292	98,493	102,561	413,795	400,010
Services	13,958	14,600	17,475	13,932	13,790	63,899	59,964
Investment income	7,052	8,172	8,354	9,122	8,099	31,185	32,700
Direct investment	2,729	4,140	4,348	5,239	4,307	13,624	16,455
Portfolio investment	2,367	2,359	2,353	2,243	2,204	9,628	9,321
Other investment	1,956	1,673	1,654	1,640	1,589	7,934	6,923
Current transfers	1,913	1,490	1,490	1,820	1,878	6,957	6,714
Current account receipts	128,561	124,849	122,611	123,367	126,328	515,836	499,388
Payments							
Goods and services	106,798	106,404	98,449	101,037	102,580	427,382	412,688
Goods	88,644	89,126	80,420	83,643	84,077	356,581	341,833
Services	18,155	17,278	18,029	17,393	18,503	70,801	70,855
Investment income	16,149	13,424	13,483	13,387	14,019	59,839	56,443
Direct investment	6,518	4,696	4,896	4,774	5,355	20,670	20,884
Portfolio investment	7,545	7,188	7,129	6,893	6,843	30,466	28,755
Other investment	2,086	1,541	1,458	1,719	1,820	8,702	6,804
Current transfers	2,124	1,321	1,475	1,520	2,163	5,951	6,440
Current account payments	125,071	121,149	113,407	115,943	118,761	493,171	475,570
Balances							
Goods and services	12,798	8,783	14,318	11,388	13,771	50,312	47,287
Goods	16,994	11,461	14,872	14,850	18,484	57,214	58,177
Services	-4,197	-2,678	-554	-3,462	-4,713	-6,903	-10,891
Investment income	-9,097	-5,252	-5,129	-4,265	-5,919	-28,653	-23,743
Direct investment	-3,789	-556	-548	464	-1,048	-7,046	-4,429
Portfolio investment	-5,178	-4,829	-4,777	-4,650	-4,639	-20,838	-19,433
Other investment	-130	132	196	-80	-232	-769	119
Current transfers	-211	169	14	301	-285	1,006	274
Current account balance	3,490	3,700	9,204	7,424	7,566	22,664	23,818
Capital and financial account^{1, 2}							
Capital account	1,000	985	1,067	917	851	4,988	3,968
Financial account	3,550	-13,012	-6,456	-8,775	-4,231	-17,837	-24,694
Canadian assets, net flows							
Canadian direct investment							
abroad	-4,679	-2,743	-3,510	-19,258	-4,753	-41,472	-30,191
Portfolio investment	-1,349	-3,204	-2,812	-5,154	-2,697	-25,087	-12,519
Foreign bonds	-3,501	-2,664	-5	-1,901	-2,607	-6,229	-8,071
Foreign stocks	2,151	-540	-2,807	-3,253	-89	-18,858	-4,449
Other investment	-23,541	3,959	2,227	-8,046	1,488	-13,206	-25,401
Loans	-5,625	2,913	6,256	2,627	-309	-8,182	6,171
Deposits	-17,387	3,066	292	-9,205	-1,714	5,731	-23,234
Official international reserves	2,711	229	4	1,749	-236	298	4,693
Other assets	-3,240	-2,249	-4,325	-3,217	3,747	-11,053	-13,030
Total Canadian assets, net flows	-29,569	-1,988	-4,095	-32,459	-5,961	-79,765	-68,111
Canadian liabilities, net flows							
Foreign direct investment in Canada	5,233	5,679	-863	-827	5,319	33,026	9,222
Portfolio investment	7,956	9,204	-8,820	10,130	4,415	20,935	18,469
Canadian bonds	9,131	6,161	-12,240	3,947	2,884	18,684	7,000
Canadian stocks	-265	2,575	5,394	5,227	4,304	-1,531	12,931
Canadian money market	-910	467	-1,975	956	-2,772	3,782	-1,461
Other investment	19,930	-25,907	7,323	14,380	-8,003	7,967	15,726
Loans	1,013	-3,480	-264	4,472	1,774	1,400	1,741
Deposits	21,200	-20,592	7,525	10,131	-10,377	13,568	18,265
Other liabilities	-2,284	-1,835	61	-223	600	-7,001	-4,280
Total Canadian liabilities, net flows	33,119	-11,024	-2,361	23,683	1,730	61,928	43,417
Total capital and financial account							
Net flows	4,550	-12,027	-5,389	-7,859	-3,380	-12,850	-20,725
Statistical discrepancy	-8,040	8,328	-3,814	434	-4,186	-9,815	-3,092

1. A minus sign (-) denotes an outflow of capital resulting from an increase in claims on non-residents or from a decrease in liabilities to non-residents.
2. Transactions are recorded on a net basis.

Current account, all countries

	First quarter 2003	Second quarter 2003	Third quarter 2003	Fourth quarter 2003	First quarter 2004	2002	2003
	seasonally adjusted						
	\$ millions						
Receipts							
Goods and services	121,274	113,279	112,786	112,635	116,613	477,694	459,974
Goods	105,857	98,578	98,030	97,545	101,498	413,795	400,010
Services	15,417	14,700	14,757	15,090	15,115	63,899	59,964
Travel	4,020	3,443	3,552	3,732	3,773	16,747	14,746
Transportation	2,701	2,430	2,517	2,637	2,680	11,115	10,285
Commercial services	8,357	8,484	8,338	8,372	8,334	34,599	33,551
Government services	340	344	349	350	328	1,438	1,382
Investment income	7,036	8,233	8,362	9,068	8,210	31,185	32,700
Direct investment	2,697	4,229	4,398	5,131	4,390	13,624	16,455
Interest	217	171	185	175	112	471	748
Profits	2,480	4,058	4,213	4,956	4,278	13,153	15,707
Portfolio investment	2,367	2,312	2,327	2,315	2,220	9,628	9,321
Interest	439	432	463	480	462	1,775	1,814
Dividends	1,927	1,881	1,864	1,836	1,757	7,853	7,508
Other investment	1,973	1,692	1,637	1,622	1,600	7,934	6,923
Current transfers	1,707	1,650	1,651	1,706	1,676	6,957	6,714
Private	685	589	651	632	672	2,567	2,558
Official	1,021	1,061	1,000	1,073	1,004	4,390	4,156
Total receipts	130,018	123,163	122,799	123,409	126,498	515,836	499,388
Payments							
Goods and services	107,851	102,689	100,644	101,505	102,146	427,382	412,688
Goods	89,960	85,260	83,143	83,469	83,987	356,581	341,833
Services	17,890	17,428	17,501	18,035	18,159	70,801	70,855
Travel	4,731	4,284	4,590	5,002	5,122	18,333	18,608
Transportation	3,581	3,450	3,603	3,592	3,674	14,122	14,225
Commercial services	9,353	9,470	9,082	9,213	9,135	37,464	37,119
Government services	225	224	226	228	228	883	903
Investment income	15,367	13,521	13,913	13,641	13,246	59,839	56,443
Direct investment	6,026	4,646	5,174	5,039	4,839	20,670	20,884
Interest	452	462	474	475	492	1,385	1,862
Profits	5,574	4,184	4,700	4,564	4,347	19,285	19,022
Portfolio investment	7,470	7,195	7,147	6,942	6,799	30,466	28,755
Interest	6,728	6,503	6,429	6,189	6,161	27,714	25,849
Dividends	743	692	718	753	639	2,753	2,905
Other investment	1,871	1,681	1,592	1,660	1,608	8,702	6,804
Current transfers	1,580	1,653	1,606	1,601	1,616	5,951	6,440
Private	873	906	902	925	942	3,382	3,607
Official	707	746	704	676	673	2,569	2,833
Total payments	124,798	117,863	116,163	116,747	117,008	493,171	475,570
Balances							
Goods and services	13,424	10,590	12,142	11,130	14,467	50,312	47,287
Goods	15,897	13,318	14,887	14,075	17,511	57,214	58,177
Services	-2,473	-2,728	-2,744	-2,945	-3,044	-6,903	-10,891
Travel	-712	-842	-1,038	-1,271	-1,349	-1,586	-3,862
Transportation	-879	-1,020	-1,086	-955	-994	-3,007	-3,940
Commercial services	-996	-986	-744	-841	-801	-2,865	-3,567
Government services	114	120	123	121	101	555	479
Investment income	-8,331	-5,288	-5,551	-4,572	-5,037	-28,653	-23,743
Direct investment	-3,329	-417	-776	92	-449	-7,046	-4,429
Interest	-235	-291	-289	-300	-380	-914	-1,114
Profits	-3,094	-126	-487	392	-69	-6,132	-3,315
Portfolio investment	-5,104	-4,883	-4,820	-4,626	-4,580	-20,838	-19,433
Interest	-6,288	-6,072	-5,966	-5,709	-5,698	-25,939	-24,036
Dividends	1,185	1,189	1,146	1,083	1,119	5,100	4,602
Other investment	102	11	45	-38	-8	-769	119
Current transfers	127	-2	45	104	60	1,006	274
Private	-188	-317	-251	-293	-270	-815	-1,049
Official	314	315	296	397	331	1,821	1,323
Current account	5,220	5,300	6,636	6,662	9,490	22,664	23,818

Industrial product and raw materials price indexes

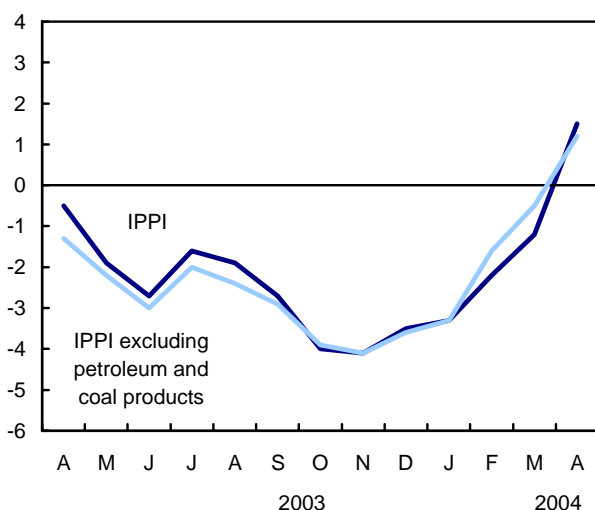
April 2004

Manufacturers' prices were up 0.8% in April following an increase of 0.6% in March. Compared with April 2003, prices rose 1.5%, the first gain in 12 months.

From a monthly perspective, prices for motor vehicles and other transport equipment increased 0.8%, mainly as a result of the effect of the exchange rate. Prices for primary metal products rose 1.7% because of increases for aluminum, nickel, iron and steel products. Lumber and other wood products increased by 2.3% as increased demand resulted in higher prices for softwood lumber (+3.9%) and particleboard (+2.0%).

Petroleum product prices have less influence on the IPPI

12-month % change



Higher prices for pulp and paper products (+1.7%), meat, fish and dairy products (+1.1%), metal fabricated products (+1.3%), petroleum and coal products (+0.7%), chemical products (+0.5%), and fruit, vegetable and feed products (+0.6%) also contributed to the monthly increase.

Compared to April 2003, the Industrial Product Price Index (IPPI) rose 1.5%, after 12 months of decreases. Higher prices for primary metal products (+16.7%), lumber and other wood products (+18.8%), and metal fabricated products (+5.1%), as well as fruit, vegetable and feed products (+3.5%), were the major contributors to the 12-month increase in the IPPI.

Note to readers

Effective with the January 2004 release, the monthly average exchange rate as determined by the Bank of Canada is used to convert prices received in currencies other than the Canadian dollar. Previously, the exchange rate conversion of such prices was carried out using the rate for the 15th of the month. The decision to switch to the monthly rate reflects the fact that the IPPI and RMPI are intended to measure the change in the average monthly price for these goods. The monthly average exchange rate is a better estimator of the actual exchange rates used in transactions than a point-in-time exchange rate. The estimated impact of this change is small at the total level. The 12-month change is 0.2% more than it would have been had the monthly average exchange rate been used to calculate the April 2003 index.

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 US 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.

The petroleum and coal products group had a weaker than usual influence on the 12-month change in the IPPI with an increase of 4.8%. If petroleum and coal product prices had been excluded, the IPPI would have increased 1.2% on a 12-month basis.

Lower prices for motor vehicles and other transport equipment (-5.2%), electrical and communication products (-4.1%), chemical products (-1.5%), pulp and paper products (-1.5%) and machinery and equipment (-1.0%) partially offset the 12-month increase.

Raw materials prices strengthen over the year

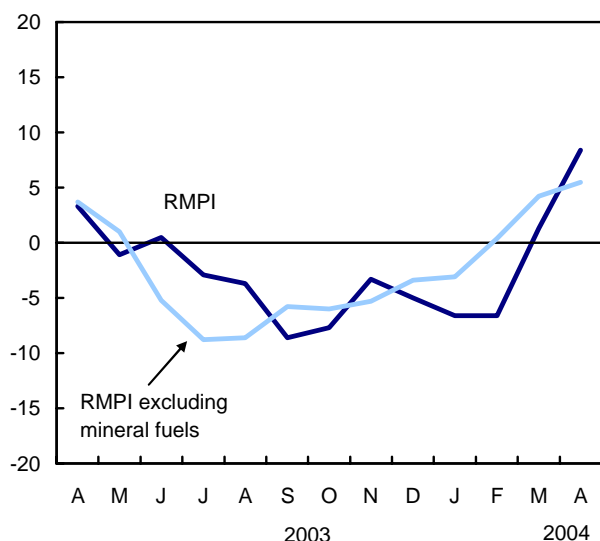
Although raw materials prices were down 0.2% from March, manufacturers paid 8.4% more for their raw materials compared with one year ago, the largest 12-month increase since March 2003. Mineral fuels were up 12.1% from a year ago with crude oil prices rising 17.5%. If mineral fuels had been excluded, the Raw Materials Price Index (RMPI) would have increased 5.5%.

Prices for non-ferrous metals rose 38.5% from a year ago, mainly because of higher prices for

copper, lead, zinc and nickel. Ferrous materials prices rose 27.0% compared with April 2003 with iron and steel scrap prices rising 45.1%. Higher prices for vegetable products (+1.4%) and non-metallic minerals (+2.4%) also contributed to the 12-month increase in the RMPI.

Crude oil prices continue to influence the RMPI

12-month % change



Prices for animals and animal products were down 7.1%, with cattle and calves for slaughter prices declining 24.6% from a year ago. Lower prices were also observed for wood products (-2.1%).

On a monthly basis, ferrous materials were down 6.0%, as a result of lower prices for iron and steel scrap (-9.1%). Prices for animal and animal products declined 1.2% mainly because of lower prices for hogs for slaughter (-5.8%). Lower prices for non-ferrous metals (-0.3%) also contributed to the monthly decrease in the RMPI.

Mineral fuels increased 0.3% compared with March, with prices for crude oil rising 0.4% as tight supplies continue. Higher prices were also observed for vegetable products (+2.3%) and wood products (+0.2%).

The IPPI (1997=100) stood at 108.8 in April, up from its revised level of 107.9 in March. The RMPI (1997=100) was 125.9 in April, down slightly from its revised level of 126.1 in March.

Impact of exchange rate

Between March and April, the value of the US dollar strengthened against the Canadian dollar with an increase of 1.1%. As a result, the total IPPI excluding the effect of the exchange rate would have risen 0.5%.

However, on a 12-month basis, the Canadian dollar is much stronger. Consequently, excluding the effect of the exchange rate, the IPPI would have increased 3.6% rather than increasing 1.5% from April 2003 to April 2004.

Prices for intermediate goods increase from a year ago

Prices for intermediate goods were up 1.1% from March. Higher prices for lumber products; primary metal products; pulp and paper products; metal fabricated products; meat, fish and dairy products; fruit, vegetable and feed products; and chemical products were the major contributors to the increase.

Producers of intermediate goods received 3.8% more for their goods in April 2004 than in April 2003. Higher prices for primary metal products; lumber products; metal fabricated products; petroleum products; and fruit, vegetable and feed products were mainly responsible for the annual increase.

These increases were partly offset by lower prices for motor vehicles, pulp and paper products, chemical products, and electrical and communication products.

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

Finished goods decrease again from a year ago

On a monthly basis, prices for finished goods were up 0.6% from March. Higher prices for motor vehicles, petroleum products, meat, fish and dairy products; and lumber products were responsible for this monthly rise.

Declining prices for motor vehicles; electrical and communication products; machinery and equipment; and pulp and paper products pushed the 12-month prices down 1.9% from April 2003.

These decreases were partly offset by higher prices for petroleum products; fruit, vegetable and feed products; beverages; tobacco products; furniture and fixtures; and chemical products.

"Finished goods" are those generally purchased for the purpose of either consumption or investment. Most of the products from the food and feed category end up in the hands of consumers. Most capital goods are equipment and machinery generally bought by companies, government agencies, or governments. Much of the remainder are bought by consumers.

Available on CANSIM: tables 329-0038 to 329-0049 and 330-0006.

Definitions, data sources and methods: survey numbers, including related surveys, 2306 and 2318.

Industrial product price indexes (1997 = 100)

	Relative importance	April 2003	March 2004 ^r	April 2004 ^p	April 2003 to April 2004	March to April 2004
					% change	
Industrial Product Price Index (IPPI)	100.00	107.2	107.9	108.8	1.5	0.8
IPPI excluding petroleum and coal products	94.32	105.4	105.8	106.7	1.2	0.9
Aggregation by commodities						
Meat, fish and dairy products	5.78	110.2	109.9	111.1	0.8	1.1
Fruit, vegetables, feeds and other food products	5.99	103.3	106.3	106.9	3.5	0.6
Beverages	1.57	117.1	119.4	119.5	2.0	0.1
Tobacco and tobacco products	0.63	160.9	167.0	167.0	3.8	0.0
Rubber, leather and plastic fabricated products	3.30	107.5	105.9	106.3	-1.1	0.4
Textile products	1.58	99.7	98.6	98.9	-0.8	0.3
Knitted products and clothing	1.51	104.1	104.1	104.2	0.1	0.1
Lumber and other wood products	6.30	86.5	100.5	102.8	18.8	2.3
Furniture and fixtures	1.59	108.6	110.6	110.6	1.8	0.0
Pulp and paper products	7.23	105.9	102.6	104.3	-1.5	1.7
Printing and publishing	1.70	114.0	113.0	113.4	-0.5	0.4
Primary metal products	7.80	95.3	109.3	111.2	16.7	1.7
Metal fabricated products	4.11	107.5	111.5	113.0	5.1	1.3
Machinery and equipment	5.48	106.5	105.2	105.4	-1.0	0.2
Motor vehicles and other transport equipment	22.16	108.9	102.4	103.2	-5.2	0.8
Electrical and communications products	5.77	97.7	93.4	93.7	-4.1	0.3
Non-metallic mineral products	1.98	110.0	110.5	110.6	0.5	0.1
Petroleum and coal products ¹	5.68	140.5	146.2	147.2	4.8	0.7
Chemicals and chemical products	7.07	113.1	110.8	111.4	-1.5	0.5
Miscellaneous manufactured products	2.40	107.1	108.5	108.7	1.5	0.2
Miscellaneous non-manufactured products	0.38	91.0	119.9	124.4	36.7	3.8
Intermediate goods²	60.14	104.6	107.4	108.6	3.8	1.1
First-stage intermediate goods ³	7.71	107.5	114.3	117.1	8.9	2.4
Second-stage intermediate goods ⁴	52.43	104.2	106.4	107.3	3.0	0.8
Finished goods⁵	39.86	111.2	108.5	109.1	-1.9	0.6
Finished foods and feeds	8.50	110.6	111.5	111.9	1.2	0.4
Capital equipment	11.73	108.9	104.3	104.8	-3.8	0.5
All other finished goods	19.63	112.7	109.8	110.5	-2.0	0.6

^r Revised figures.

^p Preliminary figures.

1. This index is estimated for the current month.

2. "Intermediate goods" are goods used principally to produce other goods.

3. "First-stage intermediate goods" are items used most frequently to produce other intermediate goods.

4. "Second-stage intermediate goods" are items most commonly used to produce final goods.

5. "Finished goods" are goods most commonly used for immediate consumption or for capital investment.

The April 2004 issue of *Industry Price Indexes* (62-011-XIE, \$19/\$175; 62-011-XPE, \$24/\$233) will be available in June.

The industrial product and raw material price indexes for May 2004 will be released on June 29.

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

Raw materials price indexes (1997 = 100)

	Relative importance	April 2003	March 2004 ^r	April 2004 ^p	April 2003 to April 2004	March to April 2004
					% change	
Raw Materials Price Index (RMPI)	100.00	116.1	126.1	125.9	8.4	-0.2
Mineral fuels	35.16	162.5	181.7	182.2	12.1	0.3
Vegetable products	10.28	96.8	96.0	98.2	1.4	2.3
Animals and animal products	20.30	108.8	102.3	101.1	-7.1	-1.2
Wood	15.60	85.6	83.6	83.8	-2.1	0.2
Ferrous materials	3.36	96.9	130.9	123.1	27.0	-6.0
Non-ferrous metals	12.93	77.7	107.9	107.6	38.5	-0.3
Non-metallic minerals	2.38	116.0	118.7	118.8	2.4	0.1
RMPI excluding mineral fuels	64.84	94.7	100.3	99.9	5.5	-0.4

^r Revised figures.

^p Preliminary figures.



OTHER RELEASES

Study: Knowledge workers in Canadian industries

2001

Canada's science and communications technology industries place a high premium on knowledge workers, but these industries don't possess a monopoly on them, according to a new study.

Knowledge workers—highly skilled, highly educated people—are well represented across a diverse set of industries, not just in the high-tech sectors.

The study, which examines the proportions of knowledge-based occupations in various industries, identifies 40 occupational categories as knowledge-based. These fall under three general classes: professional workers, management workers and technical workers.

For the economy as a whole, only one out of every four workers is employed in a knowledge-based occupation. High-tech sectors that are associated with the growth of the new economy, such as information and communications technology (ICT) industries and science-based industries, are home to higher concentrations of knowledge workers.

In total, 63% of workers in ICT service industries are knowledge-based, as are about one-half of workers in ICT manufacturing.

One ICT service industry—computer and related services—sets the standard for knowledge workers. Workers in knowledge-based occupations make up 84% of employment in this industry. Architecture, engineering and scientific and technical services, a science-based service industry, follows close behind, with 78% of employees in knowledge-based occupations.

However, the study found that many industries with high concentrations of knowledge workers are located outside the ICT and research and development-intensive science sectors.

Certain industries that provide business or financial services have very high concentrations of knowledge workers. Knowledge-based occupations account for 69% of employment in management consulting and financial intermediaries, and 61% of workers in investment intermediaries.

Growth in high-knowledge financial services has been substantial. Long-run wage and employment growth in investment and financial intermediaries outpaced growth in ICT services. Financial industries have also become increasingly heavy consumers of technology-based products and services.

The study identifies other service industries that have a relatively large percentage of their workforce employed in knowledge-based occupations. These include accounting and bookkeeping services (55%) and lawyers and notaries (46%). In the goods-producing sector, 49% of employees in publishing industries are knowledge-based.

Knowledge workers are also well represented outside the business sector. About 71% of employment at universities and 73% of workers in medical and health laboratories are knowledge-based.

The study also found that women make up the majority of employees in many high-knowledge industries located outside of the ICT and science sectors. In certain high-knowledge industries, such as investment intermediaries, publishing industries and business membership associations, a relatively large percentage of this female workforce is knowledge-based.

The proportion of workers with degrees in the ICT sector is much higher than the business sector. However, several high-knowledge service industries place considerably more emphasis on university education. For example, 52% of workers in management consultant industries hold university degrees, compared with only 35% of workers in ICT service industries.

The fifth research paper from the *Canadian Economy in Transition* series, *Are Knowledge Workers Found Only in High-Technology Industries?* (11-622-MIE2004005, free) is now available online. From the *Studies* link on the main page, under *Browse Periodicals and Studies*, choose *Free and for sale*, then under *Studies*, select *Canadian Economy in Transition*.

For more information on other papers related to the growth and development of the new economy, see the *Economic transitions* page of our website.

For more information, or to enquire about the concepts or methods used in this release, contact Guy Gellatly (613-951-3758) or Desmond Beckstead (613-951-6199), Micro-Economic Analysis Division. ■

Electric power selling price indexes

January to April 2004

Electric power selling price indexes (1997=100) for January to April 2004 are now available.

Available on CANSIM: table 329-0050.

Definitions, data sources and methods: survey number 2325.

The April 2004 issue of *Industry Price Indexes* (62-011-XIE, \$19/\$175; 62-011-XPE, \$24/\$233) will be available in June.

For more information, or to enquire about the concepts, methods, and data quality of this release, contact Client Services (613-951-9606; fax: 613-951-1539; infounit@statcan.ca) or Adrian Fisher (613-951-9612; fax: 613-951-1539; adrian.fisher@statcan.ca), Prices Division. ■

Placement of hatchery chicks and turkey poults

April 2004 (preliminary)

Placements of hatchery chicks on farms were estimated at 51.7 million birds in April 2004, down 8.2% from April 2003. Placements of turkey poults on farms decreased 14.8% to 1.5 million birds.

Available on CANSIM: table 003-0021.

Definitions, data sources and methods: survey number 5039.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Sandy Gielfeldt (613-951-2505; sandy.gielfeldt@statcan.ca), Agriculture Division. ■

NEW PRODUCTS

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
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• Urban transit, 1996 Despite the emphasis on taking urban transit, Canadians are using it less and less. In 1996, each Canadian took an average of about 21 trips on some form of urban transit, the lowest level in the past 25 years.	2
• Productivity, hourly compensation and unit labour cost, 1996 Growth in productivity among Canadian businesses was modestly weak again in 1996, accompanied by sluggish gains in employment and slow economic growth during the year.	4
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The Daily, May 28, 2004

RELEASE DATES: MAY 31 TO JUNE 4

(Release dates are subject to change.)

Release date	Title	Reference period
31	Quarterly Gross Domestic Product	First quarter 2004
31	Gross Domestic Product by Industry	March 2004
1	Hate Crime	2001/02
2	Joint Canada–United States Survey of Health	2002/03
3	Quarterly Financial Statistics for Enterprises	First quarter 2004
4	Labour Force Survey	May 2004