



The Daily

Statistics Canada

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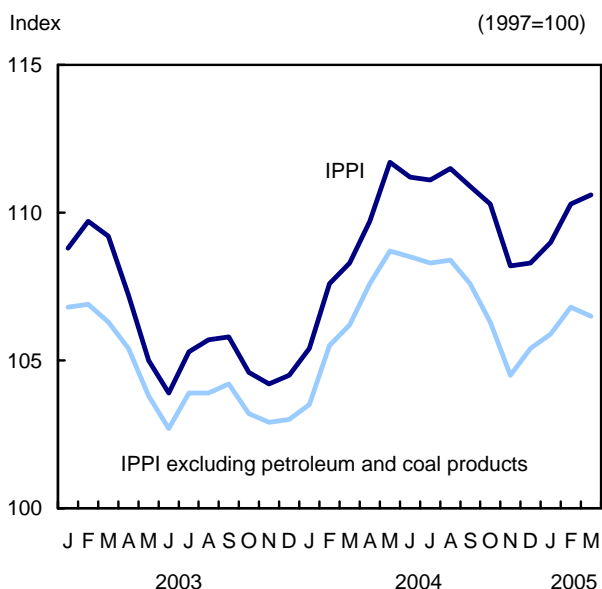
Major releases

Industrial product and raw materials price indexes

March 2005

Monthly prices for manufactured goods at the factory gate rose in March for a fourth consecutive month, but at a much slower pace than in February. Raw materials prices were up for a third month in a row as crude oil registered its largest increase since December 2002.

Prices for manufactured goods continue to increase



Prices charged by manufacturers, as measured by the Industrial Product Price Index (IPPI), rose 0.3% from February to March. Higher prices for petroleum products, fruit, vegetable and feed products and rubber, leather and plastic products were the main sources of the monthly increase.

The 12-month change in the IPPI was 2.1%, down from February's increase of 2.5%.

The Raw Materials Price Index (RMPI) was up 6.2% from February to March, following a 3.0% increase the previous month. There were price increases in mineral fuels, animals and animal products, non-ferrous metals as well as vegetable products.

Compared to March of last year, raw materials cost factories 14.0% more. This was a much stronger rate of growth than the 12-month rise of 11.7% in February.

Note to readers

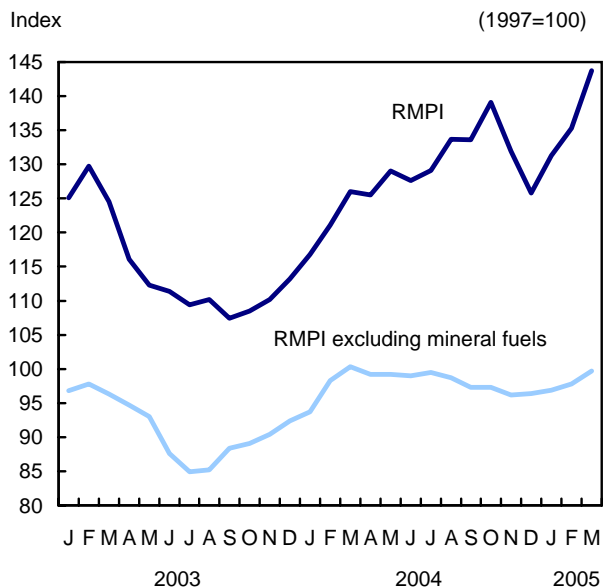
The **Industrial Product Price Index (IPPI)** reflects the prices that producers in Canada receive as the goods leave the plant gate. It does not reflect what the consumer pays. Unlike the Consumer Price Index, the IPPI excludes indirect taxes and all the costs that occur between the time a good leaves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

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

In March, the IPPI (1997=100) stood at 110.6, up from its revised level of 110.3 in February. The RMPI (1997=100) reached 143.7, up from a revised level of 135.3 in February.

Raw materials prices continue to increase



IPPI: Monthly increase primarily due to higher prices for petroleum products

On a month-over-month basis, manufacturers' prices rose 0.3% following an increase of 1.2% in February.

Petroleum and coal products prices increased 7.1% compared to February as gasoline and fuel oil prices continue to rise. If petroleum and coal product prices had been excluded, the IPPI would have decreased 0.3% rather than increasing 0.3%.

Fruit, vegetable and feed products (+0.9%) as well as rubber, leather and plastic fabricated products (+0.4%) also contributed to the increase in March but to a much lesser degree.

Prices for motor vehicles and other transport equipment and electrical and communication products decreased 1.4% and 0.6% respectively, mainly because of the stronger Canadian dollar. Prices for pulp and paper products fell 0.5% in response to lower demand for newsprint paper. Lumber and other wood products were down 0.4% as inventories for softwood lumber remained strong.

IPPI: Petroleum and primary metals continue to be the major factors in the 12-month change

On a 12-month basis, the IPPI was up 2.1% in March. Prices for petroleum and coal products continued their influence on the 12-month change, rising 26.3% from March 2004. If petroleum and coal product prices had been excluded, the IPPI would have increased only 0.3% rather than 2.1%.

Prices for primary metal products also had a big impact on the increase, rising 8.7% from a year ago. Primary steel and nickel products were the major contributors to this annual increase.

Metal fabricated products increased 7.5%, as the effect of higher prices for steel continued to be felt. Chemical products, rubber, leather and plastic fabricated products, pulp and paper products, as well as non-metallic mineral products also contributed to the 12-month increase in the IPPI.

These increases were partly offset by lower prices for motor vehicles and other transport equipment, which were down 5.7% from a year ago. There were also 12-month price declines for lumber and other wood products (-4.5%), fruit, vegetable and feed products (-3.7%), meat, fish and dairy products (-2.0%) and electrical and communication products (-1.7%).

RMPI: Crude oil prices continue to push up the cost of raw materials

On a monthly basis, raw materials prices rose 6.2% in March. Mineral fuels were up 10.5% compared with

February, as crude oil prices increased 12.6% due to continuing strong demand and supply concerns.

Animals and animal products increased 2.9%, led by higher prices for unprocessed whole milk, fish, hogs for slaughter as well as sheep and lambs for slaughter. Prices for non-ferrous metals were up 3.7% mainly due to higher prices for zinc and lead. Prices for vegetable products also rose 1.9% with higher prices for coffee, corn, canola and wheat.

Ferrous materials decreased 2.6% from the previous month as iron and steel scrap prices were down 3.0%. Prices for wood products decreased 0.1% due to lower prices for logs and bolts.

On a 12-month basis, the price of raw materials rose 14.0% in March. Mineral fuels were up 31.5% with crude oil prices rising 39.5%. If mineral fuels had been excluded, the RMPI would have decreased 0.6% instead of rising 14.0%.

Prices for non-ferrous metals rose 9.3%, mainly because of higher prices for zinc, radio-active concentrates, nickel, copper and lead. Animal and animal products prices rose 4.9% from March last year due primarily to higher prices for unprocessed whole milk, fish and poultry. Higher prices were also observed for non-metallic mineral products, which increased 8.4% from a year ago.

These increases were partly offset by lower prices for vegetable products, wood products as well as ferrous materials.

Impact of the exchange rate

Between February and March, the value of the Canadian dollar rose 1.9% against the US dollar. As a result, if the impact of the exchange rate had been excluded, the IPPI would have risen 0.8% compared with the actual 0.3% increase.

On a 12-month basis, the value of the Canadian dollar rose 9.2% against the US dollar. If the impact of the exchange rate had been excluded, producer prices would have risen 4.5% between March 2004 and March 2005, rather than their actual 2.1% increase.

Prices for intermediate goods are up

Prices for intermediate goods increased 0.4% from February. Higher prices for petroleum products; fruit, vegetable and feed products; rubber, leather and plastic fabricated products; and chemical products were the major contributors to the increase.

Lower prices for motor vehicles; pulp and paper products; lumber products; electrical and communication products; and meat, fish and dairy products partially offset the monthly increase.

Producers of intermediate goods received 4.2% more for their goods in March 2005 than in March 2004.

Higher prices for petroleum products; primary metal products; chemical products; metal fabricated products; pulp and paper products; and rubber, leather and plastic products were mainly responsible for the annual increase.

These increases were partly offset by declining prices for lumber products; fruit, vegetable and feed products; motor vehicles; meat, fish and dairy products; and electrical and communication products.

Finished goods prices decline

On a monthly basis, prices for finished goods edged down 0.1% from February. Higher prices for petroleum products, fruit, vegetable and feed products and beverages were offset by lower prices for motor vehicles, electrical and communication products, machinery and equipment and lumber products.

Compared with March 2004, prices for finished goods were down by 1.0%. Lower prices for motor vehicles; electrical and communication products; meat, fish and dairy products; lumber products; and machinery and equipment were the major contributors to the annual decline.

Higher prices for petroleum products; fruit, vegetable and feed products; chemical products; furniture and fixtures; rubber, leather and plastic products; chemical products; and tobacco products partly offset the annual decrease.

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.

The March 2005 issue of *Industry Price Indexes* (62-011-XIE, \$19/\$175, 62-011-XPE, \$24/\$233) will be available in May.

The Industrial product and raw material price indexes for April 2005 will be released on May 30.

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

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Industrial product price indexes (1997=100)

	Relative importance	March 2004	February 2005 ^r	March 2005 ^p	March 2004 to March 2005	February to March 2005
					% change	
Industrial product price index (IPPI)	100.00	108.3	110.3	110.6	2.1	0.3
IPPI excluding petroleum and coal products	94.32	106.2	106.8	106.5	0.3	-0.3
Aggregation by commodities						
Meat, fish and dairy products	5.78	110.3	108.3	108.1	-2.0	-0.2
Fruit, vegetables, feeds and other food products	5.99	106.5	101.7	102.6	-3.7	0.9
Beverages	1.57	120.0	120.8	121.1	0.9	0.2
Tobacco and tobacco products	0.63	167.0	170.1	170.1	1.9	0.0
Rubber, leather and plastic fabricated products	3.30	106.2	111.4	111.9	5.4	0.4
Textile products	1.58	98.6	99.0	98.9	0.3	-0.1
Knitted products and clothing	1.51	104.4	104.2	104.2	-0.2	0.0
Lumber and other wood products	6.30	102.4	98.2	97.8	-4.5	-0.4
Furniture and fixtures	1.59	110.8	114.1	114.1	3.0	0.0
Pulp and paper products	7.23	102.4	104.9	104.4	2.0	-0.5
Printing and publishing	1.70	113.0	115.4	115.2	1.9	-0.2
Primary metal products	7.80	109.8	119.4	119.4	8.7	0.0
Metal fabricated products	4.11	112.8	121.3	121.3	7.5	0.0
Machinery and equipment	5.48	105.7	106.4	106.2	0.5	-0.2
Motor vehicles and other transport equipment	22.16	102.5	98.1	96.7	-5.7	-1.4
Electrical and communications products	5.77	95.1	94.1	93.5	-1.7	-0.6
Non-metallic mineral products	1.98	110.9	114.1	114.2	3.0	0.1
Petroleum and coal products ¹	5.68	147.4	173.7	186.1	26.3	7.1
Chemicals and chemical products	7.07	110.9	117.7	117.7	6.1	0.0
Miscellaneous manufactured products	2.40	108.7	111.0	110.8	1.9	-0.2
Miscellaneous non-manufactured products	0.38	120.1	135.6	137.2	14.2	1.2
Intermediate goods²	60.14	107.9	111.9	112.4	4.2	0.4
First-stage intermediate goods ³	7.71	114.4	122.7	123.2	7.7	0.4
Second-stage intermediate goods ⁴	52.43	106.9	110.2	110.8	3.6	0.5
Finished goods⁵	39.86	108.9	107.9	107.8	-1.0	-0.1
Finished foods and feeds	8.50	111.8	112.0	112.2	0.4	0.2
Capital equipment	11.73	105.0	102.9	102.0	-2.9	-0.9
All other finished goods	19.63	110.1	109.1	109.5	-0.5	0.4

^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.

Raw materials price indexes (1997=100)

	Relative importance	March 2004	February 2005 ^r	March 2005 ^p	March 2004 to March 2005	February to March 2005
					% change	
Raw materials price index (RMPI)	100.00	126.0	135.3	143.7	14.0	6.2
Mineral fuels	35.16	181.7	216.3	239.0	31.5	10.5
Vegetable products	10.28	96.0	80.3	81.8	-14.8	1.9
Animals and animal products	20.30	102.3	104.3	107.3	4.9	2.9
Wood	15.60	83.6	77.4	77.3	-7.5	-0.1
Ferrous materials	3.36	130.9	116.1	113.1	-13.6	-2.6
Non-ferrous metals	12.93	107.6	113.4	117.6	9.3	3.7
Non-metallic minerals	2.38	119.2	129.2	129.2	8.4	0.0
RMPI excluding mineral fuels	64.84	100.3	97.8	99.7	-0.6	1.9

^r Revised figures.

^p Preliminary figures.

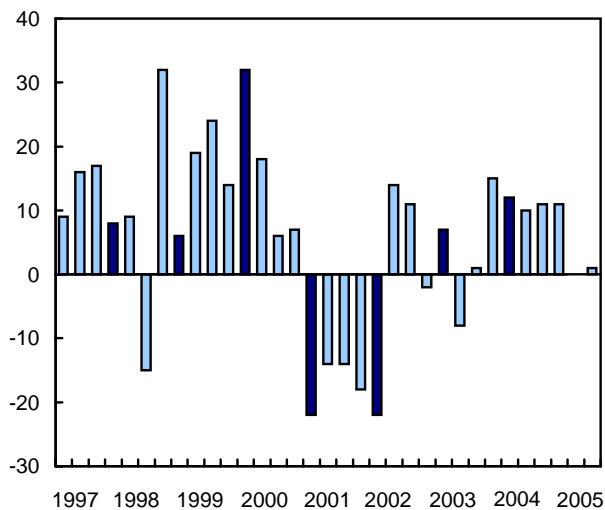
Business Conditions Survey: Manufacturing industries

April 2005

In spite of concerns about rising finished product inventories and lower order levels, manufacturers were anticipating to maintain the same level of production in the coming three months.

Balance of opinion for expected volume of production next three months versus last three

Balance of opinion



The voluntary survey conducted in the first two weeks of April, to which almost 4,000 manufacturers responded, requests opinions on production impediments, finished product inventory levels, new and unfilled order levels, and production and employment prospects in the coming three months.

Little change in manufacturers' production prospects

In April, the number of manufacturers stating they would increase production over the next three months stood at 18%, a 5 point increase from the January survey. At the same time, manufacturers indicating they would decrease production in the second quarter rose 4 points to 17%. As a result, the balance of opinion stood at +1, a 1 point improvement from the January balance. The current balance is 9 points lower than

Note to readers

The Business Conditions Survey is conducted in January, April, July and October; the majority of responses are recorded in the first two weeks of these months. Results are based on replies from about 4,000 manufacturers and are weighted by a manufacturer's shipments or employment. Consequently, larger manufacturers have a correspondingly larger impact on the results than smaller manufacturers.

Except for the data on production difficulties, data in this release are seasonally adjusted.

in the April 2004 survey. Producers in the computer and electronic products, machinery and primary metal industries were the largest contributors to the positive balance. Overall, 12 of the 21 manufacturing industries contributed to the positive movement.

The balance of opinion is determined by subtracting the proportion of manufacturers who stated production would decrease in the coming three months from the proportion who stated production would be increasing.

Satisfaction with level of orders received continues to fall

After remaining positive throughout 2004, the April balance of opinion on the current level of orders received decreased 4 points to -5. The number of manufacturers who stated that orders received were declining was 23% in April, 7 points higher than in January. Producers in the transportation equipment, wood products and paper industries were among the major contributors to the decrease in the orders received balance of opinion.

Manufacturers are more concerned with lower levels of unfilled orders

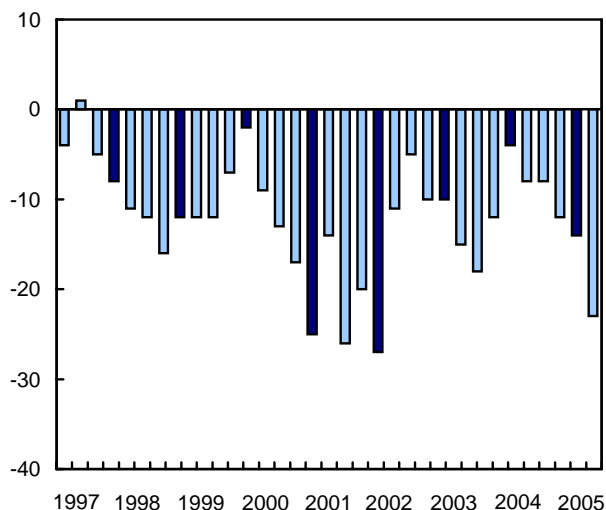
With 34% of manufacturers expressing a lower-than-normal backlog and 12% stating a higher-than-normal backlog, the balance of opinion concerning the current level of unfilled orders stood at -22. This was a 7 point drop from what was reported in the January survey. The balance of opinion has posted a cumulative drop of 21 points in the last two surveys. This brings us close to the level posted in the July 2003 survey (-24). Producers in the transportation equipment industry were the major contributors to the further decrease in the unfilled orders balance of opinion. According to February's Monthly Survey of Manufacturing, unfilled orders declined 0.5% to \$38.1 billion — the second highest level in almost two years.

Manufacturers expressing more concern with finished product inventories

In April, 65% of manufacturers reported that the current level of finished product inventories was about right, a 9 point drop from the January level. Some 29% stated that inventories were too high, while 6% said inventories were too low. This left the balance of opinion at -23, a 9 point slide from the January survey. This was the third consecutive drop in the finished product inventories balance of opinion since July 2004 (-8). According to February's Monthly Survey of Manufacturing, finished products stood at almost \$22.2 billion, 9.5% above levels of one year ago.

Balance of opinion for current level of finished-product inventory on hand

Balance of opinion



Manufacturers' employment prospects slightly positive

The balance of opinion for employment prospects for the next three months increased 5 points to +3 in April. While 84% of manufacturers stated that they

would keep or add to their work force, 16% indicated that they expected to decrease employment in the second quarter. According to the March Labour Force Survey, employment in the manufacturing sector stood at almost 2.27 million, virtually unchanged from the February level. The first quarter average number of employees was 0.5% lower than the average for the last three months of 2004.

Manufacturers reported more production impediments

The number of manufacturers reporting no production impediments dropped 15 points to 71% in April. After reaching a high of 8% in the April and July 2004 surveys, the number of producers reporting raw material shortages increased from 4% in January to 5% in April. The proportion reporting a shortage of skilled labour was up 2 points from January to 7%. While those reporting a shortage of unskilled labour increased 1 point to 2%. Producers reporting "other production impediments" jumped 10 points to 12% in April. This large increase was mostly concentrated in the transportation equipment industry where manufacturers commented on overstock of finished product inventories and lower order levels. Other comments in this category related to impediments caused by the high value of the Canadian dollar and cheap foreign imports.

Available on CANSIM: tables 302-0007 and 302-0008.

Definitions, data sources and methods: survey number 2152.

Business Conditions Survey data for July will be released on July 29.

For general information or to order data, contact the dissemination officer (1-866-873-8789; 613-951-9497; fax: 613-951-9499; manufact@statcan.ca). To enquire about the concepts, methods or data quality of the release, contact Claude Robillard (613-951-3507; claudio.robillard@statcan.ca), Manufacturing, Construction and Energy Division.

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Business Conditions Survey: Manufacturing industries

	April 2004	July 2004	October 2004	January 2005	April 2005
	seasonally adjusted				
Volume of production during next three months compared with last three months will be:					
About the same (%)	60	63	69	73	65
Higher (%)	25	24	21	13	18
Lower (%)	15	13	10	13	17
Balance of opinion	10	11	11	0	1
Orders received are:					
About the same (%)	59	69	77	69	59
Rising (%)	21	19	18	15	18
Declining (%)	20	11	5	16	23
Balance of opinion	1	8	13	-1	-5
Present backlog of unfilled orders is:					
About normal (%)	72	62	65	63	54
Higher than normal (%)	14	20	17	11	12
Lower than normal (%)	14	18	18	26	34
Balance of opinion	0	2	-1	-15	-22
Finished product inventory on hand is:					
About right (%)	74	80	78	74	65
Too low (%)	9	6	5	6	6
Too high ¹ (%)	17	14	17	20	29
Balance of opinion	-8	-8	-12	-14	-23
Employment during the next three months will:					
Change little (%)	71	72	73	71	65
Increase (%)	14	17	17	13	19
Decrease (%)	14	11	10	15	16
Balance of opinion	0	6	7	-2	3
	unadjusted				
	%				
Sources of production difficulties:					
Working capital shortage	3	3	2	2	3
Skilled labour shortage	5	7	7	5	7
Unskilled labour shortage	2	2	3	1	2
Raw material shortage	8	8	5	4	5
Other difficulties	3	2	3	2	12
No difficulties	80	78	80	86	71

1. No evident seasonality.

**Business Conditions Survey: Manufacturing industries: Production prospects
balance of opinion for select industries**

	April 2004	July 2004	October 2004	January 2005	April 2005
Major group industries	seasonally adjusted				
Non-durable goods	7	12	8	4	5
Food	1	11	21	5	30
Chemical	30	3	9	6	6
Petroleum and coal products	16	25	-2	21	22
Paper	4	4	7	6	6
Plastic and rubber products	8	10	19	10	11
Durable goods	11	10	14	-2	-3
Transportation equipment	17	12	6	0	-7
Primary metal	-10	8	4	-12	10
Wood products	14	10	8	-2	-9
Fabricated metal products	7	17	10	14	4
Machinery	27	27	17	13	12
Computer and electronic products	6	14	32	5	26



Other releases

Study: Organic fruit and vegetable production

2000 to 2003

Canada's organic fruit and vegetable industry is expanding, but very slowly, and sales still represent a niche market in most parts of Canada, according to a new study.

Indications from the media and other sources show that consumer interest and demand for organic products is still growing. But it is clear that the emerging market for organic products is a great deal more complicated than it first appears, the study found.

It is also clear that new producers should not expect to automatically receive a premium price for organic fruit and vegetables unless they can produce a premium product and sell it in the right market.

As with most businesses, those farmers who have a production plan and a clear idea of their target market have the best chance of capturing the organic price premium that is evident in the market.

This study challenges the perception that farmers get a premium price for organic produce. Its scope was limited to the organic producers who sell 100% of their fresh fruit and vegetables directly to the consumer, or (for the analysis of gross revenue) to the general fresh market.

Statistics Canada began tracking the significance of the organic food production industry in 2000. This study compares participation rates, production locations, rates of expansion and revenues generated by organic fruit and vegetable producers to those of conventional producers between 2000 and 2003.

In 2000, about 640 farmers in Canada claimed to be using organic production methods. By 2003, that number had risen to 660.

The study showed that some organic crops generate a greater gross return per acre than conventional crops. An examination of the direct sale price shows that organic produce captures a price premium for most, but not all, of the commodities grown. This is probably due in part to the perceived health and taste benefits consumers believe they are buying.

For example, the average price of organically grown apples in British Columbia between 2001 and 2003 was 30 cents a pound, compared with 21 cents for non-organic apples. In Ontario, organic apples fetched

36 cents a pound on average, compared with 27 cents for non-organic.

The study found that due to the interaction of price and yield, farmers must choose which crop to grow if they wish to generate greater gross returns per acre than conventional methods. About half of the crops grown organically will generate greater gross returns per acre than regular methods.

From an agricultural perspective, most organically-grown crops have reduced yields. Farmers must experiment to determine what a particular crop requires if chemicals are not used. Nutrient uptake and moisture retention by the soil can be affected by what the farmer does, and when.

The *Vista on the Agri-Food Industry and the Farm Community Newsletter*, April 2005, entitled "Niche market or an expanding industry? Organic fruit and vegetable production in Canada" (21-004-XIE, free) is now available online. From the *Our products and services* page, under *Browse our Internet publications*, choose *Free*, then *Agriculture*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Bill Parsons (613-951-8727; bill.parsons@statcan.ca), Agriculture Division. ■

Payroll employment, earnings and hours

February 2005 (preliminary)

The average weekly earnings of payroll employees increased by \$3.89 in February to \$713.00 (seasonally adjusted).

The new earnings level was \$10.97 (+1.6%) higher than in February of last year. Industries showing the strongest year-over-year growth rates were: accommodation and food services (+6.2%), mining and oil and gas (+6.0%) and retail trade (+3.9%). Since February 2004, overall earnings growth was held back by lower than average increases in education services (+0.1%) and finance and insurance (+1.1%).

Payroll employment was up in February 2005 (+22,300 jobs), following a very slight increase in January (+1,400). Industries with the largest job gains in February were: education services (+4,000 jobs), wholesale trade (+3,600) and public administration (+3,500). By province, Ontario led the way with an increase of 8,800 jobs. Employment in Quebec was down (-12,000).

Available on CANSIM: tables 281-0023 to 281-0046.

Definitions, data sources and methods: survey number 2612.

Detailed industry data, data by size of enterprise based on employment, and other labour market indicators will be available soon in the monthly publication *Employment, Earnings and Hours* (72-002-XIB, \$26/\$257).

Data on payroll employment, earnings and hours for March will be released May 26.

For general information or to order data, contact Client Services (1-866-873-8788; 613-951-4090; fax: 613-951-2869; labour@statcan.ca). To enquire about the concepts, methods or data quality of this release, contact Robert Frindt (613-951-4069), Labour Statistics Division.

Average weekly earnings for all employees

Industry group (North American Industry Classification System)	February 2004	January 2005 ^r	February 2005 ^p	January to February 2005	February 2004 to February 2005
seasonally adjusted					
	\$			% change	
Industrial aggregate	702.03	709.11	713.00	0.5	1.6
Forestry, logging and support	881.96	880.99	887.36	0.7	0.6
Mining and oil and gas	1,230.58	1,294.61	1,304.80	0.8	6.0
Utilities	1,074.43	1,059.57	1,058.03	-0.1	-1.5
Construction	836.34	856.71	866.84	1.2	3.6
Manufacturing	856.58	859.53	870.16	1.2	1.6
Wholesale trade	799.06	801.47	811.27	1.2	1.5
Retail trade	444.42	457.98	461.78	0.8	3.9
Transportation and warehousing	754.96	762.80	765.17	0.3	1.4
Information and cultural industries	832.96	843.43	850.68	0.9	2.1
Finance and insurance	897.30	906.59	906.82	0.0	1.1
Real estate and rental and leasing	626.45	628.12	642.71	2.3	2.6
Professional, scientific and technical services	931.14	938.22	943.55	0.6	1.3
Management of companies and enterprises	872.45	866.77	880.19	1.5	0.9
Administrative and support, waste management and remediation services	547.09	558.15	566.92	1.6	3.6
Educational services	782.92	789.46	783.74	-0.7	0.1
Health care and social assistance	633.14	635.35	638.68	0.5	0.9
Arts, entertainment and recreation	417.13	409.85	420.88	2.7	0.9
Accommodation and food services	278.55	285.42	295.73	3.6	6.2
Other services (excluding public administration)	535.03	548.66	555.24	1.2	3.8
Public administration	876.09	884.41	887.30	0.3	1.3
Provinces and territories					
Newfoundland and Labrador	641.32	644.50	646.12	0.3	0.7
Prince Edward Island	554.88	562.99	562.33	-0.1	1.3
Nova Scotia	604.05	626.88	633.96	1.1	5.0
New Brunswick	635.18	648.04	656.34	1.3	3.3
Quebec	665.36	665.04	673.52	1.3	1.2
Ontario	745.94	748.00	752.78	0.6	0.9
Manitoba	630.67	646.78	655.88	1.4	4.0
Saskatchewan	638.33	659.42	656.68	-0.4	2.9
Alberta	725.28	751.40	759.23	1.0	4.7
British Columbia	693.30	694.03	692.89	-0.2	-0.1
Yukon	793.30	807.19	802.40	-0.6	1.1
Northwest Territories ¹	925.60	933.94	956.11	2.4	3.3
Nunavut ¹	768.18	797.94	793.67	-0.5	3.3

^r Revised estimates.

^p Preliminary estimates.

1. Data not seasonally adjusted.

Number of employees

Industry group (North American Industry Classification System)	December 2004	January 2005 ^r	February 2005 ^p	December 2004 to January 2005	January to February 2005
seasonally adjusted					
	'000			% change	
Industrial aggregate	13,621.3	13,622.7	13,645.0	0.0	0.2
Forestry, logging and support	51.7	48.3	48.8	-6.6	1.0
Mining and oil and gas	161.1	159.6	160.6	-0.9	0.6
Utilities	122.1	121.4	121.1	-0.6	-0.2
Construction	677.2	673.1	673.1	-0.6	0.0
Manufacturing	1,988.6	1,977.8	1,974.7	-0.5	-0.2
Wholesale trade	739.9	742.7	746.3	0.4	0.5
Retail trade	1,678.4	1,683.4	1,683.0	0.3	0.0
Transportation and warehousing	622.2	622.0	622.0	0.0	0.0
Information and cultural industries	344.4	345.5	346.2	0.3	0.2
Finance and insurance	576.5	579.6	580.7	0.5	0.2
Real estate and rental and leasing	239.1	242.6	243.9	1.5	0.5
Professional, scientific and technical services	661.1	661.8	658.7	0.1	-0.5
Management of companies and enterprises	91.5	91.3	92.2	-0.2	1.0
Administrative and support, waste management and remediation services	639.7	637.9	638.8	-0.3	0.1
Educational services	986.1	984.3	988.3	-0.2	0.4
Health care and social assistance	1,381.8	1,377.8	1,380.4	-0.3	0.2
Arts, entertainment and recreation	245.3	244.1	244.7	-0.5	0.2
Accommodation and food services	948.1	949.7	951.0	0.2	0.1
Other services (excluding public administration)	509.4	508.0	510.0	-0.3	0.4
Public administration	774.1	771.3	774.8	-0.4	0.5
Provinces and territories					
Newfoundland and Labrador	190.1	186.1	185.5	-2.1	-0.3
Prince Edward Island	64.5	63.5	63.9	-1.6	0.6
Nova Scotia	379.4	375.9	378.0	-0.9	0.6
New Brunswick	296.8	293.6	293.8	-1.1	0.1
Quebec	3,195.9	3,203.5	3,191.5	0.2	-0.4
Ontario	5,304.7	5,312.3	5,321.1	0.1	0.2
Manitoba	532.2	523.0	530.0	-1.7	1.3
Saskatchewan	406.6	405.1	408.1	-0.4	0.7
Alberta	1,510.3	1,512.8	1,520.4	0.2	0.5
British Columbia	1,698.8	1,693.4	1,698.1	-0.3	0.3
Yukon	16.0	16.1	16.2	0.6	0.6
Northwest Territories ¹	22.0	21.7	22.2	-1.4	2.3
Nunavut ¹	12.0	11.5	11.8	-4.2	2.6

^r Revised estimates.

^p Preliminary estimates.

1. Data not seasonally adjusted.



Hog inventories

First quarter 2005

Producers' inventories edged up during the first quarter of 2005 as exports persevered. Farmers had 14.7 million hogs on their farms as of April 1, 2005, up slightly from January 1, 2005, and only 0.8% higher than the same date in 2004.

Hog exports rose rapidly following the border closure to Canadian cattle in May 2003. During 2004, exports spiked to a record 8.5 million animals, 14.4% higher than exports in 2003, but an impressive 48.3% over 2002. Many of the exported animals were younger hogs for feeding in the United States.

Exports in the first quarter of 2005 remained strong at 2.1 million hogs, but were down 6.3% compared with the same quarter in 2004.

Hog prices, which were soft in 2002 and 2003, rebounded in 2004. High US demand pushed prices upwards. Even though anti-dumping duties were imposed by the United States in October of 2004, the first quarter prices were 12.7% above the same quarter last year. The duties were lowered in March 2005 to 10.6% and lifted following an April 6, 2005 negative determination by the International Trade Commission.

As demonstrated by various indicators, the efficiency of Canadian hog production continues to

improve. The Canadian average output per sow has risen from 15.0 hogs a decade ago to 19.8 today. The number of pigs saved per sow farrowed now rests at 9.4, up from 8.8 a decade ago.

At the same time, the number of days to market has dropped from an average of 196 days 10 years ago to only 140 days. Partially, this is because younger animals are being marketed to the United States to be fed south of the border. And, it is no surprise that hog farms are getting larger, some 250% larger over the past 10 years. The average farm now has an inventory of 1,100 hogs.

Strong hog prices, low feed costs, efficient production and record exports have had a beneficial impact on producers' pocket-books. Hog farm cash receipts reached \$4.2 billion in 2004, rising 25% from the previous year.

Available on CANSIM: table 003-0004.

Definitions, data sources and methods: survey number 3460.

The report *Hog Statistics*, Vol. 4, no. 2 (23-010-XIE, free) is now available online. From the *Our products and services* page, under *Browse our Internet publications*, choose *Free*, then *Agriculture*.

For general information, contact client services (1-800-465-1991). To enquire about the concepts, methods or data quality of this release, contact Robert Plourde (613-951-8716; robert.plourde@statcan.ca), Agriculture Division.

Hog inventories

April 1, 2005

	Breeding		Market hogs				Total hogs	
	2005	2004 to 2005	2005	2004 to 2005	2005	2004 to 2005	2005	2004 to 2005
			Under 20 kg		20 kg and over			
	'000 head	% change	'000 head	% change	'000 head	% change	'000 head	% change
Canada	1,645	1.0	4,536	1.8	8,499	0.3	14,680	0.8
Atlantic	34	-1.2	104	-4.5	217	-2.6	354	-3.0
Quebec	423	0.0	1,289	4.0	2,553	-0.2	4,265	1.1
Ontario	436	-2.0	1,146	-1.6	2,013	-1.8	3,594	-1.8
East	893	-1.0	2,538	1.0	4,782	-1.0	8,213	-0.4
Manitoba	376	3.7	1,020	4.0	1,515	1.2	2,910	2.5
Saskatchewan	133	2.4	335	6.0	890	7.3	1,358	6.5
Alberta	221	3.3	592	-1.2	1,212	-0.4	2,025	-0.2
British Columbia	23	6.1	51	4.7	100	2.1	174	3.4
West	752	3.4	1,998	2.7	3,717	2.1	6,467	2.4

Note: Figures may not add up to totals due to rounding.

Stocks of frozen and chilled meats

April 2005

Total frozen and chilled red meat in cold storage at the opening of the first business day of April amounted to 92 556 metric tonnes, up 1% from 91 717 tonnes in March and up 6% from 87 113 tonnes in April 2004. Stocks of frozen poultry meat in cold storage on April 1st totalled 52 598 metric tonnes, up 4% from the same day one year ago.

Available on CANSIM: tables 003-0005 and 003-0041.

Definitions, data sources and methods: survey number 3423.

The April 2005 issue of *Stocks of Frozen and Chilled Meats* (23-009-XIE, free) is now available online. From the *Our products and services* page, under *Browse our Internet publications*, choose *Free*, then *Agriculture*.

For general information, call (1-800-465-1991). To enquire about the concepts, methods and data quality of this release, contact Barbara McLaughlin (902-893-7251; barbara.mclaughlin@statcan.ca), Agriculture Division. ■

Crude oil and natural gas

February 2005 (preliminary)

Crude oil production declined 12.0% in February, the third consecutive monthly year-over-year decrease. The drop is attributable to lower synthetic crude production in Alberta and decreased production in Newfoundland and Labrador. Crude oil exports, which accounted for 58.7% of total production, fell 11.7% compared with February 2004.

The year-to-date production of crude oil decreased 7.5% and crude oil exports were also down, dropping 7.9% over the same period last year.

Marketable natural gas production fell 2.8% over February 2004, while domestic sales decreased by 6.0%.

Year-to-date marketable production of natural gas fell 0.7%, while domestic sales dropped 4.7%.

Crude oil and natural gas

	February 2004	February 2005	February 2004 to February 2005 % change
	thousands of cubic metres		
Crude oil and equivalent hydrocarbons¹			
Production	12 199.8	10 736.9	-12.0
Exports	7 141.6	6 305.1	-11.7
Imports ²	4 263.1	4 924.7	15.5
Refinery receipts	8 854.5	9 122.7	3.0
	millions of cubic metres		% change
Natural gas³			
Marketable production	14 062.4	13 673.7	-2.8
Exports	8 767.5	8 938.0	1.9
Canadian domestic sales ⁴	8 403.1	7 898.4	-6.0
	January to February 2004	January to February 2005	January - February 2004 to January - February 2005
	thousands of cubic metres		% change
Crude oil and equivalent hydrocarbons¹			
Production	24 815.6	22 955.3	-7.5
Exports	15 128.6	13 939.7	-7.9
Imports ²	8 890.8	9 560.7	7.5
Refinery receipts	18 633.4	18 335.5	-1.6
	millions of cubic metres		% change
Natural gas³			
Marketable production	29 327.7	29 114.8	-0.7
Exports	18 145.0	18 969.8	4.5
Canadian domestic sales ⁴	18 205.8	17 351.0	-4.7

1. Disposition may differ from production because of inventory change, industry own-use, etc.

2. Crude oil received by Canadian refineries from foreign countries for processing. Data may differ from International Trade Division (ITD) estimates because of timing differences and the inclusion of crude oil landed in Canada for future re-export in the ITD data.

3. Disposition may differ from production because of inventory change, usage as pipeline fuel, pipeline losses, line-pack fluctuations, etc.

4. Includes direct sales.

Available on CANSIM: tables 126-0001 and 131-0001.

Definitions, data sources and methods: survey number 2198.

Preliminary data at the provincial level are now available up to February 2005.

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; energ@statcan.ca), Manufacturing, Construction and Energy Division. ■

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