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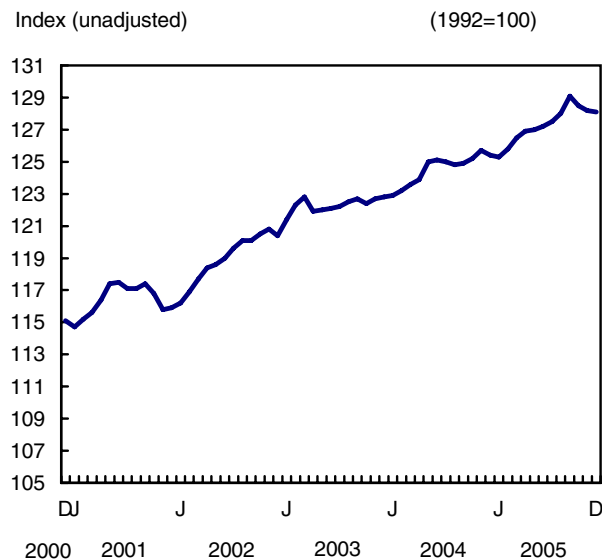
Releases

Consumer Price Index

December 2005

In December 2005, consumers paid 2.2% more than in December 2004 for the goods and services included in the Consumer Price Index (CPI) basket, a slight increase compared to the 2.0% rise in November. The 12-month change in the All-items index excluding energy was up 1.4% from December 2004 to December 2005, the same rate of increase as for November 2005.

The Consumer Price Index



Gasoline prices were the main factor of the increase in the 12-month change in the All-items index between November and December. Although gasoline prices have continued to recede from their peak of September 2005, their level in December 2005 was still higher than that of December 2004.

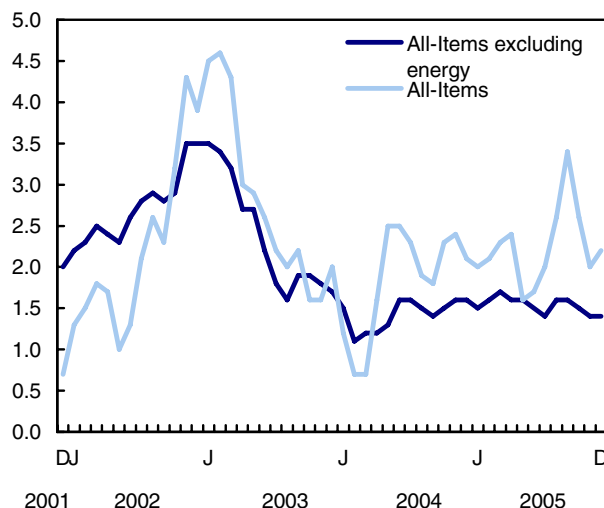
The All-items index excluding the eight volatile components identified by the Bank of Canada rose by 1.6% between December 2004 and December 2005, matching the increase in November.

On a monthly basis, the All-items index slid 0.1% between November and December after dropping 0.2% in November. The fact that gasoline prices did not drop as sharply as in the previous month attenuated the decrease in the All-items index.

The All-items index excluding the eight volatile components identified by the Bank of Canada decreased by 0.1% in December, compared to an increase of 0.4% in November.

Percentage change from the same month of the previous year

% change



Once again, the CPI is up under the influence of gasoline prices

In December, the CPI was 2.2% higher compared with December 2004. The main factors behind this increase were gasoline prices, homeowners' replacement cost and restaurant meals.

These increases were moderated by lower prices for computer equipment and supplies, and for fresh vegetables.

Following a 12-month rise of 9.4% in November, gasoline prices increased 14.6% between December 2004 and December 2005. Higher prices were posted in all provinces and ranged from increases of 7.3% in Manitoba to 18.0% in Ontario.

Homeowners' replacement cost, which represents the worn out structural portion of housing and is estimated using new housing prices (excluding land), rose 5.0% compared to December 2004. This index has increased continually since February 1997. The

upward pressure came mainly from higher material and labour costs.

Prices for restaurant meals increased by 2.8% between December 2004 and December 2005. All provinces recorded increases ranging from 2.2% in Nova Scotia to 3.5% in Quebec.

Exerting a dampening effect on the 12-month change in the All-items index, the index for computer equipment and supplies plunged 18.1% compared to December 2004. On average for the 2005 calendar year, these prices were 20.6% lower than those of 2004.

Also exerting a dampening effect were prices for fresh vegetables, which fell 5.8% between December 2004 and December 2005. Prices for tomatoes (-39.7%) and lettuce (-19.9%) accounted for most of this decrease.

For six of the eight major components of the CPI, prices in December 2005 were higher than those of December 2004. The indexes for transportation (+4.3%), shelter (+2.8%) and food (+1.7%) exerted the strongest upward pressure. The indexes for clothing and footwear (-0.4%) and for recreation, education and reading (-0.2%) exerted downward pressure.

On average, prices for 2005 have been higher than in 2004

For 2005 as a whole, consumers paid an average of 2.2% more than they did in 2004 for the goods and services included in the CPI basket, up from the 1.9% annual average rise measured in 2004.

The main contributors to this increase were gasoline (+12.8%), homeowner's replacement cost (+5.2%), restaurant meals (+2.9%), property taxes (+4.1%), as well as fuel oil (+25.5%). Many factors had a moderating effect on this increase such as computer equipment and supplies (-20.7%) and traveller accommodation (-4.8%).

The 1.6% annual average rise in the All-items index excluding the eight volatile components identified by the Bank of Canada was slightly higher than the 1.5% increase of 2004.

An annual average index is obtained by averaging the index levels of the 12 months of the calendar year. The change in an annual average index should not be confused with the 12-month change which compares the index level for a given month to its level for the same month of the previous year.

For a third consecutive month, the month-over-month variation is negative

The CPI slipped 0.1% between November and December, from a level of 128.2 to 128.1 (1992=100). Lower prices for natural gas, women's clothing and fuel

oil were almost completely offset by higher prices for fresh vegetables and fresh fruit.

The 6.1% drop in natural gas costs is fully attributable to decreases in Alberta (-23.1%) and Quebec (-4.3%) in December. These decreases affected natural gas prices only and not distribution charges or consumer credits.

Prices for women's clothing fell by 2.8% in December as a result of pre-Christmas sales. Prince Edward Island posted the most substantial decrease (-12.0%), while Saskatchewan (+2.3%), Nova Scotia (+2.3%) and New Brunswick (+0.4%) recorded higher prices.

Fuel oil prices fell 4.9% in December. All provinces recorded decreases, ranging from 2.6% in Quebec to 9.1% in British Columbia.

A 9.0% rise in fresh vegetable prices exerted a dampening effect on the decrease in the All-items index. Although all categories of vegetables showed increases, higher prices for "other fresh vegetables" (+8.7%) and tomatoes (+20.7%) played a strong role in pushing up the index.

For the third straight month, the monthly change in the fresh fruit index showed an upward trend, rising by 4.3% in December 2005. All categories of fresh fruit showed higher prices, with increases for apples (+3.7%), oranges (+2.6%), bananas (+3.2%) and "other fresh fruits" (+5.3%).

The seasonally adjusted CPI increased between November and December

Seasonally adjusted, the CPI was up 0.2% between November and December 2005.

Upward pressure came from the indexes for clothing and footwear (+0.5%), food (+0.1%), recreation, education and reading (+0.1%), as well as health and personal care (+0.2%).

The indexes for shelter (-0.3%), transportation (-0.1%), and alcoholic beverages and tobacco products (-0.3%) exerted downward pressure.

Only the index for household operations and furnishing remained stable in December.

All-items index excluding the eight volatile components

The All-items index excluding the eight volatile components identified by the Bank of Canada increased by 1.6% between December 2004 and December 2005. The main factors behind this increase were homeowners' replacement cost (+5.0%), restaurant meals (+2.8%), the purchase and leasing of automotive vehicles (+1.8%), and property taxes

(+3.2%). The increase was partially offset by lower prices for computer equipment and supplies (-18.1%) and traveller accommodation (-5.1%).

Between November and December 2005, the All-items index excluding the eight volatile components identified by the Bank of Canada edged down 0.1%. The major contributors to the downward pressure were lower prices for women's clothing (-2.8%), non-alcoholic beverages (-4.2%), and electricity (-0.9%). Most of the upward pressure came from restaurant meals (+0.3%) and homeowners' replacement cost (+0.4%).

Energy

Following an 8.8% rise between November 2004 and November 2005, the energy index was up 10.2% between December 2004 and December 2005.

Although all components contributed to the increase in the energy index in December 2005, the gasoline index (+14.6%) was the main factor. Prices for natural gas (+11.9%), fuel oil (+16.2%), electricity (+1.6%) and fuel, parts and supplies for recreational vehicles (+9.4%) also had an impact.

On a monthly basis, the energy index was down 1.7%, largely under the influence of prices for natural gas (-6.1%), fuel oil (-4.9%), gasoline (-0.6%)

and electricity (-0.9%) and, to a lesser extent, fuel, parts and supplies for recreational vehicles (-0.5%).

Available on CANSIM: tables 326-0001, 326-0002, 326-0009, 326-0012 and 326-0016 to 326-0018.

Definitions, data sources and methods: survey number 2301.

More information about the concepts and use of the CPI are also available online in *Your Guide to the Consumer Price Index* (62-557-XIB, free).

Available at 7 a.m. online under *Today's news releases from The Daily*, then *Latest Consumer Price Index*.

The December 2005 issue of the *Consumer Price Index*, Vol. 84, no 12 (62-001-XIB, \$9/\$83; 62-001-XPB, \$12/\$111) is now available. See *How to order products*.

The January 2006 Consumer Price Index will be released on February 22.

For more information, or to enquire about the concepts, methods or data quality of this release, call Mark Martin (1-866-230-2248; 613-951-9606; fax: 613-951-1539; infounit@statcan.ca), Prices Division.

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Consumer Price Index and major components (1992=100)

	Relative importance ¹	December 2005	November 2005	December 2004	November to December 2005	December 2004 to December 2005
unadjusted						
					% change	
All-items	100.00²	128.1	128.2	125.4	-0.1	2.2
Food	16.89	129.3	128.4	127.2	0.7	1.7
Shelter	26.75	125.7	126.1	122.3	-0.3	2.8
Household operations and furnishings	10.58	116.2	116.2	115.3	0.0	0.8
Clothing and footwear	5.37	100.4	101.8	100.8	-1.4	-0.4
Transportation	19.79	152.1	152.2	145.8	-0.1	4.3
Health and personal care	4.52	121.5	121.7	119.1	-0.2	2.0
Recreation, education and reading	11.96	126.6	127.1	126.9	-0.4	-0.2
Alcoholic beverages and tobacco products	4.13	147.5	148.3	144.5	-0.5	2.1
All-items (1986=100)		164.1				
Purchasing power of the consumer dollar expressed in cents, compared to 1992		78.1	78.0	79.7		
Special aggregates						
Goods	48.84	122.7	123.1	120.1	-0.3	2.2
Services	51.16	134.1	134.0	131.4	0.1	2.1
All-items excluding food and energy	74.27	124.5	124.6	122.9	-0.1	1.3
Energy	8.84	162.3	165.1	147.3	-1.7	10.2
All-items excluding the eight most volatile components ³	82.75	127.6	127.7	125.6	-0.1	1.6

1. 2001 CPI basket weights at June 2004 prices, Canada - Effective July 2004. Detailed weights are available under the Documentation section of survey 2301 at (<http://www.statcan.ca/english/sdds/index.htm>).
2. Figures may not add to 100% due to rounding.
3. Excluded from the All-items CPI are the following eight volatile components, as defined by the Bank of Canada: fruit, fruit preparations and nuts; vegetables and vegetable preparations; mortgage interest cost; natural gas; fuel oil and other fuel; gasoline; inter-city transportation; and tobacco products and smokers' supplies. The Bank of Canada further adjusts this series to obtain their measure of core inflation, which also excludes the effect of changes in indirect taxes. For data and information on core inflation, please consult the Bank of Canada Web site (www.bankofcanada.ca/en/inflation/index.htm).

Consumer Price Index by province, and for Whitehorse, Yellowknife and Iqaluit¹ (1992=100)

	December 2005	November 2005	December 2004	November to December 2005	December 2004 to December 2005
unadjusted					
				% change	
Newfoundland and Labrador	126.6	126.9	124.1	-0.2	2.0
Prince Edward Island	129.4	130.3	126.4	-0.7	2.4
Nova Scotia	130.9	130.7	127.5	0.2	2.7
New Brunswick	128.5	128.3	125.2	0.2	2.6
Québec	124.1	124.2	121.5	-0.1	2.1
Ontario	129.2	129.1	126.5	0.1	2.1
Manitoba	131.6	132.0	129.9	-0.3	1.3
Saskatchewan	132.7	132.8	130.9	-0.1	1.4
Alberta	135.4	136.1	132.2	-0.5	2.4
British Columbia	125.7	126.2	123.5	-0.4	1.8
Whitehorse ²	125.1	126.0	122.3	-0.7	2.3
Yellowknife	125.4	125.4	122.1	0.0	2.7
Iqaluit (Dec. 2002=100)	103.6	103.8	102.2	-0.2	1.4

1. Go online to view the geographical details for the city of Whitehorse, the city of Yellowknife and the town of Iqaluit.
2. Part of the increase first recorded in the shelter index for Yellowknife for December 2004 inadvertently reflected rent increases that actually occurred earlier. As a result, the change in the shelter index was overstated in December 2004, and was understated in the previous two years. The shelter index series for Yellowknife has been corrected from December 2002. In addition, the Yellowknife All-items CPI and some Yellowknife special aggregate index series have also changed. Data for Canada and all other provinces and territories were not affected.

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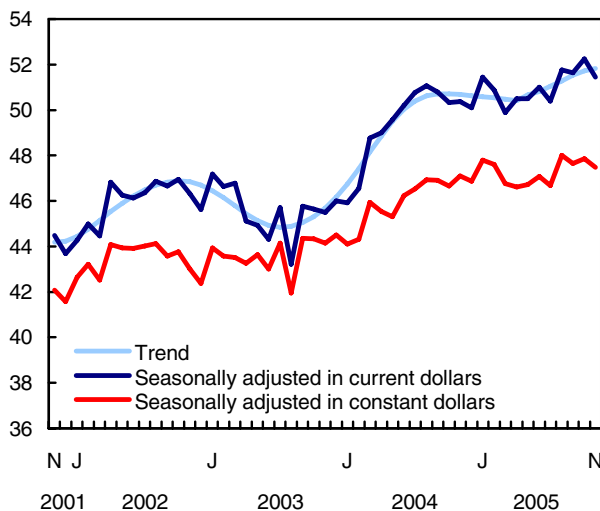
Monthly Survey of Manufacturing

November 2005

Large declines in petroleum prices and continued volatility in the auto sector were the driving forces behind the 1.5% drop in manufacturing shipments (\$51.4 billion) in November. New orders also decreased a sharp 1.8%, due to weakness in the transportation equipment sector.

Weakness in a few industries pulls down overall shipments

Billions of dollars



At 1997 prices, total shipments fell 0.8% to \$47.5 billion, as some manufacturers have cut production levels in recent months. This was the third decline in constant dollar shipments in the last five months.

Petroleum prices tumble

In November, gasoline and fuel oil prices took a dive from record levels as refineries along the US Gulf Coast came back online following extensive production disruptions caused by the 2005 hurricane season.

An 8.7% decline in the price of petroleum and coal products at the factory gate, coupled with production slowdowns due to maintenance at some plants, reduced petroleum shipments by 10.8% to \$4.5 billion. Excluding the price-influenced petroleum industry,

Note to readers

Non-durable goods industries include food, beverage and tobacco products, textile mills, textile product mills, clothing, leather and allied products, paper, printing and related support activities, petroleum and coal products, chemicals and plastics and rubber products.

Durable goods industries include wood products, non-metallic mineral products, primary metals, fabricated metal products, machinery, computer and electronic products, electrical equipment, appliances and components, transportation equipment, furniture and related products and miscellaneous manufacturing.

Unfilled orders are a stock of orders that will contribute to future shipments assuming that the orders are not cancelled.

New orders are those received whether shipped in the current month or not. They are measured as the sum of shipments for the current month plus the change in unfilled orders. Some people interpret new orders as orders that will lead to future demand. This is inappropriate since the "new orders" variable includes orders that have already been shipped. Readers should note that the month-to-month change in new orders may be volatile. This will happen particularly if the previous month's change in unfilled orders is closely related to the current month's change.

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

total manufacturing shipments decreased by a more modest 0.6%.

Volatility persists in motor vehicle manufacturing

Shipments of motor vehicles fell 5.1% to \$5.9 billion in November. Recent volatility in the auto sector has made 2005 motor vehicle manufacturing unpredictable.

Soaring gas prices, intense competition from foreign automakers and fickle consumer demand, in addition to retail incentives which seem to drive the sales of some models, have all contributed to some significant monthly fluctuations in motor vehicle production.

November's decline in motor vehicle manufacturing largely offset a surge in shipments in October (+8.0%), which was partly driven by the rush to supply showrooms with 2006 models. The trend for motor vehicle shipments has weakened significantly in recent months.

Other industries reporting decreases in November included chemical products (-6.5%) and motor vehicle parts (-5.7%) manufacturing. Partly counterbalancing the overall decrease, shipments of primary metals surged 7.0% to \$4.1 billion, due to strong global

demand and rising industrial prices for primary metal products.

Despite the drop in shipments, most industries post increases

Only 8 of the 21 manufacturing industries reported lower shipments in November, but among the 8 were some of the largest, accounting for 50.6% of the total.

Lower petroleum prices weakened shipments of non-durable goods by 2.9% to \$22.3 billion. Meanwhile, big-ticket, durable goods manufacturers reported a 0.4% decline in shipments to \$29.1 billion, the sixth decrease in 2005.

Higher shipments in most provinces

The majority of provinces and the territories posted higher shipments in November with Alberta (+\$68 million) and British Columbia (+\$65 million) as the primary movers. Only three provinces reported lower shipments, but the big players were among them, notably Ontario and Quebec, which comprise three-quarters of the total value of Canadian shipments.

Manufacturing shipments, provinces and territories

	October 2005 ^r	November 2005 ^p	October to November 2005
seasonally adjusted			
	\$ millions		% change
Canada	52,246	51,439	-1.5
Newfoundland and Labrador	219	239	8.9
Prince Edward Island	121	134	10.7
Nova Scotia	823	840	2.0
New Brunswick	1,353	1,194	-11.7
Quebec	12,318	12,220	-0.8
Ontario	26,754	25,948	-3.0
Manitoba	1,071	1,113	3.9
Saskatchewan	910	940	3.4
Alberta	5,069	5,137	1.3
British Columbia	3,601	3,666	1.8
Yukon	1	2	5.1
Northwest Territories including Nunavut	5	6	18.4

^r Revised.

^p Preliminary.

Shipments in Ontario dropped by \$807 million (-3.0%) to \$25.9 billion, due to declines in the motor vehicle and parts industries, as well as petroleum and chemical manufacturing.

Also on the downside in November, shipments in New Brunswick fell by \$159 million (-11.7%) to \$1.2 billion, while Quebec's petroleum and chemical products industries contributed to a \$98 million (-0.8%) decrease, the first in three months.

Manufacturers receive fewer new orders

Following a strong October (+2.2%), notably fewer new orders were received by manufacturers in November. New orders fell 1.8% to \$51.7 billion, due to substantial decreases in the transportation equipment sector. Excluding transportation equipment, orders edged down by a modest 0.2%.

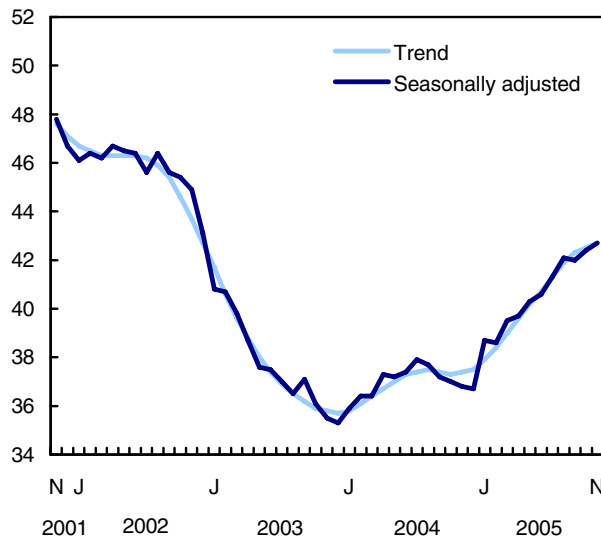
Decreases in the aerospace (-29.1%), motor vehicles (-3.8%) and the motor vehicle parts (-6.1%) contributed to the decline, counterbalancing the strength in primary metals (+8.0%) and machinery (+7.2%).

Upswing in unfilled orders continues

Although new orders abated substantially in November, manufacturers posted the highest level of unfilled orders in almost three years. Unfilled orders climbed another 0.6% to \$42.7 billion, the ninth increase so far in 2005, and now stand at 16% above levels of one year ago.

Manufacturers post another gain in unfilled orders

Billions of dollars



The growing backlog of orders may be considered a positive sign, but it may also be an indication of the lack of additional production capacity in Canada's manufacturing sector. According to the latest release of industrial capacity utilization rates, the rebound in exports, especially the strong gain in exports of automobile products, fuelled a boost in capacity use in the manufacturing sector to 86.9% in the third quarter of 2005, edging ever closer to a record high use.

November's gain in unfilled orders was wide ranging with increases reported by the computer (+3.2%), primary metals (+3.7%) and machinery (+1.2%) industries. Slightly offsetting the rise, manufacturers of railroad rolling stock registered a 4.1% decrease, as the industry continued to work through several contracts received earlier in the year.

Inventories continue to build

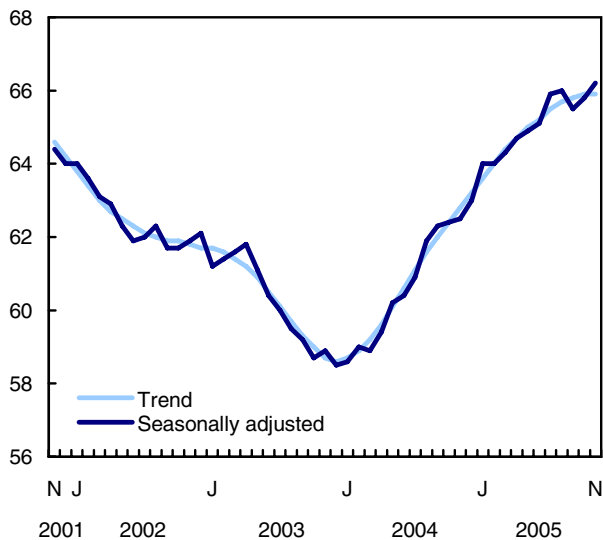
Manufacturers' inventories, which have been on a steady rise over the last two years, advanced another 0.6% to \$66.2 billion in November. Since December 2003 (\$58.5 billion), inventories have grown by \$7.7 billion (+13.1%) in value.

In November, sizeable gains in goods-in-process (+1.3%) and finished products (+0.6%) contributed to the overall rise in inventories. Inventories of raw materials also edged up by 0.3% to \$28.7 billion, rounding out the three stages of fabrication.

The main contributors to the increase in inventories included the petroleum (+9.1%) and machinery (+2.2%) industries. Strong demand for copper, steel products, and other primary metals contributed to a 2.0% drop in inventories of primary metals, partly offsetting the overall rise in total inventories.

Inventories continue to accumulate

Billions of dollars



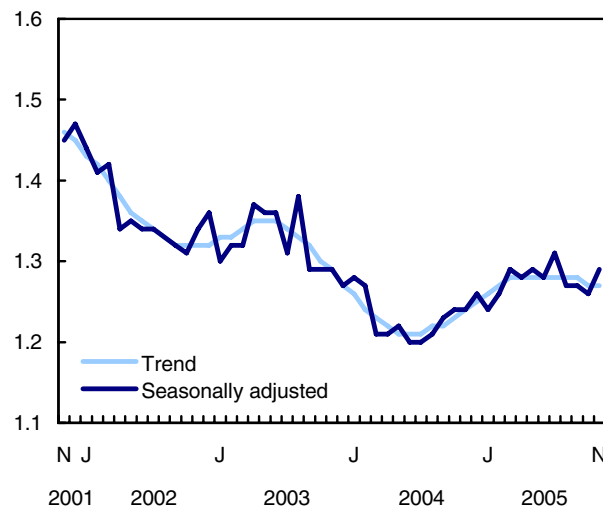
The inventory-to-shipment ratio on the rise again

The inventory-to-shipment ratio jumped to 1.29 in November from 1.26 in October. Substantially weaker shipment activity led to the sharp rise in the ratio, which remained just below the year-high of 1.31 set in July.

The inventory-to-shipment ratio is a key measure of the time, in months, that would be required in order to exhaust inventories if shipments were to remain at their current level.

Big boost in the inventory-to-shipment ratio as shipments fall

Ratio



Available on CANSIM: tables 304-0014, 304-0015 and 377-0008.

Definitions, data sources and methods: survey number 2101.

All data are benchmarked to the 2001 Annual Survey of Manufactures.

Data from the December Monthly Survey of Manufacturing will be released on February 16.

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 Russell Kowaluk (613-951-0600, kowarus@statcan.ca), Manufacturing, Construction and Energy Division.

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Shipments, inventories and orders in all manufacturing industries

	Shipments		Inventories		Unfilled orders		New orders		Inventories-to-shipments ratio
	seasonally adjusted								
	\$ millions	% change	\$ millions	% change	\$ millions	% change	\$ millions	% change	
November 2004	50,373	0.1	62,547	0.2	36,791	-0.7	50,122	0.0	1.24
December 2004	50,089	-0.6	62,990	0.7	36,694	-0.3	49,992	-0.3	1.26
January 2005	51,448	2.7	64,046	1.7	38,714	5.5	53,468	7.0	1.24
February 2005	50,877	-1.1	64,048	0.0	38,637	-0.2	50,799	-5.0	1.26
March 2005	49,879	-2.0	64,273	0.4	39,541	2.3	50,783	0.0	1.29
April 2005	50,506	1.3	64,663	0.6	39,656	0.3	50,621	-0.3	1.28
May 2005	50,488	0.0	64,914	0.4	40,256	1.5	51,088	0.9	1.29
June 2005	51,004	1.0	65,061	0.2	40,609	0.9	51,357	0.5	1.28
July 2005	50,391	-1.2	65,933	1.3	41,327	1.8	51,109	-0.5	1.31
August 2005	51,755	2.7	65,982	0.1	42,095	1.9	52,523	2.8	1.27
September 2005	51,631	-0.2	65,523	-0.7	41,997	-0.2	51,533	-1.9	1.27
October 2005	52,246	1.2	65,761	0.4	42,405	1.0	52,653	2.2	1.26
November 2005	51,439	-1.5	66,181	0.6	42,677	0.6	51,711	-1.8	1.29

Manufacturing industries except motor vehicle, parts and accessories

	Shipments		Inventories		Unfilled orders		New orders	
	seasonally adjusted							
	\$ millions	% change	\$ millions	% change	\$ millions	% change	\$ millions	% change
November 2004	41,903	0.6	58,696	0.3	34,956	-0.8	41,634	0.2
December 2004	41,437	-1.1	59,082	0.7	34,770	-0.5	41,251	-0.9
January 2005	42,233	1.9	60,120	1.8	36,614	5.3	44,078	6.9
February 2005	42,085	-0.4	60,263	0.2	36,357	-0.7	41,828	-5.1
March 2005	41,891	-0.5	60,435	0.3	37,249	2.5	42,783	2.3
April 2005	42,228	0.8	60,748	0.5	37,406	0.4	42,385	-0.9
May 2005	42,241	0.0	61,066	0.5	38,027	1.7	42,862	1.1
June 2005	42,531	0.7	61,172	0.2	38,484	1.2	42,988	0.3
July 2005	42,226	-0.7	61,844	1.1	39,092	1.6	42,834	-0.4
August 2005	42,805	1.4	61,968	0.2	39,881	2.0	43,593	1.8
September 2005	43,173	0.9	61,520	-0.7	39,794	-0.2	43,086	-1.2
October 2005	43,275	0.2	61,939	0.7	40,228	1.1	43,709	1.4
November 2005	42,942	-0.8	62,371	0.7	40,458	0.6	43,171	-1.2



Agriculture value added account 2004 (revised)

The value of agricultural production rose 2.5% in 2004. Among the major factors that contributed to the value were the sales of agricultural products, program payments and the value of inventory change.

The sales of agricultural products rose to \$38.3 billion in 2004, after a decline of almost 10% in 2003. The 2004 level remained slightly over the previous five-year average (1999 to 2003). It should be noted that 2002 and 2003 were two years where the consequences of back-to-back droughts and the closure of the US border to live cattle exports were strongly felt, weighing down the five-year average.

The increase in 2004 was mainly due to the 6.9% jump in sales of agricultural products to other sectors to \$31.5 billion. Higher revenues for crops and hogs in particular pushed sales up. For hogs, the jump was due largely to growth in revenue from domestic slaughter. Hog prices strengthened throughout 2004 as a result of robust exports and strong domestic demand. For crops, production of grains and oilseeds returned to more normal levels in 2003 following two consecutive droughts in Western Canada (2001 and 2002). This contributed to substantially higher deliveries for most major crops between January and June 2004 and higher Canadian Wheat Board payments.

Program payments reached a record \$4.9 billion in 2004. Payments remained well above the previous five-year average of \$3.3 billion. Canadian farmers received over \$1.1 billion through BSE-related programs in 2004. Withdrawals from the government portion of the Net Income Stabilization Account reached record levels in 2004 as farmers withdrew \$934 million from their government accounts. The Canadian Agricultural Income Stabilization program, implemented in 2004, delivered \$777 million.

The value of inventory change increased by \$1.8 billion. Back-to-back droughts in Western Canada sharply curtailed farm grain and oilseed inventories by the end of 2002. Consequently, the return to more normal production levels in 2003 and 2004 helped farmers to increase inventories. In the same way, the BSE crisis forced the producers to keep their livestock on the farm, causing an increase in inventories.

As a result, the total value of agricultural production edged up to \$47.4 billion. All provinces recorded increases in the total value of agricultural production, except in New Brunswick and Manitoba.

Please note that this series does not include data on depreciation which are available from the publication

Farm Operating Expenses and Depreciation Charges: Agriculture Economic Statistics (21-012-XIE, free).

Net value added, which is the value of production minus expenses on input, business taxes and depreciation, reached \$11.4 billion in 2004.

Available on CANSIM: table 002-0004.

Definitions, data sources and methods: survey number 5030.

The publication *Agriculture Value Added Account: Agriculture Economic Statistics*, January 2006, Vol. 4, no. 2 (21-017-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 Marco Morin (613-951-2074; marco.morin@statcan.ca), Agriculture Division. ■

Balance sheet of the agricultural sector December 31, 2004 (revised)

Farm liabilities at the end of 2004 were up 4.7% to \$44.9 billion from 2003, the 11th consecutive annual rise. Current liabilities increased 3.5% while long-term liabilities recorded an annual increase of 5.1%.

Farm sector equity in Canada was up 1.7% in 2004 to \$185.6 billion as both assets and liabilities rose. The value of farm real estate continued the steady growth started in 1988. It went up by 2.4% in 2004 and was the main contributor to the increase in assets.

The debt-to-asset ratio increased for the ninth consecutive year, and stood at 19.5% in 2004. This ratio, which measures the dependence of farm businesses on debt, reached a new record for the 1981 to 2004 period, slightly above the 19.0%, reached in 2003. The lowest ratio occurred in 1981 at 12.4%.

After reaching its lowest level since 1981 in 2003, the assets-to-current liabilities ratio went up slightly in 2004 to 2.045. The lower levels recorded in the past two years mean that the operators within the agriculture sector had a lower ability to pay short-term debts compared to the 1981 to 2002 period.

The interest coverage ratio, which indicates the ability to pay interest charges and to protect creditors from interest payment default reached 3.316, the highest level since 1996 and well above the previous 10-year average (1994 to 2003).

Available on CANSIM: table 002-0020.

Definitions, data sources and methods: survey number 5029.

The publication *Balance Sheet of the Agricultural Sector: Agriculture Economic Statistics*, January 2006, Vol. 4, no. 2 (21-016-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 Marco Morin (613-951-2074; marco.morin@statcan.ca), Agriculture Division. ■

Farm business cash flows

2004 (revised)

After consecutive decreases of 5.9% in 2002 and 28.8% in 2003, cash income increased to \$8.2 billion in 2004, the result of a 7.0% increase in the sales of primary agricultural products. The main increases in sales were recorded in the crop and hog sectors. Despite the rise in 2004, the level of cash income was slightly above the previous five-year average (1999 to 2003). The cattle sector, which was also facing a very difficult period in 2004 because of the BSE situation, saw a small decrease from 2003.

The amount of cash available for investment or withdrawal also went up in 2004. It increased by 8.8% from 2003 to \$9.9 billion. However, it remained 3.8% below the previous five-year average which was weighted down by difficult years in 2002 and 2003.

Cash available to producers was expanded through borrowing, resulting in a net change in loans outstanding reaching \$1.7 billion in 2004.

All provinces recorded increases in cash income, except Prince Edward Island, New Brunswick and Ontario. Alberta had the largest increase in 2004, after recording the largest decrease the year before. Alberta was the province hardest hit in 2003 by the combined effects of BSE and the droughts in 2001 and 2002. Farmers from Prince Edward Island recorded the largest decrease in percentage as a substantial decline in potato prices led to a 7.8% drop in the sales of primary production.

Please note that this series does not include data on depreciation which are available from the publication *Farm Operating Expenses and Depreciation Charges: Agriculture Economic Statistics* (21-012-XIE, free).

Available on CANSIM: table 002-0023.

Definitions, data sources and methods: survey number 5031.

The publication *Farm Business Cash Flows: Agriculture Economic Statistics*, January 2006, Vol. 4, no. 2 (21-018-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 Marco Morin (613-951-2074; marco.morin@statcan.ca), Agriculture Division. ■

Steel pipe and tubing

November 2005

Data on the production and shipments of steel pipe and tubing are now available for November.

Available on CANSIM: table 303-0046.

Definitions, data sources and methods: survey number 2105.

The November 2005 issue of *Steel, Tubular Products and Steel Wire* (41-019-XIE, \$6/\$51) will soon be available.

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. ■

Steel wire and specified wire products

November 2005

Data on steel wire and specified wire products production are now available for November.

Available on CANSIM: table 303-0047.

Definitions, data sources and methods: survey number 2106.

The November 2005 issue of *Steel, Tubular Products and Steel Wire*, (41-019-XIE, \$6/\$51), will soon be available.

For more information, or to enquire officer (1-866-873-8789; 613-951-9497;
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New products

Balance Sheet of the Agricultural Sector:
Agriculture Economic Statistics, January 2006,
Vol. 4, no. 2
Catalogue number 21-016-XIE
(free).

Agriculture Value Added Account: Agriculture
Economic Statistics, January 2006, Vol. 4, no. 2
Catalogue number 21-017-XIE
(free).

Farm Business Cash Flows: Agriculture Economic
Statistics, January 2006, Vol. 4, no. 2
Catalogue number 21-018-XIE
(free).

The Consumer Price Index, December 2005, Vol. 84,
no. 12
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• Productivity, hourly compensation and unit labour cost, 1995 Growth in productivity among Canadian businesses also noticeably weak again in 1996, accompanied by sluggish gains in employment and slow economic growth during the year.	4
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