

Statistics Canada

Wednesday, December 6, 2006

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Releases

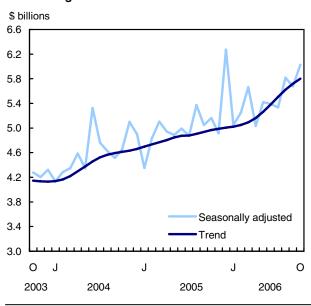
Building permits

October 2006

The value of building permits surged to their second highest level on record in October, thanks to huge gains in construction intentions for multi-family dwellings and commercial buildings.

Intentions surpassed the \$6-billion mark for only the second time, in the wake of a new record high for the value of non-residential permits.

The total value of permits surges to its second highest level



In total, municipalities issued just over \$6.0 billion in building permits, up 6.1% from September. This level was second only to the \$6.3 billion worth of permits municipalities issued in December 2005.

These results point to a busy winter on building sites as building permits are a leading indicator for construction activity.

The value of non-residential permits increased 9.1% to a record \$2.4 billion in October, the third consecutive monthly gain. This level was 5.7% higher than the previous peak reached in August 2005. The gain was due largely to a surge in the value of commercial permits in Alberta and British Columbia.

Construction intentions in the residential sector totalled \$3.6 billion, up 4.3% from September and the third gain in the last four months. It was due solely to a

Note to readers

Unless otherwise stated, this release presents seasonally adjusted data, which ease comparisons by removing the effects of seasonal variations.

The Building Permits Survey covers 2,380 municipalities representing 95% of the population. It provides an early indication of building activity. The communities representing the other 5% of the population are very small, and their levels of building activity have little impact on the total.

The value of planned construction activities shown in this release excludes engineering projects (e.g., waterworks, sewers or culverts) and land.

For the purpose of this release, the census metropolitan area of Ottawa–Gatineau is divided into two areas: Ottawa–Gatineau (Quebec part) and Ottawa–Gatineau (Ontario part).

jump in the value of multi-family permits. The value of single-family permits declined.

Provincially, contractors in Quebec took out a record high \$1.2 billion in the total value of permits, with gains in both sectors. In addition, Alberta still showed strong results, as the total value of permits remained virtually unchanged from the record high posted in September.

The largest gains (in dollars) occurred in British Columbia and Quebec. In British Columbia, the gain came from a surge in commercial permits, leading the overall value to over \$1.1 billion, just 1.8% below the record set in March 2006.

On a year-to-date basis, the cumulative value for the first 10 months of 2006 reached \$54.7 billion, up 10.3% from the same period in 2005. Gains in both residential (+9.6%) and non-residential (+11.5%) sectors contributed to the overall growth.

Residential sector: Jump in multi-family permits

The value of multi-family permits increased 15.4% to \$1.4 billion in October, the second highest level on record and the third gain in the last four months.

On the other hand, municipalities issued \$2.2 billion worth of single-family permits, down 1.7% from September.

Among the provinces, eight showed increases in their value of housing permits in October. The largest gain (in dollars) was recorded in Quebec (+19.7% to \$774 million), due to a jump in the value of multi-family permits.

Ontario came a distant second (+2.6% to \$1.2 billion), also fuelled by a strong gain in the multi-family component.

Since the beginning of the year, municipal authorities have approved 196,030 new dwelling units, 2.3% higher than the total for the first 10 months of 2005.

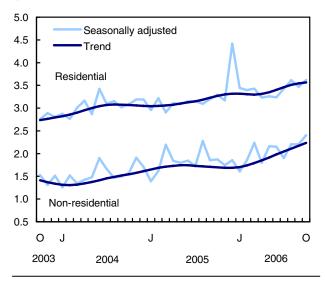
The number of multi-family units, which represented just under half (48.7%) of all units approved, increased 3.7%, while the number of single-family units rose 1.1%.

These numbers were boosted by the exceptional performance in Alberta. Without Alberta, the number of units approved at the national level would have declined 2.7%.

The demand for housing continued to be positively affected by the dynamic economy of Western Canada, the strong full-time employment level, the high level of immigration and the advantageous mortgage rates.

The value of non-residential permits reaches a new peak

\$ billions



Non-residential: Strong gains in commercial intentions

In the non-residential sector, building permits surpassed the \$2-billion threshold for the sixth time in 10 months this year.

The value of non-residential permits has been on an upward trend since the end of 2005.

Construction intentions in the commercial sector surged a spectacular 35.6% to \$1.5 billion, after falling 8.0% in September. This was a new monthly record, thanks to strong gains in the value of building permits in the hotel and restaurant category and for office and recreational buildings. This component has been on upward trend since October 2005.

In the institutional component, the value of building permits fell 22.8% to \$504 million in October, following a 25.9% gain the month before. This was largely the result of lower construction intentions for government administrative, medical and nursing home buildings. The value of permits for these types of buildings was high in September.

Six provinces and three territories showed losses in the institutional sector. In contrast, the largest gain (in dollars) occurred in British Columbia. Despite the decline, the value of institutional permits has been on an upward trend since April 2006.

Industrial intentions declined 13.9% in October to \$353 million, a second consecutive monthly decrease. This was mainly the result of a drop in the value of permits for manufacturing plants in Ontario.

In contrast, Quebec recorded the biggest increase (in dollars) to reach the highest level for this component since June 2005.

Despite the monthly decrease, the value of industrial permits has been on an upward trend since January 2006.

Several economic factors were consistent with a fertile environment for the non-residential sector, including growth in consumer spending and declining vacancy rates for office buildings. In addition, corporate operating profits hit a record high in the third quarter of 2006.

In contrast, manufacturers are anticipating tougher times ahead, with decreased production and employment in the coming months, according to Statistics Canada's latest Business Conditions Survey.

Provincially, the biggest gain occurred in British Columbia, where non-residential permits more than doubled (+124.1%) to \$531 million.

In contrast, the largest decline (in dollars) in the non-residential sector occurred in Ontario, where a huge drop in the industrial component more than offset gains in both commercial and institutional sectors.

At the national level, the cumulative value of non-residential permits was up 11.5% from the first 10 months of 2005. All three components (commercial, industrial and institutional) increased.

Metropolitan areas: Records tumble in Western Canada

Among the metropolitan areas, Calgary posted by far the largest gain (in dollars) for the first 10 months of 2006 compared with the same period last year. On a year-to-date basis, building permits in Calgary have increased 44.8% to \$4.5 billion.

With two months in the year to account for, the cumulative value for Calgary is already 14.5% higher

than the annual record set last year, thanks to strong results in both residential and non-residential sectors.

Edmonton posted the second largest gain in permits in dollars, followed closely by Vancouver. Edmonton and Saskatoon have also set annual records already. In both cases, the value of permits so far this year is slightly above their previous annual high reached in 2005.

Double-digits gains were recorded in the eight metropolitan areas west of Ontario.

The cumulative value of building permits declined in only 7 out of the 28 metropolitan areas. Ottawa and Hamilton showed the largest retreats in dollars.

Available on CANSIM: tables 026-0001 to 026-0008, 026-0010 and 026-0015.

Definitions, data sources and methods: survey number 2802.

The October 2006 issue of *Building Permits* (64-001-XWE, free) will be available soon.

The November 2006 building permit estimate will be released on January 10, 2007.

To order data, contact Jasmine Gaudreault (613-951-6321 or toll-free 1-800-579-8533; bdp_information@statcan.ca). For more information, or to enquire about the concepts, methods or data quality of this release, contact Étienne Saint-Pierre (613-951-2025), Investment and Capital Stock Division.

Value of building permits, by census metropolitan area¹

	September	October	September	January	January	January-October		
	2006 ^r	2006 ^p	to	to	to	2005		
			October	October	October	to		
			2006	2005	2006	January-October		
						2006		
	Seasonally adjusted							
	\$ millions		% change	\$ millions		% change		
St. John's	22.2	23.2	4.3	298.6	286.3	-4.1		
Halifax	51.1	74.8	46.4	502.0	548.5	9.3		
Saint John	17.3	12.9	-25.3	125.1	151.8	21.4		
Saguenay	10.5	17.9	70.4	146.0	162.1	11.0		
Québec	104.4	105.6	1.1	1,002.7	989.8	-1.3		
Sherbrooke	26.3	49.9	89.9	206.3	266.4	29.1		
Trois-Rivières	18.8	26.9	43.3	161.1	218.5	35.6		
Montréal	505.5	611.4	20.9	5,001.2	5,034.5	0.7		
Ottawa-Gatineau, Ontario/Quebec	166.0	206.2	24.3	1,929.9	1,862.7	-3.5		
Ottawa-Gatineau (Que. part)	43.4	65.3	50.5	350.6	438.0	24.9		
Ottawa-Gatineau (Ont. part)	122.6	141.0	15.0	1,579.3	1,424.7	-9.8		
Kingston	10.8	9.0	-16.0	162.6	199.7	22.9		
Oshawa	82.5	55.7	-32.4	786.6	742.7	-5.6		
Toronto	987.9	1,022.4	3.5	8,713.8	9,060.5	4.0		
Hamilton	109.8	83.3	-24.1	959.8	780.8	-18.7		
St. Catharines–Niagara	39.0	26.6	-31.8	435.3	443.7	1.9		
Kitchener	49.3	72.0	46.1	738.2	762.5	3.3		
London	59.9	66.3	10.7	695.6	758.8	9.1		
Windsor	76.2	23.3	-69.4	451.5	449.3	-0.5		
Greater Sudbury / Grand Sudbury	21.2	30.5	44.2	159.7	197.5	23.7		
Thunder Bay	5.2	14.9	186.8	109.6	80.3	-26.7		
Winnipeg	88.8	51.8	-41.7	549.5	732.9	33.4		
Regina	59.7	40.7	-31.8	203.2	318.4	56.7		
Saskatoon	35.9	33.6	-6.2	302.8	367.1	21.3		
Calgary	634.0	500.3	-21.1	3,101.5	4,489.9	44.8		
Edmonton	356.1	355.6	-0.1	2,376.8	2,919.0	22.8		
Abbotsford	29.3	21.0	-28.2	262.7	299.6	14.0		
Vancouver	504.8	624.5	23.7	4,665.1	5,180.1	11.0		
Victoria	40.9	113.7	178.2	621.2	683.9	10.1		

r revised

Note: Data may not add to totals as a result of rounding.

^p preliminary

^{1.} Go online to view the census subdivisions that comprise the census metropolitan areas.

October

September

19.7

19.6

-1.8

26

-8.4

-29.3

-2.3

-57.6

-28.4

-49.4

-0.2

1.3

-2.0

26.0

-9.4

124.1

-67.5

-47.2

-78.3

-63.5

-55.1

-67.9

-1.2

-0.4

-100.0

6.0

January

6,487.3

3,415.4

19,301.0

11,941.9

7,359.1

1,141.6

682.5

459.1

967.7

394.7

573.0 11,357.3

6,901.0

4,456.2

9,375.6

6,112.6

3,263.0

88.9

32.7

56.2 35.3

16.5

18.7

43.4

20.4

23.0

January

6,691.2

2,858.2

19,421.1

11,691.0

7,730.1

908.7

541.4

367.2

712.0

312.0

399.9

8,203.7

4,834.1

3,369.6

8,297.2

5,587.6

2,709.6

53.7

38.7

15.0 66.7

27.5

39.2

12.3

10.0

2.3

January-October

-3.0

19.5

-0.6

2.1

-4.8

25.6

26.1

25.0

35.9

26.5

43.3 38.4

42.8

32.2

13.0

9.4

20.4

65.6

-15.6

275.7 -47.1

-39.9

-52.3

253.0

103.5

919.4

September

646.2

349.1

782.3

130.0

66.5

63.5

132.3

50.0

82.3

738.7

597.0

893.6

656.7

236.9

11.3

3.9

7.4

7.1

2.4 4.7

1.3

1.3

0.0

1.335.7

1.955.6

1.173.3

Value of building permits, by province and territory

	ochiciibei	OCIODCI	Ocptombol	ouridary	oanaary	oandary October	
	2006 ^r	2006 ^p	to	to	to	2005	
			October	October	October	to	
			2006	2005	2006	January-October	
						2006	
	Seasonally adjusted						
	\$ millions		% change	\$ millions		% change	
Canada	5,678.1	6,026.7	6.1	49,564.9	54,660.9	10.3	
Residential	3,472.7	3,620.4	4.3	31,155.1	34,139.5	9.6	
Non-residential	2,205.3	2,406.3	9.1	18,409.9	20,521.3	11.5	
Newfoundland and Labrador	40.8	37.9	-7.1	428.5	423.2	-1.2	
Residential	21.2	27.8	31.2	279.0	282.7	1.3	
Non-residential	19.6	10.1	-48.6	149.5	140.5	-6.0	
Prince Edward Island	13.1	24.9	90.5	205.6	183.9	-10.6	
Residential	10.0	13.2	32.7	101.2	109.7	8.4	
Non-residential	3.1	11.7	276.1	104.4	74.3	-28.9	
Nova Scotia	95.5	127.4	33.4	994.0	1,073.5	8.0	
Residential	67.4	90.1	33.7	640.2	724.8	13.2	
Non-residential	28.2	37.3	32.5	353.8	348.7	-1.4	
New Brunswick	66.4	71.5	7.7	712.2	766.9	7.7	
Residential	35.2	45.8	30.3	401.0	432.7	7.9	
Non-residential	31.3	25.7	-17.8	311.2	334.2	7.4	
Quebec	995.3	1,191.1	19.7	9,549.4	9,902.7	3.7	
B							

773.6 417.5

1,920.5

1,204.1 716.4

91.8

64.9

26.9

94.7

53.0

41.7

1,333.1

748.1

585.0

595.2

531.0

3.7

2.1

1.6

2.6

1.1

1.5

1.2

1.2

0.0

1,126.2

revised

Nunavut

Residential

Ontario Residential

Saskatchewan

Manitoba

Alberta

Yukon

Non-residential

Non-residential

Non-residential

Non-residential

Non-residential

Non-residential

Residential

Residential

Residential

Residential

Residential

Non-residential Northwest Territories

Non-residential

Non-residential

Residential

Residential

British Columbia

Note: Data may not add to totals as a result of rounding.

5

preliminary

Farm operating revenues and expenses 2005 (preliminary)

Average operating revenues per farm increased 8.3% from 2004 to 2005 to \$221,211, up 13.7% in current dollars from the five-year average between 2000 and 2004, according to taxation records. At the same time, average operating expenses went up 8.4% to \$191,905.

As a result, operating margins edged down 0.2 cents to 13.2 cents per dollar of revenue from 2004, and down 0.5 cents from the previous five-year average.

The gain in average operating revenues was mostly due to an increase in average livestock revenues (+14.3%). The average cattle revenues grew 25.1% over 2004, mainly because of the re-opening of the US border to live cattle exports on July 18, 2005.

Average grain and oilseed revenues declined by 3.4% over 2004 — despite a 23.7% increase in revenues from soybean. Average revenues from the sale of corn, barley and wheat were all notably down as the prices of these commodities fell substantially.

In 2005, average dairy revenues went up 7.6%, while average poultry and egg revenues rose 6.9% compared to 2004. Moreover, average revenues from those supply-managed commodities have increased steadily in the last five years, up 22% from the previous five-year average.

Higher average operating expenses in 2005 were largely driven by an 11.6% advance in livestock expenses, in particular a 31.5% increase in cattle purchases. In the meantime, veterinary costs increased by 9.3%.

Average machinery expenses increased 12.4% in 2005, spurred by a 22.6% jump in fuel costs. Average

crop expenses also increased (+4.2%) as fertilizer costs were up by 5.5%.

Average marketing expenses rose a sharp 18.7% over 2004. Notable increases were also posted for rent, heating costs, custom work and machine rental.

Of the 11 major farm types, 7 posted higher operating margins in 2005. Canada's dairy farms were the only farms with operating margins above 20 cents on average at 25.0 cents per dollar of revenue, up 2.0 cents from 2004. Grain and oilseed farms posted the largest decline, with operating margins falling by 2.3 cents in 2005. Potato farms (+4.1 cents) posted the largest increase over 2004.

On the basis of sales, all sales classes posted increases in operating margins. Farms with operating revenues between \$250,000 and \$499,999 had the highest operating margins, estimated at 18.6 cents per dollar of revenue, up 0.1 cent from 2004.

Note: These estimates cover unincorporated farms with gross operating revenues of \$10,000 and over, and corporations with total farm sales of \$25,000 and over for which 50% or more of sales come from agricultural activities. These estimates exclude communal organizations such as Hutterite colonies. Operating margin is defined as one dollar minus operating expenses (before depreciation) per dollar of revenue.

Definitions, data sources and methods: survey number 3447.

For custom data requests, contact Client Services (toll-free 1-800-465-1991; 613-951-5027). For more information, or to enquire about the concepts, methods or data quality of this release, contact Daniel Michaud (613-951-0701), Agriculture Division.

Average	operating	revenues	and ex	kpenses	per fa	rm and	operating	margins ¹
					P			

	2004 ^r			2005 ^p			Year-over-year change	
	Average operating revenues	Average operating expenses	Operating margins ²	Average operating revenues	Average operating expenses	Operating margins ²	Average operating revenues	Average operating expenses
	dollars		cents	dollars		cents	%	
All farms	204,322	177,029	13.4	221,211	191,905	13.2	8.3	8.4
Grain and oilseed	140,227	115,393	17.7	150,636	127,369	15.4	7.4	10.4
Potato	617,809	541,005	12.4	746,060	623,194	16.5	20.8	15.2
Other vegetable and melon	307,043	269,459	12.2	340,767	293,873	13.8	11.0	9.1
Fruit and tree nut	160,337	139,359	13.1	179,648	159,547	11.2	12.0	14.5
Greenhouse, nursery and floriculture	721,572	657,112	8.9	746,796	674,790	9.6	3.5	2.7
Other crop	91,805	76,026	17.2	92,542	77,151	16.6	0.8	1.5
Beef cattle and feedlots	155,663	143,382	7.9	169,967	158,629	6.7	9.2	10.6
Dairy and milk production	340,168	262,051	23.0	379,343	284,607	25.0	11.5	8.6
Hog and pig	829,038	766,851	7.5	943,158	842,422	10.7	13.8	9.9
Poultry and egg	804,425	701,638	12.8	832,090	706,307	15.1	3.4	0.7
Other animal	98,132	95,727	2.5	102,346	98,722	3.5	4.3	3.1

r revised

Newspaper publishers

2005

The operating profit margin for Canadian newspaper publishers declined for the second consecutive year in 2005, as the growth in operating expenses outpaced the growth in revenue.

Data from the survey of newspaper publishers show that the industry's operating profit margin in 2005 was 13.3%, compared with 14.2% in 2004 and 15.1% in 2003.

Operating profits for the industry amounted to \$696 million in 2005, a \$20-million decline from the previous year.

Operating expenses rose 5.2% in 2005, mostly the result of higher printing and distribution costs. Salaries, wages, and benefits, which account for 39% of industry expenses, rose 1.1%.

In contrast, operating revenue increased 4.1%.

For the surveyed portion of the industry, nearly three-quarters of revenues consisted of advertising revenues. Advertising revenues increased 2.2% to almost \$3.9 billion in 2005, less than half the rate of growth of 4.6% in 2004.

Daily newspapers accounted for nearly \$2.8 billion of the industry's advertising revenues, compared to \$1.1 billion for community newspapers. Advertising revenues for both segments increased at the same pace in 2005.

Daily newspapers earned 35% of their advertising revenues from national advertising in 2005, while national advertising accounted for only 9% of advertising revenues for community papers.

On the other hand, local advertising accounted for 73% of ad revenue for community papers last year, and only 38% for daily newspapers.

National advertising revenues are earned from national or regional campaigns. Local advertising revenues are from department stores, restaurants, specialty stores and supermarkets found in the community, as defined by the Canadian Newspaper Association.

Despite a general trend toward declining circulation numbers, particularly for paid daily newspapers, circulation revenues rose 5.2% to \$871 million last year.

The increase for daily newspapers was due in part to changes in accounting for circulation revenues. They moved from reporting circulation revenues net of distribution expenses to reporting gross circulation revenues. Another factor was a 3.5% increase in the price of newspapers, as measured by the Consumer Price Index for newspapers.

The Internet has changed the way people access their news. According to the Canadian Internet Use Survey, 62% of Internet users chose to read news and sports articles online from their homes in 2005.

By offering consumers a choice between print and electronic news, newspaper publishers are able to reach a broader spectrum of readers.

Available on CANSIM: table 361-0003.

Definitions, data sources and methods: survey number 4710.

For more information, or to enquire about the concepts, methods or data quality of this release,

p preliminary

^{1.} These estimates exclude communal organizations such as Hutterite colonies.

^{2.} Defined as one dollar less operating expenses (before depreciation) per dollar of revenue.

contact Allison Bone (613-951-3010; fax: 613-951-6696; allison.bone@statcan.ca), Service Industries Division. ■

Innovation Analysis Bulletin

December 2006

The Innovation Analysis Bulletin focuses on trends in science, technology and the information society. The bulletin includes updates on government science and technology activities, industrial research and development, intellectual property commercialization, advanced technologies and innovation, biotechnology, connectedness, telecommunications and broadcasting, and electronic commerce.

Definitions, data sources and methods: survey number 4218.

The Innovation Analysis Bulletin, Vol. 8, no. 3 (88-003-XIE, free) is now available online. From the *Publications* page, under *Free Internet publications*, choose *Science and technology*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Rad Joseph (613-951-6830; fax: 613-951-9920; robert.joseph@statcan.ca) or Claire Racine-Lebel (613-951-6309; claire.racine-lebel@statcan.ca), Science, Innovation and Electronic Information Division.

Canadian Travel Survey: Domestic travel 2004

The Canadian Travel Survey provides a yardstick for identifying who is travelling, the types of trips they are taking and how much they are spending.

Throughout 2004, about 167,000 Canadians were interviewed about their trips in Canada, and about themselves and their households.

This survey provides valuable information for tourism industry decision-makers who seek ways of selling Canada as a tourist destination for Canadians through marketing strategies and product development.

Definitions, data sources and methods: survey number 3810.

The publication *Canadian Travel Survey: Domestic Travel*, 2004 (87-212-XIE, free) is now available from the *Publications* module of our website.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Tourism Client Services (613-951-9169; toll-free 1-800-307-3382; fax: 613-951-2909; cult.tourstats@statcan.ca), Culture, Tourism and the Centre for Education Statistics.

New products

Canadian Travel Survey: Domestic Travel, 2004 Catalogue number 87-212-XIE (free).

The Innovation Analysis Bulletin, Vol. 8, no. 3 Catalogue number 88-003-XIE (free).

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

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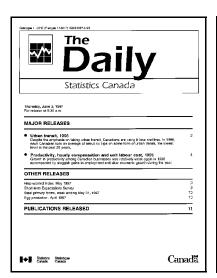
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