Catalogue 11-001-XIE (Français 11-001-XIF) ISSN 0827-0465

The Daily

Statistics Canada

Thursday, February 16, 2006
Released at 8:30 a.m. Eastern time

Releases

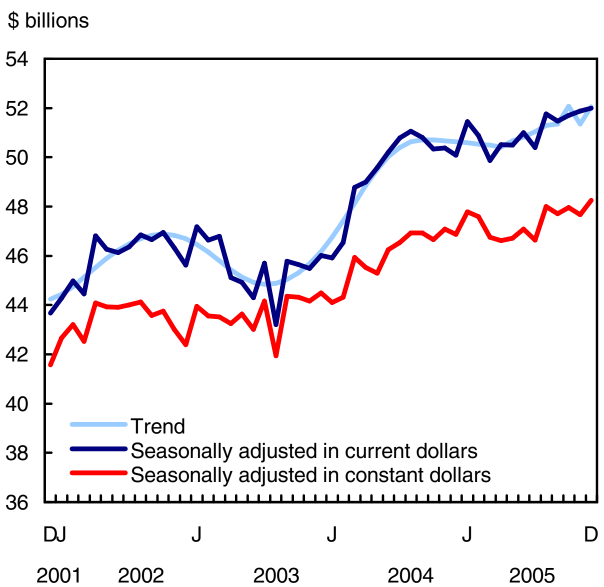
Releases

Monthly Survey of Manufacturing

December 2005

As 2005 drew to a close, volatility in the manufacturing sector continued. In December, manufacturers stepped up production with gains in the petroleum products and auto parts industries, although shipments essentially bounced back from a weak November.

Manufacturing shipments bounce back in December



Manufacturing shipments rose 1.4% to $52.1 billion in December, offsetting the 1.4% decline in November. Demand for a wide range of manufacturing goods, coupled with some factories returning to full production following temporary slowdowns in recent months, contributed to the year-end gain.

Manufacturers facing uphill battle

Alternating increases and decreases have been characteristic of the monthly shipment values in 2005. Despite December's sizeable increase in shipments, many manufacturers have been facing an uphill battle.

Soaring input costs, a very strong Canadian dollar and intense global competition have cut into the bottom line of the manufacturing sector. Although the upward trend for shipments persevered as 2005 drew to a close, the trend's pace has been gradually decelerating since the summer.

Thousands of factory jobs have been lost over the last year, as the sector attempts to restructure itself. According to the latest Labour Force Survey, there were 145,000 fewer manufacturing jobs in January 2006 compared to one year ago.

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.

Wide ranging gain in December

December's boost in shipments was widespread as 15 of 21 industries, accounting for three-quarters of total shipments, posted increases.

Nondurable goods industries, led by petroleum products, saw shipments increase by 1.7% to $22.8 billion. Manufacturers of big-ticket durable goods also reported higher shipments in December, rising 1.1% to $29.3 billion.

At 1997 prices, total shipments increased 1.2% to $48.3 billion in December, a sign that the increase was largely volume-based, in the current environment of rising industrial prices.

Bounce-back in shipments of petroleum and auto parts in December

Following consecutive decreases in October (-2.7%) and November (-10.0%), the price-influenced petroleum industry regained some ground in December to close the year up 6.4% to $4.8 billion.

Petroleum prices settled back a further 2.1% in December, and have declined 14% since their September peak. Despite lower prices, December's boost in shipments was partly due to the return by some refineries to full capacity following temporary maintenance slowdowns. Strong global demand for petroleum and coal products also fuelled the increase.

The end of short-term plant shutdowns in November contributed to the burst of activity in the motor vehicle parts industry. Shipments in December jumped 7.9% to $2.8 billion, following a 7.2% decline last month. Notwithstanding the sizeable gain, ongoing volatility in motor vehicle manufacturing continued to create some uncertainty for many parts manufacturers.

Partly counterbalancing some of the increase in shipments, manufacturers of aerospace products (-11.6%) and motor vehicles (-1.0%) closed 2005 with decreases.

Ontario and the West post strong shipment gains

Although six provinces reported lower shipments in December, big gains in Ontario, Alberta and British Columbia were more than enough to offset the overall declines.

Shipments in Ontario rose by $526 million (+2.0%) to close the year at $26.3 billion, but December's pick up followed a 3.0% drop in November. Despite the year-end rush, Ontario's manufacturers posted a lacklustre 2005; shipments were up only 1.0% for the year.

Sweeping gains contributed to a healthy December in Alberta and British Columbia. Shipments in Alberta surged by $149 million (+2.9%) to $5.4 billion, marking the fifth successive increase in the province's manufacturing sector. In British Columbia, shipments rose by $113 million (+3.1%) to $3.8 billion. The dominant wood and paper industries contributed to the increase.

Meanwhile, declines in Quebec (-$55 million) and Manitoba (-$46 million) manufacturing sectors partly offset some of the rise in total shipments.

New orders on the rise again in December

New orders rose 1.0% to $52.0 billion in December, following November's 2.1% decrease.

The main contributors to the higher orders received included the motor vehicle parts and railroad rolling stock industries. The increase was partly offset by fewer orders for machinery and primary metals.

Although the trend for new orders has been positive since late 2004, weakness in September and November caused the trend to recede in recent months.

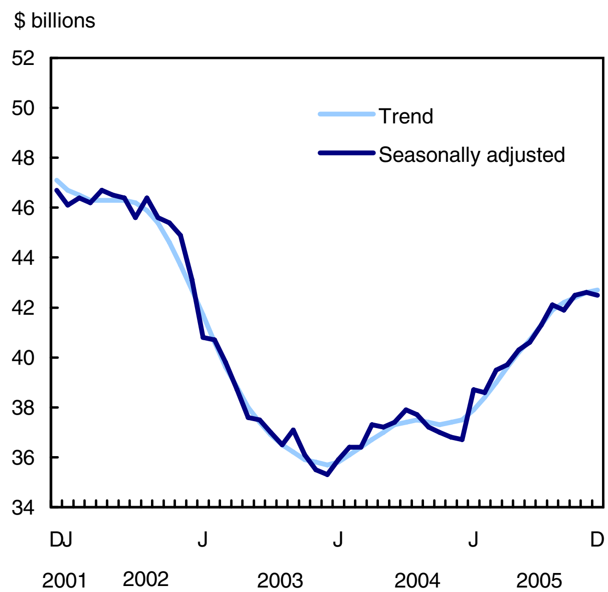
According to the January release of the forward-looking Business Conditions Survey, slightly more manufacturers raised concern over a decline in the level of new orders received compared to the final quarter of 2005.

Backlog of unfilled orders remains stable

Manufacturers' backlog of unfilled orders was essentially unchanged in December at $42.5 billion, down a modest 0.1% from November.

Working through contracts received earlier in the year, the machinery (-3.3%) and fabricated metal products (-3.7%) industries drew down their unfilled orders in December. Despite the declines, both industries had reported a sharp build-up in orders over the previous year, as both domestic and foreign economies invested in infrastructure and equipment.

Unfilled orders edge down slightly



On the positive side, demand for new aircraft and parts, as well as heavy-duty trucks contributed to a 1.1% gain in unfilled orders for aerospace manufacturing and an 8.5% boost in orders for motor vehicles, notably heavy trucks.

In 2005, unfilled orders have been on a steady rise. Burgeoning industries such as aerospace products and parts, machinery, fabricated metal products and computers contributed to a 16.2% rise in unfilled orders in December compared to the same month a year earlier. This is especially positive news for industries such as aerospace and computers, both of which have languished in recent years due to downturns in their respective sectors.

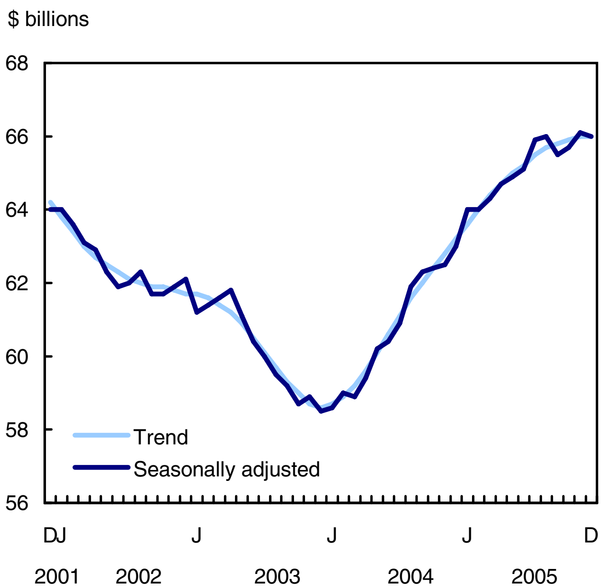
Manufacturers' inventories edge down

Inventories fell for only the second time in 2005, edging down 0.2% to $66 billion in December. Inventories had been steadily accumulating since early 2004.

A 0.9% surge in finished product inventories to $22.1 billion was more than offset by decreases in raw materials (-0.9%) and goods-in-process (-0.4%) inventories.

Lower inventories were reported by the computer (-3.2%) and railroad rolling stock (-13.2%) industries as manufacturers worked through recent orders.

Manufacturers' inventories ease down slightly

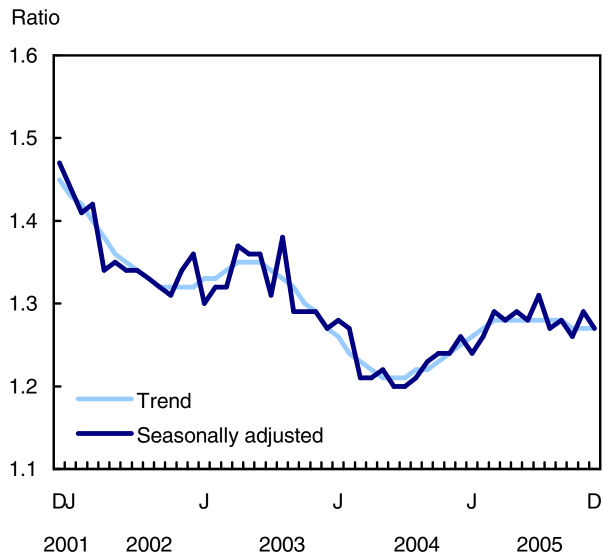


Higher shipments reduce the inventory-to-shipment ratio again

December's substantial gain in shipments was enough to pull down the inventory-to-shipment ratio to 1.27 from 1.29 in November. The volatility of shipments in recent months has also contributed to some flux in the ratio. Overall, the downward trend for the inventory-to-shipment ratio has been maintained.

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.

Inventory-to-shipment ratio eased back as shipments jump



Year in review: Challenges barrage manufacturers in 2005

For Canadian manufacturers, 2005 will be remembered as a year of many challenges. Manufacturers coped with the highest value of the Canadian dollar in over a decade, soaring input costs and record high prices for petroleum. In addition, the sector also contended with unprecedented competition in the increasingly open and global economy.

Because of the challenges, manufacturing shipments rose only 3.1% to $611.6 billion in 2005, compared to an 8.5% advance in 2004.

Higher industrial prices fuel shipment values

A significant share of the increase in shipments for 2005 was directly linked to soaring industrial prices for petroleum and other goods now in high demand.

Petroleum and coal product prices peaked in September due to robust demand coupled with supply concerns. Despite recent price declines, petroleum prices in December remained about 25% higher than one year ago.

Excluding the price-influenced petroleum industry, total manufacturing shipments rose a more modest 1.5% in 2005.

Autos and food continue to rank as the largest manufacturing industries

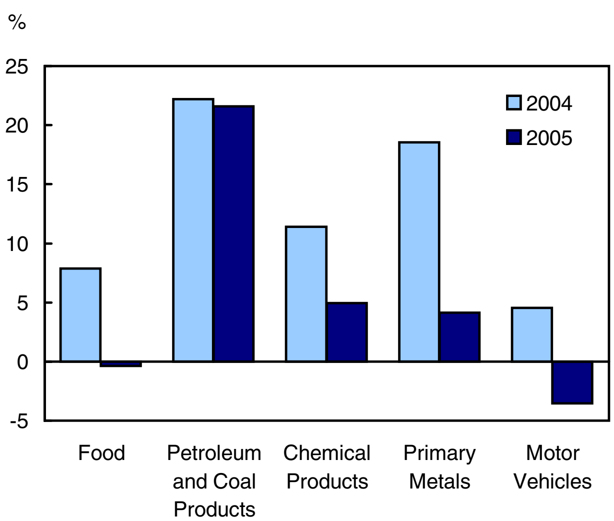
The assembly of motor vehicles remained Canada's largest manufacturing industry in 2005. Shipments were $69.7 billion, down 3.5% compared to 2004. Stiff competition, in addition to production slowdowns at some plants, contributed to the year-over-year drop.

Food manufacturers reported slightly lower shipments (-0.4%) of $68.4 billion for the year. Labour strife in the meat products industry partly contributed to the decrease in food shipments overall.

Rounding out the top five manufacturing industries in 2005 were petroleum, chemicals and primary metals. High demand, coupled with global supply concerns, drove up the value of petroleum and coal product shipments 21.6% to a record $54.7 billion in 2005.

Manufacturers of chemical products posted shipments of $47.9 billion, 5.0% higher than in 2004, while intense global demand for Canada's primary metals increased shipments by 4.1% to $46.4 billion.

Shipments, top five manufacturing industries, percentage change versus the previous year



Some industries hit hard in 2005

Notable industries hard hit in 2005 included wood products and clothing manufacturing. Shipments of wood products declined 6.0% to $35.4 billion, due in large part to significantly lower industrial prices for lumber.

Clothing manufacturers endured a tough 2005, the first full year since quotas on imported textile and clothing products disappeared as new rules from the World Trade Organization took affect. Contending with a flood of inexpensive Asian imports, Canadian clothing shipments plunged 12.9% to $5.6 billion in 2005, the lowest annual level since 1985.

A more detailed look at manufacturing shipments in 2005 will be released in the spring.

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 March 15.

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.

□

Manufacturing shipments, provinces and territories

	November 2005[r]	December 2005[p]	November to December 2005
	seasonally adjusted		
	$ millions		% change
Canada	**51,358**	**52,055**	**1.4**
Newfoundland and Labrador	255	242	-5.2
Prince Edward Island	131	126	-3.9
Nova Scotia	832	816	-1.9
New Brunswick	1,196	1,246	4.2
Quebec	12,213	12,158	-0.4
Ontario	25,804	26,329	2.0
Manitoba	1,106	1,061	-4.1
Saskatchewan	936	931	-0.6
Alberta	5,231	5,381	2.9
British Columbia	3,647	3,760	3.1
Yukon	1	2	4.3
Northwest Territories including Nunavut	6	4	-29.0

r *Revised.*
p *Preliminary.*

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	
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	51,359	-0.8	65,510	-0.7	41,947	-0.4	51,211	-2.5	1.28
October 2005	52,077	1.4	65,702	0.3	42,460	1.2	52,590	2.7	1.26
November 2005	51,358	-1.4	66,098	0.6	42,578	0.3	51,477	-2.1	1.29
December 2005	52,055	1.4	65,970	-0.2	42,530	-0.1	52,007	1.0	1.27

Manufacturing industries except motor vehicle, parts and accessories

	Shipments		Inventories		Unfilled orders		New orders	
	seasonally adjusted							
	$ millions	% change	$ millions	% change	$ millions	% change	$ millions	% change
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	42,981	0.4	61,503	-0.7	39,755	-0.3	42,855	-1.7
October 2005	43,198	0.5	61,878	0.6	40,296	1.4	43,740	2.1
November 2005	42,992	-0.5	62,287	0.7	40,371	0.2	43,067	-1.5
December 2005	43,541	1.3	62,111	-0.1	40,218	-0.4	43,388	0.7

■

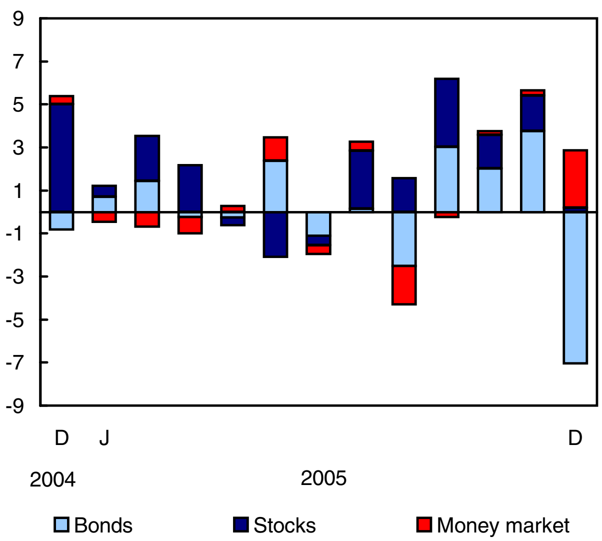
Canada's international transactions in securities

December 2005

Record retirements of foreign-held Canadian bonds led to an overall $7 billion reduction in non-resident holdings of these issues. This in turn resulted in a $4.2 billion overall reduction in foreign holdings of Canadian securities in December. There was some offset, however, as non-residents bought the largest amount of money market paper in almost six years.

Foreign portfolio investment in Canadian securities

Billions of dollars



Purchases of foreign bonds dominated the $3.5 billion Canadian investment in foreign securities in December following a $2.3 billion investment in November. Canadians also continued to invest in foreign equities in December while divesting some of their holdings in foreign money market paper.

Foreign holdings of Canadian bonds down significantly

The drop in foreign investment in Canadian bonds was the largest reduction since August 2003. The reduction was primarily due to net retirements (retirements less new issues) totalling $6.3 billion for the month.

Overall, foreign holdings of Canadian bonds fell across most sectors, with holdings of corporate and federal government issues leading the way. Holdings of US investors saw the largest reduction, down $5.1 billion. On a currency basis, the bulk of the foreign divestment over the month occurred in US dollar denominated bonds followed by Canadian dollar bonds.

For the year as a whole, foreign investment in Canadian bonds totalled $2.4 billion, little more than one-tenth of the value recorded in 2004. Again, net retirements played a major role in 2005 as retirements of foreign held Canadian bonds increased from 2004 while levels of new issues in foreign markets, particularly corporate issues, dropped considerably from previous years.

Hidden by the low overall investment total were the activities of investors from Asia, who made their largest annual investment in Canadian bonds since the late 1980s. The currency composition of non-resident holdings of Canadian bonds also shifted during the year as investment in Canadian bonds denominated in US dollars fell $6.5 billion, while investment in Canadian dollar bonds rose $3.7 billion and those in other currencies were up $5.1 billion.

After purchasing $231 million in Canadian money market paper in November, non-residents acquired $2.7 billion worth in December, their largest investment in these instruments since March 2000. The majority of December's investment occurred in federal government paper. Overall, US investors were responsible for most of the month's purchases.

Related market information

*Canadian short-term **interest rates** increased six basis points to 3.37% while US rates increased one basis point to 3.89%. Favouring investment in the United States, the differential between the two countries fell to 0.52%.*

Canadian long-term rates fell to 3.93%, a decrease of 13 basis points, with US rates falling 11 basis points to 4.38%. The resulting differential increased slightly to 0.45% favouring investment in the United States

*Canadian **stock prices** increased for the second consecutive month as the S&P/TSX Composite Index closed the year at 11,272.3. An increase of 4.1% from November's close and up nearly 22% over the year. Meanwhile, US stock prices as measured by the Standard and Poor's Composite Index remained steady in December ending 2005 at 1,248.3, an increase of 3% from last year's close.*

*The **Canadian dollar** rose marginally in December by 0.29 US cents ending the year at 85.98 US cents. For all of 2005, however, the dollar was up 2.79 US cents.*

Definitions

The data series on international security transactions cover portfolio transactions in stocks, bonds and money market instruments for both Canadian and foreign issues.

***Stocks** include common and preferred equities, as well as warrants.*

***Debt securities** include bonds and money market instruments.*

***Bonds** have an original term to maturity of more than one year.*

***Money market instruments** have an original term to maturity of one year or less.*

Although small in value, foreign investment in Canadian money market paper in 2005 was a reversal of the disinvestment over the last two years. Non-residents acquired $446 million worth, dominated by federal direct and corporate paper.

Pace of investment in Canadian equities affected by takeovers

Foreign purchasing of outstanding Canadian stocks continued for a sixth consecutive month ($1.9 billion in December) but was largely offset by special transactions associated with foreign takeovers of Canadian companies. The foreign takeovers of Canadian firms saw foreign portfolio shareholders sell their Canadian shares for cash, reducing their Canadian holdings by $1.7 billion.

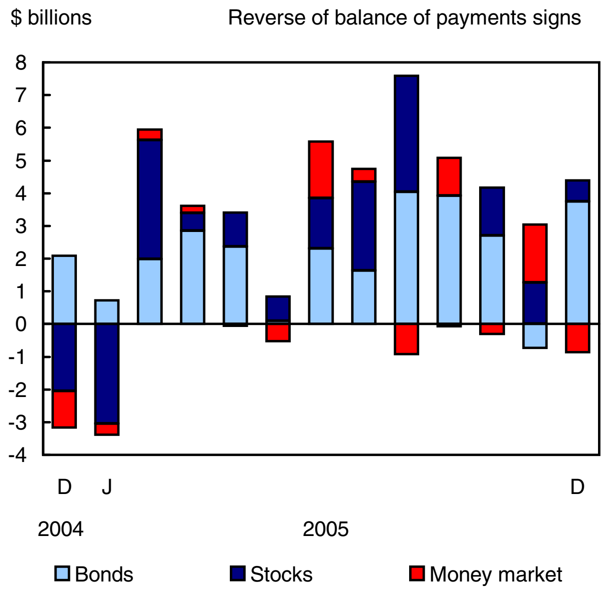
Although down from the record $35.8 billion purchased in 2004, foreign investment in Canadian equities was still a considerable $12.7 billion in 2005. Purchases over the year were dominated in large part by investment in shares of Canadian natural resource firms. Prices for raw materials were up nearly 13% over the year while the S&P/TSX Composite Index closed the year at 11,272.3, an increase of almost 22% from the end of 2004.

Canadians continue to invest heavily in foreign securities

Canadian investors purchased $3.5 billion in foreign securities in December after buying $2.3 billion worth in November. Investment over the month was mostly in foreign bonds as Canadians bought $3.7 billion worth. A further $649 million went into foreign stocks with the majority in US equities. Partially offsetting these purchases was a divestment of $871 million in foreign money market paper. Two-thirds of the divestment occurred in US treasury bills, the largest divestment in these instruments by Canadians since January 2004.

For 2005 as a whole, Canadians acquired an impressive $42.2 billion in foreign securities compared to $18.5 billion the year before. Investment occurred across all asset classes but was heavily weighted to foreign bonds. Canadians bought a record $25.6 billion worth of foreign bonds with purchases roughly split among US treasuries, other US and overseas bonds. Part of this investment went to a significant number of Canadian dollar denominated foreign bonds issued directly in the Canadian market over the course of the year. In addition, foreign content limits for tax-deferred Canadian investment vehicles were eliminated during the year.

Canadian portfolio investment in foreign securities



Available on CANSIM: tables 376-0018 to 376-0029, 376-0042, 376-0058 and 376-0063.

Definitions, data sources and methods: survey numbers, including related surveys, 1532, 1534, 1535 and 1537.

The December 2005 issue of *Canada's International Transactions in Securities* (67-002-XIE, $15/$142) will soon be available. Data on Canada's International Transactions in Securities for January 2006 will be released on March 20. For general information or to order data, contact Client Services (613-951-1855; *infobalance@statcan.ca*.) To enquire about the concepts, methods or data quality of this release, contact David Filiplic (613-951-1864), Balance of Payments Division.

Canada's international transactions in securities

	September 2005	October 2005	November 2005	December 2005	2004	2005
	$ millions					
Foreign investment in Canadian securities	**5,948**	**3,762**	**5,646**	**-4,160**	**55,471**	**15,497**
Bonds (net)	3,021	2,025	3,766	-7,033	20,063	2,360
Outstanding	5,529	539	2,342	783	6,217	7,265
New issues	4,480	3,670	2,005	1,857	49,093	33,881
Retirements	-6,804	-2,745	-997	-8,107	-35,755	-39,210
Change in interest payable[1]	-184	560	416	-1,566	507	423
Money market paper (net)	-249	172	231	2,683	-430	446
Government of Canada	588	86	-428	1,827	-2,465	1,435
Other	-836	86	659	857	2,035	-989
Stocks (net)	3,176	1,565	1,648	190	35,838	12,691
Outstanding	2,977	3,975	1,463	1,863	14,748	13,249
Other transactions	199	-2,410	186	-1,673	21,090	-558
Canadian investment in foreign securities	**-5,001**	**-3,854**	**-2,309**	**-3,521**	**-18,523**	**-42,165**
Bonds (net)	-3,922	-2,702	733	-3,743	-15,262	-25,639
Stocks (net)	88	-1,463	-1,267	-649	-1,592	-13,994
Money market paper (net)	-1,166	312	-1,774	871	-1,669	-2,532

1. *Interest accrued less interest paid.*

Note: *A minus sign indicates an outflow of money from Canada, that is, a withdrawal of foreign investment from Canada or an increase in Canadian investment abroad.*

■

Study: Emerging patterns in the labour market: A reversal from the 1990s

Many labour market trends established in the 1990s have been reversed since 2000. Most of these recent trends intensified in the past year, according to a report released today in the *Canadian Economic Observer*. In particular, it was another banner year for the resource sector. These gains were reflected in stronger employment growth in rural areas and in large firms. In terms of supply, older workers continued to fill the bulk of new jobs. A new trend was full-time positions, which accounted for most job growth.

Mining outside of oil and gas led all industries with a 16% surge in jobs last year. This snapped a downward trend that stretched back to 1990 and saw the loss of nearly half of all jobs in this industry. Metal mining was lifted by buoyant prices, many of which hit their highest level in over a decade.

Oil and gas continued to experience double-digit growth. All areas expanded: extraction grew as new developments in the oil sands and offshore Newfoundland came on line, while the search for new sources intensified to replace dwindling conventional supplies.

Construction jobs rose, on top of growth in each of the previous three years. Public sector employment increased, continuing its recovery from cutbacks in the 1990s. Education led the way, as universities stepped up hiring.

Mining and oil and gas are dominated by large multinationals. With double-digit growth in these industries, and the public sector expanding steadily, large establishments (more than 500 employees) again drove employment gains, up 6%. Medium-sized employers (20 to 500 employees) were next with a 1.1% gain.

Small firms with less than 20 employees continued to lag, as they have for most of this decade. This is a reversal from the previous decade, when small firms dominated job growth, especially in the information and communication technology sector.

Jobs in small towns and rural areas rose 1.3% last year, comparable with the 1.4% gain in urban Canada. Rural employment has matched urban areas since 2001, after lagging at half their growth in the previous decade.

A look at which regions posted the largest job gains in 2005 confirms the recovery of rural areas. Northern Manitoba led the way with an increase of 10%. The region of Athabasca in Alberta was close behind, fuelled by the explosive development of its oil sands. The revival of mining helped the north and interior of British Columbia. Cape Breton led the Atlantic region in job growth, up 6.5%, the sixth best among the 68 regions. Rural Saskatchewan was helped by the rebound in farming.

The growth of rural regions was quite uneven, however, due to the cuts in the forestry sector. The closing of several lumber and paper mills was reflected in job losses in several rural areas of New Brunswick, Quebec and Northern Ontario.

Employment in cities last year was hampered by losses in those whose industrial base contracted. Toronto and Vancouver bucked the trend of weaker job growth in cities, with increases of over 2%.

The strength of the labour market was reflected in a sharp move from part-time to full-time employment, especially in Alberta and British Columbia where labour shortages emerged.

The shift to full time began after 2003: since then, full-time positions have risen 4%, while part-time jobs fell outright. All the drop in part-time jobs has been due to a one-third decline in people who could not find full-time work (from 145,000 in 2003 to 96,000 last year).

The growing presence of older workers continued in 2005. The number of workers aged 55 years and over rose by 6.2% last year, compared with a 0.7% increase for workers under 55 years.

While the share of older workers in the labour force would inevitably have risen as the first of the boomer generation turns 60 this year, the growth of older workers was given a further boost by the end of downsizing in resources, construction and the public sector. Now, these same industries are leading growth, especially for older workers.

The growing number of older people, combined with their increasing likelihood of staying in the labour force, has steadily driven up their contribution to overall job growth. Since 1996, the share of all job increases going to workers 55 years and over has risen steadily from 19% to 58% last year (it averaged less than 10% in the 1980s).

The distinguishing characteristic of the boomer generation in the labour market has always been their higher level of education compared with previous generations. This greater education is reflected in the proportion of people aged 55 to 64 with some post-secondary education, which rose from about one-quarter in 1990 to one-half last year as boomers moved into this cohort en masse.

Older workers increasingly have the education and skills coveted by employers. Since 1995, 94% of the increase in the number of people 55 and older had some post-secondary education. As a result, employers seeking workers with post-secondary qualifications had little choice but to look at older workers: nearly 40% of the better-educated were over 45 years old last year, nearly double their share in 1990.

The significance of the growing number of older people with higher education is that they are more likely to stay in the labour force and find a job. The participation rate of people aged 55 or more with some post-secondary education is nearly twice as large as for those with high school or less. They are also twice as likely to be employed, with an employment rate of 40% versus 21% for those with only high school or less.

Definitions, data sources and methods: survey number 3701.

The study "Emerging patterns in the labour market: A reversal from the 1990s" is now available for free online. The study is also included in the February 2006 Internet edition of *Canadian Economic Observer*, Volume 19, no. 2 (11-010-XIB, $19/$182), which is now available. See *How to order products*. The monthly paper version of *Canadian Economic Observer*, Volume 19, no. 2 (11-010-XPB, $25/$243) is available Thursday, February 23.

Visit the *Canadian Economic Observer* page online. From the *Canadian Statistics* page, choose *National Accounts*, then click on the banner ad for *Canadian Economic Observer*.

For more information, contact Philip Cross (613-951-9162; *ceo@statcan.ca*), Current Economic Analysis Group. ■

Travel Price Index

Fourth quarter and annual 2005

The Travel Price Index (TPI) showed that prices Canadians paid to travel inside the country between the fourth quarters of 2004 and 2005 increased at a slightly slower pace than the rate of inflation as measured by the Consumer Price Index.

The TPI reached 142.6 (1992=100) in the fourth quarter of 2005, up 2.0% compared to the fourth quarter of 2004. In comparison, the Consumer Price Index increased 2.3%.

The two components which contributed the most to the growth in the TPI were the costs related to the operation of automotive vehicles and costs associated with local and commuter transportation.

Costs related to operating automotive vehicles climbed 6.6% between the fourth quarters of 2004 and 2005. This significant growth was mainly due to the jump in the price of gasoline during this period (+13.8%) as a result of the lingering effects of two hurricanes on the petroleum market.

Costs incurred from using local and commuter transportation increased 4.5% during the fourth quarter. The increase resulted from a 6.4% rise in taxi and other local and commuter transportation prices.

However, the growth in the TPI in the fourth quarter of 2005 compared to the fourth quarter of 2004 was mitigated by a 4.9% decline in the price of traveller accommodation.

Two of the remaining components of the TPI also fell, namely clothing (-1.7%) and footwear (-0.2%). The other seven components experienced price growth fluctuations between 0.7% and 2.9%.

The TPI fell 3.5% between the third and fourth quarters of 2005 to 142.6 (1992=100).

Three components contributed to the quarterly decrease in the TPI. First, the price paid for traveller accommodation dipped 16.8%, the largest price decrease recorded by any TPI component during the period.

Next, costs for operating automotive vehicles decreased 3.9%, which resulted mainly from the 8.3% decline in gasoline prices between the third and fourth quarters.

Finally, the 3.1% reduction in costs related to the use of inter-city transportation also contributed to the quarterly decrease. A 3.6% drop in airplane ticket prices was responsible for the decrease in this component.

Three other components of the TPI recorded declines between the third and fourth quarters of 2005: clothing (-1.2%), alcoholic beverages purchased from stores (-0.6%) and the rental of automotive vehicles (-0.2%). The remaining components registered small increases ranging between 0.1% and 2.1%.

For the year 2005, the annual TPI increased 2.1% from a year earlier to 143.1 (1992=100). The rise of the TPI closely matches the Consumer Price Index increase of 2.2% for the same period. The steep increase in the third quarter of 2005 had the most influence on the annual increase of the TPI.

Definitions, data sources and methods: survey number 3810.

For general information, contact Client Services (1-800-307-3382; 613-951-7608; fax: 613-951-9040; *cult.tourstats@statcan.ca*). To enquire about the concepts, methods or data quality of this release, contact Marinka Ménard (613-951-4483; *marinka.menard@statcan.ca*), Culture, Tourism and the Centre for Education Statistics. □

Selected components of the Travel Price Index, unadjusted (1992=100)

Components	2005	2004	2004 to 2005
			% variation
Inter-city transportation	200.1	194.6	2.8
Local and commuter transportation	152.6	147.2	3.7
Rental of automotive vehicles	127.5	125.8	1.4
Operation of automotive vehicles	166.3	156.1	6.5
Traveller accommodation	102.2	107.4	-4.8
Food purchased from stores	126.6	123.7	2.3
Food purchased from restaurants	132.1	128.4	2.9
Served alcoholic beverages	128.9	125.3	2.9
Alcoholic beverages purchased from stores	126.4	124.6	1.4
Spectator entertainment	165.8	163.0	1.7
Clothing	99.2	100.5	-1.3
Footwear	103.3	103.1	0.2
Travel Price Index	**143.1**	**140.2**	**2.1**
Consumer Price Index	**127.4**	**124.6**	**2.2**

Selected components of the Travel Price Index, unadjusted (1992=100)

Components	Fourth quarter 2005	Third quarter 2005	Fourth quarter 2004	Third quarter to fourth quarter 2005	Fourth quarter 2004 to fourth quarter 2005
				% variation	
Inter-city transportation	201.1	207.6	196.7	-3.1	2.2
Local and commuter transportation	154.7	152.9	148.0	1.2	4.5
Rental of automotive vehicles	127.5	127.8	126.6	-0.2	0.7
Operation of automotive vehicles	167.3	174.1	156.9	-3.9	6.6
Traveller accommodation	95.0	114.2	99.9	-16.8	-4.9
Food purchased from stores	126.7	126.6	125.3	0.1	1.1
Food purchased from restaurants	133.5	132.6	129.7	0.7	2.9
Served alcoholic beverages	130.4	129.5	126.8	0.7	2.8
Alcoholic beverages purchased from stores	126.3	127.1	125.4	-0.6	0.7
Spectator entertainment	168.6	165.1	164.8	2.1	2.3
Clothing	98.5	99.7	100.2	-1.2	-1.7
Footwear	103.4	103.0	103.6	0.4	-0.2
Travel Price Index	**142.6**	**147.7**	**139.8**	**-3.5**	**2.0**
Consumer Price Index	**128.3**	**128.2**	**125.4**	**0.1**	**2.3**

■

Apartment Building Construction Price Index

Fourth quarter 2005

The composite price index for apartment building construction (1997=100) was 134.3 in the fourth quarter of 2005, up 1.2% from the previous quarter and 5.0% higher than the fourth quarter of 2004. The quarterly increase was mostly the result of material cost increases as well as a strong market for building construction.

Vancouver recorded the highest quarterly change (+1.8%), followed by Calgary (+1.5%), Edmonton (+1.4%), Toronto (+1.1%), Ottawa–Gatineau, Ontario part (+1.0%), and Halifax and Montréal (+0.8% each).

On a year-over-year basis, Vancouver experienced the highest gain from the fourth quarter of 2004 (+7.1%), followed by Calgary (+7.0%), Edmonton (+6.8%), Toronto (+4.3%), Montréal (+3.7%), Ottawa–Gatineau, Ontario part (+3.5%) and Halifax (+3.1%).

Note: The apartment building construction price indexes provide an indication of new construction cost changes in six census metropolitan areas (CMAs) (Halifax, Montréal, Toronto, Calgary, Edmonton and Vancouver) and the Ontario part of the Ottawa-Gatineau CMA. Besides each of the CMA indexes and the composite index, there are further breakdowns of cost changes by trade groups within the building (structural, architectural, mechanical and electrical). These price indexes are derived from surveys of general and special trade-group contractors who report on the categories of costs (material, labour, equipment, taxes, overhead and profits) relevant to the detailed construction specifications included in the surveys.

Apartment Building Construction Price Index[1]
(1997=100)

	Fourth quarter 2005	Fourth quarter 2004 to fourth quarter 2005	Third to fourth quarter 2005
		% change	
Composite index	**134.3**	**5.0**	**1.2**
Halifax	125.5	3.1	0.8
Montréal	131.7	3.7	0.8
Ottawa–Gatineau, Ontario part	137.2	3.5	1.0
Toronto	141.8	4.3	1.1
Calgary	138.6	7.0	1.5
Edmonton	135.7	6.8	1.4
Vancouver	131.9	7.1	1.8

1. *Go online to view the census subdivisions that comprise the census metropolitan areas.*

Available on CANSIM: table 327-0040.

Definitions, data sources and methods: survey numbers, including related surveys, 2317 and 2330.

The fourth quarter 2005 issue of *Capital Expenditure Price Statistics* (62-007-XIE, $20/$59) will be available in April.

For more information or to enquire about the concepts, methods and data quality of this release, contact Mark Martin (613-951-9606; fax: 613-951-1539; *infounit@statcan.ca*), Prices Division. ■

Construction Union Wage Rate Index

January 2006

The Construction Union Wage Rate Index (including supplements) for Canada remained unchanged in January compared to the revised December level of 134.9 (1992=100). The composite index increased 2.4% compared with the revised January 2005 index of 131.8.

Union wage rates are published for 16 trades in 20 metropolitan areas for both the basic rates and rates including selected supplementary payments. Indexes on a 1992=100 time base are calculated for the same metropolitan areas and are published for those where a majority of trades are covered by current collective agreements.

Available on CANSIM: tables 327-0003 and 327-0004.

Definitions, data sources and methods: survey number 2307.

The first quarter 2006 issue of *Capital Expenditure Price Statistics* (62-007-XIE, $20/$59) will be available in April.

For more information, or to enquire about the concepts, methods, and data quality for this release, contact Client Services Unit (613-951-9606; fax: 613-951-1539; *infounit@statcan.ca*) or Louise Chaîné (613-951-3393), Prices Division ■

Canadian Vehicle Survey

Second quarter 2005

Vehicles covered in the Canadian Vehicle Survey travelled an estimated 85.9 billion kilometres in the second quarter of 2005. Vehicles weighing less than 4 500 kilograms travelled 79.2 billion kilometres, or 92% of the total for the quarter.

The survey measures the activity of all on-road vehicles registered in Canada with the exception of some vehicles such as buses, motorcycles, construction equipment and road maintenance equipment.

Estimates of total vehicle-kilometres are available by province and territory. Estimates of passenger-kilometres are available by province only.

Available on CANSIM: tables 405-0005 to 405-0020, 405-0026 to 405-0036, 405-0039 to 405-0042, 405-0044 to 405-0046, 405-0053, 405-0054, 405-0099 and 405-0101 to 405-0110.

Definitions, data sources and methods: survey number 2749.

The second quarter 2005 issue of *The Canadian Vehicle Survey* (53F0004XIE, free) is now available online. From the *Our products and services* page, under *Browse our Internet publications*, choose *Free*, then *Transport and warehousing*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (1-866-500-8400; *transportationstatistics@statcan.ca*), Transportation Division. ■

New products

Canadian Economic Observer, February 2006, Vol. 19, no. 2
Catalogue number 11-010-XIB ($19/$182).

Canadian Vehicle Survey: Quarterly, Second quarter 2005
Catalogue number 53F0004XIE
(free).

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

Catalogue numbers with an -XWE, -XIB or an -XIE extension are Internet versions; those with -XMB or -XME are microfiche; -XPB or -XPE are paper versions; -XDB or –XDE are electronic versions on diskette; -XCB or –XCE are electronic versions on compact disc and -XBB or -XBE a database.

How to order products

To order by phone, please refer to:

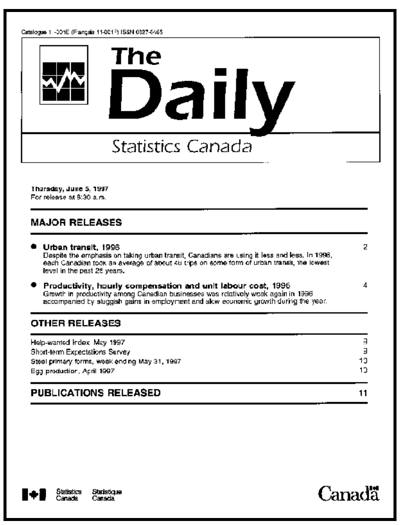
- The title
- The catalogue number
- The volume number
- The issue number
- Your credit card number.

From Canada and the United States, call:	**1-800-267-6677**
From other countries, call:	**1-613-951-7277**
To fax your order, call:	**1-877-287-4369**
For address changes or account inquiries, call:	**1-800-700-1033**

To order by mail, write to: Statistics Canada, Finance, 6th floor, R.H. Coats Bldg., Ottawa, K1A 0T6.
Include a cheque or money order payable to **Receiver General of Canada/Publications**. Canadian customers add 7% GST and applicable PST.

To order by Internet, write to: *infostats@statcan.ca* or download an electronic version by accessing Statistics Canada's website *(www.statcan.ca)*. From the *Our products and services* page, under *Browse our Internet publications*, choose *For sale*.

Authorized agents and bookstores also carry Statistics Canada's catalogued publications.



Catalogue 11-001E (Français 11-001F) ISSN 0827-0465

The Daily

Statistics Canada

Thursday, June 5, 1997
For release at 8:30 a.m.

MAJOR RELEASES

- **Urban transit, 1996** 2
  Despite the emphasis on taking urban transit, Canadians are using it less and less. In 1996, each Canadian took an average of about 46 trips on some form of urban transit, the lowest level in the past 25 years.
- **Productivity, hourly compensation and unit labour cost, 1996** 4
  Growth in productivity among Canadian businesses was relatively weak again in 1996 accompanied by sluggish gains in employment and slow economic growth during the year.

OTHER RELEASES

Help-wanted Index, May 1997	9
Short-term Expectations Survey	9
Steel primary forms, week ending May 31, 1997	10
Egg production, April 1997	10

PUBLICATIONS RELEASED 11

Statistics Canada Statistique Canada

Canada

Statistics Canada's official release bulletin

Catalogue 11-001-XIE.

Published each working day by the Communications Division, Statistics Canada, 10-G, R.H. Coats Bldg., Tunney's Pasture, Ottawa, Ontario K1A 0T6.

To access *The Daily* on the Internet, visit our site at *http://www.statcan.ca*. To receive *The Daily* each morning by e-mail, send an e-mail message to *listproc@statcan.ca.* Leave the subject line blank. In the body of the message, type "subscribe daily firstname lastname".