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The Daily

Statistics Canada

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Releases

Canadian Economic Observer

August 2006

The August 2006 issue of Statistics Canada's flagship publication for economic statistics, *Canadian Economic Observer*, analyses current economic conditions, summarizes the major economic events that occurred in July and presents the feature article "Converging gender roles." A separate statistical summary contains a wide range of tables and graphs on the principal economic indicators for Canada, the provinces and the major industrial nations.

The August issue of *Canadian Economic Observer*, Vol. 19, no. 8 (11-010-XIB, free) is now available from the *Publications* page of our website. The monthly paper version of *Canadian Economic Observer*, Volume 19, no. 8 (11-010-XPB, $25/$243) will be available on Thursday, August 17.

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

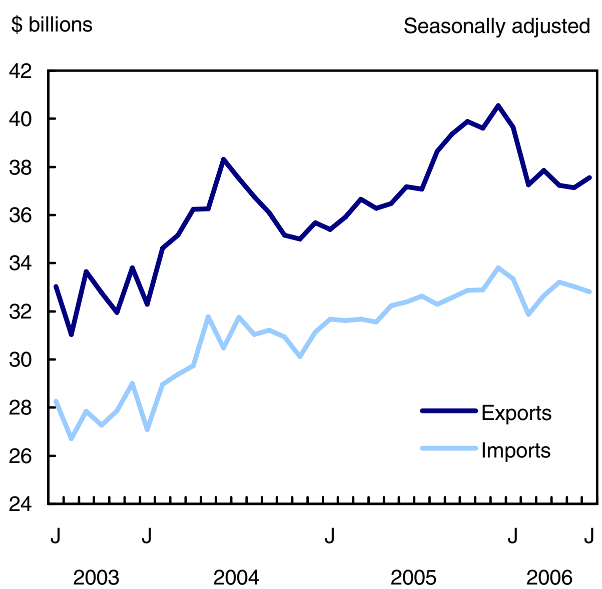
Releases

Canadian international merchandise trade
June 2006

Canada's merchandise trade surplus grew in June as exports rose for the second time this year and imports slipped for the second month in a row.

Exports increased 1.1% to $37.6 billion in June — mostly because of energy products, and industrial goods and materials.

Exports and imports



At the same time, Canadian companies imported $32.8 billion worth of merchandise, down 0.7% from May. This follows a rising trend that began in August 2003.

A gain in imports from the United States was more than offset by lower purchases from all other countries.

Canada's trade surplus moved up from $4.1 billion in May to $4.7 billion, the second consecutive month it has grown.

The merchandise trade surplus with the United States stood at $8.2 billion in June, and the trade deficit with all other countries was $3.5 billion.

While exports advanced to the United States, Japan and the European Union, they declined to all other trading areas.

Note to readers

Merchandise trade is one component of the current account of Canada's balance of payments, which also includes trade in services.

Balance of payments data are available for the United States, Japan and the United Kingdom. Trade data for all other individual countries are available on a customs basis only.

Revisions

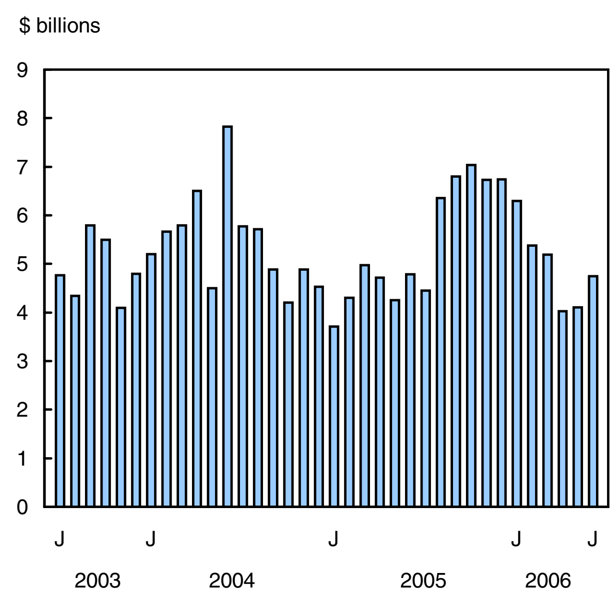
In general, merchandise trade data are revised on an ongoing basis for each month of the current year. Customs basis data are revised for the previous data year each quarter.

Factors influencing revisions include late receipt of import and export documentation, incorrect information on customs forms, replacement of estimates with actual figures, changes in classification of merchandise based on more current information, and changes to seasonal adjustment factors.

Revised data are available in the appropriate CANSIM tables.

The increase in imports from the United States came primarily from agricultural and fishing products; aircraft, engines and parts; motor vehicle parts including engines; industrial machinery; and consumer goods, particularly medical and pharmaceutical products.

Trade balance



Energy products, industrial goods lead exports

Gains in exports of energy products, industrial goods and materials, automotive products, and forestry products in June offset weaker performances in machinery and equipment, agricultural and fishing products, and other consumer goods.

The biggest boost came from the energy products sector, where exports rose 3.4% to $7.4 billion. Reflecting increased US demand, exports of crude petroleum rose 3.9%, as an increase in volume more than compensated for a 1.4% decline in prices. On the other hand, the value of natural gas exports fell 1.1%, continuing a downward trend that started in January 2006, mainly due to falling prices.

Canadian companies exported $7.8 billion worth of industrial goods and materials in June, up 2.9% from May and the highest level ever. It was the second consecutive monthly increase for these exports, which occurred in the wake of recent gains in industrial production in the United States, United Kingdom and other Euro area countries. The sector has been on an upward trend since June 2003.

Within industrial goods and materials, metals and alloys posted their fourth consecutive advance, rising 5.4%, primarily on the strength of copper and alloys (+27.0%), aluminum including alloys (+4.0%), and zinc and alloys (+23.0%). These three commodity sub-groups reached record high levels in the month. Exports of metal ores also registered their third monthly gain (+14.2% in June) to reach a record high level.

Exports of automotive products moved up for a second consecutive month, rising 0.9% to $6.9 billion. The increase was driven by exports of passenger autos and chassis (+3.0%), and motor vehicle parts (+1.6%). It was offset by a 5.3% decline in exports of trucks and other motor vehicles, which followed a 23.7% surge in May.

Forestry product exports edged up 0.3%, thanks to the third monthly increase in wood pulp and other wood products (+5.6%), and the second monthly gain in newsprint, other paper and paperboard (+1.8%). These were moderated by a 2.7% decline in exports of lumber and sawmill products, which were down for the fifth consecutive month because of the ongoing decline in residential construction activity in the United States.

Machinery and equipment exports were virtually unchanged for the second straight month in June after a significant 8.2% boost in March. Lower exports of industrial and agricultural machinery and other machinery and equipment offset a 2.0% gain in aircraft and other transportation equipment.

Exports of agricultural and fishing products posted their third monthly decline, falling 6.8% in June.

Large declines in imports of energy products and industrial goods

The industrial goods and materials sector accounted for over 95% of the net decline in total imports in June. After advancing 2.1% in May, imports of industrial goods and materials fell 2.9%.

The sector had experienced accelerated growth since the third quarter of 2003 on the strength of metals and metal ores, and chemicals and plastics.

Although all three commodity groups within the sector fell in June, the bulk of the decrease came from chemicals and plastics, which were down 5.5% following a 2.2% gain in May. The drop in the chemicals and plastics sub-sector primarily reflected lower demand for organic chemicals by the pharmaceutical industry, and also for other chemicals by the aluminum industry.

Energy was the second largest contributor to June's overall decrease in imports. Following a 24.0% surge in April, imports of energy products posted their second monthly decline, falling by 6.7% in June. Within the sector, crude petroleum imports increased 5.0%, while, after three successive gains, imports of other energy products plunged 22.5%. This largely reflected a drop in refined petroleum imports.

Imports of machinery and equipment slipped 1.2%, as imports of industrial and agricultural machinery returned to their recent trend following an 11.8% surge in May. Except for industrial and agricultural machinery, which fell by 7.2% in June, all other commodity groups within the sector advanced.

On the plus side, imports of automotive products increased 1.3% to $6.4 billion, solely on the strength of motor vehicle parts, which gained 5.1%. Imports of both passenger autos and chassis (-1.2%), and trucks and other motor vehicles (-3.5%) registered their second consecutive declines. These declines occurred as new motor vehicle sales fell in both April and May.

After a 1.0% drop in May, imports of other consumer goods rebounded with a 1.9% gain. All components of the sector, except for apparel and printed matter, posted growth in June.

Available on CANSIM: tables 228-0001 to 228-0003 and 228-0033 to 228-0046.

Definitions, data sources and methods: survey numbers, including related surveys, 2201, 2202 and 2203.

The June 2006 issue of *Canadian International Merchandise Trade*, Vol. 60, no. 6 (65-001-XIB, free) is now available from the *Publications* page of our website. The publication includes tables by commodity and country on a customs basis. Current account data (which incorporate merchandise trade statistics, service transactions, investment income and transfers) are available quarterly in *Canada's Balance of International Payments* (67-001-XIE, free).

Merchandise trade data are available in PDF format on the morning of release.

For more information on products and services, contact the Marketing and Client Services Section (toll-free 1-800-294-5583). To enquire about the concepts, methods or data quality of this release, contact Jafar A. Khondaker (613-951-9786), International Trade Division.

Merchandise trade

	May 2006r	June 2006	May to June 2006	June 2005 to June 2006	January to June 2005	January to June 2006	January–June 2005 to January–June 2006
	Seasonally adjusted, $ current						
	$ millions		% change		$ millions		% change
Principal trading partners							
Exports							
United States	29,497	29,735	0.8	-0.3	177,111	181,688	2.6
Japan	799	961	20.3	12.0	4,970	5,172	4.1
European Union	2,802	2,952	5.4	21.9	13,877	16,182	16.6
Other OECD countries[1]	1,426	1,398	-2.0	-13.8	7,384	8,037	8.8
All other countries	2,605	2,511	-3.6	2.1	14,564	15,599	7.1
Total	**37,129**	**37,555**	**1.1**	**1.0**	**217,907**	**226,676**	**4.0**
Imports							
United States	21,119	21,489	1.8	-0.9	128,654	129,353	0.5
Japan	1,016	995	-2.1	10.2	5,622	5,916	5.2
European Union	3,832	3,415	-10.9	-0.7	19,127	20,631	7.9
Other OECD countries[1]	2,028	1,974	-2.7	0.6	12,113	11,550	-4.6
All other countries	5,028	4,934	-1.9	12.0	25,636	29,476	15.0
Total	**33,023**	**32,807**	**-0.7**	**1.3**	**191,152**	**196,927**	**3.0**
Balance							
United States	8,378	8,246	...	...	48,457	52,335	...
Japan	-217	-34	...	...	-652	-744	...
European Union	-1,030	-463	...	...	-5,250	-4,449	...
Other OECD countries[1]	-602	-576	...	...	-4,729	-3,513	...
All other countries	-2,423	-2,423	...	...	-11,072	-13,877	...
Total	**4,106**	**4,748**	**...**	**...**	**26,755**	**29,749**	**...**
Principal commodity groupings							
Exports							
Agricultural and fishing products	2,531	2,359	-6.8	-6.5	14,698	15,323	4.3
Energy products	7,128	7,370	3.4	12.5	36,947	43,668	18.2
Forestry products	2,777	2,784	0.3	-9.7	18,705	17,335	-7.3
Industrial goods and materials	7,546	7,768	2.9	9.5	41,888	44,340	5.9
Machinery and equipment	7,690	7,688	0.0	-4.3	47,233	47,000	-0.5
Automotive products	6,845	6,904	0.9	-4.6	42,698	42,941	0.6
Other consumer goods	1,446	1,404	-2.9	-4.3	8,722	8,532	-2.2
Special transactions trade[2]	688	714	3.8	4.8	4,015	4,319	7.6
Other balance of payments adjustments	479	565	18.0	10.4	2,999	3,221	7.4
Imports							
Agricultural and fishing products	1,888	1,897	0.5	5.3	10,920	11,344	3.9
Energy products	3,016	2,814	-6.7	5.6	15,727	16,480	4.8
Forestry products	253	248	-2.0	-9.2	1,621	1,510	-6.8
Industrial goods and materials	7,021	6,815	-2.9	3.9	39,156	41,256	5.4
Machinery and equipment	9,376	9,268	-1.2	-1.4	54,403	55,998	2.9
Automotive products	6,358	6,438	1.3	-1.8	38,757	38,998	0.6
Other consumer goods	4,187	4,267	1.9	2.0	24,565	25,480	3.7
Special transactions trade[2]	350	455	30.0	28.9	2,319	2,224	-4.1
Other balance of payments adjustments	574	605	5.4	-1.1	3,681	3,634	-1.3

... *not applicable*
r *revised*
1. *Includes Australia, Canada, Iceland, Mexico, New Zealand, Norway, South Korea, Switzerland and Turkey.*
2. *These are mainly low valued transactions, value of repairs to equipment, and goods returned to country of origin.*

■

New Housing Price Index

June 2006

New house prices rose sharply in June with Alberta once again showing the strongest gains. The New Housing Price Index rose by 1.4% over the previous month to 142.0 (1997=100), the fourth consecutive month with an increase of at least one percent. Compared to one year ago, contractors' selling prices have increased 9.8%.

Prices advanced in 15 of the 21 metropolitan areas surveyed. Calgary continued to lead the way with a monthly increase of 6.9% followed by Edmonton (+4.7%), Saskatoon (+1.6%) and Regina (+1.2%). Continued strong demand, upward pressure due to rising construction materials, and trade labour costs were cited for the increases. In Calgary and Edmonton, increased lot values (due mainly to land shortage) along with prolonged construction times, were also specified as factors contributing to the increases.

Other noteworthy gains were observed in Hamilton (+0.7%) and St. Catharines–Niagara (+0.6%) where construction material and labour costs and higher land values contributed to the increases. Monthly increases were also noted in Halifax, Québec, Montréal, Toronto and Oshawa, Kitchener, Windsor, Winnipeg, Vancouver and Victoria. Of the 15 metropolitan areas showing increases, land prices rose in 12.

Two metropolitan areas registered no monthly change while St. John's (-0.2%), Saint John, Fredericton and Moncton (-0.2%), London (-0.2%), and Greater Sudbury/Grand Sudbury and Thunder Bay (-0.3%) posted decreases due to competitive pricing.

Compared to one year ago, Calgary (+49.2%) had the largest increase for new homes, followed by Edmonton (+28.1%), Winnipeg (+9.1%), Saskatoon (+8.5%), Regina (+7.9%), Halifax (+6.9%) and Québec (+6.5%).

Available on CANSIM: table 327-0005.

Definitions, data sources and methods: survey number 2310.

The second quarter 2006 issue of *Capital Expenditure Price Statistics* (62-007-XIE, free) will be available in October.

For more information, or to enquire about the concepts, methods or data quality of this release, contact our Client Services Section (613-951-9606, fax: 613-951-1539; *infounit@statcan.ca*) or Leon Comeau (613-951-3390; *leon.comeau@statcan.ca*), Prices Division. □

New housing price indexes
(1997=100)

	June 2006	June 2005 to June 2006	May to June 2006
		% change	
Canada total	**142.0**	**9.8**	**1.4**
House only	151.9	10.8	1.5
Land only	122.5	7.5	1.4
St.John’s	128.1	2.2	-0.2
Halifax	130.2	6.9	0.1
Charlottetown	116.9	2.4	0.0
Saint John, Fredericton and Moncton	112.6	3.4	-0.2
Québec	142.5	6.5	0.4
Montréal	147.8	4.5	0.1
Ottawa–Gatineau	158.2	3.1	0.0
Toronto and Oshawa	137.3	3.2	0.4
Hamilton	141.2	4.9	0.7
St. Catharines–Niagara	144.5	4.9	0.6
Kitchener	137.3	4.4	0.1
London	130.9	3.0	-0.2
Windsor	105.3	-0.5	0.4
Greater Sudbury and Thunder Bay	101.1	1.1	-0.3
Winnipeg	144.5	9.1	0.5
Regina	153.9	7.9	1.2
Saskatoon	136.8	8.5	1.6
Calgary	216.6	49.2	6.9
Edmonton	175.3	28.1	4.7
Vancouver	111.4	5.2	0.2
Victoria	118.1	5.4	0.2

Note: *View the census subdivisions that comprise the metropolitan areas online.*

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Export and import price indexes
June 2006

Current- and fixed-weighted export and import price indexes (1997=100) on a balance of payments basis are now available. Price indexes are listed from January 1997 to June 2006 for the five commodity sections and the major commodity groups (62 exports and 61 imports).

Current- and fixed-weighted US price indexes (1997=100) are also available on a customs basis. Price indexes are listed from January 1997 to June 2006. Included with the US commodity indexes are the 10 all-countries and US-only Standard International Trade Classification section indexes.

Indexes for the five commodity sections and the major commodity groups are also available on a customs basis.

Available on CANSIM: tables 228-0001 to 228-0003 and 228-0033 to 228-0046.

Definitions, data sources and methods: survey numbers, including related surveys, 2201, 2202 and 2203.

The June 2006 issue of *Canadian International Merchandise Trade*, Vol. 60, no. 6 (65-001-XIB, free) is now available from the *Publications* page of our website.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Anne Couillard (613-951-9647 toll-free 1-800-294-5583), International Trade Division. ■

Chain Fisher dollar export and import values

The International Trade Division has now produced and will be updating and disseminating chain Fisher real dollar values (reference year 1997) for Canadian international merchandise exports and imports. This series is not available in CANSIM.

Interested users who wish to order are advised to contact the Marketing and Client Services Section (toll-free 1-800-294-5583), International Trade Division. To enquire about the concepts, methods, or data quality of this release, contact Bernard Lupien (613-951-6872), International Trade Division. ■

New products

Canadian Economic Observer, Vol. 19, no. 8
Catalogue number 11-010-XIB
(free).

Canadian International Merchandise Trade, June 2006, Vol. 60, no. 6
Catalogue number 65-001-XIB
(free).

Imports by Commodity, June 2006, Vol. 63, no. 6
Catalogue number 65-007-XMB ($40/$387).

Imports by Commodity, June 2006, Vol. 63, no. 6
Catalogue number 65-007-XPB ($84/$828).

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.

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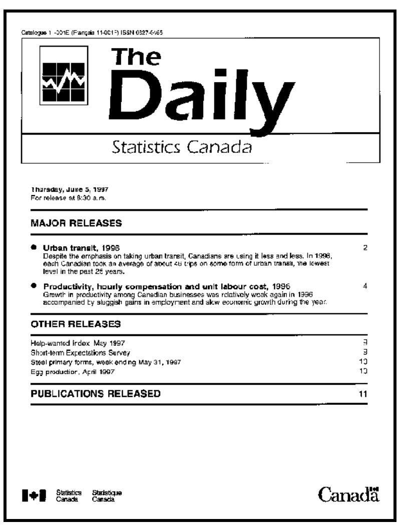
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Statistics Canada

Thursday, June 5, 1997
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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 45 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.

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PUBLICATIONS RELEASED 11

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