



The Daily

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Releases

National balance sheet accounts, fourth quarter 2006 and annual 2006	2
National net worth advanced 2.7% to \$4.9 trillion by the end of the fourth quarter, or \$150,500 per capita.	
Energy supply and demand, 2005	5
Canada's demand for energy fell for the first time in three years in 2005, as a result of declining consumption in the nation's industrial and residential sectors. Total Canadian consumption from all energy sources slipped 0.4% from 2004.	
Trucking Commodity Origin and Destination Survey, 2004	8
Steel wire and specified wire products, January 2007	8
Steel pipe and tubing, January 2007	8
Refined petroleum products, January 2007	9
Labour productivity analysis by industry, fourth quarter 2006 and annual 2006	9
New products	10
Release dates: March 19 to 23, 2007	11



Releases

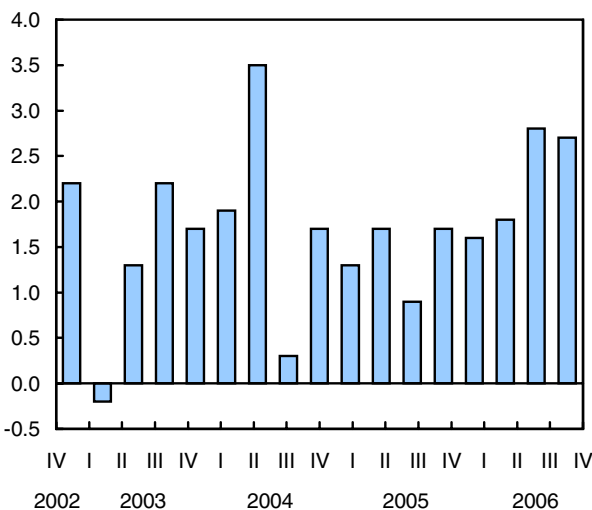
National balance sheet accounts

Fourth quarter 2006 and annual 2006

National net worth reached \$4.9 trillion by the end of the fourth quarter, or \$150,500 per capita. National net worth expanded by \$131 billion in the fourth quarter, up 2.7% and just off the pace set in the third.

National net worth advances as net foreign debt recedes

% change, not seasonally adjusted



The growth in national wealth (economy-wide non-financial assets) slowed to 1.7%. This reflected the easing of economic activity, partly offset by sustained price increases for selected non-financial assets. Residential real estate continued to be the major contributor to growth in national wealth, accounting for over half of the gain.

The advance in national net worth was strongly supported by the sharp decline in Canadians' net foreign indebtedness (with marketable securities on a market value basis). Net foreign debt fell by almost half in the quarter, as assets abroad increased at nearly twice the rate as liabilities to non-residents. Growth in the value of foreign portfolio assets held by Canadians was the main contributor. The increase in these assets was driven by sustained strong investment flows, as well as the revaluation effects of sharp gains in foreign equity prices and a depreciating Canadian dollar in the fourth quarter.

Note to readers

The national balance sheet accounts are statements of the balance sheets of all of the various sectors of the economy. They consist of the non-financial assets owned in the various sectors of the economy and of financial claims outstanding. National wealth is the sum of non-financial assets (produced assets, land surrounding structures and agricultural land) in all sectors of the economy. National net worth is national wealth less net foreign liabilities (i.e., what is owed to non-residents less what non-residents owe to Canadians). Alternatively, it is the sum of the net worth of persons, corporations and governments.

National saving is the sum of saving of persons, corporations and governments. National saving and investment contribute to change in national net worth. The revaluation of assets and liabilities is also responsible for changes in national net worth. The causes of revaluation include changes in share prices, interest rates, exchange rates and loan allowances.

Quarterly series, both book and market value, run from the first quarter of 1990; market value estimates have been available since June 2004. For more information on the market value estimates, consult Balance sheet estimates at market value.

An annual measure of national wealth that includes selected natural resources is also available (CANSIM table 378-0005). The estimates of natural resources are released annually at the time of the fourth quarter.

Household net worth up strongly

Household net worth leapt 3.8% in the fourth quarter, a sharp increase from the third (+1.8%). Strong gains in the value of Canadian and foreign equities drove this increase, supported by continued growth in the values of residential real estate.

The Toronto stock exchange closed December 2006 at an historical high, with the S&P Toronto stock exchange composite index reaching just below the 13,000 mark. Mounting unrealized capital gains translated into significant advances in share holdings, investment fund units and pension assets. Growth in corporate share asset values contributed to 60% of the increase in financial assets.

The value of residential real estate continued to expand, providing the bulk of the increase in non-financial assets, given its relative size among household assets. New housing prices advanced 1.4% in the fourth quarter.

Households continued to build up mortgage and consumer credit debt. As a result, household debt continued to outpace personal disposable income (seasonally adjusted at annual rates). Canadian households currently carry about \$1.10 in debt for every

dollar of their disposable income. However, the gains in both financial and non-financial assets in the fourth quarter reduced the ratio of household debt to net worth to 17.8%, down from 18.2% in the third.

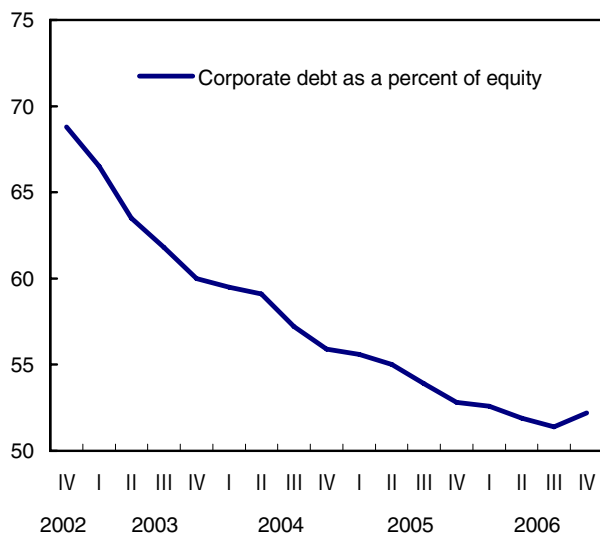
Corporate debt and leverage edge up

Despite sustained strong saving and net lending to the rest of the economy, corporate demand for borrowed funds increased in the fourth quarter, as capital investment strengthened.

In particular, private non-financial corporations turned to credit markets in the fourth quarter. The increase in credit market debt, in particular bonds, reflected both sharper borrowing and the impact of a depreciating Canadian dollar on foreign-denominated liabilities. As a result, the ratio of debt-to-equity (at book value) halted its downward trend and edged up in the fourth quarter.

Corporate leverage rises against trend

as a % of equity, not seasonally adjusted data



Government debt-to-gross domestic product continues to fall

With the government sector as a whole registering another surplus in the fourth quarter, partly as a result of negligible net borrowing on financial markets, government net debt (total liabilities less total financial assets) fell for a seventh consecutive quarter. Net government debt as a percentage of gross domestic product (GDP) declined further, representing less than half of GDP, compared to 90% a decade ago.

Annual review 2006

National net worth spikes upward

National net worth on a year-over-year basis jumped 9.3% in 2006, up from 5.7% growth in 2005. This was largely driven by the significant drop in net foreign indebtedness, concentrated during the third and fourth quarters of 2006.

Somewhat stronger growth in national wealth also contributed, as business investment in non-residential structures strengthened and prices for non-financial assets continued to advance. Residential real estate assets continued to be the main contributor to the increase in the value of non-financial assets, accounting for over 70% of the change. National wealth grew 6.7% in the year, compared to 5.6% in 2005.

Natural resources constrain growth of national wealth

The broader measure of national wealth (including natural resources) grew 5.8% in 2006, slightly faster than the pace set in 2005. However, growth in natural resource assets was muted by falling natural gas and timber prices.

The value of selected natural resource assets (timber, energy and mineral resources) rose 1.5% to \$980.6 billion in 2006. This was a deceleration from the 3.5% rate in 2005. The value of the three broad natural resource components showed mixed growth: a 31.9% increase for minerals, a 1.1% increase for energy, and a 9.8% decline for timber. Increases in the value of metals, crude bitumen, and crude oil offset declines in the value of natural gas and timber. Vigorous growth in the value of minerals in 2006 was propelled by strong international demand. The price of most mineral resources increased substantially in 2006.

National balance sheet accounts

Available on CANSIM: tables 378-0003 to 378-0010.

Definitions, data sources and methods: survey number 1806.

The fourth quarter 2006 issue of *National Balance Sheet Accounts, Quarterly Estimates*, Vol. 4, no. 4 (13-214-XWE, free) is now available from the *Publications* module of our website.

The fourth quarter 2006 issue of *Canadian Economic Accounts Quarterly Review*, Vol. 5, no. 4 (13-010-XWE, free), is now available online. From the *Publications* module of our website under *Free Internet publications*, choose *National accounts*.

At 8:30 a.m. on release day, the complete national balance sheet accounts can be obtained on computer diskette. The diskettes (13-214-DDB, \$321/\$1,284) can also be purchased at a lower cost seven business days after the official release date (13-214-XDB, \$65/\$257). To purchase any of these products, contact the client services officer

(613-951-3810; iead-info-dcrd@statcan.ca), Income and Expenditure Accounts Division.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the information officer (613-951-3640), Income and Expenditure Accounts Division.

National balance sheet accounts¹

	Third quarter 2005	Fourth quarter 2005	First quarter 2006	Second quarter 2006	Third quarter 2006	Fourth quarter 2006	2005	2006
market value, not seasonally adjusted, billions of dollars								
National net worth								
National wealth	4,610	4,675	4,712	4,807	4,902	4,986	4,675	4,986
	1.4	1.4	0.8	2.0	2.0	1.7	5.6	6.7
Net foreign debt	-175	-162	-126	-137	-102	-55	-162	-55

National net worth	4,436	4,513	4,585	4,670	4,800	4,931	4,513	4,931
	0.9	1.7	1.6	1.9	2.8	2.7	5.7	9.3
National net worth per capita (dollars)	137,000	139,200	141,000	143,100	146,700	150,500	139,200	150,500
	0.5	1.6	1.3	1.5	2.5	2.6	4.7	8.1

... not applicable

1. The first line is the series itself expressed in billions of dollars. The second line is the period-to-period percentage change.



Energy supply and demand

2005

Canada's demand for energy fell for the first time in three years in 2005, as a result of declining consumption in the nation's industrial and residential sectors.

Declines in those two key sectors offset an increase in consumption in the transportation sector, particularly fuel used to pipe natural gas, as well as a small increase in the commercial and public administration sector.

In 2005, Canada consumed 7,654 petajoules of energy, down 0.4% from 7,681 petajoules in 2004. One petajoule equals roughly the amount of energy required to operate the Montréal subway system for one year.

Energy use derived from the three main fossil fuels (natural gas, refined petroleum products and coal) declined 1.0%, as a result of reductions in demand from the pulp and paper, chemical and residential sectors.

The industrial sector, the biggest user of energy, consumed 2.6% less in 2005 than the year before. The reduction was due primarily to two industries: pulp and paper, and chemical. Historically, the industrial sector accounts for just under one-third (31%) of total energy consumption, the highest proportion of all sectors.

Demand slipped 1.1% in the residential and agriculture sector, which accounts for about 20% of total consumption.

Energy consumption increased 1.8% in the transportation sector and edged up 0.5% in the commercial and public administration sector. The transportation sector, the second largest user of energy, accounted for about 30% of final demand.

Crude oil production falls

Canadian companies produced about 146 million cubic metres of crude oil in 2005, down 2.1% over 2004. (A cubic metre contains 1,000 litres). This amounted to about 401 000 cubic metres a day.

While decreases were recorded for all types of crude oil production, the most significant decline occurred in synthetic crude oil where a facility fire hampered output throughout the first three quarters of 2005.

Production levels in the fourth quarter were strong, however, reflecting the return to normal production in the oil sands area combined with the start up of production at the White Rose Field in offshore Newfoundland and Labrador.

Alberta's oil sands remain an important source of crude oil production. In 2005, they accounted for over 39% of total crude oil and equivalent production, up slightly from 38% in 2004 and well above the proportion of 28% in 2000.

In 2005, the oil sands produced 149 000 cubic metres of oil a day. In 2006, this figure had jumped

Note to readers

In addition to the estimates for 2005, revised data are also available for the reference year 2004.

Factors influencing revisions include late receipt of company data and revisions to previously estimated or reported data. The revised data are available in the appropriate CANSIM tables.

to an estimated 159 000 cubic metres of oil a day, roughly 50% of Canada's total crude oil production.

By 2010, oil sands production is forecasted to surpass 477 000 cubic metres of oil a day, or 67% of total Canadian crude oil production. Capital investment is expected to reach an estimated \$11 billion in 2006 and \$16 billion in 2007.

Exports of crude oil, primarily to the United States, decreased 2.4% from 2004. These exports now account for more than 62% of all Canadian production.

The US Midwest is still the most significant market for Western Canadian crude oil, consuming 57% of total exports to the United States. According to the United States Energy Information Administration, Canadian crude oil now represents 16% of total US demand for imported crude oil.

In 2005, average Canadian crude oil prices rose to more than \$52 a barrel. This was a 30% increase over 2004, and more than double 1990 prices.

Natural gas production posts modest gain

Natural gas production increased 2.0% from 2004 to 2005. Despite record gas drilling activity in the last three years, production gains have been modest as a result of lower productivity from maturing wells.

Natural gas exports reached 4 066 petajoules in 2005, up 1.1% from 4 022 petajoules in 2004. Slightly higher production levels combined with lower domestic demand, due to milder weather in Canada, resulted in higher exports in 2005.

Well over half (56%) of total Canadian natural gas production goes for export. In the United States, Canadian natural gas accounts for 17% of total American demand for natural gas.

Canada's trade surplus for crude petroleum, refined petroleum and other products, natural gas, coal and electricity reached \$53.0 billion in 2005, up from \$43.5 billion the year before.

Marginal increase in electricity production

Electricity production from primary sources (hydro, nuclear, wind and tidal) increased 5.7% in 2005 as water conditions continued to improve in many parts of Canada. Nuclear generation posted a marginal increase in 2005.

Hydro generation accounted for 59% of electric power in 2005, the largest source. Nuclear energy provided about 14% of total Canadian electricity production.

However, in Ontario, nuclear power accounts for more than 51% of total electricity generation, enough to supply all the homes in the province.

Nationally, electricity generated using fossil fuels declined marginally in 2005, due to higher generation from primary sources and rising thermal fuel costs.

Although electricity generation from wind, solar and tidal continues to increase, total generation from these sources currently represents less than 0.5% of total generation.

Two large wind projects started up in late 2005: a 99-megawatt project located in St. Leon, Manitoba, and the 150-megawatt "Centennial project" in Swift Current, Saskatchewan.

Electricity demand increased 1.2% in 2005, mainly the result of increased demand by smelting and refining.

First decline in volumes of motor gasoline sales in 14 years

Volumes of motor gasoline sales declined in 2005 for the first time since 1991, possibly the result of soaring prices at the pump. Canadian drivers consumed more than 40 billion litres of motor gasoline, down slightly from 2004 levels.

Gasoline prices across Canada peaked in September 2005. In Montréal, prices reached an average of 118.5 cents per litre for regular unleaded at self-service stations. In Toronto, they averaged 107.2 cents, in Edmonton 102.2 cents and in Vancouver 112.7 cents.

Total demand for all refined petroleum products increased marginally in 2005 over 2004 levels.

Coal production, exports and consumption decreases

Coal production slipped 1.0% in 2005, the result of slightly higher imports.

Final demand for coal by the manufacturing sector declined 1.4% from 2004. Exports of coal fell 6.2%, due primarily to lower demand for Canadian coal from Japan.

Saskatchewan fastest growing province in energy consumption

Energy consumption declined faster than the national average in six provinces: British Columbia, Prince Edward Island, New Brunswick, Nova Scotia, Quebec and Alberta.

Saskatchewan's growth in consumption led the pack, increasing 2.9% from 2004. Higher demand for natural resource-based products, combined with agricultural gains, contributed more to the growth of the economy than any other industry.

Energy use by all sectors, or "final demand", declined 3.8% in Prince Edward Island; 2.2% in British Columbia, 1.1% in Alberta and Nova Scotia, 0.6% in Quebec, and 0.5% in New Brunswick.

The decline in Alberta was due primarily to lower energy use in the oil-producing province's pulp and paper and chemical sectors. Alberta accounted for 18% of total national consumption.

Energy consumption edged up 0.2% in Ontario, which accounted for over 34% of the country's entire energy demand. Consumption in Quebec fell slightly, putting its share at 21%.

Available on CANSIM: tables 128-0009 to 128-0010.

Definitions, data sources and methods: survey numbers, including related surveys, 2003, 2147, 2148, 2149, 2150, 2151, 2166, 2167, 2168, 2191, 2194, 2196 and 2198.

The 2005 issue of *Report on Energy Supply/Demand in Canada* (57-003-XIB, free), will be available soon.

For general information or to order data, contact the dissemination officer 613-951-9497; 1-866-873-8789; energ@statcan.ca, Manufacturing, Construction and Energy Division.

□

Energy supply and demand

	2004 ^r	2005	2004 ^r to 2005
	petajoules ¹		% change
Production²	16 554	16 547	0.0
Exports ²	8 823	8 662	-1.8
Imports ²	3 108	3 007	-3.2
Availability ²	11 528	11 310	-1.9
Electricity generation	1 567	1 608	2.6
Producer consumption	1 303	1 355	4.0
Non-energy use	1 029	982	-4.6
Final demand³	7 681	7 654	-0.4
Industrial	2 343	2 283	-2.6
Transportation	2 347	2 389	1.8
Residential and agriculture	1 522	1 505	-1.1
Commercial and public administration	1 469	1 477	0.5
	2004 ^r	2005	2004 ^r to 2005
	petajoules ¹		% change
Final demand³	7 681	7 654	-0.4
Canada			
Newfoundland and Labrador	123	124	0.8
Prince Edward Island	26	25	-3.8
Nova Scotia	188	186	-1.1
New Brunswick	183	182	-0.5
Quebec	1 628	1 619	-0.6
Ontario	2 613	2 619	0.2
Manitoba	257	262	1.9
Saskatchewan	349	359	2.9
Alberta	1 369	1 354	-1.1
British Columbia	919	899	-2.2
North ⁴	26	25	-3.8

^r revised

1. A 30-litre gasoline fill-up contains about one gigajoule of energy. A petajoule is one million gigajoules.
2. Primary energy sources: coal, crude oil, natural gas, natural gas liquids, and hydro and nuclear electricity.
3. Final demand represents the sum of energy use by mining, manufacturing, forestry, construction, transportation, agriculture, residential, public administration and commercial and other institutional.
4. North includes Yukon, Northwest Territories and Nunavut.



Trucking Commodity Origin and Destination Survey

2004 (preliminary)

Canadian for-hire trucking companies, with annual operating revenue of \$1 million or more, hauled 65.9 million shipments weighing 604.3 million tonnes in 2004. Long distance carriers accounted for 69% of shipments and 60% of tonnage while local carriers hauled the rest.

The Trucking Commodity Origin and Destination Survey has been redesigned and replaces the For-hire Trucking (Commodity Origin and Destination) Survey. The scope of the survey has been expanded to include the local shipments of long distance carriers and all shipments of local carriers. The sample of shipments has also been substantially increased, primarily through expanded electronic data collection.

The new survey design allows for provincial and territorial origin and destination data, rather than the regional data that could be provided in the past. As well, information about shipments within census metropolitan areas can now be provided for the first time.

Note: The objective of the survey continues to be measurement of the origin and destination

of commodities carried by Canadian for-hire trucking companies. The key variables collected (number of shipments, weight, distance, commodity, tonne-kilometres and revenue) remain unchanged from the previous design. Long distance carriers are those in North American Industrial Classification System 484121, 484122, 484210, 484231, 484232, 484233 and 484239. Local carriers include NAICS 484110, 484221, 484222, 484223 and 484229. Local carriers normally operate within a metropolitan area and its hinterland, while long distance carriers normally operate between metropolitan areas. Long distance shipments are those of 25 kilometres or more in length. Local shipments include those less than 25 kilometres.

Preliminary data for 2004 are now available from the Trucking Commodity Origin and Destination Survey.

Definitions, data sources and methods: survey number 2741.

For more information, or to enquire about the concepts, methods or data quality of this release, contact John Nicoletta (613-951-0520; john.nicoletta@statcan.ca) or Client Services (toll-free 1-866-500-8400; transportationstatistics@statcan.ca), Transportation Division.

Trucking activity, 2004

	Long distance shipments		Local shipments		Total	
	Number	Weight	Number	Weight	Number	Weight
	millions	million tonnes	millions	million tonnes	millions	million tonnes
Long distance carriers	40.2	297.2	5.6	66.1	45.8	363.3
Local carriers	12.4	140.9	7.7	100.1	20.1	241.0
Total	52.6	438.1	13.3	166.2	65.9	604.3

Steel wire and specified wire products

January 2007

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

Available on CANSIM: table 303-0047.

Definitions, data sources and methods: survey number 2106.

The January 2007 issue of *Steel, Tubular Products and Steel Wire* (41-019-XIE, free) will soon be available.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the dissemination officer (toll-free 1-866-873-8789; 613-951-9497; manufact@statcan.ca), Manufacturing, Construction and Energy Division.

Steel pipe and tubing

January 2007

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

Available on CANSIM: table 303-0046.

Definitions, data sources and methods: survey number 2105.

The January 2007 issue of *Steel, Tubular Products and Steel Wire* (41-019-XIE, free) will soon be available.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the dissemination officer (toll-free 1-866-873-8789; 613-951-9497; manufact@statcan.ca), Manufacturing, Construction and Energy Division. ■

Refined petroleum products

January 2007 (preliminary)

Data on the production, inventories and domestic sales of refined petroleum products are now available for January. Other selected data about these products are also available.

Definitions, data sources and methods: survey number 2150.

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

contact the dissemination officer (613-951-9497 or toll-free 1-866-873-8789; energy@statcan.ca), Manufacturing, Construction and Energy Division. ■

Labour productivity analysis by industry

Fourth quarter 2006 and annual 2006

The industry detailed analysis on labour productivity, hourly compensation and unit labour cost for the fourth quarter 2006 and for the whole year is now available. The corresponding aggregate business sector data was published Monday, March 12.

Definitions, data sources and methods: survey number 5042.

Please consult the fourth quarter 2006 issue of *Canadian Economic Accounts Quarterly Review* (13-010-XIE, free), which is now available from the *Publication* module of our website.

For more information, or to enquire about the concepts, methods or data quality, contact Jean-Pierre Maynard (613-951-3654; fax: 613-951-3618; maynard@statcan.ca), Income and Expenditure Accounts Division. ■

New products

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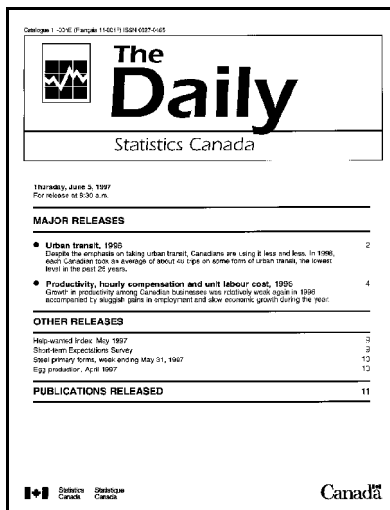
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The Daily, March 16, 2007

Release dates: March 19 to 23, 2007

(Release dates are subject to change.)

Release date	Title	Reference period
19	Canada's international transactions in securities	January 2007
19	Wholesale trade	January 2007
20	Consumer Price Index	February 2007
20	Tourism human resource module	2005
20	Travel between Canada and other countries	January 2007
21	Retail trade	January 2007
21	Leading indicators	February 2007
22	Current economic conditions	March 2007
23	Annual Wholesale Trade Survey	Annual 2005
