



The Daily

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Releases

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Canadian corporations posted a record \$63.8 billion in operating profits in the first quarter of 2007, up 2.9% over the previous quarter. Rising commodity prices boosted earnings in the petroleum and coal products and primary metal manufacturing industries. These industries accounted for about half of the overall profit gain.	
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Your Guide to Data Sources on Census-related Topics

Census year 2006

A new comprehensive guide to data sources on census-related topics for the Census year 2006 is available today. *Your Guide to Data sources on Census-related Topics* provides a list of alternate data sources that complement the existing information available through the census.

Your Guide to Data Sources on Census-related Topics (92-135-GWE, free) is available on our website. From the *Census* module, under *2006 Census*, choose *Census consultation*, and then *Your Guide to Data Sources on Census-related Topics*. This guide is also available free of charge in the on-line catalogue from the *Publications* module.

For more information, or to enquire about this guide, contact Client Services (toll-free 1-800-263-1136; fax: 613-951-1134; censusconsultation@statcan.ca).



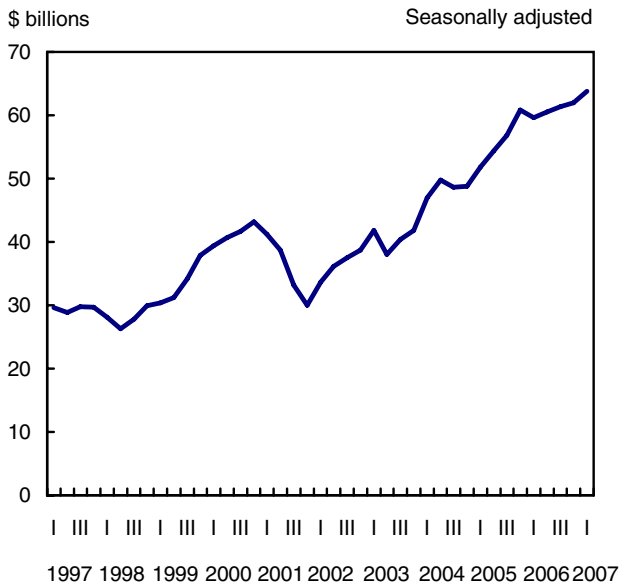
Releases

Quarterly financial statistics for enterprises

First quarter 2007 (preliminary)

Canadian corporations posted a record \$63.8 billion in operating profits in the first quarter of 2007, up 2.9% over the previous quarter. This represents the fourth consecutive quarterly increase in profits and the ninth gain in the past 10 quarters. About half of the overall profit gain can be attributed to rising commodity prices, which boosted earnings in the petroleum and coal products and primary metal manufacturing industries.

Operating profits continue to rise



The non-financial industries prospered, earning operating profits of \$46.2 billion, up 5.1% from the fourth quarter of 2006. Profits in petroleum and primary metal manufacturing industries showed the strongest results. In contrast, the wood and paper manufacturing industry posted the largest decline. Among the 17 non-financial industries, 10 showed profit

Note to readers

These quarterly financial statistics are based upon a sample survey and represent the activities of all corporations in Canada, except those that are government controlled or not-for-profit. An enterprise can be a single corporation or a family of corporations under common ownership and control for which consolidated financial statements are produced.

Operating profits represent the pre-tax profits earned from normal business activities, excluding interest expense on borrowing and valuation adjustments. For non-financial industries, operating profits exclude interest and dividend revenue and capital gains/losses. For financial industries, interest and dividend revenue, capital gains/losses and interest paid on deposits are included in the calculation of operating profits.

After-tax profits represent the bottom-line profits earned by corporations.

gains, 1 remained essentially unchanged and 6 lost ground.

The financial industries did not fair as well. Operating profits dipped 2.5% to \$17.6 billion, mainly due to lower profits for property and casualty insurance carriers. Profits of depository credit intermediaries (mainly chartered banks) edged up 1.0%.

Petroleum lifts manufacturing profits

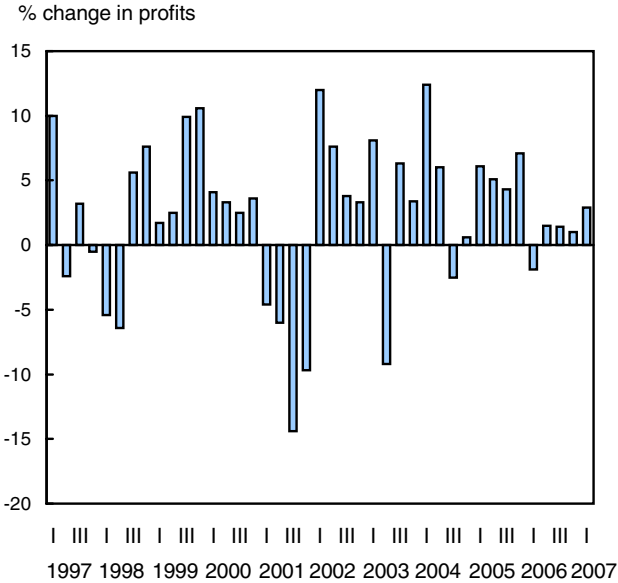
Operating profits of manufacturers advanced 7.4% to \$11.8 billion in the first quarter. The gain was fueled by the profits of petroleum and coal manufacturers, which rebounded 33.8% to \$2.7 billion following a decline of 42.3% in the previous quarter. Refined petroleum prices increased in the first quarter as a result of refinery output shortfalls, ongoing geopolitical uncertainties and a winter cold spell in North America.

Primary metal producers also showed strength. Boosted by high metal prices, they posted profits of \$1.6 billion, up 23.1% from the fourth quarter. Strong demand from China kept prices aloft, with nickel prices at historic highs.

Profits for the wood and paper manufacturing industry fell by just over half to \$263 million, as the strong Canadian dollar and a reduced demand for

lumber, due to the slowdown in the US housing market, continued to challenge producers.

Operating profit growth continues



Consumers bolster retail profits

High employment levels and low interest rates helped boost consumer confidence and retail profits, which grew 12.4% to \$3.9 billion in the first quarter.

Clothing and general merchandise stores led growth among retail industries, earning \$1.4 billion in the first quarter, up 12.8% from the previous quarter. Food and beverage stores' profits rose 24.2% to \$623 million for the quarter, while profits for furniture, home furnishings, electronics and appliance stores increased 36.8% to \$375 million.

Profits in the real estate and rental and leasing industry rose 9.8% to \$3.2 billion. A similar increase was seen in the information and culture industry, where profits were up 9.9% to \$3.1 billion, largely due to telecommunications firms and soaring cellular phone use in Canada.

Profits in the oil and gas extraction industry increased 3.4% to \$7.4 billion, following a decline

of 16.5% the previous quarter. Crude petroleum prices bounced back from the lows experienced in the fourth quarter to help prop up profits.

Property and casualty insurers pull financial industries profits down

Profits of financial industries dipped 2.5% to \$17.6 billion in the first quarter, following a 6.7% gain in the fourth quarter. The drop was driven by property and casualty insurers whose profits fell 22.8% to \$1.7 billion, after rising 20.9% the previous quarter.

Companies involved in securities, commodity contracts and other financial investment activities earned \$4.4 billion, down 3.3%. The chartered banks earned \$7.0 billion in first quarter profits, little changed from the previous quarter.

Profitability ratios

The operating profit margin levelled off at 8.6% in the first quarter, maintaining an historical high level.

The first quarter return on shareholders' equity was 11.8%, down slightly from 11.9% in the previous quarter. After-tax profits, the numerator in this profit measure, fell 0.3% in the quarter, as a result of lower interest and dividend revenue as well as higher interest expense on borrowing.

Available on CANSIM: tables 187-0001 and 187-0002.

Definitions, data sources and methods: survey number 2501.

The first quarter 2007 issue of the *Quarterly Financial Statistics for Enterprises* (61-008-XWE, free) will be available soon.

Financial statistics for enterprises for the second quarter will be released on August 23.

For more information or to order data, contact Louise Noel at Client Services (toll-free 1-888-811-6235; 613-951-2604). To enquire about the concepts, methods, or data quality of this release, contact Danielle Lafontaine-Sorgo (613-951-2634; danielle.lafontaine-sorgo@statcan.ca) or Haig McCarrell (613-951-5948; haig.mccarrell@statcan.ca), Industrial Organization and Finance Division.

□

Quarterly financial statistics for enterprises

	First quarter 2006 ^r	Fourth quarter 2006 ^r	First quarter 2007 ^p	First quarter 2006 to first quarter 2007	Fourth quarter 2006 to first quarter 2007
Seasonally adjusted					
	\$ billions			% change	
All Industries					
Operating revenue	702.9	723.8	740.5	5.4	2.3
Operating profit	59.6	62.0	63.8	7.0	2.9
After-tax profit	37.8	41.6	42.0	11.2	1.2
Non-financial					
Operating revenue	636.9	651.2	667.7	4.8	2.5
Operating profit	43.8	43.9	46.2	5.6	5.1
After-tax profit	27.2	29.5	30.5	12.0	3.2
Financial					
Operating revenue	66.0	72.6	72.8	10.3	0.2
Operating profit	15.9	18.1	17.6	11.0	-2.5
After-tax profit	10.6	12.0	11.6	9.0	-3.8

^r revised

^p preliminary



Current economic conditions

Output growth quickened in February, leaving it well-positioned for a solid first-quarter increase. The strong growth of the economy in the first quarter is noteworthy for several reasons. It suggests that much of the slump in output recorded last September and October was an isolated event, and not the beginning of a cyclical slowdown. This was reflected in the steady gains in the leading indicator and employment throughout the fall of 2006, which continued in the first quarter.

The buoyancy of output also shows the resiliency of the Canadian economy in the face of a rail strike and slowdown in US growth. US demand was hindered by continued weakness in housing, although this slump has not spilled over into sectors such as consumer spending and business investment.

Manufacturing output eked out a small increase, despite being hampered by the rail strike. This was its third increase in four months. More encouragingly, the balance of opinion about production in the second-quarter business conditions survey was more positive than it has been in almost three years. Autos rebounded from sharp declines in January, with assemblies up slightly year-over-year, a marked change from the 25% drop last October. A fire at a refinery in Ontario curtailed petroleum production.

The cold snap appears to have had more of an impact on the distribution than on the overall level of output. While demand for utilities hit a record high, the cold dampened work outdoors in the construction and resource industries. It also appears to have discouraged consumers from venturing out, especially to buy autos. The coldest winter in 25 years in the US exaggerated the slump in housing, which began to improve as temperatures recovered.

Regionally, Alberta returned to the lead in employment growth after pausing in March, driven by natural resources and trade and transportation. More part-time jobs may have encouraged women to enter the labour force. Employment posted a rare across-the-board increase in the Atlantic provinces, whose unemployment rate equalled the record low of 8.9% set in February (with Newfoundland and Labrador and Prince Edward Island hitting their lowest levels in a quarter of a century).

Definitions, data sources and methods: survey numbers, including related surveys, 1301, 1901, 2152, 2306, 2406 and 3701.

The print version of the May 2007 issue of *Canadian Economic Observer*, Vol. 20, no. 5 (11-010-XPB, \$25/\$243) is now available. This issue summarizes the major economic events that occurred in May and presents an article entitled "Canada's changing auto industry." See *How to order products*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Philip Cross (613-951-9162; ceo@statcan.ca), Current Economic Analysis Group. ■

Natural gas sales

March 2007 (preliminary)

Warmer than normal temperatures in the western provinces led to a decline in natural gas sales in the residential sector in March.

However, the 1.4% decline in the residential sales, coupled with a reduction of 1.6% in commercial sales, was more than offset by the 15.0% gain in the volume of industrial and direct sales.

Natural gas sales totalled 7 770 million cubic metres, up 6.1% from March 2006.

On a year-to-date basis, sales at the end of March were up 10.0% from the same three-month period last year in the wake of across-the-board increases in all sectors.

The volume of sales to the industrial sector (including direct sales) has risen 12.8% so far this year, while sales were up 7.4% in the residential sector and 8.1% in the commercial sector.

Definitions, data sources and methods: survey number 2149.

For more information, to order data, 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; energ@statcan.ca), Manufacturing, Construction and Energy Division. □

Natural gas sales

	March 2007 ^P	March 2006	March 2006 to March 2007 % change
	thousands of cubic metres		
Total sales	7,769,583	7,324,635	6.1
Residential	2,278,468	2,310,104	-1.4
Commercial	1,637,352	1,663,901	-1.6
Industrial and direct	3,853,763	3,350,630	15.0
	Year-to-date		
	2007 ^P	2006	2006 to 2007
	thousands of cubic metres		
Total sales	24,930,716	22,666,247	10.0
Residential	7,774,440	7,240,520	7.4
Commercial	5,535,778	5,119,543	8.1
Industrial and direct	11,620,498	10,306,184	12.8

^P preliminary

Crushing statistics

April 2007

Olseed processors crushed 294,021 metric tonnes of canola in April. Oil production in April totalled 128,132 tonnes, while meal production amounted to 172,785 tonnes.

Available on CANSIM: table 001-0005.

Definitions, data sources and methods: survey number 3404.

The April 2007 issue of *Cereals and Oilseeds Review* (22-007-XIB, free) will be available in June.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (toll-free 1-800-465-1991; agriculture@statcan.ca), Agriculture Division. ■

Cereals and oilseeds review

March 2007

Data from the March 2007 issue of *Cereals and Oilseeds Review*, Vol. 30, no. 3 (22-007-XIB, free) are now available. The March issue contains an overview of April's market conditions.

The annual *Grain Storage and Movement Supplement* prepared in conjunction with the Canadian Grain Commission is also included in this issue.

Definitions, data sources and methods: survey numbers, including related surveys, 3401, 3403, 3404, 3443, 3464 and 3476.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (toll-free 1-800-465-1991; agriculture@statcan.ca), Agriculture Division. ■

Deliveries of major grains

April 2007

Data on April major grain deliveries are now available.

Available on CANSIM: table 001-0001.

Definitions, data sources and methods: survey numbers, including related surveys, 3403, 3404 and 3443.

The April 2007 issue of *Cereals and Oilseeds Review* (22-007-XIB, free) will be available in June.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (toll-free 1-800-465-1991; agriculture@statcan.ca), Agriculture Division. ■

New products

Canadian Economic Observer, May 2007, Vol. 20,
no. 5
Catalogue number 11-010-XPB (\$25/\$243).

Cereals and Oilseeds Review, March 2007, Vol. 30,
no. 3
Catalogue number 22-007-XIB
(free).

Exports by Commodity, March 2007, Vol. 64, no. 3
Catalogue number 65-004-XCB (\$40/\$387).

Exports by Commodity, March 2007, Vol. 64, no. 3
Catalogue number 65-004-XPB (\$84/\$828).

Imports by Country, January to March 2007, Vol. 64,
no. 1
Catalogue number 65-006-XCB (\$67/\$221).

Imports by Country, January to March 2007, Vol. 64,
no. 1
Catalogue number 65-006-XPB (\$133/\$441).

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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 20 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** 3
- **Short-term Expectations Survey** 2
- **Steel primary forms, week ending May 31, 1997** 12
- **Egg production, Apr. 1997** 12

PUBLICATIONS RELEASED 11

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