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The Daily

Statistics Canada

Thursday, July 12, 2007
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Releases

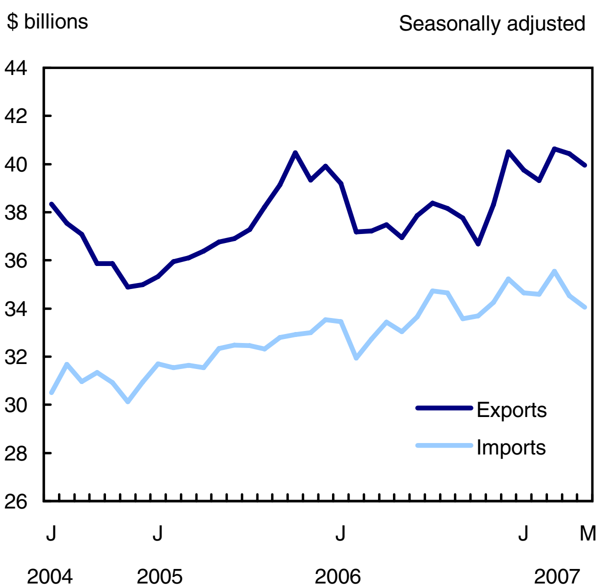
Releases

Canadian international merchandise trade

May 2007

Canadian merchandise imports and exports declined in May for the second consecutive month after both reached record levels in March. The nation's trade balance with the world remained relatively unchanged at $5.9 billion, as imports and exports fell by nearly the same value.

Exports and imports



Exports fell 1.2% to $39.9 billion, largely the result of declines in automotive products and, to a lesser extent, in agricultural and fishing products, and forestry products. Exports have hovered around the $40-billion mark since December 2006. In constant dollar terms, exports fell to $37.9 billion.

Imports declined 1.4% to $34.1 billion in May, despite robust growth in energy products. In constant dollars, imports rose slightly to $39.2 billion.

Canada's trade surplus with the United States narrowed to $7.8 billion in May from a revised $8.1 billion in April, as exports to Canada's largest trading partner dropped at a sharper rate than imports.

Note to readers

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

International merchandise trade data by country are available on both a balance of payments and a customs basis for the United States, Japan and the United Kingdom. Trade data for all other individual countries are available on a customs basis only. Balance of payments data are derived from customs data by making adjustments for items such as valuation, coverage, timing and residency. These adjustments are made to ensure the conformity of the data to the concepts and definitions of the Canadian System of National Accounts.

At the end of each quarter, The Daily *includes a section describing trends and topics of interest relating to the Canadian international merchandise trade. This section typically discusses data presented on a customs basis and not seasonally adjusted.*

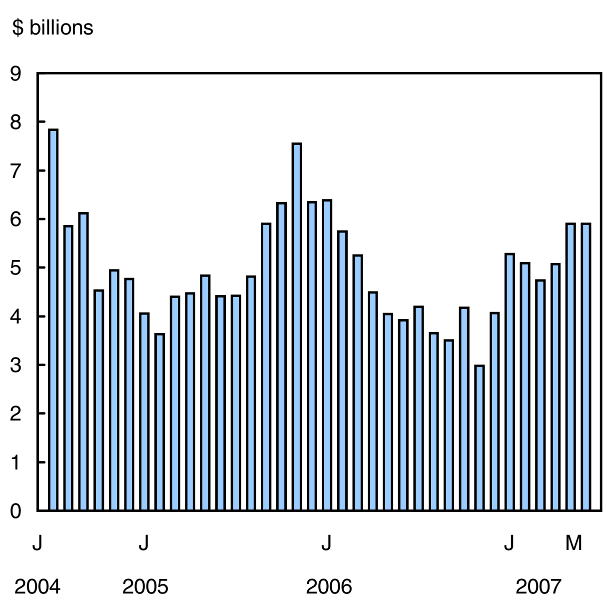
Revisions

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.

Trade balance



Elsewhere, the value of imports from countries other than the United States declined, as did the value of exports to those destinations. The decline in imports was twice that of exports, and the deficit with these countries narrowed to $1.9 billion.

Exports decrease despite record high in industrial goods

Declines in exports of automotive, agricultural and fishing, and forestry products eclipsed record-high exports of industrial goods.

Since the spike registered in December 2006 and the subsequent more moderate increase in March, exports of automotive products have declined. In May, exports for this sector fell 5.8% to $6.4 billion. Passenger autos fell 6.6% to $3.2 billion, registering the largest decline in value and reaching its lowest level since August 2006. Trucks and other motor vehicles decreased 7.3% while motor vehicle parts declined 3.7%, the first decrease since January.

Exports of agricultural and fishing products declined 6.9% to $2.8 billion as wheat plunged 34.1%, offsetting April's increase. Exports of live animals also decreased, although Canada resumed exporting to Russia in May for the first time since the bovine spongiform encephalopathy crisis halted exports in 2003. Live animal exports have been gradually increasing as more countries ratify agreements to accept Canadian cattle.

Forestry products declined 3.8% to $2.5 billion as lumber products registered the largest decline. Exports to the United States continue to account for the majority of Canadian exports of lumber products. These exports continue to be affected by low prices and persistent weakness in the American housing market.

Rising for the third consecutive month, exports of industrial goods set a new record high of $9.2 billion on the continued strength of chemicals, plastics and fertilizers. The main contributor to this increase was inorganic chemicals, fuelled by the growing demand for uranium.

Energy products edged up 0.6% to $7.8 billion as petroleum and coal products rose for the fourth consecutive month, increasing 12.4% to a new record high of $1.6 billion. The majority of the increase was due to a rise in volume.

Increased demand for aircraft, engines and parts from Canada's aerospace industry pushed exports of aircraft and other transportation equipment up 16.7% to $2.1 billion, the highest level since February 2002. This jump translated into a 1.8% increase in machinery and equipment exports, which reached $8.3 billion.

Imports fall for the second consecutive month

Strong growth in energy imports failed to offset the declines registered by most sectors in May. Automotive products and other consumer goods led the decrease.

Imports of automotive products dropped for the second consecutive month, down 5.4% to $6.5 billion. Motor vehicle parts registered the largest decline (-5.5%), falling to just below the $3-billion mark for the third time since 2001. Imports of passenger autos also declined, down 7.3% to just under $2.0 billion. Trucks and other motor vehicles fell 2.3%, the first decrease in five months.

Imports of other consumer goods contracted for the second month in a row, declining 5.7% to $4.4 billion. Imports of watches, sporting goods and toys led the drop as these commodities returned to previous levels following the record increase in April.

Industrial goods and materials imports fell 3.4% to $6.9 billion. Metals and metal ores registered the largest decline (-5.0%) in this sector after inching up in April. Chemicals and plastics declined for the fourth month in a row.

Machinery and equipment fell 1.0% to $9.5 billion. Aircraft and other transportation equipment increased 1.6% as airline companies expanded their fleets. However, these increases were overshadowed by declines in imports of office machines and equipment, industrial and agricultural machinery, and other machinery and equipment.

Agricultural and fishing products edged up 0.3% to $2.1 billion. The rise was concentrated in imports of fruits and vegetables, as the seasonal demand for fresh fruits and berries was particularly strong.

Imports of energy products jumped 11.3% to $3.2 billion after decreasing in April. Both crude petroleum and other energy products contributed to the rise. For crude petroleum, the bulk of the 16.8% rise was due to a surge in volume, even though both the price and volume increased. Coal and other related products, which fuelled the increase in other energy products, rose for a second consecutive month.

Available on CANSIM: tables 228-0001 to 228-0003, 228-0033, 228-0034, 228-0041 to 228-0043 and 228-0047 to 228-0055.

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

The May 2007 issue of *Canadian International Merchandise Trade*, Vol. 61, no. 5 (65-001-XIB, free) is now available from the *Publications* module 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-XWE, free).

The publication is available free in PDF format on the morning of release.

For more information on products and services, contact Sharon Nevins (toll-free 1-800-294-5583; 613-951-9798). To enquire about the concepts, methods or data quality of this release, contact Anne Couillard (613-951-6867), International Trade Division.

□

Merchandise trade

	April 2007[r]	May 2007	April to May 2007	May 2006 to May 2007	January to May 2006	January to May 2007	January–May 2006 to January–May 2007
	Seasonally adjusted, $ current						
	$ millions		% change		$ millions		% change
Principal trading partners							
Exports							
United States	30,488	30,180	-1.0	2.3	151,651	153,139	1.0
Japan	1,005	962	-4.3	19.5	4,198	4,685	11.6
European Union[1]	3,746	3,531	-5.7	30.0	12,841	17,446	35.9
Other OECD countries[2]	1,955	2,069	5.8	52.9	6,373	8,846	38.8
All other countries	3,240	3,213	-0.8	24.5	12,984	15,968	23.0
Total	**40,434**	**39,954**	**-1.2**	**8.1**	**188,045**	**200,085**	**6.4**
Imports							
United States	22,435	22,405	-0.1	5.8	108,066	112,935	4.5
Japan	974	912	-6.4	-11.1	4,917	4,966	1.0
European Union[1]	3,646	3,659	0.4	-3.2	17,122	18,040	5.4
Other OECD countries[2]	1,922	1,688	-12.2	-16.1	9,681	9,935	2.6
All other countries	5,552	5,392	-2.9	7.1	24,808	27,499	10.8
Total	**34,529**	**34,056**	**-1.4**	**3.1**	**164,593**	**173,375**	**5.3**
Balance							
United States	8,053	7,775	...	...	43,585	40,204	...
Japan	31	50	...	...	-719	-281	...
European Union[1]	100	-128	...	...	-4,281	-594	...
Other OECD countries[2]	33	381	...	...	-3,308	-1,089	...
All other countries	-2,312	-2,179	...	...	-11,824	-11,531	...
Total	**5,905**	**5,898**	**...**	**...**	**23,452**	**26,710**	**...**
Principal commodity groupings							
Exports							
Agricultural and fishing products	3,026	2,817	-6.9	12.7	12,788	14,580	14.0
Energy products	7,759	7,807	0.6	5.0	36,524	38,255	4.7
Forestry products	2,610	2,510	-3.8	-9.0	14,456	12,989	-10.1
Industrial goods and materials	9,153	9,181	0.3	23.7	36,320	44,278	21.9
Machinery and equipment	8,125	8,271	1.8	9.4	38,960	41,234	5.8
Automotive products	6,815	6,420	-5.8	-3.6	35,543	34,152	-3.9
Other consumer goods	1,658	1,640	-1.1	15.6	7,080	8,223	16.1
Special transactions trade[3]	745	693	-7.0	-0.1	3,615	3,611	-0.1
Other balance of payments adjustments	543	614	13.1	22.1	2,759	2,762	0.1
Imports							
Agricultural and fishing products	2,109	2,115	0.3	11.3	9,439	10,594	12.2
Energy products	2,878	3,204	11.3	9.2	13,748	14,395	4.7
Forestry products	249	251	0.8	-1.6	1,271	1,267	-0.3
Industrial goods and materials	7,105	6,863	-3.4	-2.8	34,520	35,532	2.9
Machinery and equipment	9,576	9,479	-1.0	1.0	46,827	48,634	3.9
Automotive products	6,818	6,453	-5.4	2.7	32,514	33,938	4.4
Other consumer goods	4,690	4,421	-5.7	5.0	21,175	23,193	9.5
Special transactions trade[3]	426	613	43.9	71.7	1,787	2,444	36.8
Other balance of payments adjustments	677	658	-2.8	2.8	3,314	3,374	1.8

r revised
... not applicable
1. *Includes Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and United Kingdom.*
2. *Other countries in the Organisation for European Economic Co-operation (OECD) include Australia, Canada, Iceland, Mexico, New Zealand, Norway, South Korea, Switzerland and Turkey.*
3. *These are mainly low valued transactions, value of repairs to equipment, and goods returned to country of origin.*

■

New Housing Price Index

May 2007

New housing prices in Canada increased at their slowest pace in just over a year in May, continuing a trend in deceleration that started in September 2006.

Contractors' selling prices in May were 8.6% higher than they were in May 2006. This increase was slightly slower than the 8.9% year-over-year gain recorded in April.

It was the slowest increase since April 2006. However, May still marked the 14th consecutive month of year-over-year increases above 8%.

On a monthly basis, new housing prices were up 1.1% from April. The New Housing Price Index for May reached 152.1 (1997=100).

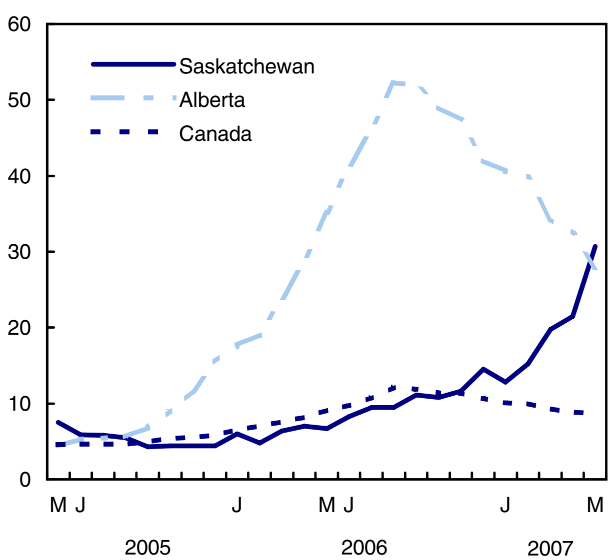
Housing prices in Saskatchewan (+30.7%) and Alberta (+27.9%) accounted for most of the 8.6% year-over-year increase in May.

Year-over-year gains of only 2.6% in Ontario and 3.8% in Quebec had a moderating influence on the national average.

By far the biggest year-over-year increase on a municipal basis occurred in the census metropolitan area (CMA) of Saskatoon. This was largely due to the healthy economy of Saskatchewan and its recent population growth, the result of recent net gains in interprovincial migration from Alberta.

Alberta and Saskatchewan show large increases

% change from a year earlier



Saskatoon contractors increased their prices by 38.6% between May 2006 and May 2007. In Regina, the year-over-year rise was 21.6%. These were the fastest advances for both CMAs in 26 years and continued a year-long trend of accelerating price increases.

Contractors in the CMA of Edmonton recorded a year-over-year gain of 37.0% in May, while prices in Calgary were up 22.0%. While still substantial, these price increases represented a 10-month low for Edmonton and a 16-month low for Calgary.

After recording a dizzying year-over-year increase of 60.6% in August 2006, price advances in Calgary have since decelerated every month. Prices in Edmonton have slowed down after a high growth rate of 42.8% in November 2006.

The only other CMA to show an increase above the national average was Vancouver. Contractors there boosted their prices by 8.8% from May 2006, continuing a recent trend of accelerating price increases.

In Winnipeg, the year-over-year rise was 6.5%, its slowest since June 2004, in line with a recent trend in deceleration. Trailing all CMAs in the West was Victoria, where new housing prices were virtually stable (+0.3%).

Halifax recorded a year-over-year increase of 7.1%, its largest since 1985. St. John's is also starting to show a healthier market. Prices there rose 4.8%, the fastest gain in nine months, and above the Atlantic Provinces' average of 3.9%.

In Central Canada, homebuilders in Hamilton increased their prices by 6.1% from May 2006, the 11th consecutive month of growth above 5% for this CMA.

Greater Sudbury and Thunder Bay followed with a 4.7% gain, mainly the result of increases in the wages of skilled trade labourers. A 4.3% rise in London was due to competitive factors and increases in land prices.

Increases in wage rates and material costs resulted in gains of 3.9% in Montréal and 3.5% in Québec. The only CMA to record a year-over-year decline was Windsor, where prices fell 1.0%, the eighth consecutive monthly decrease.

On a monthly basis, prices rose 10.9% between April and May in Saskatoon, 4.0% in Regina and 4.7% in Halifax. No CMA in Central Canada recorded increases of more than 1.0%.

The only CMAs to show monthly declines were Windsor (-0.2%) and St. Catharines–Niagara (-0.1%).

Available on CANSIM: table 327-0005.

Definitions, data sources and methods: survey number 2310.

The first quarter 2007 issue of *Capital Expenditure Price Statistics* (62-007-XWE, free) will be available soon.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (613-951-9606, fax: 613-951-1539; *prices-prix@statcan.ca*) or Neil Killips (613-951-5722; *neil.killips@statcan.ca*), Prices Division.

New Housing Price Indexes

	May 2007	May 2006 to May 2007	April to May 2007
	(1997=100)	% change	
Canada total	**152.1**	**8.6**	**1.1**
House only	**162.1**	**8.3**	**1.2**
Land only	**132.5**	**9.7**	**0.8**
St. John's	134.4	4.8	1.4
Halifax	139.4	7.1	4.7
Charlottetown	117.8	0.8	0.6
Saint John, Fredericton and Moncton	113.5	0.6	0.5
Québec	147.0	3.5	0.2
Montréal	153.3	3.9	0.4
Ottawa–Gatineau	161.5	2.1	0.1
Toronto and Oshawa	140.0	2.4	0.4
Hamilton	148.8	6.1	0.4
St. Catharines–Niagara	149.6	4.2	-0.1
Kitchener	138.6	1.0	0.4
London	136.7	4.3	0.9
Windsor	103.8	-1.0	-0.2
Greater Sudbury and Thunder Bay	106.2	4.7	1.0
Winnipeg	153.1	6.5	0.7
Regina	185.0	21.6	4.0
Saskatoon	186.5	38.6	10.9
Calgary	247.2	22.0	0.9
Edmonton	229.4	37.0	2.6
Vancouver	121.0	8.8	2.3
Victoria	118.3	0.3	1.3

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

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Current economic conditions

Output levelled off in April, after three consecutive gains, hampered in part by labour disputes. Employment growth resumed in June, after a two-month pause, as gains in services outweighed more losses in manufacturing.

The economy continued to be influenced by gains in commodity prices and the exchange rate. Food and energy prices continued their upward trend, while metals remained near their historic highs. Partly as a result, the Canadian dollar posted its second fastest quarterly increase ever, just under 7%, hovering near a 20-year high in May and June.

These shifts in relative prices continued to resonate throughout the economy. The stock market remained near its all-time peak. Export earnings of most commodities continued to grow, led by metals. Mining output was checked by labour disputes, after strong growth in recent months (non-metallic minerals have expanded by nearly a third in the past year). The investment boom in resources helped buttress manufacturing output in recent months against weak export demand, especially for lumber and autos.

Higher food and energy prices pushed up consumer prices, led by a 26% hike in gasoline prices since January. The jump in gasoline prices did not deter its consumption, which jumped 4.2% in April, its largest monthly increase in over two years. After a slow start to the year, when a cold snap discouraged motorists from venturing out, gasoline demand in April was 3% ahead of last year's pace.

Quebec's 6.9% unemployment rate was the lowest on record back to 1976, down over a full point from 8.0% in June 2006. At 0.4 percentage points, the gap between Quebec's 6.9% rate and Ontario's 6.5% rate was the smallest ever recorded. Before 2007, the smallest gap was 1.1 points, observed late in 2002. With comparable labour force growth in both provinces, the convergence of the unemployment rates reflects the strong job gains of 2.4% in Quebec since June 2006 (all in full-time employment) and the growth slowdown to 0.9% in Ontario. Growth in Quebec was led by household spending, partly fuelled by one-time pay equity settlements of $1.3 billion dispersed in the spring. Both provinces have lost numerous jobs in manufacturing and forestry.

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

The online version of the July 2007 issue of *Canadian Economic Observer*, Vol. 20, no.7 (11-010-XWB, free) is now available from the *Publications* module of our website. The publication *Canadian Economic Observer, Historical Statistical Supplement* (11-210-XIB, free) is also available. The supplement contains annual historical data for all series reported monthly in *Canadian Economic Observer*.

The paper versions of *Canadian Economic Observer*, Vol. 20, no. 7 (11-010-XPB, $25/$243) and *Canadian Economic Observer, Historical Statistical Supplement* (11-210-XPB, $28) will be available soon.

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. ■

Export and import price indexes

May 2007

Current- and fixed-weighted export and import price indexes (2002=100) on a balance of payments basis are now available. Price indexes are listed from January 2002 to May 2007 for the five commodity sections and the major commodity groups (62 exports and 61 imports).

Current- and fixed-weighted US price indexes (2002=100) are also available on a customs basis. Price indexes are listed from January 2002 to May 2007. 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 now on a customs basis.

Available on CANSIM: tables 228-0001 to 228-0003 and 228-0047 to 228-0055.

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

The May 2007 issue of *Canadian International Merchandise Trade*, Vol. 61, no. 5 (65-001-XIB, free) is now available from the *Publications* module of our website.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the Marketing and Client Services Section (toll-free 1-800-294-5583), International Trade Division. ■

Chain Fisher dollar export and import values

May 2007

The monthly chain Fisher real dollar values (reference year 2002) for Canadian international merchandise exports and imports for May are now available.

This series is not offered in CANSIM.

To order data, 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 Bernard Lupien (613-951-6872), International Trade Division. ■

Census Forward Sortation Area Boundary File

2006 Census

The *Census Forward Sortation Area Boundary File*, available today, contains boundaries for forward sortation areas (FSAs). These areas correspond to the first three characters of the postal codes as provided on the 2006 Census questionnaires. The 2006 *Census Forward Sortation Area Boundary File* contains the boundaries of 1,604 FSAs.

Population and dwelling counts for the forward sortation areas in the 2006 Census are also available today in the *Population and Dwelling Count Highlight Tables, 2006 Census*. The *Census Forward Sortation Area Boundary File* is available in two representations: digital boundary files and cartographic boundary files. Digital boundary files depict the full extent of the geographical areas, including the coastal water area. Cartographic boundary files depict the geographical areas using the shorelines of the major land mass of Canada and its coastal islands. The files provide a framework for mapping and spatial analysis using commercially available geographic information systems or other mapping software.

The population and dwelling counts for FSAs are available in the *Population and Dwelling Count Highlight Tables, 2006 Census*.

Definitions, data sources and methods: survey number 3901.

The *Census Forward Sortation Area Boundary File* (92-170-XWE) and *Census Forward Sortation Area Boundary File, Reference Guide* (92-170-GWE, free) are now available in electronic format from the *Publications* module of our website. For more information, contact Geo-Help (613-951-3889; *geohelp@statcan.ca*), Geography Division. ■

New products

Canadian Economic Observer, Vol. 20, no. 7
Catalogue number 11-010-XWB
(free).

Canadian Economic Observer, Historical Statistical Supplement, Vol. 20, no. 7
Catalogue number 11-210-XIB
(free).

Inter-corporate Ownership, Second quarter 2007
Catalogue number 61-517-XCB ($375/$1,065).

Canadian International Merchandise Trade, May 2007, Vol. 61, no. 5
Catalogue number 65-001-XIB
(free).

Canada's Balance of International Payments, First quarter 2007, 55, no. 1
Catalogue number 67-001-XWE
(free).

Census Forward Sortation Area Boundary File, Reference Guide, Census year 2006
Catalogue number 92-170-GWE
(free).

Census Forward Sortation Area Boundary File, Census year 2006
Catalogue number 92-170-XWE ($445).

Population and Dwelling Counts, 2006 Census: Population and Dwelling Count Highlight Tables, 2006 Census, Census year 2006
Catalogue number 97-550-XWE2006002
(free).

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

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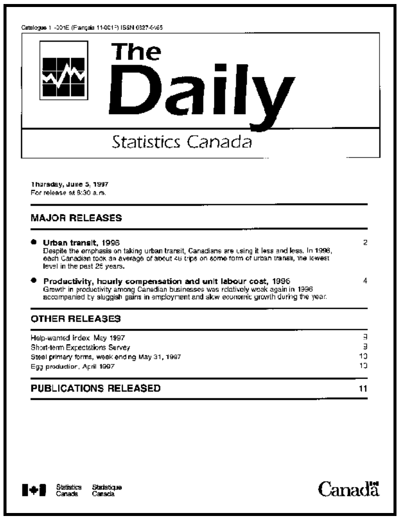

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The Daily

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
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PUBLICATIONS RELEASED 11

Statistics Canada Statistique Canada

Canada

Statistics Canada's official release bulletin

Catalogue 11-001-XIE.

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