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Releases

Releases

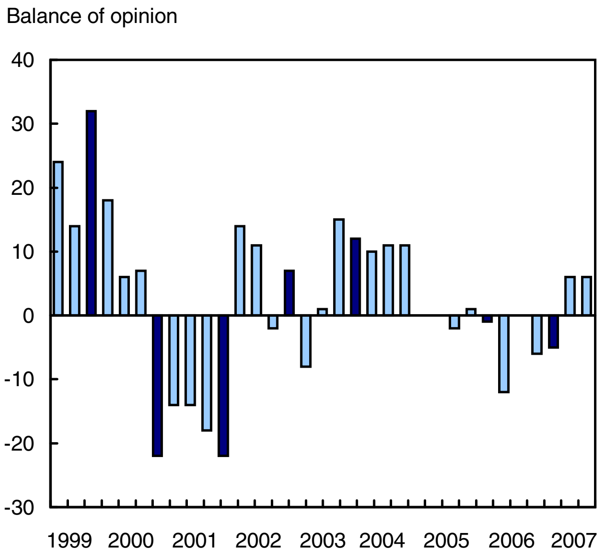
Business Conditions Survey: Manufacturing industries

July 2007

In spite of increased pressure from the rising Canadian dollar and higher raw material prices, manufacturers remained bullish about production and employment prospects in the coming three months.

The Business Conditions Survey is a quarterly survey that requests manufacturers' opinions on production impediments, finished product inventory levels, new and unfilled order levels and production and employment prospects in the coming three months. The voluntary survey was conducted in the first two weeks of July and attracted over 3,000 responses from manufacturers.

Balance of opinion for expected volume of production for the next three months



Manufacturers remain positive about production prospects

In July, the proportion of manufacturers stating they would increase production over the next three months stood at 21%, down 1 point from April. The percentage of manufacturers indicating they would decrease production in the third quarter was down 1 point to 15%. As a result, the balance of opinion stood at +6, unchanged from the previous survey. The April and July balances of opinion are the most positive posted since the October 2004 survey (+11). Production prospects continued to be positive in Newfoundland and Labrador, Nova Scotia, Ontario, Saskatchewan, Alberta and British Columbia. On the other hand, opinions reported by manufacturers in Prince Edward Island, New Brunswick, Quebec and Manitoba were negative.

Producers of chemical products, transportation equipment, and plastic and rubber products, as well as electric equipment, appliances and components industries were the major contributors to the positive balance. In all, 12 of the 21 manufacturing industries posted a positive balance for production prospects in the third quarter of 2007.

The balance of opinion was determined by subtracting the proportion of manufacturers who expected production would be decreasing in the coming three months from the proportion who expected production would be increasing.

> ***Note to readers***
>
> *The Business Conditions Survey is conducted in January, April, July and October; the majority of responses are recorded in the first two weeks of these months. Results are based on replies from over 3,000 manufacturers and are weighted by a manufacturer's shipments or employment. Consequently, larger manufacturers have a correspondingly larger impact on the results than smaller manufacturers.*
>
> *Except for the data on production difficulties, data in this release are seasonally adjusted.*

Satisfaction with level of new orders slightly less positive

While 25% of manufacturers stated that the current level of new orders was increasing, those stating that the level of new orders was decreasing jumped 8 points to 19%. As a result, the July balance of opinion, while still positive, fell 5 points from the April survey to +6. Producers in primary metal, paper and wood product industries were the major contributors to the lowered balance of opinion for orders received. Although lower, this represents the third positive balance of opinion posted in 2007 for orders received. According to May's Monthly Survey of Manufacturing, new orders for all manufacturing industries decreased 0.5% from April to just over $50.5 billion.

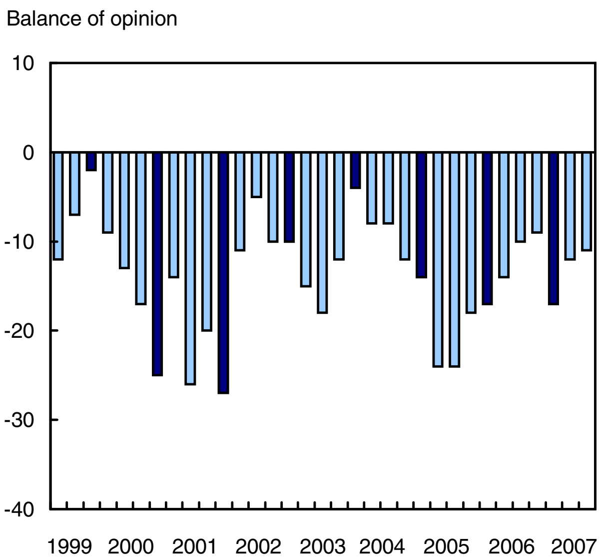
Manufacturers less satisfied with levels of unfilled orders

While most manufacturers continued to describe the backlog of unfilled orders as normal, the July balance of opinion decreased 5 points to -5. About 13% of manufacturers indicated that the current level of unfilled orders was higher than normal, while 18% reported a lower than normal backlog. Producers in the primary metal and paper industries were the major contributors to the negative balance of opinion for unfilled orders. With the exception of the April survey, the balance of opinion for unfilled orders has been negative since October 2004. According to May's Monthly Survey of Manufacturing, unfilled orders increased 1.8% to almost $49.1 billion, an increase of over $4.4 billion since the beginning of 2007.

Manufacturers slightly less concerned with finished-product inventories

In July, 79% of manufacturers reported that the current level of finished-product inventories was about right, up 1 point from April. Some 16% stated that inventories were too high, while 5% said inventories were too low. This left the balance of opinion at -11, a 1 point improvement from the April balance. According to May's Monthly Survey of Manufacturing, finished product inventory levels stood at just under $22.3 billion, up 0.7% from April.

Balance of opinion for current level of finished-product inventory



Manufacturers' employment prospects remain positive

The July results for employment prospects for the next three months remained unchanged from the April survey. Roughly 68% of manufacturers stated that they would keep their current workforce, while 17% indicated that they would increase it and 15% indicated that they expected to decrease employment in the third quarter of 2007, leaving the balance of opinion at +2. Regionally, negative balances in New Brunswick (-4) Quebec (-6) and Ontario (-1) were offset by positive balances in the remaining provinces, where many manufacturers continued to express difficulty in finding skilled labour. According to the June Labour Force Survey, over the first half of 2007, manufacturing employment plummeted by 4.3% to just over 2.02 million.

Manufacturers' production impediments

The proportion of manufacturers reporting production impediments remained unchanged (29%) in the July survey. Concerns with rail car shortages, the high value of the Canadian dollar, raw material prices and skilled and unskilled labour shortages were among the most common factors cited.

Available on CANSIM: tables 302-0007 and 302-0008.

Definitions, data sources and methods: survey number 2152.

Business Conditions Survey data for October will be released on October 26.

To order data, or to obtain more information, contact the dissemination officer (toll-free 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 Claude Robillard (613-951-3507; *claude.robillard@statcan.ca*), Manufacturing, Construction and Energy Division.

Business Conditions Survey: Manufacturing industries production prospects balance of opinion for select industries

	July 2006	October 2006	January 2007	April 2007	July 2007
Major group industries	Seasonally adjusted				
Non-durable goods	**15**	**1**	**12**	**3**	**11**
Food	14	13	18	19	8
Chemical	17	9	2	-5	15
Petroleum and coal products	54	57	11	-3	-9
Paper	-2	-13	19	8	-2
Plastic and rubber products	5	-25	-25	-6	7
Durable goods	**-9**	**-10**	**-1**	**6**	**3**
Transportation equipment	-11	-10	-19	4	16
Primary metal	10	-22	15	13	-26
Wood products	-1	-12	-6	-9	2
Fabricated metal products	0	-10	8	3	5
Machinery	-9	1	-2	-2	-10
Computer and electronic products	-6	-18	-24	19	-1

Business Conditions Survey: Manufacturing industries

	July 2006	October 2006	January 2007	April 2007	July 2007
	Seasonally adjusted				
Volume of production during next three months compared with last three months will be:					
About the same (%)	60	62	59	62	64
Higher (%)	20	16	18	22	21
Lower (%)	20	22	23	16	15
Balance of opinion	0	-6	-5	6	6
New orders are:					
About the same (%)	68	67	52	66	56
Rising (%)	18	10	25	22	25
Declining (%)	14	23	22	11	19
Balance of opinion	4	-13	3	11	6
Present backlog of unfilled orders is:					
About normal (%)	82	71	68	68	69
Higher than Normal (%)	8	5	11	16	13
Lower than Normal (%)	10	24	21	16	18
Balance of opinion	-2	-19	-10	0	-5
Finished product inventory is:					
About right (%)	84	81	77	78	79
Too low (%)	3	5	3	5	5
Too high[1](%)	13	14	20	17	16
Balance of opinion	-10	-9	-17	-12	-11
Employment during the next three months will:					
Change little (%)	68	65	66	68	68
Increase (%)	15	15	15	17	17
Decrease (%)	17	20	19	15	15
Balance of opinion	-2	-5	-4	2	2
	Unadjusted				
	%				
Sources of production difficulties:					
Working capital shortage	2	3	2	2	2
Skilled labour shortage	9	10	11	12	11
Unskilled labour shortage	5	6	4	4	4
Raw material shortage	5	4	4	4	4
Other difficulties	2	4	2	7	8
No difficulties	77	72	77	71	71

1. *No evident seasonality.*

■

Aircraft movement statistics: Major airports

June 2007

For the 13h consecutive month, aircraft take-offs and landings at Canadian airports with NAV CANADA air traffic control towers and flight service stations increased in year-over-year monthly comparisons in June. These 96 airports reported 564,370 movements in June compared with 530,917 movements at 97 airports in June 2006, an increase of 6.3% (+33,453 movements).

Itinerant movements (flights from one airport to another) rose by 2.1% (+8,282 movements) in June compared with the same month a year earlier.

Local movements (flights that remain in the vicinity of the airport) increased by 18.5% (+25,171 movements) in June compared with June 2006.

Available on CANSIM: tables 401-0007 to 401-0020.

Definitions, data sources and methods: survey number 2715.

The June 2007 issue of *Aircraft Movement Statistics: NAV CANADA Towers and Flight Service Stations*, Vol. 1, no. 6 (51-007-XWE, 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 Client Services (toll-free 1-866-500-8400; *transportationstatistics@statcan.ca*), Transportation Division. ■

Production and disposition of tobacco products

June 2007

Total cigarettes sold in June by Canadian manufacturers decreased 13.5% from May to 1.5 billion cigarettes, down 39.1% compared with June 2006.

Cigarette production in June decreased 10.4% from May to 1.7 billion cigarettes, down 25.1% from June 2006.

At 2.1 billion cigarettes, the level of closing inventories for June increased 12.3% from May, but fell 4.9% from June 2006.

Note: This survey collects data on the production of tobacco products in Canada by Canadian manufacturers and the disposition or sales of this production. It does not collect data on imported tobacco products. Therefore, sales information in this release is not a proxy for domestic consumption of tobacco products.

Available on CANSIM: table 303-0062.

Definitions, data sources and methods: survey number 2142.

The June 2007 issue of *Production and Disposition of Tobacco Products*, Vol. 36, no. 6 (32-022-XWE, 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 dissemination officer (toll-free 1-866-873-8789; 613-951-9497; *manufact@statcan.ca*), Manufacturing, Construction and Energy Division. ■

Placement of hatchery chicks and turkey poults

June 2007 (preliminary)

Placements of hatchery chicks onto farms were estimated at 60.1 million birds in June, up 6.9% from June 2006. Placements of turkey poults on farms increased 5.0% to 2.2 million birds.

Available on CANSIM: table 003-0021.

Definitions, data sources and methods: survey number 5039.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Sandra Gielfeldt (613-951-2505; *sandy.gielfeldt@statcan.ca*), Agriculture Division. ■

Couriers and Messengers Services Price Index

June 2007

The Couriers and Messengers Services Price Index (CMSPI) is a monthly price index measuring the change over time in prices for courier and messenger services provided by long and short distance delivery companies to Canadian-based business clients.

The CMSPI increased 0.7% to 125.6 (2003=100) in June. The courier portion advanced 0.9% on a monthly basis, while the local messengers component rose 0.2%.

These indexes are available at the Canada level only.

Available on CANSIM: table 329-0053.

Definitions, data sources and methods: survey number 5064.

For more information, contact Client Services (toll-free 1-866-230-2248; 613-951-9606; *prices-prix@statcan.ca*). To enquire about the concepts, methods or data quality of this release, contact Perry Kirkpatrick (613-951-1930; *perry.kirkpatrick@statcan.ca*), Prices Division. ■

Elementary and secondary education expenditures

2003

Data are now available for elementary and secondary education expenditures up to 2003.

Available on CANSIM: tables 478-0010 to 478-0012, 478-0014 and 478-0015.

Definitions, data sources and methods: survey numbers, including related surveys, 3119 and 3120.

To order data, to obtain more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (toll-free 1-800-307-3382; 613-951-7608; fax: 613-951-4441; *educationstats@statcan.ca*), Culture, Tourism and the Centre for Education Statistics. ■

New products

Production and Disposition of Tobacco Products, June 2007, Vol. 36, no. 6
Catalogue number 32-022-XWE
(free).

Aircraft Movement Statistics: NAV CANADA Towers and Flight Service Stations, June 2007, Vol. 1, no. 6
Catalogue number 51-007-XWE
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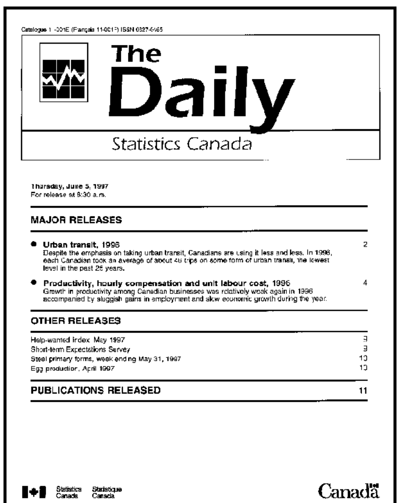
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- Urban transit, 1996 — 2
- Productivity, hourly compensation and unit labour cost, 1996 — 4

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Release dates: July 30 to August 3, 2007

(Release dates are subject to change.)

Release date	Title	Reference period
30	**Industrial product and raw materials price indexes**	June 2007
31	**Gross domestic product by industry**	May 2007
3	**Building permits**	June 2007
3	**Motion picture theatres**	2005