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## Releases

## Wholesale trade

November 2007
A pickup in automotive sales was largely offset by declines in most other sectors, leading to only a modest gain in wholesale trade in November.

Wholesale sales increased $0.3 \%$ to $\$ 43.9$ billion in November, similar to the $0.4 \%$ rise registered in October.


A solid increase ( $+4.7 \%$ ) in the automotive sector was the major contributor to the November rise. Wholesalers outside of this sector fared less well, as sales excluding autos fell $0.6 \%$ during the month. The largest declines came in the "other products" ( $-2.0 \%$ ), building materials ( $-1.6 \%$ ) and food, beverage and tobacco products ( $-0.6 \%$ ) sectors.

With only one month remaining in the year, the preliminary sales figures for the wholesale sector are pointing to another solid year of growth, with sales in the first 11 months of the year up $5.1 \%$ over the same period of 2006.

Sales in constant dollars, which measure the volume of sales by excluding the impact of price changes, also rose by $0.3 \%$ in November, indicating that there was no overall price effect on sales. This is in contrast to previous months, when there was a
noticeable divergence between the growth in current and constant dollar sales. As many of the goods sold by wholesalers are imported, the rapid appreciation of the Canadian dollar in recent months has lowered the value of wholesale sales when measured in current dollars.

## Motor vehicle sales give a boost to automotive sector

Following several months of mostly flat or negative growth, the automotive products sector rebounded in November to register its largest monthly gain since March, up $4.7 \%$ to $\$ 8.1$ billion. The rise was driven by higher demand for motor vehicles ( $+6.1 \%$ ). Sales of motor vehicle parts and accessories, which only last month had registered their largest gain of the year, fell $1.1 \%$ during the month.

As most of the vehicles that pass through the wholesale channel are sourced from outside of Canada, the jump in wholesale sales also coincided with a healthy rise in imports. According to the latest International Trade release, imports of passenger autos grew for the second month in a row in November, rising 4.7\%. Imports of trucks and other motor vehicles, most of which are pickup trucks, also rose during the month, up 7.6\%.

## "Other products" sector registers biggest drop in November

Sales in the "other products" sector, a diverse group consisting primarily of wholesalers of agricultural chemicals and supplies, chemicals, recycled materials and paper products, fell $2.0 \%$ in November to $\$ 5.4$ billion.

Despite November's decline, this has been one of the best performing sectors so far this year, with year-to-date sales up $9.1 \%$ over the same period in 2006. Much of this growth has been fuelled by higher global demand for fertilizers, which has in turn led to substantial price increases. Figures from the Industrial Product Price Index indicate that fertilizer prices were $24 \%$ higher in November compared with the same month in 2006.

## Sales of building materials ease after two months of gains

The building materials sector reported lower sales for the first time in three months in November, falling $1.6 \%$ to $\$ 6.2$ billion. Two of the three trade groups that make up this sector reported weaker sales.

Wholesalers of metal products saw demand for their products soften further in November, as sales in this trade group fell for the third time in fourth months, down $4.5 \%$ to $\$ 1.3$ billion. Signs are that the uncertain North American economic outlook has weakened demand for the products sold by these wholesalers in recent months.

The other decline came in the building supplies trade group, where sales fell for the first time in three months, down $1.5 \%$ to $\$ 3.7$ billion.

After registering a substantial increase in October, sales of lumber and millwork increased a further $1.9 \%$ in November to $\$ 1.1$ billion. These increases have helped to offset some of the substantial decline in sales that occurred between July and September.

## Gains concentrated in Ontario and British Columbia

Sales across Canada painted a contrasting picture in November, with gains in British Columbia and Ontario largely offset by declines in most of the remaining provinces and territories.

Following a healthy gain in October, wholesalers in British Columbia notched up another gain, as sales rose $1.0 \%$ to hit the $\$ 4.5$ billion mark. Higher sales of building materials and machinery and electronic equipment were behind much of the rise.

The increase in motor vehicle sales gave a lift to Ontario. Sales in the province rose for the third consecutive month, up $0.6 \%$ to $\$ 21.7$ billion.

Saskatchewan was the only Prairie province to report an increase ( $+0.4 \%$ ) in November. Sales in Alberta were unchanged from the previous month, while in Manitoba sales fell by $2.6 \%$ following a substantial increase in October.

It was a similar story in the Atlantic provinces, where a gain in Newfoundland and Labrador was offset by drops in the remaining three provinces that make up the region.

## Inventories rise for the fifth consecutive month

Wholesale inventories rose for the fifth consecutive month in November, up $0.4 \%$ to $\$ 55.7$ billion.

Overall, 9 of the 15 trade groups reported higher inventory levels in November, with the bulk of the increase coming from wholesalers of household and personal products ( $+3.7 \%$ ), motor vehicles ( $+3.1 \%$ ) and computers and other electronic equipment ( $+5.3 \%$ ).

The most significant declines came in the metal product ( $-2.6 \%$ ), motor vehicle parts and accessories
(-2.4\%) and pharmaceutical (-1.3\%) trade groups. For wholesalers of metal products, this was the seventh consecutive monthly decline.

With inventories and sales both posting modest increases in November, the inventory-to-sales ratio remained unchanged at 1.27. The ratio is a key measure of the time, in months, that would be required to exhaust existing inventories if sales were to remain at their current level.

Inventories rise for a fifth consecutive month


## Available on CANSIM: tables 081-0007 to 081-0010.

Definitions, data sources and methods: survey number 2401.

The November 2007 issue of Wholesale Trade (63-008-XWE, free) will soon be available.

Wholesale trade estimates for December will be released on February 19.

To obtain data or general information, contact Client Services (toll-free 1-877-421-3067; 613-951-3549; wholesaleinfo@statcan.ca). To enquire about the concepts, methods or data quality of this release, contact Marc Atkins (613-951-0291; marc.atkins@statcan.ca), Distributive Trades Division.

Wholesale merchants' inventories and inventory-to-sales ratio

|  | November 2006 | $\begin{gathered} \text { August } \\ 2007^{r} \end{gathered}$ | $\begin{array}{r} \hline \text { September } \\ 2007^{r} \end{array}$ | $\begin{gathered} \text { October } \\ 2007^{r} \end{gathered}$ | $\begin{gathered} \text { November } \\ 2007^{p} \end{gathered}$ | October to November 2007 | November 2006 to November 2007 | $\begin{gathered} \text { October } \\ 2007^{r} \end{gathered}$ | November $2007{ }^{\text {P }}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Whol | sale inven | ories |  |  | Inventory-to | ales ratio |
|  |  |  |  |  | sonally adjus | sted |  |  |  |
|  |  |  | \$ millions |  |  | \% ch |  |  |  |
| Inventories | 53,822 | 54,946 | 55,108 | 55,440 | 55,681 | 0.4 | 3.5 | 1.27 | 1.27 |
| Farm products | 200 | 206 | 199 | 214 | 192 | -10.0 | -3.8 | 0.47 | 0.43 |
| Food products | 4,326 | 4,639 | 4,638 | 4,738 | 4,700 | -0.8 | 8.6 | 0.65 | 0.64 |
| Alcohol and tobacco | 271 | 316 | 304 | 316 | 326 | 3.0 | 20.0 | 0.47 | 0.50 |
| Apparel | 1,659 | 1,724 | 1,794 | 1,821 | 1,836 | 0.8 | 10.7 | 2.41 | 2.36 |
| Household and personal products | 3,887 | 3,974 | 4,018 | 4,017 | 4,166 | 3.7 | 7.2 | 1.39 | 1.45 |
| Pharmaceuticals | 3,222 | 3,563 | 3,580 | 3,601 | 3,553 | -1.3 | 10.3 | 1.21 | 1.20 |
| Motor vehicles | 5,164 | 4,777 | 4,712 | 4,526 | 4,664 | 3.1 | -9.7 | 0.74 | 0.72 |
| Motor vehicle parts and accessories | 3,297 | 3,390 | 3,335 | 3,358 | 3,279 | -2.4 | -0.6 | 2.12 | 2.09 |
| Building supplies | 5,752 | 5,964 | 5,991 | 6,087 | 6,119 | 0.5 | 6.4 | 1.60 | 1.64 |
| Metal products | 3,059 | 2,857 | 2,816 | 2,757 | 2,684 | -2.6 | -12.3 | 1.97 | 2.01 |
| Lumber and millwork | 1,119 | 1,106 | 1,095 | 1,115 | 1,138 | 2.1 | 1.7 | 1.05 | 1.05 |
| Machinery and equipment | 11,564 | 11,557 | 11,637 | 11,791 | 11,778 | -0.1 | 1.8 | 2.59 | 2.58 |
| Computer and other electronic equipment | 1,590 | 1,800 | 1,781 | 1,729 | 1,820 | 5.3 | 14.4 | 0.65 | 0.68 |
| Office and professional equipment | 2,677 | 2,706 | 2,709 | 2,707 | 2,724 | 0.6 | 1.8 | 1.33 | 1.31 |
| Other products | 6,033 | 6,368 | 6,498 | 6,665 | 6,701 | 0.5 | 11.1 | 1.21 | 1.24 |

[^0]The Daily, January 21, 2008

## Wholesale merchants' sales

|  | November 2006 | $\begin{gathered} \hline \text { August } \\ 2007^{r} \end{gathered}$ | $\begin{array}{r} \hline \text { September } \\ 2007^{r} \end{array}$ | $\begin{gathered} \text { October } \\ 2007^{r} \end{gathered}$ | November $2007^{p}$ | October to November 2007 | November <br> 2006 <br> to <br> November <br> 2007 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Seasonally adjusted |  |  |  |  |  |  |
|  | \$ millions |  |  |  |  | \% change |  |
| Total, wholesale sales | 41,673 | 43,185 | 43,630 | 43,814 | 43,946 | 0.3 | 5.5 |
| Farm products | 467 | 449 | 454 | 454 | 447 | -1.5 | -4.2 |
| Food, beverages and tobacco products | 7,653 | 7,902 | 7,971 | 7,991 | 7,944 | -0.6 | 3.8 |
| Food products | 7,001 | 7,247 | 7,317 | 7,312 | 7,293 | -0.3 | 4.2 |
| Alcohol and tobacco | 652 | 655 | 654 | 679 | 651 | -4.1 | -0.1 |
| Personal and household goods | 6,202 | 6,505 | 6,644 | 6,637 | 6,621 | -0.2 | 6.7 |
| Apparel | 750 | 765 | 788 | 755 | 777 | 3.0 | 3.6 |
| Household and personal products | 2,805 | 2,779 | 2,873 | 2,900 | 2,883 | -0.6 | 2.8 |
| Pharmaceuticals | 2,647 | 2,962 | 2,983 | 2,982 | 2,961 | -0.7 | 11.9 |
| Automotive products | 7,686 | 7,713 | 7,715 | 7,724 | 8,083 | 4.7 | 5.2 |
| Motor vehicles | 6,117 | 6,142 | 6,166 | 6,140 | 6,518 | 6.1 | 6.5 |
| Motor vehicle parts and accessories | 1,568 | 1,571 | 1,549 | 1,584 | 1,566 | -1.1 | -0.1 |
| Building materials | 5,897 | 6,141 | 6,101 | 6,257 | 6,159 | -1.6 | 4.4 |
| Building supplies | 3,620 | 3,729 | 3,742 | 3,796 | 3,741 | -1.5 | 3.4 |
| Metal products | 1,248 | 1,398 | 1,432 | 1,398 | 1,335 | -4.5 | 6.9 |
| Lumber and millwork | 1,029 | 1,014 | 927 | 1,063 | 1,083 | 1.9 | 5.2 |
| Machinery and electronic equipment | 8,831 | 9,180 | 9,218 | 9,241 | 9,291 | 0.5 | 5.2 |
| Machinery and equipment | 4,145 | 4,435 | 4,489 | 4,552 | 4,556 | 0.1 | 9.9 |
| Computer and other electronic equipment | 2,653 | 2,699 | 2,707 | 2,646 | 2,663 | 0.6 | 0.4 |
| Office and professional equipment | 2,033 | 2,046 | 2,023 | 2,042 | 2,072 | 1.5 | 1.9 |
| Other products | 4,938 | 5,295 | 5,526 | 5,511 | 5,401 | -2.0 | 9.4 |
| Total, excluding automobiles | 33,988 | 35,472 | 35,915 | 36,091 | 35,863 | -0.6 | 5.5 |
| Sales, province and territory |  |  |  |  |  |  |  |
| Newfoundland and Labrador | 242 | 271 | 270 | 252 | 262 | 4.2 | 8.3 |
| Prince Edward Island | 38 | 39 | 42 | 42 | 42 | -0.3 | 10.2 |
| Nova Scotia | 532 | 580 | 568 | 590 | 585 | -0.8 | 9.9 |
| New Brunswick | 419 | 434 | 428 | 429 | 421 | -1.8 | 0.5 |
| Quebec | 7,920 | 8,296 | 8,606 | 8,278 | 8,259 | -0.2 | 4.3 |
| Ontario | 20,892 | 21,235 | 21,439 | 21,594 | 21,734 | 0.6 | 4.0 |
| Manitoba | 1,010 | 1,092 | 1,072 | 1,178 | 1,147 | -2.6 | 13.6 |
| Saskatchewan | 1,190 | 1,183 | 1,273 | 1,322 | 1,327 | 0.4 | 11.5 |
| Alberta | 5,259 | 5,536 | 5,553 | 5,601 | 5,602 | 0.0 | 6.5 |
| British Columbia | 4,143 | 4,478 | 4,346 | 4,482 | 4,525 | 1.0 | 9.2 |
| Yukon | 7 | 14 | 13 | 12 | 15 | 17.5 | 108.7 |
| Northwest Territories | 19 | 23 | 18 | 24 | 21 | -11.9 | 10.6 |
| Nunavut | 1 | 3 | 2 | 9 | 4 | -57.4 | 235.5 |

[^1]
## Internet service providers <br> 2006

Firms in the Canadian internet service providers industry continue to benefit from the internet's increasing mainstream role in Canadian society.

According to new data from the Survey of Internet Service Providers for 2006, industry operating revenues climbed to $\$ 2.0$ billion, up 11\% from 2005.

Internet service providers earned $77 \%$ of their operating revenues from the provision of internet access in 2006, unchanged from 2005.

In recent years, revenues from broadband access have increased most rapidly as a result of internet users shifting from narrowband to broadband services. From 2005, broadband access revenues increased by $17 \%$ while revenues from the provision of narrowband access declined by 13\%. Internet service providers earned over twice as much from broadband access as they did from narrowband access.

The dominance of broadband connectivity becomes more evident when taking into account that this survey does not include internet access provided through cable and wireless services, all of which fall under the broadband category.

In terms of operating revenues, 60\% came from broadband access and 14\% came from narrowband access and $3 \%$ from other access services. The remaining $23 \%$ of operating revenues came from a range of related services including website hosting and sales of online advertising space.

Industry operating expenses increased 10\% to $\$ 1.6$ billion. Salaries, wages and benefits accounted for $29 \%$ of operating expenses, while telecommunications expenses, including leased line charges from upstream providers, accounted for $28 \%$. With operating revenues rising more than operating expenses, the industry's operating profit margin was $20 \%$, up from $19 \%$ in 2005.

Note: For this release, The Survey of Internet Service Providers covers firms classified to 518111 (Internet Service Providers), under the 2002 North American Industry Classification System (NAICS). It excludes firms coded to wireless telecommunications carriers (NAICS 5172) and cable and other program distribution industry (NAICS 5175). Additionally, some telecommunications firms that offer Internet access services are excluded because they do not have distinct establishments related to their ISP activity.

For 2007, the North American Classification System was revised and one major change was the elimination of the Internet Service Provider Industry.

All businesses primarily engaged in providing internet access services will be classified to industries in the telecommunications sector starting with reference year 2007 data releases. Depending on how they provide access services, businesses will be classified to either: Wired Telecommunications Carriers, except cable (NAICS 517111); Cable and Other Program Distribution (NAICS 517112); or Other Telecommunications (NAICS 517910).

As a result of this classification change, the Survey of Internet Service Providers will be discontinued.

## Available on CANSIM: table 354-0006.

## Definitions, data sources and methods: survey number 4303.

Results from the 2006 Annual Survey of Internet Service Providers and Related Services are now available for Canada. Included are summary statistics for operating revenue, operating expenses, wages, salaries and benefits, number of firms and number of employees. Also available are data for revenues earned by type of service provided and data for detailed operating expense items.

For more information or to enquire about the concepts, methods or data quality of this release, contact Conrad Ogrodnik (613-951-3496; fax: 613-951-6696; conrad.ogrodnik@statcan.ca), Service Industries Division.

## Aircraft movement statistics

## 2007 (preliminary)

The 42 Canadian airports with NAV CANADA air traffic control towers reported 4.85 million aircraft take-offs and landings in 2007, up 8.4\% compared to 2006 ( 4.48 million). This marks the second consecutive annual increase in total aircraft movements. Movements had shown a declining trend since the last peak in 1999 ( 5.3 million).

Aircraft movements were up at 36 airports in 2007 compared with 2006. Moncton/Greater Moncton International (+61.0\%), Gander International ( $+44.7 \%$ ) and Windsor ( $+41.4 \%$ ) showed the largest year-over-year percentage gains in aircraft movements. Montréal/Mirabel International (-11.7\%) and St. John's International (-8.4\%) showed the largest year-over-year percentage declines.

Overall, itinerant movements were up by 153,033 movements ( $+4.8 \%$ ) in 2007, the fourth consecutive yearly advance. The year-over-year variations ranged from an increase of 44.3\%
for Moncton/Greater Moncton International to a decline of $8.0 \%$ for Montréal/Mirabel International. In 2007, 33 airports recorded increases in itinerant movements compared to 23 airports in 2006.

Local movements also increased ( $+17.5 \%$ ) for the second year. Local movements almost returned to 2002 levels ( 1.57 million movements). The year-over-year comparisons ranged from an increase of $109.1 \%$ for Gander International to a decline of $39.3 \%$ for St. John's International. Overall, 29 airports recorded increases in 2007 compared to 21 airports in 2006.

## Available on CANSIM: table 401-0006.

Definitions, data sources and methods: survey number 2715.

The 2007 issue of Aircraft Movement Statistics: Annual (51F0010PWE, free) is now available online from the Publications module of our website.

More detailed statistics for airports with NAV CANADA air traffic control towers and flight service stations will be released in the Aircraft Movement Statistics: NAV CANADA Towers and Flight Service Stations: Annual Report (51-209-XWE, free).

For more information, or to enquire about the concepts, methods or data quality of this release, contact the Aviation Statistics Centre (toll-free 1-866-500-8400; fax: 613-951-0010; aviationstatistics@ statcan.ca), Transportation Division.

## Crude oil and natural gas production

November 2007 (preliminary)
Provincial crude oil and marketable natural gas production data are now available for November.

Definitions, data sources and methods: survey number 2198.

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

## Canadian Tobacco Use Monitoring Survey <br> February to June 2007

The microdata file from the first cycle of 2007 of the Canadian Tobacco Use Monitoring Survey (CTUMS) is now available.

The CTUMS, conducted since 1999 by Statistics Canada on behalf of Health Canada, provides timely, reliable and continuous data on tobacco use and related issues. Its objective is to track changes in smoking status and amount smoked, especially among young people aged 15 to 24 , who are most at risk for taking up smoking. This file contains the data collected between February and June 2007 from about 10,000 respondents.

Definitions, data sources and methods: survey number 4440.

February to June 2007 data are now available in the Canadian Tobacco Use Monitoring Survey Microdata File (82M0020XCB, \$2,140). See How to order products.

For information on the public-use microdata file or to enquire about the concepts, methods or data quality of this release, contact Client Services (toll-free 1-800-461-9050; 613-951-3321; fax: 613-951-4527; ssd@statcan.ca), Special Surveys Division.

For more information about the survey results, contact Joey Rathwell (613-957-2988; joey_rathwell@hc-sc.gc.ca), Media Relations, Health Canada, or visit the Tobacco Control Program website (www.hc-sc.gc.ca/hl-vs/tobac-tabac/index_e.html).

## New products

Aircraft Movement Statistics: Annual, 2007 Catalogue number 51F0010PWE (free).

Aircraft Movement Statistics: Airports Without Air Traffic Control Towers, March 2007, Vol. 2, no. 3 Catalogue number 51-008-XWE (free).

Measuring Up: Canadian Results of the OECD PISA Study: The Performance of Canada's Youth in Science, Reading and Mathematics: 2006 First Results for Canadians Aged 15, 2006, no. 3 Catalogue number 81-590-XPE2007001 (\$11).

## Canadian Tobacco Use Monitoring Survey

Microdata File, February to June 2007
Catalogue number 82M0020XCB $(\$ 2,140)$.

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; -XVB or -XVE are electronic versions on DVD and -XBB or -XBE a database.

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[^0]:    ${ }^{r}$ revised
    preliminary
    Note: Figures may not add up to totals due to rounding.

[^1]:    revised
    preliminary
    Note: $\quad$ Figures may not add up to totals due to rounding.

