

The Daily

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Releases

Monthly Survey of Manufacturing, August 2008	2
Manufacturing sales decreased 3.7% in August following four consecutive monthly increases.	
Travel between Canada and other countries, August 2008	6
Film, television and video production, 2006	7
Dairy statistics, August 2008	8
Construction Union Wage Rate Index, September 2008	9
Crude oil and natural gas production, August 2008	9

New products	10
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Releases

Monthly Survey of Manufacturing

August 2008

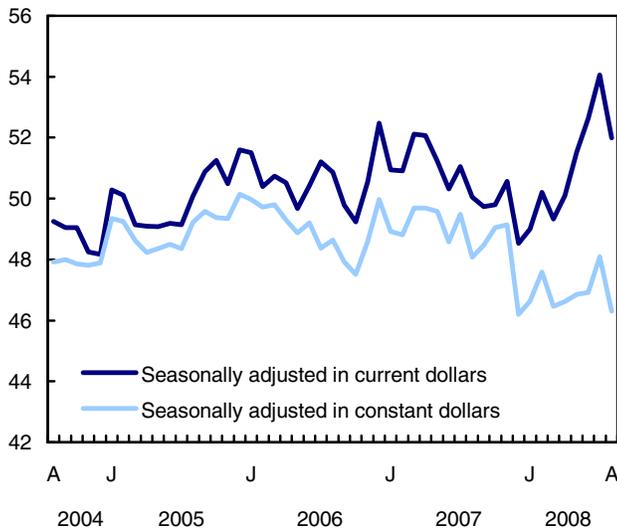
Manufacturers had a notable pull-back in sales in August following four consecutive monthly increases. Sales decreased 3.7% to \$52.0 billion, erasing most of the gains from the previous two months. The largest contributor to the decrease was the petroleum and coal products industry, where sales have fallen by nearly one billion dollars in two months.

Manufacturing sales measured in constant dollars, which provide an indicator of volume, decreased for the first time in five months. Constant dollar sales fell 3.7% in August to \$46.3 billion. August's decrease erased all of the gains since December 2007, moving constant dollar sales to the lowest level in eight months.

Overall, the decreases in manufacturing sales were widespread in August, with 18 of the 21 manufacturing industries, accounting for 96% of total sales, reporting declines.

Manufacturing down for the first time in five months

\$ billions



Sizeable sales drop by petroleum and coal product manufacturers

Petroleum and coal product manufacturers accounted for almost one-third of the drop in manufacturing sales for the month. Petroleum and

Note to readers

All data in this release are seasonally adjusted and are expressed in current dollars unless otherwise specified.

Preliminary estimates are provided for the current reference month. Estimates, based on late responses, are revised for the three previous months.

Non-durable goods industries include food, beverage and tobacco products, textile mills, textile product mills, clothing, leather and allied products, paper, printing and related support activities, petroleum and coal products, chemicals, and plastics and rubber products.

Durable goods industries include wood products, non-metallic mineral products, primary metals, fabricated metal products, machinery, computer and electronic products, electrical equipment, appliances and components, transportation equipment, furniture and related products and miscellaneous manufacturing.

Production-based industries

For the aerospace industry and shipbuilding industries, the value of production is used instead of sales of goods manufactured. This value is calculated by adjusting monthly sales of goods manufactured by the monthly change in inventories of goods in process and finished products manufactured.

Unfilled orders are a stock of orders that will contribute to future sales assuming that the orders are not cancelled.

New orders are those received whether sold in the current month or not. New orders are measured as the sum of sales for the current month plus the change in unfilled orders from the previous month to the current month.

coal product sales fell 7.7% in August, decreasing by over \$600 million. The drop was due to a combination of falling prices (-5.9%), and unplanned production slowdowns at two major plants.

Primary metal manufacturers also reported a sizeable 7.9% decrease in sales for August, the first decline in 10 months.

After several months of strengthening sales, the transportation equipment industry fell 4.3% in August. Sales by motor vehicle manufacturers decreased 4.3%, the first drop since March 2008. Aerospace product and parts manufacturers also decreased in August, with production falling 2.9% for a third consecutive monthly decline.

Sales down in most provinces

In August, eight provinces saw manufacturing sales decrease. Only manufacturers in Saskatchewan and Manitoba managed to increase sales during the month, with gains of 5.7% and 1.0% respectively.

In the Atlantic provinces, manufacturing sales fell 15.4%. Sales were particularly weak in these provinces for manufacturers of food as well as petroleum and coal products.

Manufacturing sales in Ontario decreased 3.1% in August, although this was only the second drop in monthly sales for the province in 2008. Primary metal manufacturers had a 13.4% drop, reversing much of the increase from the previous month. The transportation equipment industry also reported lower sales in August as sales decreased 4.2% after three months of gains.

Manufacturing sales, provinces and territories

	July 2008 ^r	August 2008 ^p	July to August 2008
Seasonally adjusted			
	\$ millions		% change ¹
Canada	54,000	51,990	-3.7
Newfoundland and Labrador	672	633	-5.7
Prince Edward Island	125	121	-3.1
Nova Scotia	968	893	-7.7
New Brunswick	1,871	1,426	-23.8
Quebec	13,187	12,808	-2.9
Ontario	24,891	24,116	-3.1
Manitoba	1,438	1,451	1.0
Saskatchewan	1,128	1,193	5.7
Alberta	6,329	6,028	-4.7
British Columbia	3,386	3,314	-2.1
Yukon	4	2	-38.6
Northwest Territories and Nunavut	3	4	21.9

^r revised

^p preliminary

1. The percentage change is calculated in thousands of dollars.

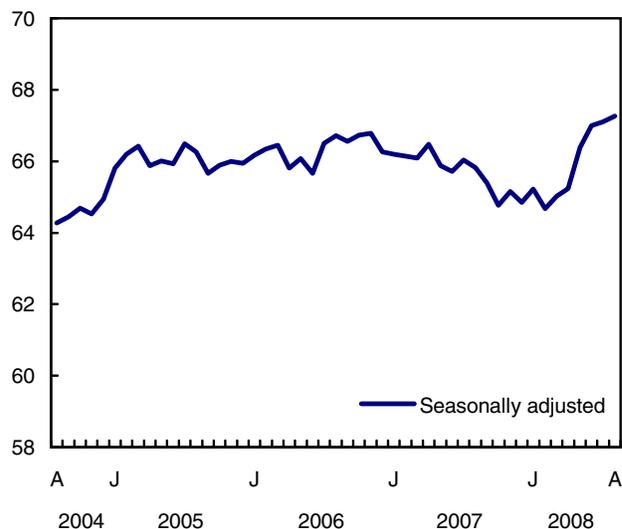
Inventory levels continue to climb

Manufacturers reported a 0.3% rise in inventories in August, a sixth consecutive monthly increase. Inventories had trended downward throughout most of 2007 before the string of gains in 2008. Most of the increase in August was due to higher raw material inventories.

Aerospace products and parts (+4.1%) and chemical product manufacturers (+3.0%) accounted for most of the rise in total inventory levels.

Inventory levels continue slow increases in August

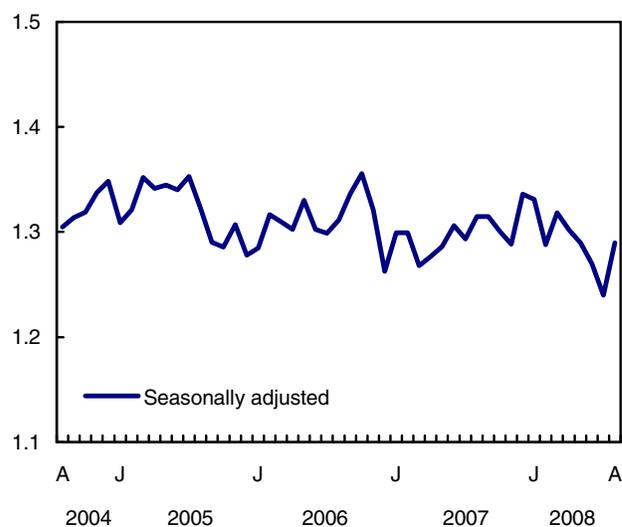
\$ billions



The inventory-to-sales ratio had its largest one month increase since December 2007. The ratio rose substantially to 1.29 in August after dropping to the lowest level in over a decade in July. August's level was still well below the recent peak of 1.34 recorded in December 2007.

The inventory-to-sales ratio rises notably

ratio



Unfilled orders increased 2.5% compared with July. Unfilled orders have been rising fairly steadily over the past four years. Unfilled orders reached \$65.7 billion in August, up 17.2% from year-earlier levels.

The increase in unfilled orders was entirely due to a 5.5% advance in aerospace products and parts. Excluding the aerospace industry, unfilled orders decreased 0.3% in August.

New orders slipped 1.1% to \$53.6 billion after three months of gains.

Available on CANSIM: tables 304-0014, 304-0015 and 377-0008.

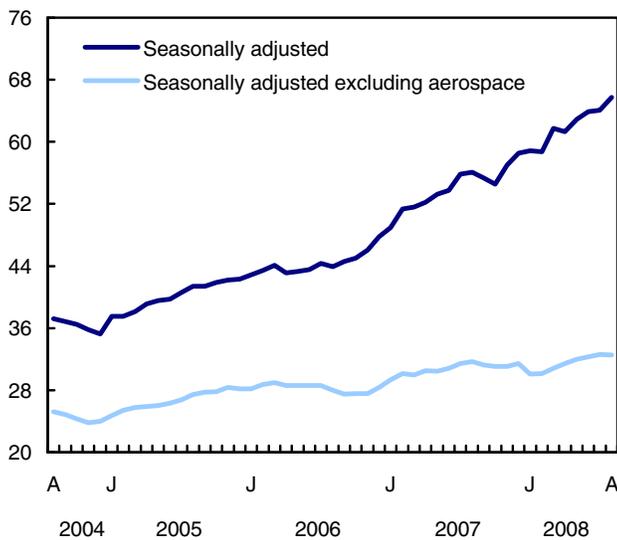
Definitions, data sources and methods: survey number 2101.

Data from the September Monthly Survey of Manufacturing will be released on November 14.

For more information or to order data, contact the dissemination officer (toll-free 1-866-873-8789; 613-951-9497; fax: 613-951-3877; manufact@statcan.gc.ca). To enquire about the concepts, methods or data quality of the release, contact Elton Cryderman (613-951-4317; elton.cryderman@statcan.gc.ca), Manufacturing and Energy Division.

Unfilled orders advance in August

\$ billions



Sales, inventories and orders in all manufacturing industries

	Sales		Inventories		Unfilled orders		New orders		Inventory-to-sales ratio
	\$ millions	% change	\$ millions	% change	\$ millions	% change	\$ millions	% change	
Seasonally adjusted									
August 2007	50,054	-2.0	65,820	-0.3	56,107	0.4	50,303	-5.3	1.31
September 2007	49,743	-0.6	65,394	-0.6	55,336	-1.4	48,972	-2.6	1.31
October 2007	49,795	0.1	64,772	-1.0	54,540	-1.4	48,999	0.1	1.30
November 2007	50,569	1.6	65,154	0.6	57,005	4.5	53,034	8.2	1.29
December 2007	48,535	-4.0	64,854	-0.5	58,530	2.7	50,060	-5.6	1.34
January 2008	48,999	1.0	65,220	0.6	58,857	0.6	49,326	-1.5	1.33
February 2008	50,211	2.5	64,679	-0.8	58,733	-0.2	50,088	1.5	1.29
March 2008	49,326	-1.8	65,026	0.5	61,753	5.1	52,346	4.5	1.32
April 2008	50,102	1.6	65,240	0.3	61,306	-0.7	49,655	-5.1	1.30
May 2008	51,509	2.8	66,389	1.8	62,866	2.5	53,069	6.9	1.29
June 2008	52,588	2.1	67,008	0.9	63,937	1.7	53,659	1.1	1.27
July 2008	54,000	2.7	67,105	0.1	64,132	0.3	54,195	1.0	1.24
August 2008	51,990	-3.7	67,310	0.3	65,739	2.5	53,598	-1.1	1.29

Manufacturing industries except motor vehicle, parts and accessories

	Sales		Inventories		Unfilled orders		New orders	
	Seasonally adjusted							
	\$ millions	% change	\$ millions	% change	\$ millions	% change	\$ millions	% change
August 2007	43,167	-0.6	62,929	-0.4	55,404	0.6	43,496	-4.4
September 2007	42,192	-2.3	62,596	-0.5	54,699	-1.3	41,486	-4.6
October 2007	42,526	0.8	62,028	-0.9	53,912	-1.4	41,739	0.6
November 2007	43,281	1.8	62,513	0.8	56,378	4.6	45,747	9.6
December 2007	42,914	-0.8	62,305	-0.3	57,810	2.5	44,346	-3.1
January 2008	43,283	0.9	62,580	0.4	58,162	0.6	43,635	-1.6
February 2008	43,889	1.4	62,055	-0.8	57,955	-0.4	43,682	0.1
March 2008	43,496	-0.9	62,425	0.6	60,896	5.1	46,437	6.3
April 2008	44,288	1.8	62,669	0.4	60,325	-0.9	43,717	-5.9
May 2008	45,625	3.0	63,753	1.7	61,763	2.4	47,062	7.7
June 2008	46,499	1.9	64,486	1.1	62,805	1.7	47,541	1.0
July 2008	47,739	2.7	64,490	0.0	63,025	0.4	47,959	0.9
August 2008	45,986	-3.7	64,782	0.5	64,715	2.7	47,676	-0.6



Travel between Canada and other countries August 2008

The number of visitors to Canada declined 1.0% in August, the result of a 1.4% drop in travel from the United States.

US residents made 759,000 same-day car trips to Canada in August, down 0.2% from July. Overnight travel from the United States fell 2.5% to a 15-year low of 959,000, following declines in the number of trips by car, plane and other modes of transportation.

Travel from overseas countries to Canada increased 1.1% from July to 408,000 trips in August, with gains in four of the top five overseas markets.

Just over 40,000 travellers arrived from France, up 4.6% from July and the highest level since November 1999. During the first eight months of 2008, travel from France rose 13.3% compared with the same period in 2007.

More specifically, in July and August alone, the number of travellers from France who arrived in Quebec rose 26.6% from the same period last year. The city of Québec is celebrating its 400th anniversary this year.

Of the top five overseas markets, Germany, Japan and Australia also posted increases. Travel from the United Kingdom slipped 0.2%.

On an outbound basis, Canadians made nearly 4.5 million trips abroad in August, up 3.5% from July and the highest level this year. Of those, more than 3.8 million trips were to the United States, also the highest level this year.

Canadians made 2.1 million same-day car trips to the United States in August, up 3.4% from July. The number of overnight trips to the United States rose 5.9%.

Canadian travel to overseas nations fell 2.3% to 665,000 trips in August.

Available on CANSIM: tables 427-0001 to 427-0006.

Definitions, data sources and methods: survey number 5005.

The August 2008 issue of *International Travel, Advance Information*, Vol. 24, no. 8 (66-001-PWE, free) is now available from the *Publications* module of our website.

For more information, contact Client Services (toll-free 1-800-307-3382; 613-951-9169; fax: 613-951-2909; tourism@statcan.gc.ca). To enquire about the concepts, methods or data quality of this release, contact Eric Desjardins (613-951-1781; eric.desjardins@statcan.gc.ca), Culture, Tourism and the Centre for Education Statistics. □

Travel between Canada and other countries

	August 2007 ^r	February 2008 ^r	July 2008 ^r	August 2008 ^p	July to August 2008
Seasonally adjusted					
	thousands				% change ¹
Canadian trips abroad²	4,184	4,371	4,338	4,488	3.5
To the United States	3,573	3,705	3,658	3,823	4.5
To other countries	611	666	681	665	-2.3
Same-day car trips to the United States	2,005	2,056	2,063	2,133	3.4
Total trips, one or more nights	2,125	2,261	2,221	2,296	3.4
United States ³	1,514	1,595	1,541	1,631	5.9
Car	898	956	910	983	8.0
Plane	507	539	531	541	2.1
Other modes of transportation	109	100	100	107	7.0
Other countries ⁴	611	666	681	665	-2.3
Travel to Canada²	2,546	2,290	2,237	2,216	-1.0
From the United States	2,154	1,891	1,833	1,807	-1.4
From other countries	392	399	404	408	1.1
Same-day car trips from the United States	946	764	760	759	-0.2
Total trips, one or more nights	1,490	1,425	1,378	1,355	-1.6
United States ³	1,108	1,036	984	959	-2.5
Car	664	609	576	557	-3.4
Plane	314	301	290	286	-1.2
Other modes of transportation	130	126	117	116	-1.4
Other countries ⁴	382	389	394	396	0.5
Travel to Canada: Top overseas markets, by country of origin⁵					
United Kingdom	81	75	73	73	-0.2
France	31	33	38	40	4.6
Germany	26	27	27	29	5.7
Japan	28	26	25	25	0.2
Australia	19	20	21	22	6.4
Mexico	20	24	22	21	-2.0
South Korea	18	18	17	17	0.5
China	13	15	15	14	-7.5
Hong Kong	10	11	11	12	4.5
Netherlands	10	10	11	10	-1.6
Italy	9	9	9	10	6.2
India	8	9	10	9	-12.2

^r revised

^p preliminary

1. Percentage change is based on unrounded data.

2. Totals exceed the sum of "same-day car trips" and "total trips, one or more nights" because they include all of the same-day trips.

3. Estimates for the United States include counts of cars and buses, and estimated numbers for planes, trains, boats and other methods.

4. Figures for other countries exclude same-day entries by land only, via the United States.

5. Includes same-day and overnight trips.

Film, television and video production 2006

Businesses classified to the film, television and video production industry earned \$3.3 billion in operating revenues and generated an operating profit margin of 2.3% in 2006.

Firms located in Ontario accounted for 46% of operating revenues earned, followed by those located in Quebec (25%) and British Columbia (20%).

Results in the remainder of the release are based on establishments whose combined revenues account for about 75% of the industry's total revenues.

Revenues from productions generated 82% of operating revenues earned while royalties and licensing fees generated 16%.

Television productions (56%) accounted for the majority of production revenues, followed by commercials (22%) and feature films (15%).

Note: Data from the 2006 Annual Survey of Service Industries: Film, Television and Video Production should not be compared with previously published data because significant changes were made to the survey.

The survey frame is now based on a central Statistics Canada database of businesses that have

been classified to industries based on the North American Industry Classification System.

The survey data are now collected using statistical sampling methods and businesses that were sent a questionnaire represent about 75% of total operating revenue earned in the industry. Administrative data were used to account for the remaining 25% of industry revenues, but only selected financial statistics are available for these small companies.

Available on CANSIM: table 361-0016.

Definitions, data sources and methods: survey number 2413.

Selected data from the 2006 Survey of Service Industries: Film, Television and Video Production are now available.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Gabrielle Zboril (613-951-7001; fax: 613-951-6696; gabrielle.zboril@statcan.gc.ca), Service Industries Division.

Production revenue for the film, television and video production industry¹, by type of production

	2006
	\$ thousands
Total In-house production revenue by type of production	
Feature films	303,031
Television productions	1,148,871
Commercials	443,712
Corporate/industry videos	78,599
All other ²	82,036
Total production revenue	2,056,249
Total operating revenue	2,499,837
Total royalty and licensing fee revenue	398,797
Total operating expenses	2,439,765
Total salaries, wages and benefits	513,529
Operating profit	60,072

1. Industry estimates are based on the surveyed portion and are augmented by administrative data for establishments that were too small to be eligible for sampling. The surveyed portion includes only data for surveyed establishments weighted to represent other establishments that were eligible for sampling but were not selected. The surveyed portion represents approximately 75% of total industry revenue.

2. All other includes music videos, educational videos, videos for government boards, agencies, departments or crown corporations and all other.

Note: Components may not add up to total due to rounding.

Dairy statistics

August 2008 (preliminary)

Dairy farmers sold almost 629 000 kilolitres of milk and cream to dairies in August, down 2.9% from August 2007. Fluid milk sales stood at 250 500 kilolitres, and industrial milk sales at 378 800 kilolitres. Industrial milk is used to manufacture butter, cheese, yogurt, ice cream, milk powders and concentrates.

Definitions, data sources and methods: survey numbers, including related surveys, 3430, 3431 and 3432.

The third quarter 2008 issue of *Dairy Statistics*, Vol. 3, no. 3 (23-014-XWE, free), will be available in November.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Maha El-Kalaani (613-951-7386; toll-free 1-800-465-1991; fax: 613-951-3868), Agriculture Division.

Construction Union Wage Rate Index

September 2008

The Construction Union Wage Rate Index (including supplements) for Canada remained unchanged in September compared with the August level of 142.0 (1992=100).

The composite index increased 0.2% compared with the September 2007 index (141.7).

Note: Union wage rates are published for 16 trades in 20 metropolitan areas for both the basic rates and rates including selected supplementary payments. Indexes on a 1992=100 time base are calculated for the same metropolitan areas and are published for those where a majority of trades are covered by current collective agreements.

Available on CANSIM: tables 327-0003 and 327-0004.

Definitions, data sources and methods: survey number 2307.

The third quarter 2008 issue of *Capital Expenditure Price Statistics* (62-007-XWE, free) will be available in January 2009.

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.gc.ca) or Louise Chainé (613-951-3393), Prices Division. ■

Crude oil and natural gas production

August 2008 (preliminary)

Provincial crude oil and marketable natural gas production data are now available for August.

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.gc.ca), Manufacturing and Energy Division. ■

New products

Canadian Economic Observer, October 2008, Vol. 21, no. 10
Catalogue number 11-010-XWB
 (free).

Metal Ore Mining, 2006
Catalogue number 26-223-XIB
 (free).

International Travel: Advance Information, August 2008, Vol. 24, no. 8
Catalogue number 66-001-PWE
 (free).

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