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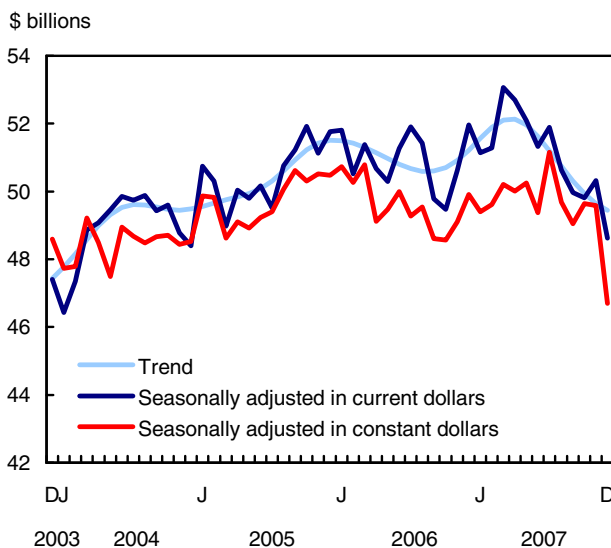
Releases

Monthly Survey of Manufacturing

December 2007 and annual 2007 (preliminary)

The year 2007 ended with a thud as manufacturing sales dropped 3.4% to \$48.6 billion in December, the lowest level in three years. Longer-than-normal shutdowns at several motor vehicle plants were the primary source of the deep cut in sales.

Manufacturing sales drop as motor vehicle production stalls in December



Excluding the motor vehicle and parts industries, total manufacturing sales decreased a more moderate 0.8% in December.

December's decline was the largest since August 2003, when a widespread electrical blackout and its fallout thereafter impacted much of Ontario's production during that month.

Deep cuts in volumes manufactured

Despite ongoing strength in key price-driven industries, overall manufacturing activity decreased in four of the last five months, due in part to some significant cuts in the volume of goods manufactured.

Note to readers

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

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. They are measured as the sum of sales for the current month plus the change in unfilled orders. Some people interpret new orders as orders that will lead to future demand. This is inappropriate since the "new orders" variable includes orders that have already been sold. Readers should note that the month-to-month change in new orders may be volatile. This will happen particularly if the previous month's change in unfilled orders is closely related to the current month's change.

Not all orders will be translated into Canadian factory sales because portions of large contracts can be subcontracted out to manufacturers in other countries. Also, some orders may be cancelled.

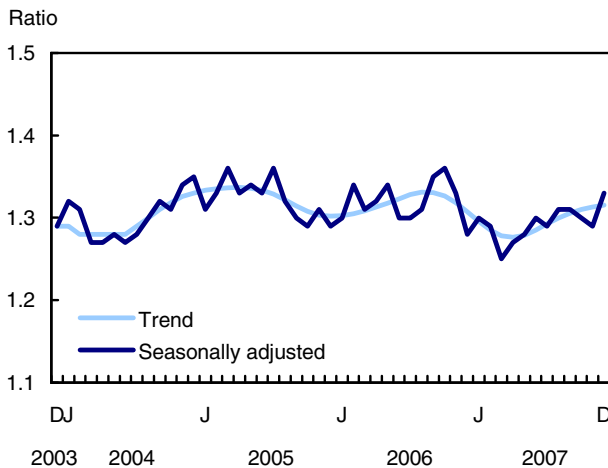
At 2002 prices, manufacturing sales plunged 5.8% to \$46.7 billion, the lowest level since August 2003. Over the past five months, the volume of goods manufactured has declined 8.7%. Excluding the dominant transportation equipment sector, sales at 2002 prices fell 2.1% in December.

Big spike in the inventory-to-sales ratio

December's big decline in sales contributed to a spike in the inventory-to-sales ratio for the month as the ratio vaulted to 1.33 from November's 1.29. The ratio had been relatively stable in the range of 1.30 for the last six months. December's level was the highest since October 2006's 1.36.

The inventory-to-sales ratio is a measure of the time, in months, that would be required to exhaust inventories if sales were to remain at their current level.

December's drop in sales drives up the inventory-to-sales ratio



Manufacturers continue to face an uphill battle

The majority of manufacturing industries were battered in December as 16 of the 21 industries posted lower sales, accounting for almost two-thirds of total sales.

In 2007, manufacturers coped with a variety of circumstances that contributed to the marked slowdown in the sector.

Among the most prominent was the soaring value of the Canadian dollar, which at the end of 2007 flirted again with parity to the US greenback. The higher-valued dollar makes Canadian-made goods more expensive to many foreign customers.

By late December, world petroleum prices spiked again as crude oil closed in on US\$100 per barrel.

Meanwhile, recent indications from south of the border have suggested that the US economy may be headed to a recession. Since the United States is Canada's principal trading partner, this could have a detrimental impact on the Canadian manufacturing sector.

Manufacturers are apprehensive

Accordingly, manufacturers' mood for the coming three months remained apprehensive, as suggested by the Business Conditions Survey for January. Manufacturers are expecting tougher times ahead, with lower production and employment over the first quarter of 2008.

Factory payrolls fared poorly in December as there were 33,000 fewer manufacturing jobs compared with November. Employment was down

almost 130,000 (-6.2%) compared with December 2006, according to the Labour Force Survey.

Motor vehicles drag down sales

Manufacturing sales of motor vehicles plummeted 24.9% to \$3.8 billion in December. Over and above the usual Christmas shutdowns, some manufacturers extended closures for inventory control measures and re-tooling, largely contributing to the biggest monthly decline since 1996.

A general weakening of the US economy has contributed to substantial unease in the Canadian automotive sector, as the bulk of motor vehicles made in Canada are shipped to the United States.

The ongoing slump in the wood products industry, coupled with a sharp drop in non-metallic mineral products manufacturing, rounded out the top three industries contributing to the decline in December.

A sharp reduction in US housing construction contributed to widespread decreases in the manufacturing sales of wood products. Sales dropped 8.3% to just \$1.9 billion, the lowest level in almost 12 years.

Following a string of monthly increases, manufacturers of non-metallic mineral products posted a 12.4% decline in sales to \$1.1 billion in December. This industry is closely tied to the construction sector and includes the manufacturing of cement, ready-mix concrete and glass products.

Petroleum products continue to ramp up sales

Rising prices continued to boost the value of manufacturing sales of the petroleum and coal products industry. In December, factory sales jumped 6.2% to \$6.3 billion, as some refineries returned to full production following temporary shutdowns. In addition, prices edged 2.0% higher in December, and have risen almost 30% since the start of 2007.

Manufacturing activity weakened across most provinces

Ontario's flagging motor vehicle industry dominated the province's big 6.4% decline in manufacturing sales to \$22.5 billion in December. Ontario, which has had weakening sales in six of the last nine months, led the six provinces reporting decreased sales in December.

Manufacturing sales fell 2.1% to \$12.1 billion in Quebec, due to widespread declines, including the transportation equipment and wood products industries. Alberta was also down in December, posting a 1.2% drop in manufacturing sales to \$5.5 billion. This was the fourth decrease in five months.

Newfoundland and Labrador (+62.2%), New Brunswick (+1.6%), Manitoba (+0.7%) and Saskatchewan (+1.4%) each reported higher manufacturing sales to end the year.

Manufacturing sales, provinces and territories

	November 2007 ^r	December 2007 ^p	November to December 2007
Seasonally adjusted			
	\$ millions		% change
Canada	50,318	48,630	-3.4
Newfoundland and Labrador	302	490	62.2
Prince Edward Island	121	119	-2.2
Nova Scotia	854	830	-2.8
New Brunswick	1,413	1,436	1.6
Quebec	12,396	12,135	-2.1
Ontario	24,036	22,501	-6.4
Manitoba	1,293	1,302	0.7
Saskatchewan	931	943	1.4
Alberta	5,539	5,473	-1.2
British Columbia	3,427	3,395	-0.9
Yukon	3	3	-1.4
Northwest Territories including Nunavut	3	3	-2.9

^r revised

^p preliminary

Manufacturers reduce raw material inventories

A sharp decrease in raw materials entirely contributed to December's 0.4% reduction in total inventories. Inventories, which have been on a downward trend for most of 2007, fell to \$64.9 billion, the lowest level in almost three and a half years.

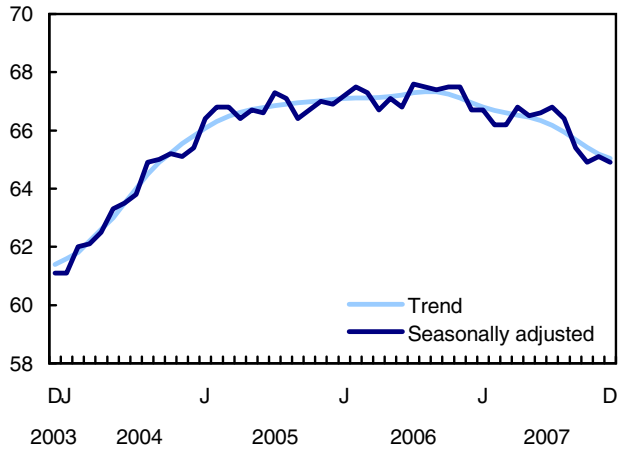
Robust demand for petroleum products saw several refineries draw down their inventories of raw materials in December. Overall, raw materials contracted 1.3% to \$27.7 billion in December and have been gradually declining since the most recent peak of \$29.2 billion in April 2007.

Meanwhile, a 0.7% boost in goods-in-process inventories partly counterbalanced some of the decline, while manufacturers' finished product inventories remained steady at \$22.2 billion in December.

The main contributors to December's decline in total inventories included the primary metal (-3.5%) and motor vehicle (-6.2%) industries.

Inventories drop to lowest level since 2004

\$ billions



High-flying aerospace provides a record boost to unfilled orders

The aerospace industry helped to push the backlog of orders to a record level in December. Rising for the second straight month, unfilled orders increased 2.4%, topping the \$57.4-billion mark. With the exception of a brief two-month dip last fall, unfilled orders have risen unabated for the past 16 months.

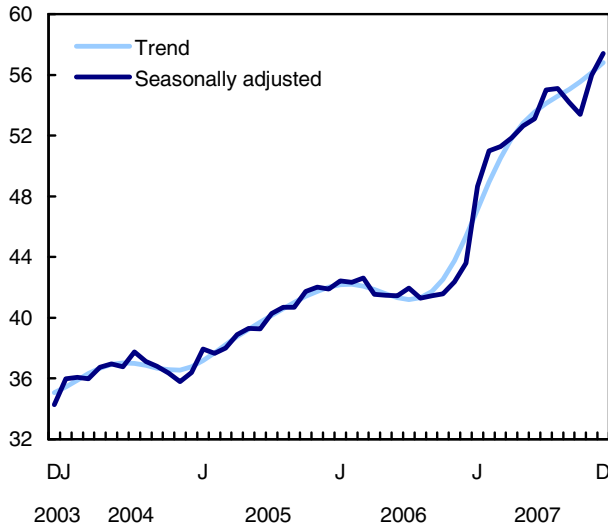
Healthy demand for civilian and defence aircraft propelled unfilled orders of aerospace products and parts to \$26.1 billion, up 4.4% in December.

The railroad rolling stock industry also played a significant role in December as unfilled orders increased 19.4% to \$2.3 billion on the strength of new contracts for commuter rail cars.

In contrast, unfilled orders for computer and electronic products slipped 3.7% to \$3.5 billion in December. In just five months, this industry has seen a 13.7% decrease in the backlog of orders as many producers coped with future market uncertainty.

Unfilled orders the bright spot in December

\$ billions



New orders resume downward movement

New orders cooled considerably in December, falling 5.6% to \$50.0 billion, which reversed a significant 8.3% rebound in November. New orders have been down in 9 of the past 11 months.

Following a big November, manufacturers of aerospace products received fewer new contracts in December (-37.4%). In addition, shift closures and demand uncertainty fuelled a large decrease in new orders of motor vehicles.

Year in review: Price increases help manufacturers hold their own in 2007

Despite a perfect storm of challenges including rapid currency appreciation, rising energy costs and a

softening US export market, Canada's manufacturing sector managed to stay afloat in 2007.

Sharp price-driven increases for both petroleum and primary metals provided the necessary buoyancy, as sales edged up 0.3% over 2006 levels to \$612.9 billion.

The year 2007 witnessed winners and losers. Petroleum and coal product manufacturing increased 8.6% on the back of record crude oil prices, which approached US\$100 per barrel by year-end. Manufacturing of primary metals rose 5.0% on sharp demand from Asian markets. Alternatively, motor vehicle (-3.2%) and wood product (-15.8%) manufacturers saw sales drop in the face of challenging market conditions.

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

Definitions, data sources and methods: survey number 2101.

For a more detailed synopsis of the trends and indicators that impacted manufacturers in 2007, the Annual Review of Manufacturing will soon be released in *Analysis in Brief*.

Data from the January Monthly Survey of Manufacturing will be released on March 17.

For general information or to order data, 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 Russell Kowaluk (613-951-0600, russell.kowaluk@statcan.ca), Manufacturing, Construction and Energy Division.

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Sales, inventories and orders in all manufacturing industries

	Sales		Inventories		Unfilled orders		New orders		Inventory-to-sales ratio
	Seasonally adjusted								
	\$ millions	% change	\$ millions	% change	\$ millions	% change	\$ millions	% change	
December 2006	51,969	2.7	66,714	-1.1	43,586	2.9	53,199	3.5	1.28
January 2007	51,142	-1.6	66,672	-0.1	48,660	11.6	56,215	5.7	1.30
February 2007	51,290	0.3	66,172	-0.7	50,987	4.8	53,617	-4.6	1.29
March 2007	53,059	3.5	66,154	0.0	51,287	0.6	53,359	-0.5	1.25
April 2007	52,703	-0.7	66,781	0.9	51,848	1.1	53,264	-0.2	1.27
May 2007	52,087	-1.2	66,533	-0.4	52,628	1.5	52,868	-0.7	1.28
June 2007	51,326	-1.5	66,570	0.1	53,135	1.0	51,869	-1.9	1.30
July 2007	51,886	1.1	66,789	0.3	55,007	3.5	53,758	3.6	1.29
August 2007	50,630	-2.4	66,354	-0.7	55,112	0.2	50,736	-5.6	1.31
September 2007	49,970	-1.3	65,359	-1.5	54,242	-1.6	49,099	-3.2	1.31
October 2007	49,811	-0.3	64,867	-0.8	53,363	-1.6	48,932	-0.3	1.30
November 2007	50,318	1.0	65,112	0.4	56,020	5.0	52,975	8.3	1.29
December 2007	48,630	-3.4	64,850	-0.4	57,380	2.4	49,990	-5.6	1.33

Manufacturing industries except motor vehicle, parts and accessories

	Sales		Inventories		Unfilled orders		New orders	
	Seasonally adjusted							
	\$ millions	% change	\$ millions	% change	\$ millions	% change	\$ millions	% change
December 2006	43,389	1.3	63,613	-0.9	42,465	3.3	44,740	2.1
January 2007	43,462	0.2	63,565	-0.1	47,528	11.9	48,526	8.5
February 2007	43,471	0.0	63,160	-0.6	49,933	5.1	45,876	-5.5
March 2007	44,529	2.4	63,169	0.0	50,335	0.8	44,931	-2.1
April 2007	45,033	1.1	63,785	1.0	50,835	1.0	45,533	1.3
May 2007	44,658	-0.8	63,574	-0.3	51,579	1.5	45,402	-0.3
June 2007	44,421	-0.5	63,567	0.0	52,093	1.0	44,972	-0.9
July 2007	43,887	-1.2	63,766	0.3	53,962	3.6	45,756	1.7
August 2007	43,765	-0.3	63,364	-0.6	54,167	0.4	43,970	-3.9
September 2007	42,341	-3.3	62,528	-1.3	53,381	-1.5	41,555	-5.5
October 2007	42,684	0.8	62,090	-0.7	52,514	-1.6	41,817	0.6
November 2007	43,149	1.1	62,434	0.6	55,205	5.1	45,840	9.6
December 2007	42,821	-0.8	62,236	-0.3	56,508	2.4	44,124	-3.7

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New motor vehicle sales

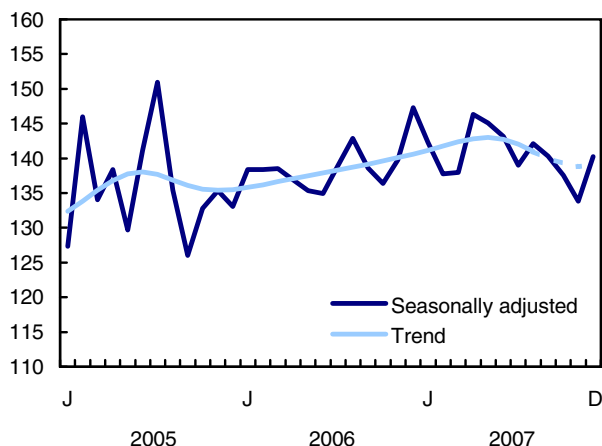
December 2007

Sales of new motor vehicles rebounded in December after three months of declines. Despite a downward trend in the second half of 2007, there were more new motor vehicles sold in 2007 than in 2006.

Seasonally adjusted data from the New Motor Vehicle Sales Survey show that 140,270 new vehicles were sold in December. The rate of increase in sales in December was 4.8%, which follows six declines in the previous seven months of 2007.

New motor vehicle sales move ahead in December

Thousands of units



Note: The last few points could be subject to revisions when more data are added. This is indicated by the dashed line.

Fourth quarter sales declined 2.3% with 411,602 units sold. Sales of passenger cars declined 6.3% in the fourth quarter of 2007, while truck sales were up 1.9%.

Preliminary industry data suggest that new motor vehicle sales will show strong growth in January, mainly due to passenger car sales.

Truck sales drive December increase

With a growth rate of 7.7%, the final month of 2007 saw the year's largest growth in truck sales, totaling 71,977 units (which include minivans, sport-utility vehicles, light and heavy trucks, vans and buses). Sales of passenger cars grew a respectable 2.0% in December to 68,293 units.

Overseas-built vehicle sales grew 8.5% to 25,356 units, boosting the overall passenger car category. This was the largest rate of growth for

Note to readers

At the end of each calendar year, seasonally adjusted monthly figures are revised to equal the sum of the unadjusted estimates. Revised seasonally adjusted figures are presented this month for September to November 2007. The complete revision of seasonally adjusted data for the 2007 calendar year will be released in April. All annual comparisons in this release use the sum of unadjusted monthly estimates.

All data referring to December are seasonally adjusted. Seasonal adjustment enables month-to-month growth rates to be analysed taking into account the trend-cycle, seasonality, the trading-day effect, the Easter holiday effect and the irregular component.

Passenger cars include those used for personal and commercial purposes, such as taxis or rental cars.

Trucks include minivans, sport-utility vehicles, light and heavy trucks, vans and buses.

North American built new motor vehicles include vehicles manufactured or assembled in Canada, the United States or Mexico. All other new motor vehicles are considered to have been manufactured overseas.

For reasons of confidentiality, data for Yukon, the Northwest Territories and Nunavut are included with those for British Columbia.

The New Motor Vehicle Sales Survey is compiled on the basis of figures obtained from motor vehicle manufacturers and importers. These results may vary from those obtained directly from auto dealers, due to possible differences in record keeping.

overseas-built passenger cars in 2007, and followed two consecutive months of sizeable declines. Partially offsetting this strong growth, sales of North American-built passenger cars (-1.6%) declined for the third consecutive month in December to 42,937 units.

Ontario fuels national increase

Sales of new motor vehicles in Ontario grew 8.6% in December to 50,810 units, almost offsetting the previous three months of declines.

Although Ontario contributed the most to the national increase in sales of new motor vehicles, sales also increased in seven other provinces. Sales in Quebec, Alberta, and British Columbia grew approximately 3%, while Saskatchewan and New Brunswick sales grew more than 6%. Sales of new motor vehicles on Prince Edward Island (+34.6%) recovered from a large decline in November.

December declines were seen in Nova Scotia (-3.1%) and Newfoundland and Labrador (-1.9%).

Annual new motor vehicle sales for 2007 second highest on record

There were 1,690,548 units sold in 2007, representing a 1.5% increase over 2006, second only to the record level set in 2002.

Truck sales to consumers and businesses buoyed the overall 2007 increase in new motor vehicle sales. The number of new trucks sold increased 3.6% to 831,869 units in 2007. Passenger car sales (-0.5%) were down slightly to 858,679 units, tempering the annual growth rate of all new motor vehicles. The decline was completely due to fewer North American-built cars (-3.9%) being purchased as sales of overseas-built cars increased by 6.2%.

The province with the largest growth rate in new motor vehicle sales in 2007 was Newfoundland and Labrador (+16.8%), with 28,260 units sold. This was the first year since 2003 that Alberta, at 3.4%, did not lead sales growth. Saskatchewan (+14.1%) also experienced substantial sales growth for 2007, with 45,546 units.

The only province to experience a decline in sales of new motor vehicles in 2007 was Ontario (-2.4%), with 605,801 units sold.

Available on CANSIM: tables 079-0001 and 079-0002.

Definitions, data sources and methods: survey number 2402.

The December 2007 issue of *New Motor Vehicle Sales* (63-007-XWE, free) will be available soon.

Data on new motor vehicle sales for January will be released on March 17.

For general information or to order data, contact Client Services (toll-free 1-877-421-3067; 613-951-3549; retailinfo@statcan.ca). To enquire about the concepts, methods or data quality of this release, contact Joseph Dunlavy (613-951-0193), Distributive Trades Division.

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New motor vehicle sales

	December 2006	November 2007 ^f	December 2007 ^p	December 2006 to December 2007	November to December 2007
Seasonally adjusted					
	number of vehicles			% change	
New motor vehicles	147,294	133,809	140,270	-4.8	4.8
Passenger cars	75,706	66,981	68,293	-9.8	2.0
North American ¹	50,573	43,620	42,937	-15.1	-1.6
Overseas	25,133	23,361	25,356	0.9	8.5
Trucks, vans and buses	71,589	66,827	71,977	0.5	7.7
New motor vehicles					
Newfoundland and Labrador	2,225	2,363	2,317	4.1	-1.9
Prince Edward Island	429	335	451	5.1	34.6
Nova Scotia	3,954	4,236	4,105	3.8	-3.1
New Brunswick	3,270	2,874	3,057	-6.5	6.4
Quebec	36,150	32,307	33,266	-8.0	3.0
Ontario	54,087	46,791	50,810	-6.1	8.6
Manitoba	4,143	3,930	3,961	-4.4	0.8
Saskatchewan	3,560	3,826	4,077	14.5	6.6
Alberta	22,165	20,821	21,430	-3.3	2.9
British Columbia ²	17,311	16,326	16,796	-3.0	2.9
	December 2006	November 2007 ^f	December 2007 ^p	December 2006 to December 2007	
Unadjusted					
	number of vehicles			% change	
New motor vehicles	131,157	120,012	122,964	-6.2	
Passenger cars	62,549	58,188	52,979	-15.3	
North American ¹	44,495	37,583	34,864	-21.6	
Overseas	18,054	20,605	18,115	0.3	
Trucks, vans and buses	68,608	61,824	69,985	2.0	
New motor vehicles					
Newfoundland and Labrador	1,566	1,808	1,577	0.7	
Prince Edward Island	348	279	334	-4.0	
Nova Scotia	3,383	3,572	3,269	-3.4	
New Brunswick	2,695	2,357	2,425	-10.0	
Quebec	26,812	27,093	23,786	-11.3	
Ontario	49,781	44,248	47,062	-5.5	
Manitoba	4,039	3,407	3,792	-6.1	
Saskatchewan	3,607	3,505	4,078	13.1	
Alberta	21,587	19,561	20,323	-5.9	
British Columbia ²	17,339	14,182	16,318	-5.9	

^r revised

^p preliminary

1. Manufactured or assembled in Canada, the United States or Mexico.

2. Includes Yukon, the Northwest Territories and Nunavut.

Note: Figures may not add up to totals due to rounding.



Study: Tracking value-added trade: Examining global inputs to exports 1999 to 2004

Canadian industries have sharply lowered their use of imported inputs to produce exports, according to a new study published today in *Canadian Economic Observer*.

The lower use of imported inputs sheds light on several widely discussed trends. It contradicts fears of a widespread offshoring of domestic production as firms adopt global supply chains.

It also suggests that firms in Canada have ample room to import more inputs as the soaring loonie increases competitive pressures, something they began to do in 2004.

Finally, removing the import content from exports reveals Canada's true exposure to export demand. This is an important piece of knowledge as analysts debate whether other countries can "decouple" from the current slowdown in the US economy. Since 2000, changes in exports have had less of an influence on the course of gross domestic product (GDP).

Comparing gross exports to GDP has always resulted in misleading analysis. Exports are the equivalent of gross sales, while GDP is measured on a value-added basis. Removing the import content of exports puts them on the same value-added basis, revealing the true exposure of GDP to external demand.

This paper shows that 27.9% of GDP came from value-added exports in 2004. This was down from its peak of 31.4% in 2000, and close to its recent low in 1997. It is well below the often-quoted but misleading share of gross exports in GDP, which peaked at 46% in 2000 before settling at about 38% in 2003 and 2004.

With exports to the United States currently accounting for 75% of all Canada's exports, this implies that just over 20% of Canada's output is exposed to the risk from the slowdown in US growth. The share of jobs exposed to exports would be even lower, as exports remain a sector with above-average output-per-worker.

The study found that the use of imported inputs rose sharply throughout the 1990s, hitting a peak in 1999. Since then, there has been a widespread reduction in the import content of exports.

In 1998 and 1999, imported inputs accounted for 31.6% of exports, a record high. This share has since declined every year to a low of 27.1% in 2003.

The recent drop in the import content of exports has been pervasive. From 2000 to 2004, 48 of 59 industries lowered their import content of exports, while 2 were unchanged and only 9 increased.

The main factors in the overall decline were the abrupt shrinkage in the information and communications technology sector after 2000 and the downsizing in the

automobile sector. Imported inputs in these industries account for nearly half the total.

At the same time that export demand slowed for the most import-intensive goods, exports shifted to natural resources such as energy and mining. These goods have a relatively low import content, which depressed overall import content as their share of exports rose.

The exchange rate affects the import content of exports with long lags. The rise of the Canadian dollar in the late 1980s did not encourage more import use until the early 1990s, while the recent rally in the dollar only just began to encourage more import intensity in 2004, especially in the manufacturing sector.

The drop in imports destined to be embedded in exports also contributed to a shift in the composition of Canada's imports. Overall, imports destined to be intermediate inputs into production fell from 21.1% of all imports in 2000 to 17.8% in 2004. Most of this decrease originated in imports needed to produce exports.

Instead, the most rapidly growing part of imports has been those items destined directly for purchase by consumers and businesses, the latter being mostly investment goods. These accounted for 82.2% of goods imports in 2004, up from 78.9% in 2000.

The declining use of imported inputs also tracks the broad geographic origin of imports into Canada. Since 1998, imports from the United States have risen only 1.7% a year on average, while imports from the rest of the world have grown at an average annual pace of 8.7%, led by finished goods from China, which by themselves accounted for half the increase.

The article, "Tracking value-added trade: Examining global inputs to exports," is included in the February 2008 online edition of *Canadian Economic Observer*, Vol. 21, no. 2 (11-010-XWB, free), now available from the *Publications* module of our website. The monthly paper version of *Canadian Economic Observer*, Vol. 21, no. 2 (11-010-XPB, \$25/\$243) will be available on February 21.

For more information about the *Canadian Economic Observer*, click on our banner ad from the *Publications* module of our website.

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 Division. ■

Non-residential Building Construction Price Index Fourth quarter 2007

The composite price index for non-residential building construction increased 1.0% from the third quarter

to 161.5 (1997=100) in the fourth quarter, and 8.1% from the fourth quarter of 2006. The quarterly increase was mostly the result of higher labour costs and the persistent strength of the non-residential building construction market, particularly in Western Canada.

Western Canada recorded the highest increases from the third quarter of 2007 with Calgary posting a 1.6% increase, followed by Edmonton (+1.3%) and Vancouver (+1.2%). Smaller upward movements were recorded in Eastern Canada with Montreal recording a rise of 0.9%, followed by Toronto (+0.8%), Ottawa–Gatineau, Ontario part (+0.5%) and Halifax (+0.3%).

Edmonton had the largest change (+13.3%) from the fourth quarter of 2006, followed by Calgary (+12.3%), Vancouver (+10.2%), Toronto (+6.1%), Ottawa–Gatineau, Ontario part (+5.6%), Halifax (+5.4%) and Montreal (+4.0%).

Note: The Non-residential building construction price index provides an indication of the changes in new construction costs in six census metropolitan areas or CMAs (Halifax, Montréal, Toronto, Calgary, Edmonton and Vancouver) and the Ontario part of the Ottawa–Gatineau CMA.

Three construction categories (industrial, commercial and institutional buildings) are represented

by selected models (a light factory building, an office building, a warehouse, a shopping centre and a school).

Besides the CMA and composite indexes, a further breakdown of the changes in costs is available by trade group (structural, architectural, mechanical and electrical) within the building types.

These price indexes are derived from surveys of general and special trade group contractors. They report data on various categories of costs (material, labour, equipment, taxes, overhead and profit) relevant to the detailed construction specifications included in the surveys.

Available on CANSIM: tables 327-0039 and 327-0040.

Definitions, data sources and methods: survey numbers, including related surveys, 2317 and 2330.

The third 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 and data quality of this release, contact Client Services (toll-free 1-866-230-2248; 613-951-9606; fax 613-951-1539; prices-prix@statcan.ca), Prices Division.

Non-residential building construction price indexes¹

	Fourth quarter 2007	Fourth quarter 2006 to fourth quarter 2007	Third quarter to fourth quarter 2007
	(1997=100)	% change	
Composite	161.5	8.1	1.0
Halifax	136.7	5.4	0.3
Montréal	140.3	4.0	0.9
Ottawa–Gatineau, Ontario part	152.1	5.6	0.5
Toronto	160.8	6.1	0.8
Calgary	186.8	12.3	1.6
Edmonton	181.8	13.3	1.3
Vancouver	162.6	10.2	1.2

1. Go online to view the census subdivisions that comprise the census metropolitan areas.

Dairy statistics

December 2007 (preliminary)

Dairy farmers sold 648,000 kilolitres of milk and cream to dairies in December 2007, up 3.3% from December 2006. Fluid milk sales stood at 258,000 kilolitres, and industrial milk sales at 390,000 kilolitres. Industrial milk is used to manufacture butter, cheese, yogurt, ice cream, milk powders and concentrates.

Available on CANSIM: tables 003-0007, 003-0012, 003-0033 and 003-0034.

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

The fourth quarter 2007 issue of *Dairy Statistics*, Vol. 2, no. 4 (23-014-XWE, free) is now available online from the *Publications* module of our website.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Anna Michalowska (toll-free 1-800-465-1991; 613-951-2442; fax: 613-951-3868), Agriculture Division. ■

Steel pipe and tubing

December 2007

Data on production and shipments of steel pipe and tubing are now available for December.

Available on CANSIM: table 303-0046.

Definitions, data sources and methods: survey number 2105.

The December 2007 issue of *Steel, Tubular Products and Steel Wire* (41-019-XWE) will soon be available.

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. ■

Steel wire and specified wire products

December 2007

Data on steel wire and specified wire products production are now available for December.

Available on CANSIM: table 303-0047.

Definitions, data sources and methods: survey number 2106.

The December 2007 issue of *Steel, Tubular Products and Steel Wire* (41-019-XWE) will soon be available.

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. ■

New products

Canadian Economic Observer, February 2008,
Vol. 21, no. 2
Catalogue number 11-010-XWB
(free).

Dairy Statistics, Fourth quarter 2007, Vol. 2, no. 4
Catalogue number 23-014-XWE
(free).

**Gross Domestic Expenditures on Research
and Development in Canada and the Provinces**,
National Estimates 1996 to 2007 Provincial
Estimates 2001 to 2005, Vol. 1, no. 1
Catalogue number 88-221-XWE
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- **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 recovery in growth during the year.

OTHER RELEASES

- **Maplewood Index, May 1997** 5
- **Short-term Expenditure Survey** 8
- **Steel primary forms, year ending May 31, 1997** 10
- **Egg production, April 1997** 12

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Release dates: February 18 to 22, 2008

(Release dates are subject to change.)

Release date	Title	Reference period
19	Wholesale trade	December 2007
19	Consumer Price Index	January 2008
20	Study: Use of firearms in violent crime	
20	Canada's international transactions in securities	December 2007
20	Travel between Canada and other countries	December 2007
20	Leading indicators	January 2008
21	Quarterly financial statistics for enterprises	Fourth quarter 2007
21	Health Reports	2007
22	Retail trade	December 2007