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Releases

Industrial product and raw materials price indexes

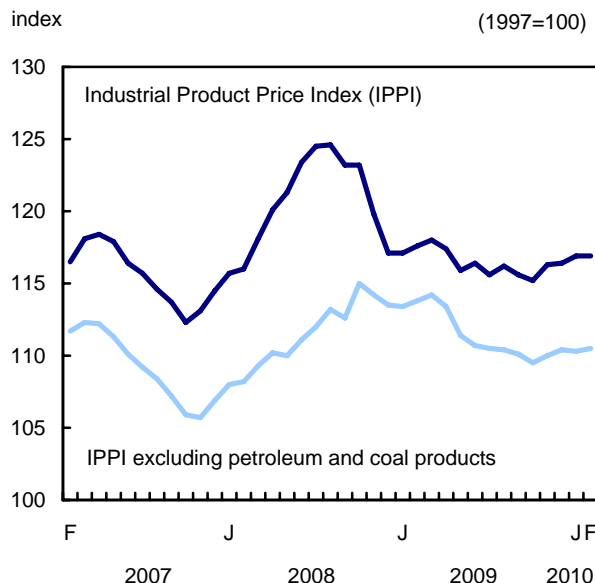
February 2010

In February, the Industrial Product Price Index (IPPI) was unchanged from January. The Raw Materials Price Index (RMPI) rose 0.4%, led by higher prices for mineral fuels.

The IPPI remained at the same level as in January, following three consecutive monthly advances. The IPPI is still on an upward trend, which began after it bottomed out in October 2009.

Prices of motor vehicles and other transportation equipment were up 0.9% in February, largely due to the 1.3% depreciation of the Canadian dollar relative to the US dollar. The IPPI came under upward pressure from other products that are more sensitive to exchange rate movements, including lumber and other wood products (+1.7%) and pulp and paper products (+1.0%).

Prices for industrial goods remain unchanged



The 12-month decrease in the IPPI was led by motor vehicles and other transportation equipment (-9.8%). Other factors also contributing to the decline were pulp and paper products (-9.1%), electrical and communication products (-5.8%), metal fabricated products (-4.7%) and machinery and equipment (-4.1%).

On the other hand, rising prices for petroleum and coal products (+25.4%) and primary metal products (+8.8%) moderated the year-over-year decline in the IPPI.

Between February 2009 and February 2010, prices for products excluding petroleum and coal were down 2.9%, a slightly larger year-over-year decline than in January. It was the ninth successive decrease for this product group.

Since February 2009, the Canadian dollar rose 17.8% in value relative to its US counterpart, and if the direct effect of the exchange rate had been excluded, the IPPI would have increased 3.3% instead of declining 0.6%.

Raw Materials Price Index: Second consecutive monthly increase

The RMPI climbed 0.4% in February after a 3.4% advance in January, continuing the upward trend that began in January 2009.

In February, the RMPI was pushed upward mainly by rising prices for mineral fuels, particularly crude oil (+2.1%). Crude oil prices increased 5.6% in January.

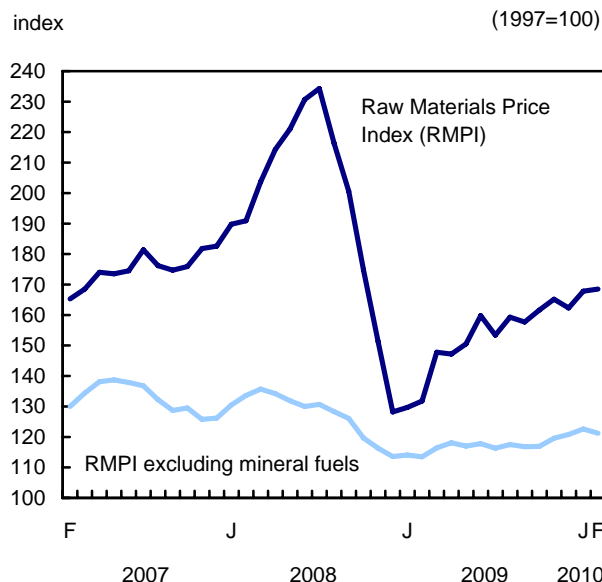
Prices for ferrous materials and animals and animal products made smaller contributions to the February advance of the RMPI.

The upward movement in raw materials prices was slowed by falling non-ferrous metals prices (-4.6%), which declined following six consecutive monthly gains. Most of the products in this group posted declines, especially zinc (-9.8%) and lead concentrates (-8.7%). Metals prices were sensitive, among other reasons, to weaker demand from Asia.

Excluding mineral fuels, the RMPI would have declined 1.1%, following four consecutive monthly increases.

From February 2009 to February 2010, raw materials prices increased 27.8%, as a result of sharply higher prices for mineral fuels (+58.0%) and non-ferrous metals (+34.0%). All other groups posted declines.

Raw materials prices increase



Available on CANSIM: tables 329-0038 to 329-0049 and 330-0006.

Definitions, data sources and methods: survey numbers, including related surveys, 2306 and 2318.

The February 2010 issue of *Industry Price Indexes* (62-011-X, free) will soon be available.

The industrial product and raw material price indexes for March will be released on April 30.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (toll-free 1-888-951-4550; 613-951-4550; fax: 613-951-3117; ppd-info-dpp@statcan.gc.ca), Producer Prices Division.

□

Industrial product price indexes

	Relative importance ¹	February 2009	January 2010 ^r	February 2010 ^p	January to February 2010	February 2009 to February 2010
		(1997=100)			% change	
Industrial Product Price Index (IPPI)	100.00	117.6	116.9	116.9	0.0	-0.6
IPPI excluding petroleum and coal products	94.32	113.8	110.3	110.5	0.2	-2.9
Aggregation by commodities						
Meat, fish and dairy products	5.78	113.2	111.8	112.0	0.2	-1.1
Fruit, vegetables, feeds and other food products	5.99	116.6	117.5	117.1	-0.3	0.4
Beverages	1.57	129.0	130.5	130.6	0.1	1.2
Tobacco and tobacco products	0.63	223.5	222.6	222.7	0.0	-0.4
Rubber, leather and plastic fabricated products	3.30	121.8	120.3	120.7	0.3	-0.9
Textile products	1.58	103.0	101.8	101.8	0.0	-1.2
Knitted products and clothing	1.51	104.7	105.0	105.2	0.2	0.5
Lumber and other wood products	6.30	83.1	81.6	83.0	1.7	-0.1
Furniture and fixtures	1.59	125.0	124.3	124.3	0.0	-0.6
Pulp and paper products	7.23	115.9	104.3	105.3	1.0	-9.1
Printing and publishing	1.70	126.2	124.1	124.2	0.1	-1.6
Primary metal products	7.80	123.3	137.1	134.2	-2.1	8.8
Metal fabricated products	4.11	136.8	129.9	130.4	0.4	-4.7
Machinery and equipment	5.48	113.4	108.2	108.7	0.5	-4.1
Motor vehicles and other transport equipment	22.16	100.5	89.9	90.7	0.9	-9.8
Electrical and communications products	5.77	98.1	92.0	92.4	0.4	-5.8
Non-metallic mineral products	1.98	128.8	129.3	129.3	0.0	0.4
Petroleum and coal products ²	5.68	187.8	238.3	235.5	-1.2	25.4
Chemicals and chemical products	7.07	132.7	133.8	135.0	0.9	1.7
Miscellaneous manufactured products	2.40	127.3	124.2	124.0	-0.2	-2.6
Miscellaneous non-manufactured products	0.38	267.7	230.0	222.2	-3.4	-17.0
Intermediate goods³	60.14	120.0	121.2	121.2	0.0	1.0
First-stage intermediate goods ⁴	7.71	120.3	137.9	138.5	0.4	15.1
Second-stage intermediate goods ⁵	52.43	119.9	118.7	118.5	-0.2	-1.2
Finished goods⁶	39.86	114.1	110.3	110.6	0.3	-3.1
Finished foods and feeds	8.50	120.2	120.8	120.9	0.1	0.6
Capital equipment	11.73	107.8	99.4	100.0	0.6	-7.2
All other finished goods	19.63	115.2	112.4	112.6	0.2	-2.3

^r revised

^p preliminary

1. The relative importance is based on the 1997 values of production at December 1996 prices.

2. This index is estimated for the current month.

3. Intermediate goods are goods used principally to produce other goods.

4. First-stage intermediate goods are items used most frequently to produce other intermediate goods.

5. Second-stage intermediate goods are items most commonly used to produce final goods.

6. Finished goods are goods most commonly used for immediate consumption or for capital investment.

Raw materials price indexes

	Relative importance ¹	February 2009	January 2010 ^r	February 2010 ^p	January to February 2010	February 2009 to February 2010
		(1997=100)			% change	
Raw Materials Price Index (RMPI)	100.00	131.8	167.8	168.5	0.4	27.8
RMPI excluding mineral fuels	64.84	113.5	122.6	121.2	-1.1	6.8
Mineral fuels	35.16	171.4	265.6	270.8	2.0	58.0
Vegetable products	10.28	112.2	104.9	105.1	0.2	-6.3
Animals and animal products	20.30	110.7	109.7	110.6	0.8	-0.1
Wood	15.60	79.2	76.1	75.5	-0.8	-4.7
Ferrous materials	3.36	137.7	131.3	137.4	4.6	-0.2
Non-ferrous metals	12.93	138.3	194.3	185.3	-4.6	34.0
Non-metallic minerals	2.38	177.2	173.7	173.8	0.1	-1.9

^r revised

^p preliminary

1. The relative importance is based on the 1997 values of intermediate inputs at December 1996 prices.

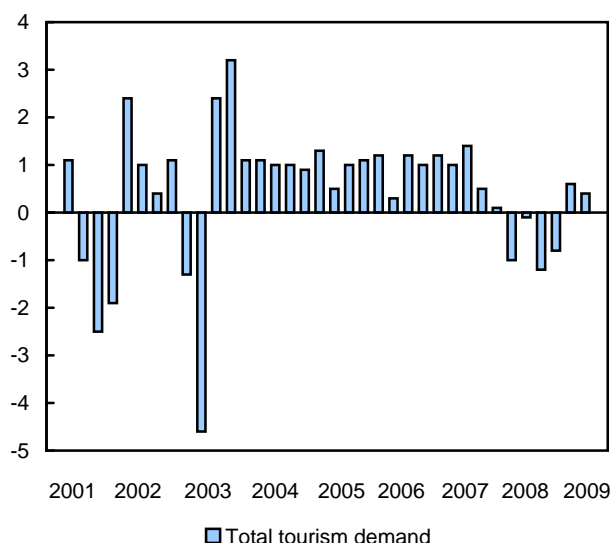
National tourism indicators

Fourth quarter 2009

Tourism spending in Canada increased 0.4% in real terms in the fourth quarter of 2009, as outlays by both international visitors to Canada and Canadians were up. This was the second consecutive increase in tourism spending, following four negative quarters that started in the summer of 2008.

Tourism spending up again

% change, preceding quarter, adjusted for seasonal variation and price change



Canadians increase tourism spending at home

Canadians' spending on tourism in Canada increased 0.4% in real terms in the fourth quarter of 2009, following a 1.4% increase in the third quarter.

Spending on passenger air transport, the largest component of the transportation category, increased 1.1%. Accommodation spending also rose, while fuel consumption was down.

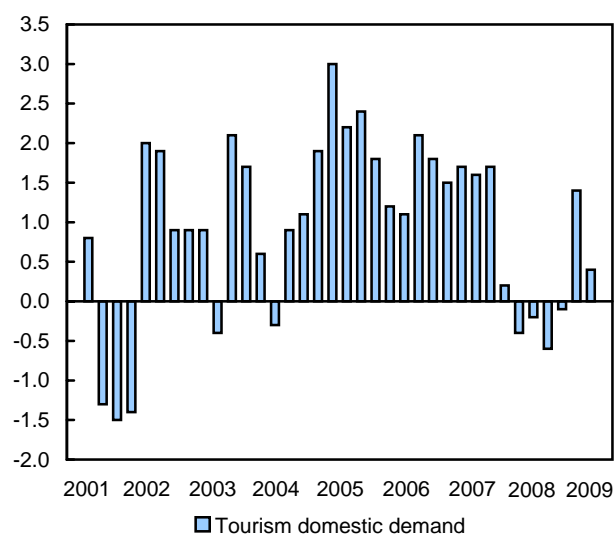
Note to readers

Growth rates of tourism spending and gross domestic product are expressed in real terms (i.e., adjusted for price change) as well as adjusted for seasonal variations, unless otherwise indicated. Employment data are also seasonally adjusted. Associated percentage changes are presented at quarterly rates.

The National tourism indicators are funded by the Canadian Tourism Commission.

Tourism domestic demand continues to increase

% change, preceding quarter, adjusted for seasonal variation and price change



First spending increase by international visitors in two years

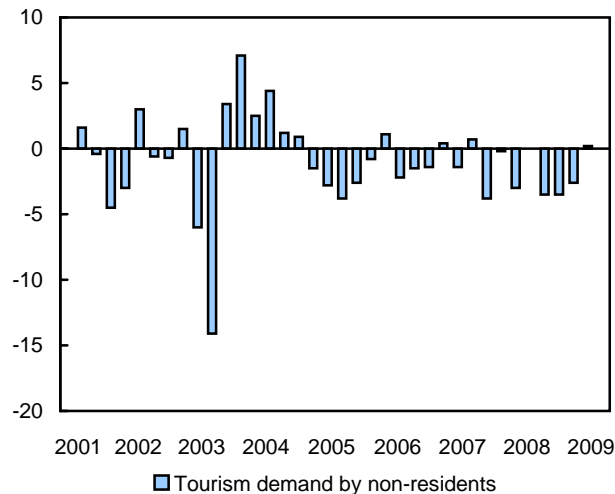
Spending by international visitors to Canada edged up 0.2% in real terms in the fourth quarter of 2009. This increase followed large declines in the first three quarters of the year.

Outlays by international visitors on passenger air transport were up 1.2%, reflecting an increase in the number of visitors from overseas countries. Spending on vehicle fuel was 1.4% lower than the previous quarter as car travel from the United States declined.

Spending by international visitors on accommodation and food and beverage services increased during the quarter. Spending on recreation and entertainment was unchanged.

First spending increase by international visitors in two years

% change, preceding quarter, adjusted for seasonal variation and price change



Tourism gross domestic product expands

Tourism gross domestic product increased 0.2% in the fourth quarter of 2009, the second consecutive quarter of growth. Gains were registered across all tourism industries, notably transportation and "other tourism industries," which includes the travel services and recreation and entertainment industries.

Tourism employment was up for a second consecutive quarter following job losses in the first two quarters of 2009.

Available on CANSIM: tables 387-0001 to 387-0010.

Definitions, data sources and methods: survey number 1910.

The fourth quarter 2009 issue of *National Tourism Indicators, Quarterly Estimates* (13-009-X, free) is now available from the *Key resource* module of our website under *Publications*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the information officer (613-951-3640; iead-info-dcrd@statcan.gc.ca), Income and Expenditure Accounts Division.

□

National tourism indicators

	Fourth quarter 2008	First quarter 2009	Second quarter 2009	Third quarter 2009	Fourth quarter 2009	Third quarter to fourth quarter 2009
Seasonally adjusted						
	\$ millions at 2002 prices					% change
Total tourism expenditures						
Tourism demand in Canada	16,679	16,478	16,345	16,448	16,513	0.4
Tourism demand by non-residents	3,531	3,408	3,290	3,203	3,209	0.2
Tourism domestic demand	13,148	13,070	13,055	13,244	13,304	0.4
Transportation						
Tourism demand in Canada	6,143	6,030	5,993	6,062	6,115	0.9
Tourism demand by non-residents	986	950	917	871	872	0.2
Tourism domestic demand	5,158	5,080	5,076	5,191	5,243	1.0
Accommodation						
Tourism demand in Canada	2,596	2,552	2,490	2,517	2,526	0.4
Tourism demand by non-residents	838	801	763	753	755	0.2
Tourism domestic demand	1,758	1,751	1,728	1,764	1,771	0.4
Food and beverage services						
Tourism demand in Canada	2,320	2,295	2,281	2,275	2,280	0.2
Tourism demand by non-residents	539	519	499	493	494	0.3
Tourism domestic demand	1,781	1,776	1,782	1,783	1,786	0.2
Other tourism commodities						
Tourism demand in Canada	2,680	2,676	2,666	2,656	2,650	-0.2
Tourism demand by non-residents	456	445	427	414	415	0.1
Tourism domestic demand	2,224	2,231	2,239	2,242	2,236	-0.3
Other commodities						
Tourism demand in Canada	2,940	2,925	2,915	2,938	2,942	0.1
Tourism demand by non-residents	712	692	684	672	673	0.1
Tourism domestic demand	2,227	2,233	2,231	2,265	2,269	0.1

National tourism indicators

	Fourth quarter 2008	First quarter 2009	Second quarter 2009	Third quarter 2009	Fourth quarter 2009	Third quarter to fourth quarter 2009
Seasonally adjusted						
	\$ millions at current prices					% change
Total tourism expenditures						
Tourism demand in Canada	18,477	17,966	17,698	17,778	18,026	1.4
Tourism demand by non-residents	3,878	3,714	3,559	3,451	3,470	0.5
Tourism domestic demand	14,599	14,252	14,139	14,327	14,556	1.6
Transportation						
Tourism demand in Canada	6,870	6,486	6,365	6,423	6,588	2.6
Tourism demand by non-residents	1,061	995	945	885	891	0.7
Tourism domestic demand	5,809	5,491	5,421	5,538	5,696	2.9
Accommodation						
Tourism demand in Canada	2,897	2,787	2,663	2,667	2,697	1.1
Tourism demand by non-residents	936	877	817	799	806	0.8
Tourism domestic demand	1,961	1,911	1,846	1,867	1,891	1.3
Food and beverage services						
Tourism demand in Canada	2,747	2,740	2,745	2,757	2,789	1.1
Tourism demand by non-residents	638	619	601	597	600	0.5
Tourism domestic demand	2,109	2,121	2,145	2,160	2,189	1.3
Other tourism commodities						
Tourism demand in Canada	2,890	2,877	2,849	2,840	2,862	0.8
Tourism demand by non-residents	508	501	480	467	470	0.6
Tourism domestic demand	2,382	2,376	2,369	2,373	2,392	0.8
Other commodities						
Tourism demand in Canada	3,073	3,077	3,076	3,090	3,090	-0.0
Tourism demand by non-residents	735	723	717	702	702	-0.0
Tourism domestic demand	2,337	2,354	2,359	2,388	2,388	-0.0



Annual retail trade 2008

Canadian retailers' operating profits as a share of operating revenue narrowed slightly to 5.0% in 2008 from 5.2% in 2007. Retailers were affected by changing economic conditions during 2008, especially late in the year.

Store and non-store retailers reported \$468.5 billion in operating revenue for 2008, a 4.5% increase. Total expenses rose 4.6% to \$444.9 billion.

Cost of goods sold, which accounts for just over three-quarters of total expenses, rose 4.4% to \$341.4 billion in 2008. Other operating expenses, which include labour remuneration, increased 5.6% to \$103.5 billion.

Pharmacies and personal care stores had the largest gain in operating profits, a 30.9% increase to \$1.6 billion in 2008. The ratio of operating profits to operating revenue was 5.2% in 2008, up from 4.3% in 2007. This growth reflects revenues increasing at a faster pace than the cost of goods sold and other expenses.

Store retailers, excluding non-store retailers, are divided into chain stores and non-chain stores. A chain store is an organization operating four or more locations within the same industry group under the same legal ownership. Chains recorded operating revenues of \$213.8 billion, up 5.8% over 2007.

Chain stores have been gradually increasing their share of total operating revenue. In 2004, they represented 43.1% of total operating revenue; by 2008, their share had risen to 47.0%. Non-chain stores posted a 3.3% increase in revenue to \$240.9 billion in 2008.

Operating expenses (excluding cost of goods sold) for store and non-store retailers rose to \$103.5 billion, up 5.6% over the previous year. Expenses were up in all industries, except for beer, wine and liquor stores and non-store retailers.

Note: This release combines data from the Annual Retail Store Survey and the Retail Non-store Survey. Operating profit is obtained by subtracting the total operating expenses plus the cost of goods sold (opening inventory plus purchases and direct costs minus closing inventory) from the total operating revenues.

Available on CANSIM: tables 080-0011 to 080-0013.

Definitions, data sources and methods: survey numbers, including related surveys, 2446, 2447 and 2448.

Selected details for the annual retail trade in 2008 are now available in *Annual Retail Trade*, 2008 (63-270-X, free), from the *Key resource* module of our website under *Publications*.

For more information, or to order data, contact Client Services (toll-free 1-877-421-3067; 613-951-3549; retailinfo@statcan.gc.ca). To enquire about the concepts, methods or data quality of this release, contact Leslie Poon (613-951-0393), Distributive Trades Division. ■

Annual wholesale trade 2008

Operating profits for Canadian wholesalers totalled \$33.6 billion in 2008, up 11.7% from 2007 as revenues increased at more than three times the pace of expenses. Overall, operating profits for wholesale as a percentage of total operating revenue increased from 4.3% in 2007 to 4.5% in 2008.

Like most sectors in the Canadian economy, the wholesale industry was affected by the global economic downturn. Wholesalers posted strong growth in the first half of the 2008, followed by a decline beginning in October.

Among wholesale merchants, wholesalers of food products recorded the largest gain in operating profits in the wholesale industry. Operating profits as a percentage of operating revenue increase 2.7 percentage points to 7.4% in 2008. With a gain of 3.1% in operating revenue, wholesalers of food products saw their cost of goods sold increase at a slower rate than revenue in 2008.

Operating profits declined in a number of sectors, including the computer group, apparel products and household and personal products.

As a percentage of total operating revenue, gross margins narrowed to 17.8% of operating revenue in 2008 from 18.4% a year earlier.

Wholesalers of motor vehicles recorded the largest gain in margins among all wholesalers' trade groups. Their margin as a percentage of operating revenues rose from 10.1% in 2007 to 11.7% in 2008.

Available on CANSIM: table 081-0005.

Definitions, data sources and methods: survey number 2445.

A review of wholesale trade for the year 2008 is available in *Annual Wholesale Trade*, 2008 (63-271-X, free), from the *Key resource* module of our website under *Publications*.

For more information, or to order data, contact Client Services Unit (toll-free 1-877-421-3067; 613-951-3549; wholesaleinfo@statcan.gc.ca). To enquire about concepts, methods or data quality of this release, contact Pierre Desjardins (613-951-9682), Distributive Trades Division. ■

Culture services trade

1998 to 2007

More detailed data tables on culture services trade are now available. Culture data are listed from 1998 to 2007, for exports and imports by type of service and culture framework category.

Definitions, data sources and methods: survey number 5045.

Detailed and summary data tables for culture services trade, by culture category and sub-categories, along with cross-tabulations of trade between Canada and selected countries in table format are now available in *Culture Services Trade: Data Tables*, 1998 to 2007 (87-213-X, free) from the *Key resource* module of our website under *Publications*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services, Culture Statistics Program (toll-free 1-866-767-5611; 613-951-2320; fax: 613-951-2307; culture@statcan.gc.ca), Demography Division. ■

Quarterly industry revenue indices for selected service industries

Fourth quarter 2009

Industry revenue indices for selected business and consumer service industries are now available for the fourth quarter.

These indices encompass both national and provincial data. They are based on a new statistical program that combines administrative data with survey data collected from complex businesses. The purpose of this program is to augment current economic data available for service industries.

The data include both unadjusted and seasonally adjusted indexed operating revenues, and run from the last quarter of 2006 to the last quarter of 2009.

Available on CANSIM: table 362-0001.

Definitions, data sources and methods: survey number 5104.

For more information, contact Client Services (toll-free 1-877-801-3282; 613-951-4612; servicesind@statcan.gc.ca). To enquire about the concepts, methods or data quality of this release, contact Kyoomars Haghandish (613-951-6304; kyoomars.haghandish@statcan.gc.ca), Service Industries Division. ■

New products and studies

National Tourism Indicators, Quarterly Estimates,
Fourth quarter 2009
Catalogue number **13-009-X** (PDF, free; HTML, free)

Annual Retail Trade, 2008
Catalogue number **63-270-X** (PDF, free; HTML, free)

Annual Wholesale Trade, 2008
Catalogue number **63-271-X** (PDF, free; HTML, free)

Culture Services Trade: Data Tables, 1998 to 2007
Catalogue number **87-213-X** (PDF, free; HTML, free)

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