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Releases

Releases

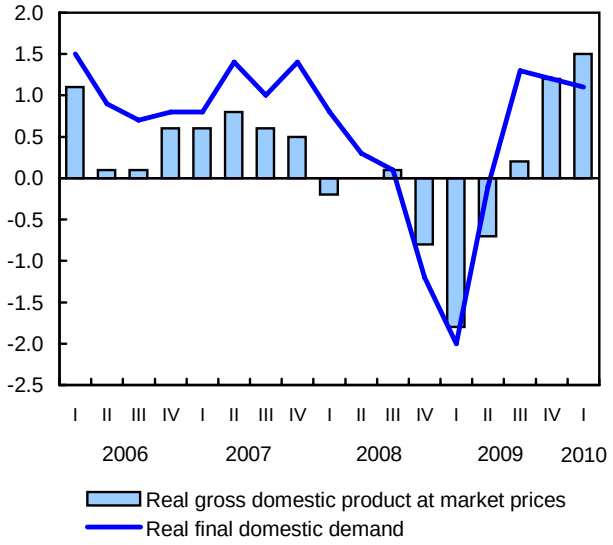
Canadian economic accounts

First quarter and March 2010

Real gross domestic product (GDP) increased 1.5% in the first quarter of 2010, after growing 1.2% in the fourth quarter of 2009. Final domestic demand advanced 1.1% as spending on housing as well as consumer goods and services continued to grow. Real GDP increased 0.6% in March, a seventh consecutive monthly advance.

Gross domestic product outpaces final domestic demand

quarterly % change



Production grew faster in the first quarter of 2010 than in the fourth quarter of 2009, and inventory levels rose after being drawn down in all four quarters of 2009.

Residential investment increased for a fourth consecutive quarter, as did consumer spending on goods and services. Export and import volumes both rose for a third consecutive quarter, with growth in imports outpacing growth in exports in the first quarter.

Expressed at an annualized rate, real GDP grew 6.1% in the first quarter after advancing 4.9% in the fourth quarter of 2009. This compared with a 3.0% first quarter rate of increase in the US economy.

Note to readers

Effective the first quarter of 2010, the quarterly Financial Flow Accounts will be released concurrently with the estimate of quarterly gross domestic product (GDP) and its components. This not only improves the timeliness of the Financial Flow Accounts, it also permits the integration of the analysis of income generated from production and final expenditure on production with the financing of production and final expenditure found in the Financial Flow Accounts.

Percentage changes for expenditure-based and industry-based statistics (such as personal expenditures, investment, exports, imports, and output) are calculated from volume measures that are adjusted for price variations. Percentage changes for income-based and flow-of-funds statistics (such as labour income, corporate profits, mortgage borrowing, and total funds raised) are calculated from nominal values; that is, they are not adjusted for price variations.

There are four ways of expressing growth rates for GDP and other time series found in this release:

Unless otherwise stated, the growth rates of all quarterly data in this article represent the percentage change in the series from one quarter to the next, such as from the fourth quarter of 2009 to the first quarter of 2010.

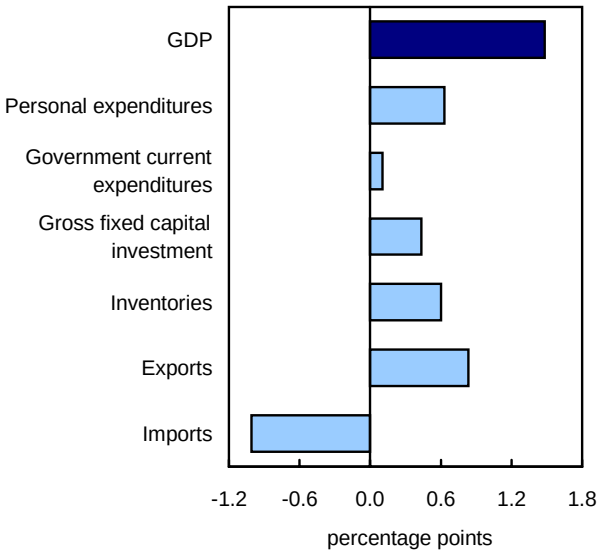
The quarterly growth can be expressed at an annual rate by using a compound growth formula, similar to the way in which a monthly interest rate can be expressed at an annual rate. Expressing growth at an annual rate facilitates comparisons to official GDP statistics from the United States. Both the quarterly growth rate and the annualized quarterly growth rate should be interpreted as an indication of the latest trend in GDP.

The year-over-year growth rate is the percentage change in GDP from a given quarter in one year to the same quarter one year later, such as from the first quarter of 2009 to the first quarter of 2010.

The growth rates of all monthly data in this article represent the percentage change in the series from one month to the next, such as from November to December 2009.

The output of the goods-producing industries (+2.7%) increased for a second consecutive quarter, mainly on the strength of manufacturing and, to a lesser extent, construction and mining. In manufacturing, the gains were widespread, with durable and non-durable goods advancing 5.9% and 2.1% respectively. Services-producing industries (+1.1%) continued to rise, with wholesale and retail trade leading the way.

Contributions to percent change in real gross domestic product (GDP), first quarter 2010



Real gross domestic product[1]

	Change	Annualized change	Year-over-year change
		%	
First quarter 2009	-1.8	-7.0	-2.5
Second quarter 2009	-0.7	-2.8	-3.2
Third quarter 2009	0.2	0.9	-3.1
Fourth quarter 2009	1.2	4.9	-1.1
First quarter 2010	1.5	6.1	2.2

1. *The change is the growth rate from one period to the next. The annualized change is the growth rate compounded annually. The year-over-year change is the growth rate of a given quarter compared with the same quarter in a previous year.*

Consumer spending increases

Consumers increased their spending on goods and services by 1.1% in the first quarter of 2010, following a 1.0% gain in the fourth quarter. Household spending on semi-durable goods advanced, particularly for clothing, footwear, and accessories. Expenditure on new motor vehicles grew, but at a much slower pace than in the previous three quarters. Spending on services was up 0.7%, after advancing 1.0% in the fourth quarter.

Government spending increases at a slower rate

The growth in government current expenditure on goods and services slowed to 0.5%, following increases of 1.6% in the third quarter of 2009 and 1.7% in the fourth. After five quarters in which growth averaged over 4%, government capital expenditure advanced 1.1% in the first quarter.

Housing demand continues to advance

Investment in residential structures increased 5.4%, the fourth consecutive quarterly gain in this activity. New housing construction (+11%) pushed investment higher, while renovation activity was up 6.3%. February 1 was the deadline for expenditures to quality for the federal government's Home Renovation Tax Credit.

Ownership transfer costs related to housing resale activity declined for the first time since the fourth quarter of 2008. Transfer costs grew 57% over the last three quarters of 2009.

Nominal mortgage borrowing by households was up sharply in the first quarter, recording its fourth consecutive quarterly advance.

Investment in machinery and equipment rises

Business investment in plant and equipment grew 0.2%. Expenditure on machinery and equipment advanced 1.8%, but was, nonetheless, 23% below the peak attained in the first quarter of 2008. Investment in industrial machinery was a major contributor to the first quarter gain.

Business investment in non-residential structures fell 1.4%, the sixth consecutive quarterly contraction in this type of investment. Both building and engineering investment continued to decline, a trend that began in 2008.

Exports and imports up again

Exports of goods and services grew 2.9%, the third consecutive quarterly gain following five quarters of decline. Industrial goods and materials (+9.4%) as well as automotive products (+4.1%) had notable increases. Following six consecutive quarters of decline, exports of travel services rose 4.1%, partly as a result of the Vancouver 2010 Olympic and Paralympic Winter Games held in February and March.

Imports of goods and services were up 3.4%, following a similar rise in the fourth quarter. Imports of industrial goods and materials, automotive products

as well as machinery and equipment were the main contributors to the increase.

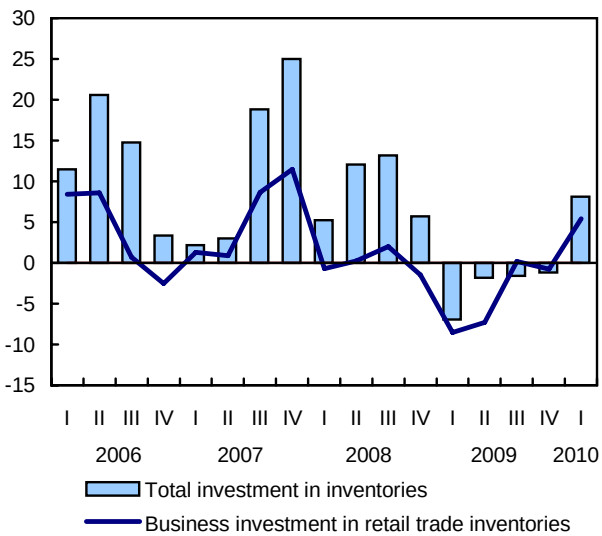
Inventories accumulate

Business inventories rose in the first quarter after being drawn down for four consecutive quarters. Retail inventories increased while manufacturers drew down their inventories.

The economy-wide ratio of stock to sales was down for a third consecutive quarter, and has fallen to its lowest level since the third quarter of 2008. Businesses held inventories equivalent to 65 days of sales; this was down from 66 days in the previous quarter. Nevertheless, the stock to sales ratio in the first quarter was higher than in any quarter from the fourth quarter of 2001 through the third quarter of 2008.

Inventories rise

billions of chained (2002) dollars



Prices rise

The price of goods and services produced in Canada rose 1.1% in the first quarter. Prices for exported energy products and exported industrial goods and materials registered notable gains, while the overall price of imports declined 0.6%.

The price of final domestic demand was up 0.4%. This was the fourth consecutive quarter in which the growth of the final domestic demand price was lower than that of the price of goods and services produced in Canada.

The price of consumer goods and services in Canada rose 0.3%, following a 0.8% increase in the fourth quarter.

The price of both residential and non-residential structures increased in the first quarter, while the price of business machinery and equipment declined for a fourth consecutive quarter.

Gross domestic income rises

Real gross domestic income (GDI), a measure of the purchasing power Canada acquires from its production of goods and services, grew 2.1% in the first quarter, a third consecutive gain. Canada's terms of trade, a measure of export prices relative to import prices, improved for a fourth consecutive quarter.

Whereas real GDP measures the volume of production, real GDI accounts for both the volume of production as well as changes in relative prices. When export prices rise relative to import prices, Canada's ability to purchase goods and services (real GDI) increases more than the rise in real GDP.

Real gross domestic income[1]

	Change	Annualized change	Year-over-year change
		%	
First quarter 2009	-3.5	-13.1	-6.6
Second quarter 2009	-0.2	-1.0	-8.3
Third quarter 2009	1.1	4.4	-7.1
Fourth quarter 2009	2.1	8.7	-0.6
First quarter 2010	2.1	8.7	5.1

1. *The change is the growth rate from one period to the next. The annualized change is the growth rate compounded annually. The year-over-year change is the growth rate of a given quarter compared with the same quarter in a previous year.*

Incomes up again

Nominal GDP expanded 2.5% following a 2.4% gain in the fourth quarter of 2009. Labour income advanced 1.2%, slightly less than it did in the fourth quarter. Wages and salaries increased 2.7% in the goods-producing industries and were up 0.7% in the service-producing industries.

Corporate profits advanced 8.6%, the third consecutive quarterly gain. Likewise, government business enterprise profits were up 12%, following an 18% increase in the fourth quarter.

Personal disposable income rose 0.6%, a slower pace than in the previous quarter. Current transfers from government to the household sector declined for the first time since the second quarter of 2008, as Employment Insurance payments fell 9.5%.

The personal saving rate was 2.8%, its lowest level since the third quarter of 2008. The national saving rate, however, increased from 3.8% in the fourth quarter of 2009 to 5.5% in the first quarter, as corporate profits moved upward and government income increased more than government outlays.

Financing activity increases

Total funds raised by domestic non-financial sectors increased in the first quarter of 2010. The increase in financing was widespread among the various sectors of the Canadian economy.

Borrowing by the household sector grew. Higher mortgage borrowing was partially offset by lower borrowing by way of consumer credit.

The household sector debt-service ratio increased slightly, reaching 7.44%. The debt-service ratio is a measure of household interest payments as a percentage of personal disposable income.

Borrowing by all levels of government was up as bond issuance rose, particularly for the federal government.

Funds raised by non-financial private corporations increased, largely due to higher debt financing.

The non-resident sector continued to be a net lender to the Canadian economy. This reflects the quarterly current account deficit recorded by Canada since the fourth quarter of 2008.

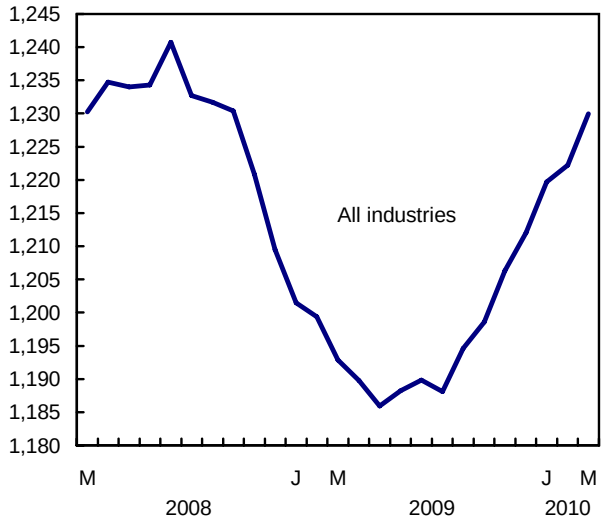
Gross domestic product by industry, March 2010

Real GDP grew 0.6% in March, with most major industrial sectors increasing their production. Output of goods-producing industries advanced 1.4% while the service sector rose 0.3%. Manufacturing, mining and oil and gas extraction, wholesale and retail trade, as well as residential construction were the main sources of growth.

Conversely, output in performing arts and spectator sports, accommodation services, and radio and television broadcasting declined, as it returned to more normal levels following the Vancouver 2010 Winter Olympic Games in February. The utilities sector also retreated, as unseasonably warm weather throughout most of Canada lowered the demand for both electricity and natural gas.

A robust increase in real gross domestic product in March

billions of chained (2002) dollars



Manufacturing rose 1.8% in March with 20 of the 21 major groups advancing. Manufacturers of machinery, primary and fabricated metal products, as well as non-metallic mineral and food products recorded significant production increases.

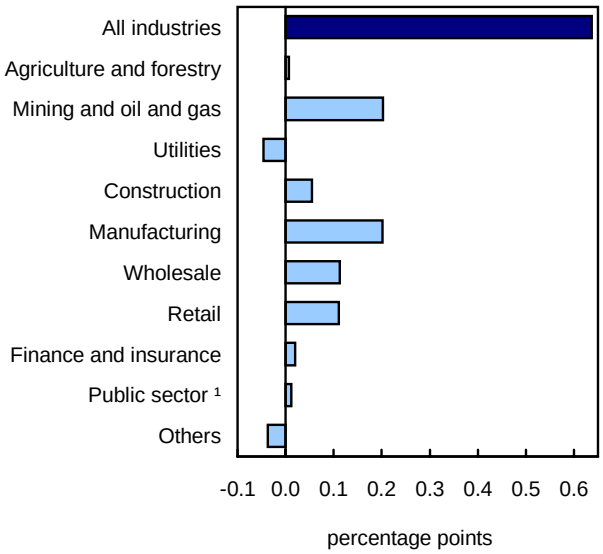
Mining and oil and gas extraction rose 2.7%, mainly as a result of a significant increase in oil extraction. Increased activity at copper, nickel, lead and zinc mines, as well as at gold and silver ore mines also contributed to the growth. Support activities for mining and oil and gas extraction retreated after seven consecutive monthly increases.

Retail trade grew 1.8% in March. New and used car dealers recorded a significant increase in their volume of activity. Wholesale trade advanced 2.0%, with most types of wholesalers increasing. In both retail and wholesale trade, there was a significant increase in the demand for building and outdoor home supplies, mirroring increased activity in construction.

Construction rose 0.9%, largely on the strength of residential building construction (+2.5%). Engineering construction retreated while non-residential construction edged up.

The finance and insurance sector rose 0.3%, as the volume of trading on the stock exchanges went up.

Main industrial sectors' contribution to the percent change in gross domestic product, March 2010



1. Education, health and public administration.

Products, services and contact information

Detailed analysis and tables

The *National economic accounts* module, accessible from the *Key resource* module of our website, features an up-to-date portrait of national and provincial economies and their structure.

Additional tables and links to other releases from the national accounts can be found in the first quarter 2010 issue of *Canadian Economic Accounts Quarterly Review*, Vol. 9, no. 1 (13-010-X, free). This publication is now available from the *Key resource* module of our website under *Publications*. This publication will be updated on June 21, at the time of the release of the National Balance Sheet Accounts. Revised estimates of the Income and Expenditure Accounts covering the period 2006 to 2009 have been released along with those for the first quarter of 2010. These estimates incorporate new and revised source data and updated estimates of seasonal patterns. For a detailed analysis of the annual and quarterly revisions to gross domestic product and its components, consult the article "The 2006 to 2009 revisions of the Income and Expenditure Accounts" in the publication *Latest Developments in the Canadian Economic Accounts* (13-605-X, free). From the *Key resource* module of our website, choose *Publications*.

Gross domestic product by industry

Available on CANSIM: table 379-0027.

Definitions, data sources and methods: survey number, including related surveys, 1301.

The March 2010 issue of *Gross Domestic Product by Industry*, Vol. 24, no. 3 (15-001-X, free), is now available from the *Key resource* module of our website under *Publications*.

For more information, or to order data, contact the dissemination agent (613-951-4623; toll-free at 1-800-887-4623; *iad-info-dci@statcan.gc.ca*). To enquire about the concepts, methods or data quality of this release, contact Bernard Lefrançois (613-951-3622), Industry Accounts Division.

Income and expenditure accounts

Available on CANSIM: tables 026-0009, 380-0001 to 380-0017, 380-0019 to 380-0035, 380-0056, 380-0059 to 380-0062 and 382-0006.

Definitions, data sources and methods: survey numbers, including related surveys, 1901 and 2602.

The first quarter 2010 issues of *National Income and Expenditure Accounts: Data Tables*, Vol. 3, no. 1 (13-019-X, free), and *Estimates of Labour Income: Data Tables*, Vol. 3, no. 1 (13-021-X, free), are also 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, consult the *Guide to the Income and Expenditure Accounts* (13-017-X, free) or contact the information officer (613-951-3640, *iead-info-dcrd@statcan.gc.ca*), Income and Expenditure Accounts Division.

Financial flow accounts

Available on CANSIM: tables 378-0015 to 378-0048.

Definitions, data sources and methods: survey number 1804.

The first quarter 2010 issue of *Financial Flow Accounts: Data Tables*, Vol. 3, no. 1 (13-020-X, free), is also 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.

□

Canadian economic accounts key indicators[1]

	Fourth quarter 2008	First quarter 2009	Second quarter 2009	Third quarter 2009	Fourth quarter 2009	First quarter 2010	2008	2009
	Seasonally adjusted at annual rates							
	millions of dollars at current prices							
Gross domestic product by income and by expenditure								
Wages, salaries and supplementary labour income	824,508	817,664	814,944	816,288	827,368	837,184	818,613	819,066
	0.3	-0.8	-0.3	0.2	1.4	1.2	4.3	0.1
Corporation profits before taxes	180,760	147,768	134,000	146,920	158,900	172,552	216,970	146,897
	-25.2	-18.3	-9.3	9.6	8.2	8.6	8.0	-32.3
Interest and miscellaneous investment income	74,648	63,344	61,984	63,944	66,516	68,464	83,998	63,947
	-18.6	-15.1	-2.1	3.2	4.0	2.9	17.3	-23.9
Net income of unincorporated business	97,232	96,884	98,960	100,656	103,016	103,892	94,559	99,879
	1.6	-0.4	2.1	1.7	2.3	0.9	4.6	5.6
Taxes less subsidies	163,824	160,968	163,060	164,296	166,212	169,376	165,934	163,634
	-2.7	-1.7	1.3	0.8	1.2	1.9	-0.5	-1.4
Personal disposable income	957,440	956,908	963,492	967,044	975,068	980,488	949,484	965,628
	1.0	-0.1	0.7	0.4	0.8	0.6	5.3	1.7
Personal saving rate[2]	4.7	5.2	5.1	4.4	3.5	2.8	3.6	4.6
	...	...	...	...	...	...	...	...
	millions of chained (2002) dollars							
Personal expenditure on consumer goods and services	807,484	805,212	809,684	817,284	825,194	834,057	810,723	814,344
	-0.7	-0.3	0.6	0.9	1.0	1.1	2.9	0.4
Government current expenditure on goods and services	266,356	268,365	269,339	273,663	278,245	279,578	263,243	272,403
	1.1	0.8	0.4	1.6	1.7	0.5	3.9	3.5
Gross fixed capital formation	306,137	280,326	274,416	279,972	284,101	289,919	316,795	279,704
	-4.5	-8.4	-2.1	2.0	1.5	2.0	1.4	-11.7
Investment in inventories	5,687	-6,931	-1,809	-1,600	-1,175	8,095	9,043	-2,879
	...	...	...	...	...	...	...	...
Exports of goods and services	465,053	423,045	405,109	414,403	428,043	440,338	486,783	417,650
	-4.0	-9.0	-4.2	2.3	3.3	2.9	-4.6	-14.2
Imports of goods and services	545,309	482,600	480,333	510,165	525,291	542,944	580,384	499,597
	-6.9	-11.5	-0.5	6.2	3.0	3.4	1.2	-13.9
Gross domestic product at market prices	1,310,811	1,287,151	1,278,013	1,280,856	1,296,396	1,315,610	1,318,055	1,285,604
	-0.8	-1.8	-0.7	0.2	1.2	1.5	0.5	-2.5
Gross domestic product at basic prices by industry								
Goods producing industries	356,397	338,637	326,547	323,515	330,703	339,568	363,625	329,851
	-2.6	-5.0	-3.6	-0.9	2.2	2.7	-2.6	-9.3
Industrial production	255,369	243,110	233,534	230,718	235,777	242,393	261,955	235,785
	-3.2	-4.8	-3.9	-1.2	2.2	2.8	-4.2	-10.0
Energy sector	83,264	82,371	78,902	77,661	79,121	79,434	84,147	79,514
	-1.5	-1.1	-4.2	-1.6	1.9	0.4	-3.0	-5.5
Manufacturing	165,643	153,525	148,530	149,585	152,500	158,916	171,906	151,035
	-4.1	-7.3	-3.3	0.7	1.9	4.2	-5.7	-12.1
Non-durable manufacturing	66,018	64,109	62,309	62,506	63,369	64,727	67,604	63,073
	-2.5	-2.9	-2.8	0.3	1.4	2.1	-4.6	-6.7
Durable manufacturing	99,819	89,227	86,004	86,891	88,983	94,200	104,617	87,776
	-5.3	-10.6	-3.6	1.0	2.4	5.9	-6.5	-16.1
Construction	74,362	69,742	68,066	68,361	70,037	71,803	74,452	69,051
	-0.9	-6.2	-2.4	0.4	2.5	2.5	2.8	-7.3
Services producing industries	866,563	862,842	865,712	871,923	879,323	888,559	869,154	869,950
	-0.6	-0.4	0.3	0.7	0.8	1.1	2.1	0.1
Wholesale trade	67,321	64,254	64,625	66,795	68,239	70,888	70,693	65,978
	-4.9	-4.6	0.6	3.4	2.2	3.9	0.5	-6.7
Retail trade	74,186	73,409	74,055	75,134	75,682	77,638	74,963	74,570
	-1.5	-1.0	0.9	1.5	0.7	2.6	3.0	-0.5
Transportation and warehousing	57,425	55,830	55,222	55,745	56,558	57,509	58,323	55,839
	-2.1	-2.8	-1.1	0.9	1.5	1.7	0.5	-4.3
Finance, insurance, real estate and renting	246,830	247,563	250,952	253,007	255,679	257,348	246,623	251,800
	-0.1	0.3	1.4	0.8	1.1	0.7	2.2	2.1
Information and communication technologies	59,629	58,958	58,670	58,588	58,805	59,476	59,536	58,755
	-0.2	-1.1	-0.5	-0.1	0.4	1.1	3.0	-1.3

... not applicable

1. The first line is the series itself expressed in millions of dollars, seasonally adjusted at annual rates. The second line is the quarter to quarter percentage change at quarterly rates.

2. Actual rate.

Monthly gross domestic product by industry at basic prices in chained (2002) dollars

	October 2009[r]	November 2009[r]	December 2009[r]	January 2010[r]	February 2010[r]	March 2010[p]	March 2010	March 2009 to March 2010
	Seasonally adjusted							
	month-to-month % change						$ millions[1]	% change
All industries	**0.3**	**0.6**	**0.5**	**0.6**	**0.2**	**0.6**	**1,229,992**	**3.1**
Goods-producing industries	**0.6**	**1.1**	**0.5**	**1.4**	**0.2**	**1.4**	**342,990**	**2.8**
Agriculture, forestry, fishing and hunting	1.3	1.3	0.2	-0.1	1.4	0.5	25,625	-0.7
Mining and oil and gas extraction	0.6	1.6	-0.9	1.4	-1.1	2.7	52,178	-1.4
Utilities	2.3	-1.3	1.8	0.2	0.5	-1.9	29,590	-3.4
Construction	0.7	1.5	0.3	2.0	-0.7	0.9	72,042	4.6
Manufacturing	0.2	1.0	1.2	1.6	1.3	1.8	161,450	6.7
Services-producing industries	**0.2**	**0.5**	**0.5**	**0.3**	**0.2**	**0.3**	**891,044**	**3.2**
Wholesale trade	-0.0	2.4	1.2	2.3	-1.1	2.0	71,551	12.2
Retail trade	0.3	-0.7	0.5	1.3	0.8	1.8	78,772	7.1
Transportation and warehousing	0.4	0.6	1.1	0.4	0.3	0.4	57,722	3.5
Information and cultural industries	0.1	-0.0	0.1	0.1	0.4	-0.4	45,324	-2.2
Finance, insurance and real estate	0.2	0.7	0.4	-0.0	0.2	0.2	257,867	3.8
Professional, scientific and technical services	0.0	-0.1	0.1	-0.1	0.0	-0.0	60,099	-1.5
Administrative and waste management services	0.1	-0.1	0.3	-0.1	0.2	-0.1	29,578	-2.8
Education services	0.3	0.4	0.4	0.2	0.1	-0.0	63,053	3.0
Health care and social assistance	0.2	0.3	0.3	0.0	0.0	0.1	82,608	2.2
Arts, entertainment and recreation	0.5	0.1	0.5	-0.5	6.0	-5.4	11,183	-0.4
Accommodation and food services	0.7	0.0	1.2	-0.3	2.3	-0.4	27,456	2.9
Other services (except public administration)	-0.1	-0.0	0.1	-0.1	-0.0	-0.1	32,026	-0.9
Public administration	0.3	0.4	0.4	0.1	0.1	0.1	74,169	3.2
Other aggregations								
Industrial production	0.5	1.0	0.5	1.3	0.3	1.7	245,369	2.6
Non-durable manufacturing industries	-0.1	1.3	0.1	0.6	1.0	1.3	65,482	3.3
Durable manufacturing industries	0.4	0.8	2.1	2.3	1.5	2.2	96,014	9.5
Business sector industries	0.4	0.7	0.5	0.7	0.2	0.8	1,020,946	3.2
Non-business sector industries	0.2	0.3	0.3	0.2	0.1	0.0	209,121	2.7
Information and communication technologies industries	0.4	0.4	0.1	0.4	0.4	0.6	59,802	1.8
Energy sector	1.0	0.7	-0.3	0.9	-1.4	1.3	79,709	-1.6

r *revised*
p *preliminary*
1. *Millions of chained (2002) dollars, seasonally adjusted at annual rates.*

Gross domestic product, implicit chain price indexes

	Fourth quarter 2008	First quarter 2009	Second quarter 2009	Third quarter 2009	Fourth quarter 2009	First quarter 2010
	Using seasonally adjusted data (2002=100)					
	quarterly % change					
Personal expenditure on consumer goods and services	-0.8	0.0	0.2	0.2	0.8	0.3
Business gross fixed capital formation	3.0	0.4	-1.3	-0.9	0.1	0.4
Exports of goods and services	-5.6	-7.3	-2.7	-0.5	1.6	1.5
Imports of goods and services	5.4	-2.2	-4.1	-3.2	-1.3	-0.6
Gross domestic product at market prices	**-3.4**	**-1.6**	**0.3**	**0.9**	**1.1**	**1.1**
Final domestic demand	0.4	0.1	0.0	-0.1	0.6	0.4

Gross domestic product, implicit chain price indexes

	Fourth quarter 2008	First quarter 2009	Second quarter 2009	Third quarter 2009	Fourth quarter 2009	First quarter 2010
	Using seasonally adjusted data (2002=100)					
	year-over-year % change					
Personal expenditure on consumer goods and services	1.5	1.0	0.3	-0.5	1.2	1.5
Business gross fixed capital formation	6.8	6.4	3.4	1.2	-1.7	-1.7
Exports of goods and services	12.4	-1.0	-11.6	-15.3	-8.8	-0.1
Imports of goods and services	19.3	13.0	3.9	-4.3	-10.4	-8.9
Gross domestic product at market prices	**1.6**	**-1.3**	**-3.8**	**-3.8**	**0.7**	**3.4**
Final domestic demand	3.3	2.7	1.6	0.4	0.6	1.0

Financial market summary table

	Fourth quarter 2008	First quarter 2009	Second quarter 2009	Third quarter 2009	Fourth quarter 2009	First quarter 2010	2008	2009
	Seasonally adjusted at annual rates							
	millions of dollars							
Funds raised								
Persons and unincorporated business	**97,364**	**86,740**	**88,856**	**91,464**	**92,732**	**110,776**	**111,955**	**89,948**
Consumer credit	28,908	31,052	36,144	38,272	37,504	31,840	32,540	35,743
Loans	11,220	2,880	-2,740	-5,456	-4,544	2,524	9,515	-2,465
Mortgages	57,236	52,808	55,452	58,648	59,772	76,412	69,900	56,670
Non-financial private corporations	**72,636**	**35,280**	**43,828**	**75,384**	**30,116**	**51,668**	**75,475**	**46,152**
Loans	64,504	-15,704	-31,424	-26,972	-17,512	13,208	28,383	-22,903
Short-term paper	-5,048	708	-17,888	-12,652	-27,360	-17,544	2,538	-14,298
Mortgages	16,044	9,868	9,992	9,852	7,552	-428	19,007	9,316
Bonds	-7,064	17,796	55,396	31,384	35,776	24,880	11,363	35,088
Shares	4,200	22,612	27,752	73,772	31,660	31,552	14,184	38,949
Non-financial government enterprises	**-96**	**6,152**	**1,280**	**2,460**	**-6,084**	**-692**	**-3,108**	**952**
Loans	1,384	772	2,300	1,084	-3,332	96	487	206
Short-term paper	-572	-432	-2,096	656	-592	428	-364	-616
Mortgages	4	-8	-4	-4	4	4	3	-3
Bonds	-912	5,820	1,080	724	-2,164	-1,220	-3,234	1,365
Shares	0	0	0	0	0	0	0	0
Federal government	**219,192**	**177,256**	**49,736**	**100,984**	**17,752**	**52,268**	**71,323**	**86,432**
Loans	-124	-236	-76	296	256	12	-100	60
Short-term paper	184,324	70,852	2,088	-11,624	-47,340	-32,128	65,710	3,494
Bonds	34,992	106,640	47,724	112,312	64,836	84,384	5,713	82,878
Other levels of government	**36,128**	**26,940**	**66,332**	**9,836**	**73,124**	**61,672**	**24,887**	**44,058**
Loans	956	3,868	648	2,600	2,952	1,784	958	2,517
Short-term paper	29,984	-3,668	6,848	9,312	18,124	20,184	13,366	7,654
Mortgages	4	8	-4	-4	4	4	-26	1
Bonds	5,184	26,732	58,840	-2,072	52,044	39,700	10,589	33,886
Total funds raised by domestic non-financial sectors	**425,224**	**332,368**	**250,032**	**280,128**	**207,640**	**275,692**	**280,532**	**267,542**
Consumer credit	28,908	31,052	36,144	38,272	37,504	31,840	32,540	35,743
Loans	77,940	-8,420	-31,292	-28,448	-22,180	17,624	39,243	-22,585
Short-term paper	208,688	67,460	-11,048	-14,308	-57,168	-29,060	81,250	-3,766
Mortgages	73,288	62,676	65,436	68,492	67,332	75,992	88,884	65,984
Bonds	32,200	156,988	163,040	142,348	150,492	147,744	24,431	153,217
Shares	4,200	22,612	27,752	73,772	31,660	31,552	14,184	38,949

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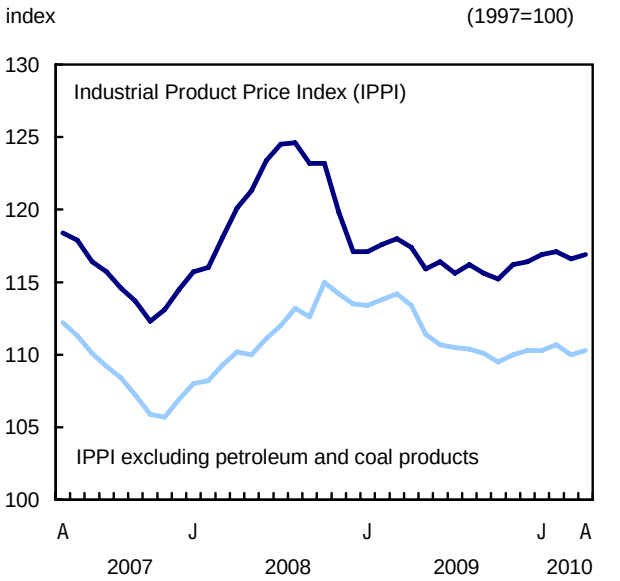
Industrial product and raw materials price indexes

April 2010

The Industrial Product Price Index (IPPI) increased 0.3% in April, mainly as a result of higher prices for primary metal products. The Raw Materials Price Index (RMPI) rose 1.7%, largely led by higher prices for mineral fuels, particularly crude oil.

Prices for industrial goods increase



Note to readers

All data in this release are seasonally unadjusted and are subject to revision for six months (for example, when the July index is released, the index for the preceding January becomes final).

*The **Industrial Product Price Index** (IPPI) reflects the prices that producers in Canada receive as the goods leave the plant gate. It does not reflect what the consumer pays. Unlike the Consumer Price Index, the IPPI excludes indirect taxes and all the costs that occur between the time a good leaves the plant and the time the final user takes possession of it, including the transportation, wholesale, and retail costs.*

Canadian producers export many goods. They often indicate their prices in foreign currencies, especially in US dollars, which are then converted into Canadian dollars. In particular, this is the case for motor vehicles, pulp, paper and wood products. Therefore, a rise or fall in the value of the Canadian dollar against its US counterpart affects the IPPI. But the conversion into Canadian dollars only reflects how respondents provide their prices. Moreover, this is not a measure that takes into account the full effect of exchange rates, since that is a more difficult analytical task.

The conversion of prices received in US dollars is based on the average monthly exchange rate (noon spot rate) established by the Bank of Canada, and it is available on CANSIM in table 176-0064 (series v37426). Monthly and annual variations in the exchange rate, as described in the text, are calculated according to the indirect quotation of the exchange rate (for example, CAN$1=US$X).

*The **Raw Materials Price Index** (RMPI) reflects the prices paid by Canadian manufacturers for key raw materials. Many of those prices are set on the world market. However, most prices are denominated in Canadian dollars. For this reason, conversion into Canadian dollars has only a minor effect on the calculation of the RMPI. Moreover, the full effect of exchange rates on the RMPI is not measured, since that is a more difficult analytical task.*

The IPPI rebounded with an increase of 0.3% in April, following a 0.4% decline in March. The Index has generally been on an upward trend since November 2009.

The April IPPI advance was mainly driven by higher prices for primary metal products (+3.7%). Prices of all primary metal products increased, particularly nickel products (+13.4%), as a result of lower nickel production as well as strong demand from stainless steel producers.

On the other hand, the IPPI increase was dampened mainly by lower prices for motor vehicles and other transportation equipment, which fell 1.1% in April, largely as a result of the 1.8% appreciation of the Canadian dollar relative to the US dollar. To a lesser extent, the increase in the IPPI was moderated by lower prices for electrical and communications products (-0.7%), pulp and paper products (-0.4%) as well as machinery and equipment (-0.4%).

Some Canadian producers who export their products to the United States are generally paid on the basis of prices set in US dollars. Consequently, the strength of the Canadian dollar in relation to the US dollar had the effect of reducing the corresponding prices in Canadian dollars. If the exchange rate used to convert these prices had remained unchanged, the IPPI would have risen 0.7% instead of 0.3%.

Excluding petroleum and coal prices, the IPPI increase would have remained unchanged at 0.3% in April.

12-month change: The appreciation of the Canadian dollar is still the main factor in the IPPI decline

The IPPI was down 0.4% in April compared with the same month a year earlier, a slower pace than the 1.2% decrease in March. The index has been posting consecutive year-over-year declines since March 2009, with the largest occurring in July 2009 (-7.1%).

The decrease in the IPPI over the past 12 months was led mainly by motor vehicles and other transportation equipment (-11.5%). Other commodities made smaller contributions to the decline, including pulp and paper products (-8.0%), electrical and communication products (-6.8%), and machinery and equipment (-5.2%).

On the other hand, rising prices for petroleum and coal products (+25.5%) and primary metal products (+11.1%) moderated the year-over-year decline of the IPPI in April.

Between April 2009 and April 2010, prices for products excluding petroleum and coal were down 2.7%, smaller than the 3.7% decline observed in March. The IPPI excluding petroleum and coal has posted year-over-year decreases beginning in June 2009. The largest year-over-year decline since June 2009 was in October 2009 (-4.8%).

Since April 2009, the Canadian dollar has appreciated 21.8% in value relative to its US counterpart, and if the direct effect of the exchange rate had been excluded, the IPPI would have increased 4.2% instead of declining 0.4%.

Raw Materials Price Index: Fourth consecutive monthly increase

The Raw Materials Price Index (RMPI) increased 1.7% in April, following gains of 0.4% in February and 0.8% in March. The upward trend that began in January 2009 is continuing, sustained by rising prices for mineral fuels and non-ferrous metals.

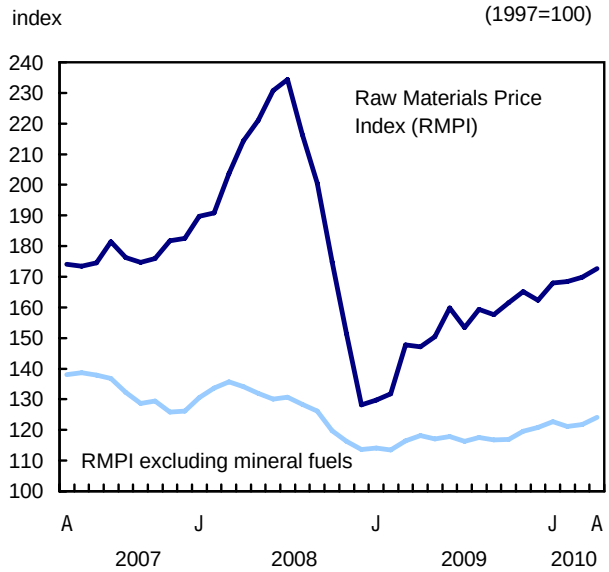
In April, the RMPI advance was mainly a result of rising prices for mineral fuels, particularly crude oil. After increasing 5.6% in January, crude oil prices posted gains of 2.1% in February and 1.4% in both March and April.

The 3.0% increase in prices for non-ferrous metals also contributed to the advance of the RMPI in April, led mainly by copper and nickel concentrates (+9.2%). Most of the products in the non-ferrous metals group were up, except for non-ferrous metal scraps and radioactive concentrates. The demand for metals was bolstered by stronger economic activity.

Excluding mineral fuels, the RMPI increased 2.0% in April, following a 0.4% gain in March. In April, five of the seven major groups posted increases while the other two groups had no change.

From April 2009 to April 2010, raw materials prices rose 17.3%, following an upward trend that began in November 2009. Crude oil prices (+37.8%) and non-ferrous metals (+23.1%) in April were the main contributors to the year-over-year RMPI advance. Ferrous materials (+13.5%) played a small role in the RMPI increase. All other groups posted declines.

Raw materials prices continue to 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 April 2010 issue of *Industry Price Indexes* (62-011-X, free) will soon be available.

The industrial product and raw material price indexes for May will be released on June 29.

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]	April 2009	March 2010[r]	April 2010[p]	March to April 2010	April 2009 to April 2010
		(1997=100)			% change	
Industrial Product Price Index (IPPI)	**100.00**	**117.4**	**116.6**	**116.9**	**0.3**	**-0.4**
IPPI excluding petroleum and coal products	**94.32**	**113.4**	**110.0**	**110.3**	**0.3**	**-2.7**
Aggregation by commodities						
Meat, fish and dairy products	5.78	114.9	112.6	113.5	0.8	-1.2
Fruit, vegetables, feeds and other food products	5.99	117.8	116.3	116.4	0.1	-1.2
Beverages	1.57	130.0	131.6	131.5	-0.1	1.2
Tobacco and tobacco products	0.63	223.6	222.8	222.7	0.0	-0.4
Rubber, leather and plastic fabricated products	3.30	122.1	121.0	121.4	0.3	-0.6
Textile products	1.58	102.9	101.2	101.3	0.1	-1.6
Knitted products and clothing	1.51	104.7	105.3	105.2	-0.1	0.5
Lumber and other wood products	6.30	82.0	82.7	83.3	0.7	1.6
Furniture and fixtures	1.59	124.8	124.6	124.6	0.0	-0.2
Pulp and paper products	7.23	113.2	104.5	104.1	-0.4	-8.0
Printing and publishing	1.70	125.4	123.3	123.1	-0.2	-1.8
Primary metal products	7.80	127.2	136.3	141.3	3.7	11.1
Metal fabricated products	4.11	133.8	129.9	130.7	0.6	-2.3
Machinery and equipment	5.48	113.2	107.7	107.3	-0.4	-5.2
Motor vehicles and other transport equipment	22.16	99.2	88.8	87.8	-1.1	-11.5
Electrical and communications products	5.77	97.5	91.5	90.9	-0.7	-6.8
Non-metallic mineral products	1.98	128.5	129.1	129.0	-0.1	0.4
Petroleum and coal products[2]	5.68	190.1	237.1	238.5	0.6	25.5
Chemicals and chemical products	7.07	132.5	135.9	136.1	0.1	2.7
Miscellaneous manufactured products	2.40	125.8	123.4	123.8	0.3	-1.6
Miscellaneous non-manufactured products	0.38	238.9	212.8	212.9	0.0	-10.9
Intermediate goods[3]	**60.14**	**119.6**	**120.9**	**121.8**	**0.7**	**1.8**
First-stage intermediate goods[4]	7.71	122.4	139.2	142.3	2.2	16.3
Second-stage intermediate goods[5]	52.43	119.2	118.2	118.7	0.4	-0.4
Finished goods[6]	**39.86**	**114.0**	**110.0**	**109.6**	**-0.4**	**-3.9**
Finished foods and feeds	8.50	121.6	121.4	121.7	0.2	0.1
Capital equipment	11.73	107.0	98.6	97.9	-0.7	-8.5
All other finished goods	19.63	114.9	112.0	111.5	-0.4	-3.0

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]	April 2009	March 2010[r]	April 2010[p]	March to April 2010	April 2009 to April 2010
		(1997=100)			% change	
Raw Materials Price Index (RMPI)	**100.00**	**147.2**	**169.8**	**172.7**	**1.7**	**17.3**
RMPI excluding mineral fuels	**64.84**	**118.1**	**121.7**	**124.1**	**2.0**	**5.1**
Mineral fuels	35.16	210.0	274.0	277.9	1.4	32.3
Vegetable products	10.28	114.9	102.6	103.4	0.8	-10.0
Animals and animal products	20.30	115.6	113.2	114.3	1.0	-1.1
Wood	15.60	76.2	75.3	75.3	0.0	-1.2
Ferrous materials	3.36	134.4	137.7	152.6	10.8	13.5
Non-ferrous metals	12.93	155.2	185.5	191.1	3.0	23.1
Non-metallic minerals	2.38	176.4	176.1	176.1	0.0	-0.2

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

■

Public sector employment

First quarter 2010 (preliminary) and 2006 to 2009 (revised)

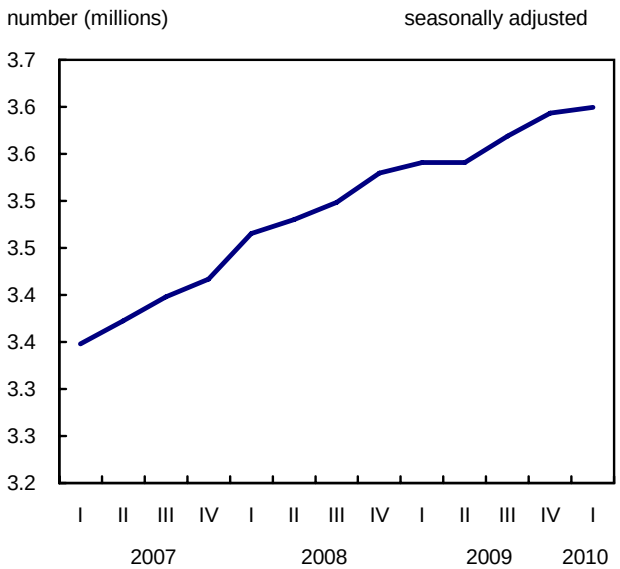
Public sector employment increased 0.2% in the first quarter to 3.6 million employees on a seasonally adjusted basis. This follows a 0.7% advance the previous quarter.

The proportion of public sector employees to total employment in Canada decreased 0.1 percentage points from the previous quarter to 20.5% in the first quarter. This first decline in the last two years was mainly due to stronger growth in private sector employment, which increased 0.7% (+74,000).

Federal general government employment edged up 0.2% in the first quarter of 2010 compared with the fourth quarter of 2009.

Employment in the provincial and territorial general government has remained unchanged since the first quarter of 2009 at 359,000 employees.

Public sector employment



Seasonally adjusted employment statistics are not available for other public sector components, such as local general government, educational institutions, health and social service institutions and government business enterprises, or for wages and salaries. Trend analysis for these components and for wages and salaries is done on a year-over-year basis using unadjusted data.

Data not seasonally adjusted show that public sector employment increased by 1.7% between the first quarter of 2009 and the first quarter of 2010. Almost half of the increase was in Ontario.

In educational institutions, employment grew by 1.3%. This was mainly due to a gain of 13,000 employees in universities.

Note: The public sector includes all economic entities controlled by government, and comprises four major components: the three levels of government (federal, provincial and territorial and local) and each has a general government component comprising ministries, departments, agencies and non-autonomous funds, autonomous funds and organizations, and non-autonomous pension plans; provincial and territorial government also includes universities and colleges, and health and social service institutions; local government also includes school boards; and, the fourth component government business enterprises, which are institutional units controlled by government but that operate on an autonomous basis as commercial corporations in the marketplace.

Available on CANSIM: tables 183-0002 and 183-0004.

Definitions, data sources and methods: survey number 1713.

For a more detailed description of how public sector employment is defined and reconciled with other information sources, refer to the document entitled *Reconciliation of Public Sector Employment Estimates from Multiple Information Sources* by clicking on survey number 1713.

Available on CANSIM: tables 183-0021 and 183-0022.

Data tables on public sector employment are also available in the *National economic accounts* module of our website.

For more information, or to order data, contact Client Services (613-951-0767; *pssd-info-dssp@statcan.gc.ca*). To enquire about the concepts, methods or data quality of this release, contact Alain Baril (613-951-4131; *alain.baril@statcan.gc.ca*), Public Sector Statistics Division.

□

Public sector employment

	First quarter 2009	First quarter 2010	First quarter 2009 to first quarter 2010
	Unadjusted for seasonality		
	thousands		% change
Public sector	**3,567**	**3,626**	**1.7**
Government	3,256	3,315	1.8
General government	1,332	1,352	1.5
Federal	408	420	2.9
Provincial and territorial	350	350	-0.1
Local	574	582	1.4
Educational institutions	1,119	1,134	1.3
Universities and colleges[1]	387	401	3.7
School boards	732	732	0.0
Health and social service institutions	805	830	3.1
Government business enterprises	311	311	0.1

1. Includes vocational and trade institutions.
Note: *Numbers may not add up due to rounding.*

■

Computer and peripherals price indexes
April 2010

The price index for commercial computers decreased 2.9% from March to April, while the index for consumer computers remained unchanged.

In the case of computer peripherals, monitor prices decreased 0.4% in April compared with the previous month, while printer prices declined 1.5%.

These indexes are available at the Canada level only.

Available on CANSIM: tables 331-0004 and 331-0005.

Definitions, data sources and methods: survey number 5032.

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

Commercial Software Price Index
April 2010

The Commercial Software Price Index (CSPI) decreased 0.9% in April from the previous month.

Year over year, the CSPI decreased 9.0%.

Note: The Commercial Software Price Index is a monthly series measuring the change in the purchase price of pre-packaged software typically bought by businesses and governments.

This index is available at the Canada level only.

Available on CANSIM: table 331-0003.

Definitions, data sources and methods: survey number 5068.

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. ■

Electric power selling price indexes
January to April 2010

Electric power selling price indexes (1997=100) are now available for January to April.

Available on CANSIM: table 329-0050.

Definitions, data sources and methods: survey number 2325.

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

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. ■

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To obtain these profiles in electronic format (costs vary for different geography levels), contact Statistics Canada's National Contact Centre.

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Release dates: June 2010

(Release dates are subject to change.)

Release date	Title	Reference period
4	**Labour Force Survey**	May 2010
4	**Building permits**	April 2010
8	**Canadian Social Trends**	June 2010
10	**Canadian international merchandise trade**	April 2010
10	**Canadian Economic Observer**	June 2010
10	**New Housing Price Index**	April 2010
11	**Industrial capacity utilization rates**	First quarter 2010
14	**New motor vehicle sales**	April 2010
15	**Monthly Survey of Manufacturing**	April 2010
15	**Labour productivity, hourly compensation and unit labour cost**	First quarter 2010
16	**Health Reports**	2009
17	**Wholesale trade**	April 2010
17	**Canada's international investment position**	First quarter 2010
18	**Employment Insurance**	April 2010
18	**Canada's international transactions in securities**	April 2010
18	**Travel between Canada and other countries**	April 2010
18	**Leading indicators**	May 2010
21	**National balance sheet accounts**	First quarter 2010
22	**Consumer Price Index**	May 2010
23	**Field crop reporting series: Preliminary estimates of principal field crop areas**	June 2010
23	**Retail trade**	April 2010
25	**Payroll employment, earnings and hours**	April 2010
29	**Industrial product and raw materials price indexes**	May 2010
30	**National tourism indicators**	First quarter 2010
30	**Gross domestic product by industry**	April 2010