

The Daily

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National net worth increased to \$7.3 trillion in the second quarter, up 3% from the first quarter to reach \$207,300 on a per capita basis. This compares with a 2% rise in the first quarter. National saving accounted for 2% of the increase.

Industrial capacity utilization rates, second quarter 2013 8

Canadian industries operated at 80.6% of their production capacity in the second quarter, down slightly from 80.8% in the previous quarter. The manufacturing and non-manufacturing sectors made comparable contributions to the decrease.

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Releases

National balance sheet and financial flow accounts, second quarter 2013

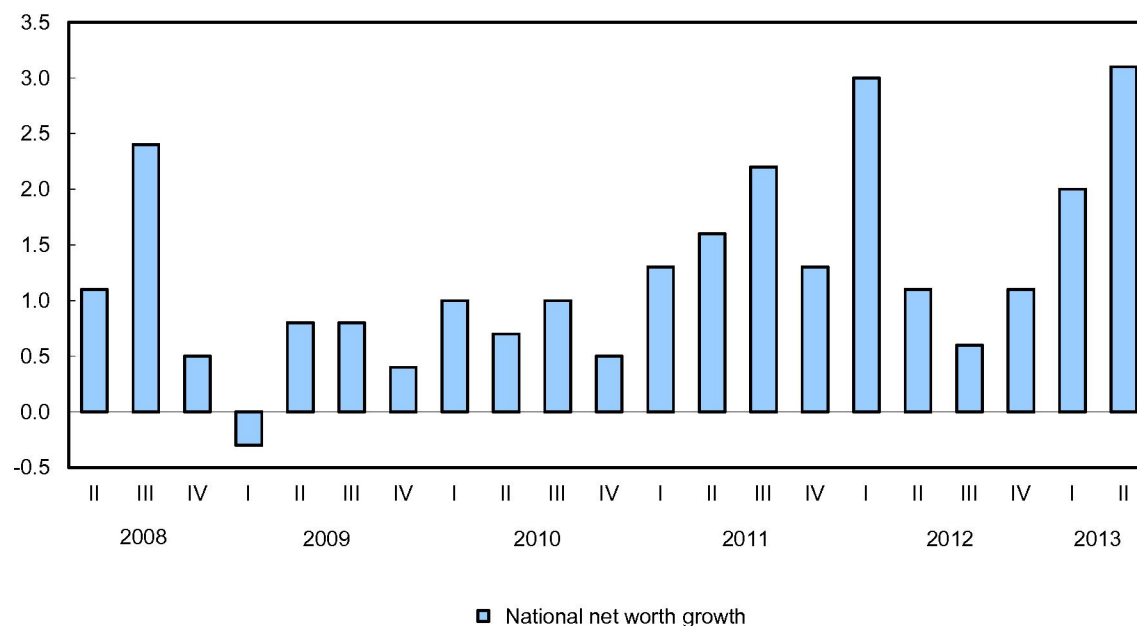
National net worth increased to \$7.3 trillion in the second quarter, up 3% from the first quarter to reach \$207,300 on a per capita basis. This compares with a 2% rise in the first quarter. National saving accounted for 2% of the increase.

Economy-wide non-financial assets, or national wealth, advanced 1% or by \$95 billion to \$7.4 trillion at the end of the second quarter, mainly on gains in the value of residential real estate. This gain in national wealth was a major contributor to the higher national net worth, together with lower net foreign indebtedness.

The decrease in Canada's net foreign indebtedness (international liabilities less international assets) largely reflected the impact of lower domestic stock markets on the value of Canada's international liabilities. Also, the revaluation effect of a weaker Canadian dollar, which depreciated by 3.4% against its US counterpart during the quarter, made US dollar denominated assets more valuable.

Chart 1 National net worth

% change, not seasonally adjusted



Financial markets

Funds raised by domestic non-financial sectors on financial markets totalled \$70 billion in the second quarter. Households and non-financial corporations accounted for the majority of private sector demand for funds. The government sector demand for funds increased in the second quarter, mainly driven by federal and provincial paper issuance.

Credit market debt (consumer credit, mortgages, loans, short-term paper and bonds) of domestic non-financial sectors totalled \$4.2 trillion at the end of the second quarter, up 1.7% from the previous quarter. Bonds accounted for \$1.5 trillion of the outstanding credit market debt, with government debt at about \$1.1 trillion.

Household sector

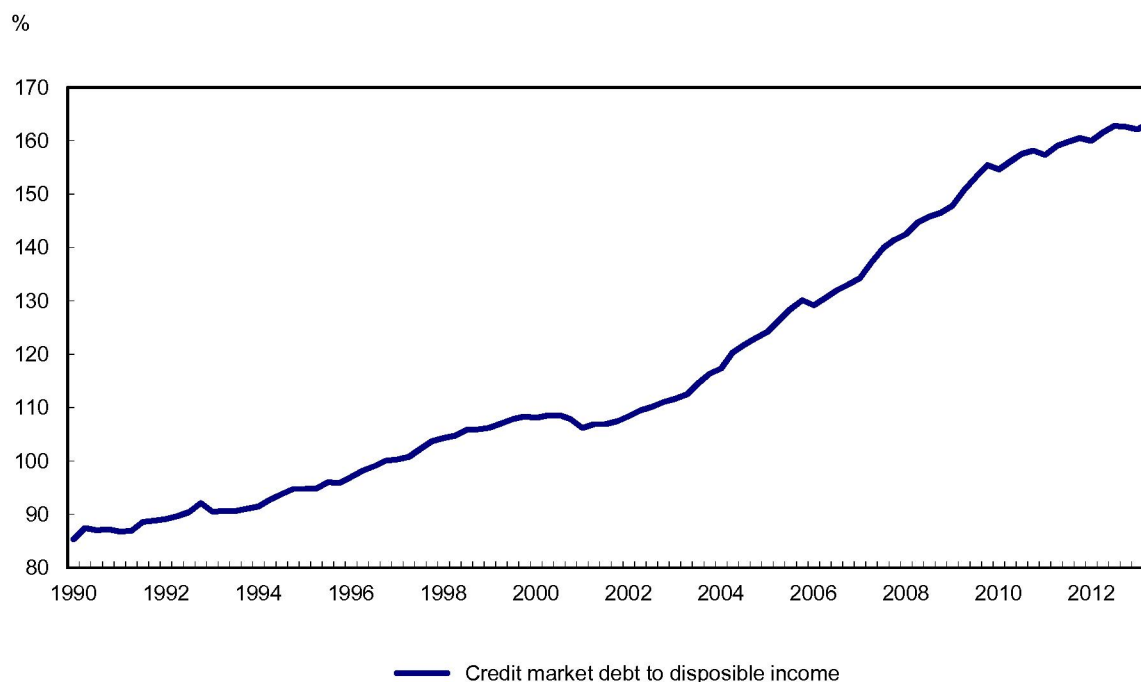
Household net worth advanced 0.7% in the second quarter, led by a 1.6% gain in the value of household real estate during the quarter. On a per capita basis, household net worth rose to \$205,900 in the second quarter.

The increase in household net worth was tempered by weakness in domestic stock markets. The Standard and Poor's / Toronto Stock Exchange composite index was down 4.9% in the quarter, compared with a 2.5% increase in the previous quarter.

Funds raised by households (consumer credit, loans and mortgages) were \$25.9 billion in the second quarter. Mortgage borrowing led the demand for funds at \$18 billion in the quarter with consumer credit also contributing to the household demand for funds.

Mortgage debt stood at just over \$1.1 trillion and consumer credit debt reached \$500 billion by quarter end. The growth in credit market debt increased from 0.5% to 1.6% during the quarter. Leverage, as measured by household credit market debt to disposable income, increased to 163.4% in the second quarter, up from 162.1% in the first quarter. This increase followed two consecutive quarterly declines in this measure. Owner's equity as a percentage of real estate remained stable at 69.1%.

Chart 2
Household credit market debt to disposable income



Government sector

Total government net debt (expressed at book value) rose from \$922 billion in the first quarter to \$937 billion in the second quarter. New government borrowing during the quarter was led by federal short-term paper issuance.

The ratio of total government net debt to gross domestic product continued to trend upward, increasing to 51.0% at quarter end from 50.4% in the first quarter. Higher borrowing drove this increase, which was accentuated by revaluation effects to foreign currency denominated provincial bonds arising from a weaker Canadian dollar.

Corporate sector

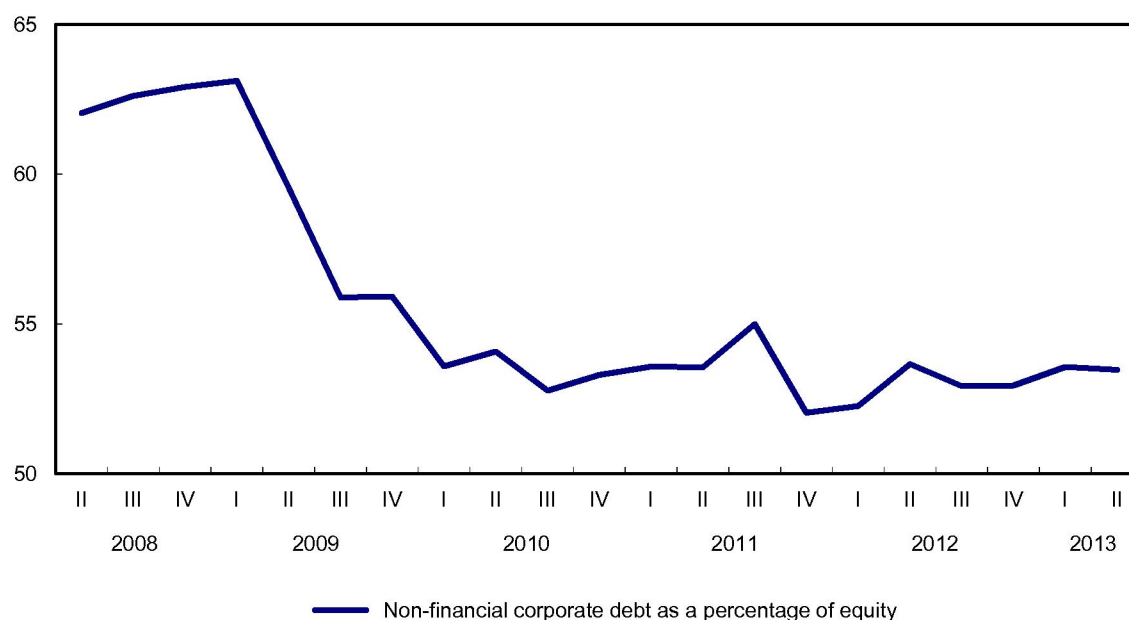
The corporate sector remained a net lender to the rest of the economy, led by financial corporations. The corporate sector lent \$17 billion during the quarter, up from \$10.2 billion during the previous quarter.

Financial assets of financial corporations increased by \$11 billion to reach \$9.9 trillion, with the financial assets of mutual funds representing the largest share of this gain. Of this increase, the majority reflected higher foreign equity assets and mutual fund shares. Bond holdings of financial corporations decreased in value by \$27 billion during the quarter as yields were sharply higher.

Non-financial corporations demand for funds was \$17 billion during the quarter, comprised mainly of share and bond issuances. On a book value basis, the ratio of debt-to-equity of non-financial corporations edged down in the second quarter, standing at 53 cents of credit market debt for every dollar of equity.

Chart 3
Non-financial corporate debt-to-equity ratio

%, not seasonally adjusted



Note to readers

This release is a combined analysis of the National balance sheet accounts and Financial flow accounts. The National balance sheet accounts comprise the balance sheets of all sectors and sub-sectors of the economy. The main sectors are households, non-profit institutions serving households, financial corporations, non-financial corporations, government, and non-residents. They cover all national non-financial assets and financial asset-liability claims outstanding in all sectors.

The Financial flow accounts (FFA) measure net lending or borrowing by examining financial transactions in the economy by sector. The FFA arrive at a measure of net financial investment which is the difference between transactions in financial assets and liabilities (for example, net purchases of securities less net issuance of securities). The FFA also provide the link between financial and non-financial activity in the economy which ties estimates of saving and non-financial capital acquisition (for example, investment in new housing) with the underlying financial transactions.

Definitions concerning financial indicators can be found in [Financial indicators from the National balance sheet accounts](#).

Table 1
National balance sheet accounts – Market value, not seasonally adjusted

	First quarter 2012	Second quarter 2012	Third quarter 2012	Fourth quarter 2012	First quarter 2013	Second quarter 2013	First quarter to second quarter 2013
	billions of dollars						change in billions of dollars
National net worth	6,768	6,840	6,878	6,954	7,093	7,310	217
Period-to-period percentage change	3.0	1.1	0.6	1.1	2.0	3.1	
National wealth	6,973	7,086	7,179	7,256	7,319	7,414	95
Period-to-period percentage change	1.9	1.6	1.3	1.1	0.9	1.3	
Canada's net foreign debt	205	246	301	302	226	104	-122
National net worth, by sector							
Household sector	6,776	6,816	6,955	7,062	7,214	7,263	49
Non-profit institutions serving household sector	70	72	74	75	71	72	1
Corporate sector	163	213	95	73	46	205	159
General government sector	-242	-261	-245	-257	-238	-229	9
	dollars						change in dollars
National net worth per capita	194,700	196,100	196,500	198,400	201,800	207,300	5,500

Note(s): Data may not add to totals as a result of rounding.

Table 2
Households and non-profit institutions serving household sector indicators – Market value, not seasonally adjusted

	First quarter 2012	Second quarter 2012	Third quarter 2012	Fourth quarter 2012	First quarter 2013	Second quarter 2013
	%					
Household sector						
Debt to gross domestic product (GDP)	92.09	92.99	93.92	94.09	94.13	95.21
Debt to disposable income	162.28	163.85	164.98	164.76	164.30	165.62
Credit market debt to disposable income	159.97	161.51	162.76	162.62	162.10	163.37
Consumer credit and mortgage liabilities to disposable income	149.51	150.93	151.98	151.71	151.61	152.61
Net worth as a percentage of disposable income	671.60	669.37	676.18	679.43	688.63	687.76
Debt to total assets	19.46	19.66	19.61	19.52	19.26	19.41
Debt to net worth	24.16	24.48	24.40	24.25	23.86	24.08
Credit market debt to net worth	23.82	24.13	24.07	23.94	23.54	23.75
Consumer credit and mortgage liabilities to net worth	22.26	22.55	22.48	22.33	22.02	22.19
Total assets to net worth	124.16	124.48	124.40	124.25	123.86	124.08
Financial assets to net worth	66.17	65.80	66.37	66.73	67.16	66.91
Financial assets to non-financial assets	114.08	112.14	114.36	116.01	118.45	117.02
Owner's equity as a percentage of real estate	69.48	69.45	69.17	69.02	69.10	69.06
Real estate as a percentage of disposable income	335.74	339.49	338.94	337.42	337.68	340.29
Households and non-profit institutions serving household sector						
Debt to GDP	94.34	95.26	96.20	96.40	96.38	97.47
Debt to disposable income	162.19	163.74	164.86	164.68	164.18	165.54
Credit market debt to disposable income	156.93	158.43	159.65	159.54	159.05	160.34

Table 3
Corporations sector indicators – Not seasonally adjusted

	First quarter 2012	Second quarter 2012	Third quarter 2012	Fourth quarter 2012	First quarter 2013	Second quarter 2013
	%					
Corporations sector						
Private non-financial corporations total debt to equity (market value)	183.36	185.87	183.82	183.67	183.38	188.70
Private non-financial corporations credit market debt to equity (book value)	52.26	53.66	52.92	52.94	53.56	53.47

Table 4
General government sector indicators – Not seasonally adjusted

	First quarter 2012	Second quarter 2012	Third quarter 2012	Fourth quarter 2012	First quarter 2013	Second quarter 2013
	%					
General government sector						
General government gross debt (book value) to gross domestic product (GDP)	109.53	109.76	110.78	110.43	111.74	113.27
Federal general government gross debt (book value) to GDP	49.16	48.79	49.02	48.78	49.20	49.40
Other levels of general government gross debt (book value) to GDP	59.55	60.31	60.88	60.58	61.10	61.73
General government net debt (book value) to GDP	49.23	49.15	49.67	50.26	50.44	51.02
Federal general government net debt (book value) to GDP	34.10	33.97	33.81	33.69	33.70	33.67
Other levels of general government net debt (book value) to GDP	25.98	26.15	26.63	27.51	28.18	28.94

Available in CANSIM: tables 378-0119 to 378-0125.

Definitions, data sources and methods: survey numbers 1804 and 1806.

The [National economic accounts](#) module, accessible from the *Browse by key resource* module of our website, features an up-to-date portrait of national and provincial economies and their structure.

Links to other releases from the national accounts can be found in the second quarter 2013 issue of *Canadian Economic Accounts Quarterly Review*, Vol. 12, no. 2 (13-010-X). This publication is now available from the *Browse by key resource* module of our website under *Publications*. Revised National balance sheet and Financial flow accounts for the first quarter has been released, along with those for the second quarter. These data incorporate new and revised source data and updated data.

Data on National balance sheet accounts and financial flow accounts for the third quarter will be released on December 13.

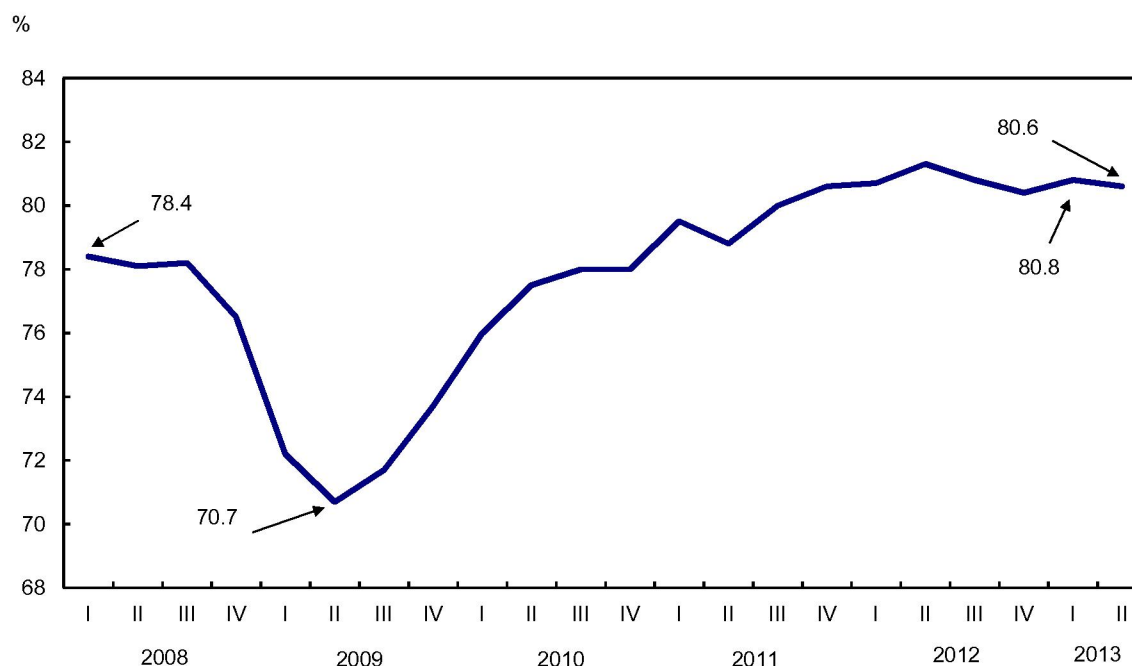
For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

Industrial capacity utilization rates, second quarter 2013

Canadian industries operated at 80.6% of their production capacity in the second quarter, down slightly from 80.8% in the previous quarter. The manufacturing and non-manufacturing sectors made comparable contributions to the decrease.

In particular, declines in capacity use in oil and gas extraction and primary metals more than offset advances in transportation equipment manufacturing and chemical product manufacturing.

Chart 1
Slight decrease in the industrial capacity utilization rate



Non-manufacturing industries: Weakness in the oil and gas extraction industry

The oil and gas extraction sector contributed the most to the overall decline in capacity use in the second quarter.

Lower crude petroleum extraction pulled the oil and gas extraction industry's capacity utilization rate down 1.4 percentage points to 85.7%.

There was also a decrease in capacity use in the construction industry, partly as a result of a labour dispute in Quebec in the last two weeks of June. The industry operated at 80.2% of its capacity, down 0.3 percentage points from the previous quarter. This decline was mainly the result of diminished activity in non-residential construction.

Capacity used in the mining and quarrying sector edged down 0.1 percentage points to 65.5%. A decline in coal extraction more than offset an increase in the production of metallic and non-metallic minerals.

The primary metals industry drives down capacity use in manufacturing

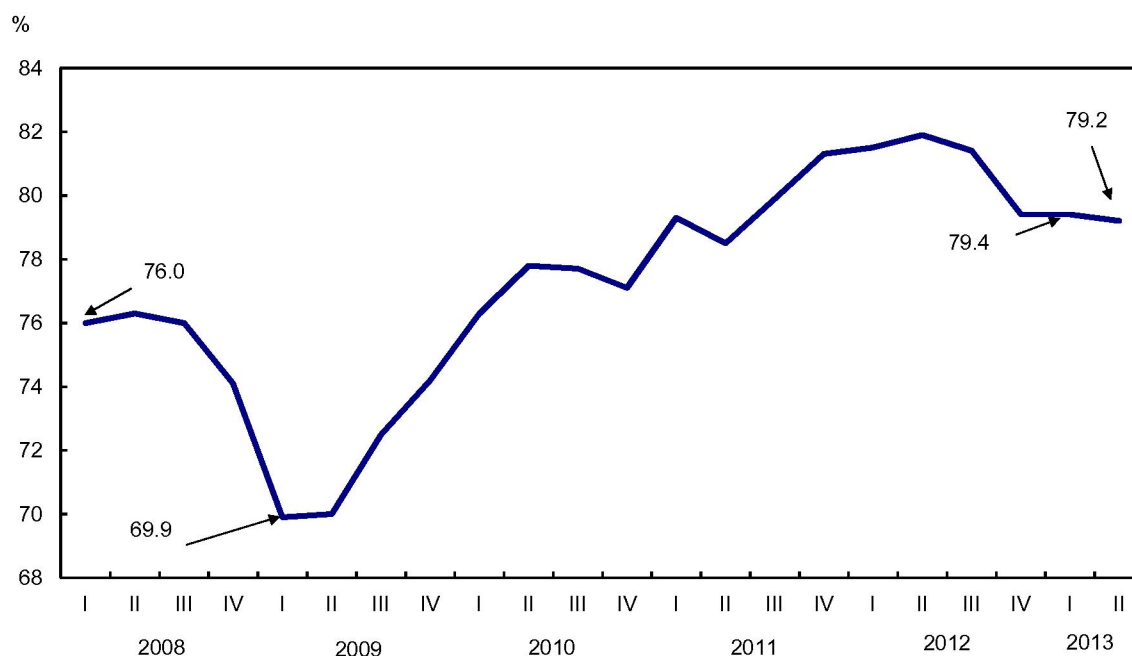
The manufacturing sector operated at 79.2% of its capacity in the second quarter, 0.2 percentage points lower than in the previous quarter. The main factor in the decline was the primary metals industry.

Capacity utilization fell in 9 of the 21 major manufacturing groups, which make up about 55% of the manufacturing sector gross domestic product.

The capacity utilization rate was up in 11 industries, particularly transportation equipment manufacturing and chemical product manufacturing.

Chart 2

Capacity utilization in manufacturing has remained virtually flat since the fourth quarter of 2012



A decline in production and processing was responsible for a 7.2 percentage-point drop in capacity use in the primary metals industry. The capacity utilization rate was 72.5% in the second quarter, its lowest level since the third quarter of 2009.

Higher production of motor vehicles and motor vehicle parts was the main source of an increase in the capacity utilization rate in the transportation equipment industry. The rate rose from 85.9% in the first quarter to 88.3% in the second quarter.

In the chemical products industry, capacity use increased 2.7 percentage points to 82.8% in the second quarter. This advance was attributable to growth in all types of production other than paints, coatings and adhesives.

Note to readers

The industrial capacity utilization rate is the ratio of an industry's actual output to its estimated potential output. For most industries, the annual estimates are obtained from the Capital and Repair Expenditures Survey while the quarterly pattern is derived from output-to-capital ratio series, the output being the real gross domestic product at basic prices, seasonally adjusted, by industry.

This program covers all manufacturing and selected non-manufacturing industries.

At the time of this release, rates have been revised back to the first quarter of 2012 to reflect updated source data.

Table 1
Industrial capacity utilization rates

	Second quarter 2012 ^r	First quarter 2013 ^r	Second quarter 2013	First quarter to second quarter 2013	Second quarter 2012 to second quarter 2013
	%			percentage point change	
Total industrial	81.3	80.8	80.6	-0.2	-0.7
Forestry and logging	85.3	84.4	87.7	3.3	2.4
Mining and oil and gas extraction	79.0	81.1	80.1	-1.0	1.1
Oil and gas extraction	85.5	87.1	85.7	-1.4	0.2
Mining and quarrying	62.2	65.6	65.5	-0.1	3.3
Electric power generation, transmission and distribution	87.7	89.8	90.6	0.8	2.9
Construction	79.4	80.5	80.2	-0.3	0.8
Manufacturing	81.9	79.4	79.2	-0.2	-2.7
Food	78.1	75.3	73.7	-1.6	-4.4
Beverage and tobacco products	71.2	73.3	76.3	3.0	5.1
Beverage	72.3	74.5	77.4	2.9	5.1
Tobacco	64.0	65.1	68.9	3.8	4.9
Textiles	72.5	63.4	63.8	0.4	-8.7
Textile mills	81.5	68.4	69.3	0.9	-12.2
Textile product mills	65.2	59.6	59.7	0.1	-5.5
Clothing	73.3	63.9	64.0	0.1	-9.3
Leather and allied products	72.6	60.0	60.1	0.1	-12.5
Wood products	81.5	87.8	88.3	0.5	6.8
Paper	88.4	88.9	87.1	-1.8	-1.3
Printing and related support activities	69.3	70.7	69.5	-1.2	0.2
Petroleum and coal products	77.9	77.9	76.3	-1.6	-1.6
Chemical products	77.8	80.1	82.8	2.7	5.0
Plastics and rubber products	78.9	76.2	77.2	1.0	-1.7
Plastic products	78.1	75.0	76.1	1.1	-2.0
Rubber products	82.5	81.6	82.1	0.5	-0.4
Non-metallic mineral products	74.6	63.7	67.9	4.2	-6.7
Primary metal	84.1	79.7	72.5	-7.2	-11.6
Fabricated metal products	81.6	78.6	77.5	-1.1	-4.1
Machinery	86.9	77.2	76.1	-1.1	-10.8
Computer and electronic products	83.2	82.8	80.3	-2.5	-2.9
Electrical equipment, appliances and components	81.3	85.1	85.5	0.4	4.2
Transportation equipment	92.4	85.9	88.3	2.4	-4.1
Furniture and related products	77.5	78.0	78.0	0.0	0.5
Miscellaneous manufacturing	76.8	81.0	80.6	-0.4	3.8

^r revised

Available in CANSIM: table 028-0002.

Definitions, data sources and methods: survey number 2821.

Data on industrial capacity utilization rates for the third quarter will be released on December 12.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

Oil and gas extraction industry: Capital and operating expenditures, 2012 (final)

Capital expenditures by the conventional oil and gas extraction industry decreased 1.1% from 2011 to \$39.2 billion in 2012.

The non-conventional sector capital expenditures increased 18.7% to \$27.7 billion in 2012.

Operating expenses for the conventional sector fell 4.9% from 2011 to \$26.3 billion, mainly the result of lower royalty payments. Operating expenses in the non-conventional sector increased 4.9% from 2011 to \$23.9 billion, principally a result of higher operating costs.

Table 1
Oil and gas extraction industry: Capital and operating expenditures

	2011	2012	2011 to 2012
	millions of dollars		% change
Capital			
Conventional	39,639.2	39,213.5	-1.1
Non-conventional	23,344.3	27,718.5	18.7
Operating			
Conventional	27,664.1	26,302.9	-4.9
Non-conventional	22,821.2	23,937.9	4.9

Definitions, data sources and methods: survey number 2178.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

Oil and gas extraction industry: Volume and value of marketable production, 2012 (final)

Crude oil and equivalent production increased 7.6% from 2011 to 189.1 million cubic metres in 2012. Marketable production of natural gas (-2.2%) and natural gas by-products (-0.4%) decreased in 2012.

The value of crude oil and equivalent hydrocarbons produced in 2012 totalled \$94.1 billion, down 1.8% from 2011. This decline was principally attributable to lower wellhead prices in 2012. The value of natural gas marketable production stood at \$12.0 billion in 2012, down 33.5% from 2011 as a result of lower wellhead prices in 2012. The value of natural gas by-products decreased 26.7% to \$5.6 billion in 2012.

Table 1
Oil and gas extraction industry: Volume and value of marketable production

	2011	2012	2011 to 2012 % change
Crude oil and equivalent			
Volume (thousands of cubic metres)	175 813.3	189 129.9	7.6
Value (millions of dollars)	95,799.3	94,074.5	-1.8
Natural gas			
Volume (millions of cubic metres)	144 448.5	141 274.0	-2.2
Value (millions of dollars)	17,977.9	11,956.9	-33.5
Natural gas by-products¹			
Volume (thousands of cubic metres)	28 629.6	28 508.3	-0.4
Value (millions of dollars)	7,640.9	5,599.7	-26.7

1. Excludes the volume and value of elemental sulphur.

Definitions, data sources and methods: survey number 2198.

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Cement, July 2013

Data on cement are now available for July. Revised data are also available for June.

Available in CANSIM: tables 303-0060 and 303-0061.

Definitions, data sources and methods: survey number 2140.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

Crop Condition Assessment Program, July 22 to August 26, 2013

The Normalized Difference Vegetation Index (NDVI) database is now available on CANSIM for the period from July 22 to August 26, 2013. The database holds the mean value of the one-kilometre resolution satellite picture elements within each of the census agriculture regions or census consolidated subdivisions of Canada with pasture and/or cropping activity. The inter-annual weekly reference period is from mid-April to mid-October.

The NDVI data have been served through the Crop Condition Assessment Program web application since 2000. The addition of NDVI data to CANSIM makes the data readily available to everyone.

Note to readers

Agriculture and Agri-Food Canada, through the Growing Forward program, has partnered with Statistics Canada to provide the Crop Condition Assessment Program application free of charge. The Canada Centre for Remote Sensing, part of Natural Resources Canada, has also contributed by providing software for processing the input satellite data.

Available in CANSIM: table 001-0100.

Definitions, data sources and methods: survey number 5177.

The publication *Crop Condition Assessment Program, 2013 (22-205-X)*, is available from the *Browse by key resource* module of our website under *Publications*.

Click on the link to access the [web application](#).

For more information, contact us (toll-free 1-800-263-1136; infostats@statcan.gc.ca).

To enquire about the concepts, methods or data quality of this release, contact Gordon Reichert (613-951-3872; rsga@statcan.gc.ca), Agriculture Division.

Pipeline transportation of crude oil and refined petroleum products, November and December 2012

Data on the net receipts of crude oil and equivalent hydrocarbons, liquefied petroleum gases and refined petroleum products, pipeline exports of crude oil and deliveries of crude oil by pipeline to Canadian refineries are now available for November and December.

Available in CANSIM: tables 133-0001 to 133-0005.

Definitions, data sources and methods: survey numbers 2148 and 2191.

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New products and studies

There are no new products today.

Release dates: September 16 to 20, 2013

(Release dates are subject to change.)

Release date	Title	Reference period
16	Canada's international transactions in securities	July 2013
17	Monthly Survey of Manufacturing	July 2013
17	Job vacancies	Three-month average ending in June 2013
18	Health Reports	September 2013
18	Travel between Canada and other countries	July 2013
19	Employment Insurance	July 2013
19	Wholesale trade	July 2013
20	Consumer Price Index	August 2013

See also the release dates for major economic indicators for the rest of the year.



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