

The Daily

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Releases

Industrial product and raw materials price indexes, April 2015	2
The Industrial Product Price Index declined 0.9% in April, mainly because of lower prices for energy and petroleum products. The Raw Materials Price Index increased 3.8%, largely as a result of higher prices for crude energy products.	
Canada's balance of international payments, first quarter 2015	7
Canada's current account deficit (on a seasonally adjusted basis) expanded again in the first quarter, up \$4.4 billion to \$17.5 billion. In the financial account (unadjusted for seasonal variation), foreign investment in Canadian bonds was the largest contributor to the net inflow of funds to the economy.	
Quarterly financial statistics for enterprises, first quarter 2015	15
Canadian corporations earned \$75.4 billion in operating profits in the first quarter, down 6.0% from the previous quarter.	
Federal government spending on science and technology, 2015/2016 (intentions)	19
Construction Union Wage Rate Index, April 2015	21
Food availability, 2014	22
Canadian Megatrends, May 2015	23
Production and disposition of tobacco products, April 2015	24
International Travel Survey: Public use microdata file, 2013	25
New products and studies	26



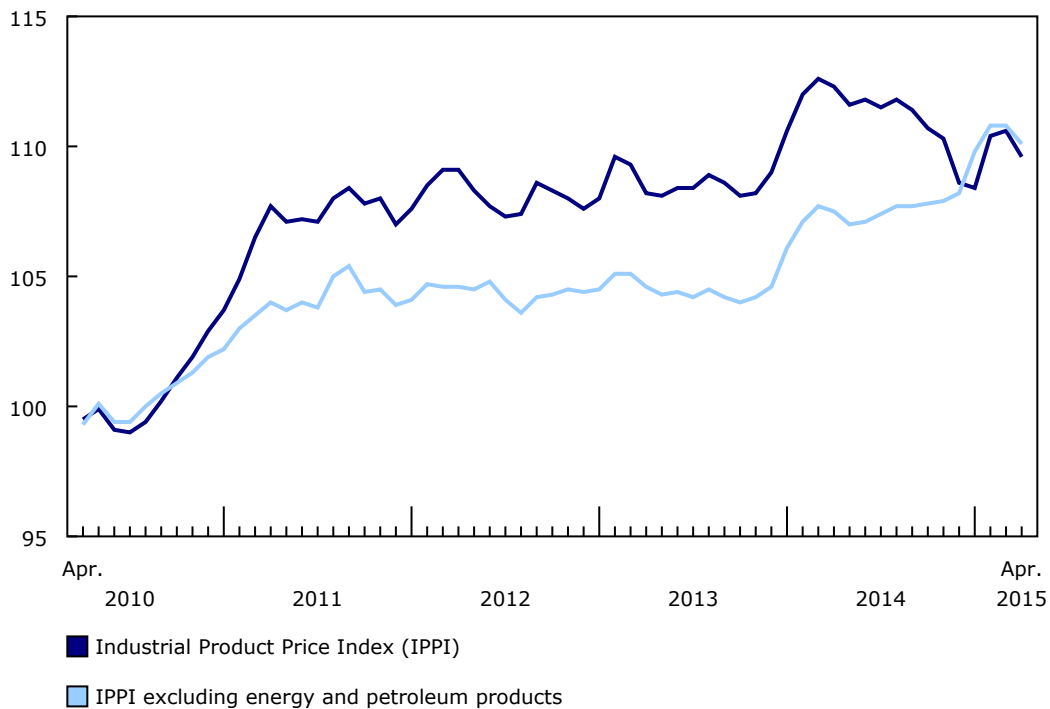
Releases

Industrial product and raw materials price indexes, April 2015

The Industrial Product Price Index (IPPI) declined 0.9% in April, mainly because of lower prices for energy and petroleum products. The Raw Materials Price Index (RMPI) increased 3.8%, largely as a result of higher prices for crude energy products.

Chart 1 Prices for industrial goods decrease

index (2010=100)



Source(s): CANSIM table [329-0074](#).

Industrial Product Price Index, monthly change

The IPPI declined 0.9% in April, following a 0.2% increase in March. Of the 21 commodity groups, 17 were down, 2 were up and 2 were unchanged.

The main reason for the decline in April was lower prices for energy and petroleum products (-3.2%). The decline was led by lower prices for diesel fuel (-8.7%) and light fuel oils (-5.6%), while motor gasoline edged down 0.6%. Both motor gasoline and diesel fuel are commonly used as transportation fuels; however, prices for diesel fuel may vary as it is also used as a heating fuel. The demand for diesel fuel typically declines outside winter months, which can put downward pressure on prices. The IPPI excluding energy and petroleum products declined 0.6%. This was the first decrease in the IPPI excluding energy and petroleum products since May 2014.

Motorized and recreational vehicles (-1.5%) also contributed to the decline in the IPPI. Lower prices for passenger cars and light trucks (-1.5%) were the main reason for the decrease and, to a lesser extent, lower prices for motor vehicle engines and motor vehicle parts (-1.2%) as well as aircraft (-2.3%). Lower prices for motorized and recreational vehicles were closely linked to the appreciation of the Canadian dollar relative to the US dollar.

Both primary non-ferrous metal products (-0.8%) and primary ferrous metal products (-1.4%) declined in April.

Lower prices for unwrought precious metals and precious metal alloys (-0.7%), and other unwrought non-ferrous metals and non-ferrous metal alloys (-2.2%) were the main reasons for the decline in primary non-ferrous metal products. Lower prices for basic and semi-finished iron and steel products (-1.4%) led the decline in primary ferrous metal products.

To a lesser extent, lower prices for fruit, vegetables, feed and other food products (-0.6%) also contributed to the decline in the IPPI. The decrease was led by lower prices for flour and other grain mill products (-3.2%), grain and oilseed products, not elsewhere classified (-0.8%) as well as other animal feed (-1.3%).

Some IPPI prices are reported in US dollars and are converted to Canadian dollars using the average monthly exchange rate. Consequently, any change in the value of the Canadian dollar relative to the US dollar will affect the level of the index. From March to April 2015, the Canadian dollar appreciated 2.3% relative to the US dollar. This was the first appreciation of the Canadian dollar since July 2014. If the exchange rate had remained constant, the IPPI would have declined 0.4% instead of decreasing 0.9%.

Industrial Product Price Index, 12-month change

The IPPI declined 2.4% over the 12-month period ending in April, after falling 1.8% in March.

Compared with April 2014, the decline in the IPPI was largely a result of lower prices for energy and petroleum products (-25.8%). Motor gasoline (-27.1%) and, to a lesser extent, diesel fuel (-28.7%) as well as light fuel oils (-23.1%), were the primary reasons for the decline in this commodity group. Excluding energy and petroleum products, the IPPI increased 2.4% over the last 12 months.

Also contributing to the decline were lower prices for chemicals and chemical products (-6.5%). The decrease in this commodity group was led by aromatic hydrocarbon gases (-31.9%), as well as liquefied refinery gases, and acyclic hydrocarbons not elsewhere classified (-29.8%).

The year-over-year decline in the IPPI was moderated by a gain in motorized and recreational vehicles (+8.7%). The increase was mainly due to higher prices for passenger cars and light trucks (+9.2%) and, to a lesser extent, motor vehicle engines and motor vehicle parts (+6.2%) and aircraft (+13.7%).

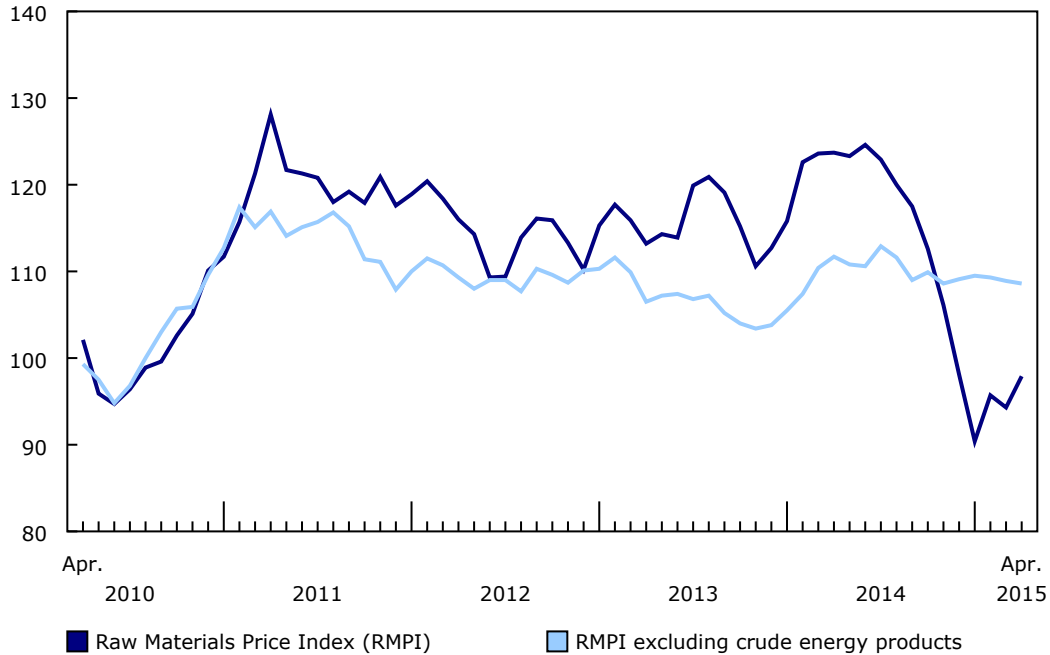
Also moderating the year-over-year decline in the IPPI were higher prices for primary non-ferrous metal products (+3.3%), specifically, aluminum and aluminum-alloy basic and semi-finished products (+15.8%) and unwrought aluminum and aluminum alloys (+9.0%).

Raw Materials Price Index, monthly change

The RMPI rose 3.8% in April, following a 1.5% decline in March. Of the six commodity groups, two were up, three were down and one was unchanged.

Chart 2
Prices for raw materials increase

index (2010=100)



Source(s): CANSIM table [330-0008](#).

The gain was attributable to higher prices for crude energy products (+9.9%), specifically conventional crude oil (+10.3%). The RMPI excluding crude energy products declined 0.3%.

Lower prices for crop products (-1.5%) moderated the increase, mainly other crop products (-1.9%) and, to a lesser extent, wheat (-2.2%).

Metal ores, concentrates and scrap was unchanged in April despite a 12.4% decline in prices for iron ores and concentrates. Prices for iron ores and concentrates have generally declined for over a year and have fallen 55.7% since December 2013.

Raw Materials Price Index, 12-month change

The RMPI fell 20.9% in the 12-month period ending in April, following a 23.7% decline in March.

The decrease was largely attributable to crude energy products (-36.7%), specifically conventional crude oil (-37.4%). The RMPI excluding crude energy products declined 2.8% from the same period last year.

Also contributing to the decline, but to a much lesser extent, was metal ores, concentrates and scrap (-3.1%).

Note to readers

The Industrial Product Price Index (IPPI) and Raw Materials Price Index (RMPI) are available at the Canada level only. Selected commodity groups within the IPPI are also available by region.

With each release, data for the previous six months may have been revised. The indexes are not seasonally adjusted.

The **Industrial Product Price Index** 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. However, the conversion into Canadian dollars only reflects how respondents provide their prices. This is not a measure that takes the full effect of exchange rates into account.

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 release, are calculated according to the indirect quotation of the exchange rate (for example, CAN\$1 = US\$X).

The **Raw Materials Price Index** reflects the prices paid by Canadian manufacturers for key raw materials. Many of those prices are set on the world market. However, as few prices are denominated in foreign currencies, their conversion into Canadian dollars has only a minor effect on the calculation of the RMPI.

Table 1
Industrial Product Price Index – Not seasonally adjusted

	Relative importance ¹	April 2014	March 2015 ^r	April 2015 ^p	March to April 2015	April 2014 to April 2015
	%	(2010=100)			% change	
Industrial Product Price Index (IPPI)	100.00	112.3	110.6	109.6	-0.9	-2.4
IPPI excluding energy and petroleum products	86.40	107.5	110.8	110.1	-0.6	2.4
Aggregation by commodities						
Meat, fish, and dairy products	7.21	118.2	121.2	121.8	0.5	3.0
Fruit, vegetables, feed and other food products	7.53	112.4	112.4	111.7	-0.6	-0.6
Beverages (except juices)	1.92	104.7	105.4	105.4	0.0	0.7
Tobacco products	0.25	120.9	131.6	131.4	-0.2	8.7
Textile and leather products	0.57	105.9	108.2	107.9	-0.3	1.9
Clothing, footwear and accessories	0.51	102.2	103.8	103.6	-0.2	1.4
Chemicals and chemical products	8.46	114.1	106.8	106.7	-0.1	-6.5
Plastic and rubber products	2.79	107.5	110.3	110.0	-0.3	2.3
Lumber and other wood products	2.27	104.5	107.6	107.1	-0.5	2.5
Pulp and paper products	4.09	101.5	104.3	103.9	-0.4	2.4
Energy and petroleum products	13.60	143.1	109.7	106.2	-3.2	-25.8
Primary ferrous metal products	3.32	105.9	106.8	105.3	-1.4	-0.6
Primary non-ferrous metal products	8.03	103.5	107.8	106.9	-0.8	3.3
Fabricated metal products and construction materials	3.17	102.5	106.0	105.8	-0.2	3.2
Motorized and recreational vehicles	17.23	105.1	115.9	114.2	-1.5	8.7
Machinery and equipment	5.73	104.8	107.8	107.5	-0.3	2.6
Electrical, electronic, audiovisual and telecommunication products	4.69	103.0	108.2	107.3	-0.8	4.2
Furniture and fixtures	1.49	102.9	103.5	103.6	0.1	0.7
Cement, glass, and other non-metallic mineral products	2.34	106.1	107.6	107.6	0.0	1.4
Packaging materials and containers	2.38	108.4	111.6	111.5	-0.1	2.9
Miscellaneous products	2.41	108.3	110.8	110.4	-0.4	1.9

^r revised

^p preliminary

1. The relative importance is based on the annual 2010 values of production.

Source(s): CANSIM table [329-0074](#).

Table 2
Raw Materials Price Index – Not seasonally adjusted

	Relative importance ¹	April 2014	March 2015 ^r	April 2015 ^p	March to April 2015	April 2014 to April 2015
	%	(2010=100)		% change		
Raw Materials Price Index (RMPI)	100.00	123.7	94.3	97.9	3.8	-20.9
RMPI excluding crude energy products	51.83	111.7	108.9	108.6	-0.3	-2.8
Crude energy products	48.17	136.6	78.7	86.5	9.9	-36.7
Crop products	8.68	126.5	125.9	124.0	-1.5	-2.0
Animals and animal products	15.51	134.6	129.2	128.7	-0.4	-4.4
Non-metallic minerals	1.85	107.0	111.8	111.2	-0.5	3.9
Logs, pulpwood, natural rubber and other forestry products	2.84	110.0	108.9	112.0	2.8	1.8
Metal ores, concentrates and scrap	22.96	91.3	88.5	88.5	0.0	-3.1

^r revised

^p preliminary

1. The relative importance is based on the annual 2010 values of raw material inputs into production.

Source(s): CANSIM table [330-0008](#).

Available in CANSIM: tables [329-0074](#) to [329-0077](#) and [330-0008](#).

Table 329-0074: Industrial Product Price Index, by major commodity aggregations.

Table 329-0075: Industrial Product Price Index, by commodity.

Table 329-0076: Industrial Product Price Index, for selected groups, by region.

Table 329-0077: Industrial Product Price Index, by North American Industry Classification System.

Table 330-0008: Raw Materials Price Index, by commodity.

Definitions, data sources and methods: survey numbers [2306](#) and [2318](#).

The industrial product and raw materials 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 us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

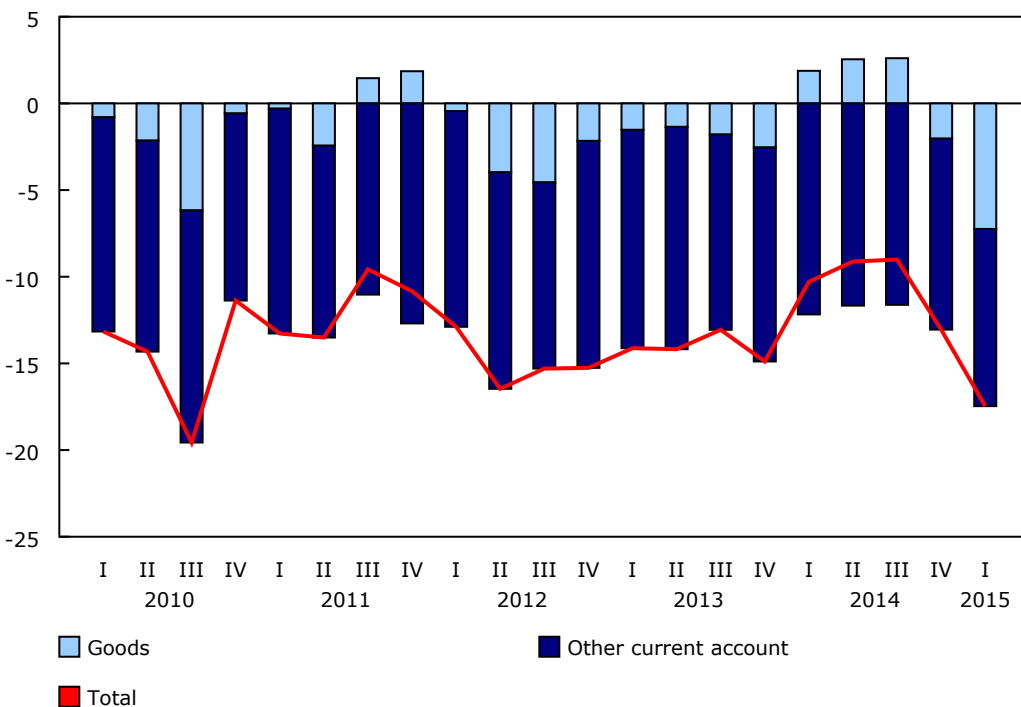
Canada's balance of international payments, first quarter 2015

Canada's current account deficit (on a seasonally adjusted basis) expanded again in the first quarter, up \$4.4 billion to \$17.5 billion, after narrowing in the first three quarters of 2014. This change in direction over the last two quarters was mainly due to trade in goods, especially energy products.

In the financial account (unadjusted for seasonal variation), Canadian investments abroad slowed in the first quarter, while foreign investment in Canada reached \$62.1 billion. Foreign investment in Canadian bonds was the largest contributor to the net inflow of funds to the economy.

Chart 1
Current account balances

billions of dollars



Note(s): Data are seasonally adjusted.
Source(s): CANSIM table [376-0105](#).

Current account

Trade in goods deficit widens further

The trade in goods deficit expanded by \$5.2 billion to a record \$7.2 billion in the first quarter. This change reflected a gradual deterioration of the goods balance in each month of the quarter. This followed a return to a deficit on goods trade of \$2.0 billion in the fourth quarter of 2014.

Overall exports of goods declined \$4.1 billion to \$128.0 billion in the first quarter. Energy product values were down \$5.9 billion despite higher volumes (+3.9%). This reduction was concentrated in crude petroleum. Crude prices fell 32% in the quarter, reaching their lowest levels since the first quarter of 2009. Metal and non-metallic mineral products also declined in the first quarter (-\$0.8 billion) as export volumes of precious metals shrank.

Moderating the decline in energy exports were increases in several goods categories over the quarter. Exports of farm, fishing and intermediate food products were up by \$0.6 billion, mostly on higher volumes of wheat. Exports of consumer goods rose \$0.5 billion on higher prices. Forestry products, electronic and electrical equipment and parts as well as aircraft and other transportation equipment and parts exported each increased by \$0.4 billion in the quarter on higher volumes and prices.

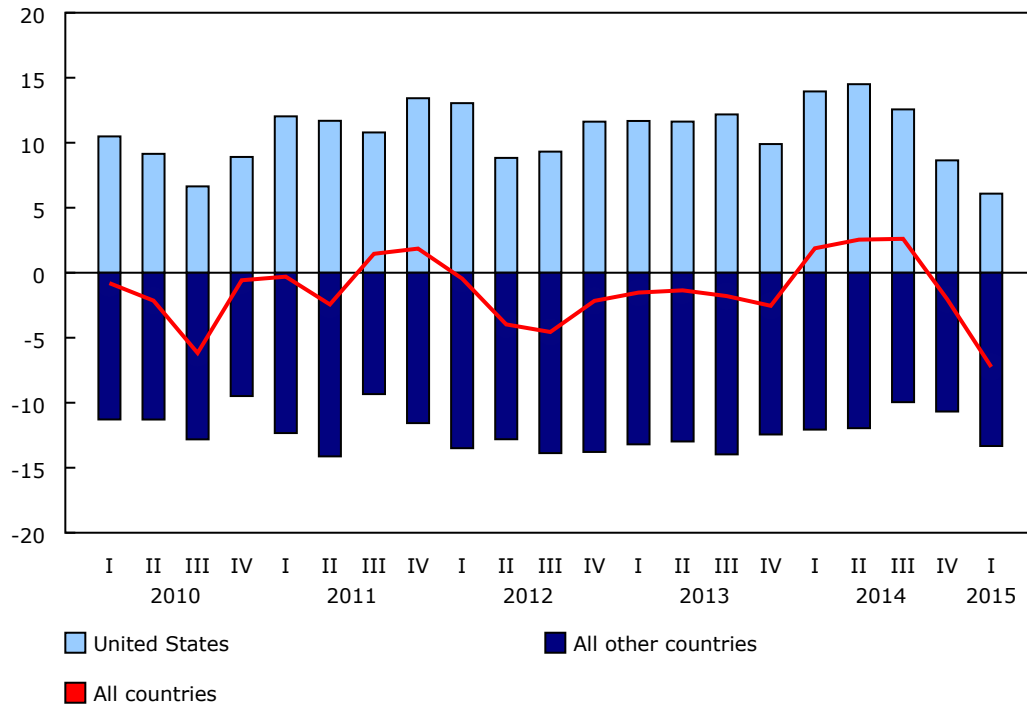
Total imports of goods advanced \$1.1 billion to \$135.3 billion. The largest gains were in electronic and electrical equipment and parts, up \$1.1 billion on larger volumes of communications and audio and video equipment. Consumer goods increased by \$1.0 billion while industrial machinery, equipment and parts increased \$0.7 billion, both led by higher prices. On the other hand, imports of energy products were down by \$1.7 billion, reflecting reduced prices but higher volumes.

Weakness in goods trade widespread geographically

On a geographical basis, the goods balance deteriorated for both the United States and non-US countries in the first quarter. The goods surplus with the United States narrowed by \$2.6 billion to \$6.1 billion. The value of exports to the United States decreased for a second straight quarter, down \$3.7 billion following a \$2.2 billion decline in the fourth quarter of 2014. Moderating this decrease were lower imports from the United States. Declines for both exports and imports were led by crude petroleum.

Chart 2
Goods balances by geographic areas

billions of dollars



Note(s): Data are seasonally adjusted.
Source(s): CANSIM table 376-0106.

Goods trade with non-US countries produced a similar change in the balance. The deficit widened by \$2.7 billion to \$13.3 billion, mainly on higher imports. The deficit with China expanded by \$1.1 billion to a record \$5.4 billion. Goods balances with Japan, Italy, Netherlands, Switzerland and Taiwan all deteriorated during the first quarter. However, goods balances with United Kingdom and Singapore improved.

Deficit on trade in services largely unchanged

The deficit on international trade in services narrowed by \$0.1 billion to \$5.6 billion in the first quarter. In the travel account, Canadians reduced their spending in the United States and overseas while expenditures by non-residents in Canada were unchanged. As a result, the travel deficit shrank by \$0.2 billion. The surplus on trade in commercial services edged down, as imports advanced by more than exports. The deficit on transportation services was up slightly in the quarter.

Investment income deficit narrows

The investment income deficit was reduced by \$0.7 billion to \$3.7 billion in the first quarter, as receipts were up by more than payments. Income received on foreign investments by both Canadian direct and portfolio investors continued to advance. On the payments side, profits earned in Canada by foreign direct investors edged down. However, payments on portfolio investment liabilities increased by \$0.3 billion, led by higher interest payments on foreign currency denominated Canadian corporate bonds. The Canadian dollar depreciated against its US counterpart by 8.5% in the first quarter.

Financial account

Foreign investment in Canadian securities increases significantly

Foreign investors increased their holdings of Canadian securities by \$37.6 billion in the first quarter, following a marginal investment in the previous quarter. This activity was led by record acquisitions of Canadian bonds by foreign investors.

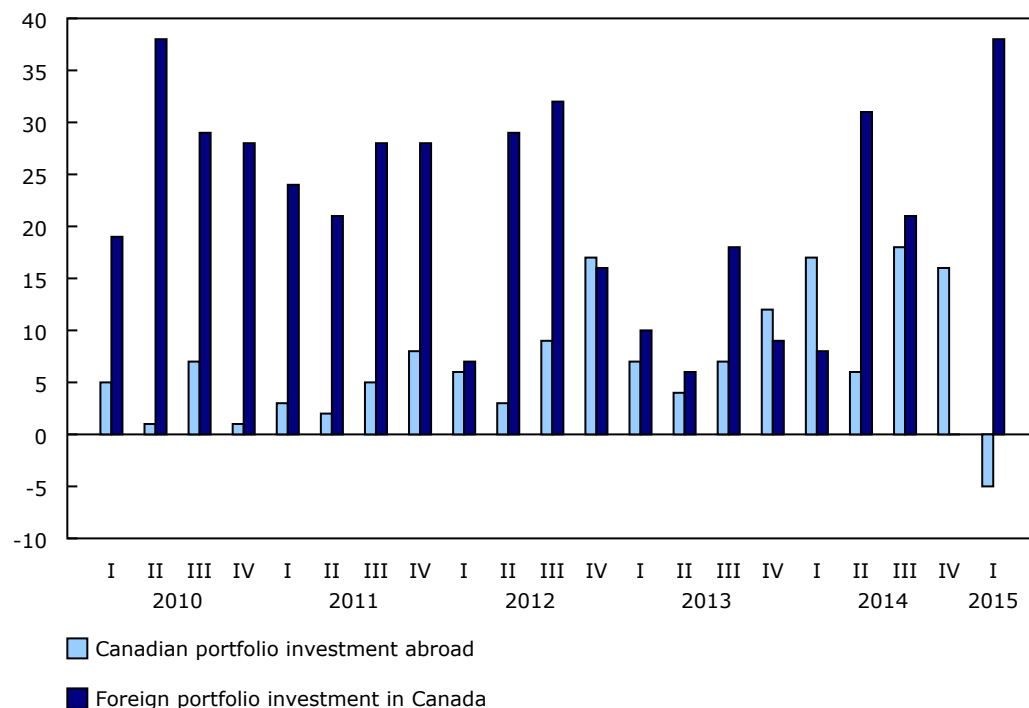
Foreign investment in Canadian bonds amounted to \$41.4 billion, mainly in new issues of Canadian private corporate bonds denominated in foreign currencies. Foreign purchases of federal government bonds on the secondary market also contributed to the inflows. The level of activity in the first quarter contrasted with the pattern observed in 2013 and 2014, when foreign investment in Canadian bonds slowed after four years of sustained and large inflows in government bonds.

At the same time, non-resident investors withdrew \$13.3 billion of funds from the Canadian money market in the first quarter against the backdrop of a relatively significant decline in Canadian short-term interest rates. This decline was the largest foreign divestment in Canadian paper on record. More than half of this reduction was in the form of federal Treasury bills, mainly retirements.

Non-residents added \$9.5 billion of Canadian equities to their holdings in the first quarter, following a rare divestment in the fourth quarter. Canadian stock prices rose by 1.8% in the first quarter. Foreign investors have acquired Canadian shares in seven of the last eight quarters, with acquisitions totalling \$63.4 billion.

Chart 3
Foreign portfolio investment

billions of dollars



Source(s): CANSIM table [376-0104](#).

Canadian holdings of foreign securities decline

Canadian investors sold \$5.3 billion of foreign securities in the first quarter, the first quarterly divestment in more than five years. Most of this activity was recorded in January and was concentrated in foreign shares.

Canadian holdings of foreign equities were down by \$4.0 billion on sales of both US and non-US foreign shares. US stock prices edged down in the first quarter. At the same time, Canadian holdings of foreign debt securities declined by \$1.4 billion, led by a divestment in non-US foreign bonds.

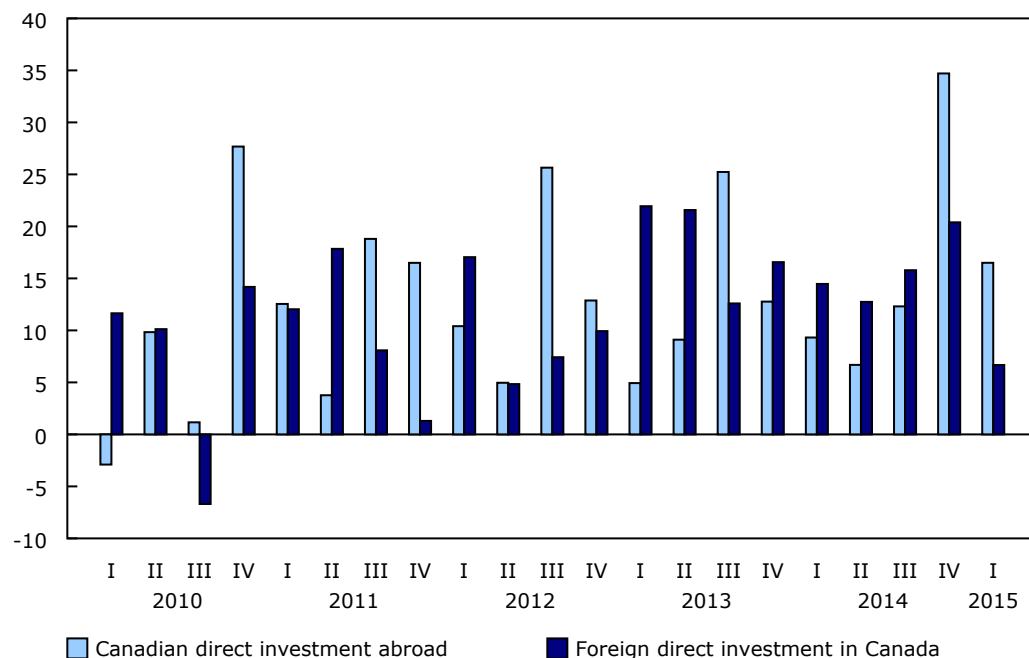
Outward and inward direct investment slow

Transactions in Canadian direct investment abroad slowed to \$16.5 billion in the first quarter, following a record investment in the fourth quarter. Outflows related to mergers and acquisitions were down to \$5.2 billion compared with \$25.0 billion in the fourth quarter. On an industry basis, Canadian direct investment abroad was focused in the finance and insurance industry.

Foreign direct investment inflows to Canada were \$6.7 billion, the lowest such activity since the second quarter of 2012. Earnings reinvested in Canadian subsidiaries by foreign direct investors, mainly from the United States, accounted for the bulk of this activity. Mergers and acquisitions transactions generated a reduction in foreign direct investment in Canada, as non-resident direct investors sold some of their assets back to Canadian investors in the quarter.

Chart 4 Foreign direct investment

billions of dollars



Source(s): CANSIM table [376-0104](#).

Note to readers

The **balance of international payments** covers all economic transactions between Canadian residents and non-residents in three accounts: the current account, the capital account and the financial account.

The **current account** covers transactions in goods, services, compensation of employees, investment income and secondary income (current transfers).

The current account data in this release are seasonally adjusted. For more information on seasonal adjustment, see [Seasonally adjusted data – Frequently asked questions](#).

The **capital account** covers capital transfers and transactions in non-produced non-financial assets.

The **financial account** covers transactions in financial assets and liabilities.

In principle, a net lending (+) / net borrowing (-) derived from the sum of the current and capital accounts corresponds to a net lending (+) / net borrowing (-) derived from the financial account. In practice, as data are compiled from multiple sources, this is rarely the case and gives rise to measurement error. The **discrepancy** (net errors and omissions) is the unobserved net inflow or outflow.

For more information about the balance of payments, consult the "[Frequently asked questions](#)" section in the System of macroeconomic accounts module of our website. The module also presents the most recent balance of payments statistics.

Table 1
Balance of payments – Not seasonally adjusted

	First quarter 2014	Second quarter 2014	Third quarter 2014	Fourth quarter 2014	First quarter 2015	2013	2014
millions of dollars							
Capital account and current account							
Net lending / net borrowing, from capital account and current account	-11,116	-11,272	-7,824	-11,383	-20,251	-56,307	-41,595
Current account balances	-11,022	-11,270	-7,819	-11,368	-20,202	-56,254	-41,480
Goods and services	-3,392	-5,848	-2,989	-5,769	-13,327	-30,219	-17,999
Goods	4,202	687	821	-711	-5,548	-7,221	4,999
Services	-7,593	-6,536	-3,810	-5,058	-7,779	-22,997	-22,997
Primary income	-6,259	-5,203	-4,571	-5,808	-5,543	-24,165	-21,842
Compensation of employees	-471	-531	-555	-518	-462	-2,045	-2,076
Investment income	-5,788	-4,672	-4,016	-5,290	-5,081	-22,120	-19,766
Direct investment	-594	206	1,279	832	517	-735	1,723
Portfolio investment	-4,870	-5,043	-5,202	-5,228	-5,189	-18,953	-20,342
Other investment	-324	164	-93	-894	-409	-2,432	-1,147
Secondary income	-1,371	-219	-259	209	-1,332	-1,870	-1,639
Capital account balance	-94	-2	-4	-14	-50	-53	-115
Financial account^{1, 2}							
Net lending / net borrowing, from financial account	-11,233	-12,123	-7,123	-6,699	-21,926	-55,693	-37,178
Net acquisition of financial assets	28,501	31,027	26,726	54,542	40,124	76,845	140,797
Canadian direct investment abroad	9,316	6,684	12,309	34,706	16,499	52,042	63,014
Canadian portfolio investment in foreign securities	16,544	5,828	18,004	16,052	-5,318	29,310	56,428
Foreign debt securities	5,833	-2,647	7,797	9,639	-1,360	23,008	20,622
Foreign money market instruments	-147	1,533	-2,248	774	-168	1,586	-88
Foreign bonds	5,980	-4,180	10,044	8,865	-1,192	21,421	20,709
Foreign equity and investment fund shares	10,711	8,475	10,207	6,412	-3,958	6,302	35,806
Official international reserves	4,696	-867	-137	2,161	6,585	4,868	5,854
Other Canadian investment abroad	-2,055	19,383	-3,450	1,624	22,357	-9,376	15,501
Loans	-61	11,987	7,034	7,355	14,936	-419	26,316
Currency and deposits	1,012	3,882	-9,550	-3,701	3,563	824	-8,357
Other assets	-3,007	3,514	-935	-2,030	3,858	-9,781	-2,458
Net incurrence of liabilities	39,734	43,150	33,849	61,241	62,050	132,537	177,975
Foreign direct investment in Canada	14,467	12,741	15,785	20,390	6,670	72,668	63,383
Foreign portfolio investment in Canadian securities	7,984	31,400	20,530	261	37,571	43,087	60,175
Canadian debt securities	525	22,032	8,676	3,727	28,121	24,191	34,959
Canadian money market instruments	-5,152	7,206	-3,194	-1,615	-13,262	-2,521	-2,755
Canadian bonds	5,677	14,826	11,870	5,341	41,383	26,712	37,715
Canadian equity and investment fund shares	7,459	9,369	11,854	-3,466	9,450	18,896	25,216
Other foreign investment in Canada	17,283	-991	-2,466	40,590	17,809	16,782	54,417
Loans	-3,275	-1,879	1,293	6,712	-253	2,598	2,851
Currency and deposits	19,202	950	-4,116	33,119	17,950	14,549	49,155
Special drawing rights	0	0	0	0	0	0	0
Other liabilities	1,357	-63	357	759	112	-365	2,411
Discrepancy (net errors and omissions)	-117	-851	701	4,684	-1,675	614	4,417

1. Transactions are recorded on a net basis.

2. In the financial account, a plus sign denotes an increase in investment and a minus sign denotes a decrease in investment.

Source(s): CANSIM tables [376-0101](#), [376-0102](#), [376-0103](#) and [376-0104](#).

Table 2
Current account – Seasonally adjusted

	First quarter 2014	Second quarter 2014	Third quarter 2014	Fourth quarter 2014	First quarter 2015	2013	2014
	millions of dollars						
Current account receipts	175,148	182,245	183,168	180,916	177,821	658,556	721,478
Goods and services	151,985	157,197	158,922	156,207	152,239	571,808	624,311
Goods	128,468	133,307	135,051	132,128	128,022	479,266	528,954
Services	23,518	23,889	23,871	24,079	24,217	92,542	95,357
Travel	4,681	4,824	4,893	4,898	4,901	18,201	19,296
Transportation	3,581	3,645	3,697	3,740	3,738	14,194	14,663
Commercial services	14,865	15,035	14,903	15,066	15,177	58,696	59,869
Government services	391	386	378	375	401	1,451	1,530
Primary income	20,419	22,207	21,211	21,681	22,477	75,229	85,519
Compensation of employees	323	323	326	338	350	1,235	1,310
Investment income	20,096	21,885	20,885	21,344	22,126	73,994	84,209
Direct investment	12,348	13,918	12,865	13,092	13,520	45,697	52,223
Interest	963	914	926	999	975	4,271	3,803
Profits	11,385	13,004	11,939	12,092	12,545	41,427	48,420
Portfolio investment	6,132	6,169	6,319	6,548	6,764	22,797	25,166
Interest on debt securities	1,676	1,728	1,786	1,856	1,933	6,161	7,047
Dividends on equity and investment fund shares	4,456	4,441	4,532	4,691	4,831	16,636	18,120
Other investment	1,616	1,798	1,701	1,704	1,842	5,499	6,820
Secondary income	2,744	2,841	3,034	3,028	3,106	11,519	11,648
Private transfers	999	1,055	1,065	1,063	1,089	3,616	4,182
Government transfers	1,746	1,786	1,969	1,965	2,016	7,903	7,466
Current account payments	185,444	191,367	192,181	193,966	195,288	714,810	762,958
Goods and services	155,910	160,438	161,949	164,012	165,120	602,027	642,309
Goods	126,589	130,763	132,443	134,160	135,267	486,487	523,955
Services	29,321	29,675	29,506	29,851	29,853	115,540	118,354
Travel	9,331	9,344	9,261	9,415	9,190	36,161	37,351
Transportation	6,090	6,144	6,213	6,292	6,359	24,035	24,739
Commercial services	13,630	13,890	13,730	13,844	14,018	54,175	55,094
Government services	270	296	302	301	287	1,169	1,170
Primary income	26,237	27,495	27,019	26,609	26,657	99,394	107,361
Compensation of employees	828	846	854	857	851	3,280	3,386
Investment income	25,409	26,649	26,166	25,751	25,806	96,114	103,975
Direct investment	12,452	13,670	12,590	11,788	11,595	46,432	50,500
Interest	947	933	931	933	846	3,618	3,743
Profits	11,505	12,737	11,660	10,856	10,750	42,814	46,757
Portfolio investment	11,055	11,252	11,450	11,751	12,028	41,750	45,509
Interest on debt securities	7,761	7,856	7,952	8,252	8,491	29,659	31,821
Dividends on equity and investment fund shares	3,294	3,396	3,498	3,499	3,537	12,091	13,687
Other investment	1,902	1,727	2,125	2,212	2,182	7,931	7,966
Secondary income	3,296	3,433	3,212	3,346	3,510	13,389	13,287
Private transfers	1,990	2,028	2,006	2,037	2,052	7,674	8,060
Government transfers	1,306	1,406	1,206	1,310	1,459	5,715	5,228
Current account balances	-10,295	-9,122	-9,013	-13,050	-17,466	-56,254	-41,480
Goods and services	-3,925	-3,241	-3,027	-7,805	-12,881	-30,219	-17,999
Goods	1,879	2,545	2,608	-2,033	-7,245	-7,221	4,999
Services	-5,804	-5,786	-5,635	-5,772	-5,636	-22,997	-22,997
Travel	-4,649	-4,520	-4,368	-4,517	-4,289	-17,960	-18,055
Transportation	-2,510	-2,500	-2,516	-2,551	-2,621	-9,841	-10,077
Commercial services	1,234	1,145	1,173	1,222	1,159	4,521	4,774
Government services	121	90	75	73	114	283	359
Primary income	-5,819	-5,288	-5,808	-4,927	-4,181	-24,165	-21,842
Compensation of employees	-505	-524	-528	-520	-501	-2,045	-2,076
Investment income	-5,313	-4,764	-5,280	-4,408	-3,680	-22,120	-19,766
Direct investment	-104	248	275	1,303	1,925	-735	1,723
Interest	16	-19	-5	67	129	653	59
Profits	-120	267	280	1,237	1,795	-1,388	1,664
Portfolio investment	-4,924	-5,083	-5,132	-5,203	-5,264	-18,953	-20,342
Interest on debt securities	-6,085	-6,128	-6,166	-6,396	-6,558	-23,498	-24,775
Dividends on equity and investment fund shares	1,161	1,045	1,034	1,192	1,294	4,545	4,433
Other investment	-286	71	-423	-508	-340	-2,432	-1,147
Secondary income	-552	-592	-178	-318	-405	-1,870	-1,639
Private transfers	-991	-973	-941	-973	-962	-4,058	-3,878
Government transfers	439	380	763	656	558	2,188	2,238

Source(s): CANSIM tables [376-0101](#) and [376-0105](#).

Available in CANSIM: tables [376-0012](#), [376-0013](#), [376-0101 to 376-0108](#), [376-0110](#), [376-0111](#), [376-0121](#), [376-0122](#) and [376-0124](#).

Definitions, data sources and methods: survey numbers [1534](#), [1535](#), [1536](#) and [1537](#).

The balance of international payments data for the second quarter will be released on August 31.

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca).

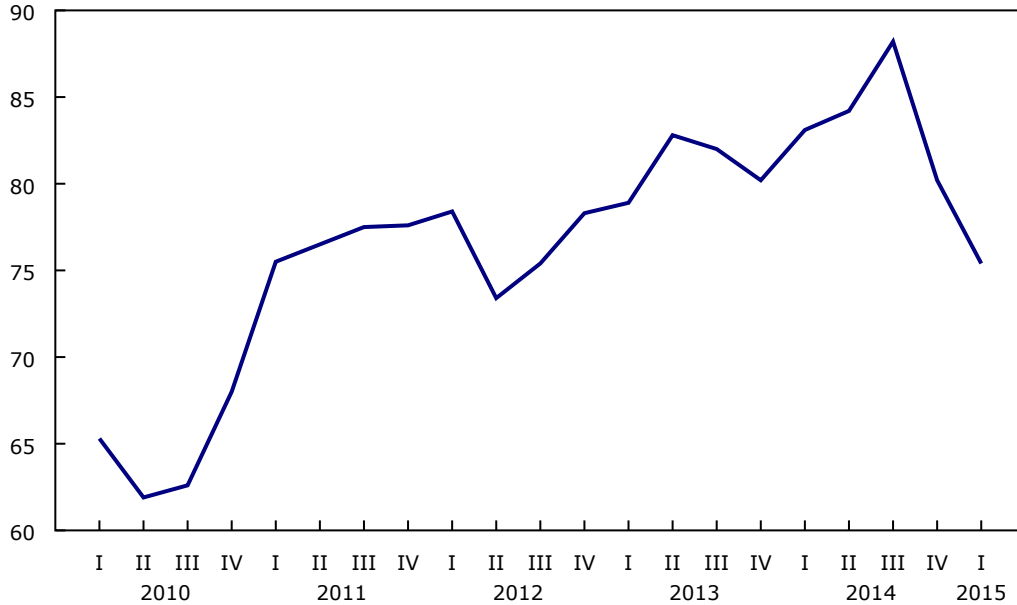
To enquire about the concepts, methods or data quality of this release, contact Denis Caron (613-808-2278; denis.caron@statcan.gc.ca), International Accounts and Trade Division.

Quarterly financial statistics for enterprises, first quarter 2015

Canadian corporations earned \$75.4 billion in operating profits in the first quarter, down 6.0% from the previous quarter. This decrease followed a 9.1% decline in the fourth quarter of 2014. Overall, operating profits decreased in 12 of 22 industries.

Chart 1 Quarterly operating profits

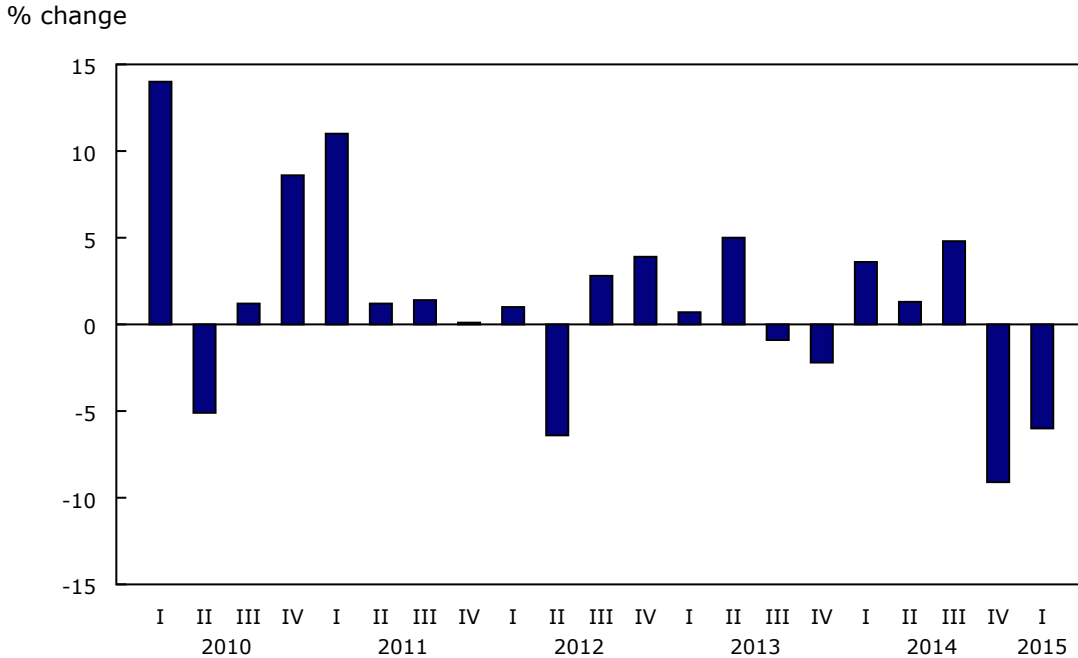
billions of dollars



Source(s): CANSIM table [187-0002](#).

In the non-financial sector, operating profits fell 7.9% to \$55.7 billion in the first quarter, following a 4.8% decrease the previous quarter.

Chart 2
Quarterly change in operating profits



Source(s): CANSIM table [187-0002](#).

In the financial sector, operating profits fell 0.2% to \$19.7 billion. This decrease followed a 19.9% decline in the fourth quarter of 2014.

On a year-over-year basis, operating profits for all Canadian corporations decreased 9.3% compared with the first quarter of 2014. Profits fell 11.9% in the non-financial sector and declined 0.9% in the financial sector.

Non-financial sector

Oil and gas extraction profits fell from \$2.2 billion in the fourth quarter to a \$631 million loss in first quarter, the fourth consecutive quarter of decline. The price of crude oil, which decreased through the second half of 2014, continued to decline in the first quarter, negatively affecting operating revenues, which fell by \$6.1 billion to \$35.7 billion.

Profits in the petroleum and coal products manufacturing industry fell by \$2.1 billion to \$944 million, their lowest level in five years. Operating revenues fell 19.9% to \$26.1 billion.

Operating profits decreased 12.7% in manufacturing to \$12.1 billion.

Lower profits were reported by 9 of 13 manufacturing industries.

Stronger than normal sales in February and March led to a rebound in profits for the motor vehicle and parts manufacturing industry. Profits increased 58.2% to \$1.3 billion. This followed a fourth quarter that saw the lowest profits in motor vehicle manufacturing in two years.

Operating profits in wholesale trade rose 2.8% to \$5.5 billion. Profits for machinery, equipment and supplies wholesalers rose 18.6% to \$1.7 billion, while profits for motor vehicle and parts merchandise wholesalers fell 23.1% to \$426 million.

Operating profits in the retail sector rose 7.9% to \$4.1 billion. Motor vehicle and parts dealers had a strong first quarter with profits up 15.3% to \$696 million. Profits for other retailers increased 9.3% to \$1.3 billion while clothing, department and other general merchandise stores saw a 5.9% drop to \$796 million as major retailers shuttered locations across Canada.

Transportation and warehousing profits rose 8.4% to \$5.1 billion. Transportation rose 11.5% to \$3.3 billion while pipelines, warehousing and transportation support activities profits grew 3.5% to \$1.9 billion.

Information and cultural industries profits increased 3.1% to \$4.4 billion. This came mainly from strong growth in the publishing, broadcasting, motion pictures, sound recording and information services industry, which rose 15.5% to \$1.3 billion. Profits for the telecommunications industry declined 1.3% to \$3.1 billion.

Professional, scientific and technical services profits fell 6.0% to \$3.4 billion.

Financial sector

Operating profits in the financial sector decreased 0.2% to \$19.7 billion in the first quarter.

Profits for depository credit intermediaries increased 11.2% to \$10.7 billion as a result of higher dividend income and revenue from derivative trading.

Insurance carriers' profits fell by \$933 million in the first quarter, resulting in an operating loss of \$110 million. This decline mainly came from life, health and medical insurance carriers where higher actuarial liability expenses were recorded in the first quarter.

Note to readers

Quarterly financial statistics are compiled using financial information provided by enterprises that derive these data from their financial statements. Starting January 1, 2011, Canadian publicly accountable enterprises were required to replace Canadian Generally Accepted Accounting Principles (CGAAP) with International Financial Reporting Standards (IFRS) when preparing their financial statements for fiscal years starting on or after January 1, 2011. Canadian private enterprises were required to replace CGAAP by Accounting Standards for Private Enterprises or IFRS. The adoption of new accounting standards by some enterprises since the beginning of 2011 may affect comparability with prior periods.

Quarterly profit numbers referred to in this release are seasonally adjusted and are in current dollars. The quarterly financial data for the period covering the first quarter of 2012 to the fourth quarter of 2014 inclusive have been revised following reconciliation to the 2012 and 2013 annual series. In addition, seasonally adjusted data have been revised back to 2012.

For more information on seasonal adjustment, see [Seasonally adjusted data – Frequently asked questions](#).

Quarterly financial statistics for enterprises are based upon a sample survey and represent the activities of all corporations in Canada, except those that are government controlled or not-for-profit. An enterprise can be a single corporation or a family of corporations under common ownership and/or control, for which consolidated financial statements are produced.

Profits referred to in this analysis are operating profits earned from normal business activities. For non-financial industries, operating profits exclude interest and dividend revenue and capital gains/losses whereas, for financial industries, these are included, along with interest paid on deposits.

Operating profits differ from net profits, which represent the after-tax profits earned by corporations.

Table 1
Quarterly financial statistics for enterprises – Seasonally adjusted

	First quarter 2014 ^r	Fourth quarter 2014 ^r	First quarter 2015 ^p	Fourth quarter 2014 to first quarter 2015	First quarter 2014 to first quarter 2015
	billions of dollars			% change	
All industries					
Operating revenue	921.0	937.7	919.8	-1.9	-0.1
Operating profit	83.1	80.2	75.4	-6.0	-9.3
Net profit	63.0	62.2	53.3	-14.4	-15.5
Non-financial					
Operating revenue	831.5	847.0	826.4	-2.4	-0.6
Operating profit	63.3	60.5	55.7	-7.9	-11.9
Net profit	47.1	45.2	36.7	-18.6	-22.0
Financial					
Operating revenue	89.5	90.7	93.4	2.9	4.4
Operating profit	19.8	19.7	19.7	-0.2	-0.9
Net profit	15.9	17.1	16.5	-3.2	3.8

^r revised

^p preliminary

Note(s): Figures may not add up to totals because of rounding.

Source(s): CANSIM table [187-0002](#).

Available in CANSIM: tables [187-0001](#) and [187-0002](#).

Definitions, data sources and methods: survey number [2501](#).

Aggregate balance sheet and income statement data for Canadian corporations are now available in CANSIM at the national level for 22 industry groupings.

The first quarter 2015 issue of the *Quarterly Financial Statistics for Enterprises* ([61-008-X](#)) will be available soon.

Financial statistics for enterprises for the second quarter will be released on August 27.

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca).

To enquire about the concepts, methods, or data quality of this release, contact Daryl Keen (613-864-8550; daryl.keen@statcan.gc.ca) or Philippe Marceau (613-864-8790; philippe.marceau@statcan.gc.ca), Industrial Organization and Finance Division.

Federal government spending on science and technology, 2015/2016 (intentions)

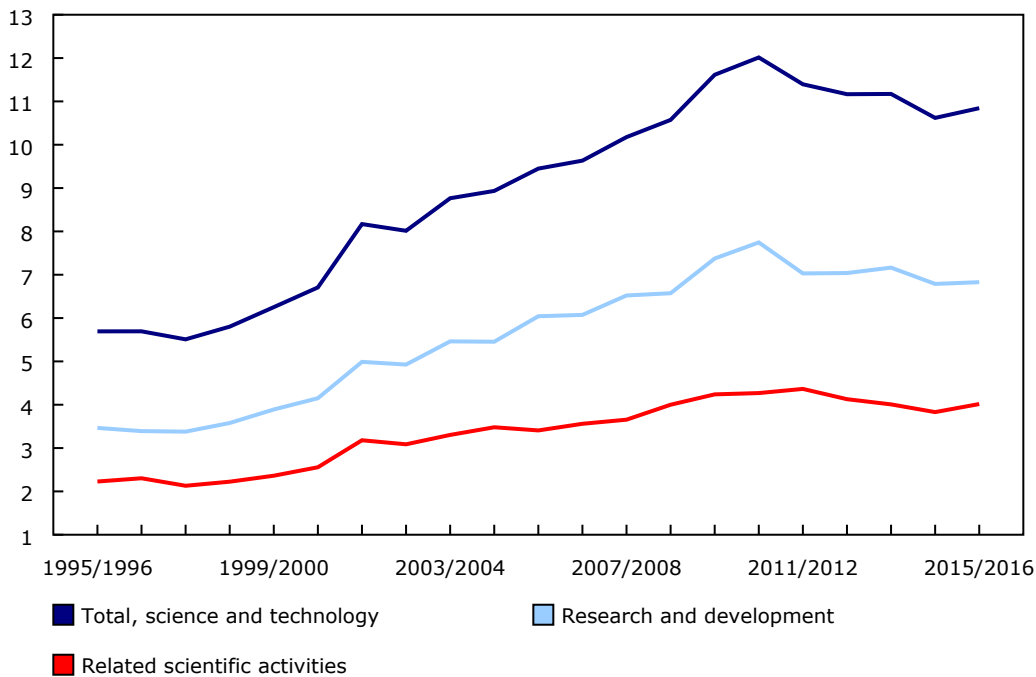
Federal government spending on scientific and technological activities is expected to increase by 2.1% from last fiscal year to \$10.8 billion in 2015/2016. Science and technology spending by federal departments and agencies reached its highest level in 2010/2011 at \$12.0 billion.

Science and technology is composed of two types of sciences, natural sciences and engineering as well as social sciences and humanities. Anticipated federal government spending in the natural sciences and engineering is \$8.2 billion in 2015/2016, up 0.9% from 2014/2015. This represents over three-quarters of total science and technology expenditures. Expenditures in the social sciences and humanities are expected to increase by 6.2% from the previous year to \$2.6 billion.

Science and technology spending also encompasses two types of activities, research and development as well as related scientific activities. Research and development activities are expected to increase 0.6% in 2015/2016 to account for almost two-thirds or \$6.8 billion of the total federal science and technology expenditures. Spending on related scientific activities is anticipated to increase by 4.9% from 2014/2015 to \$4.0 billion.

Chart 1
Federal government spending on science and technology

billions of dollars



Source(s): CANSIM table [358-0142](#).

Federal government science and technology spending is also categorized by intramural (or in-house) and extramural expenditures. Intramural expenditures are expected to account for 52.3% (\$5.7 billion) of the total science and technology expenditures for 2015/2016, up 4.6% compared with 2014/2015. Extramural expenditures

are anticipated to account for 47.7% (\$5.2 billion) of the total expenditures, down 0.5% compared with 2014/2015. The higher education sector is anticipated to be the largest extramural performer, accounting for 60.9% of total extramural science and technology expenditures in 2015/2016, followed by the business enterprise sector at 19.1%.

Federal departments and agencies reported that they anticipate 34,799 full-time equivalent positions to be engaged in science and technology activities in 2015/2016, down 1.4% from the previous year. More than half (54.8%) of these positions are expected to be in the scientific and professional category.

Note to readers

New estimates for federal science and technology spending are now available for fiscal years 2013/2014 to 2015/2016. Historical data on science and technology spending by federal departments and agencies are available starting from 1995/1996.

The Federal Science Expenditures and Personnel, Activities in the Social Sciences and Natural Sciences is an annual survey of all federal government departments and agencies believed to be performing or funding science and technology activities. Data for this release cycle were collected between September 8, 2014, and January 9, 2015.

Research and development is defined as creative work with an appreciable element of novelty and uncertainty undertaken in a systematic manner to increase the stock of scientific and technical knowledge. **Related scientific activities** are focused on the generation, dissemination and application of scientific and technical knowledge.

Available in CANSIM: tables [358-0142 to 358-0151](#) and [358-0163 to 358-0166](#).

Definitions, data sources and methods: survey number [4212](#).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

Construction Union Wage Rate Index, April 2015

The Construction Union Wage Rate Index (including supplements) for Canada was unchanged in April compared with the previous month. The composite index increased 2.1% in the 12 months to April.

Among the 22 metropolitan areas covered by the survey, Regina (+2.4%) and Saskatoon (+2.3%) posted the only increases in the composite index compared with the previous month.

In both areas, the labourer, crane operator, plumber and truck driver trades posted the largest monthly wage rate increases (all +3.0%).

Note to readers

Union wage rates are published for 16 trades in 22 metropolitan areas for both the basic rates and rates including selected supplementary payments. The indexes (2007=100) are calculated for the same metropolitan areas and are published for those where a majority of trades are covered by current collective agreements.

The wage rates and indexes are subject to a 30-month revision period after dissemination of a given month's data. This is due to the length of time that can transpire between the expiration of a collective agreement and the ratification of a new collective agreement. The wage rates and indexes are not seasonally adjusted.

Available in CANSIM: tables [327-0003](#) and [327-0045](#).

Definitions, data sources and methods: survey number [2307](#).

The Construction Union Wage Rate Index for May will be released on June 25.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

Food availability, 2014

Red meat available for consumption continued to decline, reaching 37.2 kilograms per person in 2014. This was down 2.1% from 2013 and 20.1% lower compared with 2004 (46.6 kilograms per person).

The availability of poultry for consumption edged up from 37.2 kilograms per person in 2013 to 37.5 kilograms in 2014 and was 3.0% higher than in 2004.

After reaching a record high in 2013, fresh fruit available per capita, including citrus, fell 1.9% to 76.8 kilograms per person in 2014.

Fresh vegetables available for consumption, excluding potatoes, edged down from 76.9 kilograms per person in 2013 to 76.6 kilograms in 2014.

Note to readers

Data on food availability per person for selected products, as well as on the supply and disposition of these products, are now available for 2014.

Data presented in this program are compiled from a wide variety of sources, both survey and administrative, from within Statistics Canada, as well as other sources, including provincial and federal government departments, growers' associations and marketing boards.

The food availability data series is the result of a partnership between Agriculture and Agri-Food Canada and Statistics Canada.

Available in CANSIM: tables [002-0010](#) and [002-0011](#).

Definitions, data sources and methods: survey number [3475](#).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

Canadian Megatrends, May 2015

Unionization rates falling

Few groups have felt the impact of the changing nature of the labour market as the union movement.

This month's *Canadian Megatrends* looks at the journey of unions from the industrial base of the late 19th century to the white collar workplaces of today.

Today, a union member is as likely to be female as male and work in an office, school or hospital. The unionization rate fell from 37.6% in 1981 to 28.8% in 2014, with men accounting for the largest portion of the decline. Women, in turn, saw their rate of unionization hold steady at just over 30%.

While the unionization rate for men decreased for every age group, it was especially pronounced in the 25-to-34 and 35-to-44 age groups. A major reason behind this trend was the employment shift from industries and occupations with high unionization rates, such as manufacturing, to industries and occupations with lower rates, such as retail trade.

For women, however, the stability in the unionization rate, especially for older women, may be explained by their concentration in industries with a high unionization rate, such as health care and social assistance, education services and public administration.

The article "Unionization rates falling," part of *Canadian Megatrends* ([11-630-X](#)), is now available from *The Daily* module of our website.

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca).

To enquire about the concepts, methods or data quality of this release, contact Diane Galarneau (613-854-3018; diane.galarneau@statcan.gc.ca), Labour Statistics Division.

Production and disposition of tobacco products, April 2015

Canadian manufacturers produced 2.1 billion cigarettes in April, up 12.5% from the previous month. Cigarette production increased 8.9% from the same month a year earlier.

The total number of cigarettes sold in April increased 2.5% from March to 1.7 billion, up 3.0% from April 2014.

Note to readers

These data are subject to revision and are not seasonally adjusted.

The monthly survey, Production and Disposition of Tobacco Products, measures the quantities of tobacco products that are produced and sold by Canadian manufacturers.

Available in CANSIM: table [303-0062](#).

Definitions, data sources and methods: survey number [2142](#).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

International Travel Survey: Public use microdata file, 2013

The International Travel Survey (ITS) public use microdata file for the 2013 is now available.

This public use microdata file contains data for a wide variety of variables collected from the 2013 ITS, including the characteristics of Canadian resident travellers and non-residents travellers, travel expenditures, length of stay, type of transportation, purpose of trip, accommodation used, places visited and expenditures by category.

Note to readers

The primary objective of the International Travel Survey (ITS) is to provide statistics on travellers, to and from Canada, their characteristics of travel and spending levels.

A user guide and data dictionary are also available with the ITS public use microdata file.

Definitions, data sources and methods: survey number 3152.

The product *International Travel Survey Microdata File, 2013* ([66M0001X](#)), is now available upon request.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

New products and studies

New products

Canadian Megatrends: "Unionization rates falling", 1981 to 2014
Catalogue number [11-630-X2015005](#) (HTML)

International Travel Survey Microdata File, 2013, No. 1
Catalogue number [66M0001X](#) (CD-ROM)



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