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Infomat

A Weekly Review

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INSIDE

Exports at lowest level in five months

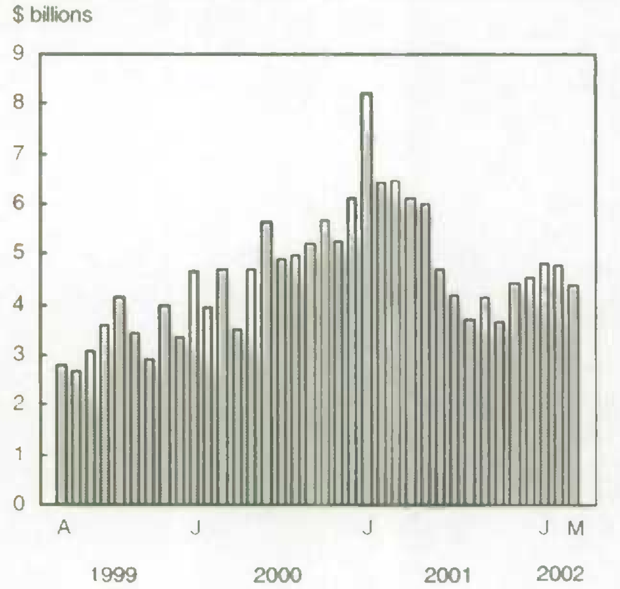
Canadian companies exported $33.2 billion in goods in March, down 2.0% from February, the largest monthly rate of decline since October 2001. Merchandise imports, however, fell at one-half the pace of exports to $28.8 billion, a 1.0% decrease from February.

Exports to all of Canada's principal trading partners except Japan and the "other OECD countries" fell. As a result, Canada's trade balance dipped 7.9% to $4.4 billion. This decline followed strong increases in the first two months of the year.

The trade surplus with the United States fell by $229 million to $7.4 billion. The U.S. accounted for more than one-quarter of the decrease in Canada's exports in March, while imports remained virtually unchanged. Consequently, Canada's total trade deficit with other nations widened by $147 million to $3.0 billion.

(continued on page 2)

Trade balance



Exports at lowest level... *(continued from page 1)*

March's decline was led by the three largest export sectors: auto products, machinery and equipment and industrial goods. The automotive products export sector fell 4.3% to $7.9 billion, a result of stagnating fleet and rental company sales in the United States.

In the machinery and equipment sector, exports fell 7.8% to $7.4 billion. The $630.2 million decline was led by aircraft and other transportation equipment, where exports fell 26.0%. However, March's decline in aircraft and other equipment is more a result of strong domestic demand for Canadian-built aircraft rather than weakness in the export market.

Exports of television, telecommunications and related equipment, however, continued to bounce back on strong sales to the Far East and United States.

Unseasonably cold weather in North America boosted exports in the energy sector by 29.5% to $4.2 billion, the fourth straight monthly increase. March's increase was due mainly to strong exports of natural gas, crude petroleum and electricity to the U.S.

The forestry products export sector held steady, rising 0.5% to $3.1 billion. The driving force, lumber and sawmill products, rose for the fourth straight month (+6.5% to $1.7 billion). Rising prices for softwood lumber pushed lumber exports up 9.9% to $1.1 billion in March.

Automotive product imports rose 2.1% to $6.6 billion. Strong domestic car sales resulted in a 20.6% jump in imports of passenger autos to $2.2 billion. Imports of motor vehicle parts fell 6.2% to $3.5 billion. Trucks and other motor vehicles imports fell 1.3% to $876.1 million.

Canada's largest import sector, machinery and equipment, registered a 1.1% drop to $8.6 billion in March. Within this sector, imports of aircraft and other transportation equipment fell 5.2% to $1.1 billion as the industry exercised caution in holding inventories of aircraft parts.

The third largest import sector, industrial goods and materials, declined 7.1% to $5.5 billion, mainly on reduced movement of precious metals in the metals and metal ores sub-sector.

The unusually cold weather in March pushed the value of energy product imports up 12.7%. The consumer goods sector cooled off somewhat from record highs in February, falling 1.7% to $3.7 billion.

Canadian international merchandise trade *(Internet: 65-001-XIB, $14/$141; paper: 65-001-XPB, $19/$188) will be available soon. For general information, contact Jocelyne Elibani, (613-951-9647; 1-800-294-5583). For analytical information, contact Daryl Keen (613-951-1810), International Trade Division. (See also "Current trends" on page 6.)*

Courts personnel and expenditures

The report *Courts expenditures and personnel* provides personnel and expenditure information on the judicial system for the 2000-2001 fiscal year, as well as some comparisons between current results and findings from the previous surveys of 1996-1997 and 1998-1999.

This report also contains data from the provincial and territorial courts, and the federal courts, which include the Supreme Court of Canada, the Federal Court of Canada, the Tax Court of Canada, and the Office of the Commissioner for Federal Judicial Affairs.

The report ***Courts expenditures and personnel*** *(Internet: 85-403-XIE, $22) is now available. For more information, contact Canadian Centre for Justice Statistics Information and Client Services (1-800-387-2231 or 951-9023).*

Manufacturers' shipments slip after two monthly increases

Manufacturing shipments slipped 0.7% in March to $41.7 billion, following the first back-to-back monthly increase in two years. Despite the decline, shipments recovered sharply on a quarterly basis, rising 2.7% in the first quarter compared with the final quarter of 2001.

According to the Labour Force Survey, manufacturers added 13,400 employees to their payrolls in March, in addition to the 86,000 new jobs created in January and February. However, the latest estimates show that 19,000 manufacturing positions were lost in April.

March's decrease was extensive; 14 of 21 industries, representing 70% of total shipments, reported lower values. As well, eight provinces and the territories registered lower shipments. Only New Brunswick and British Columbia reported increases.

Motor vehicle shipments decreased 5.2% to $5.2 billion. In contrast, shipments had surged 9.5% to $5.5 billion in February, as several plants returned to more normal production levels following slowdowns and temporary shutdowns in December and January.

The chemical products industry also reported lower shipments, down 3.1% from February to $2.9 billion. Manufacturers of fabricated metal products reported a 3.6% drop in shipments, following sharp increases in January and February.

Partly offsetting the overall decrease in shipments, shipments in the petroleum and coal products industry advanced 14.5% to $2.4 billion, as prices soared 7.3% in March. Prices have been on an upward swing throughout 2002 as markets faced uncertainty because of the developing crisis in the Middle East and recent production cuts in crude oil by the Organization of Petroleum Exporting Countries.

Manufacturers trimmed their inventories for the tenth straight month in March, reducing them by a further 0.2% to $62.1 billion. Offsetting the decline, finished-product inventories rose 0.9%, the largest monthly gain since last June.

The rise in finished product inventories came amid encouraging signs that the inventory correction may be starting to bottom out, as manufacturers contemplate rebuilding their stocks of goods. According to the April Business Conditions Survey, manufacturers were much more upbeat about their levels of finished-product inventories, with 82% indicating that their finished-product inventory was about right, up from 66% in January.

For the second consecutive month, the computer and electronics industry was the main contributor to the inventory decline, as high-tech manufacturers cut inventories a further 4.6% to $4.9 billion. Despite the recent increases in shipments and unfilled orders, computer and electronic product manufacturers have continued to scale back their inventory holdings as uncertainty continues to cloud the longer term outlook of the high-tech sector.

With March shipments decreasing faster than inventories, the inventory-to-shipment ratio edged up for the first time in three months to 1.49, but remained well below the nine-year high of 1.56 set in October 2001.

Manufacturers reported an increase in unfilled orders for the second straight month, as improved confidence among consumers and businesses contributed to a 1.4% rise in orders. New orders slipped 0.3%, following increases in January (+4.0%) and February (+2.7%).

The March 2002 issue of the ***Monthly Survey of Manufacturing*** *(Internet: 31-001-XIB, $15/$147) is now available. For general information, contact the dissemination officer (1-866-873-8789, 613-951-9497, manufact@statcan.ca). For analytical information, contact Russell Kowaluk (613-951-0600: kowarus@statcan.ca), Manufacturing, Construction and Energy Division. (See also "Current trends" on page 6.)*

Manufacturers' shipments, March 2002
Seasonally adjusted

	$ millions	% change, previous month
Canada	**41,697**	**-0.7**
Newfoundland and Labrador	187	-1.1
Prince Edward Island	101	-4.1
Nova Scotia	675	-5.5
New Brunswick	1,004	12.0
Quebec	9,903	-1.2
Ontario	22,269	-1.1
Manitoba	923	-2.6
Saskatchewan	567	-2.5
Alberta	3,210	-0.1
British Columbia	2,854	2.1
Yukon, Northwest Territories and Nunavut	4	-25.0

Farm numbers down across Canada: Census of Agriculture

Almost 30,000 farms across Canada went out of business between 1996 and 2001, according to the first data from the 2001 Census of Agriculture.

The census counted 246,923 farms on May 15, 2001, down 29,625 since 1996. This 10.7% decrease was the fastest rate of decline between censuses since 1971 when the census reported a five-year drop of 15.0%.

Farm numbers have been falling for the last five decades, reflecting rapid changes in technology and increasing productivity. The largest-ever decline was between the 1956 and 1961 censuses, when farm numbers fell 16.4%. In recent years, the rate of decline had been easing off.

For every 10 farms enumerated by the census in 1996, seven still existed in 2001, while three went out of business. On the other hand, about 50,000 farm operations began during the period. This entry rate of new farm operations was consistent with longer-term trends.

Farms with gross receipts of less than $100,000 showed the fastest rate of departure. Just under one-half of farms with less than $25,000 in receipts that were counted in 1996 had left farming by 2001.

The number of farms declined by at least 10% in all provinces, except for Alberta, where they decreased 9.1%, and British Columbia, where they fell 7.1%.

Provincially, Prince Edward Island had the biggest percentage drop in farm numbers (-16.8%). Just 16.6% of P.E.I. farms were new since the last census. At the other end of the spectrum was British Columbia, where more than one-third (35.7%) of the farms were new.

Nationally, farmers reported that they had 89.9 million acres in crops in 2001, up 4.2% from the previous census. As a result, farms have been getting larger. The average farm in 2001 was 676 acres, compared with 608 in 1996.

Farms with $250,000 or more in gross farm receipts (at 2000 prices) represented 13.8% of all farms in 2001, double the proportion in 1991. Their share had more than doubled between 1981 and 1991 as well. This was the only financial bracket to show an increase at the national level.

Farmers continued to be squeezed by increasing costs and declining value of many of the products they sold. Farmers spent 87 cents in operating expenses for every dollar in gross farm receipts in 2000. In 1995, it took 83 cents in expenses to earn a dollar in gross farm receipts.

Farmers reported total gross receipts of $38.3 billion in 2000, while operating expenses reached $33.2 billion. Five years earlier, at 1995 prices, receipts were $32.2 billion and expenses were $26.7 billion.

Economic factors have forced farmers to switch to different crops. Wheat still comprises the largest crop area, but it has declined 12.6%. For every acre in wheat in 2001, 2.3 acres were in other field crops, compared with 1.8 in 1996.

In Atlantic Canada, farmers have been moving into blueberries in a big way. Atlantic farmers grew 67,198 acres of blueberries in 2001, up 26.9% from 1996. Nova Scotia farmers accounted for 56% of the region's total crop.

On the Prairies, hogs outnumbered people on Census Day. Manitoba, Saskatchewan and Alberta had 5.68 million hogs on May 15, 2001. The Census of Population showed that the three provinces had a combined population of just over five million people.

Farm data: Initial release *(Internet: 95F0301XIE, free) is now available on Statistics Canada's website (www.statcan.ca). From the* Our products and services *page choose* Free publications *then* Agriculture. *For more information, contact Gaye Ward (613-951-3172), Census of Agriculture.*

Number of farms

	1996	2001	Absolute change	% change
Canada	**276,548**	**246,923**	**-29,625**	**-10.7**
Newfoundland and Labrador	742	643	-99	-13.3
Prince Edward Island	2,217	1,845	-372	-16.8
Nova Scotia	4,453	3,923	-530	-11.9
New Brunswick	3,405	3,034	-371	-10.9
Quebec	35,991	32,139	-3,852	-10.7
Ontario	67,520	59,728	-7,792	-11.5
Manitoba	24,383	21,071	-3,312	-13.6
Saskatchewan	56,995	50,598	-6,397	-11.2
Alberta	59,007	53,652	-5,355	-9.1
British Columbia	21,835	20,290	-1,545	-7.1

Wholesalers with close ties to consumer goods sustain growth

Wholesalers sold $33.6 billion worth of goods and services in March, essentially unchanged from the previous month and just down slightly from the peak in January.

However, as a result of January's healthy sales increase, and the steady sales reported in both February and March, overall wholesale sales grew 2.4% in the first quarter of 2002.

Wholesalers with direct ties to consumer goods, except for food products, had sustained sales growth in March. On the other hand, wholesalers with close ties to industry continued to struggle, dampening overall wholesale trade this month.

Wholesale trade, March 2002
Seasonally adjusted

	$ millions	% change, previous month	% change, previous year
Canada	**33,635**	**-0.2**	**2.8**
Newfoundland and Labrador	209	-0.1	-5.9
Prince Edward Island	55	-0.7	11.5
Nova Scotia	587	-0.4	4.9
New Brunswick	427	0.9	-2.0
Quebec	6,960	-0.5	5.6
Ontario	16,811	0.3	2.8
Manitoba	981	-2.1	3.0
Saskatchewan	997	0.2	-1.4
Alberta	3,410	-0.9	0.8
British Columbia	3,172	-0.7	2.0
Yukon	8	-10.5	-1.3
Northwest Territories	17	-48.5	2.9
Nunavut	2	11.3	-12.1

Sales of household goods have increased for the sixth straight month, climbing 12.5% since last September when they fell 1.8%. Automotive wholesalers reported their third consecutive monthly increase (+0.9%), and the highest first quarter growth (+8.2%) among all wholesalers. Unlike their colleagues with ties to consumer goods, wholesalers of food products reported lower sales (-3.2%).

Any sign of recovery for wholesale sales of heavy machinery faded as both industrial machinery (-2.2%) and farm machinery (-2.9%) fell. These declines completely wiped out the gains made by the two sectors in February.

Wholesale sales rose in only three provinces, but the rise in two of the three was relatively weak. Wholesale sales in New Brunswick rose 0.9% on the strength of computer and electronic sales and industrial machinery. Wholesale sales rose slightly in both Ontario (+0.3%) and Saskatchewan (+0.2%). Strong sales related to household consumption contributed to Ontario's modest increase.

Wholesale inventories remained essentially unchanged at $42.9 billion in March. This was the second straight month of essentially stable inventory levels. The inventory-to-sales ratio also remained unchanged at 1.27.

The March 2002 issue of ***Wholesale trade*** *(Internet: 63-008-XIB, $14/$140) is now available. For general information, contact the Client Services Unit at (1-877-421-3067 or 613-951-3549; wholesaleinfo@statcan.ca). For analytical information, contact Alexander Hays (613-951-3552; haysale@statcan.ca), Distributive Trades Division.*

More seniors expected to keep working as baby boomers age

One out of every 13 seniors was still working in 1996, a ratio that is likely to increase as 9.8 million baby boomers in Canada get closer to retirement age.

The total labour force for seniors consisted of an estimated 255,200 employed and 15,700 unemployed persons. Men represented 68% of employed seniors. But as the baby boom generation ages, more women are expected to work beyond age 65. People aged 65 to 69 accounted for 59% of working seniors. Those aged 70 to 74 made up an additional 25%, while individuals older than 75 represented the remaining 16%.

Working seniors were almost four times more likely to be self-employed than younger workers. In 1996, 46% of employed people 65 and over were self-employed, compared with only 13% of workers aged 15 to 64. Most of these seniors (57%) were working owners of unincorporated businesses without paid help.

Highly educated Canadians are much more likely than those with less schooling to continue working beyond the expected age of retirement. In 1996, one in five seniors with a university degree was employed, compared with less than one in 20 seniors with only an elementary school education.

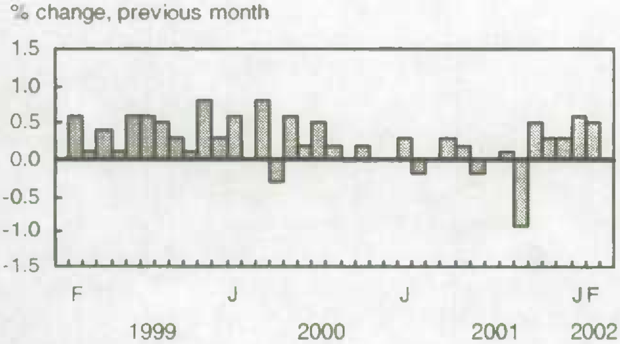
Half of total employment among seniors was in 20 occupations. Farmers and farm managers alone made up 18%, with 45,200 employed seniors. The next most popular type of job was in sales and the third most common group consisted of janitors, caretakers and building superintendents.

According to demographic projections, the number of seniors aged 65 to 74 is expected to rise from 2,146,900 in 2001 to an estimated 2,231,400 in 2006, an increase of 84,500.

The article "Seniors at work" *is now available in the May 2002 online issue of* ***Perspectives on labour and income*** *(Internet: 75-001-XIE, $5/$48). For more information, contact Doreen Duchesne (613-951-6379; doreen.duchesne@statcan.ca), Labour and Household Surveys Analysis Division.*

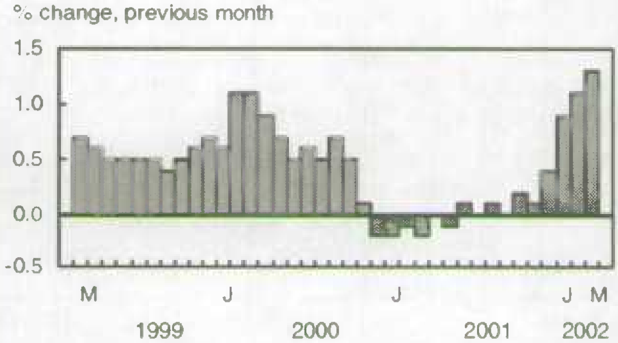
Current trends

Gross domestic product



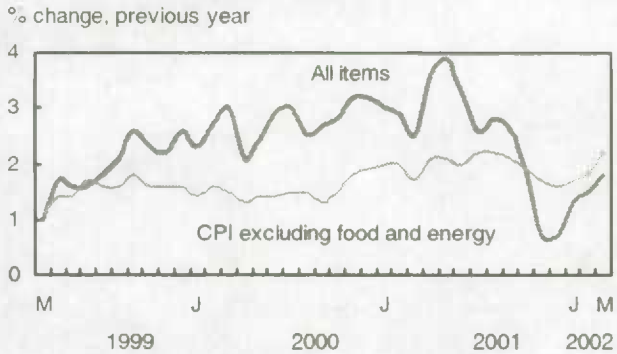
Total economic activity advanced 0.5% in February, after rising 0.6% in January.

Composite index



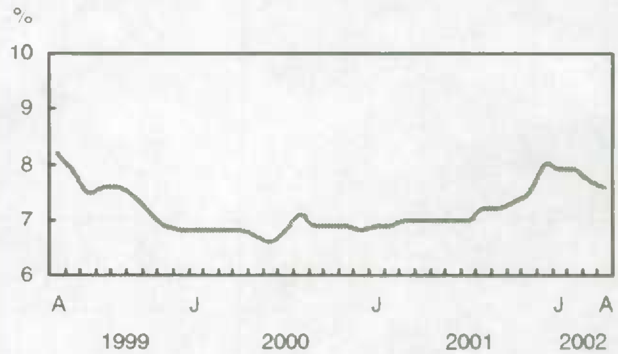
The leading indicator gained 1.3% in March. Household demand remained a pillar of strength, while manufacturing continued to lag.

Consumer Price Index



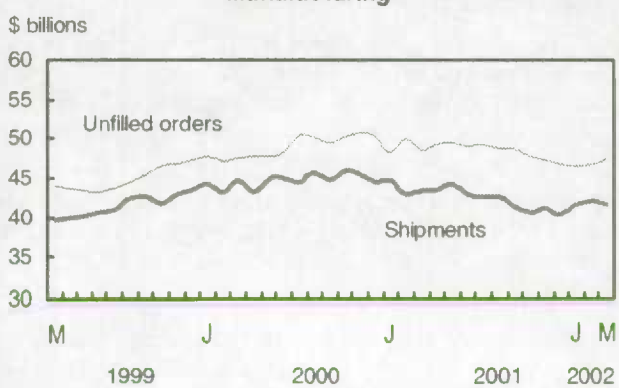
Consumer prices for goods and services were 1.8% higher in March than they were a year earlier. Excluding food and energy, prices rose 2.2%.

Unemployment rate



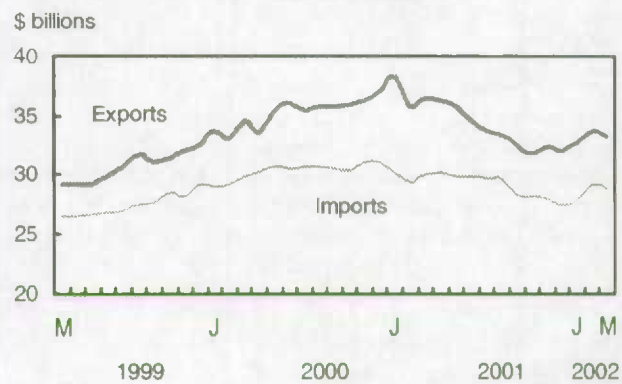
In April, the unemployment rate fell 0.1 percentage points to 7.6%.

Manufacturing



Manufacturers' shipments declined 0.7% in March to $41.7 billion. The backlog of unfilled orders rose 1.4% to $47.6 billion.

Merchandise trade



In March, the value of merchandise exports slipped 2.0% to $33.2 billion. Imports decreased 1.0% to $28.8 billion.

Note: All series are seasonally adjusted except the Consumer Price Index.

Latest statistics

	Period	Level	Change, previous period	Change, previous year
GENERAL				
Gross domestic product ($ billions, 1997)[1]	February	953.1	0.5%	1.8%
Composite Index (1992=100)	April*	175.2	1.2%	5.4%
Operating profits of enterprises ($ billions)	Q4 2001	33.8	-5.6%	-29.9%
Capacity utilization rate (%)[2]	Q4 2001	80.3	-1.2†	-4.8†
DOMESTIC DEMAND				
Retail trade ($ billions)	March*	25.2	-0.2%	6.1%
New motor vehicle sales (thousands of units)	March	139.9	-3.8%	10.2%
Wholesale trade ($ billions)	March*	33.6	-0.2%	2.8%
LABOUR				
Employment (millions)	April	15.3	0.2%	1.4%
Unemployment rate (%)	April	7.6	-0.1†	0.6†
Participation rate (%)	April	66.6	0.0†	0.5†
Average weekly earnings ($)	February	674.50	0.33%	2.12%
Help-wanted Index (1996=100)	April	126.6	0.2%	-21.4%
Regular Employment Insurance beneficiaries (in thousands)	February	553.5	-1.0%	12.1%
INTERNATIONAL TRADE				
Merchandise exports ($ billions)	March*	33.2	-2.0%	-9.1%
Merchandise imports ($ billions)	March*	28.8	-1.0%	-4.1%
Merchandise trade balance (all figures in $ billions)	March*	4.4	-0.4	-2.1
MANUFACTURING				
Shipments ($ billions)	March	41.7	-0.7%	-4.2%
New orders ($ billions)	March	42.3	-0.3%	0.9%
Unfilled orders ($ billions)	March	47.6	1.4%	-2.1%
Inventory/shipments ratio	March	1.49	0.01	-0.01
PRICES				
Consumer Price Index (1992=100)	April*	118.4	0.6%	1.7%
Industrial Product Price Index (1997=100)	March	107.2	0.6%	-1.2%
Raw Materials Price Index (1997=100)	March	111.0	5.5%	-7.0%
New Housing Price Index (1992=100)	March	108.7	0.4%	3.3%

Note: *All series are seasonally adjusted with the exception of the price indexes.*
* *new this week*
† *percentage point*
[1] *1997 replaces 1992 as the base year used in determining prices for gross domestic product by industry. Also, valuation has been changed from factor cost to basic prices.*
[2] *Calculation of the rates of capacity use is now based on the 1997 North American Industrial Classification System (NAICS), which has replaced the 1980 Standard Industrial Classification.*

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A weekly review

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Products released from May 16 to

SUBJECT AREA Title of product	Period	number	(issue/subscription)
AGRICULTURE			
Livestock statistics	Q1 2002	23-603-XIE	34/112
CANADIAN CENTRE FOR JUSTICE STATISTICS			
Courts expenditures and personnel	2000-2001	85-403-XIE	22
CULTURE, TOURISM AND THE CENTRE FOR EDUCATION STATISTICS			
International travel, advance information	March 2002	66-001-PIE	6/55
LABOUR AND HOUSEHOLD SURVEYS ANALYSIS			
Perspectives on labour and income	May 2002	75-001-XIE	5/48
MANUFACTURING, CONSTRUCTION AND ENERGY			
Monthly Survey of Manufacturing	March 2002	31-001-XIB	19/186
Primary iron and steel	March 2002	41-001-XIB	5/47
Pulpwood and wook residue statistics	March 2002	25-001-XIB	6/55
Refined petroleum products	December 2001	45-004-XPB	21/206
Refined petroleum products	December 2001	45-004-XIB	16/155
Steel wire and specified wire products	March 2002	41-006-XIB	5/47
Supply and disposition of crude oil and natural gas	December 2001	26-006-XPB	19/186
PRICES			
Consumer Price Index	April 2002	62-001-XIB	8/77
Consumer Price Index	April 2002	62-001-XPB	11/103

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