



# The Daily

Statistics Canada

**Tuesday, February 27, 1996**  
For release at 8:30 a.m.

CANADA CANADA

FEB 27 1996

LIBRARY

BIBLIOTHÈQUE

## MAJOR RELEASES

- **Industrial product price index, January 1996** 2  
Industrial prices declined 0.3% in January because of a stronger Canadian dollar and relatively weak demand at home and abroad.
- **Raw materials price index, January 1996** 5  
Lower prices for metals and logs pushed raw material prices down 1.5% in January from a year earlier. This was the first time since December 1993 that the 12-month change was negative.

## OTHER RELEASES

- Criminal court statistics and trends 8
- Projections of visible minority population groups, Canada, provinces and regions, 1991-2016 8
- Deliveries of major grains, January 1996 8
- Railway carloadings, December 1995 9
- Restaurants, caterers and taverns, December 1995 9

## PUBLICATIONS RELEASED 10



Statistics  
Canada

Statistique  
Canada

Canada

## MAJOR RELEASES

### Industrial product price index

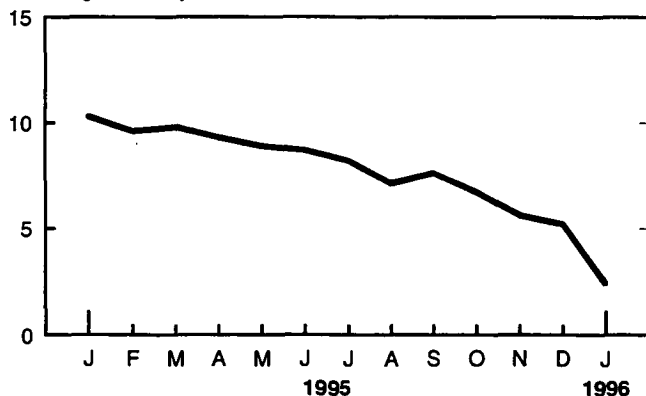
January 1996 (preliminary)

Industrial prices declined 0.3% in January because of a stronger Canadian dollar and relatively weak demand at home and abroad. It was the third monthly decline in five months.

Meanwhile, on a year-over-year basis, industrial prices rose only 2.4%, the smallest gain since September 1992. The 12-month change, which has been generally declining since January 1995, was +5.2% in December.

#### The declining 12-month change in industrial prices

% change from a year earlier



The decline in Canada's 12-month change in industrial prices to +2.4% moved Canada to the middle of the G-7. The United States, Germany and Japan continued to have lower 12-month changes.

#### U.S. exchange rate accounted for half of January's decline

The U.S. dollar declined 0.75% in value against the Canadian dollar between mid-December and mid-January. This drop was responsible for about half of January's decline of 0.3% in industrial prices.

The price levels for motor vehicles, pulp, paper and wood products were particularly affected because producers frequently quote export prices for these items in U.S. dollars.

Despite a 0.5% increase in domestic automobile prices, the stronger Canadian dollar was responsible for a 0.7% decline in automobile export prices. Overall, automobile prices fell 0.5%.

#### Note to readers

The industrial product price index (IPPI) reflects the prices producers receive as goods leave their plants. It does not reflect what consumers pay. Unlike the consumer price index, the IPPI excludes indirect taxes and all costs (including the transportation, wholesale, and retail costs) occurring from the time a good leaves a plant until a final user takes possession.

Canadian producers export many goods. They often quote their prices in foreign currencies, particularly for motor vehicles, pulp, paper, and wood products. A rise or fall in the value of the Canadian dollar against the U.S. dollar therefore affects the IPPI. A 1% change in the value of the Canadian dollar against the U.S. dollar has been estimated to change the IPPI by about 0.2%.

#### Changes to the publication

The format of Industry price indexes (62-011) will change effective with the January 1996 issue. The new format will illustrate monthly data for the current year and the previous year only. Annual averages for the current and previous years will be shown as well. The consulting engineering services price indexes tables 7 and 8 will be discontinued because they are published in the quarterly Construction price statistics (62-007, \$23/\$76).

If readers need to refer to historical data, particularly from 1991 to 1994, we recommend keeping the June 1995 issue of Industry price indexes (62-011) as a reference. Effective with the January 1996 release, that publication will contain data for the current and previous years only.

For further information on these changes, or to comment, contact Lorne Stanton (613-951-9602, fax: 613-951-2848) or Pierre Després (613-951-9603), Prices Division.

#### Pulp, copper and nickel pushed prices down

In January, the most significant price declines were for pulp, copper, copper alloy products and nickel products. Pulp prices peaked in November 1995, declined 3.4% in December and fell a further 6.3% in January.

Lackluster economic conditions in the G-7 and slowing economies in Southeast Asia caused pulp inventories to build up in the later part of 1995. These inventories are putting downward pressure on prices. Some producers are reducing output in the hope of supporting prices.

Inventory buildups are also putting downward pressure on the prices of various pulp products. Newsprint prices are holding, but price increases planned for March may be postponed. Despite price declines in January, paper and allied product prices continued to be over 20% higher than a year earlier.

Prices for copper and copper alloy products dropped 10.8% in January. Industry pundits are noting that the relative tight world market for copper is easing as new mines open and additional capacity at existing sites becomes available.

Nickel product prices declined again in January, falling 6.7%. Nickel products peaked in January 1995, and were 16% lower a year later. Market analysts are uncertain about the direction of price increases in the near future. Known world nickel inventories are now relatively low. However, Russian stocks of nickel might be larger than previously believed.

There are currently large global inventories of stainless steel products, the main use of nickel. In addition, a number of new plants that make stainless steel products have come on stream in developing countries during the last year.

#### **The 12-month change in prices fell sharply for both consumers and manufacturers**

The 12-month change in the prices of goods paid by consumers, as measured by the consumer price index, dropped sharply in January to +1.1%. The 12-month change in the prices charged by manufacturers for consumer goods, as derived from the industrial product price index, also fell sharply, decreasing to about +3%.

Both have been generally declining since October 1995. Usually, about half the consumer's

dollar goes to manufacturers. The rest goes to wholesalers, retailers, transporters and governments.

#### **Perspective**

Prices declined in January in the face of relatively weak markets at home and abroad. In the United States, industrial production fell last month as consumer confidence decreased and the unemployment rate rose. Germany also saw a visible increase in its January unemployment rate. It is somewhat encouraging, though, to note that Japan's economy seems to be recovering.

In Canada, both construction and motor vehicle sales remain relatively weak. Although employment rose in January, so did the unemployment rate, and full-time employment remained below its November peak.

#### **Available on CANSIM: matrices 2000-2008.**

The January 1996 issue of *Industry price indexes* (62-011-XPB, \$21/\$210) will be available at the end of March. See "How to order publications".

For further information on this release, contact Paul-Roméo Danis (613-951-3350, fax: 613-951-2848, the Internet: shadsan@statcan.ca), Client Services Unit, Prices Division. □

**Industrial product price index**  
(1986=100)

	Relative importance	Jan. 1995	Dec. 1995 <sup>r</sup>	Jan. 1996 <sup>p</sup>	Jan. 1995 to Jan. 1996	Dec. 1995 to Jan. 1996
					% change	
<b>Industrial product price index (IPPI)</b>	<b>100.0</b>	<b>126.7</b>	<b>130.2</b>	<b>129.8</b>	<b>2.4</b>	<b>-0.3</b>
IPPI excluding petroleum and coal products	93.6	128.9	132.6	132.1	2.5	-0.4
<b>Intermediate goods<sup>1</sup></b>	<b>60.4</b>	<b>129.6</b>	<b>133.7</b>	<b>133.2</b>	<b>2.8</b>	<b>-0.4</b>
First-stage intermediate goods <sup>2</sup>	13.4	144.0	147.0	143.9	-0.1	-2.1
Second-stage intermediate goods <sup>3</sup>	47.0	125.6	129.9	130.2	3.7	0.2
<b>Finished goods<sup>4</sup></b>	<b>39.6</b>	<b>122.1</b>	<b>124.8</b>	<b>124.6</b>	<b>2.0</b>	<b>-0.2</b>
Finished foods and feeds	9.9	121.8	124.2	124.3	2.1	0.1
Capital equipment	10.4	125.0	127.6	127.3	1.8	-0.2
All other finished goods	19.3	120.7	123.6	123.4	2.2	-0.2
<b>Aggregation by commodities</b>						
Meat, fish and dairy products	7.4	117.4	120.8	121.1	3.2	0.2
Fruit, vegetable, feed, miscellaneous food products	6.3	124.3	128.4	128.6	3.5	0.2
Beverages	2.0	127.4	129.0	129.0	1.3	0.0
Tobacco and tobacco products	0.7	165.2	172.6	172.6	4.5	0.0
Rubber, leather, plastic fabric products	3.1	125.5	127.4	127.2	1.4	-0.2
Textile products	2.2	115.6	118.7	118.7	2.7	0.0
Knitted products and clothing	2.3	117.1	118.9	119.0	1.6	0.1
Lumber, sawmill, other wood products	4.9	159.5	152.8	152.0	-4.7	-0.5
Furniture and fixtures	1.7	123.4	125.4	125.0	1.3	-0.3
Paper and paper products	8.1	138.1	170.4	166.9	20.9	-2.1
Printing and publishing	2.7	159.4	175.9	173.5	8.8	-1.4
Primary metal products	7.7	140.1	132.3	129.9	-7.3	-1.8
Metal fabricated products	4.9	124.6	128.9	128.9	3.5	0.0
Machinery and equipment	4.2	125.5	128.4	128.6	2.5	0.2
Autos, trucks, other transportation equipment	17.6	121.4	123.1	123.2	1.5	0.1
Electrical and communications products	5.1	117.7	118.4	118.6	0.8	0.2
Non-metallic mineral products	2.6	120.5	123.7	124.9	3.7	1.0
Petroleum and coal products <sup>5</sup>	6.4	94.7	95.5	96.8	2.2	1.4
Chemicals and chemical products	7.2	135.8	132.3	132.7	-2.3	0.3
Miscellaneous manufactured products	2.5	120.6	123.6	123.5	2.4	-0.1
Miscellaneous non-manufactured commodities	0.4	101.8	96.9	96.9	-4.8	0.0

<sup>1</sup> Intermediate goods are goods used principally to produce other goods.

<sup>2</sup> First-stage intermediate goods are items used most frequently to produce other intermediate goods.

<sup>3</sup> Second-stage intermediate goods are items most commonly used to produce final goods.

<sup>4</sup> Finished goods are goods most commonly used for immediate consumption or capital investment.

<sup>5</sup> This index is estimated for the current month.

<sup>p</sup> Preliminary figures.

<sup>r</sup> Revised figures.

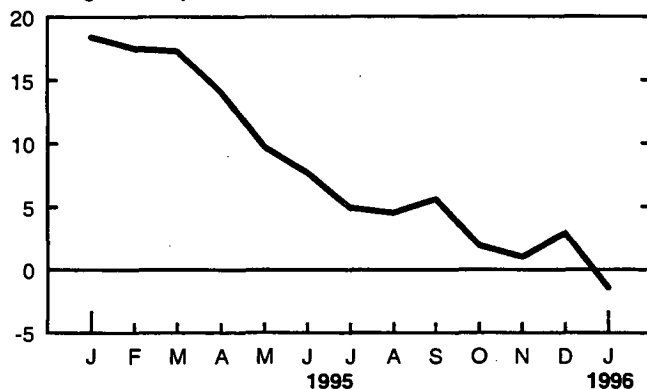
## Raw materials price index

January 1996 (preliminary)

Lower prices for metals and logs pushed raw material prices down 1.5% in January from a year earlier. This was the first time since December 1993 that the 12-month change was negative. The declines in January were somewhat offset by higher prices for grain and crude oil.

### The declining 12-month change in raw material prices

% change from a year earlier



In January, the 12-month change in raw material prices excluding mineral fuels (mostly crude oil) was down almost 3%. This was the first 12-month decline for this group since April 1992.

On a monthly basis, manufacturers paid 1.3% less for raw materials in January than in December. Lower prices for metals, crude oil, cattle and hogs were marginally offset by higher prices for logs, iron scrap and steel scrap.

### Base metals prices down, precious metals up

Lower prices for base metals were marginally offset by higher prices for precious metals. Price declines for copper (-14%), nickel (-8%) and lead concentrates (-2%) were partly offset by higher gold prices (+2%).

Copper prices, down more than 20% from a year earlier, have been weakening due to the struggling automotive and construction sectors. Recent new sources of copper in countries such as Chile may also dampen future price increases.

Nickel prices have dropped 18% since January 1995. Two-thirds of nickel concentrates are used in stainless steel products. Presently, there appears to be some inventory overhang of stainless steel products countered by a low inventory of nickel

#### Note to readers

The raw materials price index (RMPI) reflects the prices that Canadian manufacturers pay for key raw materials. Many of these prices are set in world markets. Unlike the industrial product price index, the RMPI includes goods that are not produced in Canada.

#### Changes to the publication

The format of Industry price indexes (62-011) will change effective with the January 1996 issue. The new format will illustrate monthly data for the current year and the previous year only. Annual averages for the current and previous years will be shown as well. The consulting engineering services price indexes tables 7 and 8 will be discontinued because they are published in the quarterly Construction price statistics (62-007, \$23/\$76).

If readers need to refer to historical data, particularly from 1991 to 1994, we recommend keeping the June 1995 issue of Industry price indexes (62-011) as a reference. Effective with the January 1996 release, that publication will contain data for the current and previous years only.

For further information on these changes, or to comment, contact Lorne Stanton (613-951-9602, fax: 613-951-2848) or Pierre Després (613-951-9603), Prices Division.

concentrates. However, the nickel inventory may be higher if reports prove accurate that Russian stockpiles of nickel have been significantly underestimated.

Lead concentrate prices fell 2% in January, the first decline since September 1995. The primary use of lead is in the lead-acid battery market. This market is mostly concentrated in the automotive sector, which has been recently subject to declining sales.

Future price changes for base metals have a lot to do with world economic conditions. New sources of world supply play an important role, too. In Japan, the economy appears to be on an upturn. Continental Europe and the United States may also provide further demand for base metals as 1996 unfolds.

### Log prices fell as pulpwood prices rose

Log prices have declined almost 9% compared with January 1995. However, pulpwood prices over the same 12-month period were up almost 8%, and pulp prices rose 20%. As well, softwood lumber prices fell 13% from a year earlier. From December 1995 to January 1996, log prices increased almost 3%, whereas pulpwood prices fell nearly 5%.

There is some softness in newsprint prices. Demand is stronger in Europe (in the United Kingdom, the price of newsprint increased in January) than in North America. Canada's reduced exports of lumber to the United States may allow more logs to be turned into pulp rather than lumber. This would increase the

supply of pulp, potentially weakening prices further. Moreover, reduced lumber sales to the United States could enhance the viability or comparative advantage of Canadian industries that rely on lumber (doors, windows, etc.), thereby increasing exports of those products.

#### **Grain prices rose 40% over the year**

Grain prices other than corn were down in January. However, compared with January 1995, grain prices were still up by 40%. Higher prices for wheat (+34%) and corn (+44%) were the most important contributors. Demand remains strong as shown by Russia, which is suffering from its worst harvest in 30 years. Russia has recently indicated that it intends to buy 2.5 million tons of wheat on the world market. As well, Egypt, a major client of the United States, recently announced plans to buy almost 655,000 tons of wheat, five times its original intent.

Coffee prices declined, providing the major offset to the higher grain prices in the vegetable products group. Coffee prices, which had perked up greatly in the first half of 1994, have been on a decline since their peak in August 1994. Brazil's 1996/97 crop is expected to be quite abundant. Discounting any unfavourable weather or stronger limitations on coffee exports by the Members of the Association of Coffee Producing Countries, coffee prices should remain stable or decline further over the next few months.

#### **Uncertain outlook for crude oil prices**

Prices for mineral fuels increased almost 2% compared with January 1995. This increase was

primarily due to higher crude oil prices (+3%), which were somewhat offset by lower prices for natural gas (-22%) and coal (-5%).

In January, crude oil prices declined 2%, while prices for natural gas and coal edged up. Crude oil prices in the near future remain uncertain due to the potential re-entry of Iraq into the world market. If Iraq abides by U.N. rules, it has an opportunity to sell US\$1 billion of crude oil during a 90-day period, adding about 700,000 barrels a day to the world supply. This U.N. agreement is also renewable.

#### **Hog and cattle prices declined**

Prices for hogs (-2%) and cattle (-3%) declined in January. Cattle prices were 15% lower than in January 1995, and hog prices almost 14% higher.

It appears that the size of cattle herds might be levelling off, which could strengthen cattle prices in the future. Unless the weather and demand factors change significantly, hog prices could weaken in the next few months due to the current ample supply.

#### **Available on CANSIM: matrix 2009.**

The January 1996 issue of *Industry price indexes* (62-011-XPB, \$21/\$210) will be available at the end of March. See "How to order publications."

For further information on this release, contact Paul Roméo-Danis (613-951-3350, fax: 613-951-2848, the Internet: shadsan@statcan.ca) Client Services Unit, Prices Division. □

**Raw materials price index**  
(1986=100)

	Relative importance	Jan. 1995	Dec. 1995 <sup>r</sup>	Jan. 1996 <sup>p</sup>	Jan. 1995 to Jan. 1996	Dec. 1995 to Jan. 1996
					% change	
<b>Raw materials price index (RMPI)</b>	<b>100.0</b>	<b>130.5</b>	<b>130.2</b>	<b>128.5</b>	<b>-1.5</b>	<b>-1.3</b>
Mineral fuels	31.7	107.6	111.6	109.6	1.9	-1.8
Vegetable products	10.3	123.2	134.1	134.2	8.9	0.1
Animals and animal products	25.5	109.1	112.5	111.4	2.1	-1.0
Wood	13.1	216.7	204.6	205.8	-5.0	0.6
Ferrous materials	3.6	126.6	119.3	120.6	-4.7	1.1
Non-ferrous metals	13.2	153.0	140.0	132.1	-13.7	-5.6
Non-metallic minerals	2.6	104.3	106.1	106.3	1.9	0.2
<b>RMPI excluding mineral fuels</b>	<b>68.3</b>	<b>141.1</b>	<b>138.8</b>	<b>137.2</b>	<b>-2.8</b>	<b>-1.2</b>

<sup>r</sup> Revised figures.

<sup>p</sup> Preliminary figures.

## OTHER RELEASES

### Criminal court statistics and trends

In 1994, there was a guilty verdict in an average of 71% of all cases presented in adult criminal provincial courts. The most frequent offences heard by the courts were impaired driving, common assault, and theft of goods worth less than \$1,000. Fines were issued in about half of all cases.

*Adult criminal court statistics, 1994* presents data from the adult criminal courts of seven jurisdictions: Newfoundland, Prince Edward Island, Nova Scotia, Quebec, Saskatchewan, Yukon and the Northwest Territories. These data represent about 34% of the criminal court caseload of the provinces and territories. This report classifies the data according to characteristics of matters before the courts (including total counts), age and sex of the accused, case processing time, disposition and sentence. Not all the provincial or territorial court locations in the participating jurisdictions currently report to the survey.

*Adult criminal court caseload trends, 1992/93 to 1994/95* reports caseload data from the same seven jurisdictions plus the province of Ontario. Together, these jurisdictions represent 70% of the criminal court caseload of the provinces and territories. The report provides information on the changing nature of court workloads by fiscal quarter, including the number of charges and cases initiated and disposed. Not all the provincial or territorial court locations in the participating jurisdictions currently report to the survey.

*Adult criminal court statistics, 1994* (85-214-XPE, \$30) and *Adult criminal court caseload trends, 1992/93 to 1994/95* (85-219-XPE, \$30) are now available. See "How to order publications".

For further information on this release, contact Information and Client Services (613-951-9023), Canadian Centre for Justice Statistics. ■

### Projections of visible minority population groups, Canada, provinces and regions 1991-2016

*Projections of visible minority population groups, Canada, provinces and regions, 1991-2016* is a report that presents revised population projections for eight visible minority groups: blacks, South Asians, Chinese, other Asians, Pacific Islanders, West Asians and Arabs, Latin Americans, and multiple-origin visible minorities. At the Canada level, three sets of projections (high-, medium- and low-growth scenarios) are presented by

age group and sex; for provinces and regions, the three sets of projections are classified by sex. These projections are based on the visible minority population data of the 1991 Census, adjusted for net census undercoverage.

*Projections of visible minority population groups, Canada, provinces and regions, 1991-2016* (91-541-XPE, \$35), which was prepared by the Demography Division for the Employment Equity Data Program, is now available. See "How to order publications".

For further information of this release, contact Lucette Dell'Oso (613-951-2304) or Shiang Dai (613-951-2352), Demography Division. ■

### Deliveries of major grains

January 1996

Farmers delivered more wheat and barley in January than in December, despite extreme cold. By contrast, deliveries of canola and flaxseed declined as producers waited for better market opportunities. Oilseed prices were down in January from December because of weakness in the soybean and soyoil markets. Also contributing to the downward movement was an overall market decline following intense speculation in December, particularly on the U.S. commodity exchanges.

### Deliveries of major grains in Western Canada

	Jan. 1995	Jan. 1996	Jan. 1995 to Jan. 1996 %
	thousand tonnes		change
Major grains, total	2 549.5	2 585.0	1.4
Wheat (excluding durum)	1 381.3	1 256.5	-9.0
Durum wheat	213.9	240.6	12.5
Wheat, total	1 595.2	1 497.1	-6.1
Oats	104.2	137.2	31.7
Barley	398.1	524.1	31.7
Rye	19.0	15.6	-17.9
Flaxseed	51.7	57.5	11.2
Canola	381.3	353.5	-7.3

Available on CANSIM: matrices 976-981.



The data on grain deliveries for January will appear in the January 1996 issue of *Cereals and oilseeds review* (22-007-XPB, \$15/\$144), which will be released in April. See "How to order publications".

For further information on this release, contact Jeannine Fleury (613-951-3859) or Karen Gray (204-983-2856), Grain Marketing Unit, Agriculture Division. ■

## **Railway carloadings**

December 1995

Carload freight (excluding intermodal traffic) loaded in Canada totalled 18.0 million tonnes in December, a 6.4% decrease from December 1994. The carriers received an additional 1.6 million tonnes from U.S. connections during December.

Intermodal (piggyback) traffic totalled 1.2 million tonnes, an 11.9% decline from December 1994. The year-to-date figures showed an increase of 4.6%.

Total traffic (carload freight and intermodal) decreased 6.8% in December 1995. This brought the 1995 year-to-date total to 252.1 million tonnes, a

decrease of 0.3% from the previous year. Receipts from U.S. connections rose 17.9% over the same period.

All year-to-date data have been revised.

**Available on CANSIM: matrix 1431.**

The December 1995 issue of *Railway carloadings* (52-001-XPB, \$12/\$120) will be released shortly. See "How to order publications".

For further information on this release, contact Angus MacLean (613-951-2528, fax: 613-951-0579), Surface Transport Unit, Transportation Division. ■

## **Restaurants, caterers and taverns**

December 1995 (preliminary)

The receipts of restaurants, caterers and taverns totalled an estimated \$1.93 billion in December 1995.

For further information on this release, contact William Birbeck (613-951-3506) Services, Science and Technology Division. ■



1010208911

## PUBLICATIONS RELEASED

**Gas utilities**, November 1995

**Catalogue number 55-002-XPB**

(Canada: \$16/\$160; United States: US\$20/US\$200;  
other countries: US\$23/US\$230).

**Exports by commodity**, November 1995, microfiche  
version

**Catalogue number 65-004-XMB**

(Canada: \$35/\$350; United States: US\$42/US\$420;  
other countries: US\$49/US\$490).

**Exports by commodity**, November 1995, paper  
version

**Catalogue number 65-004-XPB**

(Canada: \$75/\$750; United States: US\$90/US\$900;  
other countries: US\$150/US\$1050).

**Adult criminal court statistics**, 1994

**Catalogue number 85-214-XPE**

(Canada: \$30; United States: US\$36; other countries:  
US\$42).

**Adult criminal court caseload trends**, 1992-93 to  
1994-95

**Catalogue number 85-219-XPE**

(Canada: \$30; United States: US\$36; other countries:  
US\$42).

**Projections of visible minority population groups,  
Canada, provinces and regions, 1991-2016**

**Catalogue number 91-541-XPE**

(Canada: \$35; United States: US\$35; other countries:  
US\$35).

The paper used in this publication meets the minimum  
requirements of American National Standard for Information  
Sciences - Permanence of Paper for Printed Library  
Materials, ANSI Z39.48 - 1984.



Published by authority of the Minister responsible for Statistics  
Canada. © Minister of Industry, 1996. Citation in newsprint,  
magazine, radio, and television reporting is permitted subject to the  
requirement that Statistics Canada is acknowledged as the source.  
Any other reproduction is permitted subject to the requirement that  
Statistics Canada is acknowledged as the source on all copies as  
follows: Statistics Canada, *The Daily*, catalogue 11-001E, along with  
date and page references.

### How to order publications

Simplify your data search with *Statistics Canada Catalogue*, 1994 (11-204E, \$15; United States: US\$18; other countries: US\$21).  
Its keyword index will guide you to statistics on Canada's social and economic activity.

**Order *The Daily* and other publications by phone:**

Please refer to the • Title • Catalogue number • Volume number • Issue number • Your VISA or MasterCard number.

In Canada and the United States call:

**1-800-267-6677**

From other countries call:

**1-613-951-7277**

Or fax your order to us:

**1-613-951-1584**

**For address changes:** Please refer to your customer account number.

**To order a publication by mail write:** Sales and Service, Marketing Division, Statistics Canada, Ottawa, K1A 0T6.

Include a cheque or money order payable to Receiver General of Canada/Publications. Canadian customers add 7% GST.

**Statistics Canada Regional Reference Centres provide a full range of the Agency's products and services.**

For the reference centre nearest you, check the blue pages or your telephone directory under Statistics Canada.

**Authorized agents and bookstores also carry Statistics Canada's catalogued publications.**