

The Daily

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Releases

Monthly Survey of Manufacturing

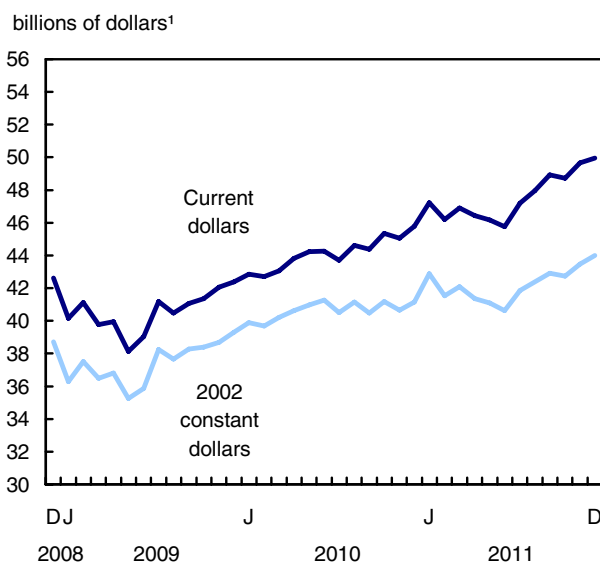
December 2011

Manufacturing sales advanced 0.6% to \$49.9 billion in December, the fifth increase in six months. The transportation equipment industry led the gain.

Sales increased in 12 of 21 industries representing about two-thirds of Canadian manufacturing. The gains occurred primarily in durable goods industries, where sales rose 2.1%. Sales of non-durable goods fell 0.9%.

In terms of constant dollars, manufacturing sales rose 1.2%, representing an increase in the volume of manufactured goods. This was the fifth increase in constant dollar sales in six months.

Manufacturing sales advance



1. Seasonally adjusted.

With December's increase, monthly sales for 7 of 21 manufacturing industries have reached or surpassed levels recorded in October 2008, the onset of the recent economic downturn. The largest of the seven industries includes transportation equipment, food, petroleum and coal products, and machinery manufacturing. Combined, these four represented 51% of total manufacturing in December.

December's sales, at \$49.9 billion, were just short of the pre-downturn total of \$50.2 billion in October 2008.

Note to readers

All data in this release are seasonally adjusted and are expressed in current dollars unless otherwise specified.

Preliminary data are provided for the current reference month. Revised data, based on late responses, are updated for the three previous months.

Non-durable goods industries include food, beverage and tobacco products, textile mills, textile product mills, clothing, leather and allied products, paper, printing and related support activities, petroleum and coal products, chemicals, and plastics and rubber products.

Durable goods industries include wood products, non-metallic mineral products, primary metal, fabricated metal products, machinery, computer and electronic products, electrical equipment, appliances and components, transportation equipment, furniture and related products and miscellaneous manufacturing.

Production-based industries

For the aerospace industry and shipbuilding industries, the value of production is used instead of sales of goods manufactured. This value is calculated by adjusting monthly sales of goods manufactured by the monthly change in inventories of goods in process and finished products manufactured.

Unfilled orders are a stock of orders that will contribute to future sales assuming that the orders are not cancelled.

New orders are those received whether sold in the current month or not. New orders are measured as the sum of sales for the current month plus the change in unfilled orders from the previous month to the current month.

A research paper, Analysis in Brief: "An Overview of the Lumber Industry in Canada, 2004 to 2010" (11-621-M2011089, free), profiling the Canadian softwood lumber industry is now available. The paper reviews the state of the industry from 2004 to 2010 and examines key economic variables such as sales, exports and employment.

For 2011 as a whole, manufacturing sales amounted to \$571 billion, up 7.8% from 2010. The main contributors to the annual increase included higher sales in the petroleum and coal products, primary metal, machinery and transportation equipment industries.

Motor vehicle industry records highest sales since November 2007

Sales by motor vehicle manufacturers advanced 2.9% in December to \$4.3 billion, the highest monthly sales level since November 2007. In addition, sales in the motor vehicle parts industry rose 5.5% to \$1.9 billion. The transportation equipment industry as a whole had the largest dollar gains of any industry, with a 3.7% increase in sales to \$8.5 billion. This was the seventh consecutive monthly increase.

Plastics and rubber products sales increased 7.5% to \$2.1 billion, their highest level since August 2007. The rise reflected higher sales volumes.

Greater sales volumes were entirely responsible for a 2.7% increase in the primary metal industry to \$4.2 billion, the third consecutive monthly gain.

The overall sales increase was partly offset by a 5.6% decline among petroleum and coal product manufacturers to \$6.9 billion. A portion of the decrease was the result of a 3.7% decline in prices for petroleum and coal products, as measured by the Industrial Product Price Index.

Central Canada accounted for most of the increase

Manufacturing sales rose in four provinces in December. Most of the sales increase was located in Central Canada. Combined sales in Ontario and Quebec were up \$741 million while sales declined \$445 million in the rest of Canada. With the gains in December, Ontario, Alberta, Newfoundland and Labrador, and Saskatchewan surpassed their sales levels recorded in October 2008.

In Ontario, sales rose 2.1% to \$22.9 billion, the third consecutive monthly increase and the highest level since September 2008. The increase was largely the result of a 6.5% advance in the primary metal industry, a 5.5% gain in the motor vehicle parts industry, and a 2.3% rise in the motor vehicle industry. Gains in the machinery and miscellaneous manufacturing industries also contributed to Ontario's sales for December. A decline in production in the aerospace product and parts industry offset a portion of the provincial increase.

Sales in Quebec rose 2.3% to \$12.0 billion, the fourth increase in five months. A 17.9% increase in the transportation equipment industry was behind a large portion of the provincial growth. The plastics and rubber products, machinery, and primary metal industries also recorded sales increases. A 13.5% decline in sales reported by petroleum and coal products manufacturers partly offset the gains in Quebec.

In Alberta, sales declined 3.5% to \$6.3 billion, mostly as a result of lower sales in the machinery industry. After a sales peak in November, the machinery industry declined 23.4% to \$776 million.

Sales fell 4.8% in New Brunswick and 10.0% in Newfoundland and Labrador, reflecting declines reported in the non-durable goods industries.

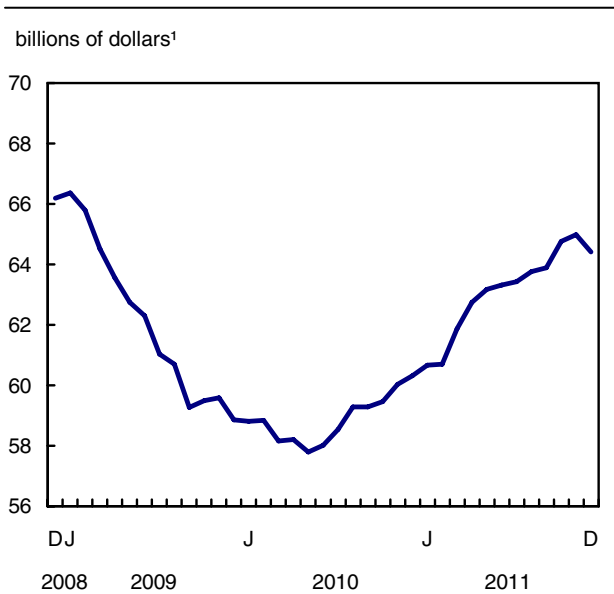
Inventory levels down

Inventory levels decreased 0.9% in December to \$64.4 billion, the first decline after 14 months of increases. Inventories declined in 14 of 21 industries, with non-durable goods down 0.7% and durable goods down 1.0%.

Primary metal inventories declined 2.0% to \$7.7 billion. In the food industry, inventories decreased 2.3%, owing in part to lower stocks in the grain and oilseed milling industry.

The declines were partially offset by higher inventory levels reported by motor vehicle, fabricated metal product, and chemical manufacturers.

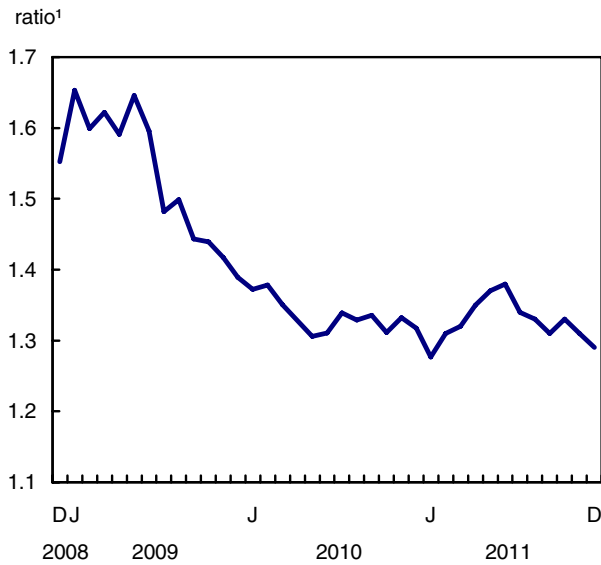
Inventories decline



1. Seasonally adjusted.

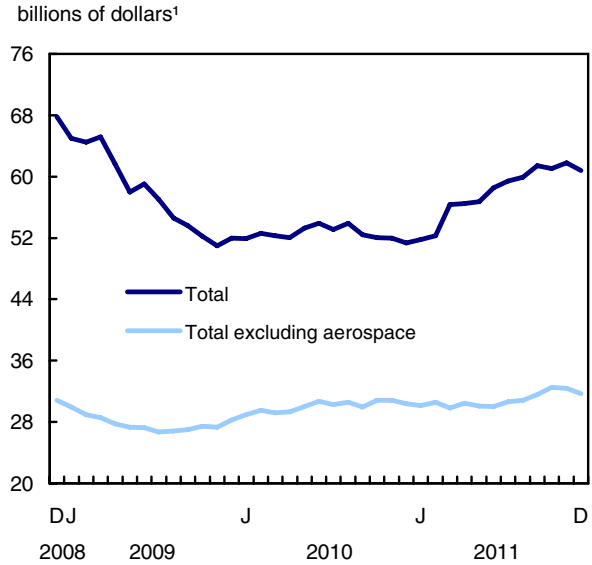
The inventory-to-sales ratio fell to 1.29 in December from 1.31 in November. The inventory-to-sales ratio is a measure of the time, in months, that would be required to exhaust inventories if sales were to remain at their current level.

The inventory-to-sales ratio decreases



1. Seasonally adjusted.

Unfilled orders decrease



1. Seasonally adjusted.

Unfilled orders decrease

Unfilled orders declined 1.6% to \$60.8 billion in December. The decrease was largely the result of declines in the transportation equipment (-1.3%) and the primary metal (-8.7%) industries.

In the transportation equipment industry, unfilled orders were down 1.0% for aerospace product and parts and 2.4% for railroad rolling stock.

New orders

New orders decreased 2.8% in December to \$49.0 billion, following a 4.2% gain in November. The decline in new orders was concentrated in the aerospace product and parts industry.

Available without charge in CANSIM: tables 304-0014, 304-0015 and 377-0008.

Table 304-0014: Canada data (sales, inventories, orders) by industry.

Table 304-0015: Provincial sales by industry.

Table 377-0008: Constant dollar sales, inventories and orders.

Definitions, data sources and methods: survey number 2101.

Data from the January Monthly Survey of Manufacturing will be released on March 16.

For more information, or to order data, contact the dissemination officer (toll-free 1-866-873-8789; 613-951-9497; fax: 613-951-3877; manufact@statcan.gc.ca).

about the concepts, methods or data quality of this release, contact Michael Schimpf (613-951-9832, michael.schimpf@statcan.gc.ca), Manufacturing and Energy Division.

Manufacturing: Principal statistics – Seasonally adjusted

	December 2010	November 2011 ^r	December 2011 ^p	November to December 2011	December 2010 to December 2011
	millions of dollars			% change ¹	
Manufacturing sales (current dollars)	45,784	49,648	49,944	0.6	9.1
Manufacturing sales (2002 constant dollars)	41,144	43,466	44,004	1.2	7.0
Manufacturing sales excluding motor vehicles, parts and accessories (current dollars)	40,661	43,614	43,690	0.2	7.4
Inventories	60,319	64,979	64,413	-0.9	6.8
Unfilled orders	51,364	61,788	60,817	-1.6	18.4
Unfilled orders excluding motor vehicles, parts and accessories	50,825	61,179	60,255	-1.5	18.6
New orders	45,153	50,366	48,974	-2.8	8.5
New orders excluding motor vehicles, parts and accessories	40,115	44,352	42,766	-3.6	6.6
Inventory-to-sales ratio	1.32	1.31	1.29

^r revised

^p preliminary

... not applicable

1. Percent change calculated at thousands of dollars for current dollars, and millions of dollars for constant dollars.

Manufacturing sales: Industry aggregates – Seasonally adjusted

Major group of industries	December 2010	November 2011 ^r	December 2011 ^p	November to December 2011	December 2010 to December 2011
	millions of dollars			% change ¹	
Food manufacturing	6,823	6,983	7,039	0.8	3.2
Beverage and tobacco product	902	940	901	-4.1	-0.1
Textile mills	133	138	137	-0.8	3.0
Textile product mills	140	120	131	8.8	-6.2
Clothing manufacturing	191	201	202	0.6	5.9
Leather and allied product	33	34	33	-1.8	-1.1
Wood product	1,586	1,574	1,571	-0.2	-0.9
Paper manufacturing	2,249	2,119	2,110	-0.4	-6.2
Printing and related support activities	721	678	687	1.3	-4.7
Petroleum and coal product	6,238	7,268	6,863	-5.6	10.0
Chemical	3,809	4,050	4,055	0.1	6.5
Plastics and rubber products	1,794	1,968	2,116	7.5	17.9
Non-metallic mineral product	1,115	1,128	1,154	2.3	3.5
Primary metal	3,936	4,127	4,239	2.7	7.7
Fabricated metal product	2,674	2,893	2,960	2.3	10.7
Machinery	2,495	3,309	3,216	-2.8	28.9
Computer and electronic product	1,331	1,233	1,281	3.9	-3.8
Electrical equipment, appliance and component	858	851	848	-0.4	-1.1
Transportation equipment	6,953	8,239	8,545	3.7	22.9
Motor vehicle	3,646	4,211	4,333	2.9	18.8
Motor vehicle body and trailer	249	268	261	-2.9	4.7
Motor vehicle parts	1,476	1,822	1,922	5.5	30.1
Aerospace product and parts	1,026	1,332	1,400	5.1	36.5
Railroad rolling stock	129	167	151	-9.5	17.1
Ship and boat building	75	95	103	8.0	36.5
Furniture and related product	866	905	889	-1.8	2.6
Miscellaneous manufacturing	937	890	968	8.8	3.3
Non-durable goods industries	23,033	24,498	24,273	-0.9	5.4
Durable goods industries	22,751	25,150	25,671	2.1	12.8

^r revised

^p preliminary

1. Percent change calculated at thousands of dollars.

Manufacturing sales: Provinces and territories – Seasonally adjusted

	December 2010	November 2011 ^r	December 2011 ^p	November to December 2011	December 2010 to December 2011
	millions of dollars			% change ¹	
Canada	45,784	49,648	49,944	0.6	9.1
Newfoundland and Labrador	545	640	576	-10.0	5.8
Prince Edward Island	109	109	103	-5.5	-5.2
Nova Scotia	907	898	867	-3.4	-4.3
New Brunswick	1,663	1,680	1,599	-4.8	-3.8
Quebec	10,929	11,774	12,049	2.3	10.2
Ontario	20,790	22,414	22,880	2.1	10.0
Manitoba	1,349	1,291	1,304	1.0	-3.4
Saskatchewan	965	1,127	1,136	0.8	17.7
Alberta	5,461	6,548	6,322	-3.5	15.8
British Columbia	3,061	3,164	3,104	-1.9	1.4
Yukon	3	3	3	3.3	-13.4
Northwest Territories and Nunavut	1	1	1	-8.6	47.6

^r revised

^p preliminary

1. Percent change calculated at thousands of dollars.



Canada's international transactions in securities

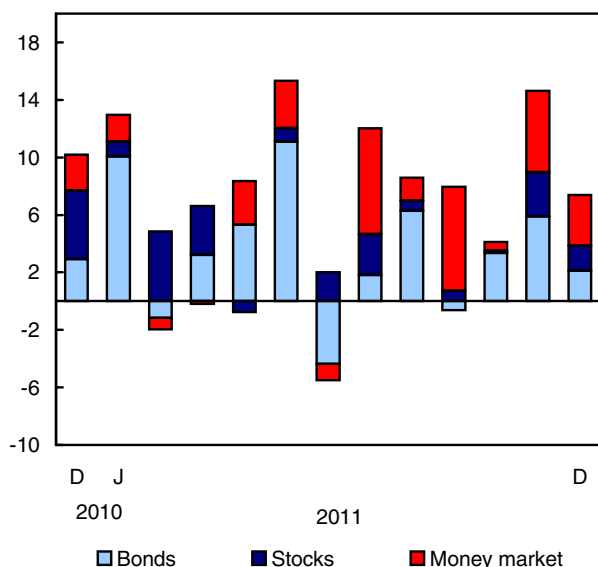
December 2011

Foreign investment in Canadian securities slowed to \$7.4 billion in December, half the amount recorded in November but still close to the average monthly investment in 2011. Meanwhile, Canadians acquired \$2.8 billion of foreign securities in December, led by bonds.

Transactions in December closed a third straight year of relatively robust non-resident investment in Canadian securities at \$95.6 billion, down from a high of \$117.4 billion in 2010. In addition, the year 2011 marked the highest annual Canadian investment in foreign securities since 2007. This activity was well off the pace set from 2005 to 2007, a period that reflected the expansion of the maple bond market.

Foreign portfolio investment in Canadian securities

billions of dollars



Non-residents acquire Canadian debt instruments at a slower pace

Foreign investment in Canadian bonds slowed to \$2.1 billion in December. Secondary market acquisitions of federal bonds with short-term maturities and provincial bonds with long-term maturities led the inflows. This activity was partially offset by retirements of Canadian private corporate bonds, mainly held by US residents. Canadian long-term interest rates fell

Note to readers

All values in this release are net transactions unless otherwise stated.

The data series on international security transactions cover portfolio transactions in stocks, bonds and money market instruments for both Canadian and foreign issues.

Stocks include common and preferred equities, as well as warrants.

Debt securities include bonds and money market instruments.

Bonds have an original term to maturity of more than one year.

Money market instruments have an original term to maturity of one year or less.

Government of Canada paper includes treasury bills and US-dollar Canada bills.

by 19 basis points, as a result, the differential between long- and short-term rates reached the lowest level since August 2008. For the year, foreign purchases of \$42.9 billion of Canadian bonds amounted to less than half the inflows recorded in 2010.

Non-residents placed \$3.5 billion in Canadian money market instruments in December, mainly in provincial government and federal government enterprise paper. Foreign investors increased their holdings of federal Treasury bills for a sixth straight month, though December marked the lowest such acquisition in this period. Foreign investment in the Canadian money market intensified in the second half of the year to a high of \$32.0 billion in 2011. Over 80% of the investment was directed to federal Treasury bills.

Foreign investment in Canadian stocks slows

Foreign investors purchased \$1.7 billion of Canadian equities in December, down from \$3.1 billion in November. Secondary market acquisitions by investors from the United Kingdom led the buying in December. This was partially offset by the retirement of Canadian stocks resulting from merger and acquisition activity in the month.

Canadians further increase their holdings of foreign bonds

Canadian investors acquired \$2.3 billion of foreign long-term debt instruments in December. US government bonds led foreign purchases over the month, making for the first quarterly investment in these instruments since the fourth quarter of 2009. Despite increased activity in the fourth quarter, Canadians reduced their holdings of foreign bonds for a fourth straight year in 2011.

Canadian investors removed \$918 million from their holdings of foreign money market instruments in December. This was the largest monthly divestment in 2011 and was driven by retirements of US government and corporate financial paper. This divestment was partially offset by acquisitions of corporate financial paper from Australia. US short-term interest rates held at 0.01% for a second month.

Available without charge in CANSIM: tables 376-0018 to 376-0029, 376-0042, 376-0058 and 376-0063.

Definitions, data sources and methods: survey number 1535.

The December 2011 issue of *Canada's International Transactions in Securities* (67-002-X, free) will soon be available.

Data on Canada's international transactions in securities for January will be released on March 16.

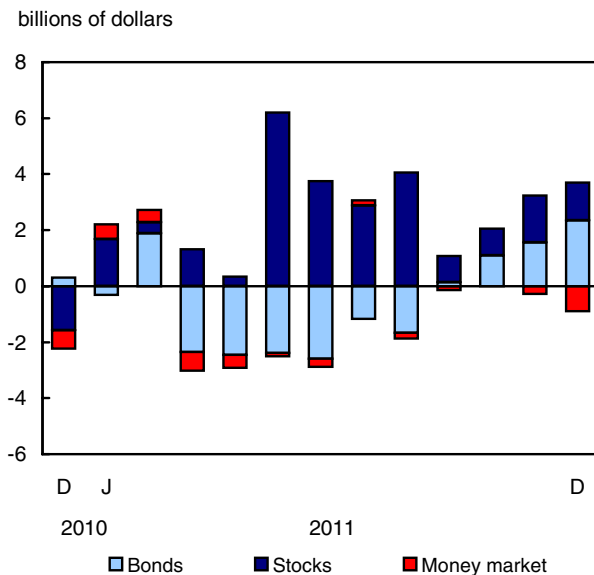
For more information, or to order data, contact Client Services (613-951-1855; infobalance@statcan.gc.ca). To enquire about the concepts, methods or data quality of this release, contact Brian Law (613-951-3835; brian.law@statcan.gc.ca) or Éric Boulay (613-951-1872; eric.boulay@statcan.gc.ca), Balance of Payments Division.

□

Canadians continue to accumulate foreign equities

Canadian investors added \$1.4 billion of foreign stocks to their holdings in December, evenly split between US and non-US corporate shares. Investment was focused on technology and energy shares, as stock prices rose in most major global markets in December. Canadian investors have added foreign equities to their portfolios in every month of 2011, for a total of \$25.5 billion, which was almost twice the amount invested in 2010.

Canadian portfolio investment in foreign securities¹



Canada's international transactions in securities

	October 2011	November 2011	December 2011	January to December 2010 ¹	January to December 2011 ¹
	millions of dollars				
Foreign investment in Canadian securities	4,113	14,638	7,379	117,429	95,636
Bonds (net)	3,342	5,901	2,116	96,112	42,948
Outstanding	5,171	3,720	7,528	67,141	48,425
New issues	1,692	7,874	2,500	69,495	55,551
Retirements	-4,373	-5,855	-5,435	-40,939	-61,018
Change in interest payable ²	851	161	-2,477	416	-10
Money market paper (net)	615	5,674	3,522	3,138	32,021
Government of Canada	1,112	4,778	368	3,675	25,764
Other	-498	896	3,154	-537	6,257
Stocks (net)	157	3,064	1,741	18,179	20,667
Outstanding	212	3,156	2,233	9,497	17,504
Other transactions	-54	-92	-492	8,682	3,163
Canadian investment in foreign securities	-2,053	-2,944	-2,777	-14,535	-17,592
Bonds (net)	-1,098	-1,561	-2,344	1,379	5,888
Money market paper (net)	-2	291	918	-2,442	2,036
Stocks (net)	-953	-1,674	-1,351	-13,472	-25,517

1. Cumulative transactions.

2. Interest accrued less interest paid.

Note: A minus sign indicates an outflow of money from Canada, that is, a withdrawal of foreign investment from Canada or an increase in Canadian investment abroad.



Annual Trucking Survey

2009 and 2010

The 56,800 active businesses in the trucking industry reported \$40.8 billion in operating revenue in 2010, a 4.9% increase from 2009.

Operating expenses were up 4.6% to \$37.9 billion. The increase in operating expenses was led by vehicle fuel expenses (+12.2%), followed by insurance premiums (+5.9%) and salaries, wages and benefits (+5.6%).

The industry's operating margin (operating revenue less operating expenses) increased 10.0% to \$2.9 billion. The operating ratio (operating expenses divided by operating revenue) was 0.928 in 2010 compared with 0.931 in 2009.

The 4,800 largest businesses, those with annual operating revenue of \$1.3 million or more, recorded a 6.0% increase in operating revenue and a 4.5% rise in operating expenses. This led to a 39.7% increase in the operating margin and an improvement in the operating ratio.

In contrast, the 52,000 smaller businesses reported a 4.7% growth in operating expenses, which exceeded the 2.0% increase in operating revenue. These firms experienced a 14.0% decline in their operating margin and a deteriorating operating ratio. Although they make up the majority of trucking businesses, the smaller firms account for little more than one-quarter of total operating revenue.

Businesses engaged primarily in long-distance trucking reported \$26.7 billion in operating revenue, up 3.0%. In comparison, local trucking businesses experienced an 8.8% increase to \$14.1 billion in operating revenue. Local trucking accounted for 58% of all businesses, but 35% of total operating revenue.

In 2010, trucking firms received 77% of their trucking revenue from hauling freight within Canada. Of the remainder, 12% came from transporting goods into the country and 11% from transporting goods out of the country. Firms located in Manitoba (33%), Ontario (32%) and Prince Edward Island (27%) earned larger-than-average shares of their revenue from transborder trucking.

Nationally, carriers earned 26% of their revenue from transporting packed goods that did not require

climate control. Dry bulk accounted for 17% of revenue, followed by packed goods needing climate control, at 13%, and bulk liquids and gases, at 10%. Firms located in Prince Edward Island received 42% of their revenue from packed goods needing climate control while those located in Saskatchewan received 37% of their revenue from bulk liquids and gases.

Trucking firms reported 201,000 employees, including 128,000 salaried drivers, and an additional 54,000 owner-operators. These businesses operated 182,000 powered units, of which 121,000 were road tractors, and 302,000 non-powered units such as vans, semi-trailers and flat decks.

Available without charge in CANSIM: tables 403-0008 to 403-0015.

Definitions, data sources and methods: survey number 2742.

For more information, to order more specific data tables, or to enquire about the concepts, methods or data quality of this release, contact Client Services (toll-free 1-866-500-8400; transportationstatistics@statcan.gc.ca), Transportation Division. ■

Monthly Survey of Large Retailers

December 2011

Data for the Monthly Survey of Large Retailers are now available for December.

Available without charge in CANSIM: table 080-0009.

Definitions, data sources and methods: survey number 5027.

A data table is also available from the *Key resource* module of our website under *Summary tables*.

For more information, or to order data, contact Client Services (toll-free 1-877-421-3067; 613-951-3549; retailinfo@statcan.gc.ca). To enquire about the concepts, methods or data quality of this release, contact Mark Switzer (613-951-7137), Distributive Trades Division. ■

Civil aviation operating statistics

December 2011

Operational data on civil aviation are now available for December.

Available without charge in CANSIM: tables 401-0001 and 401-0043.

Definitions, data sources and methods: survey number 5026.

A data table is also available from the *Key resource* module of our website under *Summary tables*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (toll-free 1-866-500-8400; fax: 613-951-0009; transportationstatistics@statcan.gc.ca), Transportation Division. ■

Supply and disposition of refined petroleum products

October 2011

Data on the supply and disposition of refined petroleum products are now available for October.

Available without charge in CANSIM: tables 134-0001 to 134-0004.

Definitions, data sources and methods: survey number 2150.

The October 2011 issue of *The Supply and Disposition of Refined Petroleum Products in Canada*, Vol. 66, no. 10 (45-004-X, free), is now available from the *Key resource* module of our website under *Publications*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the dissemination officer (toll-free 1-866-873-8789; 613-951-9497; energ@statcan.gc.ca), Manufacturing and Energy Division. ■

Cable and satellite television

2010

The 2010 edition of the publication *Cable and Satellite Television Industry* is now available. It contains industry highlights along with financial and operating data including revenues, expenses, operating profit margins and number of subscribers.

Available without charge in CANSIM: table 353-0003.

Definitions, data sources and methods: survey number 2728.

The publication *Cable and Satellite Television Industry*, 2010 (56-209-X, free), is now available from the *Key resource* module of our website under *Publications*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Sylvain Ouellet (613-951-2779; sylvain.ouellet@statcan.gc.ca), Investment, Science and Technology Division. ■

New products and studies

Canadian Economic Observer, February 2012,
Vol. 25, no. 2
Catalogue number 11-010-X (free online;
Print, \$25/\$243)

**The Supply and Disposition of Refined Petroleum
Products in Canada**, October 2011, Vol. 66, no. 10
Catalogue number 45-004-X (PDF, free; HTML, free)

**Cable and Satellite Television Industry, 2010
Catalogue number 56-209-X** (PDF, free; HTML, free)

Catalogue numbers with an -XWE, -XIB or an -XIE extension are Internet versions; those with -XMB or -XME are microfiche; -XPB or -XPE are paper versions; -XDB or -XDE are electronic versions on diskette; -XCB or -XCE are electronic versions on compact disc; -XVB or -XVE are electronic versions on DVD and -XBB or -XBE a database.



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