

The Daily

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Canadian corporations earned \$71.9 billion in operating profits in the second quarter, down 4.9% from the previous quarter. This decrease follows two consecutive quarterly increases.	
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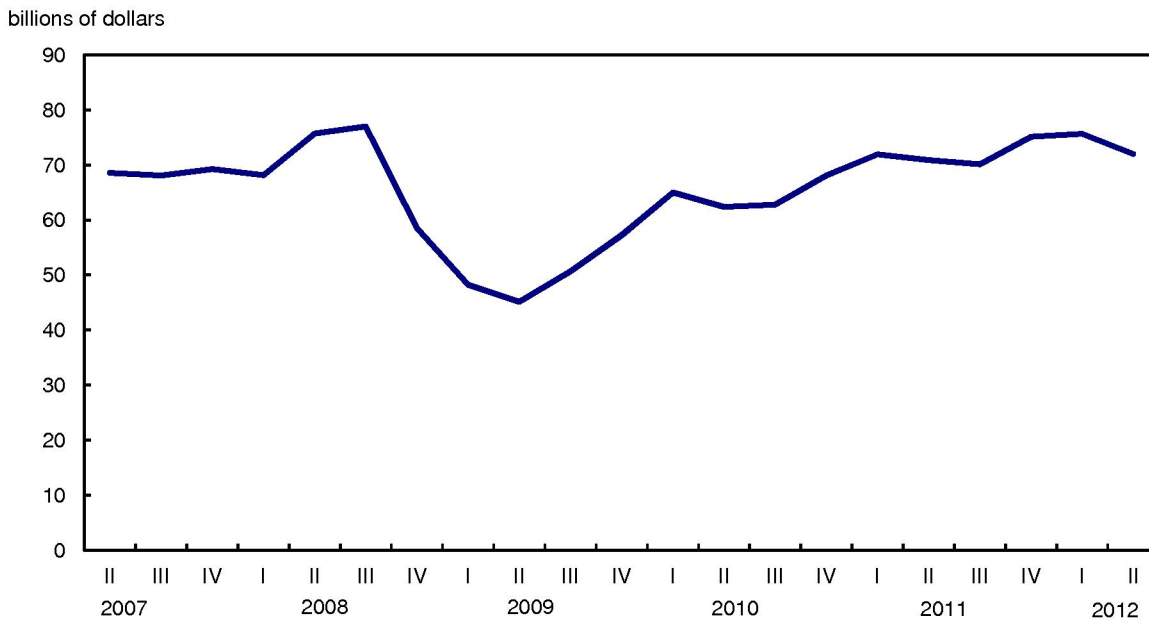
Releases

Quarterly financial statistics for enterprises, second quarter 2012

Canadian corporations earned \$71.9 billion in operating profits in the second quarter, down 4.9% from the previous quarter. This decrease follows two consecutive quarterly increases.

Operating profits decreased in 15 of 22 industries. The manufacturing and oil and gas industries led the decline, followed by the insurance industry.

Chart 1 Quarterly operating profits

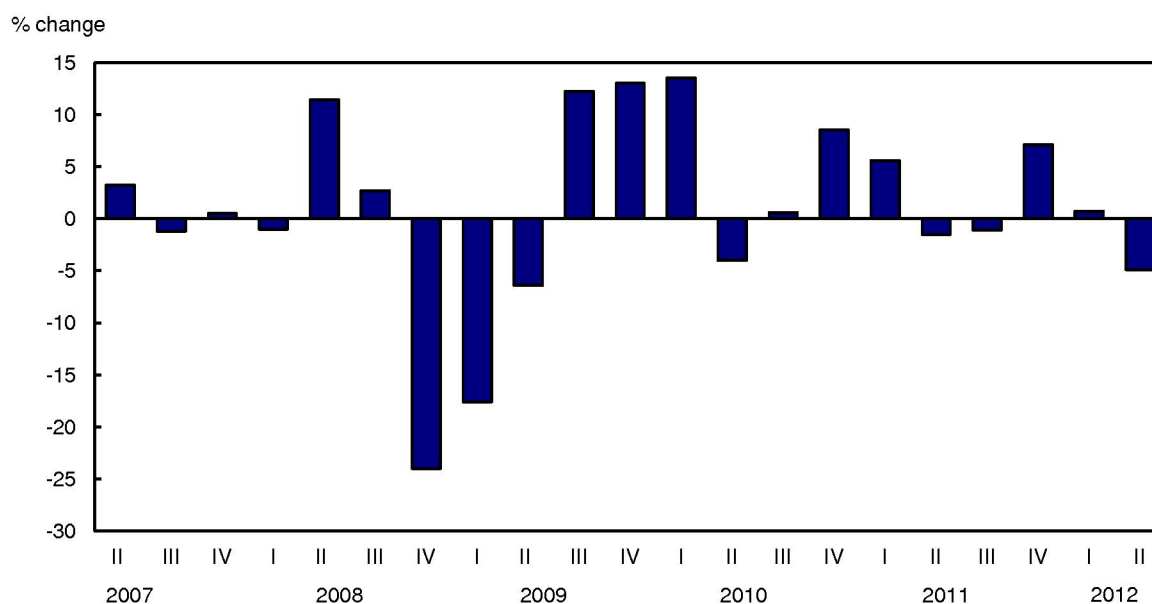


In the non-financial sector, operating profits declined 5.0% to \$52.2 billion in the second quarter, following a 5.1% decrease the previous quarter. Much of this decrease came from the manufacturing and the oil and gas industries. In contrast, the information and cultural industries and the mining industry each registered a slight growth in profits.

In the financial sector, operating profits decreased 4.6% to \$19.7 billion, following a 20.1% gain in the first quarter. Most of the decline in the second quarter came from the insurance industry.

On a year-over-year basis, operating profits for Canadian corporations were 1.5% higher in the second quarter than in the second quarter of 2011. Profits declined 0.9% in the non-financial sector, while they rose 8.6% in the financial sector.

Chart 2
Quarterly change in operating profits



Non-financial sector

Operating profits in manufacturing declined 9.8% to \$12.2 billion in the second quarter.

Overall, 8 of the 13 manufacturing industries reported decreases, led by primary metal manufacturers and petroleum and coal products manufacturers. These declines were tempered by increased profits for motor vehicle and parts manufacturers and air, rail and ship products manufacturers.

Profits for primary metal manufacturers fell 51.8% to \$760.5 million between the first and second quarters. The decline was mainly a result of weakening base metal prices, increased competition from steel imports and the European slowdown.

Profits for petroleum and coal products manufacturers declined 18.1% to \$3.3 billion. The main factors were a drop in the price of coal, lower production volumes as a result of refinery shutdowns as well as lower crude petroleum exports.

Profits for motor vehicle and parts manufacturers rose 30.6% to \$965.1 million, as the industry continued to recover from supply chain disruptions caused by the 2011 earthquake and tsunami in Japan.

Profits for air, rail and ship products manufacturers more than doubled to \$541.4 million.

In the oil and gas industry, profits fell 31.0% to \$2.7 billion. This industry experienced lower oil prices in the second quarter and an increased price gap between Canadian crude and the North American benchmark for crude, West Texas Intermediate.

Profits for information and cultural industries rose 6.6% to \$5.1 billion. Profits in telecommunications accounted for most of this increase, rising 8.5% to \$3.7 billion.

Mining profits increased 8.1% to \$2.1 billion on the strength of increased production volumes that occurred despite lower commodity prices.

Retailers' profits edged down 0.8% to \$4.0 billion, while wholesalers' profits declined 1.1% to \$5.5 billion.

Financial sector

Most of the decline in the financial sector came from the insurance industry, where profits fell 30.0% to \$2.7 billion.

The decrease in the second quarter was led by life insurers, whose profits declined 60.5% to \$773.3 million in the wake of higher actuarial liabilities adjustments.

Profits for depository credit intermediaries increased 1.5% to \$9.9 billion.

Note to readers

Quarterly financial statistics are compiled using financial information provided by enterprises that derive this data from their financial statements. Starting on January 1, 2011, Canadian publicly accountable enterprises are 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 are 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 estimates for the first quarter of 2012 have been revised. For more information on seasonal adjustment, see [Seasonal adjustment and identifying economic trends](#).

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

	Second quarter 2011	First quarter 2012 ^r	Second quarter 2012 ^p	First quarter to second quarter 2012	Second quarter 2011 to second quarter 2012
	billions of dollars			% change	
All industries					
Operating revenue	811.8	847.5	844.0	-0.4	4.0
Operating profit	70.8	75.6	71.9	-4.9	1.5
Net profit	57.3	53.8	52.3	-2.8	-8.8
Non-financial					
Operating revenue	732.6	767.0	763.7	-0.4	4.2
Operating profit	52.7	54.9	52.2	-5.0	-0.9
Net profit	44.3	40.1	39.0	-2.9	-12.0
Financial					
Operating revenue	79.2	80.6	80.3	-0.4	1.4
Operating profit	18.2	20.7	19.7	-4.6	8.6
Net profit	13.0	13.6	13.3	-2.6	2.0

^r revised

^p preliminary

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

Available without charge 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 through CANSIM. They are available at the national level for 22 industry groupings.

The second quarter 2012 issue of the *Quarterly Financial Statistics for Enterprises* (61-008-X, free) will be available soon.

Financial statistics for enterprises for the third quarter will be released on November 27.

For further information, contact Statistics Canada's National Contact Centre (613-951-8116; toll-free 1-800-263-1136; infostats@statcan.gc.ca).

To enquire about the concepts, methods, or data quality of this release, contact Khalid Berrahou (613-951-1989; khalid.berrahou@statcan.gc.ca) or Philippe Marceau (613-951-4390; philippe.marceau@statcan.gc.ca), Industrial Organization and Finance Division.

Characteristics of international overnight travellers, first quarter 2012

Overnight business travel both to and from Canada increased at a faster pace than the two other main reasons for travel during the first quarter compared with the first quarter of 2011.

Business travel represented a smaller proportion of total travel than trips for pleasure or visiting friends or relatives. However, people on business travel spent on average more per night.

Canadian travellers made 673,000 overnight business trips to the United States during the first quarter, up 12.3% from the first quarter of 2011. They spent \$673 million, an average of \$207 per night.

In the opposite direction, American travellers made 425,000 overnight business trips to Canada, a 7.1% increase. While in Canada, they spent \$329 million, an average of \$254 per night.

Canadian business travel to overseas countries increased 7.5% from 146,000 to 157,000 overnight trips. Overnight business travellers spent \$268 million while abroad.

Overseas residents took 133,000 overnight trips to Canada for business in the first quarter, up 1.4% from the first quarter of 2011, and spent \$232 million.

For Americans coming to Canada, pleasure was the top reason. They took 671,000 overnight trips for pleasure, up 5.8% from the first quarter of 2011. Overall, New York, Washington and Michigan were the top three states of origin for all overnight travel.

Among countries other than the United States, the primary reason for coming to Canada was to visit friends or relatives. Overseas residents made 210,000 such overnight trips, up 12.0% from the first quarter of 2011.

The United Kingdom, France, and China were the top overseas countries of origin for overnight travel to Canada. Travel to Canada from China increased 24.0% compared with the first quarter of 2011.

Canadian residents took nearly 3.3 million pleasure trips to the United States, up 9.9%. Overall, Florida, New York and Washington continued to be the top three states for overnight visits by Canadians.

Travel for pleasure was also the prime reason for Canadian travel to overseas countries, accounting for 81.2% of all overseas travel. Canadian residents spent \$2.8 billion overseas on pleasure trips in the first quarter. Overall, the top three destinations were still Mexico, Cuba and the Dominican Republic.

Table 1
Overnight travel to and from Canada by trip purpose¹

	Trips		
	First quarter 2011 ^r	First quarter 2012 ^p	First quarter 2011 to first quarter 2012
	thousands		% change
Canadian trips abroad			
To the United States	4,636	5,000	7.8
Business	599	673	12.3
Pleasure	2,984	3,280	9.9
Visiting friends/relatives	762	765	0.4
To other countries	3,029	3,216	6.2
Business	146	157	7.5
Pleasure	2,478	2,612	5.4
Visiting friends/relatives	294	298	1.5
Travel to Canada			
From the United States	1,526	1,601	4.9
Business	397	425	7.1
Pleasure	635	671	5.8
Visiting friends/relatives	382	380	-0.5
From other countries	578	614	6.4
Business	131	133	1.4
Pleasure	171	185	8.5
Visiting friends/relatives	187	210	12.0

^r revised

^p preliminary

1. Totals also include other trip purposes.

Definitions, data sources and methods: survey number 3152.

This release summarises data now available from the International Travel Survey. Tables, various statistical profiles and micro-data files of characteristics of international travellers using the preliminary first quarter 2012 are now available on request.

Data on characteristics of international overnight travellers for the second quarter will be released on November 27.

For more information, contact Statistics Canada's National Contact Centre (toll-free 1-800-263-1136; 613-951-8116; infostats@statcan.gc.ca).

To enquire about the concepts, methods or data quality of this release, contact Frances Kremarik (613-951-4240; fax: 613-951-2909; frances.kremarik@statcan.gc.ca), Tourism and the Centre for Education Statistics Division.

Poultry and egg statistics, June 2012

Data on production of poultry and eggs, placements of hatchery chicks and turkey poults, and stocks of frozen eggs and poultry meats as well as edible dried egg products are now available for June.

Note to readers

The last issue of Poultry and Egg Statistics (23-015-X) is published with this release. The data previously contained in this publication continue to be available without charge in CANSIM.

Egg production data from January 2002 to December 2011 have been revised following the 2011 Census of Agriculture data.

Available without charge in CANSIM: tables 003-0020 to 003-0024, 003-0038 and 003-0039.

Definitions, data sources and methods: survey numbers 3425 and 5039.

The April to June 2012 issue of *Poultry and Egg Statistics*, Vol. 9, no. 2 (23-015-X, free), is now available from the *Key resource* module of our website under *Publications*.

For more information, contact Statistics Canada's National Contact Centre (toll-free 1-800-263-1136; 613-951-8116; infostats@statcan.gc.ca).

To enquire about the concepts, methods or data quality of this release, contact Emily Makosky (613-951-2442; emily.makosky@statcan.gc.ca), Agriculture Division.

Mineral wool including fibrous glass insulation, July 2012

Data on mineral wool including fibrous glass insulation are now available for July.

Note to readers

Data are available upon request only.

Definitions, data sources and methods: survey number 2110.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Statistics Canada's National Contact Centre (toll-free 1-800-263-1136; 613-951-8116; infostats@statcan.gc.ca) or the Media Hotline (613-951-4636; mediahotline@statcan.gc.ca).

Fertilizer Shipments Survey, fourth quarter of 2011/2012

Data from the Fertilizer Shipments Survey are now available for the fourth quarter of the fertilizer year 2011/2012.

Available without charge in CANSIM: tables 001-0066 to 001-0069.

Tables 001-0066 to 001-0069: Canadian fertilizer inventories, production, and shipments by product and nutrient content.

Definitions, data sources and methods: survey number 5148.

The publication *Fertilizer Shipments Survey*, no. 2 (21-022-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 Statistics Canada's National Contact Centre (toll-free 1-800-263-1136; 613-951-8116; infostats@statcan.gc.ca) or the Media Hotline (613-951-4636; mediahotline@statcan.gc.ca).

Quarterly civil aviation statistics, fourth quarter 2011

Operational and financial data on civil aviation are now available for the fourth quarter.

Definitions, data sources and methods: survey number 2712.

Civil aviation data will appear later in the publication *Aviation: Service Bulletin* (51-004-X, free).

For more information, to order data tables, or to enquire about the concepts, methods or data quality of this release, contact Statistics Canada's National Contact Centre (toll-free 1-800-263-1136; 613-951-8116; infostats@statcan.gc.ca) or the Media Hotline (613-951-4636; mediahotline@statcan.gc.ca).

New products and studies

New products

Fertilizer Shipments Survey, No. 2

Catalogue number 21-022-X (HTML, free | PDF, free)

Poultry and Egg Statistics, Vol. 9, no. 2

Catalogue number 23-015-X (HTML, free | PDF, free)



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