

# The Daily

## Statistics Canada

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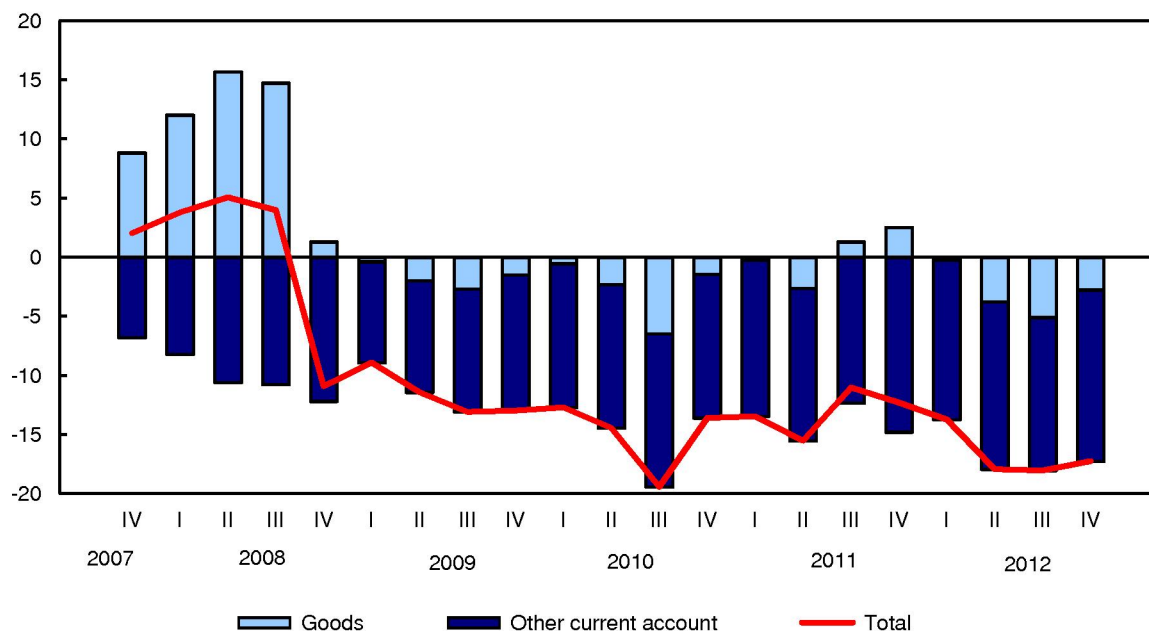
## Releases

### Canada's balance of international payments, Fourth quarter 2012

Canada's current account deficit (on a seasonally adjusted basis) decreased \$0.8 billion to \$17.3 billion in the fourth quarter. The reduction to the goods deficit was partially offset by the increase of the investment income deficit.

**Chart 1**  
**Current account balances**

billions of dollars, seasonally adjusted



In the financial account (unadjusted for seasonal variation), transactions in loans and deposits accounted for most of the inflows in the quarter, as inward and outward transactions in both securities and direct investment were largely offsetting. This contrasted with the general trend observed since 2009, where net inflows in the form of securities have been the main contributor to the financing of the ongoing current account deficit.

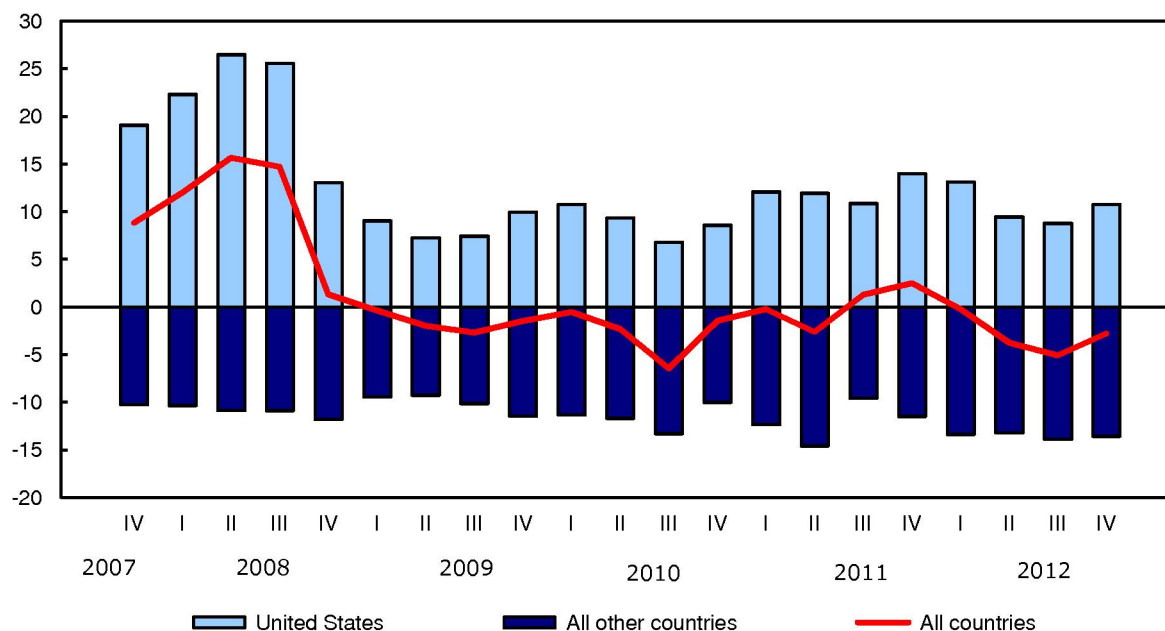
### Current account

#### Deficit on trade in goods narrows

The deficit on trade in goods was reduced by \$2.3 billion in the fourth quarter to \$2.8 billion. This largely reflected increased exports, led by energy products and by farm, fishing and intermediate food products. The goods surplus with the United States was up \$2.0 billion on stronger exports in the fourth quarter, although for the year 2012, it was reduced by \$6.8 billion to \$42.1 billion. The deficit on goods with all other countries reached a record of \$54.0 billion in 2012, up \$6.0 billion from 2011.

**Chart 2**  
**Goods balances by geographic areas**

billions of dollars, seasonally adjusted



Total exports of goods were up \$1.7 billion to \$114.5 billion in the fourth quarter. Energy products accounted for \$1.6 billion of this increase, led by higher prices as volumes were down. However, the crude petroleum portion of energy reflected both higher prices and volumes. Higher export volumes of canola and of other crop products contributed to the \$1.1 billion increase for farm, fishing and intermediate food products. Increases were moderated by a reduction in the exports of metal ores and non-metallic minerals, mainly on lower volumes.

Total imports were down \$0.6 billion to \$117.3 billion in the fourth quarter. Volumes were down for several major categories of goods, leading to reductions in imports of industrial machinery (-\$0.5 billion) and motor vehicles (-\$0.4 billion). Chemicals products and forestry products were also down. These import reductions were partially offset by higher imports of energy products, which increased \$0.7 billion through stronger prices and volumes, as well as by higher volumes of aircraft and other transportation equipment (+\$0.4 billion).

**Trade in services deficit edges down**

The deficit on trade in services was reduced by \$0.1 billion in the fourth quarter from a high of \$6.2 billion the previous quarter. For the year 2012, the deficit in trade in services reached a new high at \$24.6 billion, mostly on the travel account.

Commercial services and travel accounted for the majority of changes in the fourth quarter. The surplus on commercial services edged up \$0.1 billion, as imports weakened in the fourth quarter. Increased spending by Canadians on visits to the United States was partially offset by larger spending by overseas travellers coming to Canada. This resulted in a slight increase in the deficit on international travel to \$4.6 billion.

## Investment income deficit expands

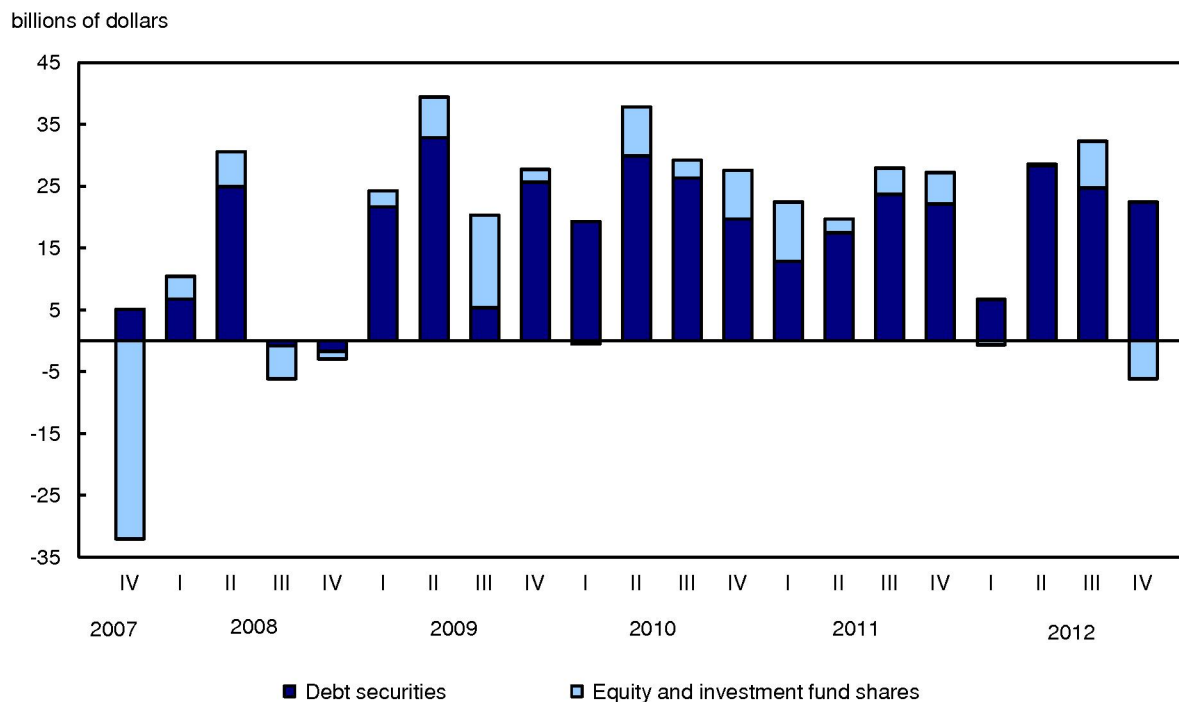
The deficit on investment income advanced \$1.8 billion in the fourth quarter to \$6.9 billion. This mainly reflected increased earnings of non-residents on their foreign direct investment in Canada, which advanced \$1.9 billion on higher dividend payments. On the other side of the ledger, earnings on Canadian direct investment abroad were up \$0.3 billion. Higher interest paid to foreign holders of Canadian bonds pushed the deficit on portfolio investment income up a further \$0.2 billion.

## Financial account

### Foreign portfolio investors continue to acquire Canadian debt securities but divest of equities

Foreign investors added \$16.3 billion of Canadian securities to their holdings in the fourth quarter, half the level of the previous quarter. Acquisitions of Canadian debt securities remained robust at \$22.4 billion, but were partly offset by a sizable decline in foreign portfolio holdings of Canadian equities.

**Chart 3**  
**Foreign investment in Canadian securities**



Non-resident investors increased their holdings of federal debt instruments by \$12.4 billion in the fourth quarter, adding both short and long-term instruments. Retirements and coupon payments in December moderated the inflows. Foreign holdings of private corporate debt securities were up by \$13.3 billion, on the strength of net new issues of bonds. This closed another year of strong foreign investment in Canadian debt securities as non-residents added \$82.2 billion worth to their holdings, with federal bonds accounting for nearly 40% of these transactions.

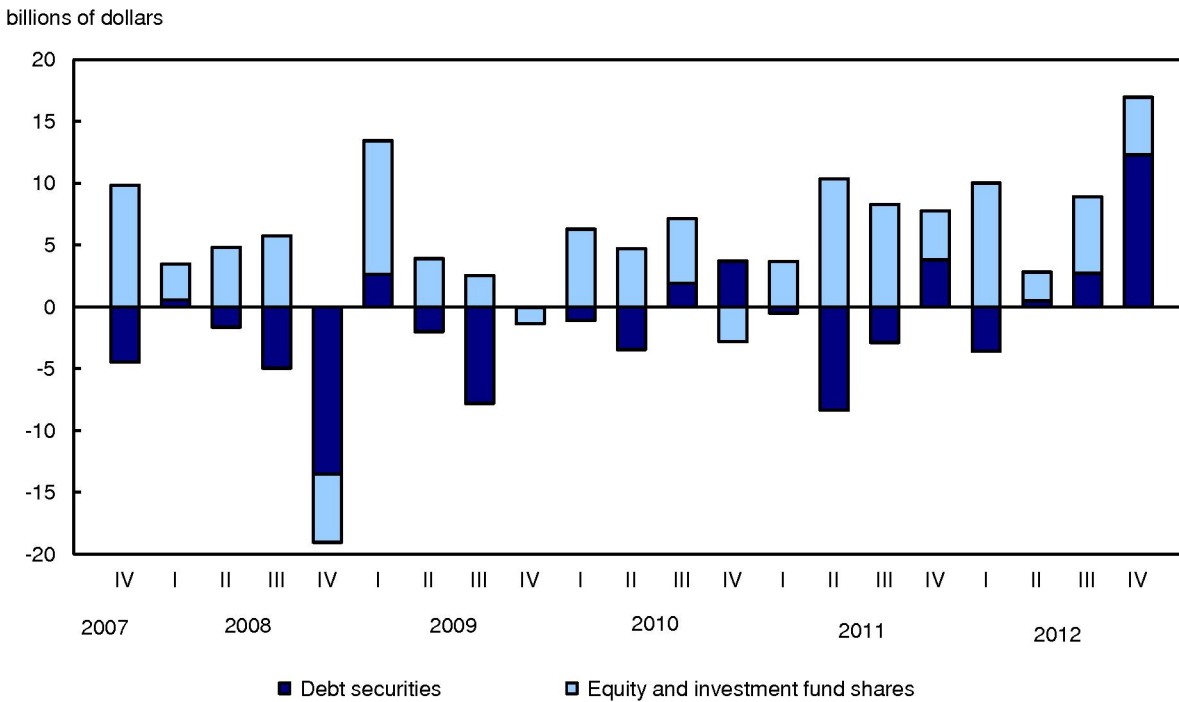
Foreign portfolio investors reduced their holdings of Canadian equities by \$6.1 billion in the fourth quarter, the largest divestment since the fourth quarter of 2007. This was related to cross-border mergers and acquisitions activity, with non-resident portfolio investors rendering their Canadian shares to foreign direct investors. Foreign purchases of Canadian stocks on the secondary market slowed to \$0.7 billion. Canadian stock prices were up by 0.9% in the fourth quarter, following a 6.2% increase in the third quarter.

**Canadian investment in foreign securities increases further**

Canadian investors acquired \$17.0 billion of foreign securities in the fourth quarter, the largest investment since the second quarter of 2007, just before the onset of the global credit crisis. Over three-quarters of this activity was in foreign bonds, mainly US government instruments. This was partially offset by retirements of maple bonds.

Canadian investment in foreign stock markets slowed to \$4.7 billion, marking an eighth straight quarter of investment. Acquisitions were led by US stocks. On an annual basis, Canadians acquired the largest amount of foreign securities in five years, as they increased their holdings of bonds for the first time during this period. As of the third quarter of 2012, nearly 80% of Canadian holdings of foreign securities were in equity.

**Chart 4**  
**Canadian investment in foreign securities**



**Inward direct investment led by mergers and acquisitions**

Foreign direct investment in Canada was \$14.9 billion in the fourth quarter, up from \$8.0 billion in the third quarter. Inflows reflected strong merger and acquisition transactions, the largest such activity since the second quarter of 2011. Foreign direct investors from Europe accounted for most of the investment in the country.

**Outward direct investment moderates, but remains strong**

Funds sent abroad by Canadian direct investors eased to \$16.8 billion, following a strong third quarter. Outflows related to mergers and acquisitions were reduced to \$4.4 billion from \$10.7 billion in the third quarter. Outside of mergers and acquisitions, the energy and mining sector was also lower. Nevertheless, Canadian direct investment abroad has exceeded foreign direct investment in Canada for a fifth straight year in 2012.

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## Transactions in loans and deposits generate inflows of funds

Transactions in the other investment category of the financial account generated a net inflow of \$17.3 billion in the fourth quarter. This was the second straight quarter of expansion in Canadian deposit liabilities at \$26.5 billion, mostly reflecting an increase in foreign currency deposits held by non-residents. As well, loans to non-residents through reverse repurchase agreement transactions led to a reduction on the asset side in the fourth quarter.

### **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 current transfers.

The **current account** data in this release are seasonally adjusted. For more information on seasonal adjustment, see [Seasonal adjustment and identifying economic trends](#).

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

The **financial account** comprises 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 National economic accounts module of our website. The module also presents the most recent balance of payments statistics.

**Table 1**  
**Balance of payments – Not seasonally adjusted**

	Fourth quarter 2011	First quarter 2012	Second quarter 2012	Third quarter 2012	Fourth quarter 2012	2011	2012
millions of dollars							
<b>Capital account and current account</b>							
<b>Net lending / net borrowing, from capital account and current account</b>	<b>-10,469</b>	<b>-15,816</b>	<b>-17,104</b>	<b>-18,512</b>	<b>-15,651</b>	<b>-52,303</b>	<b>-67,083</b>
Current account balances	-10,468	-15,812	-17,102	-18,508	-15,521	-52,292	-66,944
Goods and services	-1,555	-7,106	-10,446	-11,893	-7,002	-22,110	-36,447
Goods	3,518	655	-3,806	-7,258	-1,469	912	-11,879
Services	-5,073	-7,761	-6,640	-4,635	-5,533	-23,022	-24,569
Primary income	-8,552	-6,968	-6,088	-5,633	-8,136	-26,723	-26,825
Compensation of employees	-478	-464	-494	-516	-504	-1,908	-1,978
Investment income	-8,074	-6,504	-5,594	-5,117	-7,632	-24,815	-24,847
Direct investment	-2,675	-943	3	364	-1,546	-4,613	-2,121
Portfolio investment	-4,874	-5,132	-5,357	-5,537	-5,628	-18,857	-21,653
Other investment	-525	-430	-240	56	-458	-1,345	-1,072
Secondary income	-361	-1,738	-569	-982	-384	-3,459	-3,672
Capital account balance	-2	-4	-2	-4	-129	-10	-139
<b>Financial account<sup>1, 2</sup></b>							
<b>Net lending / net borrowing, from financial account</b>	<b>-15,632</b>	<b>-15,187</b>	<b>-12,186</b>	<b>-21,564</b>	<b>-14,654</b>	<b>-57,004</b>	<b>-63,590</b>
Net acquisition of financial assets	36,388	13,157	3,732	57,489	44,716	104,604	119,093
Canadian direct investment abroad	16,025	11,082	2,942	23,117	16,754	49,326	53,895
Canadian portfolio investment in foreign securities	7,762	6,447	2,814	8,907	16,963	18,331	35,131
Foreign debt securities	3,795	-3,576	490	2,712	12,307	-7,924	11,933
Foreign money market instruments	-1,208	-565	-1,205	815	-659	-2,036	-1,615
Foreign bonds	5,003	-3,011	1,695	1,897	12,966	-5,888	13,548
Foreign equity and investment fund shares	3,967	10,023	2,324	6,195	4,656	26,255	23,198
Official international reserves	3,591	2,965	-2,464	1,073	124	8,061	1,697
Other Canadian investment abroad	9,010	-7,337	440	24,392	10,875	28,886	28,370
Loans	5,222	3,614	7,984	20,321	-9,709	14,629	22,211
Currency and deposits	-1,255	-8,916	3,743	1,189	4,298	27,773	313
Other assets	5,044	-2,035	-11,286	2,882	16,286	-13,517	5,846
Net incurrence of liabilities	52,020	28,344	15,918	79,052	59,369	161,607	182,683
Foreign direct investment in Canada	3,626	17,166	5,275	7,995	14,902	40,953	45,339
Foreign portfolio investment in Canadian securities	27,216	6,050	28,563	32,273	16,306	97,335	83,192
Canadian debt securities	22,146	6,705	28,320	24,751	22,448	76,198	82,224
Canadian money market instruments	9,810	-7,759	10,237	4,862	5,915	32,021	13,255
Canadian bonds	12,335	14,464	18,083	19,889	16,533	44,177	68,969
Canadian equity and investment fund shares	5,070	-656	243	7,522	-6,142	21,136	968
Other foreign investment in Canada	21,178	5,128	-17,921	38,785	28,161	23,319	54,152
Loans	6,421	-1,827	-4,552	8,685	1,565	-1,213	3,871
Currency and deposits	14,255	6,661	-13,350	29,718	26,499	22,561	49,529
Special drawing rights	0	0	0	0	0	0	0
Other liabilities	502	293	-19	381	97	1,971	752
<b>Discrepancy (net errors and omissions)</b>	<b>-5,163</b>	<b>630</b>	<b>4,918</b>	<b>-3,052</b>	<b>997</b>	<b>-4,701</b>	<b>3,493</b>

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.

**Table 2**  
**Current account – Seasonally adjusted**

	Fourth quarter 2011	First quarter 2012	Second quarter 2012	Third quarter 2012	Fourth quarter 2012	2011	2012
millions of dollars							
<b>Current account receipts</b>	<b>161,591</b>	<b>159,515</b>	<b>155,606</b>	<b>153,453</b>	<b>155,658</b>	<b>615,948</b>	<b>624,232</b>
Goods and services	141,878	139,150	137,531	133,665	135,479	539,289	545,825
Goods	120,755	118,724	116,574	112,765	114,481	456,518	462,544
Services	21,123	20,426	20,957	20,900	20,998	82,771	83,281
Travel	4,325	4,307	4,298	4,316	4,429	16,624	17,350
Transportation	3,698	3,685	3,609	3,483	3,496	14,294	14,273
Commercial services	12,696	12,022	12,636	12,689	12,663	50,285	50,010
Government services	403	412	414	412	410	1,568	1,649
Primary income	17,303	18,117	15,816	17,668	17,888	67,837	69,490
Compensation of employees	291	302	304	301	297	1,154	1,205
Investment income	17,012	17,815	15,512	17,368	17,591	66,683	68,285
Direct investment	10,870	11,911	9,679	11,432	11,757	42,480	44,778
Interest	576	721	771	735	737	2,246	2,964
Profits	10,295	11,190	8,908	10,696	11,020	40,234	41,814
Portfolio investment	4,756	4,503	4,414	4,560	4,496	18,975	17,973
Interest on debt securities	1,232	1,227	1,206	1,245	1,253	5,088	4,931
Dividends on equity and investment fund shares	3,524	3,276	3,208	3,315	3,243	13,887	13,042
Other investment	1,385	1,401	1,419	1,376	1,338	5,228	5,534
Secondary income	2,410	2,248	2,259	2,120	2,290	8,822	8,918
Private transfers	529	533	539	513	516	2,180	2,102
Government transfers	1,881	1,715	1,720	1,606	1,774	6,642	6,815
<b>Current account payments</b>	<b>173,882</b>	<b>173,237</b>	<b>173,526</b>	<b>171,497</b>	<b>172,917</b>	<b>668,240</b>	<b>691,176</b>
Goods and services	144,881	145,447	147,432	144,990	144,403	561,399	582,273
Goods	118,260	118,968	120,334	117,856	117,264	455,606	474,422
Services	26,621	26,479	27,097	27,135	27,139	105,793	107,850
Travel	8,414	8,411	8,985	8,818	8,980	32,974	35,195
Transportation	6,044	5,953	5,950	6,079	6,050	23,912	24,031
Commercial services	11,843	11,808	11,855	11,929	11,800	47,627	47,392
Government services	320	308	307	308	309	1,280	1,232
Primary income	25,835	24,663	23,075	23,252	25,324	94,560	96,314
Compensation of employees	776	783	793	800	806	3,062	3,183
Investment income	25,059	23,880	22,282	22,452	24,518	91,498	93,132
Direct investment	13,602	12,537	10,686	10,912	12,765	47,093	46,900
Interest	976	932	925	922	910	3,869	3,690
Profits	12,625	11,605	9,760	9,990	11,854	43,224	43,209
Portfolio investment	9,655	9,618	9,848	10,000	10,160	37,832	39,626
Interest on debt securities	7,087	6,880	6,975	6,989	7,084	27,476	27,929
Dividends on equity and investment fund shares	2,568	2,737	2,873	3,011	3,076	10,357	11,697
Other investment	1,803	1,726	1,749	1,539	1,593	6,572	6,606
Secondary income	3,166	3,126	3,019	3,255	3,189	12,282	12,589
Private transfers	1,678	1,720	1,718	1,731	1,728	6,746	6,897
Government transfers	1,488	1,406	1,301	1,524	1,462	5,536	5,692
<b>Current account balances</b>	<b>-12,291</b>	<b>-13,722</b>	<b>-17,920</b>	<b>-18,044</b>	<b>-17,259</b>	<b>-52,292</b>	<b>-66,944</b>
Goods and services	-3,003	-6,297	-9,901	-11,325	-8,924	-22,110	-36,447
Goods	2,495	-244	-3,761	-5,091	-2,783	912	-11,879
Services	-5,498	-6,053	-6,140	-6,234	-6,140	-23,022	-24,569
Travel	-4,089	-4,104	-4,687	-4,502	-4,551	-16,350	-17,845
Transportation	-2,345	-2,268	-2,341	-2,596	-2,553	-9,618	-9,758
Commercial services	853	214	781	760	863	2,658	2,618
Government services	84	104	107	104	101	289	416
Primary income	-8,532	-6,547	-7,259	-5,583	-7,436	-26,723	-26,825
Compensation of employees	-485	-481	-488	-500	-509	-1,908	-1,978
Investment income	-8,047	-6,066	-6,770	-5,084	-6,927	-24,815	-24,847
Direct investment	-2,731	-626	-1,007	519	-1,007	-4,613	-2,121
Interest	-401	-211	-154	-187	-173	-1,623	-726
Profits	-2,331	-415	-852	706	-834	-2,990	-1,395
Portfolio investment	-4,898	-5,114	-5,434	-5,441	-5,664	-18,857	-21,653
Interest on debt securities	-5,855	-5,653	-5,770	-5,744	-5,831	-22,388	-22,999
Dividends on equity and investment fund shares	956	539	336	304	167	3,531	1,346
Other investment	-418	-325	-330	-163	-255	-1,345	-1,072
Secondary income	-756	-878	-760	-1,135	-899	-3,459	-3,672
Private transfers	-1,149	-1,187	-1,179	-1,217	-1,211	-4,566	-4,795
Government transfers	393	309	419	82	313	1,106	1,123



**Available in CANSIM: tables 376-0012, 376-0013, 376-0101 to 376-0108, 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 first quarter will be released on May 30.

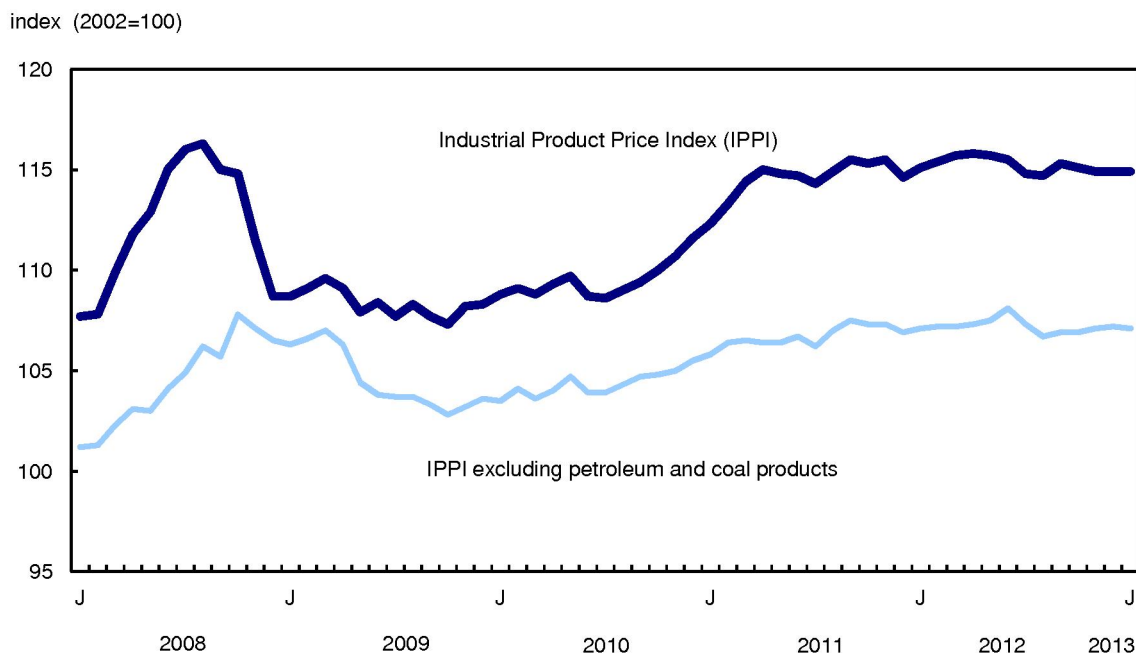
For more information, contact us (toll-free 1-800-263-1136; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)) or Media Relations (613-951-4636; [mediahotline@statcan.gc.ca](mailto:mediahotline@statcan.gc.ca)).

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## Industrial product and raw materials price indexes, January 2013

In January, the Industrial Product Price Index (IPPI) remained at the same level as in December. Lower prices for chemical products largely offset gains elsewhere, including an advance in petroleum and coal products. The Raw Materials Price Index (RMPI) rebounded with a 3.8% gain, mostly because of higher prices for crude oil.

### Chart 1 Prices for industrial goods remain unchanged



### Industrial Product Price Index, monthly change

The IPPI remained at the same level for a second consecutive month in January. Of the 21 major commodity groups, 10 were up, 8 were down, and 3 were unchanged.

Chemical products (-1.4%) posted the largest decline, mainly attributable to lower prices for organic industrial chemicals (-4.7%). It was the first decrease since September 2012 for chemical products.

Primary metal products (-0.6%) also declined, as a result of lower prices for aluminum products (-2.7%) and other non-ferrous metal products (-0.8%).

Among the other commodity groups that posted decreases was fruit, vegetables, feeds and other food products (-0.5%), pushed downward primarily by feeds (-1.9%).

Conversely, petroleum and coal products (+0.7%) posted the largest gain. The advance was mainly the result of higher prices for fuel oil and other fuels (+1.9%) and gasoline (+0.9%).

Higher prices were also observed for lumber and other wood products (+1.2%), largely because of lumber and ties (+3.0%), which posted a third consecutive increase.

Among the other commodities that registered gains was meat, fish and dairy products (+0.9%), which increased as a result of higher prices for meat products (+1.8%).

### **Industrial Product Price Index, 12-month change**

Compared with January 2012, the IPPI was down 0.2%.

The decrease of the index was led by primary metal products (-3.1%), which fell mainly because of lower prices for aluminum products (-6.9%), iron and steel products (-2.7%) and nickel products (-13.7%).

Motor vehicles and other transportation equipment (-1.0%) also contributed to the year-over-year decline of the IPPI. The decrease was primarily a result of the appreciation of the Canadian dollar against the US dollar compared with January 2012.

Some Canadian producers who export their products report their prices in US dollars. Consequently, the 2.1% year-over-year increase in the value of the Canadian dollar relative to the US dollar may have the effect of lowering the IPPI. Without the measurable effect of the exchange rate, the index would have risen 0.3% instead of falling 0.2%.

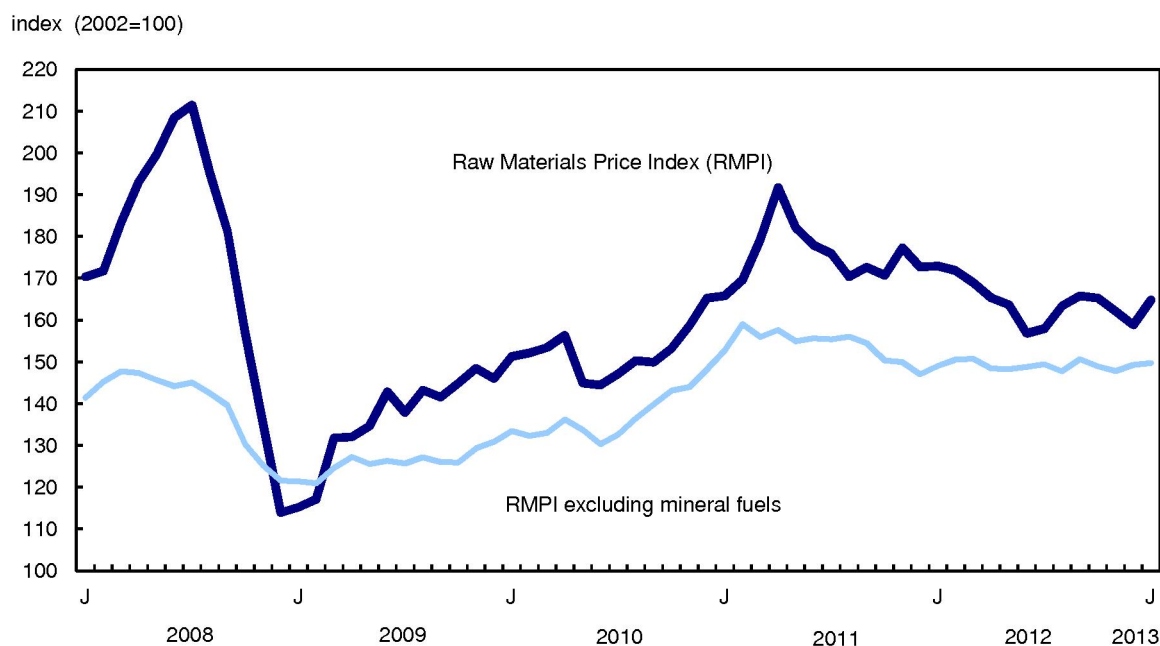
Among the other commodities that contributed to the downward movement of the IPPI were chemical products (-1.7%) and petroleum and coal products (-1.0%).

The decline of the IPPI was moderated primarily by an increase in lumber and other wood products (+9.0%), largely a result of higher prices for lumber and ties (+15.0%).

### **Raw Materials Price Index, monthly change**

The RMPI rose 3.8% in January, the first advance since September 2012 and the largest gain of the index since November 2011. All major product groups except one were up.

**Chart 2**  
**Prices for raw materials increased**



The increase of the RMPI was mainly led by higher prices for mineral fuels (+8.1%), specifically crude oil (+8.5%). The RMPI excluding mineral fuels edged up 0.3% in January.

Among the other commodity groups that exerted upward pressure on the RMPI was ferrous materials (+4.0%). The increase was mostly attributable to iron ore (+8.7%).

The growth of the RMPI in January was moderated slightly by non-ferrous metals (-0.6%), which declined mainly because of lower prices for other non-ferrous base metals (-1.9%), zinc concentrates (-1.6%) and precious metals (-1.2%).

### Raw Materials Price Index, 12-month change

Compared with the same month one year earlier, the RMPI was down 4.7%, continuing the downward trend observed since March 2012.

The decline of the RMPI was largely attributable to mineral fuels (-9.9%), specifically crude oil (-10.3%), which was down for an 11th consecutive month on a year-over-year basis. The RMPI excluding mineral fuels rose 0.5%, the second consecutive increase on a year-over-year basis.

Other commodity groups that contributed to the decrease of the RMPI included non-ferrous metals (-1.1%) and ferrous materials (-6.3%).

Compared with January 2012, the decline of the RMPI was moderated slightly by vegetable products (+5.8%) and wood products (+2.6%).

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### **Note to readers**

All data in this release are seasonally unadjusted and usually subject to revision for a period of six months (for example, when the July index is released, the index for the previous January becomes final).

The **Industrial Product Price Index (IPPI)** 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. But 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 (RMPI)** 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 <sup>1</sup>	January 2012	December 2012 <sup>r</sup>	January 2013 <sup>p</sup>	December 2012 to January 2013	January 2012 to January 2013
	%	(2002=100)			% change	
<b>Industrial Product Price Index (IPPI)</b>	<b>100.00</b>	<b>115.1</b>	<b>114.9</b>	<b>114.9</b>	<b>0.0</b>	<b>-0.2</b>
<b>IPPI excluding petroleum and coal products</b>	<b>93.70</b>	<b>107.1</b>	<b>107.2</b>	<b>107.1</b>	<b>-0.1</b>	<b>0.0</b>
<b>Aggregation by commodities</b>						
Meat, fish and dairy products	6.08	108.3	109.9	110.9	0.9	2.4
Fruit, vegetable, feeds and other food products	5.52	126.3	129.9	129.2	-0.5	2.3
Beverages	1.52	122.8	123.4	123.4	0.0	0.5
Tobacco and tobacco products	0.56	175.1	177.9	177.8	-0.1	1.5
Rubber, leather and plastic fabricated products	3.51	119.7	121.4	121.1	-0.2	1.2
Textile products	1.37	103.4	103.1	103.0	-0.1	-0.4
Knitted products and clothing	1.33	102.5	103.3	103.8	0.5	1.3
Lumber and other wood products	6.04	89.6	96.5	97.7	1.2	9.0
Furniture and fixtures	2.19	117.5	118.6	118.6	0.0	0.9
Pulp and paper products	6.40	100.1	99.5	99.7	0.2	-0.4
Printing and publishing	1.84	105.0	105.1	105.1	0.0	0.1
Primary metal products	6.99	147.8	144.0	143.2	-0.6	-3.1
Fabricated metal products	4.45	125.4	122.9	123.0	0.1	-1.9
Machinery and equipment	4.41	105.9	106.2	106.4	0.2	0.5
Motor vehicles and other transport equipment	24.34	78.4	77.5	77.6	0.1	-1.0
Electrical and communications products	5.02	93.3	93.4	93.6	0.2	0.3
Non-metallic mineral products	2.07	118.5	118.7	119.0	0.3	0.4
Petroleum and coal products	6.30	234.8	230.7	232.4	0.7	-1.0
Chemicals and chemical products	7.19	137.2	136.8	134.9	-1.4	-1.7
Miscellaneous manufactured products	2.60	123.2	123.6	123.5	-0.1	0.2
Miscellaneous non-manufactured products	0.30	279.0	238.3	237.3	-0.4	-14.9
<b>Intermediate goods<sup>2</sup></b>	<b>62.15</b>	<b>123.4</b>	<b>123.3</b>	<b>123.3</b>	<b>0.0</b>	<b>-0.1</b>
First-stage intermediate goods <sup>3</sup>	7.56	141.6	138.4	136.4	-1.4	-3.7
Second-stage intermediate goods <sup>4</sup>	54.60	120.9	121.3	121.5	0.2	0.5
<b>Finished goods<sup>5</sup></b>	<b>37.85</b>	<b>101.4</b>	<b>101.0</b>	<b>101.2</b>	<b>0.2</b>	<b>-0.2</b>
Finished foods and feeds	7.12	119.0	120.0	120.2	0.2	1.0
Capital equipment	12.19	88.0	87.4	87.5	0.1	-0.6
All other finished goods	18.54	103.5	102.6	102.9	0.3	-0.6

<sup>r</sup> revised

<sup>p</sup> preliminary

1. The relative importance is based on the annual 2002 values of production.

2. Intermediate goods are goods used principally to produce other goods.

3. First-stage intermediate goods are items used most frequently to produce other intermediate goods.

4. Second-stage intermediate goods are items most commonly used to produce final goods.

5. Finished goods are goods most commonly used for immediate consumption or for capital investment.

**Table 2**  
**Raw Materials Price Index – Not seasonally adjusted**

	Relative importance <sup>1</sup>	January 2012	December 2012 <sup>r</sup>	January 2013 <sup>p</sup>	December 2012 to January 2013	January 2012 to January 2013
	%	(2002=100)			% change	
<b>Raw Materials Price Index (RMPI)</b>	<b>100.00</b>	<b>172.9</b>	<b>158.8</b>	<b>164.8</b>	<b>3.8</b>	<b>-4.7</b>
<b>RMPI excluding mineral fuels</b>	<b>58.56</b>	<b>149.0</b>	<b>149.2</b>	<b>149.7</b>	<b>0.3</b>	<b>0.5</b>
Mineral fuels	41.44	207.2	172.6	186.6	8.1	-9.9
Vegetable products	9.89	140.7	148.1	148.9	0.5	5.8
Animal and animal products	19.81	124.3	124.0	124.3	0.2	0.0
Wood	11.82	91.7	92.7	94.1	1.5	2.6
Ferrous materials	2.88	162.7	146.6	152.4	4.0	-6.3
Non-ferrous metals	11.32	252.1	250.8	249.3	-0.6	-1.1
Non-metallic minerals	2.82	163.1	160.3	160.4	0.1	-1.7

<sup>r</sup> revised

<sup>p</sup> preliminary

1. The relative importance is based on the annual 2002 values of intermediate inputs.

**Available in CANSIM: tables 329-0056 to 329-0068 and 330-0007.**

Table 329-0056: Industrial Product Price Index, by major commodity aggregations.

Table 329-0057: Industrial Product Price Index, by industry.

Table 329-0058: Industrial Product Price Index, by stage of processing.

Tables 329-0059 to 329-0068: Industrial Product Price Index, by commodity.

Table 330-0007: Raw Materials Price Index, by commodity.

**Definitions, data sources and methods: survey numbers 2306 and 2318.**

The January 2013 issue of *Industry Price Indexes* (62-011-X) will be available soon.

The industrial product and raw materials price indexes for February will be released on March 28.

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

## Food services and drinking places, December 2012

Sales for the food services and drinking places industry increased 0.5% from November to \$4.5 billion in December. During the same period, the price of food purchased in restaurants rose 0.2%.

In December, two of the four industry sectors posted higher sales compared with November: the special food services sector, which includes food service contractors, caterers and mobile food services (+1.8%), and the full-service restaurant sector (+1.2%). Sales edged down 0.3% in the limited-service restaurant sector and 0.1% in the drinking places sector.

In December, seven provinces posted higher sales. The biggest increase was in Alberta (+1.2%), while the largest decline was in Quebec (-0.8%).

### Note to readers

All data in this release are seasonally adjusted and expressed in current dollars. For more information on seasonal adjustment, see *Seasonal adjustment and identifying economic trends*.

Seasonally adjusted data are revised for the three previous months. Data are also revised annually. Revisions improve data quality and coherence and are based on information not available at the time of the initial estimates.

**Table 1**  
**Food services and drinking places – Seasonally adjusted**

	December 2011	September 2012 <sup>r</sup>	October 2012 <sup>r</sup>	November 2012 <sup>r</sup>	December 2012 <sup>p</sup>	November to December 2012	December 2011 to December 2012
	thousands of dollars					% change	
<b>Total, food services sales</b>	<b>4,290,756</b>	<b>4,423,583</b>	<b>4,378,726</b>	<b>4,455,049</b>	<b>4,478,235</b>	<b>0.5</b>	<b>4.4</b>
Full-service restaurants	1,851,794	1,904,335	1,875,040	1,930,454	1,953,513	1.2	5.5
Limited-service eating places	1,886,706	1,946,830	1,940,171	1,954,661	1,948,250	-0.3	3.3
Special food services	355,588	374,221	367,224	374,421	381,163	1.8	7.2
Drinking places	196,668	198,198	196,291	195,513	195,308	-0.1	-0.7
<b>Provinces and territories</b>							
Newfoundland and Labrador	58,383	61,363	62,657	63,369	63,947	0.9	9.5
Prince Edward Island	16,132	16,126	16,047	16,477	16,438	-0.2	1.9
Nova Scotia	110,207	110,281	110,770	111,610	111,122	-0.4	0.8
New Brunswick	80,539	81,817	81,961	82,551	82,651	0.1	2.6
Quebec	852,053	869,129	858,682	874,994	867,639	-0.8	1.8
Ontario	1,639,665	1,681,705	1,678,542	1,706,392	1,724,079	1.0	5.1
Manitoba	125,780	128,493	125,468	127,523	128,202	0.5	1.9
Saskatchewan	130,929	139,302	137,720	138,484	139,968	1.1	6.9
Alberta	615,218	650,851	644,946	658,317	666,535	1.2	8.3
British Columbia	648,010	671,111	649,110	661,004	662,864	0.3	2.3
Yukon	4,924	5,145	5,264	5,298	F	F	F
Northwest Territories	7,111	6,866	6,419	7,926	F	F	F
Nunavut	1,805	1,394	1,139	1,104	F	F	F

<sup>r</sup> revised

<sup>p</sup> preliminary

F too unreliable to be published

**Note(s):** Figures may not add up to totals as a result of rounding.



**Available in CANSIM: table 355-0006.**

**Definitions, data sources and methods: survey number 2419.**

For more information or to order data, contact us (toll-free 1-800-263-1136; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)).

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## Food services and drinking places, annual, 2011

Total operating revenue for the food services and drinking places industry in Canada reached \$48.4 billion in 2011, up 2.8% from the previous year.

Total operating expenses for the industry rose 3.1% to \$46.3 billion in 2011. The cost of goods sold represented 36.0% of total operating expenses, the largest item, followed by salaries, wages and benefits at 33.6%.

The industry's operating profit margin was 4.2% in 2011, down slightly from 4.5% in 2010.

Newfoundland and Labrador had the highest growth in operating revenue at 5.9%, followed by Alberta, with a 5.8% increase. Revenue rose 3.2% in Ontario and 2.1% in Quebec.

Nearly 90% of the industry's operating revenue was generated in four provinces: Ontario (37.2%), Quebec (20.7%), British Columbia (15.4%) and Alberta (14.2%).

In 2011, two sectors accounted for a large majority of the industry's operating revenue: the limited-service restaurant sector (42.8%) and the full-service sector (42.7%). The remainder came from the special food services sector (8.9%) and the drinking places sector (5.6%).

Sales of food and non-alcoholic beverages accounted for the largest share of the industry's total sales (84.7%), while alcoholic beverages represented 12.9%.

**Available in CANSIM: tables 355-0005 and 355-0007.**

**Definitions, data sources and methods: survey number 4704.**

The publication *Food Services and Drinking Places, 2011* (63-243-X), is now available from the *Browse by key resource* module of our website under *Publications*.

For more information or to order data, contact us (toll-free 1-800-263-1136; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)).

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## Government revenue attributable to tourism, 2011

Tourism generated \$21.4 billion in tax and other revenue for governments in Canada in 2011, up 6.6% from 2010.

Most of the gain was the result of a 7.4% increase in government revenue directly related to tourism spending in Canada by Canadians. Revenues resulting from spending by international visitors increased 3.8%.

International visitors accounted for 22% of total government revenue from tourism in 2011, while Canadians accounted for 78%.

Every \$100 of tourism spending by international visitors generated \$30.85 in government revenue, while every \$100 spent by Canadians in Canada generated \$26.30.

The gap reflects differences in spending patterns (that is, international visitors spend more than Canadians on more highly taxed items like recreation and entertainment, including casinos) as well as tax credits on travel expenses for Canadian business travellers.

Over half of the government revenue from tourism, or \$11.2 billion, came from taxes on products such as the Goods and Services Tax and provincial sales taxes in 2011. Taxes on income from employment and business profits generated \$4.7 billion.

Another \$2.8 billion was raised through other taxes on production and intermediate inputs, while contributions to social insurance plans amounted to \$2.3 billion. Government sales of goods and services to tourists added \$483 million.

**Table 1**  
**Government revenue attributable to tourism**

	2010	2011	2010 to 2011
	millions of dollars		% change
<b>Level of government</b>	<b>20,054</b>	<b>21,372</b>	<b>6.6</b>
Federal	9,017	9,623	6.7
Provincial and territorial	9,821	10,454	6.4
Municipal	1,216	1,295	6.5
<b>Source of revenue</b>	<b>20,054</b>	<b>21,372</b>	<b>6.6</b>
Income taxes	4,427	4,671	5.5
Other taxes on production <sup>1</sup>	2,556	2,796	9.4
Taxes on products (final sales)	10,506	11,171	6.3
Contributions to social insurance	2,095	2,250	7.4
Sales of goods and services	470	483	2.6

1. Including taxes on intermediate inputs.

### Note to readers

Estimates of the government revenue directly attributable to tourism have been updated for 2010 and 2011 and revised for 2008 to 2009. Revenue is net of input tax credits to businesses, in particular for the Goods and Services Tax (GST) paid on business travel, and net of rebates of the GST to visitors from other countries, when applicable. These estimates are based on data available prior to the historical revision of the System of National Accounts.

This report was funded by the Canadian Tourism Commission and is part of a suite of products relating to tourism including the National Tourism Indicators and the Tourism Satellite Account.

**Definitions, data sources and methods: survey number 1910.**

The paper "Government Revenue Attributable to Tourism, 2011" is now available as part of the *Income and Expenditure Accounts Technical Series* (13-604-M) from the *Browse by 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 us (toll-free 1-800-263-1136; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)) or Media Relations (613-951-4636; [mediahotline@statcan.gc.ca](mailto:mediahotline@statcan.gc.ca)).

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## Couriers and Messengers Services Price Index, January 2013

The Couriers and Messengers Services Price Index increased 2.2% in January compared with December. The courier portion rose 2.8% while the local messenger component declined 0.1%.

The index was up 2.3% in January compared with the same month in 2012.

### **Note to readers**

*The Couriers and Messengers Services Price Index is a monthly price index measuring the change over time in prices for courier and messenger services provided by long and short distance delivery companies to Canadian-based business clients.*

*Data for the current month and the previous six months of the series are subject to revision. The indexes are not seasonally adjusted.*

**Available in CANSIM: table 329-0053.**

**Definitions, data sources and methods: survey number 5064.**

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## New products and studies

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### New products

**Income and Expenditure Accounts Technical Series: "Government Revenue Attributable to Tourism, 2011"**,  
No. 71  
Catalogue number 13-604-M2013071 ([HTML](#) | [PDF](#))

**Aircraft Movement Statistics: NAV CANADA Towers and Flight Service Stations (TP 141)**, December 2012  
Catalogue number 51-007-X ([HTML](#) | [PDF](#))

**Food Services and Drinking Places, 2011**  
Catalogue number 63-243-X ([HTML](#) | [PDF](#))

## Release dates: March 2013

(Release dates are subject to change.)

Release date	Title	Reference period
1	<b>Canadian economic accounts</b>	Fourth quarter 2012 and December 2012
1	<b>Gross domestic product by industry</b>	December 2012
1	<b>Study: Worker Reallocation in Canada</b>	1976 to 2011
7	<b>Building permits</b>	January 2013
7	<b>Canadian international merchandise trade</b>	January 2013
8	<b>Labour Force Survey</b>	February 2013
8	<b>Labour productivity, hourly compensation and unit labour cost</b>	Historical revision, 2007 to 2012
14	<b>Industrial capacity utilization rates</b>	Fourth quarter 2012
14	<b>Canada's international investment position</b>	Fourth quarter 2012
14	<b>New Housing Price Index</b>	January 2013
15	<b>National balance sheet and financial flow accounts</b>	Fourth quarter 2012
18	<b>Canada's international transactions in securities</b>	January 2013
19	<b>Wholesale trade</b>	January 2013
19	<b>Monthly Survey of Manufacturing</b>	January 2013
20	<b>Canada's population estimates</b>	Fourth quarter 2012
20	<b>Health Reports</b>	2012
20	<b>Job vacancies</b>	Three-month average ending in December 2012
20	<b>Travel between Canada and other countries</b>	January 2013
21	<b>Employment Insurance</b>	January 2013
21	<b>Retail trade</b>	January 2013
26	<b>National tourism indicators</b>	Fourth quarter 2012
27	<b>Payroll employment, earnings and hours</b>	January 2013
27	<b>Consumer Price Index</b>	February 2013
28	<b>Industrial product and raw materials price indexes</b>	February 2013
28	<b>Gross domestic product by industry</b>	January 2013

See also the release dates for major economic indicators for the rest of the year.



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