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Releases

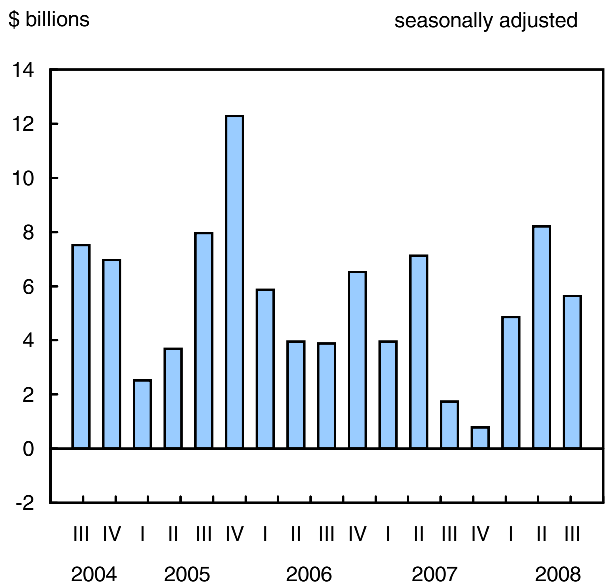
Releases

Canada's balance of international payments

Third quarter 2008

The current account surplus with the rest of the world (on a seasonally adjusted basis) dropped to $5.6 billion in the third quarter of 2008, down from $8.2 billion in the previous quarter. The reduction was largely as a result of a lower goods surplus, as commodity price gains slowed; and, a higher investment income deficit, as Canadian earnings on foreign direct investment were down.

Current account balance



In the capital and financial account (unadjusted for seasonal variation), cross-border direct investment flows strengthened, with notably large Canadian direct investment abroad and a resumption of foreign acquisition of Canadian companies. In contrast, with deteriorating conditions on equity and credit markets, Canadian investors' demand for foreign securities slowed while non-resident investors reduced their holdings of Canadian stocks and bonds.

Note to readers

*The **balance of payments** covers all economic transactions between Canadian residents and non-residents, in two accounts—the current account and the capital and financial account.*

*The **current account** covers transactions in goods, services, investment income and current transfers. Exports and interest income are examples of receipts, while imports and interest expense are payments. The overall balance of receipts and payments is Canada's current account **surplus** or **deficit**.*

*The **capital and financial account** is mainly composed of transactions in financial instruments. Financial assets and liabilities with non-residents are presented in three functional classes: direct investment, portfolio investment and all other types of investment. These flows arise from financial activities of either Canadian residents (foreign assets of Canadian investors) or non-residents (Canadian liabilities to foreign investors). Transactions resulting in capital inflows to Canada are presented as positive values while those giving rise to capital outflows from Canada are shown as negative values.*

*In principle, a current account surplus corresponds to an equivalent net outflow in the capital and financial account; and, a current account deficit corresponds to an equivalent net inflow in the capital and financial account. In other words, the two accounts should add to zero. In practice, as data are compiled from multiple sources, this is rarely the case and gives rise to measurement error. The **statistical discrepancy** is the unobserved net inflow or outflow.*

Current account

Goods surplus falls, as export prices slow

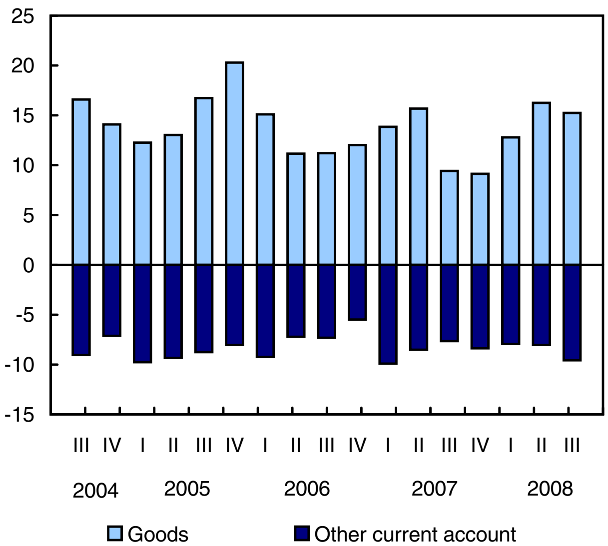
The goods surplus narrowed to $15.2 billion in the third quarter, as the growth in imports outpaced that of exports. Export growth slowed considerably in the quarter, though receipts were up $3.7 billion. The largest increases were recorded in industrial goods, generally reflecting price gains across most commodities. However, the $1.0 billion increase for metal ores was almost exclusively on higher volumes.

Energy products exports decreased somewhat in the third quarter, as volumes were down while prices continued to advance. However, price gains were at a much reduced pace compared with recent quarters. Natural gas prices (+4.3%) and crude petroleum prices (+1.6%) decelerated sharply from the second quarter increases of 30% and 23% respectively. The exception was coal products, which recorded a second consecutive price increase above 50%.

Imports rose by $4.7 billion in the third quarter. The increase was distributed among all major groups of products. Imports of industrial goods were up $1.4 billion, entirely as a result of higher prices.

Goods and other current account

$ billions seasonally adjusted



Investment income deficit led by decline in earnings on Canadian direct investment

The investment income deficit increased $1.8 billion in the third quarter. Profits earned on Canadian foreign direct investment positions fell back $1.2 billion, after a high in the second quarter. Despite this reduction, earnings accruing to Canadian direct investors remain at historically high levels.

Payments were also up in the third quarter. Earnings of foreign direct investors were up marginally as the Canadian energy sector marked another record profit quarter, moderated by a reduction of profits in the financial and insurance sector. As well, payments on portfolio foreign investment edged up in the third quarter. This largely reflected higher interest paid on Canadian bonds owned by non-residents, especially for US dollar denominated corporate bonds.

Services deficit falls, on reduced spending on commissions and travel

The overall deficit on services narrowed by $0.3 billion in the third quarter. This easing was led by a decline in the commercial services deficit, with most of the change related to lower commissions paid on transactions in securities.

For a third consecutive quarter, the travel deficit eased, down from the fourth quarter 2007 peak. Spending by Canadians was down for both United States and overseas destinations, possibly dampened by the depreciation of the Canadian dollar over the quarter. However, foreign spending in Canada remained unchanged, despite fewer travellers coming to Canada. The transportation deficit edged up in the third quarter, largely on higher payments associated with more Canadians travelling overseas.

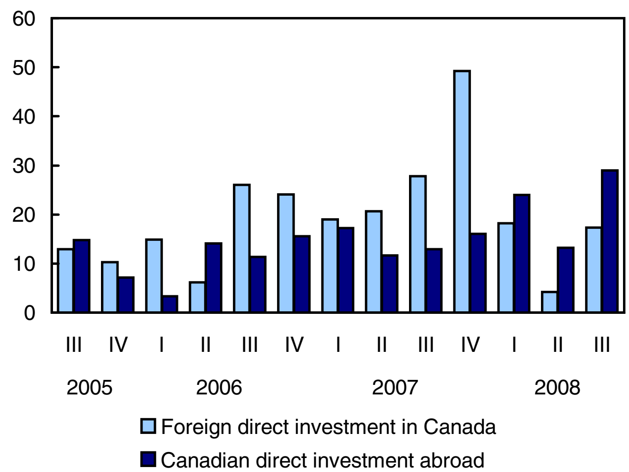
Capital and financial account

Foreign direct investment activity picks up

Foreign direct investment cross-border flows increased significantly in the third quarter after having slowed in the second quarter. Canadian direct investment abroad outpaced foreign direct investment in Canada, a trend observed since the beginning of the year.

Foreign direct investment[1]

$ billions



1. Reverse of balance of payments signs for Canadian direct investment abroad.

Canadian direct investors placed $29.0 billion in foreign economies, the highest outflows on this account in four years. The bulk of this investment was generated from the finance and insurance sector, and represented an injection of funds into existing foreign subsidiaries, largely in the United States.

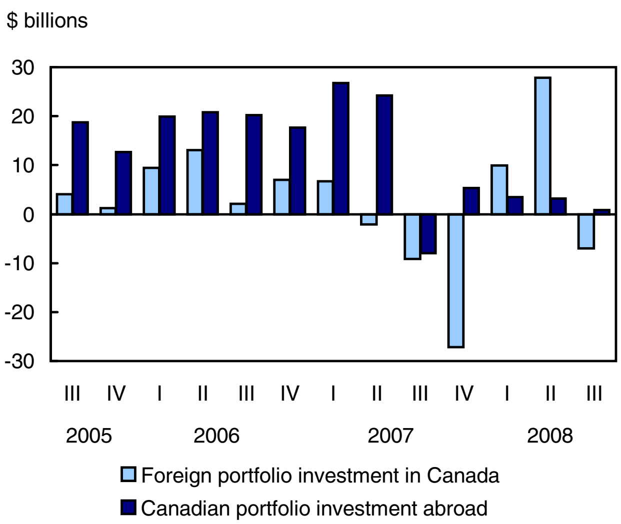
Two-thirds of all the direct investment abroad to date in 2008 originated from the financial sector of the Canadian economy, similar to the average of the last three years. On a geographical basis, direct investment in the United States has accounted for about 60% of the total investment so far in 2008, in line with the trend observed in 2007.

Foreign direct investment in Canada rebounded from a low in the second quarter, reflecting in part foreign acquisitions of Canadian firms. Inflows of $17.4 billion in the third quarter were mainly comprised of investment from the United States and Europe, with almost half directed to the Canadian energy and metallic minerals sector.

Portfolio investors shed debt instruments

International transactions in securities in the third quarter reflected conditions on global debt and equity markets, and were likely influenced to an extent by a weakening domestic currency and declining short-term interest rates in the Canadian and US markets. As a result, Canadian investors purchased foreign securities at a much reduced pace compared with the previous three quarters, while non-resident investors sold Canadian securities.

Foreign portfolio investment[1]



1. Reverse of balance of payments signs for Canadian portfolio investment abroad.

Acquisitions of foreign securities by Canadian investors slowed to $796 million over the third quarter of 2008. With interest rates in decline, investors further reduced their overall holdings of debt instruments—mainly, US government bonds. In addition, they continued to add corporate shares to their foreign portfolios, almost all US shares. This represents a largely consistent investment pattern over the last four quarters, coinciding with the tightening of worldwide credit conditions in the latter part of 2007

On the other hand, while Canadian bonds have been a relatively attractive investment over the same period, foreign investors lost their appetite for these instruments in the third quarter of 2008. Non-residents sold $7.0 billion of Canadian securities, both bonds and equities, following unprecedented acquisitions the quarter before. The reduction in holdings of Canadian bonds and equities was moderated by a second consecutive quarter of investment in the Canadian money market, as interest rates continued to slide.

Despite an overall foreign divestment in Canadian securities, non-residents added Canadian debt instruments denominated in US dollars, amounting to $5.9 billion during the third quarter.

Available on CANSIM: tables 376-0001 to 376-0017 and 376-0035.

Definitions, data sources and methods: survey numbers, including related surveys, 1534, 1535, 1536 and 1537.

The third quarter 2008 issue of *Canada's Balance of International Payments* (67-001-XWE, free) will be available soon.

The balance of international payments data for the fourth quarter of 2008 will be released on February 27, 2009.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (613-951-1855; *infobalance@statcan.gc.ca*), Balance of Payments Division.

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Balance of payments

	Third quarter 2007	Fourth quarter 2007	First quarter 2008	Second quarter 2008	Third quarter 2008	2006	2007
	Not seasonally adjusted						
	$ millions						
Current account							
Receipts							
Goods and services	130,747	126,697	130,878	146,979	147,819	520,960	530,332
Goods	111,695	110,833	115,566	130,007	128,792	453,732	463,051
Services	19,052	15,864	15,313	16,972	19,027	67,227	67,280
Investment income	18,220	18,685	17,534	19,925	17,568	64,497	71,417
Direct investment	9,696	9,657	7,940	11,130	8,423	34,978	37,139
Portfolio investment	5,449	5,240	5,485	5,772	5,599	17,387	21,683
Other investment	3,074	3,788	4,108	3,023	3,547	12,131	12,595
Current transfers	2,142	2,709	2,755	2,194	2,105	9,700	9,545
Current account receipts	**151,109**	**148,091**	**151,166**	**169,098**	**167,492**	**595,156**	**611,294**
Payments							
Goods and services	123,521	123,394	124,848	137,056	135,662	486,245	501,474
Goods	101,920	101,825	101,890	114,227	113,451	404,253	415,006
Services	21,601	21,569	22,958	22,829	22,211	81,992	86,468
Investment income	20,717	21,227	20,743	21,012	21,423	77,872	85,611
Direct investment	9,220	9,384	9,494	10,482	10,610	34,354	38,444
Portfolio investment	7,707	7,506	7,436	7,689	8,037	29,270	30,809
Other investment	3,790	4,337	3,813	2,841	2,775	14,247	16,358
Current transfers	2,397	2,505	3,293	2,286	2,643	10,809	10,601
Current account payments	**146,635**	**147,125**	**148,884**	**160,354**	**159,727**	**574,925**	**597,686**
Balances							
Goods and services	7,226	3,302	6,030	9,923	12,157	34,715	28,858
Goods	9,775	9,007	13,675	15,780	15,341	49,480	48,046
Services	-2,549	-5,705	-7,645	-5,857	-3,184	-14,765	-19,188
Investment income	-2,497	-2,541	-3,209	-1,087	-3,854	-13,375	-14,194
Direct investment	476	274	-1,554	648	-2,187	623	-1,305
Portfolio investment	-2,257	-2,266	-1,951	-1,917	-2,438	-11,883	-9,126
Other investment	-715	-549	295	182	771	-2,115	-3,763
Current transfers	-255	204	-538	-92	-537	-1,109	-1,056
Current account balance	**4,473**	**965**	**2,283**	**8,744**	**7,765**	**20,231**	**13,607**
Capital and financial account[1, 2]							
Capital account	**1,037**	**907**	**1,199**	**1,193**	**1,079**	**4,130**	**4,199**
Financial account	**-9,017**	**2,666**	**-541**	**-9,136**	**-6,611**	**-21,328**	**-21,951**
Canadian assets, net flows							
Canadian direct investment abroad	-12,920	-16,017	-23,979	-13,181	-28,968	-44,373	-57,806
Portfolio investment	7,979	-5,378	-3,454	-3,147	-796	-78,492	-48,422
Foreign bonds	1,688	2,932	-685	1,141	4,262	-43,602	-28,903
Foreign stocks	-4,082	-9,828	-2,891	-4,815	-5,695	-28,090	-30,941
Foreign money market	10,373	1,518	121	527	637	-6,800	11,422
Other investment	-19,848	-8,997	-18,501	-7,792	-162	-36,022	-63,866
Loans	-9,162	1,770	-3,684	1,727	7,837	-12,314	-9,819
Deposits	-16,555	-6,691	-14,224	-7,759	-12,684	-8,997	-41,993
Official international reserves	-144	588	247	-1,816	-779	-1,013	-4,644
Other assets	6,013	-4,664	-840	57	5,465	-13,698	-7,410
Total Canadian assets, net flows	**-24,789**	**-30,392**	**-45,934**	**-24,120**	**-29,925**	**-158,886**	**-170,093**
Canadian liabilities, net flows							
Foreign direct investment in Canada	27,770	49,270	18,229	4,213	17,356	71,198	116,706
Portfolio investment	-9,144	-27,122	9,969	27,858	-6,990	31,656	-31,591
Canadian bonds	541	5,198	9,697	19,562	-3,651	17,130	11,540
Canadian stocks	-8,524	-32,039	3,717	5,617	-5,323	10,814	-41,994
Canadian money market	-1,160	-280	-3,445	2,679	1,984	3,711	-1,137
Other investment	-2,854	10,910	17,194	-17,087	12,948	34,704	63,027
Loans	-3,946	7,423	504	-1,911	2,947	14,638	10,670
Deposits	-21	4,417	16,165	-15,598	9,810	20,384	48,574
Other liabilities	1,114	-931	525	421	190	-318	3,783
Total Canadian liabilities, net flows	**15,772**	**33,058**	**45,393**	**14,984**	**23,315**	**137,558**	**148,143**
Total capital and financial account, net flows	**-7,980**	**3,573**	**659**	**-7,943**	**-5,532**	**-17,198**	**-17,752**
Statistical discrepancy	3,506	-4,538	-2,941	-802	-2,233	-3,033	4,144

1. *A minus sign denotes an outflow of capital resulting from an increase in claims on non-residents or from a decrease in liabilities to non-residents.*
2. *Transactions are recorded on a net basis.*

Current account

	Third quarter 2007	Fourth quarter 2007	First quarter 2008	Second quarter 2008	Third quarter 2008	2006	2007
	Seasonally adjusted						
	$ millions						
Receipts							
Goods and services	131,114	128,018	133,581	142,900	146,515	520,960	530,332
Goods	114,509	111,151	116,875	126,013	129,741	453,732	463,051
Services	16,605	16,866	16,706	16,887	16,774	67,227	67,280
Travel	4,143	4,161	4,012	4,061	4,071	16,610	16,634
Transportation	2,998	3,005	3,102	3,305	3,279	11,879	12,157
Commercial services	9,043	9,271	9,133	9,050	8,951	37,008	36,775
Government services	421	429	459	472	473	1,730	1,714
Investment income	18,432	18,879	17,956	19,090	17,900	64,497	71,417
Direct investment	9,951	9,672	8,357	10,456	8,860	34,978	37,139
Interest	520	516	550	699	318	1,477	1,935
Profits	9,431	9,156	7,806	9,758	8,542	33,501	35,203
Portfolio investment	5,507	5,338	5,479	5,604	5,668	17,387	21,683
Interest	2,092	1,832	1,714	1,776	1,823	6,172	8,089
Dividends	3,415	3,505	3,765	3,828	3,845	11,216	13,594
Other investment	2,973	3,870	4,120	3,029	3,372	12,131	12,595
Current transfers	2,456	2,384	2,376	2,386	2,355	9,700	9,545
Private	668	605	622	550	695	2,698	2,656
Official	1,788	1,779	1,753	1,836	1,660	7,002	6,890
Total receipts	**152,002**	**149,281**	**153,913**	**164,376**	**166,770**	**595,156**	**611,294**
Payments							
Goods and services	126,580	124,710	126,163	132,229	136,506	486,245	501,474
Goods	105,108	101,996	104,104	109,769	114,509	404,253	415,006
Services	21,472	22,714	22,059	22,460	21,997	81,992	86,468
Travel	6,892	7,530	7,148	7,176	7,052	23,402	26,663
Transportation	4,800	5,358	5,202	5,291	5,333	18,695	20,032
Commercial services	9,508	9,551	9,433	9,722	9,339	38,853	38,691
Government services	272	275	276	270	273	1,042	1,082
Investment income	21,063	21,173	20,363	21,062	21,689	77,872	85,611
Direct investment	9,287	9,542	9,476	10,425	10,676	34,354	38,444
Interest	617	622	612	611	640	2,469	2,484
Profits	8,670	8,920	8,864	9,815	10,036	31,886	35,960
Portfolio investment	7,725	7,553	7,445	7,651	8,025	29,270	30,809
Interest	5,641	5,458	5,470	5,576	5,827	22,294	22,746
Dividends	2,084	2,095	1,975	2,075	2,198	6,976	8,063
Other investment	4,051	4,078	3,442	2,986	2,989	14,247	16,358
Current transfers	2,618	2,620	2,532	2,876	2,931	10,809	10,601
Private	1,608	1,630	1,559	1,614	1,656	7,261	6,794
Official	1,010	990	973	1,262	1,274	3,548	3,807
Total payments	**150,260**	**148,503**	**149,058**	**156,168**	**161,126**	**574,925**	**597,686**
Balances							
Goods and services	4,534	3,307	7,418	10,671	10,009	34,715	28,858
Goods	9,401	9,155	12,771	16,244	15,232	49,480	48,046
Services	-4,867	-5,848	-5,353	-5,573	-5,223	-14,765	-19,188
Travel	-2,749	-3,369	-3,136	-3,116	-2,981	-6,792	-10,029
Transportation	-1,802	-2,353	-2,100	-1,986	-2,054	-6,816	-7,875
Commercial services	-465	-280	-300	-673	-387	-1,845	-1,915
Government services	149	155	183	202	200	688	632
Investment income	-2,631	-2,293	-2,407	-1,973	-3,789	-13,375	-14,194
Direct investment	664	130	-1,119	31	-1,816	623	-1,305
Interest	-97	-106	-61	88	-321	-992	-548
Profits	761	236	-1,058	-57	-1,494	1,615	-757
Portfolio investment	-2,217	-2,215	-1,966	-2,047	-2,357	-11,883	-9,126
Interest	-3,549	-3,625	-3,755	-3,800	-4,004	-16,122	-14,657
Dividends	1,331	1,410	1,790	1,753	1,647	4,239	5,531
Other investment	-1,077	-208	678	44	384	-2,115	-3,763
Current transfers	-162	-236	-156	-490	-576	-1,109	-1,056
Private	-940	-1,025	-936	-1,064	-961	-4,563	-4,139
Official	778	789	780	574	386	3,454	3,083
Current account	**1,742**	**778**	**4,855**	**8,208**	**5,644**	**20,231**	**13,607**

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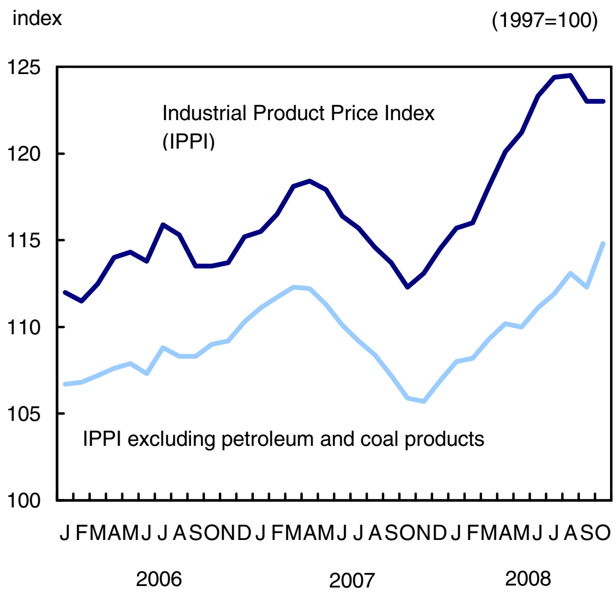
Industrial product and raw materials price indexes

October 2008

In October, the Industrial Product Price Index (IPPI) remained unchanged from September as the strong decline of the Canadian dollar cancelled out the negative effect of falling prices for refined petroleum products. However, the substantial decrease in prices for mineral fuels was a major factor for the 12.5% drop in the Raw Materials Price Index.

Prices for industrial goods remain unchanged



The IPPI remained unchanged in October, following a 1.2% decline in September. The contraction of prices for petroleum and coal products accelerated with a 13.8% decrease, compared with a 4.5% decline in September. The drop in prices for petroleum products was the strongest since September 2006. However, the 2.2% increase for the group of products excluding petroleum and coal entirely offset the effect of the price reductions. This increase was mainly attributable to the exchange rate effect.

In fact, in October, unlike in September, the exchange rate for the Canadian dollar in relation to its US counterpart had a major impact on the IPPI. The Canadian dollar lost 12.0% of its value in relation to the US dollar, which was the largest drop in value since 1950. Some Canadian producers that export their output to the United States are generally paid in US dollars, and because of the relative strength of the US dollar in relation to the Canadian currency, this had the effect of inflating their prices. If the exchange rate used to convert these prices had remained unchanged, the IPPI would have declined 3.4% compared with September instead of remaining unchanged.

Among products excluding petroleum and coal, 13 major groups out of 20 registered gains. Much of the increase came from the prices for motor vehicles and other transport equipment, which rose 7.9%.

Note to readers

*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 quote their prices in foreign currencies, particularly for motor vehicles, pulp and paper products, and wood products. Determining the full effect of fluctuating exchange rates on the IPPI is a difficult analytical task. However, it should be noted that many prices collected to calculate the IPPI are quoted in US dollars and then converted into Canadian dollars. Therefore, a rise or fall in the value of the Canadian dollar against its US counterpart affects the IPPI.

*The **Raw Materials Price Index** (RMPI) reflects the prices paid by Canadian manufacturers for key raw materials. Many of these prices are set in a world market. Unlike the IPPI, the RMPI includes goods not produced in Canada.*

12-month change: Industrial prices post stronger growth and a seventh straight increase

Year over year, the IPPI rose 9.5% in October, which marks an acceleration in the growth of prices compared with the 8.2% gain in September.

Prices for products excluding petroleum and coal continued their advance with a fifth consecutive acceleration, and they registered their strongest increase (+8.4%) since April 1995. Motor vehicles and other transport equipment, chemical products, and pulp and paper contributed the most to the increase in the price index for products excluding petroleum and coal.

Stronger growth of prices was mainly driven by the depreciation of the Canadian dollar in relation to the US dollar. The Canadian dollar lost 21.5% against the US dollar in October compared with a 3.2% drop in September. If the direct effect of the exchange rate were excluded, the IPPI would have increased 3.5% instead of 9.5%.

Prices for petroleum and coal products, while contributing significantly to the year-over-year advance of the IPPI, increased 19.1% in October compared with the 37.3% gain in September.

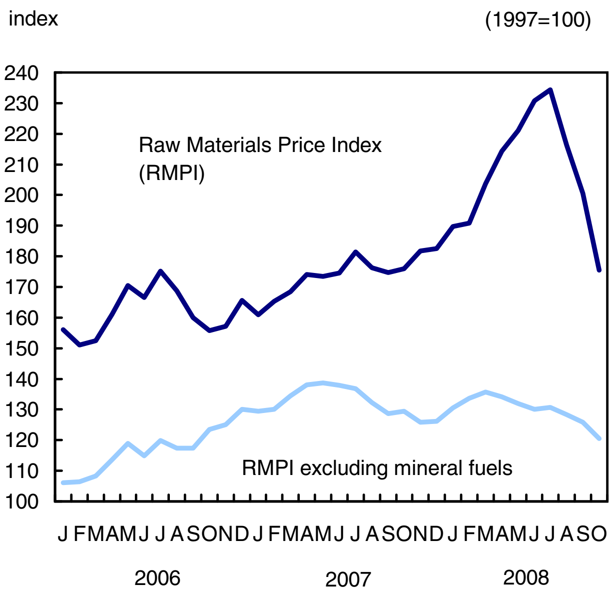
Decline of raw material prices accelerates with third straight monthly decrease

The Raw Materials Price Index (RMPI) fell 12.5% in October, a much stronger decline than the 7.3% drop posted in September, and the third consecutive negative month.

Mineral fuel prices continued their contraction, declining 18.7% in October after two monthly drops of about 11%. If mineral fuels were excluded, the RMPI would have declined 4.2%, which is also a much larger drop than the 1.9% decline in September. The decline in October was a result of a sharp drop in prices for non-ferrous metals and vegetable products.

Compared with October 2007, raw materials declined 0.2%, their first year-over-year decrease since February 2004. The decrease in raw material prices was caused by a substantial 31.8% drop in the prices for non-ferrous metals, as a result of a contraction in world demand and a buildup of inventories for these various metals.

Raw materials prices continue to decline



Available on CANSIM: tables 329-0038 to 329-0049 and 330-0006.

Definitions, data sources and methods: survey numbers, including related surveys, 2306 and 2318.

The October 2008 issue of *Industry Price Indexes* (62-011-XWE, free) will soon be available.

The industrial product and raw material price indexes for November will be released on January 6, 2009.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (613-951-9606; fax: 613-951-1539; *prices-prix@statcan.gc.ca*), Prices Division.

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Industrial product price indexes

(1997=100)

	Relative importance	October 2007	September 2008[r]	October 2008[p]	October 2007 to October 2008	September to October 2008
					% change	
Industrial Product Price Index (IPPI)	**100.00**	**112.3**	**123.0**	**123.0**	**9.5**	**0.0**
IPPI excluding petroleum and coal products	**94.32**	**105.9**	**112.3**	**114.8**	**8.4**	**2.2**
Aggregation by commodities						
Meat, fish and dairy products	5.78	107.1	112.9	112.8	5.3	-0.1
Fruit, vegetables, feeds and other food products	5.99	110.7	118.1	117.0	5.7	-0.9
Beverages	1.57	125.5	126.8	127.1	1.3	0.2
Tobacco and tobacco products	0.63	218.4	220.6	220.6	1.0	0.0
Rubber, leather and plastic fabricated products	3.30	115.7	120.4	121.4	4.9	0.8
Textile products	1.58	99.0	101.2	101.8	2.8	0.6
Knitted products and clothing	1.51	104.7	105.0	104.7	0.0	-0.3
Lumber and other wood products	6.30	81.1	83.8	85.0	4.8	1.4
Furniture and fixtures	1.59	120.5	123.3	123.3	2.3	0.0
Pulp and paper products	7.23	99.9	109.9	115.6	15.7	5.2
Printing and publishing	1.70	115.4	122.3	124.2	7.6	1.6
Primary metal products	7.80	135.5	142.3	137.1	1.2	-3.7
Metal fabricated products	4.11	123.7	137.6	138.6	12.0	0.7
Machinery and equipment	5.48	103.0	107.5	110.6	7.4	2.9
Motor vehicles and other transport equipment	22.16	84.3	89.4	96.5	14.5	7.9
Electrical and communications products	5.77	89.0	91.9	95.7	7.5	4.1
Non-metallic mineral products	1.98	122.7	125.4	126.2	2.9	0.6
Petroleum and coal products[1]	5.68	231.1	319.4	275.3	19.1	-13.8
Chemicals and chemical products	7.07	125.0	144.8	147.8	18.2	2.1
Miscellaneous manufactured products	2.40	112.6	120.2	123.2	9.4	2.5
Miscellaneous non-manufactured products	0.38	383.8	305.5	276.4	-28.0	-9.5
Intermediate goods[2]	**60.14**	**117.2**	**129.8**	**128.8**	**9.9**	**-0.8**
First-stage intermediate goods[3]	7.71	145.6	150.2	145.8	0.1	-2.9
Second-stage intermediate goods[4]	52.43	112.9	126.7	126.3	11.9	-0.3
Finished goods[5]	**39.86**	**105.0**	**112.8**	**114.3**	**8.9**	**1.3**
Finished foods and feeds	8.50	115.1	118.8	118.9	3.3	0.1
Capital equipment	11.73	94.3	99.1	104.2	10.5	5.1
All other finished goods	19.63	107.1	118.4	118.4	10.6	0.0

r *revised*
p *preliminary*
1. *This index is estimated for the current month.*
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.*

Raw materials price indexes

(1997=100)

	Relative importance	October 2007	September 2008[r]	October 2008[p]	October 2007 to October 2008	September to October 2008
					% change	
Raw Materials Price Index (RMPI)	**100.00**	**175.9**	**200.5**	**175.5**	**-0.2**	**-12.5**
Mineral fuels	35.16	276.2	361.9	294.2	6.5	-18.7
Vegetable products	10.28	111.1	121.6	110.8	-0.3	-8.9
Animals and animal products	20.30	102.2	113.0	113.7	11.3	0.6
Wood	15.60	83.6	81.9	82.4	-1.4	0.6
Ferrous materials	3.36	128.5	167.2	169.7	32.1	1.5
Non-ferrous metals	12.93	230.5	176.2	157.1	-31.8	-10.8
Non-metallic minerals	2.38	149.8	175.4	175.4	17.1	0.0
RMPI excluding mineral fuels	**64.84**	**129.5**	**125.8**	**120.5**	**-6.9**	**-4.2**

r *revised*
p *preliminary*

■

Payroll employment, earnings and hours
September 2008 (preliminary)

The average weekly earnings of employees increased 0.6% from August to $798.57 in September.

Compared with September 2007, average weekly earnings rose 3.3%.

Between September 2007 and September 2008, among Canada's largest industrial sectors, earnings increased by 8.9% in accommodation and food services, 6.8% in health and social assistance, 4.2% in retail trade, 3.3% in educational services, and 1.7% in manufacturing.

The strongest year-over-year earnings growth among the provinces was reported in Alberta (+5.9%), New Brunswick (+4.3%), and Saskatchewan (+4.1%).

The number of employees in September was unchanged from the previous month.

Since September 2007, the number of employees has increased by 235,400 (+1.6%).

Available on CANSIM: tables 281-0023 to 281-0046.

Definitions, data sources and methods: survey number 2612.

Detailed industry data, data by size of enterprise based on employment, and other labour market indicators will be available soon in the monthly publication *Employment, Earnings and Hours* (72-002-XIB, free).

Data on payroll employment, earnings and hours for October will be released on December 22.

For more information, or to order data, contact Client Services (toll-free 1-866-873-8788; 613-951-4090; *labour@statcan.gc.ca*). To enquire about the concepts, methods or data quality of this release, contact Peter Lorenz (613-951-4167), Labour Statistics Division. ❐

Number of employees

Industry group (North American Industry Classification System)	December 2007	September 2007	August 2008[r]	September 2008[p]	August to September 2008	September 2007 to September 2008	December 2007 to September 2008
	Seasonally adjusted						
	thousands				% change		
Industrial aggregate	**14,427.5**	**14,352.4**	**14,587.9**	**14,587.8**	**0.0**	**1.6**	**1.1**
Forestry, logging and support	54.9	56.8	49.8	49.8	0.0	-12.3	-9.3
Mining, quarrying and oil and gas extraction	195.7	194.1	203.2	205.9	1.3	6.1	5.2
Utilities	123.7	123.7	126.5	126.6	0.1	2.3	2.3
Construction	808.1	803.0	839.9	841.6	0.2	4.8	4.1
Manufacturing	1,748.9	1,767.9	1,713.2	1,705.2	-0.5	-3.5	-2.5
Wholesale trade	761.7	763.2	756.4	757.0	0.1	-0.8	-0.6
Retail trade	1,819.6	1,807.1	1,855.6	1,857.4	0.1	2.8	2.1
Transportation and warehousing	656.0	653.5	663.6	658.1	-0.8	0.7	0.3
Information and cultural industries	354.1	356.6	361.7	362.0	0.1	1.5	2.2
Finance and insurance	631.9	627.9	649.4	646.8	-0.4	3.0	2.4
Real estate and rental and leasing	253.4	253.2	255.2	253.5	-0.7	0.1	0.0
Professional, scientific and technical services	730.7	728.4	740.2	743.6	0.5	2.1	1.8
Management of companies and enterprises	100.4	98.8	106.0	106.7	0.7	8.0	6.3
Administrative and support, waste management and remediation services	723.1	718.7	719.5	715.9	-0.5	-0.4	-1.0
Educational services	1,085.6	1,098.8	1,114.1	1,110.8	-0.3	1.1	2.3
Health care and social assistance	1,487.4	1,483.8	1,516.0	1,516.3	0.0	2.2	1.9
Arts, entertainment and recreation	241.6	239.7	242.0	240.3	-0.7	0.3	-0.5
Accommodation and food services	1,064.9	1,056.7	1,071.7	1,069.6	-0.2	1.2	0.4
Other services (excluding public administration)	530.9	528.2	537.0	535.6	-0.3	1.4	0.9
Public administration	835.4	824.9	854.4	855.6	0.1	3.7	2.4
Provinces and territories							
Newfoundland and Labrador	183.8	182.8	188.9	187.5	-0.7	2.6	2.0
Prince Edward Island	59.4	58.8	58.1	57.9	-0.3	-1.5	-2.5
Nova Scotia	390.7	388.9	394.3	393.2	-0.3	1.1	0.6
New Brunswick	302.1	305.4	305.7	305.1	-0.2	-0.1	1.0
Quebec	3,281.3	3,275.7	3,306.2	3,310.9	0.1	1.1	0.9
Ontario	5,521.7	5,495.1	5,572.1	5,561.2	-0.2	1.2	0.7
Manitoba	537.0	534.8	544.4	543.4	-0.2	1.6	1.2
Saskatchewan	430.8	424.9	436.5	438.2	0.4	3.1	1.7
Alberta	1,741.5	1,736.3	1,785.8	1,791.9	0.3	3.2	2.9
British Columbia	1,919.1	1,897.3	1,943.5	1,941.5	-0.1	2.3	1.2
Yukon	18.0	17.9	18.0	18.1	0.6	1.1	0.6
Northwest Territories[1]	23.4	23.5	24.5	24.5	0.0	4.3	4.7
Nunavut[1]	10.5	10.8	10.6	10.8	1.9	0.0	2.9

r *revised*
p *preliminary*
1. *Data not seasonally adjusted.*

Average weekly earnings (including overtime) for all employees

Industry Group (North American Industry Classification System)	September 2007	August 2008r	September 2008p	August to September 2008	September 2007 to September 2008
	Seasonally adjusted				
	dollars			% change	
Industrial aggregate	**772.96**	**793.84**	**798.57**	**0.6**	**3.3**
Forestry, logging and support	956.49	1,031.84	1,046.91	1.5	9.5
Mining, quarrying and oil and gas extraction	1,421.31	1,517.30	1,512.85	-0.3	6.4
Utilities	1,134.01	1,179.29	1,190.74	1.0	5.0
Construction	947.32	984.29	1,012.23	2.8	6.9
Manufacturing	939.97	957.54	955.57	-0.2	1.7
Wholesale trade	916.40	931.18	940.56	1.0	2.6
Retail trade	488.75	509.17	509.41	0.0	4.2
Transportation and warehousing	805.09	810.84	803.09	-1.0	-0.2
Information and cultural industries	983.55	1,002.81	1,012.68	1.0	3.0
Finance and insurance	1,012.43	1,017.68	1,014.06	-0.4	0.2
Real estate and rental and leasing	695.29	721.24	700.26	-2.9	0.7
Professional, scientific and technical services	984.62	1,013.10	1,030.20	1.7	4.6
Management of companies and enterprises	962.57	941.66	926.52	-1.6	-3.7
Administrative and support, waste management and remediation services	630.64	646.75	642.21	-0.7	1.8
Educational services	841.08	858.54	868.75	1.2	3.3
Health care and social assistance	704.59	737.81	752.42	2.0	6.8
Arts, entertainment and recreation	456.90	488.80	468.66	-4.1	2.6
Accommodation and food services	321.65	345.05	350.35	1.5	8.9
Other services (excluding public administration)	611.09	607.96	617.61	1.6	1.1
Public administration	977.63	964.27	971.37	0.7	-0.6
Provinces and territories					
Newfoundland and Labrador	720.29	744.00	745.71	0.2	3.5
Prince Edward Island	630.40	649.60	647.78	-0.3	2.8
Nova Scotia	668.72	690.07	689.22	-0.1	3.1
New Brunswick	708.81	733.73	739.46	0.8	4.3
Quebec	726.57	733.82	739.05	0.7	1.7
Ontario	804.55	827.28	829.42	0.3	3.1
Manitoba	705.04	721.49	726.34	0.7	3.0
Saskatchewan	734.64	760.27	764.93	0.6	4.1
Alberta	845.02	876.10	894.46	2.1	5.9
British Columbia	764.53	785.79	786.68	0.1	2.9
Yukon	892.40	918.77	937.96	2.1	5.1
Northwest Territories[1]	1,030.85	1,058.96	1,064.12	0.5	3.2
Nunavut[1]	967.33	973.52	954.29	-2.0	-1.3

r *revised*
p *preliminary*
1. *Data not seasonally adjusted.*

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Computer and peripherals price indexes
October 2008

The index for commercial computers decreased 0.22% from September to 35.58 (2002=100) in October. The index for consumer computers declined 1.24% to 20.67.

In the case of computer peripherals, monitor prices decreased 0.13% from a month earlier to 51.91 in October and printer prices increased 0.07% to 46.02.

These indexes are available at the Canada level only.

Available on CANSIM: tables 331-0004 and 331-0005.

Definitions, data sources and methods: survey number 5032.

For more information, contact Client Services (toll-free 1-866-230-2248; 613-951-9606; *prices-prix@statcan.gc.ca*). To enquire about the concepts, methods or data quality of this release, contact Lu Li (613-951-1290; *lu.li@statcan.gc.ca*), Prices Division. ■

Commercial Software Price Index

October 2008

The Commercial Software Price Index increased 8.11% from September to 73.56 (2002=100) in October.

Note: The Commercial Software Price Index is a monthly series measuring the change in the purchase price of pre-packaged software typically bought by businesses and governments.

This index is available at the Canada level only.

Available on CANSIM: table 331-0003.

Definitions, data sources and methods: survey number 5068.

For more information, contact Client Services (toll-free 1-866-230-2248; 613-951-9606; *prices-prix@statcan.gc.ca*). To enquire about the concepts, methods or data quality of this release, contact Lu Li (613-951-1290; *lu.li@statcan.gc.ca*), Prices Division. ■

Poultry and eggs

Third quarter 2008

Data on poultry and eggs are now available up to September.

Available on CANSIM: tables 003-0017 to 003-0020, 003-0022 to 003-0024, 003-0038 and 003-0039.

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

The July to September 2008 issue of *Poultry and Eggs Statistics*, Vol. 5, no. 3 (23-015-XWE, free), is now available from the *Publications* module of our website.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Bernadette Alain (902-893-7251) or Sandra Venturino (613-951-9278; *sandra.venturino@statcan.gc.ca*), or call our information line (toll-free 1-800-465-1991), Agriculture Division. ■

Production and disposition of tobacco products

October 2008

Canadian manufacturers produced 1.8 billion cigarettes in October, down 5.7% from September. The total number of cigarettes sold increased 7.7% to 1.7 billion and closing inventories increased 3.6% to 2.1 billion cigarettes in October.

Note: This survey collects data on the production of tobacco products in Canada by Canadian manufacturers and the disposition or sales of this production. It does not collect data on imported tobacco products. Therefore, sales information in this release is not a proxy for domestic consumption of tobacco products.

Available on CANSIM: table 303-0062.

Definitions, data sources and methods: survey number 2142.

The October 2008 issue of *Production and Disposition of Tobacco Products*, Vol. 37, no. 10 (32-022-XWE, free), is now available from the *Publications* module of our website.

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

New products

Poultry and Egg Statistics, July to September 2008, Vol. 5, no. 3
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(free).

Production and Disposition of Tobacco Products, October 2008, Vol. 37, no. 10
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Release dates: December 2008

(Release dates are subject to change.)

Release date	Title	Reference period
1	**National economic and financial accounts**	Third quarter 2008
1	**Gross domestic product by industry**	September 2008
2	**Census of Agriculture: Agriculture-population linkage database**	2006
3	**Satellite account of non-profit institutions and volunteering**	2005
3	**Aboriginal Peoples Survey**	2006
4	**Building permits**	October 2008
4	**Production of principal field crops**	November 2008
5	**Survey of Suppliers of Business Financing**	2007
5	**Labour Force Survey**	November 2008
9	**Envirostats**	1990 to 2004
10	**Labour productivity, hourly compensation and unit labour cost**	Third quarter 2008
10	**Canada's international investment position**	Third quarter 2008
11	**Canadian international merchandise trade**	October 2008
11	**Canadian Economic Observer**	December 2008
11	**New Housing Price Index**	October 2008
12	**Industrial capacity utilization rates**	Third quarter 2008
12	**New motor vehicle sales**	October 2008
16	**Monthly Survey of Manufacturing**	October 2008
16	**National balance sheet accounts**	Third quarter 2008
17	**Health Reports**	2007
17	**Wholesale trade**	October 2008
17	**Travel between Canada and other countries**	October 2008
18	**Canada's international transactions in securities**	October 2008
18	**Retail trade**	October 2008
18	**Leading indicators**	November 2008
19	**Consumer Price Index**	November 2008
19	**Employment Insurance**	October 2008
22	**Payroll employment, earnings and hours**	October 2008
24	**Gross domestic product by industry**	October 2008