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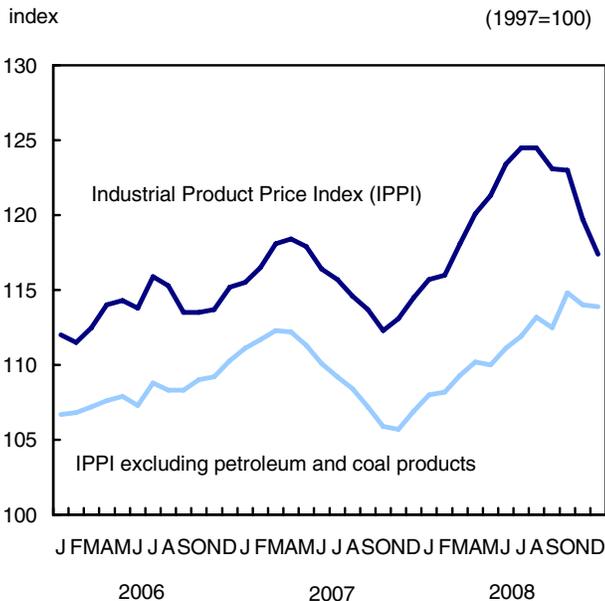
Releases

Industrial product and raw materials price indexes

December 2008

The Industrial Product Price Index (IPPI) declined 1.9% and the Raw Materials Price Index (RMPI) fell 15.4% in December compared with a month earlier, as petroleum prices continued to move sharply downward.

Prices for industrial goods continue to decline



The IPPI declined 1.9% in December, which was less than the significant 2.7% drop recorded in November. With this fourth consecutive monthly decrease, the IPPI was down 5.7% from its peak in August 2008. The contraction in prices for petroleum and coal products continued in December, with an 18.1% decrease following a 19.0% decline in November.

Excluding petroleum and coal products, the IPPI fell 0.1%, a second monthly decrease after a 0.7% decline in November.

Product groups other than petroleum and coal contributed little to the movement of the total IPPI. Of the 20 major groups, 6 saw decreases and 10 saw increases in prices. Primary metal products (-3.1%), chemical products (-2.0%) and motor vehicles and other transport equipment (+0.9%) posted the most significant price changes in the IPPI in December.

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 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 text, 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 these prices are set in a world market. Unlike the IPPI, the RMPI includes goods not produced in Canada.

The Canadian dollar lost 1.3% of its value against the US dollar in December. Some Canadian producers who export their products to the United States are generally paid in prices that are fixed in US dollars. Consequently, the relative strength of the US dollar in relation to the Canadian dollar had the effect of inflating their Canadian dollar equivalent prices. If the exchange rate used to convert these prices had remained unchanged, the IPPI would have fallen 2.3% compared with November, instead of declining 1.9%.

12-month change: Industrial prices post slower growth and a ninth straight increase

Year over year, the IPPI rose 2.5% in December, which marks a second substantial slowing in the growth of the index. This was the lowest advance in the index in eight months.

This slowing in the growth of the IPPI in December was caused by a substantial 28.1% drop in the prices for petroleum and coal products, the largest decline since December 2001.

The prices for products other than petroleum and coal rose 6.5%, down from the rate of 7.9% recorded in November. Motor vehicles and other

transport equipment as well as pulp and paper products contributed the most to the increase in the IPPI, pushed up in part by the depreciation of the Canadian dollar in relation to its US counterpart.

The Canadian dollar lost 18.7% of its value, and if the direct effect of the exchange rate had been excluded, the IPPI would have declined 4.1% instead of increasing 2.5%.

Decline in raw material prices continues for a fifth consecutive month, accelerating in December

The RMPI fell a substantial 15.4% in December. During the last three months of 2008, the decline accelerated, and the index is now below its level registered in January 2005.

The prices for mineral fuels continued to contract, falling 29.9% in December after four strong monthly decreases. Excluding mineral fuels, the RMPI declined 2.3%, compared with declines of 2.8% in November and 5.1% in October. Product groups other than mineral fuels had comparatively little effect on the movement of the RMPI.

From December 2007 to December 2008, raw material prices fell 29.9% compared with a 16.8% decline in November. This was a third consecutive year-over-year decrease. The decline in prices for raw materials was attributable to the sharp 47.7% drop for mineral fuels and, to a lesser extent, to the 34.3% drop for non-ferrous metals prices, the result of a contraction in the global demand for base metals.

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.

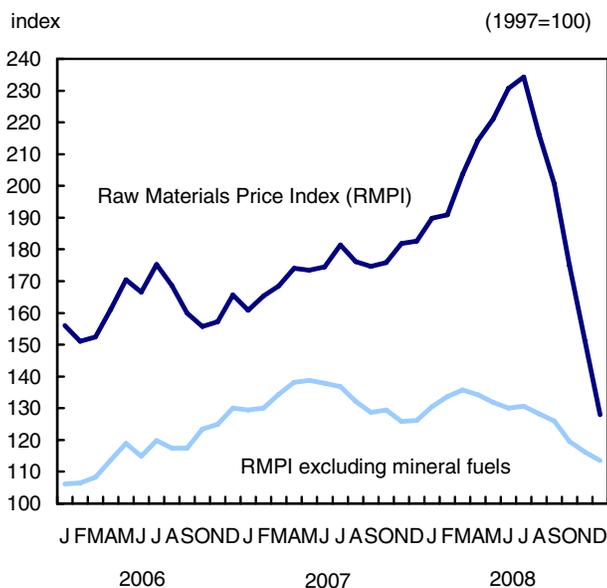
The December 2008 issue of *Industry Price Indexes* (62-011-XWE, free) will soon be available.

The industrial product and raw material price indexes for January will be released on February 27.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (613-951-9606, fax: 613-951-2848, prices-prix@statcan.gc.ca), Prices Division.

□

Raw materials prices decrease again



Industrial product price indexes
(1997=100)

	Relative importance	December 2007	November 2008 ^r	December 2008 ^p	December 2007 to December 2008	November to December 2008
					% change	
Industrial Product Price Index (IPPI)	100.00	114.5	119.7	117.4	2.5	-1.9
IPPI excluding petroleum and coal products	94.32	106.9	114.0	113.9	6.5	-0.1
Aggregation by commodities						
Meat, fish and dairy products	5.78	108.1	112.8	112.5	4.1	-0.3
Fruit, vegetables, feeds and other food products	5.99	113.4	115.9	115.5	1.9	-0.3
Beverages	1.57	125.5	127.2	127.3	1.4	0.1
Tobacco and tobacco products	0.63	218.2	220.6	220.6	1.1	0.0
Rubber, leather and plastic fabricated products	3.30	116.3	122.7	122.1	5.0	-0.5
Textile products	1.58	99.1	102.4	102.6	3.5	0.2
Knitted products and clothing	1.51	104.7	104.8	104.8	0.1	0.0
Lumber and other wood products	6.30	81.3	85.4	85.0	4.6	-0.5
Furniture and fixtures	1.59	120.6	123.3	123.3	2.2	0.0
Pulp and paper products	7.23	101.6	116.3	117.0	15.2	0.6
Printing and publishing	1.70	115.8	124.4	125.1	8.0	0.6
Primary metal products	7.80	131.2	127.3	123.4	-5.9	-3.1
Metal fabricated products	4.11	123.9	137.0	137.1	10.7	0.1
Machinery and equipment	5.48	103.4	111.8	112.2	8.5	0.4
Motor vehicles and other transport equipment	22.16	85.8	98.4	99.3	15.7	0.9
Electrical and communications products	5.77	89.3	96.6	97.0	8.6	0.4
Non-metallic mineral products	1.98	123.1	126.8	126.8	3.0	0.0
Petroleum and coal products ¹	5.68	254.4	223.3	182.8	-28.1	-18.1
Chemicals and chemical products	7.07	130.2	141.7	138.9	6.7	-2.0
Miscellaneous manufactured products	2.40	114.1	122.4	124.0	8.7	1.3
Miscellaneous non-manufactured products	0.38	418.4	275.0	299.0	-28.5	8.7
Intermediate goods²	60.14	119.6	124.1	121.1	1.3	-2.4
First-stage intermediate goods ³	7.71	148.0	132.9	127.0	-14.2	-4.4
Second-stage intermediate goods ⁴	52.43	115.3	122.8	120.1	4.2	-2.2
Finished goods⁵	39.86	106.9	113.0	112.0	4.8	-0.9
Finished foods and feeds	8.50	115.9	118.9	119.0	2.7	0.1
Capital equipment	11.73	95.3	105.8	106.4	11.6	0.6
All other finished goods	19.63	110.0	114.8	112.4	2.2	-2.1

^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	December 2007	November 2008 ^r	December 2008 ^p	December 2007 to December 2008	November to December 2008
					% change	
Raw Materials Price Index (RMPI)	100.00	182.6	151.3	128.0	-29.9	-15.4
Mineral fuels	35.16	304.5	227.1	159.2	-47.7	-29.9
Vegetable products	10.28	119.7	112.8	108.6	-9.3	-3.7
Animals and animal products	20.30	103.3	112.7	111.4	7.8	-1.2
Wood	15.60	82.4	81.7	81.1	-1.6	-0.7
Ferrous materials	3.36	128.6	147.6	147.9	15.0	0.2
Non-ferrous metals	12.93	207.8	143.6	136.5	-34.3	-4.9
Non-metallic minerals	2.38	150.4	172.3	172.3	14.6	0.0
RMPI excluding mineral fuels	64.84	126.2	116.2	113.5	-10.1	-2.3

^r revised

^p preliminary

Food services and drinking places

November 2008 (preliminary)

Current dollar sales for the food services and drinking places industry increased 1.2% to \$4.1 billion from October to November, following a similar increase a month earlier.

The price of food purchased in restaurants increased by 0.2% between October and November, according to the Consumer Price Index.

The overall increase in November was mostly attributable to full-service restaurants, where patrons order and pay for meals at their table. This industry, which is the largest of the sector, posted a 3.1% increase in sales.

Sales in the special food services sector comprising food service contractors, caterers and mobile food services remained unchanged, while sales at drinking places edged up 0.1%.

These gains were partially offset by a 0.5% decrease in limited-service restaurants, where patrons order and pay for their meals at the counter

Two provinces, Newfoundland and Labrador and New Brunswick, posted lower sales in November.

Note: All data in this release are seasonally adjusted and expressed in current dollars.

Available on CANSIM: table 355-0006.

Definitions, data sources and methods: survey number 2419.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Marc Racette (613-951-2924; fax: 613-951-6696; marc.racette@statcan.gc.ca) or Pierre Felx (613-951-0075; pierre.felx@statcan.gc.ca), Service Industries Division.

Food services and drinking places

	November 2007	September 2008 ^r	October 2008 ^r	November 2008 ^p	October to November 2008	November 2007 to November 2008
Seasonally adjusted						
	\$ thousands				% change	
Total, food services sales	3,855,536	4,009,993	4,064,974	4,112,526	1.2	6.7
Full-service restaurants	1,770,421	1,820,628	1,838,129	1,894,299	3.1	7.0
Limited-service eating places	1,578,030	1,667,697	1,697,042	1,688,387	-0.5	7.0
Special food services	315,836	319,193	326,482	326,408	0.0	3.3
Drinking places	191,249	202,475	203,321	203,432	0.1	6.4
Provinces and territories						
Newfoundland and Labrador	43,435	47,974	49,500	49,180	-0.6	13.2
Prince Edward Island	11,924	13,753	13,868	13,923	0.4	16.8
Nova Scotia	97,846	93,652	99,879	101,864	2.0	4.1
New Brunswick	67,296	72,020	73,533	73,087	-0.6	8.6
Quebec	759,183	804,609	822,329	831,992	1.2	9.6
Ontario	1,461,691	1,513,855	1,525,401	1,529,190	0.2	4.6
Manitoba	107,775	115,541	118,613	121,254	2.2	12.5
Saskatchewan	105,460	107,325	109,517	111,323	1.6	5.6
Alberta	544,329	579,729	581,234	592,198	1.9	8.8
British Columbia	645,436	650,274	659,930	676,953	2.6	4.9
Yukon	3,497	3,819	3,889	F	F	F
Northwest Territories	7,019	6,774	6,634	F	F	F
Nunavut	645	668	647	F	F	F

^r revised

^p preliminary

F too unreliable to be published

Note: Figures may not add up to totals due to rounding.

Couriers and Messengers Services Price Index

December 2008

The Couriers and Messengers Services Price Index decreased 4.7% from November to 135.7 (2003=100) in December. The courier portion fell 5.3%, while the local messengers component was down 2.0%.

Note: 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.

These indexes are available at the Canada level only.

Available on CANSIM: table 329-0053.

Definitions, data sources and methods: survey number 5064.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (613-951-9606; fax: 613-951-2848; prices-prix@statcan.gc.ca), Prices Division. ■

Electric power selling price indexes

September to December 2008

Electric power selling price indexes (1997=100) are now available from September to December 2008.

Available on CANSIM: table 329-0050.

Definitions, data sources and methods: survey number 2325.

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

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (toll-free 1-866-230-2248; 613-951-9606; fax: 613-951-2848; prices-prix@statcan.gc.ca) or Adrian Fisher (613-951-9612; adrian.fisher@statcan.gc.ca), Prices Division. ■

2011 Census dissemination discussion forum

2011 Census

The 2011 Census dissemination discussion forum, a new consultation initiative, aims to foster the exchange of ideas and suggestions for the 2011 Census dissemination strategy. From January 29 until March 31, 2009, registered participants can have their comments posted on the census pages of the Statistics Canada website and engage with other users on dissemination-related discussion topics.

This online discussion forum is a component of the 2011 Census and geography dissemination consultation process and offers users another opportunity to provide input into the planning of the 2011 Census and geography products and services line.

The 2011 Census consultation discussion forum is available on our website. For more information, contact Client Services (toll-free 1-800-263-1136; fax: 613-951-4210; censusconsultation@statcan.gc.ca), Census Operations Division. ■

New products

Inter-corporate Ownership, Fourth quarter 2008
Catalogue number **61-517-XCB** (\$375/\$1,065).

Aboriginal Peoples of Canada, 2006 Census, Census year 2006
Catalogue number **92-593-XCB** (\$65).

All prices are in Canadian dollars and exclude sales tax. Additional shipping charges apply for delivery outside Canada.

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

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