

# The Daily

Statistics Canada

**Monday, March 23, 2009**

Released at 8:30 a.m. Eastern time

---

## Releases

---

Leading indicators, February 2009	2
Consumer prices: The year 2008 in review, 2008	3
Finances of the federal, provincial and territorial government business enterprises, 2006	3
Natural gas sales, January 2009	5
Natural gas liquids and liquefied petroleum gases, August to October 2008	5

---

<b>New products</b>	<b>6</b>
---------------------	----------

---



## Leading indicators

February 2009

The February composite leading index fell 1.1% after a 0.9% decrease in January, with 9 of the 10 components declining. The housing and stock markets continued to post the largest declines, while losses in manufacturing steepened as the auto industry began to implement extensive shutdowns at the turn of the year.

The three manufacturing indicators declined in unison. New orders fell 4.8%, with the weakness in autos intensifying and spreading to other industries like iron and steel. Inventories fell for a seventh straight month, but not as fast as sales, reducing the ratio of shipments to stocks.

The auto sector also bore the brunt of declining household spending. Durable goods sales fell 1.4%, largely due to a sharp drop in auto sales late in 2008. The housing index declined 8.0%, the most of any component, as an upturn in home sales was outweighed by fewer housing starts in February.

The money supply was the one component to expand. The stimulus from monetary policy also was a major factor behind the slower rate of decline in the leading index for the United States.

**Available on CANSIM: table 377-0003.**

**Definitions, data sources and methods: survey number 1601.**

This release will be reprinted in the April 2009 issue of *Canadian Economic Observer*, Vol. 22, no. 4 (11-010-XPB, free). For more information on the economy, consult the *Canadian Economic Observer*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Philip Cross (613-951-9162; [ceo@statcan.gc.ca](mailto:ceo@statcan.gc.ca)), Current Economic Analysis Group.

## Leading indicators

	September 2008	October 2008	November 2008	December 2008	January 2009	February 2009	Last month of data available % change
<b>Composite leading indicator (1992=100)</b>	<b>229.5</b>	<b>228.4</b>	<b>227.0</b>	<b>225.5</b>	<b>223.5</b>	<b>221.0</b>	<b>-1.1</b>
Housing index (1992=100) <sup>1</sup>	133.8	130.2	123.1	117.6	109.4	100.6	-8.0
Business and personal services employment (thousands)	2,953	2,953	2,948	2,945	2,933	2,925	-0.3
S&P/TSX stock price index (1975=1,000)	13,660	12,669	11,630	10,709	9,694	8,968	-7.5
Money supply, M1 (\$ millions, 1992) <sup>2</sup>	174,030	176,122	178,714	181,817	185,183	188,574	1.8
US Conference Board leading indicator (1992=100) <sup>3</sup>	123.6	123.2	122.5	121.7	121.2	120.9	-0.2
<b>Manufacturing</b>							
Average workweek (hours)	37.8	37.7	37.6	37.5	37.4	37.3	-0.3
New orders, durables (\$ millions, 1992) <sup>4</sup>	28,023	27,681	27,824	28,780	27,733	26,396	-4.8
Shipments/inventories of finished goods <sup>4</sup>	1.76	1.76	1.75	1.75	1.73	1.69	-0.04 <sup>5</sup>
<b>Retail trade</b>							
Furniture and appliance sales (\$ millions, 1992) <sup>4</sup>	2,910	2,936	2,950	2,950	2,956	2,943	-0.4
Other durable goods sales (\$ millions, 1992) <sup>4</sup>	9,702	9,654	9,666	9,690	9,695	9,560	-1.4
<b>Unsmoothed composite leading indicator</b>	<b>227.4</b>	<b>225.1</b>	<b>222.9</b>	<b>222.3</b>	<b>219.7</b>	<b>215.2</b>	<b>-2.0</b>

1. Composite index of housing starts (units) and house sales (multiple listing service).
2. Deflated by the Consumer Price Index for all items.
3. The figures in this row reflect data published in the month indicated, but the figures themselves refer to data for the month immediately preceding.
4. The figures in this row reflect data published in the month indicated, but the figures themselves refer to data for the second preceding month.
5. Difference from previous month.



---

## Consumer prices: The year 2008 in review 2008

Consumers faced the most volatile price fluctuations in five years in key components of the Consumer Price Index (CPI) during 2008.

For the year as a whole, consumer prices on average increased 2.3%, slightly faster than the annual average increase of 2.2% the year before. But this average masked swings in prices for components such as food and energy, which were two main drivers of inflation.

Early in the year, gasoline prices were the main factor in the increase in the all-items CPI, reflecting the price of crude oil.

Averaged over the 12 months of 2008, gasoline prices in Canada rose a sharp 12.7% compared with the average for the 12 months of 2007. This was the largest annual rise since the 12.8% increase in 2005, when hurricanes Katrina and Rita disrupted the oil market. The rise in gasoline prices contributed significantly to the increase in transportation costs over the year.

By the end of the year, gasoline prices had declined substantially. Pump prices in December 2008 were 25.8% below levels in the same month the year before. This was the largest year-over-year drop since the inception of the gasoline price index in 1949.

The benchmark West Texas Intermediate price for a barrel of crude oil fluctuated substantially over the year. In June, it rose to a high of US\$133.93 (CAN\$136.17) before retreating to a low of US\$41.02 (CAN\$50.64) in December. The year-end decline was due to a number of factors, including a worsening US and global economic outlook.

It was the opposite situation when it came to putting food on the table. Over the year, prices for food contributed increasingly to the overall growth in consumer prices. In the fourth quarter of 2008, the food price index accounted for over 60% of the increase in the CPI, about 10 times the more moderate contribution of 6% in the first quarter.

The primary force behind this was a 3.9% annual increase in prices for food purchased from stores. The annual pace of growth in the prices of store-bought food has been increasing since 2003.

Prices for food staples such as bread, rice, flour, milk and eggs rose sharply in 2008. Among the reasons were higher transportation costs resulting from rising gasoline prices, surging commodity prices and increasing demand for food in emerging markets in other countries.

Shelter cost increases eased throughout the year, although they remained the second largest contributor to the increase in the CPI in 2008. Shelter cost increases

were driven by higher mortgage interest costs and natural gas prices.

On average, mortgage interest costs were up 8.0% in 2008, primarily a result of increasing housing prices. However, the pace of change slowed through the year, reflecting a slowdown in new housing prices and lower interest rates.

Consumers who bought new passenger vehicles got some relief at car dealerships as prices to purchase passenger vehicles fell 6.9% in 2008. This was the largest drop since the inception of the price index for purchasing passenger vehicles in 1949.

After gaining momentum in the previous three years, the Bank of Canada's core index slowed to a growth rate of 1.7% in 2008, down from 2.1% in 2007 and 1.9% in 2006. The gap between the Bank of Canada's core index and the overall CPI was largely attributed to gasoline prices, which pushed up the CPI but which are not included in the core measure of consumer prices.

**Note:** This study reviews changes in consumer prices in 2008 as measured by the annual average of the monthly Consumer Price Index. It discusses the drivers of these variations. The focus is on the average for the year, as this indicator is used for indexing many public and private pension plans and programs. Given that the annual average reflects both the rise and decline of consumer prices over the year, some attention is given to intra-annual variations.

**Available on CANSIM: tables 326-0009, 326-0012, 326-0015 and 326-0020 to 326-0022.**

**Definitions, data sources and methods: survey number 2301.**

The analytical article "Consumer prices: The year 2008 in review" is now available online in the *Analysis in Brief* (11-621-MWE2009076, free) series, from the *Publications* module of our website.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Alan Chaffe (613-951-6733; [alan.chaffe@statcan.gc.ca](mailto:alan.chaffe@statcan.gc.ca)), Prices Division. ■

## Finances of the federal, provincial and territorial government business enterprises 2006

Federal government business enterprises (GBEs), including monetary authorities, earned an after-tax profit of \$6.3 billion in 2006, essentially unchanged from 2005.

Meanwhile, provincial/territorial GBEs posted higher after-tax profits of \$19.4 billion in 2006, a 7.0% increase.

GBEs are government controlled, public financial and non-financial corporations engaged in commercial operations involving the sale of goods and services to the public in the marketplace. Data refer to the fiscal year ending closest to December 31, 2006.

Among federal GBEs, the finance, insurance and real estate industry was the main contributor to total profits. Among provincial/territorial GBEs, the main contributors were the utilities and personal, business and other services industries.

Federal GBEs had total assets, including fixed assets, of \$188.9 billion in 2006, up 6.8% from 2005. Total liabilities rose 5.7% to \$173.4 billion.

The total net worth of federal GBEs amounted to \$15.5 billion, up 19.8%. Between 2001 and 2006, the total net worth of federal GBEs more than doubled.

During this six-year period, the net worth of provincial/territorial GBEs increased 65%. The total net worth of provincial/territorial GBEs in 2006 amounted to \$32.6 billion, up 16.6% from 2005. Their total assets rose 5.0% to \$242.7 billion, while liabilities rose 3.4% to \$210.0 billion.

The total revenue of federal GBEs increased 3.1% to \$23.7 billion, while their total expenses increased 7.4% to \$16.9 billion.

The total revenue of provincial/territorial GBEs increased 2.5% to \$81.2 billion in 2006, while their total expenses rose 2.4% to \$62.8 billion.

**Note:** With this release of the 2006 data, the federal, provincial and territorial government business enterprise finance statistics program uses the 2007 North American Industry Classification System instead of

the 1980 Standard Industrial Classification. In addition, expanded coverage of balance sheet and income statement line items has been added.

As a result, the current CANSIM tables 385-0011, 385-0012, 385-0013, 385-0016, and the provincial component of CANSIM table 385-0015 will be terminated. These tables will be replaced by tables 385-0030 and 385-0031. Data have been provided historically back to 1999.

To help users convert from the terminated CANSIM tables to the new tables, a concordance table between the old and new vector numbers is available. This document also provides a detailed list of the changes to the industry detail and changes to the financial statement line items.

**Available on CANSIM: tables 385-0030 and 385-0031.**

**Definitions, data sources and methods: survey number 1730.**

Additional information on provincial and territorial liquor authorities can be found in *The Control and Sale of Alcoholic Beverages in Canada* (63-202-XWE, free), available from the *Publications* module of our website.

Data tables are also available from the *National economic accounts* module of our website.

For more information, or to order data, contact Client Services (613-951-0767; [pid-info-dip@statcan.gc.ca](mailto:pid-info-dip@statcan.gc.ca)). To enquire about the concepts, methods or data quality of this release, contact Jo Ann MacMillan (613-951-0171; [joann.macmillan@statcan.gc.ca](mailto:joann.macmillan@statcan.gc.ca)), Public Institutions Division.

## Federal, provincial and territorial government business enterprises, after-tax profits

Fiscal year ending closest to December 31

	2002	2003	2004	2005	2006
	\$ millions				
<b>Total federal government</b>	<b>5,473.3</b>	<b>6,059.7</b>	<b>4,321.6</b>	<b>6,325.1</b>	<b>6,314.5</b>
<b>Total provincial and territorial governments</b>	<b>12,911.8</b>	<b>12,851.8</b>	<b>16,200.7</b>	<b>18,088.2</b>	<b>19,356.0</b>
Newfoundland and Labrador	285.0	133.1	289.2	283.3	286.7
Prince Edward Island	26.9	27.9	27.6	31.7	26.3
Nova Scotia	346.6	344.9	338.3	356.2	289.0
New Brunswick	142.3	218.9	253.0	372.6	271.7
Quebec	3,383.8	3,508.4	4,395.9	4,816.7	5,911.8
Ontario	4,166.9	4,041.7	4,836.2	6,305.4	5,687.4
Manitoba	475.1	12.3	670.2	1,006.1	686.8
Saskatchewan	600.6	789.3	906.7	716.8	907.9
Alberta	1,839.0	1,872.1	2,013.5	2,184.0	2,465.8
British Columbia	1,611.0	1,855.1	2,418.7	1,969.5	2,774.1
Yukon	9.7	11.3	12.6	11.4	13.1
Northwest Territories	30.6	30.5	30.0	31.5	31.3
Nunavut	-5.7	6.4	8.8	3.1	4.2

**Note:** Data may not add up to totals as a result of rounding.

## Natural gas sales

January 2009 (preliminary)

Natural gas sales totalled 8 869 million cubic metres in January, down 3.5% from January 2008.

The volumes of sales to the residential sector (+8.9%) and commercial sector (+4.6%) rose, while sales to the industrial, including direct, sector declined 14.9% from January 2008.

Total sales in January 2009 were 2.3% higher than those in December 2008.

## Definitions, data sources and methods: survey number 2149.

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

## Natural gas sales

	January 2009 <sup>P</sup>	January 2008	January 2008 to January 2009 % change
	thousands of cubic metres		
<b>Total sales</b>	<b>8 869 433</b>	<b>9 193 154</b>	<b>-3.5</b>
Residential <sup>1</sup>	3 098 036	2 845 614	8.9
Commercial <sup>2</sup>	1 996 022	1 908 884	4.6
Industrial <sup>3</sup> and direct sales <sup>4</sup>	3 775 375	4 438 656	-14.9

<sup>P</sup> preliminary

1. Gas sold for domestic purposes, including space heating, water heating and cooking, to a residential dwelling unit.
2. Gas sold to customers engaged in wholesale or retail trade, governments, institutions, office buildings, etc.
3. Gas sold to customers engaged in a process that creates or changes raw or unfinished materials into another form or product. Includes mining and manufacturing establishments. Includes firm, interruptible and buy/sell agreements.
4. Represents direct, non-utility, sales for consumption, where the utility acts solely as the transporter.

## Natural gas liquids and liquefied petroleum gases

August to October 2008

Data on the supply and demand for natural gas liquids and liquefied petroleum gases are now available for August to October.

Available on CANSIM: table 132-0001.

## Definitions, data sources and methods: survey number 7524.

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; [energ@statcan.ca](mailto:energ@statcan.ca)), Manufacturing and Energy Division. ■

## New products

**Analysis in Brief: "Consumer prices: "The year 2008 in review", no. 76**  
**Catalogue number 11-621-MWE2009076**  
 (free).

**Retail Trade, January 2009, Vol. 81, no. 1**  
**Catalogue number 63-005-XWE**  
 (free).

**New Motor Vehicle Sales, January 2009, Vol. 81, no. 1**  
**Catalogue number 63-007-XWE**  
 (free).

**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.

## How to order products

### To order by phone, please refer to:

- The title
- The catalogue number
- The volume number
- The issue number
- Your credit card number.

From Canada and the United States, call: **1-800-267-6677**  
 From other countries, call: **1-613-951-2800**  
 To fax your order, call: **1-877-287-4369**  
 For address changes or account inquiries, call: **1-877-591-6963**

**To order by mail, write to:** Statistics Canada, Finance, 6<sup>th</sup> floor, R.H. Coats Bldg., Ottawa, K1A 0T6.  
 Include a cheque or money order payable to **Receiver General of Canada/Publications**. Canadian customers add 5% GST and applicable PST.

**To order by Internet, write to:** [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca) or download an electronic version by accessing Statistics Canada's website ([www.statcan.gc.ca](http://www.statcan.gc.ca)). From the *Our products and services* page, under *Browse our Internet publications*, choose *For sale*.

**Authorized agents and bookstores also carry Statistics Canada's catalogued publications.**



### Statistics Canada's official release bulletin

Catalogue 11-001-XIE.

Published each working day by the Communications and library Services Division, Statistics Canada, 10G, R.H. Coats Building, 100 Tunney's Pasture Driveway, Ottawa, Ontario K1A 0T6.

To access *The Daily* on the Internet, visit our site at <http://www.statcan.gc.ca>. To receive *The Daily* each morning by e-mail, send an e-mail message to [listproc@statcan.gc.ca](mailto:listproc@statcan.gc.ca). Leave the subject line blank. In the body of the message, type "subscribe daily firstname lastname".

Published by authority of the Minister responsible for Statistics Canada. © Minister of Industry, 2009. All rights reserved. The content of this electronic publication may be reproduced, in whole or in part, and by any means, without further permission from Statistics Canada, subject to the following conditions: that it be done solely for the purposes of private study, research, criticism, review or newspaper summary, and/or for non-commercial purposes; and that Statistics Canada be fully acknowledged as follows: Source (or "Adapted from", if appropriate): Statistics Canada, year of publication, name of product, catalogue number, volume and issue numbers, reference period and page(s). Otherwise, no part of this publication may be reproduced, stored in a retrieval system or transmitted in any form, by any means—electronic, mechanical or photocopy—for any purposes without prior written permission of Licensing Services, Client Services Division, Statistics Canada, Ottawa, Ontario, Canada K1A 0T6.