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Releases

Releases

National balance sheet accounts

Third quarter 2009

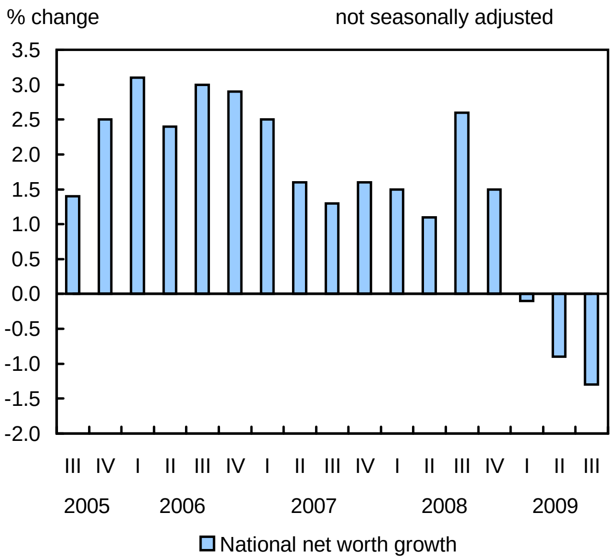
National net worth in the third quarter declined $75 billion to $5.9 trillion, largely reflecting an increase in Canada's net foreign debt. Household net worth rose again to reach $5.7 trillion in the third quarter, as equity markets rallied.

> ***Note to readers***
>
> *The national balance sheet accounts are comprised of the balance sheets of all of the sectors of the economy: the persons and unincorporated business (households), corporate, government and non-resident sectors. They cover all national non-financial assets and financial claims and associated liabilities outstanding in all sectors.*
>
> ***National net worth*** *is national wealth less net foreign liabilities (i.e., what is owed to non-residents less what non-residents owe to Canadians). Alternatively, it is the sum of the net worth of the persons and unincorporated business, corporate and government sectors.*
>
> *Quarterly series, both book and market value, are available from the first quarter of 1990. Marketable securities are at market value, unless otherwise stated. For more information on the market value estimates, consult the* Balance sheet estimates at market value *page of our website.*
>
> *With this release of the National Balance Sheet Accounts a number of sectors and categories that were previously published have been combined, in order to provide more relevant sector and category information.*
>
> *Market value estimates on annual and quarterly basis have been expanded. Annual market value data are published for all sectors from 1970, while book value estimates remain available from 1961. Quarterly data are available for all sectors from the first quarter of 1990 for market and book value estimates. These estimates will facilitate international comparisons with other countries.*

National net worth continues to weaken

National net worth (the sum of non-financial assets less net foreign debt) declined for the third consecutive quarter, with a cumulative decline of $140 billion (-2.3%) over this period. This followed several years of rising national net worth.

National net worth down again as net foreign debt advances



National net worth changes reflect continued declines in national saving and decreases in the value of non-financial assets. In the last two quarters, it has also largely reflected increases in net foreign debt, which are due in part to the revaluation effects of the exchange rate on foreign currency denominated-assets and liabilities. Exchange rate variations have a much larger impact on Canada's international assets than on international liabilities. In the third quarter, Canadian holdings of foreign equity benefited from large stock market gains, but these gains were dampened by exchange rate conversion losses on those same assets.

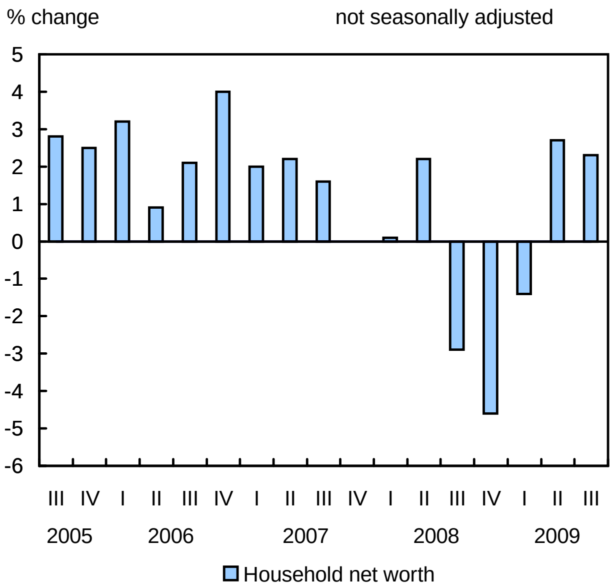
On a per capita basis, national net worth has fallen from $176,800 in the second quarter to $173,900 in the third quarter of 2009.

Household net worth advances again, but remains below last year's high

Household net worth was up $127 billion (+2.3%) to $5.7 trillion in the third quarter, as equity markets rallied. Increases in the value of household financial assets (including fixed income securities, corporate equities, mutual fund investments, and pension assets) contributed to the increase in household net worth.

Canadian stock markets continued to recover in the third quarter, with the Standard and Poor's composite index up again (+10%), closing out the quarter at 11,400. This added to the gains in net worth recorded in the second quarter, following three consecutive quarterly declines beginning with the third quarter of 2008.

Household net worth up again



Household per capita net worth grew 1.8% during the third quarter of 2009 to $168,800, still below the $179,000 peak in the second quarter of 2008.

Household debt (in the form of mortgages and consumer credit) continued to increase in the third quarter. Falling mortgage rates, along with increased sales of existing homes and renovations, sustained increases in mortgage demand. In addition, strength in auto purchases led to a further increase in consumer credit.

The household debt-to-net worth ratio remained relatively unchanged. However, personal sector liabilities increased from $1.39 trillion to $1.41 trillion (+1.6%), driving up the household debt-to-income ratio 2 points to 145%.

Government net debt continues to advance

The net worth of the government sector declined $29 billion, as overall government net debt increased and the value of their non-financial assets declined.

The federal government's credit market debt increased by 5% in the third quarter, caused by increased borrowing. This was partly due to financing of special government initiatives (such as the insured mortgage purchase program and investment by government in private non-financial corporations). The borrowing was mainly in the form of federal bonds, with institutional investors the major buyers.

The credit market debt of other levels of government fell, mainly caused by the decline in the value of debt denominated in foreign currencies from the appreciation of the Canadian dollar in the third quarter.

Total government sector net debt (at book value) as a percentage of gross domestic product increased to 40.9%, from 39.5% in the previous quarter and from 35.5% in the same quarter of 2008. Nevertheless, it remained well below the 90% range reached in the mid-1990s.

Corporate net worth declines

Consistent with rising net worth in other sectors in the economy, corporate net worth declined. Corporate sector net worth decreased for a second consecutive quarter, down $172 billion to $239 billion.

The third quarter saw a significant return by non-financial corporations to equity financing. In addition, the overall credit market debt of non-financial private corporations fell again. As a result, the non-financial private corporations' credit market debt-to-equity ratio (at book value) decreased from 55.9% in the second quarter to 53.2% in the third quarter.

Institutional investors, such as trusteed pension plans and mutual funds, increased their overall investment in marketable securities, particularly government bonds, while reducing their holdings of short-term paper. However, these gains were moderated by losses on foreign currency-denominated assets.

Financial institutions recorded small increases in loan assets during the third quarter, especially for mortgages and consumer credit. However, the increase in consumer credit was less than the previous quarter.

Available on CANSIM: tables 378-0012 to 378-0014 and 378-0049 to 378-0116.

Definitions, data sources and methods: survey number 1806.

The third quarter 2009 *National Balance Sheet Accounts: Data Tables*, Vol. 2, no. 3 (13-022-X, free), is now available from the *Key resource* module of our website under *Publications*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the information officer (613-951-3640; *iead-info-dcrd@statcan.gc.ca*), Income and Expenditure Accounts Division.

□

National balance sheet accounts

	Second quarter 2008	Third quarter 2008	Fourth quarter 2008	First quarter 2009	Second quarter 2009	Third quarter 2009	Second quarter to third quarter 2009
	Market value, not seasonally adjusted						
	$ billions						change in $ billions
National net worth[1]	**5,792**	**5,942**	**6,030**	**6,021**	**5,965**	**5,890**	**-75**
	1.1	**2.6**	**1.5**	**-0.1**	**-0.9**	**-1.3**	**...**
National wealth[1]	5,845	5,958	5,976	5,990	5,975	5,938	-37
	1.8	1.9	0.3	0.2	-0.3	-0.6	...
Net foreign debt	-53	-15	54	32	-10	-49	-39
National net worth, by sector							
Household sector	5,964	5,789	5,526	5,446	5,591	5,718	127
Corporate sector	-185	153	528	612	411	239	-172
Government sector	13	0	-24	-36	-38	-67	-29
	$						change in dollars
National net worth per capita	**173,800**	**177,600**	**179,900**	**179,100**	**176,800**	**173,900**	**-2,900**

... not applicable
1. The first line is the series itself expressed in billions of dollars. The second line is the period-to-period percentage change.

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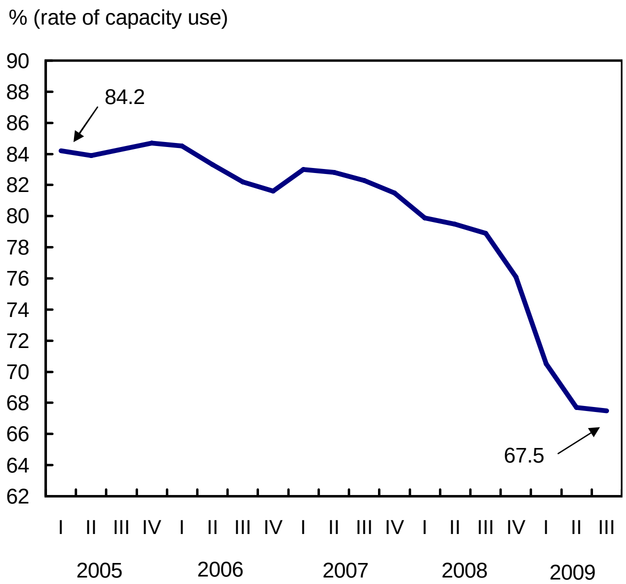
Industrial capacity utilization rates

Third quarter 2009

Canadian industries operated at 67.5% of their production capacity in the third quarter, down marginally from 67.7% in the second quarter. Widespread declines in capacity use among non-manufacturing industries more than offset increases among manufacturing industries.

Capacity use edges down



In the manufacturing industries, the capacity utilization rate increased to 65.6%, from the record low of 64.7% in the second quarter.

This increase followed four quarters of decline. It was attributable in part to strength in the transportation equipment industry, where capacity utilization rose for a second straight quarter following eight consecutive quarterly declines.

Capacity use fell in all non-manufacturing sectors, but at a much slower pace than in the previous quarter. As it did in the second quarter, the mining sector led the declines.

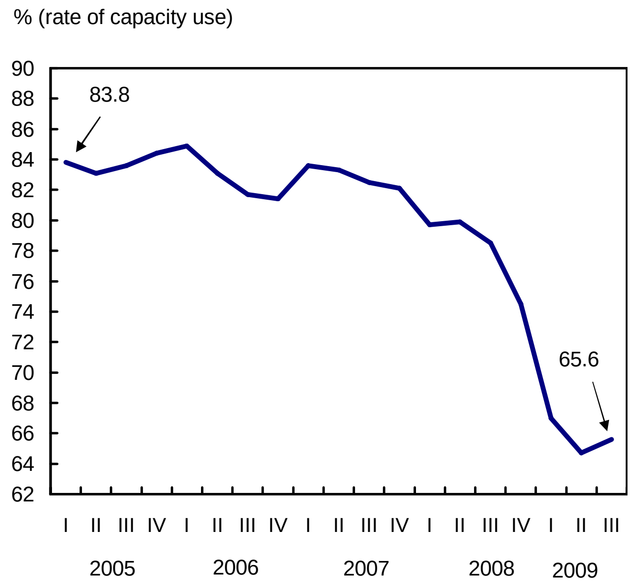
Manufacturing: Half of the major industries post gains

Of the 21 major industries in the manufacturing sector, 11 posted gains in capacity use in the third quarter.

Three industries (transportation equipment, chemical, and wood product manufacturing) were behind the increase in capacity utilization among manufacturers. These three account for nearly one-third of total output in manufacturing. Declines in the machinery and primary metal manufacturing industries moderated the growth.

> ***Note to readers***
>
> *The industrial capacity utilization rate is the ratio of an industry's actual output to its estimated potential output.*
>
> *For this release, rates have been revised back to the first quarter of 2004 to reflect the revised source data.*

Manufacturing: An increase following a record low



Manufacturers of motor vehicles and motor vehicle parts significantly increased their production to meet rising demand, mostly from the United States. As a result, capacity use in the transportation equipment industry increased 5.5 percentage points to 53.6% in the third quarter. Despite the two consecutive quarterly gains, the rate was still 13.2 percentage points lower than in the third quarter of 2008.

In the chemical manufacturing industry, capacity use advanced 2.7 percentage points to 72.3%. This was due largely to a 5.1% gain in production by pharmaceutical and medicine manufacturers.

In the wood product manufacturing industry, the utilization rate rose from 60.2% in the second quarter to 62.4% in the third, reflecting a 1.4% increase in production.

On the other hand, machinery manufacturers further reduced their capacity use by 4.2 percentage points to 60.1%. Almost all major components, including mining and oil and gas field machinery manufacturing, contributed to the 4.9% reduction in output of this industry.

Weak demand continued to drive down the utilization rate in the primary metal manufacturing industry. Primary metal manufacturers operated at 58.1% of their production capacity in the third quarter, down 3.2 percentage points. This was a much smaller decrease compared with consecutive double-digit declines in the previous three quarters.

Non-manufacturing: Moderate decline widespread across all sectors

In the non-manufacturing group, capacity use declined in all sectors in the third quarter.

In the oil and gas extraction sector, the utilization rate slipped 0.4 percentage points to 75.6%. Overall production fell in this sector, as lower activity in crude petroleum extraction more than offset increased activity in natural gas facilities.

The mining sector, excluding oil and gas extraction, operated at 48.1% of its capacity in the third quarter, down 4.6 percentage points from the second quarter and a drop of 30.2 percentage points from the third quarter of 2008. The decline in the third quarter was mainly the result of a large decrease in output at copper, nickel, lead and zinc mines as a result of temporary closures. Output in support activities for mining, and oil and gas extraction was also down.

Capacity use in the construction sector edged down from 70.5% to 69.7%, a reflection of reduced output in both residential and non-residential building construction.

In the electric power generation, transmission and distribution sector, the utilization rate fell 2.8 percentage points to 75.7%, the fourth consecutive quarterly decline. Demand for electricity fell in the third quarter.

Available on CANSIM: table 028-0002.

Definitions, data sources and methods: survey number 2821.

Data on industrial capacity utilization rates for the fourth quarter of 2009 will be released on March 11, 2010.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Xiang Zhou (613-951-0457; *xiang.zhou@statcan.gc.ca*), Investment and Capital Stock Division.

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Industrial capacity utilization rates

	Third quarter 2008[r]	Second quarter 2009[r]	Third quarter 2009	Third quarter 2008 to third quarter 2009	Second quarter to third quarter 2009
	%			percentage point change	
Total industrial	**78.9**	**67.7**	**67.5**	**-11.4**	**-0.2**
Forestry and logging	75.3	67.1	63.9	-11.4	-3.2
Mining and oil and gas extraction	78.2	68.8	67.0	-11.2	-1.8
Oil and gas extraction	78.1	76.0	75.6	-2.5	-0.4
Mining	78.3	52.7	48.1	-30.2	-4.6
Electric power generation, transmission and distribution	86.6	78.5	75.7	-10.9	-2.8
Construction	78.4	70.5	69.7	-8.7	-0.8
Manufacturing	78.5	64.7	65.6	-12.9	0.9
Food	81.0	82.6	82.4	1.4	-0.2
Beverage and tobacco products	69.9	70.5	70.2	0.3	-0.3
Beverage	70.3	70.5	69.8	-0.5	-0.7
Tobacco	67.6	70.7	72.5	4.9	1.8
Textile mills	67.8	59.8	60.5	-7.3	0.7
Textile product mills	80.6	60.0	58.8	-21.8	-1.2
Clothing	70.9	66.1	62.5	-8.4	-3.6
Leather and allied products	74.3	69.6	70.8	-3.5	1.2
Wood products	71.8	60.2	62.4	-9.4	2.2
Paper	86.4	73.1	74.3	-12.1	1.2
Printing and related support activities	73.2	63.7	61.2	-12.0	-2.5
Petroleum and coal products	80.4	76.6	76.2	-4.2	-0.4
Chemical	82.3	69.6	72.3	-10.0	2.7
Plastics and rubber products	75.0	62.0	63.4	-11.6	1.4
Plastic products	74.3	61.2	62.6	-11.7	1.4
Rubber products	78.4	65.9	67.2	-11.2	1.3
Non-metallic mineral products	83.9	62.9	65.2	-18.7	2.3
Primary metal	97.9	61.3	58.1	-39.8	-3.2
Fabricated metal products	81.0	63.6	61.3	-19.7	-2.3
Machinery	85.2	64.3	60.1	-25.1	-4.2
Computer and electronic products	87.1	80.7	82.1	-5.0	1.4
Electrical equipment, appliance and component	83.0	72.4	73.9	-9.1	1.5
Transportation equipment	66.8	48.1	53.6	-13.2	5.5
Furniture and related products	77.3	66.2	68.1	-9.2	1.9
Miscellaneous manufacturing	79.4	79.0	75.5	-3.9	-3.5

r *revised*

■

Police personnel and expenditures
2009

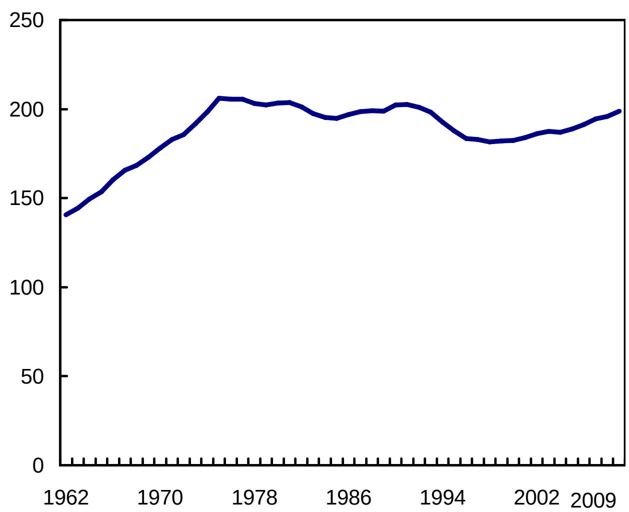
Police strength in Canada increased for the fifth consecutive year in 2009. As of May 15, 2009, there were just over 67,000 police officers, a rate of 199 officers for every 100,000 population.

This was up slightly from the rate of 196 in 2008, but still below the peak of 206 officers per 100,000 population reached in 1975.

Police strength has gradually increased over the past decade following a period of decline throughout the 1990s. Over the same period, police-reported crime rates have generally been declining and police are solving crimes at a higher rate than at any time over the past decade.

Police officer strength at highest point since 1993

rate per 100,000 population



The increase of about 1,800 officers in 2009 was largely the result of gains in Ontario, Alberta and British Columbia.

In 2009, Saskatchewan and Manitoba reported the highest rate of police officers per 100,000 population among the provinces. Prince Edward Island and Alberta had the lowest.

Thunder Bay had 217 police officers for every 100,000 population, the highest rate among all 33 census metropolitan areas (CMAs), followed by Saint John (207) and Regina (196). These rates were double that of Kelowna, the CMA with the lowest rate (98).

Montréal and Winnipeg each reported 186 officers per 100,000 population, the highest rate among the 10 metropolitan areas with a population 500,000 and over, followed by Toronto at 178.

The number of female officers continued to increase at a faster pace than their male counterparts. Canada had about 12,800 female officers in 2009, up 5% from the previous year. The number of male officers increased 2%.

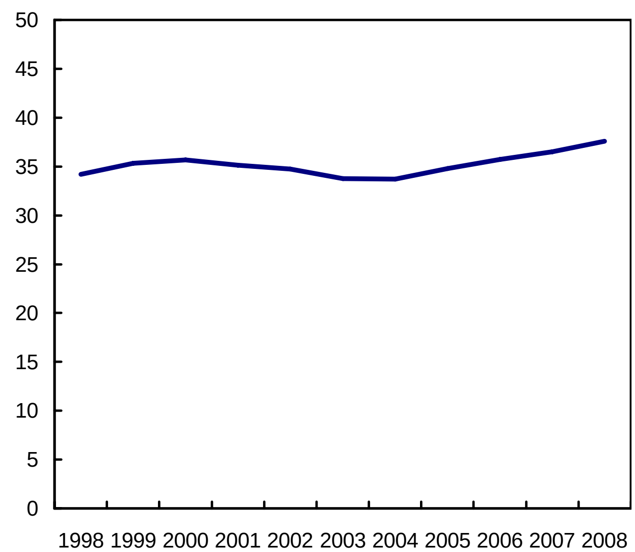
Women accounted for about 1 in every 5 officers in 2009 compared with about 1 in 8 a decade earlier.

After adjusting for inflation, police service operating costs rose for the 12th consecutive year to more than $11 billion in 2008, up 6% from 2007. This was the equivalent of $344 for every Canadian.

As measured by the new weighted clearance rate, police are solving crimes at a higher rate than at any time over the past decade. Nationally, the 2008 weighted clearance rate stood at 37.6%, its highest point since data were first available in 1998. This was the fourth consecutive annual increase.

Police clearance rates on the rise

weighted clearance rate (%)



Note: An incident is considered cleared or solved by police if an accused person has been identified, whether that person is formally charged or dealt with by other means such as extrajudicial measures. To enhance the comparability of clearance rates (the proportion of crimes solved by police) among police services, a new measure called the "weighted clearance rate" has been created. Similar to the concept behind the Crime

Severity Index, each offence is given a weight based on the seriousness of that offence. In the calculation of the weighted clearance rate, serious crimes solved by police count for more than the solving of less serious crimes.

Available on CANSIM: tables 254-0002 and 254-0003.

Definitions, data sources and methods: survey number 3301.

The report, *Police Resources in Canada*, 2009 (85-225-X, free), is now available. From the *Subject* module of our website under *Crime and Justice*, choose *Juristat*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Information and Client Services (toll-free 1-800-387-2231; 613-951-9023), Canadian Centre for Justice Statistics.

Police officers by province and territory

	2008		2009		2008 to 2009
	number	rate[1]	number	rate[1]	% change in rate
Newfoundland and Labrador	884	174	917	180	3.5
Prince Edward Island	231	165	234	166	0.5
Nova Scotia	1,864	199	1,877	200	0.7
New Brunswick	1,355	181	1,364	182	0.4
Quebec	15,403	199	15,532	198	-0.2
Ontario	24,945	193	25,558	196	1.4
Manitoba	2,419	200	2,497	204	2.0
Saskatchewan	2,124	209	2,135	207	-0.9
Alberta	5,734	160	6,199	168	5.1
British Columbia	8,134	186	8,469	190	2.4
Yukon	117	353	122	363	2.7
Northwest Territories	178	411	196	451	9.7
Nunavut	119	378	125	388	2.6
Provincial/territorial total	**63,507**	**190**	**65,225**	**193**	**1.6**
Royal Canadian Mounted Police Headquarters and Training Academy	1,776	...	1,860	...	...
Canada total	**65,283**	**196**	**67,085**	**199**	**1.5**

... not applicable
1. Rate per 100,000 population.

Police officers in census metropolitan areas

	2009		2008 to 2009
	number	rate[1]	% change in rate
500,000 and over population			
Montréal	6,989	186	-1.3
Winnipeg	1,418	186	0.7
Toronto	9,828	178	0.6
Edmonton	1,753	154	3.0
Hamilton	1,098	156	2.7
Vancouver	3,527	155	1.3
Calgary	1,814	153	3.6
Ottawa[2]	1,350	148	-1.6
Kitchener	739	145	-1.7
Québec	1,018	138	-1.0
100,000 to less than 500,000 population			
Thunder Bay	260	217	3.4
Saint John	211	207	1.1
Regina	411	196	4.3
Windsor	597	179	-0.6
St. John’s	327	178	6.8
Halifax	688	174	-0.3
Saskatoon	457	177	-0.8
Brantford	228	166	0.0
Peterborough	195	161	..
St. Catharines–Niagara	707	160	-2.7
Guelph	191	157	4.2
Greater Sudbury	255	155	2.2
Abbotsford–Mission	256	151	3.9
Victoria	531	153	2.9
Barrie	288	148	2.7
Trois-Rivières	214	145	-1.5
London	703	145	0.6
Kingston	223	142	2.0
Gatineau[3]	420	142	-0.9
Sherbrooke	240	131	4.8
Saguenay	178	123	-0.2
Moncton	150	113	-2.5
Kelowna	171	98	0.1

.. *not available for a specific reference period*
1. *Rate per 100,000 population.*
2. *Represents the Ontario portion of the Ottawa–Gatineau census metropolitan area.*
3. *Represents the Quebec portion of the Ottawa–Gatineau census metropolitan area.*

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Dairy statistics
October 2009 (preliminary)

Dairy farmers sold 637 930 kilolitres of milk and cream to dairies in October, up 2.8% from October 2008.

Definitions, data sources and methods: survey numbers, including related surveys, 3430, 3431 and 3432.

The fourth quarter 2009 issue of *Dairy Statistics*, Vol. 4, no. 4 (23-014-X, free), will be available in February 2010.

For more information, call Client Services (toll-free 1-800-465-1991). To enquire about the concepts, methods or data quality of this release, contact Anna Michalowska (613-951-2442; *anna.michalowska@statcan.gc.ca)*, Agriculture Division. ■

Civil aviation operating statistics
October 2009

Operational data on civil aviation are now available for October.

Available on CANSIM: table 401-0001.

Definitions, data sources and methods: survey number 5026.

A data table is also available from the *Summary tables* module of our website under *Key resource*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (toll-free 1-866-500-8400; fax: 613-951-0009; *transportationstatistics@statcan.gc.ca*), Transportation Division. ■

Fiscal Arrangements Certificates: Federal Equalization Program

2010/2011

Fiscal Certificates prepared for the administration of the 2007 *Federal-provincial Fiscal Arrangements Act* and Regulations are now available. The Fiscal Certificates cover the four fiscal years of data from 2006/2007 to 2009/2010. The Fiscal Certificates are available free in electronic format upon request.

For more information, contact Robert Masse (613-951-3764; *robert.masse@statcan.gc.ca*), Public Sector Statistics Division. ■

Informatics professional services price indexes

2007

Informatics professional services price indexes (IPSPI) are now available for 2007. The IPSPI measures changes in the total price of informatics professional services as well as changes in their labour cost and realised net multiplier components. These indexes are available at the Canada level only.

The total price index is calculated as the product of the labour cost and realized net multiplier indexes. The composition of the total price index reflects how firms structure their service contracts.

The labour cost index measures change in the prices for labour inputs used in providing informatics professional services. The index is calculated using a weighted average of changes in the wage rates and in the fees paid to contract workers whose time is charged to informatics professional services contracts.

The realized net multiplier index measures change in the profitability of informatics professional service activity. The multipliers are calculated as the ratio of operating revenue from sales of informatics professional services to the non-overhead operating expenses from contracts for these services.

Available on CANSIM: tables 329-0014, 329-0051, 329-0052 and 329-0054.

Definitions, data sources and methods: survey number 2333.

For more information, contact Client Services (613-951-3902; toll-free 1-866-230-2248; fax: 613-951-3117; *prices-prix@statcan.gc.ca*). To enquire about the concepts, methods or data quality of this release, contact Vasuki Tharmarajan (613-951-9167; *vasuki.tharmarajan@statcan.gc.ca*), Producer Prices Division. ■

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Canada's International Investment Position, third quarter 2009, Vol. 7, no. 3
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Police Resources in Canada, 2009
Catalogue number 85-225-X (PDF, free; HTML, free)

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