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The Daily

Statistics Canada

Monday, December 8, 2003
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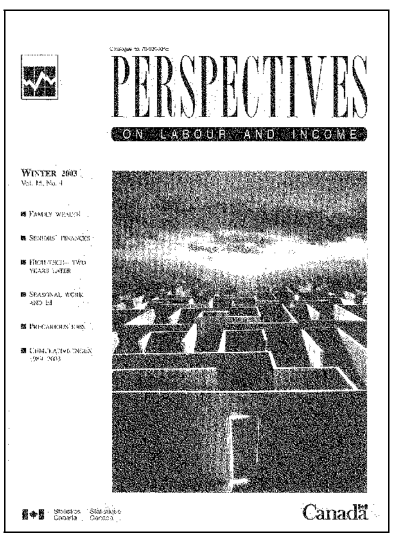
Releases

(continued on page 2)



Perspectives on labour and income

Winter 2003

The Winter 2003 edition of *Perspectives on Labour and Income* contains five articles. "Family wealth across the generations" examines changes in wealth from 1984 and 1999 using cohorts of similar families from these two points in time. "Finances in the golden years" argues that wealth and not just income must be considered when assessing the financial well-being of seniors. "High-tech-two years after the boom" looks at adaptations in the sector following March 2002. "Seasonal work and Employment Insurance use" explores the many dimensions of seasonality to determine the extent to which each contributes to frequent reliance on EI benefits. "Precarious jobs: A new typology of employment" discusses non-standard work-employment that differs from the traditional model of a stable, full-time job.

All these articles have appeared previously in online editions of *Perspectives*. Also included are charts and tables on work experience and on retirement, a list of planned articles, and the annual cumulative index.

The Winter 2003 issue of *Perspectives on Labour and Income*, Vol. 15, no. 4 (75-001-XPE, $20/$63) is now available. See *How to order products*. For more information, contact Henry Pold (613-951-4608; *henry.pold@statcan.ca*), Labour and Household Surveys Analysis Division.

Releases

Adult correctional services

2001/02

On an average day in 2001/02, just under 155,000 adults were under the supervision of correctional services agencies in Canada, an increase of 2% from 2000/01.

Four in five of these individuals, just over 122,700 adult offenders, were under some kind of community supervision, 2% more than in 2000/01, and 8% higher than the level in 1993/94.

Among these adults under community supervision, 83% were on probation, 10% were serving a conditional sentence and another 7% were on parole or statutory release.

About 32,000 adults on average were in a federal penitentiary or in a provincial or territorial jail. This level was slightly higher than it was a year earlier, but it was down 2% from the level recorded in 1993/94.

Total daily count of offenders in the correctional system
2001/02

	Number	%
Probation	101,915	66
Federal custody	12,811	8
Conditional sentences	11,941	8
Provincial and territorial sentenced custody	10,931	7
Remand	7,980	5
Community releases	7,627	5
Provincial parole	1,388	1
Other temporary detention	351	0
Total	**154,943**	**100**

Note: *Figures may not add up to total as a result of rounding.*

Canada's incarceration rate, including federal, provincial and territorial inmates, was 133 adult inmates for every 100,000 adults in the population in 2001/02, unchanged from the previous year. However, this rate has generally been declining since reaching a high of 153 per 100,000 adults in 1994/95.

Judges opting more for conditional sentences

Judges are opting for conditional sentences in a growing number of cases. Conditional sentencing was introduced in 1996 to provide judges with the option of allowing eligible provincial and territorial adult offenders, sentenced to a jail term of less than two years, to serve their sentence in the community with conditions.

Just over 11,900 adults were serving a conditional sentence in 2001/02, up 21% from the previous year and 75% from 1997/98, the first full year for which data were available on this sentence.

Note to readers

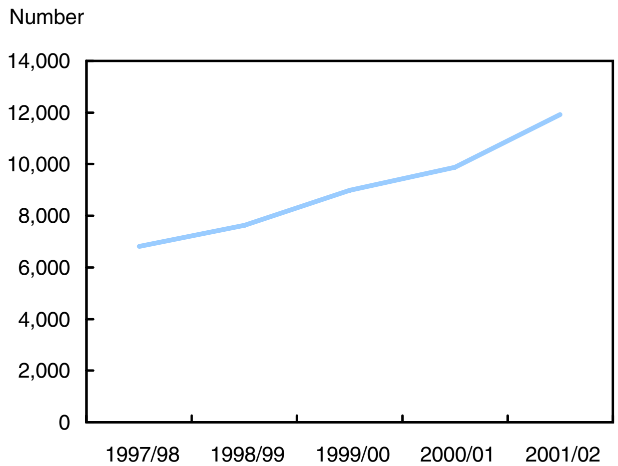
This release is based on the annual Juristat "Adult Correctional Services in Canada," which provides data on the characteristics of the adult correctional population and the delivery of correctional services.

Two basic indicators describe the use of correctional services: the average count of offenders imprisoned or serving a sentence in the community at a given point in time, and the number of annual admissions to correctional facilities or to community supervision programs.

Counts of inmates in custody or serving a sentence in the community provide a snapshot of the correctional population on any given day and are then used to calculate an annual average count. Average counts are useful operational measures for correctional managers and are reliable indicators of the utilization of bed space in institutions.

Data on admissions are collected when an offender enters an institution or community supervision program. While admission data describe and measure the changing caseflow of correctional agencies over time, they do not indicate the number of unique individuals since the same person can be included several times in annual admission totals.

Average count of offenders serving a conditional sentence



Note: *Because of missing data for some years, data from New Brunswick, the Northwest Territories and Nunavut have been excluded.*

In 2001/02 the number of offenders serving a conditional sentence surpassed the number of adults in a provincial or territorial jail.

The average number of offenders in sentenced provincial/territorial custody declined in every province and territory from 1993/94 to 2001/02. In contrast, the average number of persons in remand (court ordered detention of a person while awaiting a court appearance) increased 7% from 2000/01 and 55% from 1993/94. The average number of persons on remand status rose in every province and territory except Yukon.

Admissions to correctional services are increasing

In 2001/02, there were slightly more than 361,000 admissions to correctional services in Canada. Total admissions to correctional services jumped 5% in 2001/02 from the previous year. Admissions have been climbing steadily since 1998/99, rising 10%. This increase occurred entirely in the provincial and territorial correctional systems.

Of the 361,000 admissions, the majority, 68%, related to some form of custody, while one-third (32 %) related to community supervision.

Admissions to correctional services
2001/02

	Number	%
Probation	84,852	24
Federal custody	7,611	2
Conditional sentences	18,578	5
Provincial and territorial sentenced custody	82,875	23
Remand	126,060	35
Community releases[1]	7,324	2
Provincial parole	2,309	1
Other temporary detention	31,395	9
Total	**361,004**	**100**

1 *Includes full parole, day parole and statutory release only.*
Note: *Percentages may not add up to total as a result of rounding.*

Remand makes up the largest portion of admissions to custody

Just over one-half of admissions to custody (126,000) were for remand.

In fact, the increase in provincial and territorial admissions to custody has been fuelled mainly by an 8% jump in the number of admissions to remand and other temporary detention (incarceration for other reasons, such as immigration matters or parole suspension, of a person who is not on remand or has not been sentenced).

Since 1999/2000, these remand and other temporary detention admissions have risen 18%. In contrast, admissions to provincial and territorial sentenced custody fell 4% in the same period.

Of the 113,000 admissions to community supervision in 2001/02, probation accounted for 75%, conditional sentences for 16%, federal statutory release for 4%, and provincial and federal parole for 2% each.

Admissions to probation in 2001/02 were the highest since data collection began in 1980/81.

Correctional service operational expenditures

Correctional service expenditures totalled $2.6 billion in 2001/02. Taking inflation into account, total expenditures were up 5% from the previous year. Please note that capital costs have been excluded from all provincial and territorial expenditures. Costs incurred by CORCAN, a special operating agency of the Correctional Service of Canada, have also been excluded.

Just over one-half (55%) of expenditures were incurred in the federal system, and 45% in provincial and territorial correctional systems. Overall, custodial services accounted for just over $1.9 billion, almost three-quarters (73%) of total expenditures. It was followed by community supervision services (13%), headquarters and central services (12%) and parole (2%).

Available on CANSIM: tables 251-0001 to 251-0007.

Definitions, data sources and methods: survey number 3306.

The *Juristat* "Adult correctional services in Canada, 2001/02," Vol. 23, no. 11 (85-002-XIE20030118426, $9/$75; 85-002-XPE20030118426, $11/$100) and the Internet publication, *Adult Correctional Services in Canada, Data Tables, 2001/02* (85-211-XIE, $30) are now available. See *How to order products*.

For more information or to enquire about the concepts, methods or data quality of this release, contact Information and Client Services (1-800-387-2231; 613-951-9023; fax: 613-951-6615), Canadian Centre for Justice Statistics. ■

Study: Hollowing-out: An analysis of head offices in Canada

1999–2002

A new study has found only limited support for the contention that corporate Canada is shedding head office employment. The possible decline of head offices, commonly referred to as "hollowing-out," has received considerable attention over the last two years, especially from those concerned with the migration of head offices to other countries.

Overall, the study found relatively few sectors that showed patterns of decline in head office employment. Most importantly, in some important sectors — for example, mining and oil and gas extraction, and professional, scientific and technical services — employment in head offices actually increased.

The analysis was based on a detailed count of the number of head offices in Canada and their employment, provided by Statistics Canada's Business Register for 1999 to 2002.

During this four-year period, the number of head office units in Canada increased slightly, as did employment in head offices.

Recently, there has been concern that Canadian firms were becoming "hollowed-out" corporations that would no longer demand the services of financial markets, or of key business services.

Much of the discussion surrounding the hollowing-out phenomenon has been based on anecdotal or indirect evidence. This new study provides a more comprehensive and direct analysis of the recent evolution of Canada's head office sector.

Marginal gain in head office units, employment

From 1999 to 2002, the number of head office units increased marginally from 3,936 to 3,969.

Over this four-year period, growth in head office units was strongest in manufacturing (+17%), real estate and rental leasing (+14%), and information and cultural industries (+13%).

Head office counts declined the most in wholesale trade (-8.8%), mining and oil and gas extraction (-8.2%), and construction (-8.0%).

Employment in head offices rose a modest 2.7% from 1999 to 2002.

Employment growth was strongest in real estate rental and leasing (+41%), professional and technical services (+25%) and finance and insurance (+22%).

Head office employment declined most in accommodation and food services (-16%), agriculture, forestry, fishing and hunting (-15%) and construction (-13%).

Successful firms increased their head office employment

The growth of head office employment results from the decisions of individual businesses, some of which grow as a result of successful choices, while others decline as a result of inappropriate choices.

Firms whose employment grew from 1999 to 2002 also increased their share of employment in head offices on average. Firms whose employment fell over the same period decreased their share of employment in head offices on average. Thus, firms that were growing their overall employment were increasing their management function.

Head office employment highest in Ontario and Quebec

Provincially, head office employment was highest in Ontario and Quebec. In 2002, Ontario had 74,000 head office workers, while Quebec had 41,000. Alberta followed with 21,100, and British Columbia with 16,500.

Growth in head office employment was concentrated in Alberta and Ontario. From 1999 to 2002, Ontario increased its head office employment by 5,600 (+8.3%) and Alberta, by 4,100 (+24%).

In contrast, British Columbia and Manitoba experienced the largest declines. British Columbia's head office employment fell by 3,100 (-16%) and Manitoba's, by 900 (-11%).

Among cities, Toronto solidified its position as Canada's leading head office centre. Head office employment there grew from 51,400 in 1999 to 56,000 in 2002, a 9.0% increase. In contrast, Montréal's head office employment fell from 37,100 to 34,600, a 6.8% decline.

In Western Canada, Calgary established itself as the leading head office centre in 2002, supplanting Vancouver.

Calgary's head office employment increased from 12,000 to 16,200 (+35%) between 1999 and 2002, while Vancouver's employment fell 16% from 17,300 to 14,500.

The research paper *Hollowing-out, Trimming-down or Scaling-up? An Analysis of Head Offices in Canada, 1999–2002* (11F0027MIE2003019, free) is now available online. From the *Our products and services* page, under *Browse our Internet publications*, choose *Free*, then *National accounts*. More information on papers related to economic geography is also available online (*www.statcan.ca/english/studies/eaupdate/geo.htm*).

For more information, or to enquire about the concepts, methods or data quality of this release, contact John Baldwin (613-951-8588) or Mark Brown (613-951-7292), Micro-economic Analysis Division. ■

Development of bioproducts using biotechnologies

2001

The development of bioproducts has become an intrinsic part of the activities of innovative Canadian biotechnology firms, according to a new report using data from the 2001 Biotechnology Use and Development Survey.

Of the 375 innovative biotechnology firms in 2001, some 133, or 35% of the total, used biotechnologies to develop or make bioproducts. Together, these 133 firms had a portfolio of 805 bioproducts.

These 133 companies employed a total of 39,140 people, earned $15.3 billion in revenues and spent a total of $598 million on research and development. In addition, they earned $564 million in export revenues and they imported goods and services worth $64 million. However, it should be noted that these data were not all a result of producing bioproducts. These firms engaged in many other activities.

A bioproduct is defined as a commercial or industrial product, other than food, feed and drugs, made with biological or renewable domestic plant, animal, marine or forestry materials. They are a subset of all biotechnology products which also includes all products developed for pharmaceutical and food applications.

The development of bioproducts is taking place in such areas as fuels, lubricants, chemical feedstocks and cosmetics. Other areas are air cleaning and decontamination, and soil cleaning and decontamination products.

Some 49 of the 133 companies, the largest number, were involved in bioprocessing, which is the manufacturing of products developed or made using enzymes and bacteria culture. Some 45 others were involved in water cleaning and decontamination using biofiltration, bioremediation and phytoremediation.

Three provinces — Quebec, Ontario and British Columbia — were home to 81% of the 133 firms. Quebec itself had more than one-third (35%) of them.

Bioproduct development is principally in the hands of young private Canadian "home-grown" firms, a third of which were spun-off from various sources.

Of the total of 133 firms, the vast majority, 92, were small companies with 50 employees or fewer. There were 19 medium-sized firms with 51 to 150 employees, and 22 large companies with more than 150 workers.

Of the 805 bioproducts by these 133 firms either in production or on the market in 2001, small firms had developed 424, more than one-half of the total. Large firms were responsible for 289, and medium-sized firms, only 92.

Among the 133 firms, small firms were the most research intensive. For every $1 in revenues in 2001, these small firms spent $1.17 on research and development. In contrast, for every $1 of revenue, large firms spent only two cents on research and development.

Bioproducts are also developed by firms not engaged in biotechnology. But this report does not include any information on the activities of these firms.

Definitions, data sources and methods: survey number 4226.

The report *Bioproducts Development by Canadian Biotechnology Firms: Findings from the 2001 Biotechnology Use and Development Survey* (88F0006XIE2003013, free) is now available. From the *Our products and services* page, under *Browse our Internet publications*, choose *Free*, then *Science and technology*.

For additional information on the Biotechnology Use and Development Survey, consult the report *Features of Canadian Biotech Innovative Firms: Results from the Biotechnology Use and Development Survey, 2001* (88F0006XIE2003005, free) released in *The Daily* on March 28, 2003.

To order data tables, or to enquire about the concepts, methods or data quality of this release, contact Namatié Traoré (613-951-4489; *namatie.traore@statcan.ca*), Science, Innovation and Electronic Information Division. ■

Farm Product Price Index

September 2003

Prices received by farmers for their agricultural commodities decreased 11.5% in September compared with September 2002, according to data from the Farm Product Price Index (FPPI).

The livestock index was down 2.5% from September 2002, the fourth consecutive decline since May, when a cow in Alberta tested positive for bovine spongiform encephalopathy (BSE or mad cow disease). The crop index fell 15.3%, the third consecutive month the crop index has fallen on a year-over-year basis. The crop index had not fallen below year-earlier levels since August 2000.

The FPPI (1997=100), stood at 95.1 in September, up 1.2% from August.

The crop index was down 4.3% in September, as all components except oilseeds and vegetables (excluding potatoes) recorded declines from August. Grain and oilseed prices have been trending down this year, as more normal growing conditions resulted in more average production levels, following two consecutive years of drought in parts of Western Canada.

Potatoes showed the largest month-to-month drop in the crop sub-indexes, with a 19.2% seasonal drop in the index for potato prices for September, as a record potato crop hit the market. On a year-over-year basis, the potato index was 5.6% below its September 2002 level. The potato index has shown year-to-year decreases since January. In 2002, potato prices were supported by limited supplies.

The livestock and animal products index increased 7.4% from August to 95.7 in September, the highest it has been since June, when it was at 98.1. The hog index peaked in June at 85.9 and has fallen steadily to 73.7 in September, the lowest since January when it hit 72.4. Increased domestic consumption of beef, as a result of BSE, and a strong Canadian dollar put downward pressure on hog prices. The cattle and calve index remains well below year-earlier levels since May 20, when ruminant exports were shut down because of BSE. Increased prices for slaughter and feeder steers, heifers and calves are reflected in the August-to-September increase in the index. The year-to-year drop in the index for cattle and calves in September was 17.3%.

Available on CANSIM: tables 002-0021 and 002-0022.

Definitions, data sources and methods: survey number 5040.

The September 2003 issue of *Farm Product Price Index*, Vol. 3, no. 9 (21-007-XIB, free) will be available online soon. From the *Our products and services* page, under *Browse our Internet publications*, choose *Free*, then *Agriculture*.

For general information or to order data, call 1-800-465-1991. To enquire about the concepts, methods or data quality of this release, contact Gail-Ann Breese (204-983-3445; fax: 204-983-3122; *gail-ann.breeese@statcan.ca*), Agriculture Division.

Farm Product Price Index
(1997=100)

	September 2002[r]	August 2003[r]	September 2003[p]	September 2002 to September 2003	August to September 2003
				% change	
Farm Product Price Index	**107.5**	**94.0**	**95.1**	**-11.5**	**1.2**
Crops	**112.5**	**99.6**	**95.3**	**-15.3**	**-4.3**
Grains	116.7	92.1	89.4	-23.4	-2.9
Oilseeds	102.0	85.0	86.2	-15.5	1.4
Specialty crops	118.3	109.5	104.5	-11.7	-4.6
Fruit	102.5	98.7	97.7	-4.7	-1.0
Vegetables	108.4	104.3	107.1	-1.2	2.7
Potatoes	177.4	207.3	167.5	-5.6	-19.2
Livestock and animal products	**98.2**	**89.1**	**95.7**	**-2.5**	**7.4**
Cattle and calves	114.3	69.4	94.5	-17.3	36.2
Hogs	59.7	78.0	73.7	23.5	-5.5
Poultry	90.8	96.7	96.2	5.9	-0.5
Eggs	102.9	101.5	101.5	-1.4	0.0
Dairy	114.0	117.8	118.0	3.5	0.2

r *Revised figures.*
p *Preliminary figures.*

■

Farm product prices
October 2003

Prices received by farmers in October for grains, oilseeds, specialty crops, fruits, vegetables, cattle, hogs, poultry, eggs and dairy products are now available.

The Saskatchewan slaughter cow price in October was $19.01 per hundredweight, up 28% from September, but 60% below the October 2002 level of $47.56 per hundredweight. The Canadian cattle sector came to a virtual halt on May 20, 2003, when a cow in Alberta tested positive for bovine spongiform encephalopathy (BSE or mad cow disease). The loss of crucial export markets resulted in an oversupply which depressed prices.

The October oat price in Ontario, at $139.16 per tonne, was down 5% from September and 35% from its peak at $214.82 in December 2002.

Definitions, data sources and methods: survey number 3436.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Bernie Rosien (613-951-2441; fax: 613-951-3868; *bernie.rosien@statcan.ca*), Agriculture Division. ■

Scheduled air passenger origin and destination, Canada–United States

2001 (preliminary)

Over 15.2 million passengers travelled on scheduled services between Canada and the United States in 2001. This is a slight decrease from 2000, when the number of passengers travelling between the two countries was 15.3 million. The events of September 11, 2001, are in part responsible for the decrease of the number of passengers. However, these events happened at the end of the busiest period of the year explaining why the decrease is low.

Data from the Scheduled Air Passenger Origin and Destination Survey between Canada and United States are now available for 2001. The data are also available by quarter. The data represent passengers who travelled on scheduled flights between Canada and the United States.

Definitions, data sources and methods: survey number 2703.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Geneviève Ouellet (613-951-8236; *aviationstatistics@statcan.ca*), Transportation Division. ■

New products

Economic analysis research paper series: Hollowing-out, trimming-down or scaling-up? An analysis of head offices in Canada, 1999–2002, no. 19
Catalogue number 11F0027MIE2003019 (free).

Industry price indexes, October 2003, Vol. 29, no. 10
Catalogue number 62-011-XIE ($19/$175).

Industry price indexes, October 2003, Vol. 29, no. 10
Catalogue number 62-011-XPE ($24/$233).

Restaurant, caterer and tavern statistics, September 2003, Vol. 35, no. 9
Catalogue number 63-011-XIE ($7/$59).

Perspectives on labour and income, Winter 2003, Vol. 15, no. 4
Catalogue number 75-001-XPE ($20/$63).

Juristat: Adult correctional services in Canada, 2001-2002, Vol. 23, no. 11
Catalogue number 85-002-XIE20030118426 ($9/$75).

Juristat: Adult correctional services in Canada, 2001-2002, Vol. 23, no. 11
Catalogue number 85-002-XPE20030118426 ($11/$100).

Adult correctional services in Canada (data tables), 2001–2002
Catalogue number 85-211-XIE ($30).

Science, Innovation and Electronic Information Division working papers: Bioproducts development by Canadian biotechnology firms: Findings from the 2001 biotechnology use and development survey, 2001, no. 13
Catalogue number 88F0006XIE2003013 (free).

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

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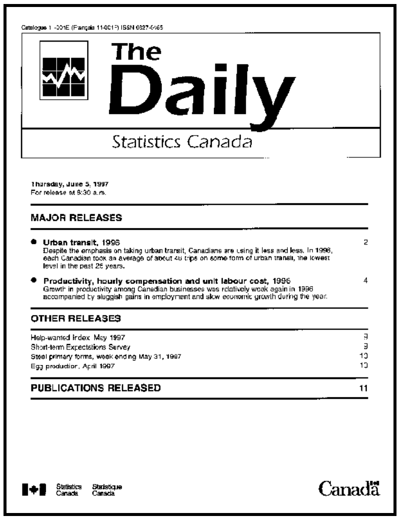

Catalogue 11-001E (Français 11-001F) ISSN 0827-0465

The Daily

Statistics Canada

Thursday, June 5, 1997
For release at 8:30 a.m.

MAJOR RELEASES

- **Urban transit, 1996** 2
  Despite the emphasis on taking urban transit, Canadians are using it less and less. In 1996, each Canadian took an average of about 46 trips on some form of urban transit, the lowest level in the past 25 years.
- **Productivity, hourly compensation and unit labour cost, 1996** 4
  Growth in productivity among Canadian businesses was relatively weak again in 1996 accompanied by sluggish gains in employment and slow economic growth during the year.

OTHER RELEASES

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