



# The Daily

Statistics Canada

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Canada's trade deficit in culture goods — everything from books and periodicals to films, videotapes, compact discs and original art — widened for the first time in five years in 2002, as the growth of imports far exceeded the growth of exports.
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While a growing number of consumers are discovering the taste of spirits in the form of Canadian coolers, domestic beer and wine continue to lose ground to imports.

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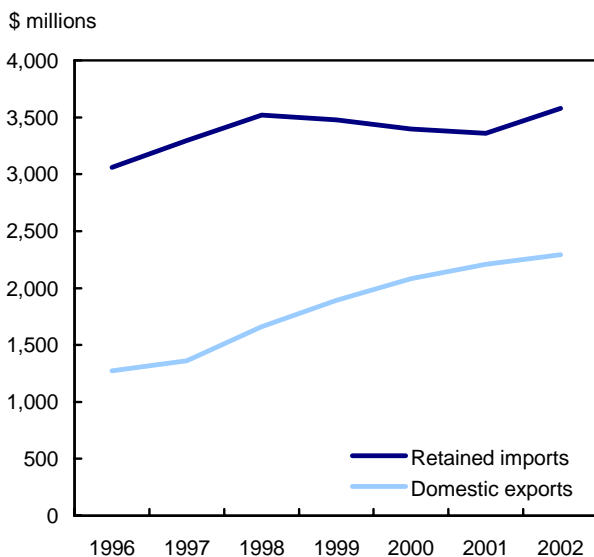


## MAJOR RELEASES

### International trade in culture goods 2002

Canada's trade deficit in culture goods — everything from books and periodicals to films, videotapes, compact discs and original art — widened for the first time in five years in 2002, as the growth in imports far exceeded gains in exports.

**Culture goods trade deficit widens in 2002**



Canada sold a record \$2.3 billion worth of culture goods to the world, up 3.8% from 2001, the slowest rate of growth in four years. However, it also imported a record \$3.6 billion in culture goods, up 6.5%. This was the first increase since 1998.

As a result, the country's deficit in culture trade widened from \$1.2 billion in 2001 to \$1.3 billion in 2002. However, this was still well below the most recent high of \$1.9 billion reached in 1997.

The United States dominated Canada's international market for culture goods, accounting for 96% of exports and 80% of imports. In terms of exports, Canada continued to lose business in European markets, particularly the United Kingdom and France, as well as in Japan. In contrast, Canada's

#### Note to readers

These estimates deal with culture goods such as books, compact discs, films and paintings. Culture services, intangibles such as performances and broadcasts, are not included in these estimates. Royalty payments associated with the final sale of certain shipments of culture products are included in the valuations.

Valuations are on a customs basis in current dollars. Customs basis measures the change in the stock of material resources of the country resulting from the physical movement of merchandise into or out of Canada. When goods are imported in or exported from Canada, declarations giving information such as the description and value of goods, origin and port of clearance of shipments, and mode of transport must be filed with Canada Customs and Revenue Agency.

Exports from Canada do not necessarily represent "Canadian content." Data limitations do not allow for this characteristic to be measured. Similarly, imports are not necessarily "foreign content." The country of origin of mass-produced goods is an indication of where manufacturing occurs, and not necessarily creation or production of "masters."

However, to better reflect Canadian/foreign content, these estimates use the value of domestic exports and retained imports rather than the values of total exports and total imports (the typical measures used in measuring international trade). To calculate domestic exports and retained imports, the value of re-exports is deducted from both sides of the total. For the sake of readability, this release uses the terms "exports" and "imports" to denote "domestic exports" and "retained imports," respectively.

**Domestic exports** are exports of goods that are mass-produced or original works that originate in Canada. They are equal to total exports less re-exports.

**Retained imports** are imports of goods that are mass-produced or original works that originate outside of Canada. They are equal to total imports originating outside of Canada less re-exports.

**Re-exports** are exports of goods that are mass-produced or originate outside of Canada, are shipped here, and are then exported with no value-added. In these estimates, it is assumed that the value of re-exports is the same as the value of the goods imported for later export (that there is no mark-up). In cases where this assumption does not hold, or where timing differences exist between shipments, the estimated value of retained imports can be negative.

imports of culture goods from China are growing at a tremendous pace.

The vast majority of exports and imports were in the publishing and printing fields. However, even though domestic exports in printed products grew at three times the pace of imports, the deficit in publishing and printing was still \$1.7 billion, the largest of any culture goods category.

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## Trade balance in culture goods with the United States improving steadily

In 2002, Canada exported just over \$2.2 billion in culture goods to the United States, a 4.7% increase from 2001. Culture good imports from south of the border reached more than \$2.8 billion, a marginal 1.5% increase. This gain in imports halted three consecutive years of declines.

As a result, the deficit in culture trade with the United States narrowed slightly from \$706.0 million to just over \$647.8 million. The trade balance in culture goods with the United States has been improving steadily since 1997.

Canada's exports in culture goods to the United Kingdom (-16.2%), France (-22.3%) and Japan (-57.9%) plunged. Exports to Japan showed the largest absolute decline.

Canada exported only \$7.2 million in culture goods to Japan last year, while importing \$19.9 million.

As a result of strong growth in imports from China, Canada's trade deficit in culture goods with that country grew by \$57.9 million in 2002. Canada sold almost \$5.9 million in culture goods to China in 2002, up 19.8%. However, in return, Canada imported almost \$233.5 million, a 33.7% increase, the largest absolute jump in imports of any country.

Canada imported almost 7% of its culture goods from China in 2002, up from 5% in 2001. The value of China's imports has seen double-digit increases for five of the past six years. China has been Canada's second-leading source of culture goods imports since 1999.

The United States accounted for 80% of imports in 2002. However, its share has been declining generally since 1997, when it hit its recent high of 86%.

## Trade deficit dominated by print media

Canada exported just over \$1.2 billion worth of publishing and printed products in 2002, which represented 52% of total cultural goods exports. However, Canada imported just over \$2.9 billion in such products, which accounted for 81% of all imports.

The resultant trade balance for the printing and publishing category was \$1.7 billion, by far the largest of any culture goods category. Within this category, books accounted for \$1.0 billion of the deficit.

Canada had a trade surplus in sound and film products in 2002, but this surplus narrowed by \$18.1 million to about \$140.5 million. Sound and film products had been in a deficit position until 1998.

A sizable \$180.8 million increase in imports of original art pushed the visual arts product category into a deficit position of \$41.8 million in 2002, compared with a surplus in 2001 of \$157.8 million.

Exports in several specific categories of culture goods experienced double-digit declines in 2002. The largest declines occurred in pre-recorded records and cassettes (-50.0%), videotapes (-41.0%) and DVDs (-38.5%).

The biggest gain in domestic exports occurred in the category of films, where exports rose 28.9% last year to \$241.1 million. Domestic exports of books remained virtually unchanged, edging up 1.2% to just over \$484.3 million.

Among imports, the biggest increases occurred in DVDs for the Canadian market, which rose 38.7% to \$73.3 million. This was just short of the \$74.3 million worth of imports of videotapes.

## Definitions, data sources and methods: survey number 5045.

Detailed and summary data tables for the trade in culture goods, along with cross-tabulations for trade between Canada and selected countries, will be available soon (87-007-XDB, \$50). See *How to order products*. Custom tabulations are available on a cost-recovery basis. These data can also be obtained through the Canadian International Merchandise Trade Database.

For general information or to order standard or custom tabulations, contact Client Services (1-800-307-3382; [cult.tourstats@statcan.ca](mailto:cult.tourstats@statcan.ca)). To enquire about the concepts, methods or data quality of this release, contact Jamie Carson (613-951-1094, fax: 613-951-1333; [carsjam@statcan.ca](mailto:carsjam@statcan.ca)), Culture, Tourism and the Centre for Education Statistics.

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**Culture goods trade**

	1996	2001	2002	2001 to 2002
	\$ millions current			% change
<b>Domestic exports</b>	<b>1,274.6</b>	<b>2,208.8</b>	<b>2,293.6</b>	<b>3.8</b>
<b>Publishing and printing products</b>	<b>651.6</b>	<b>1,134.6</b>	<b>1,202.4</b>	<b>6.0</b>
Books	267.7	478.4	484.3	1.2
Newspapers and periodicals	187.4	207.9	228.1	9.7
Other printed material	196.5	448.3	490.0	9.3
<b>Sound and film products</b>	<b>318.6</b>	<b>477.2</b>	<b>460.6</b>	<b>-3.5</b>
Films	88.5	187.1	241.1	28.9
DVDs	80.3	34.3	21.1	-38.5
Videotapes	18.8	61.4	36.2	-41.0
Photographic film	2.3	2.7	1.8	-35.8
Compact discs	110.5	175.8	152.3	-13.4
Records and cassettes	17.9	15.4	7.7	-50.0
Sheet music	0.2	0.5	0.4	-17.2
<b>Visual arts products</b>	<b>58.9</b>	<b>79.8</b>	<b>76.9</b>	<b>-3.6</b>
Original art	43.9	61.7	57.3	-7.2
Other visual art	15.0	18.1	19.7	8.8
<b>Architecture products</b>				
Plans	3.9	2.4	2.9	22.7
<b>Advertising products</b>				
Printed materials	219.0	492.1	527.8	7.3
<b>Heritage</b>				
Objects	22.7	22.7	22.9	0.7
<b>Retained imports</b>	<b>3,058.6</b>	<b>3,360.9</b>	<b>3,578.3</b>	<b>6.5</b>
<b>Publishing and printing products</b>	<b>2,429.6</b>	<b>2,853.9</b>	<b>2,908.6</b>	<b>1.9</b>
Books	1,199.4	1,393.3	1,491.3	7.0
Newspapers and periodicals	869.3	1,020.0	980.5	-3.9
Other printed material	360.9	440.5	436.8	-0.8
<b>Sound and film products</b>	<b>328.9</b>	<b>318.6</b>	<b>320.1</b>	<b>0.5</b>
Films	12.9	12.0	13.3	10.8
DVDs	98.3	52.8	73.3	38.7
Videotapes	98.8	87.0	74.3	-14.7
Photographic film	9.4	7.0	7.6	7.9
Compact discs	56.6	108.5	107.5	-1.0
Records and cassettes	40.3	34.7	27.4	-21.1
Sheet music	12.7	16.5	16.8	2.2
<b>Visual arts products</b>	<b>102.9</b>	<b>-78.0</b>	<b>118.7</b>	<b>...</b>
Original art	23.8	-231.4	-50.6	-78.1
Other visual art	79.1	153.4	169.3	10.4
<b>Architecture products</b>				
Plans	4.0	2.6	2.7	2.3
<b>Advertising products</b>				
Printed materials	174.8	191.4	197.2	3.0
<b>Heritage</b>				
Objects	18.4	72.3	31.0	-57.1
<b>Selected trading partners</b>				
<b>Domestic exports</b>				
United States	1,142.6	2,106.9	2,206.0	4.7
United Kingdom	22.7	17.3	14.5	-16.2
France	17.4	12.2	9.5	-22.3
Germany	15.5	7.4	7.8	5.6
Japan	4.2	17.1	7.2	-57.9
China	4.0	4.9	5.9	19.8
<b>Retained imports</b>				
United States	2,607.6	2,812.9	2,853.8	1.5
United Kingdom	107.8	132.1	141.3	7.0
France	119.3	84.3	127.0	50.6
Germany	20.8	26.7	31.2	16.7
Japan	18.2	14.0	19.9	42.0
China	72.3	174.6	233.5	33.7

... Figures not appropriate or not applicable.

## Control and sale of alcoholic beverages

2001/02

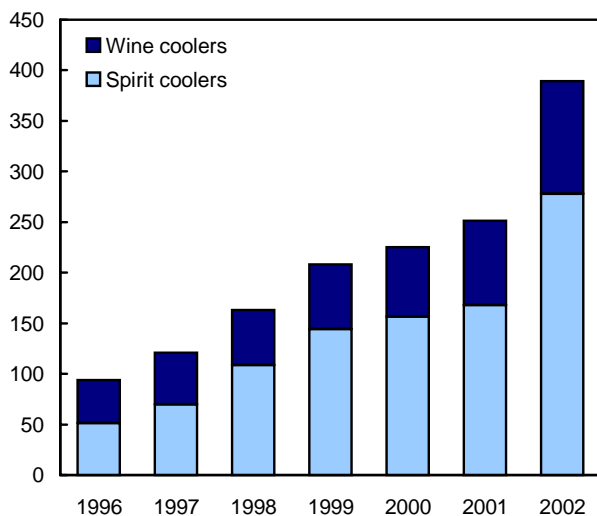
While a growing number of consumers are discovering the taste of spirits in the form of Canadian coolers, domestic beer and wine continue to lose ground to imports. Canadian spirit-based cooler sales more than doubled over the last five years; annual growth rate sales in 2001/02 soared 62.8% to \$258.7 million. Meanwhile, imported beer and wine products posted average growth rates of 15.5% and 10.4%, respectively, over five years.

Beer is by far the most popular alcoholic beverage among Canadian consumers. Nearly 2.7 billion litres of alcoholic beverages were sold at beer and liquor stores and other outlets in 2001/02; beer made up 81.3% of the total, compared with 11.9% for wine and 6.8% for spirits.

Sales totalled \$14.5 billion, up 6.8% from 2000/01. Beer accounted for 51.1% of the total, and the remainder was split between spirits (25.6%) and wine (23.3%). Imports continued to expand their share of sales, capturing 30% of the market in 2001/02, compared with 21% ten years earlier.

### Sales of spirit- and wine-based coolers

\$ millions



#### Note to readers

Statistics on sales of alcoholic beverages by volume should not be equated with data on consumption. Sales volumes include only sales by liquor authorities and their agents, and sales by wineries and breweries and outlets that operate under license from the liquor authorities.

Consumption of alcoholic beverages would include all these sales, plus homemade wine and beer, wine and beer manufactured through brew-on-premises operations, all sales in duty-free shops and any unrecorded transactions.

Per capita consumption is based on the population aged 15 and over.

### Coolers in demand

Sales volumes jumped 63.1% for spirit-based coolers and 23.6% for wine-based coolers, for a total of 69.9 million litres in 2001/02. Spirit-based coolers made up 70.0% of the total volume.

The largest sales increases were reported in Quebec for spirit-based coolers, and in Ontario for wine-based coolers. In both cases, sales more than doubled in 2001/02. In Prince Edward Island, Nova Scotia, Ontario, Manitoba, British Columbia and Yukon, sales of spirit-based coolers were up by nearly 50% or more.

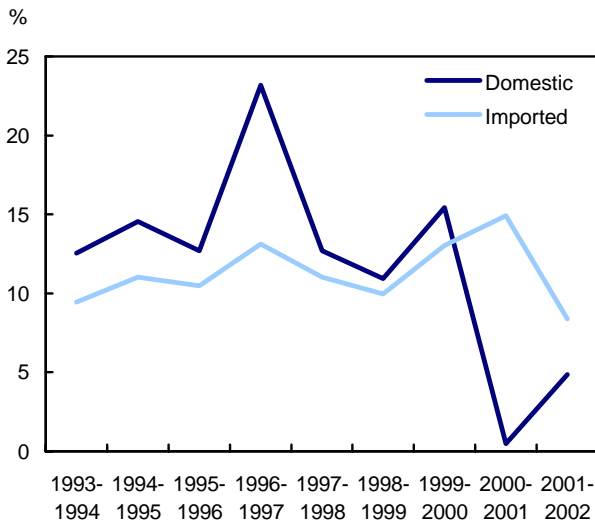
The vast majority of spirit-based coolers were produced in Canada, and one quarter of the wine-based coolers were imported. Domestic spirit-based and wine-based coolers accounted for 10.6% and 8.2% of Canadian spirits and wine sales, respectively.

### Red wine's popularity still growing

In 2001/02, red wine clearly asserted its dominance over white wine, with sales of 141.4 million litres, 55% of the total volume of red and white wine sold. Red wine was up 7.4% from 2000/01, while white wine was virtually unchanged (-0.5%).

After posting higher growth rates than imports between 1993 and 2000, the volume of Canadian red wine sold increased more slowly in 2000/01 and 2001/02. Imports accounted for nearly three quarters of red wine sales in 2001/02. At the provincial/territorial level, only Saskatchewan, Yukon and Prince Edward Island reported higher sales of domestic red wine than of imported brands.

**Sales volume growth of domestic and imported red wine**



White wine and other wines such as fortified, aperitif and sparkling wines and cider had a very different pattern of sales from red wine in 2001/02. Domestic brands of these wines captured between 55% and 80% of the market in every province and territory except Quebec (35.0%) and Ontario (47.6%).

In 2001/02, the Northwest Territories recorded the largest increase in the volume of red wine sold (+16.5%). Yukon posted a 12.9% advance, followed by Alberta (+11.3%) and Nova Scotia (+10.4%). Quebec consumers bought 43.6% of all red wine sold in Canada, at 10.0 litres per capita.

**Spirits sales rise for the sixth straight year**

Led by the surge in spirit-based coolers, sales of spirits totalled \$3.7 billion, up 5.5%. Sales of imported spirits climbed 6.7% to \$1.3 billion, and domestic spirits sales grew 4.8%. In 2001/02, the volume of spirits sold was 182.3 million litres, up 12.5% from the previous year.

Among Canadian products, whisky remained the top seller, followed by rum and vodka. Liqueurs were the leading imported product, at 12.4 million litres, even outpacing whisky, at 9.8 million litres.

**Imported beer sales continue to grow**

Sales of imported beer totalled \$712.3 million in 2001/02, up 13.8%, the eighth consecutive annual increase. This gave imports 9.6% of the Canadian beer market, a 5.2 percentage point increase over 1995/96. The volume of imported beer sales was up 8.1% in 2001/02.

Domestic beer was still by far the most popular alcoholic beverage among Canadian consumers. In 2001/02, sales totalled \$6.7 billion, up 6.4%. By contrast, the volume sold increased only 1.9% to 2.0 billion litres.

**Governments reap the profits**

Profits from the control and sale of alcoholic beverages reached \$3.9 billion, up 2.7% from 2000/01. Of that amount \$3.2 billion were remitted to the provincial and territorial governments.

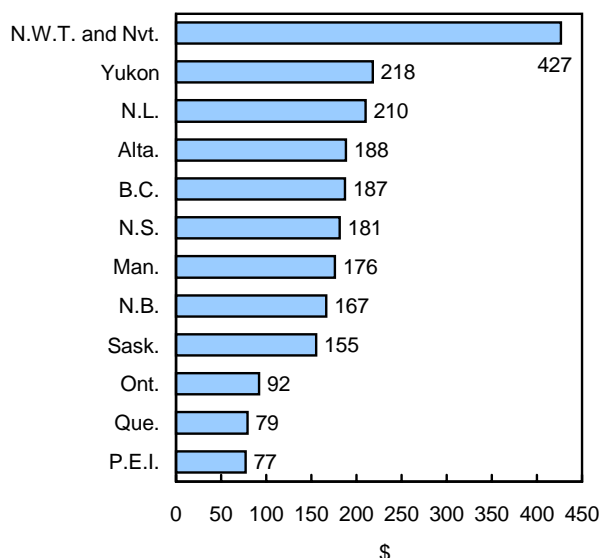
Per capita remitted profits in 2001/02 were highest in the Northwest Territories (\$427), followed by Yukon (\$218) and Newfoundland and Labrador (\$210). The lowest revenues were in Prince Edward Island (\$77), Quebec (\$79) and Ontario (\$92). Per capita remitted profits in Saskatchewan, New Brunswick, Manitoba, Nova Scotia, British Columbia and Alberta were between \$155 and \$188.

**Per capita sales**

After a long decline that bottomed out in 1996/97, per capita alcohol sales posted a fifth consecutive annual increase in 2001/02. The population aged 15 and over bought an average of 104.2 litres of alcoholic beverages, compared with 103.8 litres the previous year.

This was up from a low of 99.5 litres in 1996/97, but far below the record high of 134 litres per capita, observed slightly more than a quarter century ago.

**Per capita remitted profits to provincial and territorial governments**



In 2001/02, Canadian consumers purchased an average of 7.1 litres of spirits, 12.4 litres of wine and 84.7 litres of beer. The year before, they bought, on average, 6.5 litres of spirits, 12.2 litres of wine and 85.0 litres of beer.

**Available on CANSIM: tables 183-0005 and 183-0006.**

**Definitions, data sources and methods: survey number 1726.**

The 2001/02 issue of *The control and sale of alcoholic beverages in Canada*, (63-202-XIB, \$29) will be available soon. See *How to order products*. A print-on-demand version will be available for \$52. Data are also available in special tabulations.

For more information on products and services, contact Joanne Rice (613-951-0767), Public Institutions Division. For more information, or to enquire about the concepts, methods or data quality of this release, contact Jean-Marc de Beaumont (613-951-1829) or Denis Labelle (613-951-0700), Public Institutions Division.

**Sales by volume of alcoholic beverages, per capita**  
Fiscal year ended March 31, 2002

	Spirits	Wine	Beer	Total
	litres per capita			
<b>Canada</b>	<b>7.1</b>	<b>12.4</b>	<b>84.7</b>	<b>104.2</b>
Newfoundland and Labrador	7.1	5.6	95.2	107.9
Prince Edward Island	8.3	5.1	82.6	96.0
Nova Scotia	8.8	7.7	79.0	95.5
New Brunswick	6.4	7.7	81.3	95.4
Quebec	3.6	16.7	94.0	114.2
Ontario	8.2	10.9	81.9	101.0
Manitoba	9.1	7.9	77.9	95.0
Saskatchewan	9.0	5.0	76.8	90.8
Alberta	8.0	13.6	90.0	111.6
British Columbia	8.4	14.0	75.9	98.2
Yukon	13.8	17.6	144.2	175.6
Northwest Territories and Nunavut <sup>1</sup>	8.9	7.7	84.3	100.9

<sup>1</sup> The volume per capita of Northwest Territories and Nunavut are combined since the distribution centre in Nunavut is not representative of all sales.

**Sales of alcoholic beverages**  
Fiscal year ended March 31, 2002

	Spirits	Wine	Beer	Total
	\$ millions			
<b>Canada</b>	<b>3,716.1</b>	<b>3,383.0</b>	<b>7,412.7</b>	<b>14,511.8</b>
Newfoundland and Labrador	86.3	25.2	165.9	277.4
Prince Edward Island	20.0	8.9	29.9	58.8
Nova Scotia	148.4	60.3	214.8	423.5
New Brunswick	81.6	43.4	191.6	316.6
Quebec	463.9	1,197.6	2,069.1	3,730.6
Ontario	1,512.3	1,162.6	2,772.3	5,447.2
Manitoba	175.8	69.3	207.0	452.2
Saskatchewan	152.5	35.4	184.6	372.4
Alberta	474.9	276.1	672.4	1,423.4
British Columbia	576.2	496.2	873.1	1,945.4
Yukon	7.6	3.9	11.9	23.4
Northwest Territories	15.7	4.0	17.3	37.0
Nunavut	0.9	0.2	2.7	3.8





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## OTHER RELEASES

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### Public sector statistics

2002/03

The publication *Public sector statistics* contains graphical analyses and detailed information pertaining to the data that were released in *The Daily* on June 18.

#### Definitions, data sources and methods: survey number 1735.

The publication *Public sector statistics* (68-213-XIE, \$46) is now available. See *How to order products*.

For more information, or to enquire about the concepts, methods or quality of this release, contact Graham Lyttle (613-951-1849; fax: 613-951-0661; [graham.lyttle@statcan.ca](mailto:graham.lyttle@statcan.ca)), Public Institutions Division. ■

### Air charter statistics

2002 (preliminary)

In 2002, over 3.4 million passengers travelled on international air charter flights, down 7.7% from 2001.

The number of international charter passengers has been declining since 1994 when over 5.06 million passengers flew on international charter flights. In 2002, the decline was largely due to the effect of the events of September 2001 on people's travelling plans and air carriers' operations.

Data for the second, third and fourth quarters of 2002 are also available. More detailed information will appear in the *Aviation: Service bulletin* (51-004-XIB, \$8), available soon. A print-on-demand service is also available at a different price. See *How to order products*.

#### Definitions, data sources and methods: survey number 2705.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Kathie Davidson (613-951-0141; [aviationstatistics@statcan.ca](mailto:aviationstatistics@statcan.ca)), Transportation Division. ■

## NEW PRODUCTS

**Analytical Studies Branch research paper series:**  
**Visible minority neighbourhood enclaves and labour market outcomes of immigrants, no. 204**  
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**Air passenger origin and destination, Canada–United States report, 2000**  
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**Restaurant, caterer and tavern statistics, April 2003, Vol. 35, no. 4**  
**Catalogue number 63-011-XIE (\$6/\$55).**

**Public sector statistics, 2002/03**  
**Catalogue number 68-213-XIE (\$46).**

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**The Daily**  
 Statistics Canada  
 Thursday, June 5, 1997  
 For release at 9:30 a.m.

MAJOR RELEASES	
<ul style="list-style-type: none"> <li>Urban transit, 1995 Despite the emphasis on taking urban transit, Canadians are using it less and less. In 1996, each Canadian took an average of about 40 trips on some form of urban transit, the lowest level in the past 25 years.</li> <li>Productivity, hourly compensation and unit labour cost, 1995 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.</li> </ul>	2
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**PUBLICATIONS RELEASED** 11

### Statistics Canada's official release bulletin

Catalogue 11-001-XIE.

Published each working day by the Communications Division, Statistics Canada, 10-H, R.H. Coats Bldg., Tunney's Pasture, Ottawa, Ontario K1A 0T6.

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