

Tuesday, April 3, 2001
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## MAJOR RELEASES

## - Electronic commerce and technology, 2000

The total value of private sector sales over the Internet, with or without on-line payment, rose dramatically in 2000, while the proportion of businesses selling on-line fell. Canadian businesses received $\$ 7.2$ billion in customer orders over the Internet in 2000, up $73.4 \%$ from 1999. However, only $6 \%$ of businesses reported selling goods and services on-line, down from 10\% in 1999.
(continued on page 2)


## Annual demographic statistics <br> 2000

The 2000 edition of Annual demographic statistics provides the most recent population estimates and projections up to 2005 by age group and sex, plus data on births, deaths and migrations. It groups the information by province and territory, census metropolitan area and census division, and also provides data on census families and marriages and divorces.

A CD-ROM, included with the publication, contains even more data than did the one in last year's edition. The historical time series includes population data back to 1971 for provinces and territories, and to 1986 for census divisions and census metropolitan areas. The CD-ROM includes the population projections as well as animated age pyramids, which illustrate the aging of the population.

These time series can be easily captured and manipulated to create customized demographic analyses in any spreadsheet program. The population figures can be used to calculate per-capita rates for market research, quantitative analysis and planning.

Annual demographic statistics, 2000 ( $91-213-$ XPB, $\$ 125$ including CD-ROM) is now available. An electronic version without the CD-ROM (91-213-XIB, \$56) will be available soon. See How to order products. For more information, contact Lise Champagne (613-951-2320; fax: 613-951-2307; chamlis@statcan.ca), Demography Division.

The Daily, April 3, 2001

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## MAJOR RELEASES

## Electronic commerce and technology 2000

The total value of private sector sales over the Internet, with or without on-line payment, rose dramatically in 2000, while the proportion of businesses selling on-line fell.

Canadian businesses received $\$ 7.2$ billion in customer orders over the Internet in 2000, up 73.4\% from $\$ 4.2$ billion in 1999. However, only $6 \%$ of businesses reported selling goods and services on-line in 2000, down from $10 \%$ in 1999 . These $6 \%$ of businesses selling on-line accounted for one-quarter of all gross business income.

Among the businesses that responded to the survey in both 1999 and 2000, for every two that started selling over the Internet in 2000, five stopped doing so. The value of 1999 sales for those firms that, in 2000, were no longer selling on-line was not much more than half the value of sales for new on-line sellers.

Despite the substantial advance, e-commerce sales still accounted for only $0.4 \%$ of total operating revenue in 2000, up slightly from $0.2 \%$ in 1999. Internet sales represented $2.6 \%$ of total operating revenue in private sector educational service industries, the highest share, followed by $1.5 \%$ for transportation and warehousing.

Overall, $20 \%$ of sales over the Internet were to consumers. Consumers accounted for $88 \%$ of Internet purchases in the arts, entertainment and recreation sector, and $73 \%$ in the accommodation and food services sector, the highest proportions. However, consumers accounted for only $49 \%$ of Internet sales from retail enterprises.

As well, $17 \%$ of e-commerce sales were to customers (businesses or households) outside Canada. This varied widely across industries - more than one-half of all e-commerce sales in professional and technical services, arts, entertainment and recreation, and accommodation and food services were for export. In contrast, only $3.2 \%$ of Internet sales by retailers went outside Canada.

Large businesses were more likely to be selling over the Internet, and were responsible for a large proportion of on-line sales. In 2000, 31\% of business enterprises with more than 500 employees sold goods or services over the Internet. In contrast, only 6\% of businesses with 1 to 19 employees sold on-line. Business enterprises with more than 500 employees were responsible for $43 \%$ of sales over the Internet.

## Note to readers

Data in this release are from the Survey of Electronic Commerce and Technology, 2000. The survey covers the entire economy, except for construction, local governments, production of crops and animals, fishing, hunting and trapping. The sample size for this survey was about 21,000.

Electronic commerce is defined as sales over the Internet, with or without on-line payment. Included are the value of orders received over the Internet, extranets and electronic data exchange (EDI) on the Internet. Excluded are sales via EDI over proprietary networks and other electronic networks. Automatic teller machines are excluded, as are the volume of financial transactions conducted over the Internet. Included are service charges received for conducting transactions over the Internet.

## Manufacturers built up Internet sales

Measured by value, e-commerce sales were highest in manufacturing, followed by wholesale trade, transportation and warehousing, and retail trade.

Manufacturers sold $\$ 1.3$ billion worth of goods and services over the Internet, $0.2 \%$ of their operating revenue. Most of the e-commerce sales in this industry came from transportation equipment manufacturers. Only 3\% of manufacturers' sales were to consumers, while $23 \%$ of their on-line sales went outside Canada.

Enterprises in the wholesale trade sector sold $\$ 1.0$ billion worth of goods and services over the Internet in 2000, $0.3 \%$ of their total operating revenue. Machinery, equipment and supplies wholesalers accounted for most of the on-line sales in this industry sector. Twenty-seven percent of all e-commerce sales by wholesalers were direct to consumers, and $14 \%$ of all sales went outside the country.

Retailers attracted $\$ 890$ million in on-line sales in 2000, $0.4 \%$ of their operating revenue. Sales by motor vehicle and parts dealers, as well as food retailers, accounted for over two-thirds of e-commerce sales. Enterprises classified as food and beverage stores may contain wholesale establishments that supply their franchisees as well as other food stores or restaurants. Consequently, less than $1 \%$ of e-commerce sales by these food store enterprises was to consumers. Overall in retail, consumers accounted for $49 \%$ of on-line sales.

## More businesses buying on-line

While the proportion of businesses selling on-line was lower in 2000, the percentage of Canadian businesses purchasing goods or services over the

Internet was higher. Eighteen percent of firms bought goods or services over the Internet, up from 14\% in 1999.

The proportion of businesses purchasing over the Internet advanced in all sectors, except for holding companies and businesses in forestry, logging and support activities. The proportion of businesses purchasing over the Internet was highest in the information and cultural services industry, 53\%. This sector includes enterprises involved in publishing, broadcasting, telecommunications, information services and data processing.

## Purchasing over the Internet

|  | 1999 | 2000 | change |
| :---: | :---: | :---: | :---: |
|  | \% of enterprises that use the Internet to buy goods or services |  |  |
| Forestry, logging and support activities | 7.4 | 4.5 | -2.9 |
| Mining and oil and gas extraction | 19.3 | 20.4 | 1.1 |
| Utilities | 24.7 | 25.5 | 0.8 |
| Manufacturing | 18.9 | 21.3 | 2.4 |
| Wholesale trade | 13.9 | 22.9 | 9.0 |
| Retail trade | 10.8 | 13.5 | 2.7 |
| Transportation and warehousing | 10.7 | 15.0 | 4.3 |
| Information and cultural industries | 49.6 | 52.7 | 3.1 |
| Finance and insurance | 12.7 | 20.2 | 7.5 |
| Real estate and rental and leasing | 8.2 | 8.8 | 0.6 |
| Professional, scientific and technical services | 30.0 | 35.8 | 5.8 |
| Management of companies and enterprises | 12.9 | 8.5 | -4.4 |
| Administration and support, waste management and remediation services | 13.4 | 22.5 | 9.1 |
| Educational services (private sector) | 27.2 | 41.0 | 13.8 |
| Health care and social assistance (private sector) | 9.5 | 14.4 | 4.9 |
| Arts, entertainment and recreation | 12.1 | 15.9 | 3.8 |
| Accommodation and food services | 3.9 | 10.1 | 6.2 |
| Other services (except public administration) | 6.5 | 10.5 | 4.0 |
| All private sector | 13.8 | 18.2 | 4.4 |

Among businesses that did not buy or sell over the Internet, 56\% believed that their goods or services did not lend themselves to Internet transactions. Thirty-six percent preferred to maintain their current business model. Smaller proportions of these enterprises felt that security was a concern (14\%), or that the cost of development and maintenance was too high (12\%).

While the survey focussed on Internet-based transactions, businesses can sell or purchase
goods over non-Internet proprietary EDI networks. Overall, 10\% of enterprises used EDI not on the Internet in 2000. The use of non-Internet EDI networks was highest in private sector health care services (23\%), finance and insurance (18\%), utilities (17\%), wholesale trade (14\%) and manufacturing (14\%).

Barriers to electronic commerce

|  | \% of enterprises that do not buy or sell on-line |
| :---: | :---: |
| Goods do not lend themselves to Internet transactions | 56.4 |
| Prefer to maintain current business model | 35.6 |
| Security concerns Cost of development and maintenance is too | 13.9 |
| high | 11.8 |
| Lack of skilled employees | 10.3 |
| Uncertain about benefits | 9.9 |
| Customers not ready | 9.6 |
| Concern about competitors analyzing company information | 5.7 |
| Suppliers not ready Internet available to us is | 5.6 3.6 |
| too slow | 3.6 |

## More businesses on-line

While the value of sales over the Internet was small, businesses eagerly embraced the Internet in 2000; 63\% of them used the Internet, up from $53 \%$ in 1999. Thirty-nine percent of private sector employees had Internet access in 2000.

The proportion of businesses using the Internet advanced in almost all industry sectors. Internet use was most common in information and cultural industries ( $93 \%$ ), private sector educational services ( $89 \%$ ) and professional and technical services (84\%). Forestry, logging and support activities had the lowest Internet penetration rate, $42 \%$.

Of the businesses that used the Internet in 2000, $43 \%$ did so to access databases of suppliers, $23 \%$ did so for education and training, and $16 \%$ did so to access databases of customers.

## Sixty percent of private sector enterprises had e-mail

The Internet and other similar networks continued to play an important role in communications. In 2000, $60 \%$ of private sector enterprises had e-mail, compared with $53 \%$ in 1999. All industry sectors recorded an increase in the percentage of enterprises with e-mail
except utilities, where $83 \%$ of enterprises had e-mail in 2000.

## Use of e-mail

|  | 1999 | 2000 | change |
| :---: | :---: | :---: | :---: |
|  | \% of enterprises with e-mail |  |  |
| Forestry, logging and <br> support activities |  |  |  |
| Mining and oil and gas |  |  |  |
| Utilities | 83.9 | 82.9 | -1.0 |
| Manufacturing | 63.4 | 75.0 | 11.6 |
| Wholesale trade | 65.0 | 73.7 | 8.7 |
| Retail trade | 39.7 | 47.7 | 8.0 |
| Transportation and warehousing | 38.8 | 51.1 | 12.3 |
| Information and cultural industries | 90.3 | 91.1 | 0.8 |
| Finance and insurance | 75.5 | 76.1 | 0.6 |
| Real estate and rental and leasing | 46.4 | 49.5 | 3.1 |
| Professional, scientific and technical services | 78.9 | 85.0 | 6.1 |
| Management of companies and enterprises | 45.4 | 49.0 | 3.6 |
| Administration and support, waste management and remediation services 52.4 |  |  |  |
| Educational services (private sector) | 78.3 | 83.6 | 5.3 |
| Health care and social assistance (private sector) | 46.4 | 59.3 | 12.9 |
| Arts, entertainment and recreation | 51.6 | 62.5 | 10.9 |
| Accommodation and food services | 29.1 | 40.1 | 11.0 |
| Other services (except public administration) | 42.6 | 48.1 | 5.5 |
| All private sector | 52.6 | 60.4 | 7.8 |

Besides e-mail, $12 \%$ of enterprises had an intranet, an internal company communications network using the same protocol as the Internet, enabling communication within an organization. A smaller proportion (4\%) had an extranet, a secure extension of an Intranet that allows external users to access parts of an organization's Intranet.

In addition, a higher proportion of enterprises had a Web site in 2000: $25 \%$ of enterprises had a Web site, up from $22 \%$ in 1999. Private sector enterprises in the educational services industry were most likely to have a Web site ( $70 \%$ ). More than one-half of the enterprises in information and cultural industries had a Web site.

For more information, or to enquire about the concepts, methods or data quality for this release, contact Greg Peterson (613-951-3592, or greg.peterson@statcan.ca), Science, Innovation and Electronic Information Division.

Internet use and presence of Web sites

|  | 1999 | 2000 | change | 1999 | 2000 | change |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | \% of enterprises that use the Internet |  |  | \% of enterprises with a Web site |  |  |
| Forestry, logging and support activities | 32.8 | 42.3 | 9.5 | 5.7 | 4.7 | -1.0 |
| Mining and oil and gas extraction | 60.6 | 78.0 | 17.4 | 27.6 | 22.6 | -5.0 |
| Utilities | 82.4 | 80.8 | -1.7 | 27.3 | 31.3 | 4.0 |
| Manufacturing | 63.7 | 77.5 | 13.8 | 31.7 | 38.0 | 6.3 |
| Wholesale trade | 63.0 | 75.3 | 12.3 | 26.1 | 34.3 | 8.2 |
| Retail trade | 40.5 | 52.7 | 12.2 | 16.0 | 22.9 | 6.9 |
| Transportation and warehousing | 43.8 | 57.5 | 13.7 | 17.6 | 12.9 | -4.8 |
| Information and cultural industries | 89.1 | 92.7 | 3.6 | 61.7 | 54.5 | -7.2 |
| Finance and insurance | 65.9 | 75.9 | 10.0 | 27.2 | 34.4 | 7.2 |
| Real estate and rental and leasing | 46.3 | 51.2 | 4.9 | 18.4 | 21.9 | 3.5 |
| Professional, scientific and technical services | 77.5 | 84.0 | 6.5 | 27.6 | 30.0 | 2.4 |
| Management of companies and enterprises | 47.0 | 52.9 | 5.9 | 9.9 | 16.9 | 7.0 |
| Administration and support, waste management and remediation services | 55.4 | 75.0 | 19.6 | 29.5 | 32.7 | 3.2 |
| Educational services (private sector) | 74.5 | 89.2 | 14.7 | 44.0 | 69.7 | 25.7 |
| Health care and social assistance (private sector) | 46.2 | 61.7 | 15.5 | 10.0 | 15.6 | 5.6 |
| Arts, entertainment and recreation | 51.0 | 69.2 | 18.2 | 29.7 | 36.0 | 6.3 |
| Accommodation and food services | 32.0 | 44.0 | 12.0 | 17.4 | 18.5 | 1.1 |
| Other services (except public administration) | 44.5 | 51.8 | 7.3 | 19.3 | 22.3 | 3.0 |
| All private sector | 52.8 | 63.4 | 10.6 | 21.7 | 25.7 | 4.0 |

## Value of Internet sales

|  | 1999 | 2000 | change | 2000 | 2000 |
| :--- | ---: | ---: | ---: | ---: | ---: | ---: | ---: |

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## OTHER RELEASES

## Annual demographic statistics <br> July 1,2000

The growth rate of Canada's population rose slightly in the 12 months up to July 1, 2000, although it remained below $1 \%$ for the third consecutive year.

As of July 1, 2000, the population was an estimated $30,750,000$, up $0.8 \%$ over July 1, 1999. In absolute numbers, this was an increase of 256,700 in 1999/2000, compared with 245,500 in the preceding 12 months.

The slight increase in growth was entirely due to a higher number of immigrants. An estimated 205,000 immigrants arrived in Canada between July 1, 1999 and June 30, 2000, compared with 173,000 in 1998/99.

Ontario, which has $38 \%$ of the country's population, attracted nearly $57 \%$ of the immigrants in 1999/2000, compared with $53 \%$ in 1998/99. Of the 32,000 additional immigrants that Canada accepted in 1999/2000, 25,000 went to Ontario. This largely explains Ontario's growth of $1.3 \%$, the highest provincial rate.

Alberta, whose growth rate was the highest in 1998/1999, moved to second place, as net interprovincial migration fell by more than half, from a net inflow of 25,000 in 1998/99 to less than 12,000 in 1999/2000. The population of two provinces - Newfoundland and Saskatchewan declined during the year.

Among census metropolitan areas, Calgary recorded the most rapid growth, $2.5 \%$. It led all others in both its rate of natural increase $(+0.7 \%)$ and its net interprovincial migration (+1.3\%).

In 1998/99, the predominantly urban regions had the highest growth ( $+1.1 \%$ ), followed by intermediate regions ( $+0.9 \%$ ) and rural metro-adjacent regions (+0.7\%). Rural non-metro-adjacent and rural northern regions saw their populations decline.

Net international migration is the key growth factor of the predominantly urban regions, made of the 11 largest urban regions in Canada. These regions also have a high natural increase, second only to the northern regions. To a lesser degree, their growth is also due to positive net interprovincial migration. Rural non-metro-adjacent and northern regions lose population through migratory exchanges. Since their natural increases no longer offset these losses, their populations are declining.

Between 1995 and 2000, the population aged 65 and over increased $9.6 \%$, from 3.51 million
to 3.85 million. If current trends continue, it will increase $9.3 \%$ from 2000 to 2005 . The population aged 80 and over increased $16.6 \%$ from 1995 to 2000, from 780,000 to 910,000 . From 2000 to 2005, it could grow $25.8 \%$ to 1.15 million.

However, the population under 15 is declining. It fell $1.8 \%$ between 1995 and 2000 to 5.87 million. Projections show it could drop another 4.3\% from 2000 to 2005.

## Available on CANSIM: matrix 8151.

Annual demographic statistics (91-213-XPB, including CD-ROM, $\$ 125$ ) is now available; an electronic version without the CD-ROM (91-213-XIB, \$56) will be available soon. See How to order products.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Francois Nault at (613-951-9582), Demography Division.

## Pipeline transportation of crude oil and refined petroleum products <br> January 2001

Net receipts of crude oil and equivalent hydrocarbons totalled 14111981 cubic metres in January, up 8.2\% from January 2000. Net receipts of liquefied petroleum gases and refined petroleum products were 6830324 cubic metres in January, down 0.6\% from January 2000.

Pipeline exports of crude oil were 6252261 cubic metres, up $2.4 \%$ from January 2000, and pipeline imports were 2362967 cubic metres, a rise of $21.7 \%$.

January deliveries of crude oil by pipeline to Canadian refineries totalled 6223751 cubic metres, up $6.9 \%$ from January 2000. January deliveries of liquefied petroleum gases and refined petroleum products were 529566 cubic metres, down 11.6\%.

## Available on CANSIM: matrices 181 and 591-595.

The January 2001 issue of Pipeline transportation of crude oil and refined petroleum products ( $55-001-\mathrm{XIB}, \$ 9 / \$ 86$ ) is now available. See How to order products.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Eleonore Harding (613-951-5708; hardele@statcan.ca), Manufacturing, Construction and Energy Division.

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