

Statistics Canada

Thursday, September 20, 2001 Released at 8:30 a.m. Eastern time

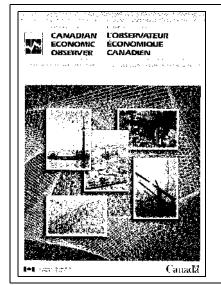
MAJOR RELEASES

Wholesale trade, July 2001
 July saw wholesale sales fall 0.4%, matched by an equal drop in wholesale inventories.

Labour productivity, hourly compensation and unit labour cost, second
 quarter 2001

Labour productivity rose 0.4% during the second quarter compared with the first quarter, as businesses cut hours worked to cope with the slowdown in economic growth.

(continued on page 2)



Canadian economic observer

September 2001

The September issue of Statistics Canada's flagship publication for economic statistics, *Canadian economic observer*, analyses current economic conditions, summarizes the major economic events that occurred in August and presents a feature article on time lost due to industrial disputes. A separate statistical summary contains a wide range of tables and graphs on the principal economic indicators for Canada, the provinces and the major industrial nations.

The September 2001 issue of *Canadian economic observer*, Volume 14, number 9 (11-010-XPB, \$23/\$227) is now available. Visit the *Canadian economic observer's* page on Statistics Canada's Web site (www.statcan.ca). From the *Canadian statistics* page, choose *Economic conditions*, and on that page see the banner ad for *Canadian economic observer*. For more information, contact Philip Cross (613-951-9162; ceo@statcan.ca), Current Economic Analysis Group.





The Daily, September 20, 2001

OTHER RELEASES	
Employment Insurance, July 2001	10
Public sector employment, second quarter 2001	11
Stocks of frozen poultry meat, September 1, 2001	12
Steel primary forms, week ending September 15, 2001	12
NEW PRODUCTS	13

MAJOR RELEASES

Wholesale trade

July 2001 (preliminary)

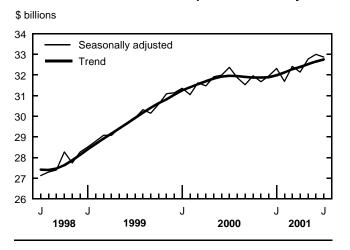
July saw wholesale sales fall 0.4%, matched by an equal drop in wholesale inventories. This drop in sales followed two consecutive monthly increases. Wholesale sales fell to \$32.9 billion in July. Despite the drop, wholesale sales have been generally rising in 2001 after levelling out during the latter half of 2000. Before slowing in 2000, wholesale sales had been climbing since mid-1998.

The largest declines in dollar terms were in the automotive (-4.3%), and industrial machinery (-1.6%) sectors. Notable declines were also seen in household goods (-3.8%), agricultural machinery (-1.8%), and lumber and building materials (-0.6%).

Countering the slide were sales increases in the "other products" category (+3.1%) and in the food products sector (+1.5%). The "other products" category includes: livestock; agricultural, industrial and household chemicals; and other forest products. Wholesalers of apparel and dry goods (+4.1%), and metals and hardware (+1.4%) also countered the slide.

Notably, wholesaling of computers and other electronics rose 0.7%, after five months of declines.

Wholesale sales took a step backward in July



Both the automotive and industrial machinery sectors had setbacks

Wholesalers of motor vehicles, parts and accessories hit the skids in July, dropping 4.3%. Besides falling wholesale sales in July, the automotive

sector in general saw plant closings and model changeovers. Manufacturer deliveries for motor vehicles were down 0.8%, and both exports and imports declined. However, despite July's drop and the volatility seen throughout 2001, wholesale sales in this sector have been generally on the rise. This followed a period of generally falling sales from May to December 2000.

July also saw wholesale sales of industrial machinery and equipment drop 1.6%. This was the second consecutive monthly decline, a combined drop of 4.0%. Consequently, wholesale sales levels in this sector have retreated to late 2000 levels. After generally rising since mid-1998, wholesale sales were flat during the second half of 2000. Sales recovered briefly in early 2001, but began to level out again by the end of that winter.

Food wholesalers continued to enjoy rising sales

Wholesalers of food products reported their fourth consecutive monthly increase in July (+1.5%). Operating in an industry where clients will always buy, thus being better insulated from slowdowns that can affect other sectors, food products wholesalers have enjoyed generally rising sales for the past several years.

Computer and electronic wholesalers eked out a one-month rise

After five months of falling sales, wholesalers of computers and electronics reported a 0.7% rise in sales, the result of a relatively healthy computer server and computer services market. However, the desktop computer market has been and remains weak. The wholesale computer and electronic sector has been in a relative free fall so far in 2001, after enjoying generally rising sales in 2000.

Provincial increases split—two in the east, two in the west

Only four provinces reported increases in July; Nova Scotia (+3.9%) and Newfoundland (+1.4%) in the east, and Saskatchewan (+4.4%) and Alberta (+1.3%) in the west. Higher sales were broadly based among the wholesale trade groups in these provinces.

As a result of the lower sales in many of its major wholesale sectors, Ontario led the declines in July (-1.2%). Despite this drop, wholesale sales in Ontario have been mainly climbing since late 2000. This follows a period of falling sales that started in the summer of 2000. Prior to that, sales had been rising since mid-1998.

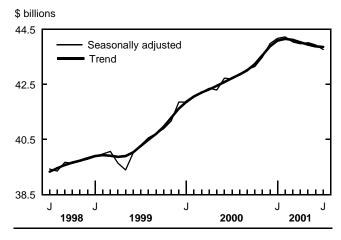
Inventories shrank

Wholesalers drew down their inventories in July by 0.4% to \$43.8 billion. Wholesalers of industrial machinery and equipment (-1.5%) were the major contributor to the decline. Inventories held by this sector represent 25% of total wholesale inventories. As well, wholesalers of computer and electronics lowered their inventories by 7.2%.

Wholesale inventory levels have been relatively unchanged in 2001. Prior to 2001, levels had been on the rise for several years.

The inventory-to-sales ratio was unchanged from June at 1.33. The ratio has been generally falling in 2001, after climbing in the latter half of 2000.

Wholesalers drew down their inventories in July



Available on CANSIM: tables 810001 and 810002.

The July 2001 issue of *Wholesale trade* (63-008-XIB, \$14/\$140) will be available soon. See *How to order products*.

Wholesale trade estimates for August will be released October 19.

For data or general information, contact the Client Services Unit (1-877-421-3067; 613-951-3549; wholesaleinfo@statcan.ca). To enquire about the concepts, methods or data quality of this release, contact Alexander Hays (613-951-3552; haysale@statcan.ca), Distributive Trades Division.

	July 2000	April 2001 ^r	May 2001 ^r	June 2001 ^r	July 2001 ^p	June to	July 2000
	2000	2001	2001	2001	2001	July	2000 to
						2001	July 2001
			Seasonal	ly adjusted			2001
			\$ millions			% char	nge
Sales, all trade groups	32,376	32,142	32,774	33,001	32,869	-0.4	1.5
Food products	5,020	5,229	5,313	5,341	5,420	1.5	8.0
Beverage, drug and tobacco products	2,064	2,227	2,227	2,267	2,261	-0.3	9.6
Apparel and dry goods	541	561	574	583	607	4.1	12.1
lousehold goods	843	893	899	911	876	-3.8	4.0
Notor vehicles, parts and accessories	6,191	5,819	6,053	6,402	6,124	-4.3	-1.1
Metals, hardware, plumbing and heating	5,151	0,010	0,000	0,702	O, 127	1.0	1.1
equipment and supplies	2,047	2,001	2,023	2,000	2,028	1.4	-0.9
umber and building materials	2,351	2,311	2,440	2.447	2,433	-0.6	3.5
arm machinery, equipment and supplies ndustrial and other machinery, equipment and	618	612	664	690	678	-1.8	9.7
supplies	5,025	5,066	5,137	5,014	4,931	-1.6	-1.9
Computers, packaged software and other	0,020	0,000	0,101	0,011	1,001	1.0	
electronic machinery	3,004	2,859	2,753	2,639	2,658	0.7	-11.5
Other products	4,671	4,565	4,691	4,706	4,851	3.1	3.8
Cales by province and territory	224	213	213	213	215	1.4	-3.9
Prince Edward Island	224 54	213 52	213 65	60	215 60	-0.4	-3.8 11.2
Nova Scotia	581	565	569	576	598	3.9	3.0
Nova Scotta New Brunswick	413	386	427	421	418	-0.8	1.3
						-0.6 -0.4	-1.1
Quebec	6,702	6,585	6,649	6,658	6,629		
Ontario	16,117	15,943	16,171	16,331	16,134	-1.2	0.1
Manitoba	880	889	955	955	951	-0.4	8.2
Saskatchewan	908	1,061	1,207	1,171	1,222	4.4	34.
Alberta	3,231	3,235	3,276	3,373	3,418	1.3	5.
British Columbia	3,241	3,186	3,214	3,215	3,193	-0.7	-1.
⁄ukon	11	10	11	10	10	0.0	-0.4
Northwest Territories	14	17	15	16	16	1.7	16.
lunavut	2	2	3	2	2	20.0	-10.1
nventories, all trade groups	42,694	43,973	44,011	43,928	43,761	-0.4	2.
ood products	2,882	3,164	3,150	3,228	3,250	0.7	12.
Beverage, drug and tobacco products	2,522	2,758	2,794	2,800	2,812	0.4	11.
Apparel and dry goods	1,050	1,173	1,185	1,182	1,242	5.1	18.
lousehold goods	1,552	1,663	1,694	1,645	1,615	-1.9	4.
Motor vehicles, parts and accessories Metals, hardware, plumbing and heating	6,699	6,493	6,460	6,525	6,535	0.1	-2.
equipment and supplies	3,957	3,819	3,763	3,728	3,687	-1.1	-6.
umber and building materials	3,981	4,031	4,056	4,119	4,127	0.2	3.
arm machinery, equipment and supplies ndustrial and other machinery, equipment and	1,930	1,884	1,877	1,851	1,882	1.6	-2.
supplies Computers, packaged software and other	10,515	11,094	11,130	11,008	10,841	-1.5	3.
electronic machinery Other products	2,270 5,336	2,186 5,706	2,147 5,754	2,008 5,835	1,864 5,908	-7.2 1.3	-17 10

5

Revised figures. Preliminary figures.

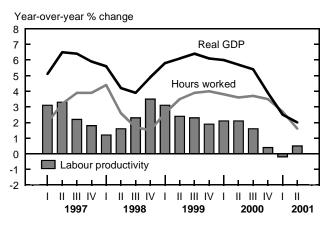
Labour productivity, hourly compensation and unit labour cost

Second quarter 2001

Labour productivity in the business sector rose 0.4% in the second quarter of 2001 over the first, after declining slightly in the first quarter (-0.1%) and in the fourth quarter of 2000 (-0.6%). The second quarter gain occurred in conjunction with a slowdown in output growth due to both falling exports and weak demand in consumer goods and residential construction.

Quarterly growth in total hours worked fell a full percentage point in the second quarter to -0.4%, compared with a quarterly rate of around 0.6% in each of the last four quarters. This drop in total hours worked, the first since the first quarter of 1995, resulted from a steeper decline in hours worked per job and lower growth rate in the number of jobs.

Productivity increase in second quarter the result of greater decline in hours worked than in output



Productivity improved despite a weak economy

The economy has persistently weakened—the year-over-year real output growth rate (the growth since the same quarter in the previous year) fell from 6.0% in the first quarter of 2000 to 2.0% in the second quarter of 2001. Until the second quarter of 2001, businesses did not adjust the growth in labour inputs down by as much as output growth fell. This pattern changed in the second quarter. While the year-over-year increase in output fell from 2.5% in the first quarter to 2.0% in the second quarter, growth in total hours worked

Note to readers

In this release, "productivity" refers to labour productivity. These quarterly estimates are meant to help those analysing the short-run relationship between output, employment, compensation and hours worked.

Because of a change in the treatment of business and government software purchases, the new labour productivity series for 1997 and following years is not fully compatible with the previously released historical series for the years prior to 1997. In the next quarter's release, gross domestic product (GDP) revisions from the input—output tables reflecting this change in methodology will be incorporated into the historical series. For more information, see the Daily release of June 25. A technical note on the calculation of quarterly labour productivity estimates is also available on request. To obtain a copy, e-mail productivity.measures@statcan.ca.

Labour productivity, or real GDP per hour worked, is the ratio of output to labour input (hours worked). The quarterly estimates of labour productivity are based on a Fisher chained index of GDP, or value added, for the business sector. Economic performance as measured by labour productivity must be interpreted carefully, since these estimates reflect changes in the other factors of production in addition to growth in productive efficiency.

Labour compensation includes all payments in cash or in kind made by domestic producers to workers as remuneration for work. This includes the salaries and supplementary labour income of paid workers, plus an imputed labour income for self-employed workers.

Unit labour cost is the labour cost per unit of output. It is calculated as the ratio of labour compensation to real GDP. It is also the equivalent of the ratio between labour compensation per hour worked and labour productivity. Unit labour cost will increase when labour compensation per hour worked increases more rapidly than labour productivity.

declined by more—from 2.7% to 1.6%. As a result, the year-over-year productivity growth rose 0.5% in the second quarter.

Despite the rebound in productivity growth in the second quarter, the year-over-year productivity growth rate is lower in 2001 (+0.5%) than in the same quarter of 2000 (+2.1%). Year-over-year increases in productivity growth have been declining since late 1998, when they peaked at 3.5%.

Unit labour cost steady

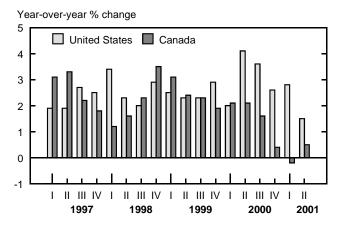
The growth in hourly compensation for workers maintained its pace at a quarterly rate of 0.9% in the second quarter. This was the same as in the first quarter but higher than in the third and fourth quarters of 2000. On a year-over-year basis, the pace of growth in hourly compensation moved up to 2.7% in the second quarter compared with 2.0% in the first quarter.

Unit labour cost growth occurs when productivity gains are lower than the growth in hourly compensation. Unit labour cost grew slightly slower in the second quarter (+0.7%) than in the first (+1.1%). On a year-over-year basis, the unit labour cost was also relatively steady—increasing 2.3% in the second quarter compared with 2.1% in the first quarter.

Recent revisions in the United States have narrowed in the gap in productivity growth

Canada continues to lag the United States in labour productivity growth since 1997, but recent revisions going back to 1996 in U.S. data have caused the gap to narrow.

Business sector labour productivity



The revisions in the U.S. data on both output and labour have had the effect of reducing U.S. labour productivity growth from 1999 forward. U.S. productivity growth for 1999 fell from 2.8% before revision to 2.5% after revision, which is almost identical to the growth of 2.4% observed in Canada for the same year. For 2000 as a whole, productivity growth in the United States has been revised downward dramatically from 4.2% to 3.1%. But 3.1% is still higher than Canada's annual growth rate of 1.6% over the same period. From 1997 to 2000, the gap in the annual productivity growth rate between the two countries has declined from 1.3% to 0.8%.

The growth in real output in Canada over this period was actually higher than that of the United States. At the same time, labour input grew in Canada even more rapidly than in the United States. The net effect was a lower growth of labour productivity in Canada.

Comparison of annual growth of business sector labour productivity

	Previous United States	New United States	Canada				
	%	% change					
1997–2000 1997 1998 1999 2000	3.3 2.3 2.7 2.8 4.2	2.8 2.3 2.7 2.5 3.1	2.0 2.6 2.2 2.4 1.6				

Source: U.S. data is from Bureau of Labor Statistics, Productivity and costs, second quarter 2001, published in NEWS, Wednesday September 5.

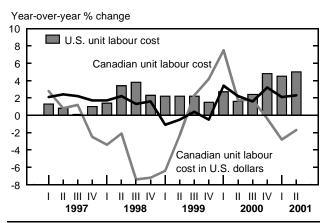
Since the start of 2001, Canadian productivity growth rate has been similar to that of the United States

With the slowdown in 2001, the quarterly productivity growth rates have been nearly identical in Canada and in the United States. The quarter-to-quarter growth rates were -0.1% in Canada and 0.0% in the United States in the first quarter. For the second quarter, they were 0.4% in Canada and 0.6% in the United States.

Canadian businesses continued to see slower growth in unit labour cost compared with U.S. businesses

In the business sector, second quarter growth in the unit labour cost in Canada was much slower than in the United States. On a year-over-year basis, the unit labour cost in Canada grew just 2.3% in the second quarter, compared with 5.0% in the United States. Since the third quarter of 2000, the unit labour cost has grown far more slowly in Canada than in the United States.

Business sector unit labour cost growth has been stable in Canada



This superior performance in unit labour cost among Canadian businesses is mainly due to lower growth in hourly compensation in Canada compared with the United States. During the second quarter, on a year-over-year basis, hourly compensation rose 2.7% in Canada and 6.6% in the United States.

When unit labour cost is expressed in a common currency (U.S. dollars), the gap between the two countries is even wider in favour of Canada. On a year-over-year basis, the unit labour cost declined 1.7% in Canada, while it rose 5.0% in the United States in the second quarter.

Available on CANSIM: table 3830008.

For more information, or to enquire about the concepts, methods or data quality of this release, contact John Baldwin (613-951-8588; baldjoh@statcan.ca) or Jean-Pierre Maynard, (613-951-3654; fax: 613-951-5403; maynard@statcan.ca), Micro-economic Analysis Division.

Business sector: Labour productivity and related variables for Canada and the United States

	Second	Third	Fourth	First	Second	Third	Fourth	First	Second
	quarter	quarter	quarter	quarter	quarter	quarter	quarter	quarter	quarter
	1999	1999	1999	2000	2000	2000	2000	2001	2001
		% c	hange from s	same quarte	r of previous	year, seasor	nally adjusted	t	
Canada									
Labour productivity	2.4	2.3	1.9	2.1	2.1	1.6	0.4	-0.2	0.5
Real gross domestic product	6.1	6.4	6.1	6.0	5.7	5.4	3.9	2.5	2.0
Hours worked	3.5	3.9	4.0	3.8	3.6	3.7	3.5	2.7	1.6
Hourly compensation	1.8	2.8	1.4	5.6	4.3	3.3	3.6	2.0	2.7
Unit labour cost	-0.5	0.4	-0.5	3.4	2.2	1.6	3.2	2.1	2.3
Unit labour cost in US\$	-2.3	2.3	4.2	7.5	1.7	1.8	-0.4	-2.8	-1.7
United States									
Labour productivity	2.3	2.3	2.9	2.0	4.1	3.6	2.6	2.8	1.5
Real gross domestic product	4.4	4.6	5.0	4.7	5.9	4.9	3.0	2.7	0.9
Hours worked '	2.1	2.1	2.0	2.6	1.7	1.3	0.3	-0.1	-0.6
Hourly compensation	4.5	4.6	4.4	4.7	5.8	6.1	7.5	7.4	6.6
Unit labour cost	2.2	2.2	1.5	2.7	1.6	2.4	4.8	4.5	5.0

Source: U.S. data is from Bureau of Labor Statistics, Productivity and costs second quarter 2001 published in NEWS, Wednesday September 5.

Business sector: Labour productivity and related variables for Canada

Year	Quarters	Labour	Real	Hours	Average	All	Hourly	Unit			
		productivity	gross	worked	hours	jobs	compensation	labour			
			domestic					cost			
		product % change from previous year									
4007		0.0			-	0.0	4.0	0.4			
1997 1998		2.6 2.2	6.0 4.7	3.3 2.5	0.1 -0.6	3.2 3.1	4.8 3.8	2.1 1.7			
1999		2.4	6.1	3.5	0.2	3.1	3.6 2.1	-0.4			
2000		1.6	5.2	3.7	0.9	2.8	4.1	2.6			
		% change from previous quarter, seasonally adjusted									
1998	First	0.7	1.1	0.5	-0.4	0.9	1.6	0.9			
1000	Second	0.4	0.4	0.0	-0.5	0.5	1.6	1.1			
	Third	1.3	1.4	0.2	-0.2	0.5	0.3	-0.9			
	Fourth	1.1	1.9	0.8	-0.1	0.8	1.6	0.5			
1999	First	0.3	2.0	1.6	0.3	1.3	-1.5	-1.8			
	Second	-0.3	0.6	0.9	0.3	0.7	1.4	1.7			
	Third	1.3	1.7	0.6	0.0	0.5	1.2	0.0			
	Fourth	0.7	1.6	0.8	-0.2	1.1	0.3	-0.4			
2000	First	0.5	1.9	1.5	0.6	0.8	2.5	2.1			
	Second	-0.3	0.4	0.6	0.3	0.3	0.2	0.5			
	Third	0.8	1.4	0.6	0.3	0.4	0.3	-0.6			
	Fourth	-0.6	0.2	0.7	-0.2	0.9	0.6	1.2			
2001	First	-0.1	0.5	0.6	-0.2	0.9	0.9	1.1			
	Second	0.4	-0.1	-0.4	-0.6	0.1	0.9	0.7			
		% change from same quarter of previous year, seasonally adjusted									
1998	First	1.2	5.6	4.4	0.4	4.0	2.9	1.7			
	Second	1.6	4.2	2.6	-0.7	3.3	3.9	2.2			
	Third	2.3	3.9	1.7	-0.8	2.6	3.6	1.3			
	Fourth	3.5	4.9	1.5	-1.2	2.7	5.2	1.6			
1999	First	3.1	5.8	2.6	-0.5	3.1	2.0	-1.1			
	Second	2.4	6.1	3.5	0.3	3.3	1.8	-0.5			
	Third	2.3	6.4	3.9	0.5	3.3	2.8	0.4			
	Fourth	1.9	6.1	4.0	0.4	3.7	1.4	-0.5			
2000	First	2.1	6.0	3.8	0.7	3.1	5.6	3.4			
	Second	2.1	5.7	3.6	0.7	2.7	4.3	2.2			
	_Third	1.6	5.4	3.7	1.0	2.6	3.3	1.6			
	Fourth	0.4	3.9	3.5	1.0	2.4	3.6	3.2			
2001	First	-0.2	2.5	2.7	0.2	2.5	2.0	2.1			
	Second	0.5	2.0	1.6	-0.7	2.3	2.7	2.3			

OTHER RELEASES

Employment Insurance

July 2001 (preliminary)

The estimated number of Canadians (adjusted for seasonality) who received regular Employment Insurance (EI) benefits in July rose 7.4% from June to 542,520. This marks the largest of the three consecutive monthly increases at the national level. Part of the July increase may be due to a later than usual reference period. All provinces and territories except Yukon recorded monthly increases. Prince Edward Island (+18.2%), Manitoba (+15.8%), Saskatchewan (+13.4%) and Quebec (+10.0%) recorded the largest monthly increases.

Regular benefit payments rose 4.0% in July from June to \$686.6 million. The number of initial and renewal claims received climbed 4.6% to 244,380.

Number of beneficiaries receiving regular benefits

	July	June	July				
	2001 ^p	to	2000				
		July	to				
		2001	July				
			2001				
	Seasonally adjusted						
		% chan	ge				
Canada	542,520	7.4	18.8				
Newfoundland	34,530	5.3	0.8				
Prince Edward Island	8,070	18.2	-3.4				
Nova Scotia	30,550	9.2	10.1				
New Brunswick	40,160	9.2	19.9				
Quebec	193,280	10.0	22.9				
Ontario	126,880	5.5	36.4				
Manitoba	15,250	15.8	25.4				
Saskatchewan	11,920	13.4	16.7				
Alberta	24,630	8.3	-4.0				
British Columbia	60,620	4.2	16.7				
Yukon Northwest Territories	830	-5.7	-5.7				
and Nunavut	960	2.1	-22.0				
•	Unadjusted	for seasonality					
Northwest Territories	500	-5.7	-18.0				
Nunavut	370	5.7	-24.5				

Preliminary figures.

Note: The Employment Insurance Statistics Program data are produced from an administrative data source and may from time to time be affected by modifications made to the *Employment Insurance Act*. For example, in May, the act was amended to: eliminate the intensity rule; to adjust the benefit repayment provision and the re-entrant rules for parents returning to the work force; and to align the El fishing regulations with the enhanced maternity and parental benefits. These

modifications may have affected the level of benefits in June. However, retroactive payments made in June due to those changes were removed. The number of beneficiaries is a measure of all persons who received EI benefits for the week containing the fifteenth day of the month. The regular benefit payments series measures the total of all monies received by individuals for the entire month. These different reference periods must be taken into consideration when comparing between the series. The Employment Insurance Act allows each province or administrative region of Human Resources Development Canada to have certain autonomy in the application of administrative procedures regarding renewal claims. Data users must take into consideration that movements in levels from month to month may be affected by different administrative procedures regarding renewal claims from one province or region to another.

Employment Insurance statistics

	July	June	July	June	July
	2000	2001	2001	to	2000
				July	to
				2001	July
					2001
		Seasor	nally adjust	ed	
				% cha	ange
Regular beneficiaries Regular benefits paid	456,780	505,180 ^p	542,520 ^p	7.4	18.8
(\$ million)	612.6	660.2	686.6	4.0	12.1
Claims received ('000)	219.3	233.7	244.4	4.6	11.4
		Unadjuste	d for seaso	nality	
All beneficiaries ('000) Regular beneficiaries	549.5	581.5 ^p	680.1 ^p	17.0	23.8
('000)	400.3	400.2 ^p	493.1 ^p	23.2	23.2
Claims réceived ('000)	270.1	174.5	314.7	80.3	16.5
Payments (\$ million)	809.3	782.0	1036.4	32.5	28.1
		Year-to-date	(January	to July)	
					2000
					to
			2000	2001	2001
		_			%
					change
Claims received ('000)			1,427.5	1,619.5	13.5
Payments (\$ million)			7,160.5	7,624.0	6.5

Preliminary figures.

Note: All beneficiaries includes all claimants receiving regular benefits (e.g., due to layoff) or special benefits (e.g., due to illness).

Available on CANSIM: tables 2760001-2760006, 2760009 and 2760012.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Gilles Groleau or Jean Leduc (1-866-873-8788; 613-951-4090; fax: 613-951-2869; *labour@statcan.ca*), Labour Statistics Division.

Public sector employment

Second quarter 2001 (preliminary)

From April to June, the public sector employed an average of 2.9 million employees, who contributed about \$28 billion in wages and salaries during this period. This was an increase of 1.6%, or 44,567 employees, from the second quarter of 2000.

The overall government work force—consisting of paid employees for federal, provincial/territorial and local governments—accounted for 83% of the total increase, or 36,800 employees. These governments employed an average of 2.6 million paid workers in the second quarter, up 1.4% from the first quarter. The balance of public sector employees was employed in government business enterprises.

Federal government employment was up 8.2%, or 28,177, in the second quarter, more than one-half of the overall increase in the public sector. However, most of this increase was due to the hiring of temporary workers who conducted the 2001 Census, which peaked in May at 40,000. Although employment rose, federal government wages and salaries declined 19.3%, reflecting the reduction in retroactive pay-equity payments made last year.

Provincial government employment rose 0.5%. Gains in employment in hospitals and social services

were partly offset by weakness in the provincial general government and university and college sectors.

Local government employment edged up 0.3%, or 2,600 employees. Gains in employment in local general government were partly offset by employment lost in school boards, except in Newfoundland, Quebec and British Columbia.

The number of paid employees in public enterprises, which account for the remaining portion of the public sector, increased 2.3%, or 7,766 jobs in the second quarter. Much of this was due to greater employment in government utilities. Government business enterprises employed an average of 272,593 workers in the second quarter.

Public sector employment data are not expressed as "full-time equivalent" and do not distinguish between full-and part-time employees.

These data, as well as other public sector employment, wages and salaries data, are available on CANSIM and through custom tabulation.

Available on CANSIM: table 1830002 and 1830004.

For information on the Public Institutions Division's products and services, contact Joanne Rice (613-951-0767; fax: 613-951-0661; *joanne.rice@statcan.ca*), Data Dissemination, Public Institutions Division.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Robert Sauvé (613-951-8306; robert.sauve@.statcan.ca), Public Institutions Division.

Public sector employment

Second quarter 2001 (preliminary)

	Federal government ¹	Provincial and territorial governments ²	Local governments ³	Total government	Government business enterprises ⁴	Total public sector	Second quarter 2000 to second quarter 2001
							% change
Canada	370,295	1,330,874	922,176	2,623,345	272,593	2,895,938	1.6
Newfoundland	7,521	32,048	12,884	52,453	3,326	55,779	1.4
Prince Edward Island	3,758	8,798	3,688	16,243	454	16,697	0.2
Nova Scotia	23,580	48,133	27,367	99,080	6,022	105,103	0.6
New Brunswick	14,060	55,403	5,843	75,306	7,618	82,924	2.4
Quebec	77,235	366,712	210,069	654,016	66,493	720,509	0.4
Ontario	147,390	369,516	364,642	881,548	110,252	991,800	2.0
Manitoba	17,071	71,567	42,024	130,663	13,884	144,548	1.6
Saskatchewan	10,000	57,073	35,575	102,648	14,170	116,818	1.2
Alberta	26,633	135,044	97,590	259,267	15,821	275,088	1.9
British Columbia	37,783	174,860	118,787	331,430	33,998	365,429	2.5
Yukon	867	3,749	485	5,100	Х	5,100	2.1
Northwest Territories	1,059	4,680	1,702	7,441	Х	7,441	3.0
Nunavut	199	3,292	1,521	5,012	Х	5,012	16.5
Exterior	3,136	0	0	3,136	Х	3,136	1.3

x Confidential data.

Note: Public sector employment data are not in full-time equivalent and do not distinguish between full-time and part-time employees. Canada totals may differ from the sum of provinces/territories due to number rounding.

Stocks of frozen poultry meat

September 1, 2001 (preliminary)

Stocks of frozen poultry meat in cold storage on September 1 totalled 84.0 thousand metric tonnes, up 15.9% from September 1, 2000.

Available on CANSIM: tables 30023 and 30024.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Sandy Gielfeldt (613-951-2505; sandy.gielfeldt@statcan.ca) or Robert Plourde (613-951-8716; robert.plourde@statcan.ca), Agriculture Division.

Steel primary forms

Week ending September 15, 2001 (preliminary)

Steel primary forms production for the week ending September 15, 2001 totalled 295 424 metric tonnes, down 3.3% from 305 658 tonnes a week earlier and down 8.0% from 321 080 tonnes in the same week of 2000. The year-to-date total at the end of the reference week was 10 671 252 tonnes, down 11.9% from 12 114 985 tonnes in the same week of 2000.

For general information or to order data, contact the dissemination officer (1-866-873-8789; 613-951-9497; manufact@statcan.ca). To enquire about the concepts, methods or data quality of this release, contact Dragos Ifrim (613-951-3527; dragos.ifrim@statcan.ca), Manufacturing, Construction and Energy Division.

Federal government includes the military.

² Provincial and territorial governments includes general government, universities and colleges and health and social services institutions.

³ Local government includes general government and school boards.

To preserve confidentiality, data for the territories and exterior of canada exclude government public enterprises.

NEW PRODUCTS

Canadian economic observer, Vol. 14, no. 9, September 2001

Catalogue number 11-010-XPB (\$23/\$227).

Livestock updates, Second quarter 2001 Catalogue number 23-603-UPE (\$45/\$149).

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

Catalogue numbers with an -XIB or an -XIE extension are Internet versions; those with -XMB or -XME are microfiche; -XPB or -XPE are paper versions; -XDB are electronic versions on diskette and -XCD are electronic versions on compact disc.

How to order products

Order products by phone:

Please refer to the • Title • Catalogue number • Volume number • Issue number • Your VISA or MasterCard number.

In Canada and the United States call:

From other countries call:

To fax your order:

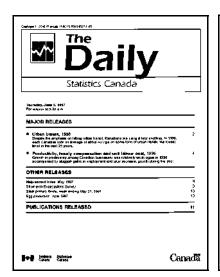
Address changes or account inquiries:

1-800-267-6677
1-613-951-7277
1-877-287-4369
1-800-700-1033

To order a product by mail write: Statistics Canada, Circulation Management, Dissemination Division, Ottawa, K1A 0T6. Include a cheque or money order payable to **Receiver General of Canada/Publications**. Canadian customers add 7% GST and applicable PST.

To order by Internet: write to *order@statcan.ca* or download an electronic version by accessing Statistics Canada's Web site (www.statcan.ca) under the headings Products and services and Fee publications (\$).

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



Statistics Canada's official release bulletin

Catalogue 11-001E

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

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

Editor: Tom Vradenburg (613-951-1103, tom.vradenburg@statcan.ca)
Head of Official Release: Madeleine Simard (613-951-1088), madeleine.simard@statcan.ca

Published by authority of the Minister responsible for Statistics Canada. © Minister of Industry, 2001. Citation in newsprint, magazine, radio, and television reporting is permitted subject to the requirement that Statistics Canada is acknowledged as the source. Any other reproduction is permitted subject to the requirement that Statistics Canada is acknowledged as the source on all copies as follows: Statistics Canada, *The Daily*, catalogue 11-001E, along with date and page references.