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# The Daily

## Statistics Canada

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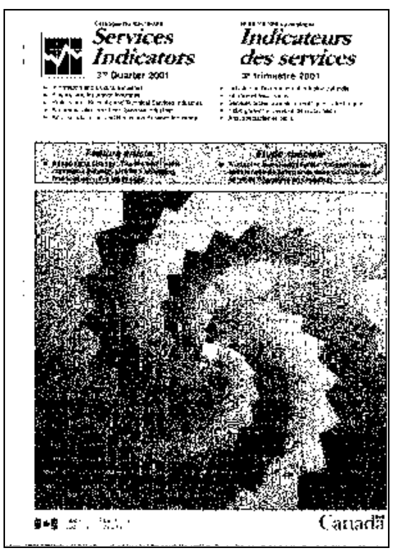
## MAJOR RELEASES



*(continued on page 2)*




### Services indicators

*Services indicators* is a quarterly publication that profiles the services industries. Each issue carries updated tables and charts based on output, finance, employment and remuneration data for various services industries over the most recent eight quarters.

This issue includes the feature article "Adapting to change: The life and health insurance industry amidst a changing financial services landscape," a statistical profile of this industry from 1988 to 1998. The article analyses trends in the context of the industry’s evolving regulatory environment, and compares the industry to deposit-accepting intermediaries. For more information, contact Mario Vella (613-951-1395; *mario.vella@statcan.ca*), Industrial Organization and Finance Division.

The third quarter 2001 issue of *Services indicators*, Volume 8, number 3 (63-016-XIB, $26/$87; 63-016-XPB, $35/$116) is now available. See *How to order products*.

For more information on *Services indicators*, contact Don Little (613-951-6739; *littdon@statcan.ca*), Services Industries Division.

## OTHER RELEASES



## NEW PRODUCTS

# MAJOR RELEASES

## Youth in Transition Survey
2000

Canada's high school dropout rate — the proportion of 20-year-olds that has not completed high school and is not working towards its completion — fell sharply throughout the 1990s, according to data from the Youth in Transition Survey.

In December 1999, the high school dropout rate stood at 12%, down one-third from an estimated 18% in 1991, the last time comparable data were collected.

The 12% national rate represents an estimated 48,400 men and women aged 20. Among 20-year-olds, the majority, 85%, had completed the requirements for secondary graduation, and a small fraction, 3%, was still working toward a high school diploma in December 1999.

The Youth in Transition Survey paints a statistical portrait of young people aged 18 to 20 at a critical juncture as they move from school into postsecondary education and the labour force. A comparison with the 1991 School Leavers Survey shows that the rate for men fell from 22% in 1991 to 15% as of December 1999. The rate for women declined from 14% to about 9%.

The rate fell in every province, and in most cases the decline was substantial. The largest reduction occurred in New Brunswick, where the rate fell from 20% to just under 8%. Saskatchewan had the lowest high school dropout rate in 1999, just over 7%.

### High school dropout rates for 20-year-olds
1991 and 1999

| Province when last in high school | School Leavers Survey 1991 | | | Youth in Transition Survey 1999 | | |
|---|---|---|---|---|---|---|
| | Total | Men | Women | Total | Men | Women |
| | % | | | | | |
| **Canada** | **18** | **22** | **14** | **12** | **15** | **9** |
| Newfoundland and Labrador | 24 | 29 | 19 | 11 | 15 | 6 |
| Prince Edward Island | 25 | 33 | 17 | 16 | 22 | 9 |
| Nova Scotia | 22 | 29 | 13 | 10 | 15 | 5 |
| New Brunswick | 20 | 23 | 16 | 8 | 12 | 4 |
| Quebec | 22 | 26 | 18 | 16 | 20 | 12 |
| Ontario | 17 | 22 | 10 | 10 | 11 | 8 |
| Manitoba | 19 | 20 | 18 | 15 | 16 | 14 |
| Saskatchewan | 16 | 16 | 16 | 7 | 10 | 5 |
| Alberta | 14 | 16 | 12 | 13 | 14 | 11 |
| British Columbia | 16 | 17 | 14 | 13 | 17 | 9 |

***Note:*** *The high school dropout rate is the percentage of 20-year-olds who have not completed high school and are no longer in school.*

A strength of Canada's secondary education system is that it affords a second chance to dropouts. The high school dropout rate was calculated for youth aged 20 to include those who were participating in the "second chance system" and, as a result, were continuing their education after the typical graduation age of 18 (17 in Quebec).

In future cycles, the Youth in Transition Survey will be able to identify what happens to the current dropouts. How many of them are able to obtain high school certification later? How many eventually pursue postsecondary education? How do they fare in the labour market compared with high school graduates?

The survey's findings are in line with other nationally representative data on high school dropout rates among the youth population. Data from the Labour Force Survey on a slightly older group of youth, those aged 20 to 24, show that the high school dropout rate fell from 16% in 1991 to 12% in 1999.

***Note to readers***

*This report provides the first results from the 18- to 20-year-old cohort of the Youth in Transition Survey, a new longitudinal survey undertaken jointly by Statistics Canada and Human Resources Development Canada.*

*The survey is designed to examine key transitions in the lives of young people as they move from high school to postsecondary education, and from schooling to the labour market. This release examines where youth (18 to 20 years old) stand in both their participation in education and attainment, as well as their labour market participation as of December 1999.*

*This report draws on data from the survey's first cycle, conducted from January to April 2000. More than 22,000 young people aged 18 to 20 in the 10 provinces participated. Further information from the survey will be released in May.*

*In addition to the survey of 18- to 20-year olds, the Youth in Transition Survey also collected information from a cohort of 15-year-olds in the spring of 2000. These youth were also involved in the Programme for International Student Assessment (PISA). Initial data from this cohort were released December 4, 2001 in* Measuring up: The performance of Canada's youth in reading, mathematics and science *(81-590-XIE).*

*Youth from both the 15-year-old and 18- to 20-year-old cohorts will be surveyed again in 2002, and asked about changes in their family situation, participation in education and labour market activity.*

*The* ***high school dropout rate*** *is the percentage of the population that has not completed high school and is not working toward its completion. This dropout rate is sometimes referred to as the high school leaver rate.*

*The* ***high school completion rate*** *is the percentage of the population that has already completed high school.*

*High school completion rates cannot be used to calculate dropout rates because they do not account for students who are still in high school. For example, according to the Youth in Transition Survey, 3% of 20-year-olds and 8% of 19-year-olds were still working toward their high school diploma in December 1999.*

## Poor academic performance only one reason for dropping out

Poor academic performance was only one characteristic of youth aged 18 to 20 who had dropped out of high school; the Youth in Transition Survey found that dropouts shared various qualities.

On average, high school dropouts had lower grades than graduates. Male dropouts, in particular, were more likely to have achieved low grades and to have repeated a grade in elementary school. Nevertheless, low grades were not the sole reason for dropping out; 47% of all leavers obtained a B average or better.

Compared with graduates, dropouts were less engaged in school, both academically and socially. They were less likely to have had close friends who pursued further education past high school, and were more likely to have engaged in such behaviours as skipping class, drinking alcohol regularly and using drugs frequently.

While school-related factors dominated as reasons for failing to complete high school, there were other contributing factors. For example, some young men reported that they just wanted to work; some young women cited pregnancy and child-rearing.

## Family background influences high school completion

Although the majority of both high school graduates and dropouts lived in a two-parent family during high school, a greater percentage of dropouts (32%) than graduates (16%) lived with a single parent. Dropouts were also three times as likely as graduates to have parents who had not finished high school (27% versus 9%).

Mothers and fathers of high school graduates were more likely than those of dropouts to work in management, business, finance, government, art, culture or science-related occupations. Such occupations generally require more education, and also typically provide greater economic rewards.

## Most youth pursue postsecondary education

While the proportion of youth who do not complete high school is of significant concern, especially in the context of growing social and economic demand for higher levels of education, it is encouraging that most youth chose to pursue some form of postsecondary education after high school.

Most youth aged 18 to 20 who had graduated from high school and a small proportion who had dropped out of high school had pursued some form of postsecondary education as of December 1999 (70% of graduates and 9% of dropouts).

Most youth aged 18 to 20 who were no longer in high school (52%) were enrolled in a postsecondary program at the time of the survey in 1999 — an estimated 544,000 young men and women. A small proportion, 4%, had graduated from postsecondary education and 6% had dropped out of their postsecondary program prior to completion and had not returned at the time of the survey.

**Educational attainment of 18- to 20-year-olds who were no longer in high school**
December 1999

| Province when last in high school | No postsecondary | Post-secondary continuing students | Post-secondary graduates | Post-secondary leavers |
|---|---|---|---|---|
| | % | | | |
| **Canada** | **38** | **52** | **4** | **6** |
| Newfoundland and Labrador | 33 | 54 | 4 | 8 |
| Prince Edward Island | 38 | 51 | 7 | 4 |
| Nova Scotia | 30 | 58 | 5 | 8 |
| New Brunswick | 37 | 50 | 7 | 5 |
| Quebec | 22 | 62 | 8 | 8 |
| Ontario | 45 | 49 | 2 | 4 |
| Manitoba | 45 | 44 | 5 | 6 |
| Saskatchewan | 43 | 46 | 5 | 6 |
| Alberta | 50 | 42 | 4 | 5 |
| British Columbia | 42 | 51 | 4 | 4 |

The proportion of youth aged 18 to 20 with some postsecondary experience was highest in Quebec (78%) and Nova Scotia (70%) in December 1999. Alberta (50%) and Manitoba and Ontario (both 55%) had the lowest rates of postsecondary participation.

Women were more likely than men to have pursued postsecondary education after high school—about 68% of women, compared with 57% of men.

## Nearly half of postsecondary participants attend college

Close to half of postsecondary participants attended a community college (or CEGEP in Quebec) in their first year. About one-third attended university, and the balance attended a range of other non-university postsecondary institutions such as technical, trade or vocational schools, university colleges or private business or training schools.

Students relied on a wide variety of funding sources during their first year. The most common source was earnings from employment. Compared with postsecondary graduates and postsecondary leavers, higher percentages of current postsecondary students also funded their studies with money from their parents or partner, from scholarships, awards or prizes, from personal savings and from government-sponsored student loans.

Participants in postsecondary education generally had positive attitudes and relationships during their first year. However, postsecondary leavers tended to be much less positive than "continuers" about their academic "fit." Many were unsure of what they wanted to do and were unhappy with their program. This was reflected in apparently counterproductive behaviours such as skipping classes and thinking about dropping out.

### Labour market activities of youth

For many youth, the labour market is an alternative to postsecondary education. Even among those who continue their studies after high school, many combine work and study.

Thirty-two percent of young people aged 18 to 20 who were no longer in high school were working full-time in December 1999, and another 41% were working part-time. Just over 26% did not have a job.

The proportion of youth who had a job was among the highest for those who had completed some form of postsecondary education. About 85% of them were working (63% full-time and 22% part-time). Similarly, 85% of high school graduates who were not pursuing postsecondary education had jobs (51% full-time and 34% part-time).

The majority of high school dropouts with no further education were working (59% full-time and 18% part-time). But this group was also the most likely to be without a job (23%).

Most postsecondary students combine work and study. Fifty-four percent worked part-time and 11% worked full-time.

*At a Crossroads: First results for the 18- to 20-year-old cohort of the Youth in Transition Survey* (81-591-XIE, free) is now available at (*www.statcan.ca*), (*www.pisa.gc.ca*) and (*www.hrdc-drhc.gc.ca/arb*). A paper version will be available in February. The full data set from the survey will be available in May.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services, (1-800-307-3382; 613-951-7608; fax: 613-951-9040; *educationstats@statcan.ca*), Centre for Education Statistics. ■

# OTHER RELEASES

## Services indicators

Third quarter 2001

The service-producing industries expanded their output in real terms by 0.3% in the third quarter, the lowest quarterly gross domestic product (GDP) growth rate for services in more than five years. Nevertheless, the services industries continued to outpace the goods industries. Goods output fell 2.0% from July to September, the fourth consecutive quarterly decline.

The services industries created 55,100 jobs in the third quarter. However, this was a very weak increase given the seasonal nature of many services industries, which usually expand their work forces far more sharply in the summer months. The third quarter's increase was the weakest third quarter services employment gain since at least 1987, when data for the current series were first gathered. In the third quarters from 1996 to 2000, the services industries created an average of 122,700 jobs.

The rate of services GDP growth had already slowed prior to the third quarter. However, the third quarter gain was further curtailed by substantial declines for travel-related industries, which were hit hard by the events of September 11. Air transportation output dropped 5.0%, and the accommodation services GDP fell 3.9%. Monthly GDP data released in November showed that, in September alone, output plunged 19.1% in air transportation and 10.9% in accommodation services. This was due to airport shutdowns, reduced air travel demand, and an unprecedented number of cancellations for hotel accommodations. In addition, the economic slowdown already under way before September 11 likely contributed to the third quarter declines in both industries, as each had already seen output contractions in the second quarter.

Other services also saw declines. Truck transportation output contracted 3.5%, mainly because of the slowdown in manufacturing. The automotive equipment rental and leasing industry's GDP fell 1.6%, and the retail trade sector (-0.9%) incurred its steepest decline in at least four years, primarily the result of a substantial September drop in retail sales.

Output declined 0.4% in the professional, scientific and technical services sector, normally one of the fastest-growing in the economy. It was the sector's first quarterly drop since the second quarter of 1996. The economic slowdown has forced budget-conscious businesses to cut back on some of the business services that they purchase. Advertising has been sharply diminished — the industry's GDP fell 2.6% in the third quarter and 5.6% over the first three quarters. In the third quarter, output also fell for architectural, engineering and related services (-1.3%) and computer systems design (-1.1%).

Among service industries expanding this quarter were: the pay-TV, specialty TV and program distribution industry (+5.3%), which continued to enjoy growing demand; arts, entertainment and recreation services (+2.6%) due to strong growth for performing arts, spectator sports and heritage institutions; and transit and ground passenger transportation (+2.2%), largely because fewer travellers were willing or able to fly and public transit in Vancouver resumed following a second-quarter strike.

Consumers played a role in boosting services output in the third quarter. Personal expenditures on services rose 1.2% in nominal terms. Services prices were virtually unchanged — the spending increase in the third quarter largely resulted from a greater volume of services being consumed.

This consumer-induced growth was somewhat offset by a sharp 5.2% decline in Canada's services exports in the third quarter. Imports of services fell 4.2%. While some of the downturn in services trade was due to the events of September 11, some may have been due to the weakening of the overall economy that was already under way. Services imports and exports had already declined 3.4% and 0.5%, respectively, in the second quarter.

The third quarter 2001 edition of *Services indicators* (63-016-XIB, $26/$87; 63-016-XPB, $35/$116) is now available. See *How to order products*.

This issue includes the feature article "Adapting to change: The life and health insurance industry amidst a changing financial services landscape," which presents a general statistical profile of the life and health insurance industry from 1988 to 1998. Trends are presented in view of the industry's evolving regulatory environment, and aggregate comparisons of this industry are made to the deposit-accepting intermediaries industry. For more information about this article, contact Mario Vella (613-951-1395; *mario.vella@statcan.ca*), Industrial Organization and Finance Division.

For more information on *Services indicators*, or to enquire about the concepts, methods or data quality of this release, contact Don Little (613-951-6739; *littdon@statcan.ca*), Services Industries Division. ■

## Deliveries of major grains
December 2001

Data on December grain deliveries are now available.

**Available on CANSIM: table 001-0001**

The December 2001 issue of the *Cereals and oilseeds review* (22-007-XIB, $11/$112; 22-007-XPB, $15/$149) will be available in March. See *How to order products*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Susan Anderson (613-951-3859; *sue.anderson@statcan.ca*), Agriculture Division. ■

## Mineral wool including fibrous glass insulation
December 2001

Manufacturers shipped 2 207 184 square metres of R12 factor (RSI 2.1) mineral wool batts in December, down 35.4% from 3 415 424 square metres in November and down 0.4% from 2 215 863 square metres in December 2000.

Year-to-date shipments to the end of December totalled 32 322 596 square metres, an 8.3% increase from the same period in 2000.

**Available on CANSIM: table 303-0004.**

The December 2001 issue of *Mineral wool including fibrous glass insulation*, Vol. 53, no. 12 (44-004-XIB, $5/$47) is now available. See *How to order products*.

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 Yasmin Sheikh (613-951-2518; *sheiyas@statcan.ca*), Manufacturing, Construction and Energy Division. ■

# NEW PRODUCTS

**Mineral wool including fibrous glass insulation**, Vol. 53, no. 12, December 2001
**Catalogue number 44-004-XIB** ($5/$47).

**Refined petroleum products**, Vol. 56, no. 8, August 2001
**Catalogue number 45-004-XIB** ($16/$155).

**Refined petroleum products**, Vol. 56, no. 8, August 2001
**Catalogue number 45-004-XPB** ($21/$206).

**Services indicators**, Vol. 8, no. 3, third quarter 2001
**Catalogue number 63-016-XIB** ($26/$87).

**Services indicators**, Vol. 8, no. 3, third quarter 2001
**Catalogue number 63-016-XPB** ($35/$116).

**At a crossroads: First results of the 18- to 20-year-old cohort of the Youth in Transition Survey**, 2000
**Catalogue number 81-591-XIE**
(free).

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

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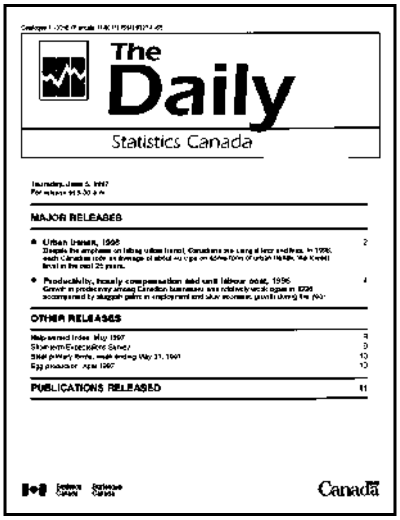
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