



The Daily

Statistics Canada

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MAJOR RELEASES

There are no major releases today.

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OTHER RELEASES

Shipments of solid fuel-burning heating products

Fourth quarter 2001

Shipments of solid fuel-burning heating products totalled \$43.7 million in the fourth quarter of 2001, up 70.4% from \$25.7 million during the fourth quarter of 2000.

The quantities for these shipments are also available.

The fourth quarter 2001 issue of *Shipments of solid fuel-burning heating products*, Vol. 20, no. 4 (25-002-XIB, \$6/\$19) 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 David Routliffe (613-951-4925; david.routliffe@statcan.ca), Manufacturing, Construction and Energy Division. ■

Production of poultry and eggs

December 2001 (preliminary)

Egg production was estimated at 49.8 million dozen in December, up 5.8% from December 2000.

Poultry production was 73 million kilograms in December, up 9.2% from December 2000.

Available on CANSIM: tables 003-0022, 003-0038 and 003-0039.

The December 2001 issue of *Production of eggs* (23-003-XIB, free) will be available soon on Statistics Canada's Web site (www.statcan.ca). From the *Our products and services* page, choose *Free publications*, then *Agriculture*.

For more information, or to enquire about the concepts, methods or data quality for this release, contact Sandy Gielfeldt (613-951-2505; sandy.gielfeldt@statcan.ca) or Rita Athwal (613-951-5022; rita.athwal@statcan.ca), Agriculture Division. ■

Light bulbs and tubes

December 2001

Light bulb and tube manufacturers sold 24.9 million light bulbs and tubes in December, up 7.7% from 23.1 million in December 2000.

Year-to-date sales at the end of December totalled \$375.1 million, an increase of 0.4% from \$373.6 million in the same period of 2000.

The December 2001 issue of *Electric lamps, light bulbs and tubes*, Vol. 30, no. 12 (43-009-XIB, \$5/\$47) is now available. See *How to order products*. This is the last issue; the product has been discontinued.

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 Gregory Sannes (613-951-7205; sanngre@statcan.ca), Manufacturing, Construction and Energy Division. ■

Changes in the diversification of Canadian manufacturing firms and plants

1973 to 1997

The research paper *Changes in the diversification of Canadian manufacturing firms 1973–1997: A move to specialization*, available today, assesses changes since the early 1970s in diversification of firms and plants in the Canadian manufacturing sector. It finds that there has been a general increase in specialization of both firms and plants.

Substantial changes in trade liberalization have occurred as a result of the implementation of the Free Trade Agreement (FTA) between Canada and the United States in the late 1980s and the North American Free Trade Agreement between Canada, Mexico and the United States in the early 1990s.

It was predicted that these changes would have two important consequences. First, export and import intensity would increase as Canadian markets became increasingly oriented to the North American marketplace. Second, access to larger markets would permit Canadian firms to rationalize their operations to better exploit the advantages of larger plants and longer product runs.

Trade liberalization has been associated with an increase in trade. Since the early 1990s, exports as a percentage of gross domestic product has climbed sharply. But there is less evidence supporting the theory that trade liberalization facilitates growth in plant size.

Average plant size in manufacturing fell, not rose, in the majority of Canadian manufacturing industries during the 15 years up to 1997.

This research paper investigates whether structural adjustments to trade liberalization have occurred not so much in the area of plant size but rather in the length of the production run. To do so, it examines changes in plant specialization in the Canadian manufacturing sector over 25 years, from 1973 to 1997. Plant specialization increases when plants produce a smaller number of commodities. For a given volume of sales, plants with fewer commodities have longer production runs and can more fully exploit product-line economies.

The paper finds that plant specialization grew over the period of study. More importantly, a discontinuous break occurred in the index of specialization around the time of the implementation of the FTA in the late 1980s, when product-line specialization rose dramatically. This increase continued well into the 1990s.

These changes in specialization have been closely associated with changing trade patterns. Plants that raised their export intensity boosted their product-level specialization the most. Moreover, foreign-owned plants increased their specialization more than did Canadian-owned plants. Foreign-owned plants, especially those with low export intensity, were more diversified before the FTA, and responded more to trade liberalization than did domestic-owned plants.

The paper also investigates changes in the extent to which firms diversify across industries within the manufacturing sector. Industry diversification takes advantage of synergies across industries or exploits firm-level economies of scale. Canadian manufacturing firms are found to have reduced their level of industry diversification over the entire time period. Firms tended to decrease the extent to which they diversified across unrelated major manufacturing groups, such as food and steel, more than they did across detailed industries, such as meat and poultry (within food processing). The trend to specialization in fewer industries has been more or less continuous, and reflects the gradual increase in the size of the market that Canadian firms serve. More recently, it has also been accompanied by a reduction in the number of plants operated per multi-plant firm.

The research paper *Changes in the diversification of Canadian manufacturing firms (1973–1997): A move to specialization*, no. 179 (11F0019MIE, free) is now available on Statistics Canada's Web site (www.statcan.ca). From the *Our products and services* page, choose *Research papers (free)*, then *Social conditions*.

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

NEW PRODUCTS

Changes in the diversification of Canadian manufacturing firms (1973–1997): A move to specialization, no. 179
Catalogue number 11F0019MIE
(free).

Cereals and oilseeds review, Vol. 24, no. 11, November 2001
Catalogue number 22-007-XIB (\$11/\$112).

Cereals and oilseeds review, Vol. 24, no. 11, November 2001
Catalogue number 22-007-XPB (\$15/\$149).

Shipments of solid fuel-burning heating products, Vol. 20, no. 4, fourth quarter 2001
Catalogue number 25-002-XIB (\$6/\$19).

Electric lamps, light bulbs and tubes, Vol. 30, no. 12, December 2001
Catalogue number 43-009-XIB (\$5/\$47).

Canadian Vehicle Survey, second quarter 2001
Catalogue number 53F0004XIE
(free).

Exports by commodity, Vol. 58, no. 11, November 2001
Catalogue number 65-004-XMB (\$37/\$361).

Exports by commodity, Vol. 58, no. 11, November 2001
Catalogue number 65-004-XPB (\$78/\$773).

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.

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Editor: Tom Vradenburg (613-951-1103, tom.vradenburg@statcan.ca)

Head of Official Release: Madeleine Simard (613-951-1088), madeleine.simard@statcan.ca

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