



# The Daily

Statistics Canada

**Friday, May 24, 2002**

Released at 8:30 am Eastern time

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## MAJOR RELEASES

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There are no major releases today.

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## OTHER RELEASES

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Mineral wool including fibrous glass insulation, April 2002	2
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## NEW PRODUCTS

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## RELEASE DATES: May 27 to 31

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## OTHER RELEASES

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### **Steel primary forms**

Week-ending May 18, 2002 (preliminary)

Steel primary forms production for the week-ending May 18 totaled 311 994 metric tonnes, up 1.3% from 308 085 tonnes a week earlier and down 0.2% from 312 775 tonnes in the same week of 2001. The year-to-date total at the end of the reference week was 6 136 497 tonnes, a 10.5% increase compared with 5 551 648 for the same period in 2001.

For general information or to order data, contact the Dissemination Officer (1-866-873-8789; 613-951-9497; [manufact@statcan.ca](mailto: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](mailto:dragos.ifrim@statcan.ca)), Manufacturing, Construction and Energy Division. ■

### **Mineral wool including fibrous glass insulation**

April 2002

Manufacturers shipped 3 053 536 square metres of R12 factor (RSI 2.1) mineral wool batts in April, up 40.1% from 2 179 304 square metres in March and up 14.5% from 2 667 622 square metres in April 2001.

Year-to-date shipments to the end of April totalled 10 066 048 square metres, a 0.5% increase from the same period in 2001.

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

The April 2002 issue of *Mineral wool including fibrous glass insulation* Vol. 54, no. 4 (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](mailto:manufact@statcan.ca)). To enquire about the concepts, methods or data quality of this release, contact Yasmin Sheikh (613-951-2518; [sheiyas@statcan.ca](mailto:sheiyas@statcan.ca)), Manufacturing, Construction and Energy Division. ■

### **Legal aid**

2000/01

Both legal aid spending and the demand for legal aid services grew in the fiscal year 2000/01.

Total spending on Canada's legal aid plans increased for only the second time in five years as both the number of applications and approvals rose.

Total legal aid expenditures at the national level reached just over \$512 million dollars in 2000/01, up 5% from 1999/2000 (current dollars). But spending was still well below the most recent high of \$536 million in 1996/97.

On a per capita basis, spending varied from a low of \$5 in Prince Edward Island and New Brunswick to a high of \$104 in Nunavut. The three territories had the highest spending per capita.

Legal aid plans received 839,000 applications for assistance in 2000/01, up 1% from 1999/2000. The number of approved legal aid applications increased 3% to 518,000. However, this was 32% below the peak in 1992/93. Ontario recorded a 13% increase in approved legal aid applications, the highest among the provinces.

Civil cases accounted for more than half (55%) of direct national legal expenditures, while the remaining 45% was spent on criminal cases.

Governments continue to be the major source of revenue for legal aid plans. They contributed \$462 million in 2000/01, or 87% of total revenues of \$529 million. The remainder came from client contributions and cost recoveries (3%), legal profession contributions (1%), and other sources (9%).

The annual reports, *Legal aid in Canada: Resource and caseload statistics, 2000/01* (85F0015XIE, \$20) and *Legal aid in Canada: Description of operations, March 2001* (85-217-XIB, \$30), and the new shelf table product *Legal aid in Canada: Resource and caseload data tables, 2000/01* (85F0028XIE, \$24) are now available. These products provide data on revenues, expenditures, caseload and personnel involved in delivering legal aid services in Canada. See *How to order products*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the Canadian Centre for Justice Statistics (1-800-387-2231; 613-951-9023). ■

### **Financing innovation in successful small firms**

Certain financial strategies are more advantageous than others for small firms when it comes to supporting

their investments in research and development and innovation, according to a new study that profiles the use that small business makes of different financial instruments.

The study showed that small firms that use more long-term debt channel fewer of their investment resources into research and development, which are investments strongly related to growth and innovation. More debt-intensive financial structures act to constrain such investments.

The businesses this study profiles are "successful entrants", the elite 20% of new businesses that have survived their first decade of life. These firms come from many different sectors of the economy, representing a broad range of goods and service industries.

For the small firms examined in this study, the impact of increasing debt financing on the innovation process works by reducing research and development. When the study took into account differences in the research and development profiles of small firms, it found little evidence that different financial strategies affected the likelihood that a firm would introduce new products or services.

Small businesses face a more uncertain competitive environment than larger firms, evidenced by more variable rates of return and higher rates of failure. Firms that operate in riskier, innovative environments can be expected to face higher costs of external finance, which may lead many to rely more extensively on internal funds.

This study does not show that small firms are debt-constrained or equity-constrained. Small firms in high-knowledge industries may use more equity because debt is harder to obtain. Alternatively, they may use more equity because they prefer equity over debt.

But it does suggest that the type of financing has some bearing on the firm's tendency to invest in research and development. Firms that use more

long-term debt channel fewer of their investment resources into research and development.

Data for this study came from the 1996 Survey of Operating and Financing Practices, which collected data on the business strategies and financial characteristics of successful small firms.

The study found that small firms rely heavily on equity financing. On average, nearly one half (47%) of small-firm financing comes from equity sources. More than 80% of this equity financing is retained earnings.

Traditional debt financing is the next major source of capital for small firms. On balance, 35% of the balance sheet is in the form of debt financing. More innovative sources of capital, such as venture capital, joint ventures and public equity markets, represent only small additions to the average balance sheet.

On average, small firms do not exhibit diversified financial structures. They rely on small numbers of instruments and sources of funding when financing their activities.

Differences in small-firm balance sheets are most apparent when comparing high-knowledge industries to low-knowledge industries. Small businesses in high-knowledge industries — those that place more emphasis on research and development and skilled workers — are far more equity-intensive than firms in low-knowledge industries. Debt financing plays a greater role outside the high-knowledge sector.

*Financing innovation in new small firms: New evidence from Canada*, no. 190, (11F0019MIE, free) is now available on Statistics Canada's Web site ([www.statcan.ca](http://www.statcan.ca)). On 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) or Guy Gellatly (613-951-3758), Micro-economic Analysis Division. ■

## NEW PRODUCTS

**Infomat — A weekly review**, May 24, 2002  
**Catalogue number 11-002-XIE** (\$3/\$109).

**Infomat — A weekly review**, May 24, 2002  
**Catalogue number 11-002-XPE** (\$4/\$145).

**Financing innovation in new small firms:  
New evidence from Canada**  
**Catalogue number 11F0019MIE2002190**  
(free).

**Mineral wool including fibrous glass insulation**,  
April 2002, Vol. 54, no. 4  
**Catalogue number 44-004-XIB** (\$5/\$47).

**Retail trade**, March 2002, Vol. 74, no. 3  
**Catalogue number 63-005-XIB** (\$16/\$155).

**Canadian international merchandise trade**,  
March 2002, Vol. 56, no. 3  
**Catalogue number 65-001-XIB** (\$14/\$141).

**Canadian international merchandise trade**,  
March 2002, Vol. 56, no. 3  
**Catalogue number 65-001-XPB** (\$19/\$188).

**Legal aid in Canada: Resources and caseload  
statistics**, 2000-2001  
**Catalogue number 85F0015XIE** (\$20).

**Legal aid in Canada: Resource and caseload data  
tables**, 2000-2001  
**Catalogue number 85F0028XIE** (\$24).

**Legal aid in Canada: Description of operations**,  
March 2001  
**Catalogue number 85-217-XIB** (\$30).

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

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electronic versions on diskette and -XCB are electronic  
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Catalogue 11-001E (F) English 11-001E/11-001E-001E-001E	
 <b>The Daily</b>	
Statistics Canada	
Thursday, June 5, 1997 For release at 9:30 a.m.	
<b>MAJOR RELEASES</b>	
• <b>Urban transit, 1995</b> Despite the emphasis on taking urban transit, Canadians are using it less and less. In 1995, each Canadian took an average of about 25 trips on some form of urban transit, the lowest level in the past 25 years.	2
• <b>Productivity, hourly compensation and unit labour cost, 1995</b> Growth in productivity among Canadian businesses also noticeably weak again in 1995 accompanied by sluggish gains in employment and slow economic growth during the year.	4
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## Statistics Canada's official release bulletin

Catalogue 11-001E.

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**RELEASE DATES: MAY 27 TO 31**

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(Release dates are subject to change.)

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<b>Release date</b>	<b>Title</b>	<b>Reference period</b>
27	<b>Government expenditures on culture</b>	1999/2000
28	<b>Farm cash receipts</b>	First quarter 2002
28	<b>Net farm income</b>	2001
29	<b>Employment Insurance</b>	March 2002
29	<b>Characteristics of international travellers</b>	Fourth quarter 2001
29	<b>International travel account</b>	First quarter 2002
30	<b>Industrial Product Price and Raw Materials Price Indexes</b>	April 2002
30	<b>Employment, earnings and hours</b>	March 2002
31	<b>Gross domestic product by industry</b>	March 2002
31	<b>National economic and financial accounts</b>	First quarter 2002
31	<b>Balance of international payments</b>	First quarter 2002

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