



# The Daily

## Statistics Canada

**Monday, December 20, 2004**

Released at 8:30 a.m. Eastern time

### Major releases

- **Wholesale trade, October 2004** 3  
Wholesale sales rose slightly in October (+0.2%), after a steep drop in September (-1.8%). However, inventories rose sharply for a second consecutive month (+1.1%).
- **Productivity growth by industry, 1997 to 2003** 7  
Despite a difficult economic environment since 2000, labour productivity growth from 2000 to 2003 was similar on average to its performance over the last business cycle (1988 to 2000) and it represented the main source of growth of real GDP per capita. Services industries have generated the bulk of these productivity gains.

(continued on page 2)

### Perspectives on Labour and Income

Winter 2004

The Winter 2004 edition of *Perspectives on Labour and Income* contains six articles.

"The sandwich generation" looks at the growing group of individuals caught between the often conflicting demands of caring for children and caring for seniors. "Wealth inequality by province" examines some aspects of wealth distribution that are relatively consistent across the country and others that are more specific to certain provinces and families. "Low-paid workers: How many live in low-income families?" shows that while some low-paid workers are at risk of living in low-income families (recent immigrants, lone mothers, and unattached individuals), others are not (young people living with parents, or spouses who are secondary earners). "Retaining older workers" examines the role of incentives, such as eliminating mandatory retirement or offering part-time work, in encouraging older workers to remain on the job. "Employment trends in nursing" traces employment trends between 1987 and 2003 for registered nurses, licensed practical nurses, and nurse aides and orderlies. Finally, "2002 income: An overview" takes a brief look at family incomes in 2002 and notes changes since 1980.

All these articles have appeared previously in online editions of *Perspectives*. Also included is a Key Labour section featuring an update on self-employed couples as well as a comparison of income estimates across programs at Statistics Canada. "What's New?" highlights recent studies of interest from Statistics Canada and other organizations. A cumulative subject index of articles (1989 to 2004) also appears in this issue.

The Winter 2004 issue of *Perspectives on Labour and Income*, Vol. 16, no. 4 (75-001-XPE, \$20/\$63) is now available. See *How to order products*. For more information, contact Henry Pold (613-951-4608; [henry.pold@statcan.ca](mailto:henry.pold@statcan.ca)), Labour and Household Surveys Analysis Division.



Statistics  
Canada

Statistique  
Canada

Canada

---

## **Other releases**

---

Finances of the federal, provincial and territorial government business enterprises, fiscal year ended nearest to December 31, 2003 (federal enterprises) and December 31, 2002 (provincial and territorial enterprises)	10
Employer pension plans (trusteed pension funds), second quarter 2004	11
Steel primary forms, weekly data, week ending December 11, 2004	11
Steel pipe and tubing, October 2004	11

---

## **New products**

---

## Major releases

### Wholesale trade

October 2004

Wholesale sales rose slightly in October (+0.2%), after a steep drop in September (-1.8%). Wholesalers sold goods and services worth \$37.7 billion in October. The weakness in wholesale sales in the past two months coincided with the slowing down of international trade and the manufacturing sector.

In October, sales grew in only two of the seven wholesale sectors: the "other products" sector (+5.8%), which includes chemical products and other allied products; and building materials (+2.7%). The strongest decrease was for wholesalers of machinery and electronic equipment (-1.6%).

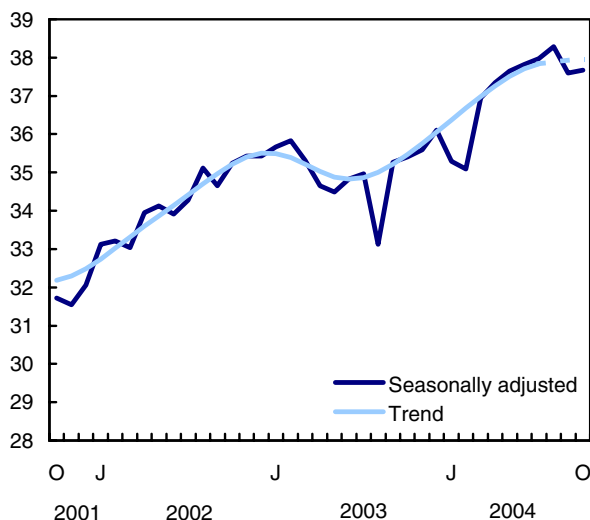
Total wholesale sales have generally been rising since October 2003. Prior to this, sales had experienced a period of decline starting in March 2003.

Cumulative sales for the first 10 months of the year were up 6.3% compared with 2003. This was a marked improvement compared with the same period in 2003, when wholesale sales were up only 2.6%.

In constant dollars, wholesale sales registered a 0.5% increase in October.

#### Wholesale sales did not recover from the loss in September

\$ billions



### Decreased investment in machinery and electronic equipment

Two of the three trade groups in the machinery and electronic equipment sector reported lower sales in October. Hardest hit were wholesalers of office and professional equipment (-5.0%).

Wholesalers of machinery and equipment reported a 1.6% drop, which partially cancelled out September's gain (+4.4%). Since September 2003, this group has seen its sales explode. This was partly due to the appreciation of the Canadian dollar, which has made these largely imported products less costly for Canadian purchasers.

### Sales in the "other products" sector make up some lost ground

After a steep 7.6% drop in September, sales of "other products" advanced 5.8% in October. This increase was attributable to strong advances for agricultural products such as seed and fertilizer, as well as chemical products and other agricultural supplies, which account for roughly one-quarter of this sector.

Since September 2003, sales in the "other products" sector have generally been rising, buoyed by an increase in the prices of some of its components, including agricultural chemical products and recycled metals. The prices of these goods are dictated by the world market, in which China has an ever growing influence.

### Construction boom continues to boost sales of building materials

Wholesalers of metal products posted their 8<sup>th</sup> increase in the past 10 months (+4.4%). Since the start of the year, sales in this group have surged 33.1% compared with the same period in 2003. Much of this strong growth was due to important price increases for some products since the start of the year.

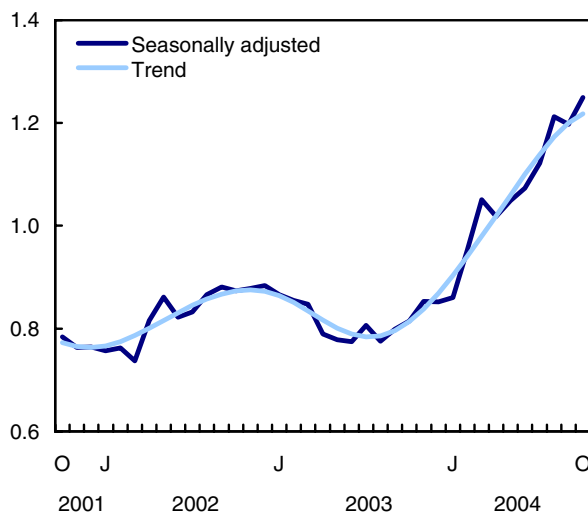
Wholesalers of lumber and millwork reported a 5.0% increase in October. Like metal products, this group has benefited from rising prices, which enabled it to partially offset the appreciation of the Canadian dollar. Compared with last year, exports of lumber and millwork have grown substantially, benefiting wholesalers who account for roughly one-quarter of the exports of these products. Also, very attractive mortgage rates and job growth have had a positive effect on investment in residential construction.

Sales of building supplies rose 1.2% in October. Since the start of the year, this group has posted an 11.2% increase in sales compared with the same

period in 2003. This group is dependent on the renovation market which experienced very strong growth during the first three quarters (+14%).

#### Since the start of the year, wholesale sales of metal products have skyrocketed

\$ billions



#### Half of the provinces show increases

As in the previous month, Ontario wholesalers saw a drop in their sales (-0.9%), which was partly attributable to the automotive sector and the machinery and equipment sector. The lack of sales in Ontario was offset in part by increases in British Columbia (+2.5%) and Alberta (+2.4%). Both of these provinces have registered strong growth since October 2003.

Wholesalers in Newfoundland and Labrador recorded their first sales increase in fourth months (+8.6%). Growth was observed in numerous trade groups; including food products, machinery and equipment and the "other products" category. Nevertheless, sales for the first 10 months of the year remained unchanged compared with 2003 (+0.5%). The solid performance in some groups, such as motor vehicles and building materials, was offset by weak sales in food products and office and professional equipment.

Wholesalers in Manitoba experienced a second decline in October (-3.2%). The drop was mainly attributable to machinery and equipment and to farm products. These two groups are responsible for approximately 15% of wholesale sales in the province. Manitoba's wholesale sales have generally been rising

since October 2003 but have begun to show signs of weakness in recent months.

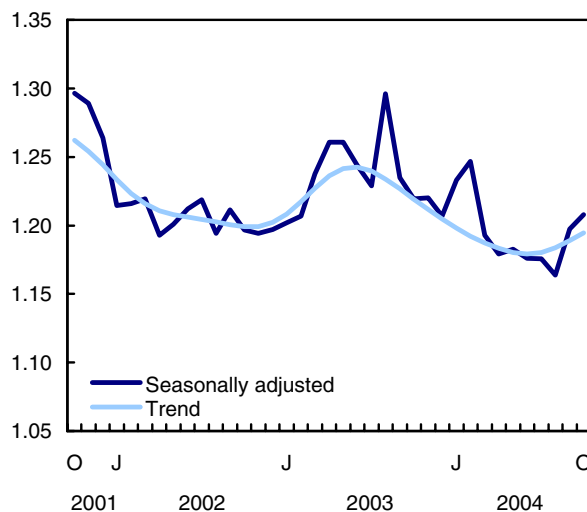
#### Inventories up sharply for a second consecutive month

Inventories rose again in October (+1.1%), following a similar rise in September. Unlike September, the October increase in inventories was widespread, with gains registered in 11 of the 15 trade groups. The trend in total inventories has generally been upward since November 2003, following a five-month period when wholesalers reduced their inventories.

The increase in inventories, combined with the weakness in sales, caused the inventory-to-sales ratio to rise from 1.20 in September to 1.21 in October. This is the highest level in the past eight months. Even so, the inventory-to-sales ratio remains relatively low by historical standards. Since October 2003, the ratio has followed a slight downward trend after a period of increases that began in December 2002.

#### Despite the increase, the inventory-to-sales ratio remains historically low

Ratio



Available on CANSIM: tables 081-0007 to 081-0010.

Definitions, data sources and methods: survey number 2401.

The October 2004 issue of *Wholesale Trade* (63-008-XIE, \$15/\$150) will soon be available.

Wholesale trade estimates for November 2004 will be released on January 21, 2005.

For data or general information, contact Client Services (1-877-421-3067; 613-951-3549;

[wholesaleinfo@statcan.ca](mailto:wholesaleinfo@statcan.ca)). To enquire about the concepts, methods or data quality of this release, contact Jean Lebreux (613-951-4907; [jean.lebreux@statcan.ca](mailto:jean.lebreux@statcan.ca)), Distributive Trades Division.

## Wholesale merchants' sales

	October 2003	July 2004 <sup>r</sup>	August 2004 <sup>r</sup>	September 2004 <sup>r</sup>	October 2004 <sup>p</sup>	September 2004 to October 2004	October 2003 to October 2004
seasonally adjusted							
	\$ millions					% change	
<b>Total, wholesale sales</b>	<b>35,399</b>	<b>37,977</b>	<b>38,282</b>	<b>37,598</b>	<b>37,670</b>	<b>0.2</b>	<b>6.4</b>
<b>Farm products</b>	<b>399</b>	<b>400</b>	<b>456</b>	<b>455</b>	<b>450</b>	<b>-1.2</b>	<b>12.7</b>
<b>Food, beverages and tobacco products</b>	<b>7,053</b>	<b>7,371</b>	<b>7,191</b>	<b>7,148</b>	<b>7,048</b>	<b>-1.4</b>	<b>-0.1</b>
Food products	6,409	6,689	6,537	6,479	6,390	-1.4	-0.3
Alcohol and tobacco	644	683	654	669	658	-1.6	2.1
<b>Personal and household goods</b>	<b>4,961</b>	<b>5,201</b>	<b>5,102</b>	<b>5,202</b>	<b>5,157</b>	<b>-0.9</b>	<b>4.0</b>
Apparel	735	691	682	705	699	-0.8	-4.9
Household and personal products	2,149	2,362	2,309	2,326	2,183	-6.1	1.6
Pharmaceuticals	2,076	2,148	2,112	2,171	2,275	4.8	9.6
<b>Automotive products</b>	<b>7,281</b>	<b>7,618</b>	<b>7,672</b>	<b>7,323</b>	<b>7,288</b>	<b>-0.5</b>	<b>0.1</b>
Motor vehicles	5,881	6,110	6,131	5,854	5,846	-0.1	-0.6
Motor vehicle parts and accessories	1,400	1,509	1,541	1,470	1,442	-1.9	3.0
<b>Building materials</b>	<b>4,460</b>	<b>5,225</b>	<b>5,252</b>	<b>5,221</b>	<b>5,362</b>	<b>2.7</b>	<b>20.2</b>
Building supplies	2,680	2,921	2,901	2,919	2,953	1.2	10.2
Metal products	815	1,122	1,213	1,198	1,250	4.4	53.4
Lumber and millwork	965	1,183	1,139	1,104	1,159	5.0	20.1
<b>Machinery and electronic equipment</b>	<b>7,095</b>	<b>7,716</b>	<b>8,018</b>	<b>8,006</b>	<b>7,876</b>	<b>-1.6</b>	<b>11.0</b>
Machinery and equipment	2,946	3,348	3,379	3,529	3,471	-1.6	17.8
Computer and other electronic equipment	2,554	2,692	2,893	2,665	2,683	0.7	5.1
Office and professional equipment	1,595	1,676	1,746	1,812	1,722	-5.0	8.0
<b>Other products</b>	<b>4,150</b>	<b>4,445</b>	<b>4,590</b>	<b>4,243</b>	<b>4,488</b>	<b>5.8</b>	<b>8.1</b>
<b>Sales, province and territory</b>							
Newfoundland and Labrador	214	209	202	188	204	8.6	-4.4
Prince Edward Island	51	50	49	49	49	-1.1	-4.8
Nova Scotia	549	505	515	504	509	0.9	-7.4
New Brunswick	459	430	444	452	442	-2.2	-3.6
Quebec	6,762	7,481	7,336	7,374	7,461	1.2	10.3
Ontario	18,598	19,743	19,963	19,310	19,139	-0.9	2.9
Manitoba	876	938	980	937	907	-3.2	3.6
Saskatchewan	976	988	1,019	1,064	1,050	-1.3	7.6
Alberta	3,569	3,843	3,961	3,952	4,048	2.4	13.4
British Columbia	3,320	3,768	3,788	3,741	3,834	2.5	15.5
Yukon	7	7	7	7	7	-3.3	-8.1
Northwest Territories	17	13	16	15	17	13.5	3.3
Nunavut	1	1	2	5	3	-42.1	92.1

<sup>r</sup> Revised figures.

<sup>p</sup> Preliminary figures.

## Wholesale merchants' inventories and inventory-to-sales ratio

	October 2003	July 2004 <sup>r</sup>	August 2004 <sup>r</sup>	September 2004 <sup>r</sup>	October 2004 <sup>p</sup>	Septem- ber to October 2004	October 2003 to October 2004	September 2004 <sup>r</sup>	October 2004 <sup>p</sup>
	Wholesale inventories					Inventory-to-sales ratio			
	seasonally adjusted								
	\$ millions					% change			
<b>Inventories</b>	<b>43,166</b>	<b>44,652</b>	<b>44,545</b>	<b>45,016</b>	<b>45,503</b>	<b>1.1</b>	<b>5.4</b>	<b>1.20</b>	<b>1.21</b>
Farm products	98	152	156	168	166	-1.2	69.7	0.37	0.37
Food products	4,778	4,377	4,391	4,336	4,329	-0.2	-9.4	0.67	0.68
Alcohol and tobacco	280	290	296	321	332	3.4	18.5	0.48	0.50
Apparel	1,456	1,432	1,432	1,431	1,443	0.8	-0.9	2.03	2.06
Household and personal products	3,170	3,439	3,346	3,279	3,304	0.8	4.2	1.41	1.51
Pharmaceuticals	2,303	2,587	2,635	2,670	2,684	0.5	16.6	1.23	1.18
Motor vehicles	4,116	4,002	3,850	4,145	4,115	-0.7	0.0	0.71	0.70
Motor vehicle parts and accessories	2,935	3,305	3,204	3,053	3,164	3.6	7.8	2.08	2.19
Building supplies	4,349	4,356	4,273	4,349	4,399	1.2	1.1	1.49	1.49
Metal products	1,462	2,115	2,087	2,216	2,343	5.7	60.3	1.85	1.87
Lumber and millwork	842	1,138	1,121	1,092	1,149	5.2	36.4	0.99	0.99
Machinery and equipment	8,136	8,308	8,361	8,496	8,463	-0.4	4.0	2.41	2.44
Computer and other electronic equipment	1,570	1,426	1,379	1,414	1,399	-1.0	-10.9	0.53	0.52
Office and professional equipment	2,385	2,551	2,509	2,402	2,487	3.5	4.3	1.33	1.44
Other products	5,286	5,173	5,505	5,645	5,726	1.4	8.3	1.33	1.28

<sup>R</sup> Revised figures.

<sup>P</sup> Preliminary figures.

■

## Productivity growth by industry

1997 to 2003

Despite a slowdown in economic activity since 2000, productivity growth of Canadian businesses grew 1.5% annually during the 2000 to 2003 period. Although less rapid than the 2.8% advance during the 1997 to 2000 period, this performance is comparable with the 1.6% average posted during the last business cycle from 1988 to 2000.

From 2000 to 2003, a period that was characterized by an economic slowdown, several industries such as manufacturing, agriculture and mining extraction and oil and gas experienced a productivity slowdown compared with their performance during 1997 to 2000, a period marked by rapid economic growth. In contrast, service industries such as wholesale, retail, transportation, information and financial services and real estate have generated the bulk of the business sector productivity gains during the 2000 to 2003 period.

### Productivity has generated economic growth of Canadian industries

Productivity is a notion that is more meaningful when measured over the long run. Changes from one year to another often reflect the effect of unexpected random macroeconomic shocks, such as the burst of the technological bubble and the dollar rally, rather than only the efficient use of resources.

Over the entire 1997 to 2003 period, information, professional services, wholesale and retail, all of which are services, have posted the most rapid economic growth of the business sector. Other important sectors, such as manufacturing, mining and transportation, have experienced relatively more moderate economic growth.

Economic growth is driven by increased hours at work and labour productivity gains. It is important to quantify which of these two factors has contributed the most to economic growth.

During this period, industries that have experienced the most rapid economic growth are also those with the highest productivity gains. These industries are in the services sector and account for a large part of the Canadian business sector. This result holds true not only for the 1997 to 2000 period of rapid economic growth but also during the economic slowdown environment that took place between 2000 and 2003. Not only have these industries in the services sector generated the bulk of economic and labour productivity growth, their economic performance was least affected by the change in the economic climate from 1997 to 2003.

Labour productivity gains result from several factors: the increase in capital available for every hour worked (capital intensity), the increase in skilled workers (change in labour composition, reflecting a larger share

#### Note to readers

*This release examines data on the annual productivity performance by industry (North American Industrial Classification System) for the 1997 to 2003 period. Data for the 1961 to 1996 period are being prepared and are scheduled for release in 2005.*

*In this release, revisions have been made back to 1997 to incorporate the adjustments in annual benchmarks on hours worked and revised data of real gross domestic product (GDP) by industry that were published in The Daily of November 9, 2004.*

*Industry real output is measured in terms of real value added at basic prices. Aggregate output is measured as final demand gross domestic product at market prices. Both concepts are analogous at the aggregate level.*

*To provide more insights on the long-run trend of economic growth and economic performance, this release makes use of several decomposition formulas.*

*Real output growth is decomposed into the growth of hours at work and the growth of labour productivity—an indicator of the efficiency with which these hours are employed in the production of goods and services.*

*Labour productivity growth is broken down into the growth in the availability of capital input for every hour worked, the shift towards more skilled workers and the overall efficiency with which resources are employed—multifactor productivity growth.*

*Multifactor productivity is measured as the difference in real output minus the combined growth of capital and labour inputs. The growth of capital input is an aggregate of the different classes of capital stocks (information technology, other machinery and equipment and structures) weighted by their respective rental prices. Similarly, the growth of labour input is an aggregate of the growth of hours worked by different classes of workers, weighted by the hourly wages of each class.*

*Although the focus is on industry productivity performance of the Canadian business sector, this release also touches on growth of real GDP per capita for the total economy and its two components: labour productivity growth and growth in hours per person, both of which are also at the total economy level. Despite a difference in coverage, labour productivity growth remains virtually identical at both the total economy and the business sector levels.*

*For more information about the productivity program, see the Overview and description of publications page online.*

of workers with more education and more experience) and a number of other factors captured by multifactor productivity, the overall efficiency with which resources are employed.

In general, changes in labour composition make a positive, albeit small, contribution to labour productivity growth. The 1997 to 2003 period are no exception. During this time, labour composition made a 0.2 percentage point contribution to the 2.1% annual growth of the business sector labour productivity. Capital intensity made only a 0.4 percentage point contribution, a reflection of the collapse of investment in machinery and equipment and the relatively rapid growth in hours at work. Multifactor productivity has added 1.5 percentage points, accounting for the bulk of labour productivity growth. Multifactor productivity was

the main source of labour productivity not only during the rapid economic growth period of 1997 to 2000 but also during the economic slowdown period of 2000 to 2003.

In general, the industries that posted the largest labour productivity gains were also those with the most rapid multifactor productivity growth rates, indicating that major improvements in overall efficiency have taken place in recent years.

### The increase in the dollar associated with a slowdown in manufacturing activity in 2003

Despite the economic slowdown in 2003, services industries were still reporting rapid productivity gains. In contrast, manufacturing showed no labour productivity gain during the same year, a sharp contrast from the 3.9% increase posted in 2002.

The lack of labour productivity gain in 2003 for Canadian manufacturers, combined with the higher Canadian dollar, has led to a large increase in unit labour costs measured in US dollars (+13.4%). As a result, Canadian exports have fallen by 2.2% as the competitiveness of Canadian manufacturers deteriorates compared with their American counterparts.

The 10.8% increase of the Canadian dollar over the US dollar between 2002 and 2003 also helped to lower import prices of machinery and equipment for manufacturing. This contributed to the 6.7% increase of investment in machinery and equipment, compared with two consecutive declines in 2001 and 2002.

### Growth of real GDP per capita in an economic slowdown

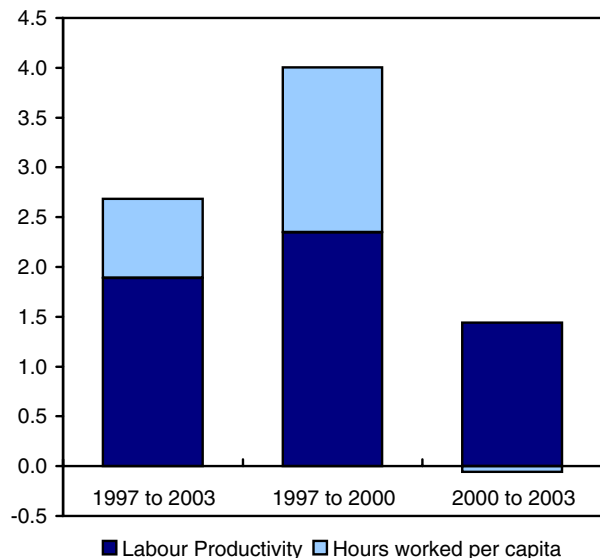
Productivity is a key economic indicator because it constitutes an important source of change in the growth of real GDP per capita in the long run. During the 1997 to 2003 period, Canada's real GDP per capita advanced at 2.7% annually. Labour productivity contributed for more than two-thirds and the remainder was due to the increase in the number of hours worked per person.

The growth in real GDP per capita during the 2000 to 2003 period occurred during a slowdown in Canadian economic growth. Real GDP increased at a modest 2.4%, a sharp deceleration from the rapid 5.0% annual average economic growth observed during the 1997 to 2000 period.

Despite the difficult economic environment of the 2000 to 2003 period, real GDP per person increased 1.4% annually, a performance comparable with that of the last business cycle from 1988 to 2000. Despite the changes in the economic climate between the 1997 to 2000 and 2000 to 2003 periods, productivity growth remained the main source of real GDP growth per person.

### GDP per capita and its sources of growth

average annual growth rate in %



Available on CANSIM: tables 383-0009, 383-0010 and 383-0013 to 383-0015.

Definitions, data sources and methods: survey number 1402.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Faouzi Tarkhani (613-951-5314; [faoutar@statcan.ca](mailto:faoutar@statcan.ca)) or Jean-Pierre Maynard (613-951-3654; [maynard@statcan.ca](mailto:maynard@statcan.ca)), fax: 613-951-3292, Micro-economic Analysis Division.

□



## Productivity performance by industry, 1997 to 2003

Average annual growth rate in %

	Labour productivity			Multifactor productivity		
	1997 to 2003	1997 to 2000	2000 to 2003	1997 to 2003	1997 to 2000	2000 to 2003
<b>Business sector</b>	<b>2.1</b>	<b>2.9</b>	<b>1.3</b>	<b>1.5</b>	<b>1.9</b>	<b>1.1</b>
Agriculture, forestry, fishing and hunting	4.8	7.7	2.0	2.9	4.8	1.0
Mining and oil and gas extraction	1.1	4.9	-2.5	-2.8	-1.6	-4.0
Utilities	-0.9	0.2	-2.0	-1.6	-0.6	-2.7
Construction	1.5	2.4	0.6	1.2	1.7	0.7
Manufacturing	2.9	5.0	0.8	1.8	4.0	-0.3
Food manufacturing	3.4	2.8	4.0	1.8	1.6	1.9
Beverage and tobacco product manufacturing	2.4	4.1	0.8	-0.6	0.7	-1.9
Clothing manufacturing	1.6	1.1	2.1	1.1	1.6	0.6
Textile and textile product mills	-0.3	6.1	-6.3	-0.7	5.5	-6.6
Wood product manufacturing	5.5	5.7	5.3	5.5	5.6	5.3
Paper manufacturing	2.2	5.2	-0.7	3.1	4.9	1.4
Printing and related support activities	4.9	3.4	6.4	3.8	2.0	5.7
Petroleum and coal products manufacturing	1.6	-2.4	5.7	-0.1	-1.6	1.4
Chemical manufacturing	5.7	6.8	4.7	1.8	1.2	2.5
Plastics and rubber products manufacturing	2.7	2.6	2.9	2.5	2.3	2.7
Non-metallic mineral product manufacturing	5.1	3.2	7.1	3.9	2.4	5.4
Primary metal manufacturing	1.2	0.7	1.6	2.4	4.4	0.5
Machinery manufacturing	5.0	9.9	0.2	0.8	2.0	-0.5
Computer and electronic product manufacturing	1.7	0.9	2.5	-2.2	14.5	-16.5
Electrical equipment, appliance and component manufacturing	-1.1	21.9	-19.7	1.5	5.1	-2.1
Transportation equipment manufacturing	3.8	10.7	-2.7	1.8	6.5	-2.7
Furniture and related product manufacturing	-1.2	-0.5	-1.8	3.5	5.4	1.6
Miscellaneous manufacturing	6.9	8.7	5.1	1.5	1.6	1.4
Wholesale trade	4.2	4.6	3.8	2.9	3.3	2.5
Retail trade	3.1	3.9	2.3	2.9	3.7	2.1
Transportation and warehousing	1.8	2.0	1.7	0.2	-1.1	1.5
Information and cultural industries	3.0	1.1	4.9	1.4	-0.2	3.0
Professional, scientific and technical services	3.8	3.3	4.4	-0.4	-0.7	0.0
Administrative and support services, waste management and remediation services	-0.8	-0.6	-0.9	-0.6	-0.2	-1.1
Finance, insurance, real estate and rental and leasing	1.4	0.6	2.3	0.9	-0.7	2.6
Educational services	1.3	0.8	1.8	0.4	0.2	0.6
Health care and social assistance	0.0	-2.2	2.1	-0.1	-1.2	1.0
Arts, entertainment and recreation	-1.8	-2.1	-1.5	0.7	0.9	0.4
Accommodation and food services	0.6	0.9	0.4	1.6	1.1	2.1
Other services (except public administration)	3.1	3.4	2.8	1.3	1.5	1.1

## Labour productivity and its sources of growth

1997 to 2003

	Average annual growth rate in %			
	Labour productivity	Capital intensity	Labour quality	Multifactor productivity
<b>Business sector</b>	<b>2.1</b>	<b>0.4</b>	<b>0.2</b>	<b>1.5</b>
Agriculture, forestry, fishing and hunting	4.8	1.8	0.2	2.9
Mining and oil and gas extraction	1.1	3.3	0.6	-2.8
Utilities	-0.9	0.6	0.1	-1.6
Construction	1.5	0.1	0.2	1.2
Manufacturing	2.9	0.5	0.5	1.8
Wholesale trade	4.2	1.0	0.3	2.9
Retail trade	3.1	0.5	-0.3	2.9
Transportation and warehousing	1.8	1.1	0.6	0.2
Information and cultural industries	3.0	0.9	0.7	1.4
Professional, scientific and technical services	3.8	4.2	0.0	-0.4
Administrative and support services, waste management and remediation services	-0.8	-0.5	0.4	-0.6
Finance, insurance, real estate and rental and leasing	1.4	0.4	0.1	0.9
Educational services	1.3	1.8	-0.9	0.4
Health care and social assistance	0.0	0.6	-0.5	-0.1
Arts, entertainment and recreation	-1.8	-0.6	-1.9	0.7
Accommodation and food services	0.6	-0.4	-0.5	1.6
Other services (except public administration)	3.1	1.3	0.5	1.3

## Other releases

### Finances of the federal, provincial and territorial government business enterprises

Fiscal year ended nearest to December 31, 2003 (federal enterprises) and December 31, 2002 (provincial and territorial enterprises)

Federal government business enterprises, including monetary authorities, earned an after-tax profit of \$6.9 billion in 2003, up \$1.0 billion (+16.7%) from 2002. Monetary authorities, which consist of the Bank of Canada and the Exchange Fund Account (the account for transactions in currencies and gold), accounted for \$4.7 billion of this total, other financial enterprises accounted for \$1.9 billion and non-financial enterprises accounted for \$0.3 billion.

Total assets of federal enterprises (including net fixed assets) declined by \$9.7 billion to \$166.8 billion. Total liabilities decreased by \$10.9 billion to \$156.9 billion. As a result, the total net worth of federal government enterprises increased by \$1.2 billion (+13.8%) to \$9.9 billion in 2003.

### Federal government enterprises, after-tax profits

Fiscal year ended nearest to December 31

	1999	2000	2001	2002	2003
	(\$ millions)				
<b>Total income</b>	<b>20,553</b>	<b>23,150</b>	<b>20,916</b>	<b>23,106</b>	<b>23,169</b>
- Financial enterprises	8,967	10,790	10,361	10,763	11,170
- Non-financial enterprises	11,586	12,361	10,555	12,343	11,999
<b>Total expenses</b>	<b>16,468</b>	<b>17,923</b>	<b>15,940</b>	<b>16,816</b>	<b>15,994</b>
- Financial enterprises	4,558	5,442	5,362	4,350	4,241
- Non-financial enterprises	11,910	12,480	10,578	12,466	11,752
<b>Net income (loss) before provision for income tax</b>	<b>4,085</b>	<b>5,228</b>	<b>4,976</b>	<b>6,290</b>	<b>7,175</b>
<b>Provision for income tax</b>	<b>221</b>	<b>254</b>	<b>330</b>	<b>377</b>	<b>272</b>
<b>Net income (loss) after provision for income tax</b>	<b>3,864</b>	<b>4,974</b>	<b>4,646</b>	<b>5,913</b>	<b>6,903</b>

**Note:** Data may not add due to rounding.

In 2002, provincial and territorial government business enterprises earned after-tax profits of \$11.8 billion, an increase of \$0.7 billion (+6.0%) from 2001. Profits were generated mainly from provincial and territorial lotteries and gaming enterprises (\$6.1 billion), liquor enterprises (\$3.3 billion) and hydro enterprises (\$2.3 billion).

Increased after-tax profits of government business enterprises in Quebec (+\$0.4 billion) and British

Columbia (+\$0.6 billion) were partly offset by declines in Ontario (-\$0.2 billion) and Manitoba (-\$0.1 billion).

### Provincial and territorial government enterprises, after-tax profits

Fiscal year ended nearest to December 31

	1998	1999	2000	2001	2002
	(\$ millions)				
<b>Total Canada</b>	<b>9,790</b>	<b>10,132</b>	<b>12,939</b>	<b>11,131</b>	<b>11,799</b>
Newfoundland and Labrador	212	196	180	198	207
Prince Edward Island	21	22	24	24	27
Nova Scotia	155	235	204	351	337
New Brunswick	-254	203	181	216	143
Quebec	2,397	2,776	3,056	2,975	3,361
Ontario	3,161	2,970	3,967	3,319	3,107
Manitoba	515	588	711	602	474
Saskatchewan	773	672	731	542	557
Alberta	1,353	1,538	1,620	1,764	1,815
British Columbia	1,416	891	2,228	1,102	1,730
Yukon	11	11	7	9	10
Northwest Territories	30	29	28	28	30
Nunavut	...	2	2	2	2

... Not applicable.

**Note:** Data may not add due to rounding.

At the end of 2002, the total net worth of the provincial and territorial enterprises reached \$20.1 billion, down \$0.6 billion (-3.0%) compared with 2001. Total assets remained stable at \$198.6 billion while liabilities increased by \$0.6 billion to \$178.6 billion.

**Note:** The government business enterprises are incorporated, "for-profit" organizations, which make them subject to income tax. They are legal entities separate from the parent government that created them. They differ in that they generally charge prices that are closely related to the cost of production, as in the case in private enterprises. For example, federal business enterprises are involved in activities such as postal services and seaports. Provincial and territorial government business enterprises are involved in activities such as hydroelectricity, gaming, and liquor sales.

**Available on CANSIM: tables 385-0011 to 385-0013, 385-0015 and 385-0016.**

**Definitions, data sources and methods: survey numbers, including related surveys, 1725 and 1730.**

Additional data are available through custom and special tabulation. For more information on the products and services of the Public Institutions Division, contact Joanne Rice (613-951-0767; [joanne.rice@statcan.ca](mailto:joanne.rice@statcan.ca)).

To enquire about the concepts, methods or data quality of this release, contact Todd Charbonneau (613-951-3165; [todd.charbonneau@statcan.ca](mailto:todd.charbonneau@statcan.ca)) or Claude Vaillancourt; (613-951-1820; [claud.vallancourt@statcan.ca](mailto:claud.vallancourt@statcan.ca)), Public Institutions Division. ■

## **Employer pension plans (trusteed pension funds)**

Second quarter 2004

Trusteed pension funds continued their long climb back from the financial low point set in March 2003.

Over the 15 months to June 2004, fund assets increased nearly 24%, from \$531.2 billion to \$656.1 billion, a new record high. Before the downturn, fund assets had peaked at \$614.4 billion in September 2000.

There was only a 0.5% gain in the second quarter of this year, however. This small gain was primarily due to a 2.2% increase in the value of the funds' foreign holdings. Foreign holdings represented 24.4% of all fund assets.

Canadian stock market prices actually fell 0.5% over the quarter. Stock prices have risen since then, suggesting that pension fund assets may continue to grow for at least the remainder of 2004.

Pension funds had revenues of \$25.8 billion and expenditures of \$8.8 billion, for a net cash flow of \$17.0 billion. This was much greater than the \$4.0 billion cash flow in the first quarter this year. Cash flow can vary considerably quarter to quarter. This is partly because of accounting practices within the industry, but primarily because of profits or losses from the buying and selling of stocks.

Employer contributions remained high at \$5.6 billion. Contributions have been on the rise since early 2002 when employer contributions were typically half that amount. Many employers had been taking a contribution holiday up to that time, but declining asset values meant that employers had to start contributing again.

About 5.5 million Canadian workers belong to employer pension plans. Of these, about 4.5 million are members of trusteed plans. (Data in this release refer only to the trusteed plans, and all values are in current dollars).

The remaining one million workers with employer pension plans are covered by the consolidated revenue funds of the federal and provincial governments, or by insurance company contracts or Government of Canada annuities.

**Available on CANSIM: tables 280-0002 to 280-0004.**

**Definitions, data sources and methods: survey number 2607.**

For more information about the current survey results and related products and services, or to enquire about the concepts, methods, or data quality of this release, contact Client Services (613 951-7355 or 1 888 297-7355; fax: 613 951-3012; [income@statcan.ca](mailto:income@statcan.ca)), Income Statistics Division. ■

## **Steel primary forms, weekly data**

Week ending December 11, 2004 (preliminary)

Steel primary forms production for the week ending December 11 totalled 296 950 metric tonnes, down 10.4% from 331 254 tonnes a week earlier and down 1.1% from 300 279 tonnes in the same week of 2003.

The year-to-date total as of December 11 was 15 283 523 tonnes, up 2.8% from 14 861 219 tonnes in the same period of 2003.

**Definitions, data sources and methods: survey number 2131.**

For more information, or to enquire about the concepts, methods or data quality of this release, contact the dissemination officer (1-866-873-8789; 613-951-9497; [manufact@statcan.ca](mailto:manufact@statcan.ca)), Manufacturing, Construction and Energy Division. ■

## **Steel pipe and tubing**

October 2004

Data on the production and shipments of steel pipe and tubing are now available for October.

**Available on CANSIM: table 303-0046.**

**Definitions, data sources and methods: survey number 2105.**

The October 2004 issue *Production and shipments of steel pipe and tubing*, Vol. 28, no. 10 (41-011-XIB, \$6/\$51) 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 the dissemination officer (1-866-873-8789; 613-951-9497; [manufact@statcan.ca](mailto:manufact@statcan.ca)) Manufacturing, Construction and Energy Division. ■

## New products

**Farm Financial Survey, 2003**  
**Catalogue number 21F0008XIB**  
(free).

**Production and Shipment of Steel Pipe and Tubing,**  
October 2004, Vol. 28, no. 10  
**Catalogue number 41-011-XIB** (\$6/\$51).

**Canada's International Transactions in Securities,**  
October 2004, Vol. 70, no. 10  
**Catalogue number 67-002-XIE** (\$15/\$142).

**Perspectives on Labour and Income, Winter 2004,**  
Vol. 16, no. 4  
**Catalogue number 75-001-XPE** (\$20/\$63).

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

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

## How to order products

### To order by phone, please refer to:

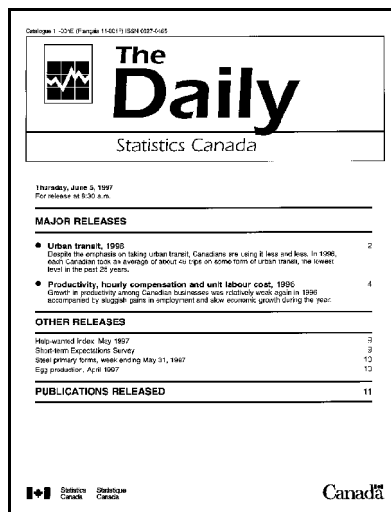
- The title
- The catalogue number
- The volume number
- The issue number
- Your credit card number.

From Canada and the United States, call: **1-800-267-6677**  
From other countries, call: **1-613-951-7277**  
To fax your order, call: **1-877-287-4369**  
For address changes or account inquiries, call: **1-800-700-1033**

**To order by mail, write to:** 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:** [infostats@statcan.ca](mailto:infostats@statcan.ca) or download an electronic version by accessing Statistics Canada's website ([www.statcan.ca](http://www.statcan.ca)). From the *Our products and services* page, under *Browse our Internet publications*, choose *For sale*.

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



### Statistics Canada's official release bulletin

Catalogue 11-001-XIE.

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](mailto:listproc@statcan.ca). Leave the subject line blank. In the body of the message, type "subscribe daily firstname lastname".

Published by authority of the Minister responsible for Statistics Canada. © Minister of Industry, 2004. 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 11-001-XIE, along with date and page references.