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MAJOR RELEASES

Household Internet Use Survey, 2003

2

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OTHER RELEASES

Breaking and Entering in Canada, 2002

4

Focus on Culture, Vol. 14, no. 4

4

Commercial Software Price Index, May 2004

4

NEW PRODUCTS

6

MAJOR RELEASES

Household Internet Use Survey 2003

The number of Canadian households surfing the Internet continued to grow in 2003 according to the Household Internet Use Survey. However, growth rates remained relatively stable largely because the majority of households were already plugged in.

An estimated 7.9 million (64%) of the 12.3 million Canadian households had at least one member who used the Internet regularly in 2003, either from home, work, school, a public library or another location. This was a 5% increase from 2002, but well below the annual gains of 19% and 24% observed in 2000 and 2001.

Households with high income, members active in the labour force, those with children still living at home and people with higher levels of education have been in the forefront of Internet adoption.

Internet use was highest at home. About 6.7 million households had at least one member who regularly used the Internet from home, a gain of 7% since 2002. These households accounted for nearly 55% of the total, up from 51% in 2002.

Lower income households are making strides in logging on. Nearly 45% (1.3 million) of the households with income between \$24,001 and \$43,999, had someone who used the Internet from home in 2003, which is up 13% from 2002. This group of households had the highest growth in connections from home and work, as well as the combination of various locations. In contrast, the proportion of households regularly using the Internet from home remained relatively unchanged for the lowest income quartile.

Canadians continue their quest for speed

Of the nearly 6.7 million households with a regular user from home in 2003, an estimated 4.4 million (65%) had a high-speed link to the Internet through either a cable or telephone connection. This was up from 56% a year earlier.

At the same time, the proportion of households that had a low-speed connection fell from 44% in 2002 to 35% last year. Internet service providers have increased their expenditures on high-speed infrastructure in a competitive battle to provide subscribers with a wider range of online services.

Note to readers

The Household Internet Use Survey (HIUS) was conducted as a subsample of the Labour Force Survey. The HIUS collected information on the household as a whole. In total, 34,674 households were eligible for the HIUS and 23,113 (66.7%) responded. Data gathered in January 2004 covered household Internet use for the 2003 calendar year.

The respondent provided a proxy response to questions for all members of the household. Of households indicating that they regularly used the Internet, about 89% of the individuals who answered the survey for their household were one of the members that regularly used the Internet from various locations.

Regular-use households are those that responded "yes" to the question "In a typical month, does anyone in the household use the Internet?"

Of the estimated 4.4 million households with high-speed connection, the majority (61%) had a link through cable. The remaining 39% had a high-speed telephone connection, also known as a digital subscriber line, or DSL.

However, the number of DSL connections increased nearly 30% in 2003, compared with a gain of only 21% for cable. This may be an indication of price competitiveness of DSL over cable connections, or increased accessibility of households to high-speed telephone infrastructure within their neighbourhood.

Fewer households report downloading music

More and more households were using the Internet to search for medical or health-related information or to use online banking services. However, fewer reported downloading music.

Just under 38% of regular users from home reported downloading music in 2003, down from a high of 48% in 2001. This may be the result of a highly-publicized campaign by the music industry against downloading music for free.

Almost two-thirds (65%) of households had at least one member who used the Internet to search for medical or health-related information, compared with 61% in 2001. This was the third most popular use after e-mail and general browsing.

About 57% of households using the Internet at home had someone who accessed online banking services, well above the proportion of 44% in 2001, the

biggest proportional gain of any use. This growth may indicate consumers are becoming more confident in the Internet's security aspects.

Four in five high-income households had Internet at home

The survey divided households into four equal groups based on income, each representing 25% of the income spectrum from highest to lowest.

In 2003, 82% of households in the highest income group had a member who used the Internet from home. This was more than double the proportion of 33% among these households five years earlier. However the strongest growth (+13%) was observed in the second income quartile, households with income between \$24,001 and \$43,999.

Rates of Internet use still varied substantially across family types, with children still a key factor. Single-family households with unmarried children under the age of 18 had the highest rate of Internet use from home last year, about 73%.

However, growth rates in Internet use from home were strongest among single-family households without children and one-person households. The number of households in each group increased just over 11%.

Also, the higher the level of education in the household, the more likely it is to have an Internet connection from home. Nearly 77% of households with someone with a university degree were connected from home.

In contrast, only about 12% of households in which the highest level of attainment was less than high school were connected from home. However, households with high school attainment grew fastest.

Internet use highest in British Columbia, Ontario and Alberta

Internet use from home increased in most provinces in 2003. The highest rates of use were in British Columbia, Ontario and Alberta where roughly 6 out of every 10 households were connected to the Internet at home.

All the other provinces had rates of Internet use from home that were below the national average of 55%.

Some of the biggest proportional increases occurred in the Atlantic provinces. In Nova Scotia, for example, the proportion of households connected to the Internet from home increased from 46% in 2002 to nearly 53% last year. The gain in New Brunswick was from 37% to nearly 43%.

Of the 7.9 million households in census metropolitan areas, about 58% or 4.6 million were connected to the Internet from home in 2003, just above the national average. This was an increase from 55% in 2002.

Slight reduction in non-connected households

In 2003, 809,000 households indicated that a member of the household either used the Internet infrequently, or had pulled the plug entirely. The size of this group had remained constant for three years, but was slightly reduced this year.

In 2003, about 3.6 million Canadian households had never used the Internet. Most of the households in this group (87%) were either families without children or one-person households.

As well, many of these non-users earned below-average household income with 49% of non-users in the lowest group.

Available on CANSIM: tables 358-0002 to 358-0006 and 358-0017.

Definitions, data sources and methods: survey number 4432.

Additional data tables related to the information presented in this release are available online. From the *Canadian statistics* page, choose *Culture, leisure and travel*, then *Internet*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Jonathan Ellison (613-951-5882; jonathan.ellison@statcan.ca), Science, Innovation and Electronic Information Division.

OTHER RELEASES

Breaking and Entering in Canada 2002

This issue of *Juristat*, available today, provides an overview of residential, business and 'other' breaking and entering offences for 2002, including trends in police-reported offences.

The report examines the characteristics of breaking and entering incidents, victims and accused, as well as court dispositions and sentencing data for youths and adults convicted of these offences. There is also a section examining residential robberies with violence or the threat of violence.

Crime statistics for 2003, including minor revisions to 2002 data, will be released in *The Daily* on July 28, 2004.

The issue of *Juristat: Breaking and Entering in Canada, 2002*, Vol. 24, no. 5 (85-002-XIE, \$9/\$75; 85-002-XPE, \$11/\$100) 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 Client Services (1-800-387-2231; 613-951-9023), Canadian Centre for Justice Statistics.

Focus on Culture

Vol. 14, no. 4

British Columbia is still the Hollywood of Canada, but the lustre of its silver screen is not as bright as it used to be, according to a new study in *Focus on Culture*, Statistics Canada's guarterly publication on culture statistics.

The study, which used data from Statistics Canada's Culture Statistics Program as well as data from the provinces, showed that, until 1999, the market share of film producers headquartered in British Columbia was expanding. This expansion occurred at the expense of production companies in Quebec and Ontario, which had long dominated the industry.

In 1999, domestic film production revenues in British Columbia more than tripled from 1998 to \$291 million (after rising 55% between 1997 and 1998). In 1999, British Columbia firms accounted for 19% of Canada's domestic film production revenues, more than double its share in 1998. In 2000 and 2001, however, film producers in British Columbia ran into hard times. Domestic production revenues fell 29% between 1999 and 2001, partly because several British Columbia film producers went out of business.

Foreign film producers pumped \$830 million into the British Columbia economy in 2002. This level accounted for 44% of foreign production investment in Canada, compared with only 30% in Ontario, British Columbia's closest rival. The foreign production sector contributed over four-fifths of every film production dollar spent in British Columbia in 2002.

During the latter part of the 1990s, Nova Scotia emerged as another presence in the Canadian film industry, in both foreign and domestic productions. In 2002, Nova Scotia received 3% of foreign film production spending in Canada. In addition, in 2001, it also received 3% of all domestic film production revenues, and 7% of Canadian Television Fund allocations.

This study also discusses factors that influence the choice of location for film production, the role of governments in promoting the film industry and the challenges Canada faces in attracting film projects when many localities are competing for production dollars.

This issue also contains an article on international leisure patterns, a profile of Canada's culture trade with Cuba, provincial data on government expenditures on culture, data on video and audio-video distribution and an update on employment in the culture sector.

The publication *Focus on Culture*, Vol. 14, no. 4 (87-004-XIE, \$8/\$22; 87-004-XPB, \$10/\$29) is now available. See *How to order products*.

The preview article from this publication, "Filming on the edge: The film industries in British Columbia and Nova Scotia," is available free of charge online.

contact Client For more information. Services (1-800-307-3382; 613-951-9040: fax: cult.tourstats@statcan.ca) Alice Peters or (613-951-4086: fax: 613-951-1333: alice.peters@statcan.ca), Culture, Tourism and the Centre for Education Statistics.

Commercial Software Price Index

May 2004 (preliminary)

The Commercial Software Price Index (CSPI) is a monthly series measuring the change in the purchase price of pre-packaged software typically bought by businesses and governments. The CSPI for May was 80.8, up 0.7% from April.

This index is available at the Canada level only.

Available on CANSIM: table 331-0003.

Definitions, data sources and methods: survey number 5068.

For more information on these indexes, contact Client Services (1-866-230-2248; 613-951-9606;

infounit@statcan.ca). To enquire about the concepts,
methods or data quality of this release, contact Fred
Barzyk (613-951-2493; fred.barzyk@statcan.ca), Prices
Division.

NEW PRODUCTS

Economic Analysis Methodology Paper Series (National Accounts), Micro-Economic Analysis Division: The Role of Analysis in Delivering Information Products, no. 1
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Production of Eggs, May 2004 Catalogue number 23-003-XIB (free).

Retail Trade, April 2004, Vol. 76, no. 4 **Catalogue number 63-005-XIE** (\$18/\$166).

Wholesale Trade, April 2004, Vol. 67, no. 4 Catalogue number 63-008-XIE (\$15/\$150).

Juristat: Breaking and Entering in Canada, 2002, Vol. 24, no. 5
Catalogue number 85-002-XIE2004005 (\$9/\$75).

Juristat: Breaking and Entering in Canada, 2002, Vol. 24, no. 5
Catalogue number 85-002-XPE2004005 (\$11/\$100).

Focus on Culture, Vol. 14, no. 4 Catalogue number 87-004-XIE (\$8/\$22).

Focus on Culture, Vol. 14, no. 4 Catalogue number 87-004-XPB (\$10/\$29).

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

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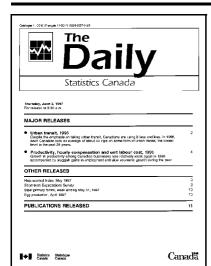
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