

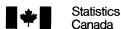
Statistics Canada

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Releases

Retail trade

April 2005

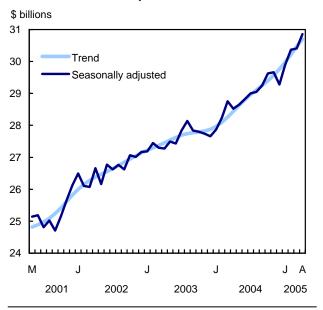
Retail sales resurged 1.5% in April to \$30.9 billion, a level 8.2% higher than in the same month of 2004. Previously, consumer spending in retail stores had paused in March (+0.1%) after showing vigorous strength in the first two months of 2005, with gains of 1.6% in February and 2.1% in January.

Excluding sales by dealers of new, used and recreational vehicles and auto parts, retail sales showed a gain of 0.8% in April.

In constant dollars, retail sales advanced 1.4% in April, following a 0.3% decline in March.

Retailers have experienced sustained sales growth since the start of 2004, with sales declining only twice over that 16-month period, in December (-1.3%) and April (-0.8%) of 2004.

Retail sales revive in April



Retailers continue to rely on consumers' deep pockets

Since the start of 2005, consumers have continued to reach deep into their pockets to make purchases in retail stores. What they did not pay for in cash was bought on credit, taking advantage of the persistently low borrowing rates. In the first quarter of 2005, personal

loans, including credit cards and lines of credit, were more than double what they were six years ago, while disposable income grew at only about a third of that rate.

In addition to the low borrowing rates, the high level of housing starts undoubtedly contributed to the extra spending seen in retail stores, especially in the building supplies and furniture sectors.

Building supplies sector builds on strength

Starting from a position of strength with the largest sales growth of any sector in 2004 (+10.9%), retailers in the building and outdoor home supplies sector began their busy spring season on a high note in 2005. In April, shoppers increased their spending by 4.5% in this retail sector, after edging down 0.3% in March. Previously, sales increases had averaged 2.0% over the first two months of 2005. Within this sector, both specialized building material and garden stores (+5.6%) and home centres and hardware stores (+4.3%) enjoyed healthy sales gains in April.

The automotive sector posted the second strongest sales increase of all sectors in April (+3.0%). Strong demand, fuelled by new financial incentives, was behind the higher sales at new car dealers (+3.8%). Used and recreational motor vehicle and parts dealers (+2.5%) also benefited from higher demand for motor vehicles. On the other hand, the 1.7% sales gain at gasoline stations in April was mostly driven by higher gasoline prices at the pump. Overall, sales in the automotive sector have generally been increasing since the start of 2004, after falling gradually for about a year.

Consumers returned to shopping in the furniture, home furnishings and electronics sector in April, pushing sales up 2.0% from March, when sales had fallen by 0.8%. All categories of retailers in this sector enjoyed higher sales in April, with home electronics and appliance stores experiencing their fifth consecutive monthly gain. Sales in the furniture, home furnishings and electronics sector have been on the rise since the middle of 2004, after a pause in the first half of that year.

With sales up 0.8% in April, retailers in the clothing and accessories sector enjoyed their fifth straight monthly sales gain. This sequence of increases pushed sales in this sector 6.7% ahead of those in April 2004, representing the largest year-over-year percentage change in 12 months.

Sales remained unchanged in pharmacies and personal care stores in April, while falling slightly in general merchandise stores (-0.2%) and in food and beverage stores (-0.1%).

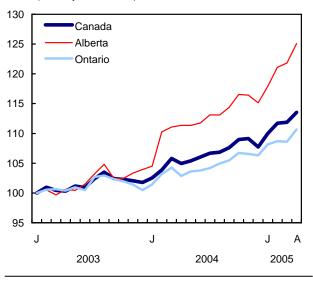
Robust retail spending in most provinces

Consumer spending in retail stores advanced strongly across all provinces in April, except in British Columbia (+0.1%) and New Brunswick (-0.3%). Retailers saw their sales rise by at least 2.0% in Prince Edward Island, Alberta, Nova Scotia and Saskatchewan. In Ontario, retail sales rose 1.9% compared with March.

Prince Edward Island posted the largest sales gain of any province in April (+2.9%), thanks to higher spending in the majority of retail sectors, with the automotive sector benefiting the most. The number of new motor vehicles sold in Prince Edward Island actually jumped 6.6% in April from the previous month. Retail sales have gained strength since the start of 2005, after remaining essentially flat over the previous three years.

Alberta continues to lead the country in retail sales growth

Index (January 2003 = 100)



Retailers in Alberta enjoyed a 2.7% sales increase in April, adding to their strong upward sales movement experienced since the middle of 2003. Alberta's building supplies and automotive retail sectors led the growth in April. In fact, Alberta came second after Prince Edward Island in terms of growth in the number of new motor vehicles sold in April (+5.4%). On a year-over-year basis, Alberta's retail sales in April stood

at an astonishing 12.4% above those in the same month of 2004.

The Alberta economy continues to enjoy the benefits of a healthy energy sector, which helped pull unemployment rates down near historic lows last year. At 4.6%, Alberta's unemployment rate was the lowest across the provinces in 2004.

Since the beginning of 2004, retail sales in Alberta have been rising at a much stronger pace than in any other province, and well above the national average. On the other hand, retailers in Ontario, which account for slightly more than 37% of all retail spending in Canada, experienced sales gains that were below the national average over the same period.

Related indicators for May

The Canadian economy continued to create more jobs in May, with total employment advancing 0.2% compared with April. The total number of jobs over the first five months of 2005 rose by 0.6%, an increase similar to the gain seen in the same period of 2004. Housing starts were down 5.0% in May from the previous month, but remained at high levels. In fact, May 2005 marked the 24th consecutive month in which the number of housing starts stayed above 200,000 units, once seasonally adjusted at an annual rate. This shows the strong level of activity in the new housing market. Early results from the auto industry show a decline of about 6% in the number of new motor vehicles sold in May, compared with April.

Available on CANSIM: tables 080-0014 to 080-0017 and 076-0005.

Definitions, data sources and methods: survey numbers, including related surveys, 2406 and 2408.

The April 2005 issue of *Retail Trade* (63-005-XIE, \$18/\$166) will soon be available.

Data on retail trade for May will be released on July 22.

For more information or to order data, contact Client Services (1-877-421-3067; 613-951-3549; retailinfo@statcan.ca). For analytical information, or to enquire about the concepts, methods or data quality of this release, contact Paul Gratton (613-951-3541), Distributive Trades Division.

Retail	sales
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	April 2004	January 2005 ^r	February 2005 ^r	March 2005 ^r	April 2005 ^p	March to April 2005	April 2004 to April
			seasona	ally adjusted			2005
		;	\$ millions			% chang	je
Automotive	9,416	10,041	10,299	10,278	10,585	3.0	12.4
New car dealers	5,571	5,817	6,012	5,930	6,155	3.8	10.5
Used and recreational motor vehicle and parts	4.047	4.000	4 000	4.004	4 000	0.5	0.0
dealers Gasoline stations	1,217 2,628	1,262 2,963	1,303 2,984	1,301 3,046	1,333 3,097	2.5 1.7	9.6 17.8
	2,020	2,300	2,504	5,040	3,037	1.7	17.0
Furniture, home furnishings and electronics	4.070	0.405	0.440	0.405	0.400		
stores	1, 973	2,105 743	2,143 761	2,125 749	2,168	2.0 2.7	9.9 8.6
Furniture stores Home furnishings stores	709 364	743 389	389	749 384	770 393	2.7	7.9
Computer and software stores	125	142	142	135	141	4.5	12.9
Home electronics and appliance stores	775	831	851	857	865	0.9	11.6
• •							
Building and outdoor home supplies stores	1,726	1,813	1,854	1,849	1,933	4.5	12.0
Home centres and hardware stores	1,363	1,430	1,470	1,472	1,535	4.3	12.7
Specialized building materials and garden stores	363	383	385	377	398	5.6	9.6
Sioles	303	303	303	311	390	5.0	9.0
Food and beverage stores	6,758	7,096	7,170	7,162	7,156	-0.1	5.9
Supermarkets	4,876	5,195	5,171	5,185	5,182	-0.1	6.3
Convenience and specialty food stores	730	756	767	771	774	0.5	6.0
Beer, wine and liquor stores	1,152	1,145	1,231	1,206	1,200	-0.5	4.2
Pharmacies and personal care stores	1,865	1,959	1,963	1,987	1,987	0.0	6.5
Clothing and accessories stores	1,675	1,704	1,759	1,773	1,788	0.8	6.7
Clothing stores	1,262	1,325	1,360	1,358	1,381	1.7	9.5
Shoe, clothing accessories and jewellery							
stores	413	379	399	415	406	-2.2	-1.7
General merchandise stores	3,561	3,626	3.611	3.659	3.651	-0.2	2.5
Department stores	1,825	1,872	1,870	1,892	1,869	-1.2	2.4
Other general merchandise stores	1,736	1,753	1,741	1,767	1,782	0.8	2.6
Miccellaneous veteilere	4 550	4 550	4 570	4 570	4 502	0.9	2.7
Miscellaneous retailers Sporting goods, hobby, music and book stores	1,552 732	1,552 762	1,572 772	1,579 781	1,593 795	0.9 1.7	2.7 8.5
Miscellaneous store retailers	819	790	800	798	799	0.1	-2.5
Total retail sales	28,524	29,895	30,371	30,410	30,861	1.5	8.2
Total excluding new car dealers, used and							
recreational motor vehicle and parts dealers	24 727	22 047	22.056	22 170	22 272	0.8	7.5
dealers	21,737	22,817	23,056	23,179	23,372	0.8	7.5
Provinces and territories							
Newfoundland and Labrador	466	487	495	489	497	1.5	6.5
Prince Edward Island	119	117	127	119	122	2.9	2.7
Nova Scotia	856	842	896	877	898	2.4	4.9
New Brunswick	654	686	701	700	697	-0.3	6.5
Quebec	6,419	6,854	6,917	6,949	7,012	0.9	9.2
Ontario	10,591	11,139	11,194	11,186	11,396	1.9	7.6
Manitoba	975	1,016	1,040	1,034	1,050	1.6	7.8
Saskatchewan	865	876	903	905	924	2.1	6.8
Alberta	3,580	3,791	3,894	3,916	4,022	2.7	12.4
British Columbia	3,902	3,983	4,097	4,129	4,134	0.1	6.0
Yukon Northwest Territories	35 43	36 47	36 50	37 49	38 48	2.8 -1.1	9.3 13.7
Northwest Territories Nunavut	43 19	47 20	50 21	49 21	48 20	-1.1 -0.9	4.9
INGINAVAL	13	20	4.1	۷ ۱	20	-∪.5	4.9

Revised figures. Preliminary figures.

Retail sales

April	March	April	April
2004	2005 ^r	2005 ^p	2004
			to
			April
			2005
	unadjusted		

		\$ millions	% change		
Automotive	10,378	10,503	11,461	10.4	
New car dealers Used and recreational motor vehicle and	6,341	6,315	6,787	7.0	
parts dealers	1,476	1,200	1,680	13.8	
Gasoline stations	2,561	2,989	2,994	16.9	
Furniture, home furnishings and electronics					
stores	1,755	1,920	1,952	11.2	
Furniture stores	662	668	728	9.8	
Home furnishings stores	338	354	369	9.1	
Computer and software stores	121	157	134	11.0	
Home electronics and appliance stores	634	742	722	13.9	
Building and outdoor home supplies stores	1,730	1,473	1,925	11.2	
Home centres and hardware stores	1,365	1,166	1,528	11.9	
Specialized building materials and garden					
stores	365	307	397	8.7	
Food and beverage stores	6,615	6,931	6,982	5.6	
Supermarkets	4,853	5,145	5,154	6.2	
Convenience and specialty food stores	726	730	760	4.7	
Beer, wine and liquor stores	1,036	1,056	1,068	3.1	
Pharmacies and personal care stores	1,836	1,973	1,933	5.3	
Clothing and accessories stores	1,573	1,449	1,708	8.6	
Clothing stores	1,199	1,139	1,324	10.4	
Shoe, clothing accessories and jewellery					
stores	373	310	384	2.8	
General merchandise stores	3,330	3,115	3,431	3.0	
Department stores	1,688	1,599	1,730	2.5	
Other general merchandise stores	1,642	1,516	1,701	3.6	
Miscellaneous retailers	1,403	1,389	1,445	3.0	
Sporting goods, hobby, music and book					
stores	662	661	716	8.2	
Miscellaneous store retailers	741	729	729	-1.6	
Total retail sales	28,620	28,753	30,837	7.7	
Total excluding new car dealers, used and recreational motor vehicle and parts					
dealers	20,804	21,239	22,370	7.5	
Provinces and territories					
Newfoundland and Labrador	454	448	481	5.8	
Prince Edward Island	112	101	116	3.2	
Nova Scotia	840	813	877	4.5	
New Brunswick	664	650	695	4.6	
Quebec	6,709	6,624	7,265	8.3	
Ontario	10,427	10,452	11,181	7.2	
Manitoba	985	974	1,060	7.5	
Saskatchewan	870	842	930	6.9	
Alberta	3,584	3,757	4,046	12.9	
British Columbia	3,880	3,983	4,082	5.2	
Yukon	33	34	36	9.2	
Northwest Territories	42	54	48	13.9	
Nunavut	19	21	20	4.4	

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Revised figures. Preliminary figures.

Study: Social relationships in rural and urban Canada 2003

The differences between Canada's urban and rural residents are smaller than they are often perceived to be in terms of various aspects of social engagement, cohesion and participation, according to a new study.

Residents of rural Canada were more likely than their city cousins to know all or most of their neighbours, more likely to trust their neighbours, and more likely to have done some volunteer work.

In addition, they were more likely to have a strong sense of belonging to their community.

However, the study showed that rural people were no more likely to provide help to people that they know, such as relatives, neighbours or friends. And, there was no evidence that that they were less likely to be socially isolated from close friends and relatives than urban people.

In addition, levels of political involvement were similar in communities of all sizes, and the level of trust toward other people in general was similar in both urban and rural places.

Urban-rural differences: Social relationships with neighbours

The more rural a place, the greater the proportion of individuals who said they knew all or most of their neighbours, the study found.

In small rural communities, between 52% and 61% of individuals reported that they knew all their neighbours. This was three times the proportion of only 16% of those in the largest urban centres, that is Toronto, Montréal, Vancouver and Ottawa, who said they knew all their neighbours.

In addition, the more rural the place of residence the more likely individuals were to say they had a very strong sense of belonging to their local community.

Almost one-third (32%) of rural residents who had lived in their community for five years or more expressed a very strong sense of belonging to their local community. This compares with only 20% of residents of cities with a population of 500,000 to one million, and 19% of those in cities with a population over one million.

Rural residents were much more likely to say that their neighbours could be trusted a lot. They were also more likely to say that they trusted most people in their neighbourhood.

However, these differences in rates of feelings of trust and numbers of neighbours known were not fully

Note to readers

This report provides comprehensive information from the 2003 General Social Survey (GSS) on Social Engagement, which covered just under 25,000 Canadians aged 15 and over.

It was designed to further understanding by shedding light on the many ways in which Canadians engage in civic and social life.

This "social capital" has attracted the interest of researchers and policy-makers. Many of them wish to develop a better understanding of how social networks and norms of trust and reciprocity may contribute positively to individual and social outcomes.

It was in this environment that the 2003 GSS on social engagement was developed. It collected information on Canadians' social contacts with family, friends and neighbours; their involvement in formal organizations, political activities and religious services; their level of trust in people and in public institutions; and their sense of belonging to Canada, their province and their community.

GSS data for the Canadian population as a whole were released in The Daily on July 6, 2004.

reflected in terms of help received from, and help given to, neighbours.

Among people who had received help in the month prior to the survey, 20% of Canada's most rural residents reported being helped by a neighbour. This was only slightly higher than the equivalent share of 16% for residents of the largest cities.

Among those who gave help, 23% of Canada's rural residents said they had helped a neighbour, compared with 17% in the largest cities.

The study examined rural and urban differences in civic participation by looking at volunteering. The more rural the place of residence, the greater the likelihood of an individual having volunteered over the 12 months prior to the survey. About 41% of people in the most rural areas said they had done so, compared with 29% of residents in the largest cities.

Urban-rural similarities: Involvement in organisations and groups

The differences between urban and rural areas were small when people were asked whether they were members or participants in various voluntary organisations or groups. Just over one-half (52%) of the residents of Canada's four largest cities were members of at least one organization, compared with about 57% of residents in all other areas.

The level of trust within groups or communities is often considered as an important element of "social capital."

While this report showed that residents of smaller places were significantly more likely to trust their

neighbours, there was only weak evidence to support the idea that rural residents express higher levels of trust toward people in general.

About 52% of residents in large urban centres said that most people could be trusted, slightly less than the 59% of people in most rural areas. However, the proportions were virtually identical in rural areas and medium-sized cities.

Having no close friends did not differ significantly

An important indicator of social isolation is the absence of close friends, that is, people who are not your relatives but with whom you feel at ease, can talk about what is on your mind or call for help.

The study found that the proportion of individuals reporting having no close friends did not differ significantly in rural and urban areas of Canada. Only 6% of both rural and urban residents reported that they had no close friends. Also, the proportion of individuals who reported that they did not have relatives they feel close to was not significantly different in urban and rural areas.

The share of Canadians who reported having three to five close friends was also similar in rural and urban areas. However, 34% of people in the most rural areas said they had six or more close friends, slightly higher than the proportion of 28% in the largest cities.

The study looked more generally at help provided by Canadians. Across Canada, 78% of individuals said that they had helped at least one person in the past month and there were no significant differences between rural and urban residents.

Among people who were helped in the month prior to the survey, the share helped by friends was actually higher in urban areas, 71% as opposed to 67% in the most rural areas. Among those who gave help, 67% of individuals residing in large cities provided help for a friend, compared with 62% in Canada's most rural areas.

Rural dwellers were not different in the kind of help they provided compared to residents of more urban places. Residents of the largest cities were less likely to help with transportation or domestic/home work, but this kind of help might be less important in large cities. They were also slightly less likely to provide child care.

However, residents of the largest cities were as likely as residents of any other area to provide emotional help, teach, coach or give practical advice or help a person in some other way.

Definitions, data sources and methods: survey number 5024.

The Rural and Small Town Canada Analysis Bulletin: Social Engagement and Civic Participation: Are Rural and Small Town Populations Really at an Advantage? Vol. 6, no. 4 (21-006-XIE, free) is now available online. From the Our products and services page under Browse our Internet publications, choose Free and then Agriculture.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Martin Turcotte (951-2290, *martin.turcotte* @statcan.ca), Agriculture Division.

Study: How Canada compares in the G8 1990 to 2004

Canada has the smallest population of all G8 nations. But it goes into the group's annual summit in just over two weeks as one of the leaders in terms of economic expansion, employment and the education level of its workers, according to a new study.

Although Canada has managed to control rising labour costs over the past decade and add to its competitive edge, its gains in labour productivity have been substantially below those of France, Japan and the United States.

Nevertheless, all in all, the global economic picture indicates that Canada is keeping up with, and in many cases, surpassing its summit partners: France, Germany, Italy, Japan, Russia, the United Kingdom and the United States.

The G8 nations are among the most economically powerful countries in the world. They account for 13% of the world's population, but 46% of the global economy.

The extent of their economic clout is reflected in the average gross domestic product per capita. Among the G8 nations, average GDP per capita hit \$29,700 in 2004, more than five times the average of \$5,400 for non-G8 countries.

Despite Canada's size, it had the third highest gross domestic product per capita in 2004, about US \$31,000, third only to the United Kingdom at US \$31,100 and the United States at \$39,800.

Canada led the G8 nations in economic growth between 2000 and 2004, as its output increased at an annual average rate of 3.1%. In contrast, during the early 1990s, it had one of the lowest rates of economic expansion.

Canada has also fared well in terms of employment rate growth among the working-age population as well as in the educational attainment of this group.

By 2003, Canada had the third highest employment rate (73.3%) for the core working-age population 25 to 64. It followed only the United Kingdom with a rate of 74.2% and Japan at 73.9%. In 1976, Canada was in sixth place.

In 2003, Italy had the largest employment rate difference between the sexes, 27.8 percentage points. The gap in Canada was only 9.7 percentage points, the smallest. This was largely because Canadian women had the highest employment rate of all G8 countries.

Also, in 2002, 43% of Canada's working-age population aged 25 to 64 had a college diploma or university degree, the highest rate in the G8.

Unemployment rates in the G8 ranged between 3% and 12% from 1993 to 2003. Canada was near the middle of the pack, with a jobless rate of 7.6% in 2003.

However, the average number of work hours was on a downward trend in all countries except Canada, which had an average of 33 hours in both 1993 and 2003.

Export trade plays a key role in Canada's economy, accounting for one-third of GDP. All G8 members experienced gains in their external trade since 1990. But Canada's export trade more than tripled during the past decade, the biggest increase among all the nations.

The article "How Canada compares in the G8" is now available in the June 2005 online edition of *Perspectives on Labour and Income*, Vol. 6, no. 6 (75-001-XIE, \$6/\$52). See *How to order products*.

For more information or to enquire about the concepts, methods or data quality of this release, contact Katherine Marshall (613-951-6890; *katherine.marshall@statcan.ca*), Labour and Household Surveys Analysis Division.

Study: Whither the workweek? 2000 to 2004

Between 2000 and 2003, the average annual number hours of work, as estimated by the Labour Force Survey (LFS), gradually declined by 70 hours, which is the equivalent of two weeks of work or 1.4 hours per week per worker.

This decline was surprising since employment continued to be uncommonly strong despite slower economic growth than in the late 1990s.

In fact, between 2000 and 2004, employment increased 8.1%, while the number of hours worked rose only 4.3%. Such a differential was unprecedented.

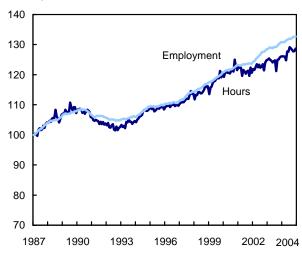
This new study found that survey methodology accounted for more than half of the decrease in hours of work. But other factors included the aging of the work force, as well as employees who generally were seeking a better balance between work and personal life.

In terms of methodology, the under-representation of some statutory holidays led to an overestimation of average annual hours worked in 2000, and thus by comparison an exaggerated drop in hours during the following three years. Similar patterns have occurred previously, notably between 1989 and 1992.

Once adjusted to eliminate the statutory holiday bias, the decline amounted to an average of one week annually per employee instead of two. Two-thirds of the decrease in adjusted hours came from an increase in hours lost for other than statutory holidays.

The relationship between employment and annual hours worked has diminished

January 1987=100



This increase in hours lost was attributable to the aging of the work force, since a major portion of the increase occurred among workers aged 45 and over.

Other contributing factors were an increase in time off for vacation and for personal or family responsibilities, as well as changes to Employment Insurance that resulted in more weeks of maternity, parental and adoption benefits as of December 31, 2000. This reflected the greater value assigned to a better balance between work and personal life.

The increased propensity to work part time, which was more pronounced among men in all age groups, also reinforced this trend.

In addition, 2003 was disrupted by several events: the August power blackout in Ontario, concerns about a possible SARS epidemic, and forest fires and floods in British Columbia.

Combined with the substantial appreciation of the Canadian dollar, these events led to an increase in work absences for other reasons, which accounted for nearly one-fifth of the total increase in hours lost.

While the average workweek has decreased, the decrease is exaggerated because the LFS estimate of hours actually worked often introduces a bias that can distort interpretation of labour market conditions.

A comprehensive adjustment is produced regularly at Statistics Canada in the Canadian Productivity Accounts program. The Current Population Survey, the

American counterpart of Canada's LFS, uses virtually identical procedures, so their estimates also contain a reference-week bias.

On the other hand, new labour force surveys in the European Union gather data weekly from reduced samples, thus nullifying this bias.

Definitions, data sources and methods: survey number 3701.

The article "Whither the workweek?" is now available in the June 2005 online edition of *Perspectives on Labour and Income*, Vol. 6, no. 6 (75-001-XIE, \$6/\$52). See *How to order products*.

For more information or to enquire about the concepts, methods or data quality of this release, contact Diane Galarneau (613-951-4626; diane.galarneau@statcan.ca), Labour and Household Surveys Analysis Division.

Study: Trends in international trade in machinery and transport equipment 1980 to 2003

Canada's international trade (both imports and exports) has become increasingly intensive in machinery and transport equipment, according to a new report analyzing long-term trends during the past two decades.

Increased trade in this commodity group can be taken to a large extent as an indicator of the proliferation of technology across nations. The group is dominated by high- and medium-high technology-intensive goods, such as power generating machinery and equipment, automotive products, aircraft and associated equipment and parts, office machines and automatic data processing equipment, telecommunications and sound-recording equipment.

In 1980, machinery and transport equipment accounted for 26.4% of Canada's total exports and 46.3% of total imports.

By 1999, the share in total exports had peaked at 42.5% while the share of total imports peaked at 53.2%.

By 2003, the share of exports had slipped to 35.9% while the share of imports had settled to 47.6%. The value of exports of machinery and transport equipment in 2003 amounted to \$135.2 billion, while imports were worth \$158.1 billion.

The growth in both exports and imports of machinery and transport equipment tracked the major economic developments and business cycles of the past two decades.

During the 1980s, the United States accounted for just over 88% of Canada's exports of machinery and transport equipment, which averaged \$38.6 billion

annually. During the 1990s, its share rose to 90.7% of total exports, which averaged \$91.3 billion a year.

Between 2000 and 2003, machinery and transport equipment exports averaged \$151.3 billion. The United States was the destination for 90.4%.

On the other hand, the trend in imports has been the reverse. In the 1980s, the United States was the source of about 79.5% of Canada's \$51.6 billion average annual imports in the category. The US share declined to 71% in the 1990s, when total imports of these goods averaged \$110.5 billion.

Between 200 and 2003, just over 66% of Canada's \$171.4 billion average annual imports in machinery and transport equipment came from the United States.

While the United States still accounts for about 90% of Canada's machinery and transport equipment exports, evidence suggests that Canada's relative importance in American imports in this category has been declining.

In 1990, Canada accounted for 19.3% of total US imports in the category. Since then, the share has continuously fallen to 16.5% in 2003.

The decline in Canada's share in US imports of machinery and transport equipment was due primarily to the loss in the share of road vehicles. A significant part of the explanation for the loss lies in the emergence of Mexico as a centre for global automotive production.

Definitions, data sources and methods: survey number 2201.

The article "Key trends in Canada's international trade in machinery and transport equipment, 1980 to 2003" (65-507-MIE2005002, free) is now available in the publication *Canadian Trade Review* (65-507-MIE).

For more information, or to enquire about the concepts, methods or data quality of this release, contact Jafar Khondaker (1-613-951-6835), International Trade Division.

International trade in culture goods: Releases recalled

2003 and 2004

Statistics Canada has uncovered what could be significant errors in the data on the international trade of culture goods released in *The Daily* of March 29, 2005, May 19, 2005 and May 24, 2005.

Due to a technical problem in the data extraction process, many of the values for the import and export

of culture goods for the years 1996 to 2004 (including overall totals and trends) are incorrect.

We have fixed the technical problems that caused the errors and have corrected our quality control processes to ensure that they will not happen again.

We will replace the news releases once new data and analysis have been produced and validated thoroughly.

We deeply regret any inconvenience this error may have caused our project partners at the Department of Canadian Heritage or our other data users.

Detailed data tables in the electronic publication *Culture Trade: Goods: Data Tables* (87-007-XIE, free) have been removed from Statistics Canada's Web site. They will be updated with the revised data.

Definitions, data sources and methods: survey number 5088.

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

Production and disposition of tobacco products

May 2005

Total cigarettes sold in May by Canadian manufacturers increased 10.9% from April to 3.1 billion cigarettes, but was down 3.4% from the level observed in May 2004.

Cigarette production for May plunged 16.8% from April to 3.0 billion cigarettes, down 5.7% from the level observed in May 2004.

At 5.1 billion cigarettes, the level of closing inventories for May was 0.6% higher compared with April, and 25.3% above the level recorded in May 2004.

Available on CANSIM: table 303-0062.

Definitions, data sources and methods: survey number 2142.

The May 2005 issue of *Production and Disposition of Tobacco Products* (32-022-XIB, \$6/\$51) is now available. See *How to order products*.

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

Large urban transit

April 2005 (preliminary)

Combined ridership on 10 large urban transit systems in Canada was 2.1% higher in April than it was for the same month in 2004.

Approximately 108 million passenger trips were taken on these transit systems in April. These systems account for about 80% of total urban transit in Canada.

The trips generated \$163.8 million in revenue in April 2005 (excluding subsidies), a 3.9% increase over April 2004.

Available on CANSIM: table 408-0004.

Definitions, data sources and methods: survey number 2745.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the Dissemination Unit (1-866-500-8400; fax: 1-613-951-0009; *transportationstatistics* @statcan.ca), Transportation Division.

New products

Infomat: A Weekly Review, June 21, 2005 Catalogue number 11-002-XWE (\$100).

Rural and Small Town Canada Analysis Bulletin: Social Engagement and Civic Participation: Are Rural and Small Town Populations Really at an Advantage, 2003, Vol. 6, no. 4 Catalogue number 21-006-XIE (free).

Production and Disposition of Tobacco Products, May 2005, Vol. 34, no. 5 Catalogue number 32-022-XIB (\$6/\$51).

Canadian Trade Review: Key Trends in Canada's International Trade in Machinery and Transport Equipment, 1980 to 2003, no. 2 Catalogue number 65-507-MIE2005002 (free).

Canada's International Transactions in Securities, April 2005, Vol. 71, no. 4 Catalogue number 67-002-XIE (\$15/\$142).

Perspectives on Labour and Income, June 2005, Vol. 6, no. 6

Catalogue number 75-001-XIE (\$6/\$52).

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

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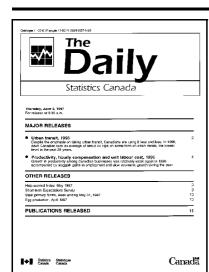
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