Catalogue 11-001-XIE (Français 11-001-XIF) ISSN 0827-0465

The Daily

Statistics Canada

Thursday, May 4, 2006
Released at 8:30 a.m. Eastern time

Releases

New products

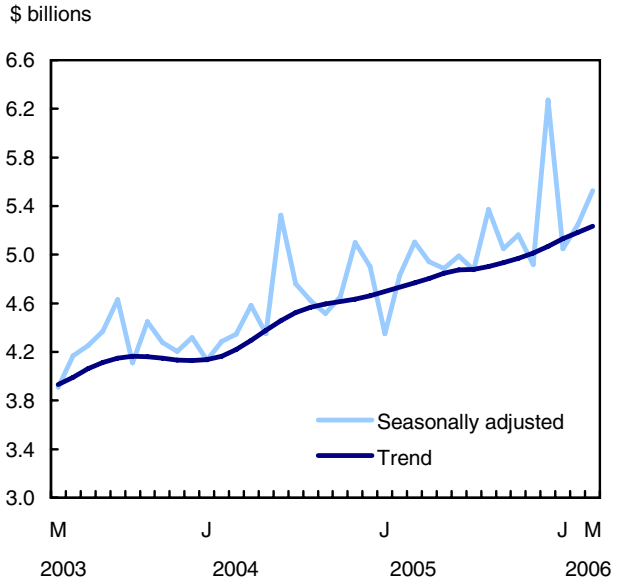
Releases

Building permits

March 2006

The value of building permits issued by municipalities rose 5.3% in March to reach their second highest level on record. Builders took out $5.5 billion worth of permits. While construction intentions remained high in the housing sector, the strong showing came largely from planned investments in non-residential building construction.

Total value of permits rises in March



These results bode well for workers in both the residential and non-residential construction sectors, as permits are a leading indicator of building activity.

After a strong 15.3% increase in February, the value of non-residential permits surged another 15.1% in March to $2.1 billion. This level was 16.1% higher than the average monthly level in 2005, an exceptional year for the non-residential sector. The strong results in March came largely in the wake of hospital related construction projects.

In the housing sector, the value of permits remained unchanged from February and totalled $3.4 billion. A slight decline in the single-family component was offset by a gain in permits for multi-family dwellings. The housing sector remained very dynamic as the value of housing permits has been on an upward trend since the beginning of 2005 — thanks to the very strong market in Western Canada.

Note to readers

Unless otherwise stated, this release presents seasonally adjusted data, which ease comparisons by removing the effects of seasonal variations.

The Building Permits Survey covers 2,380 municipalities representing 95% of the population. It provides an early indication of building activity. The communities representing the other 5% of the population are very small, and their levels of building activity have little impact on the total.

The value of planned construction activities shown in this release excludes engineering projects (e.g., waterworks, sewers or culverts) and land.

For the purpose of the Building Permits release, the census metropolitan area of Ottawa–Gatineau is divided into two areas: Ottawa–Gatineau (Quebec part) and Ottawa–Gatineau (Ontario part).

Regionally, 21 out of the 28 census metropolitan areas showed stronger results in the first quarter of 2006 in comparison to the same period last year. The largest advances (in dollars) were recorded in the metropolitan areas of Calgary, Edmonton and Vancouver, thanks to their hot housing sector. Furthermore, with the exception of St. John's, all metropolitan areas east of Toronto recorded faster starts to the year than 2005. Toronto, with declines in both residential and non-residential components, showed the largest retreat.

The demand for new single-family dwellings cools slightly

The value of permits for single-family dwellings declined a slight 0.6% to $2.2 billion in March, a second consecutive monthly decrease. Despite these retreats, the level in March remained 6.3% higher than the average monthly level in 2005.

The value of multi-family permits reached $1.2 billion, up 1.1 % from February and a third monthly gain over the last four months.

In terms of units, the construction of 10,155 new single-family dwellings was approved by municipal authorities in March, down 1.7% from February. The number of new single-family units approved has declined in the last three months.

The number of multi-family units authorized in March totalled 9,590 units, up 1.7% from February. The recent

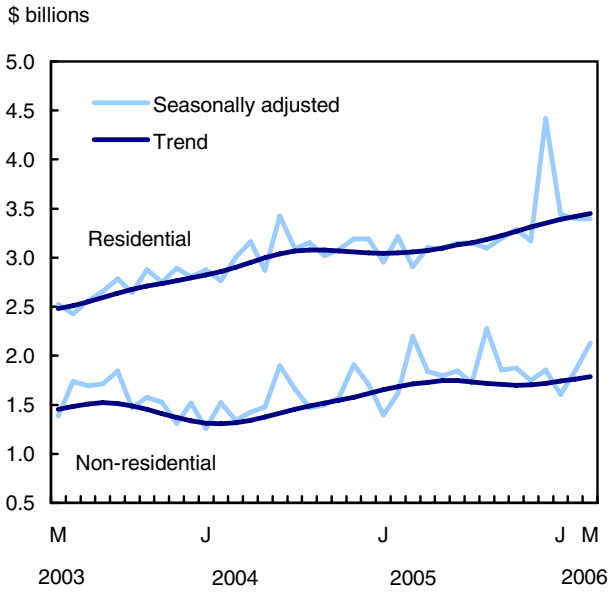
gains contributed to the halt of the downward trend (for the demand of multi-family dwellings) in the last part of 2005.

A total of 59,100 new dwelling units were approved in the first three months of 2006. This was the best first quarter since 1990 when 61,600 new units were approved.

The housing sector continued to be positively affected by the very dynamic economy in Western Canada. Other contributing factors were advantageous mortgage rates, the continued strength in full-time employment and in personal disposable income along with the high level of immigration.

Provincially, the largest gain in housing permits in March occurred in British Columbia (+30.7% to $729 million) as the value of multi-family permits surged. Marked increases in the demand for both single- and multi-family dwellings led Nova Scotia to a new record high ($98 million). These gains were offset by declines in Ontario, Quebec and Alberta. In Alberta, the level in March was the second highest after the record high posted in February.

Value of non-residential permits increases in March



Institutional projects spur non-residential sector

The value of construction projects in the non-residential sector totalled $2.1 billion in March, a 15.1% jump from February and the fourth highest recorded monthly level. A strong gain in the value of institutional permits was the main factor behind this gain. The non-residential sector has been on an upward trend since November 2005.

Permits in the institutional sector increased a spectacular 52.6% to $773 million, a second consecutive monthly increase. March's result was the second highest level on record. The gain was based mainly on projects in the hospital category. The growing demand for health care services can explain the strong construction intentions for hospitals. Provincially, Alberta and Ontario reported the largest increases in this component. By contrast, the largest decline (in dollars) was in Quebec following a very robust level in February.

In the commercial sector, the value of permits rose 3.0% to $1.1 billion, a third monthly gain over the last four months, as a result of higher intentions in the trade and services category and service stations. The largest contributions to the monthly gain (in dollars) in this component came from Ontario (+9.8% to $429 million) and Quebec (+17.3% to $180 million). In contrast, Saskatchewan recorded the largest drop, falling 44.1% to $20 million.

After a strong 38.0% increase in February, the intentions for industrial construction declined 6.7% to $258 million. The utility category showed the largest decline, followed by manufacturing buildings. The most significant decrease among the provinces for this component occurred in Alberta, with a 32.0% drop to $40 million.

The largest contributions to the monthly gain (in dollars) in the non-residential sector came from Ontario (+29.8% to $883 million) and Alberta (+42.8% to $480 million). Alberta set a new record level in March. Quebec posted the largest drop, falling 21.0% to $299 million.

Non-residential permits were up in 14 of the 28 census metropolitan areas. The largest increase (in dollars) occurred in Ottawa, where all three components rose. In contrast, Montréal recorded the largest decrease, mainly the result of a drop in institutional permits.

The recent results in the non-residential sector could be explained by the strong retail sales, the high utilization of industrial capacity, the record high operating profits earned by Canadian corporations, the lower vacancy rates for commercial buildings and favorable interest rates.

Available on CANSIM: tables 026-0001 to 026-0008, 026-0010 and 026-0015.

Definitions, data sources and methods: survey number 2802.

The March 2006 issue of *Building Permits* (64-001-XIE, free) will be available soon.

The April 2006 building permit estimate will be released on June 6.

To order data, contact Brad Sernoskie (613-951-4646 or 1-800-579-8533; *bdp_information@statcan.ca*). For more information, or to enquire about the concepts, methods or data quality of this release, contact Bechir Oueriemmi (613-951-1165), Investment and Capital Stock Division.

Value of building permits, by census metropolitan area[1]

	February 2006[r]	March 2006[p]	February to March 2006	January to March 2005	January to March 2006	January to March 2005 to January to March 2006
	seasonally adjusted					
	$ millions		% change	$ millions		% change
St. John's	39.2	18.7	-52.4	107.0	88.6	-17.2
Halifax	57.6	59.3	2.8	104.4	151.3	45.0
Saint John	12.5	10.2	-18.1	28.9	39.8	37.6
Saguenay	6.4	19.4	203.1	27.6	30.9	11.8
Québec	131.7	104.6	-20.6	274.9	304.2	10.7
Sherbrooke	59.6	27.8	-53.3	49.5	98.1	98.0
Trois-Rivières	22.5	12.4	-44.9	31.4	58.5	86.0
Montréal	554.6	432.1	-22.1	1,370.0	1,450.0	5.8
Ottawa–Gatineau, Ontario/Quebec	112.7	442.3	292.6	528.7	718.0	35.8
Ottawa–Gatineau (Que. part)	25.9	42.5	64.0	87.3	125.5	43.8
Ottawa–Gatineau (Ont. part)	86.8	399.8	360.8	441.4	592.5	34.2
Kingston	9.4	48.0	410.4	28.9	65.5	126.9
Oshawa	99.0	66.9	-32.5	215.6	232.8	8.0
Toronto	875.4	700.0	-20.0	2,963.9	2,468.7	-16.7
Hamilton	73.1	77.8	6.4	248.4	252.5	1.7
St. Catharines–Niagara	28.8	43.7	52.0	110.7	104.6	-5.6
Kitchener	73.7	92.6	25.6	212.1	255.1	20.3
London	72.6	57.0	-21.5	196.3	238.1	21.3
Windsor	17.9	33.4	86.5	105.0	160.8	53.2
Greater Sudbury/Grand Sudbury	5.6	6.4	14.0	32.0	16.8	-47.6
Thunder Bay	11.4	3.0	-73.8	39.0	21.2	-45.7
Winnipeg	68.2	59.2	-13.2	141.9	215.8	52.1
Regina	24.2	21.8	-10.2	72.7	72.1	-0.8
Saskatoon	33.2	41.4	24.4	75.3	111.2	47.6
Calgary	417.5	579.2	38.7	1,009.3	1,318.0	30.6
Edmonton	269.9	273.7	1.4	604.3	816.4	35.1
Abbotsford	17.0	13.3	-21.5	100.5	57.8	-42.5
Vancouver	437.0	600.4	37.4	1,218.2	1,452.5	19.2
Victoria	62.6	61.4	-1.8	167.0	177.0	6.0

r *Revised.*
p *Preliminary.*
1. *Go online to view the census subdivisions that comprise the census metropolitan areas.*
Note: *Data may not add to totals as a result of rounding.*

Value of building permits, by province and territory

	February 2006[r]	March 2006[p]	February to March 2006	January to March 2005	January to March 2006	January to March 2005 to January to March 2006
	seasonally adjusted					
	$ millions		% change	$ millions		% change
Canada	**5,247.3**	**5,525.3**	**5.3**	**14,285.9**	**15,820.8**	**10.7**
Residential	**3,396.7**	**3,395.0**	**-0.1**	**9,079.5**	**10,234.4**	**12.7**
Non-residential	**1,850.6**	**2,130.3**	**15.1**	**5,206.5**	**5,586.4**	**7.3**
Newfoundland and Labrador	50.5	28.3	-43.9	140.3	118.9	-15.2
Residential	33.5	23.5	-29.9	80.9	90.1	11.3
Non-residential	16.9	4.8	-71.5	59.4	28.9	-51.4
Prince Edward Island	11.3	23.5	108.5	47.4	47.9	1.1
Residential	10.6	16.1	51.6	30.3	35.5	17.3
Non-residential	0.6	7.4	1,081.7	17.1	12.4	-27.4
Nova Scotia	97.1	128.4	32.2	215.7	321.0	48.8
Residential	72.5	97.6	34.5	155.8	246.5	58.3
Non-residential	24.6	30.8	25.3	59.9	74.5	24.2
New Brunswick	63.8	63.6	-0.4	146.2	223.7	53.0
Residential	39.1	50.8	30.0	106.1	133.0	25.4
Non-residential	24.7	12.7	-48.4	40.1	90.7	126.0
Quebec	1,064.1	905.6	-14.9	2,579.1	2,845.8	10.3
Residential	686.4	607.1	-11.6	1,839.8	1,827.7	-0.7
Non-residential	377.7	298.5	-21.0	739.4	1,018.1	37.7
Ontario	1,829.3	1,941.7	6.1	5,960.1	5,827.0	-2.2
Residential	1,148.5	1,058.2	-7.9	3,706.7	3,652.2	-1.5
Non-residential	680.8	883.5	29.8	2,253.5	2,174.8	-3.5
Manitoba	125.1	103.0	-17.6	234.5	342.6	46.1
Residential	70.1	58.7	-16.3	143.3	206.0	43.8
Non-residential	54.9	44.3	-19.3	91.2	136.6	49.7
Saskatchewan	74.4	78.8	5.9	194.2	237.5	22.3
Residential	33.9	36.2	6.8	81.2	112.2	38.1
Non-residential	40.5	42.6	5.1	113.0	125.3	10.9
Alberta	1,079.8	1,191.8	10.4	2,403.8	3,175.7	32.1
Residential	743.8	712.1	-4.3	1,395.5	2,109.3	51.2
Non-residential	336.0	479.8	42.8	1,008.3	1,066.4	5.8
British Columbia	850.8	1,023.8	20.3	2,348.3	2,638.2	12.3
Residential	557.3	728.5	30.7	1,527.4	1,811.0	18.6
Non-residential	293.5	295.3	0.6	820.9	827.3	0.8
Yukon	1.0	25.5	2,585.3	9.5	30.5	220.3
Residential	0.9	2.8	216.3	8.1	7.5	-8.1
Non-residential	0.1	22.7	32,866.7	1.4	23.0	1,544.2
Northwest Territories	0.2	2.1	939.0	6.4	2.8	-56.7
Residential	0.0	1.9	...	4.6	2.0	-57.2
Non-residential	0.2	0.2	6.0	1.8	0.8	-55.4
Nunavut	0.0	9.1	...	0.4	9.1	2,159.0
Residential	0.0	1.5	...	0.0	1.5	50,233.3
Non-residential	0.0	7.6	...	0.4	7.6	1,800.2

[r] *Revised.*
[p] *Preliminary.*
... *Figures not applicable.*
Note: *Data may not add to totals as a result of rounding.*

■

Study: Science and engineering employment in Canada and the United States

2000 and 2001

Although Canada may lag behind the United States in terms of domestic expenditures on research and development, proportionally, scientists and engineers are just as prevalent here as they are south of the border, according to a new report.

In 2000 and 2001, scientists and engineers together accounted for 4.5% of paid employment in both countries.

This proportion nearly doubled in both nations during the previous two decades. In 1980 and 1981, scientists and engineers represented 2.3% of paid workers in Canada, and 2.6% in the United States.

Canada's system of innovation is sometimes characterized as "disadvantaged" because Canadian businesses devote proportionately fewer resources to research and development than do businesses elsewhere, particularly in the United States.

However, the intensity of research and development is only one measure of an economy's innovative capacity. Scientists and engineers have long been regarded as important to innovation and technological progress.

This study focuses on a set of occupations that are classified as science or engineering-based by the National Science Foundation. These occupations include computer and mathematical scientists, life scientists, physical scientists, social scientists and engineers.

In 2000 and 2001, scientists and engineers accounted for a slightly higher share of paid earnings in the United States than in Canada. Scientists and engineers accounted for 8.5% of paid earnings in the United States, compared with 7.7% in Canada.

There were also some differences between the two nations in how intensively scientists and engineers were employed in different sectors of the economy. The sector with the largest share of scientists and engineers in both countries (professional, scientific and technical services industries) was more science and engineering-intensive in Canada. Scientists and engineers made up one-quarter of this sector's work force in Canada, compared to about one-fifth in the United States.

Conversely, the US manufacturing sector was more science and engineering-intensive than Canada's. Scientists and engineers made up 8.1% of US manufacturing employment, compared to 4.8% in Canada.

The study also examines a different but related group of occupations that contain a significant science or engineering component, such as workers in health-related occupations, and science and engineering technologists.

Canada and the United States also compared well in terms of this other group of science and engineering-related occupations. In 2000 and 2001, these related occupations accounted for 9.0% of paid employment in Canada, compared to 9.1% in the United States.

Workers in these occupations accounted for 12.2% of paid earnings in Canada and 10.7% of paid earnings in the United States.

Note: Data for this study came from the 1981, 1991 and 2001 Canadian censuses and the corresponding US censuses in 1980, 1990 and 2000.

Definitions, data sources and methods: survey number 3901.

The research paper *The Canadian Economy in Transition: Innovation Capabilities: Science and Engineering Employment in Canada and the United States* (11-622-MIE2006011, free) is now available online. From the *Our products and services* page, under *Browse our Internet publications*, choose *Free*, then *National accounts*.

More studies related to innovation and technology use are available free of charge in the analytical series *Update on Economic Analysis* (11-623-XIE) on our Web site.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Guy Gellatly (613-951-3758) or Desmond Beckstead (613-951-6199) of the Micro-economic Analysis Division. ■

Couriers and local messengers industry

2003 (revised) and 2004 (preliminary)

The couriers and local messengers industry included 20,623 establishments in 2004, providing a variety of services, from letter delivery by bicycle messenger to high-tech equipment delivery in Canada and other countries. The number of establishments increased 1% from 2003.

The industry generated operating revenue of about $6.2 billion in 2004, up 7% from the previous year. Operating expenses totalled nearly $5.7 billion in 2004, up 6% from 2003. The largest increases were for repair and maintenance expenses (+10%), the cost

of energy and supply (+9%) and the other purchased services (+8%).

The industry's operating margin, the difference between operating revenue and operating expenses, was $463 million, up 27% compared with 2003.

The North American Industry Classification System (NAICS) divides the industry into two segments: courier companies, which provide national and international delivery services, and local messenger businesses, which provide delivery services within a smaller region, such as a city or a metropolitan area.

While couriers accounted for only about 14% of the industry's establishments in 2004, they generated roughly 79% of the total operating revenues. Courier establishments had an average operating margin of about $130,000, up 25% from 2003.

Local messengers, on the other hand, accounted for 86% of the establishments but only 21% of the industry's operating revenue. They had an average operating margin of about $5,000, down 14% from 2003. This segment's modest operating margin is mostly due to the fact that self-employed individuals are more prevalent than salaried employees.

The largest expense item for couriers was wages, salaries and benefits (39%), followed by other purchased services (36%). The picture was very different for local delivery services. Their largest expense item was other purchased services (53%), which made up a much larger portion of total expenses than the second-largest item, wages, salaries and benefits (22%). This situation seems to show that couriers tend to have paid employees while local messengers made more use of self-employed persons.

Large- and medium-sized courier and local messenger firms (those with revenues of $1 million or more) delivered nearly 525 million items in 2004, generating just over $4.6 billion in delivery revenue. A breakdown by activity shows that two days or more/other services garnered only 39% of the revenue even though they accounted for 56% of all items delivered. In contrast, next-day and overnight services accounted for more than one-half of the revenue but just 33% of the total items delivered.

Of the overall total, large- and medium-sized courier firms moved 88% of all items and earned 89% of the revenue. These firms provided almost all of the two-days or more services, gathering virtually all of the revenue earned. They also accounted for most of the next-day and overnight services.

For their part, large- and medium-sized local messenger firms moved 12% of all items delivered, while they earned 11% of the overall revenue. These firms specialized mainly in same-day delivery services, earning almost all the revenue from these services in 2004.

In the industry as a whole, each item generated an average of $8.79 in delivery revenue. Next-day and overnight services generated the largest average revenue per item among couriers ($13.89), while two days or more/other services generated the smallest average revenue per item ($6.04).

Ontario remained the dominant province in the industry, as nearly one-half of the delivery revenue was generated from shipments originating in this province (47%). Canadian destinations accounted for 77% of total delivery revenue, while shipments to the United States made up about 19% of the total.

The couriers and local messengers industry depends to a large extent on relatively costly fleets of vehicles and equipment to provide its delivery services. For the couriers sector, most of the vehicles used were cube/step vans (62%) and trailers (17%).

For local messengers, the mostly commonly used equipment was automobiles (47%) and cube/step vans (30%). Overall, the industry had around 23,600 vehicles and various pieces of equipment in 2004.

Available on CANSIM: tables 402-0001 to 402-0003.

Definitions, data sources and methods: survey number 4703.

The special bulletin *Service Bulletin: Surface and Marine Transport* (50-002-XIE, free) will be available soon. This bulletin contains a wider range of financial and operating data on the couriers and local messengers industry.

For general information or to order data, contact the Dissemination Unit (1-866-500-8400; fax: 613-951-0009; *transportationstatistics@statcan.ca*). For more information, or to enquire about the concepts, methods or data quality of this release, contact Vincent Dubé (613-951-7031; fax: 613-951-0579; *vincent.dube@statcan.ca*), Transportation Division. ■

International merchandise trade: Annual review

2005

In spite of the continued strength of the Canadian dollar, Canada's merchandise export values and volumes both hit record highs in 2005, according to a new publication which identifies and explains major trends in Canada's international merchandise trade for 2005.

In the latter part of 2005, there was a surge in energy export values as hurricanes in the Gulf Coast upset North American natural gas and crude petroleum supplies and sent prices soaring. The surge in prices pushed energy export values up 28.2%, guaranteeing

energy the title of fastest growing export commodity for the year.

Energy was not the only story for 2005 as high-tech export volumes reached levels attained during the high-tech boom and automotive exports showed strength despite several firms restructuring their operations.

It was a year for records as import values and volumes also registered historic highs. Nearly two-thirds of the overall increase in real imports was attributed to a surge in demand for machinery and equipment as Canadian firms took advantage of low interest rates, historically high business profits, and a stronger Canadian dollar pushing down import prices.

For the first time ever, Canadian merchandise imports from Mexico ($14.6 billion) were higher than from Japan, moving Mexico from Canada's fourth to third largest source of imported products in 2005. Imports originating in China, which became the second largest source of imports in 2002, hit $29.5 billion in 2005, an increase of 22.3% over 2004.

Available on CANSIM: tables 228-0001 to 228-0003 and 228-0033 to 228-0046.

Definitions, data sources and methods: survey numbers, including related surveys, 2201, 2202 and 2203.

The publication *International Merchandise Trade Annual Review, 2005* (65-208-XIE, free) is now available online. From the *Our products and services* page, under *Browse our Internet publications*, choose *Free*, then *Trade*.

For more information on products and services, contact Jean-Marie Houle, (1-800-294-5583; 613-951-9647). To enquire about the concepts, methods or data quality of this release, contact Diana Wyman (613-951-3116), International Trade Division. ■

Annual Survey of Manufactures: Products shipped by Canadian manufacturers

2003

Data on products shipped by Canadian manufacturers are now available at the provincial level for 2003.

Definitions, data sources and methods: survey number 2103.

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*), Manufacturing, Construction and Energy Division. ■

New products

The Canadian Economy in Transition: Innovation Capabilities: Science and Engineering Employment in Canada and the United States, no. 11
Catalogue number 11-622-MIE2006011
(free).

Neighbourhood Insights: Your Guide to the Statistical Information Packages Available from Small Area and Administrative Data Division, Statistics Canada, 2006
Catalogue number 17-507-XIE
(free).

International Merchandise Trade Annual Review, 2005
Catalogue number 65-208-XIE
(free).

Employment, Earnings and Hours, February 2006, Vol. 84, no. 2
Catalogue number 72-002-XIB
(free).

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

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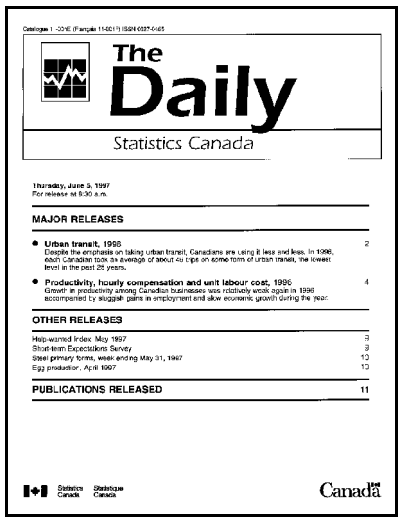

Catalogue 11-001E (Français 11-001F) ISSN 0837-0462

The Daily

Statistics Canada

Thursday, June 5, 1997
For release at 8:30 a.m.

MAJOR RELEASES

- **Urban transit, 1996** 2
  Despite the emphasis on taking urban transit, Canadians are using it less and less. In 1996, each Canadian took an average of about 40 trips on some form of urban transit, the lowest level in the past 25 years.
- **Productivity, hourly compensation and unit labour cost, 1996** 4
  Growth in productivity among Canadian businesses was relatively weak again in 1996 accompanied by sluggish gains in employment and slow economic growth during the year.

OTHER RELEASES

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Egg production, April 1997 10

PUBLICATIONS RELEASED 11

Statistics Canada Statistique Canada

Canada

Statistics Canada's official release bulletin

Catalogue 11-001-XIE.

Published each working day by the Communications Division, Statistics Canada, 10-G, R.H. Coats Bldg., Tunney's Pasture, Ottawa, Ontario K1A 0T6.

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