

The Daily

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New products and studies

Canadian Social Trends

March 2010

The March 2010 online issue of *Canadian Social Trends* released today celebrates International Women's Day with three articles. The first article, published as part of the Living with disability series, is entitled "Life satisfaction of working-age women with disabilities." This article examines factors that can affect satisfaction with daily activities, with relationships with family and friends, as well as with health.

The second article, "Precautions taken to avoid victimization: A gender perspective," examines the role gender plays on precautionary actions taken to avoid victimization for the core working-age population living in large urban centres.

The third article, "The Census and the evolution of gender roles in early 20th century Canada," looks at how the role of women in society changed over the early part of the 20th century and how these changes were reflected in the Census of Canada.

Also, this issue includes two fact sheets that contain various social and economic data for women and men.

The three articles are now available in the March 2010 issue of *Canadian Social Trends*, no. 89 (11-008-X, free), from the *Key resource* module of our website under *Publications*.

For more information, contact Client Services (613-951-5979; sasd-dssea@statcan.gc.ca), Social and Aboriginal Statistics Division.



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Releases

Foreign control in the Canadian economy

2007

Foreign acquisitions of Canadian-controlled firms, particularly in manufacturing and oil and gas, drove a 10.6% increase in Canadian assets under foreign control in 2007. Canadian assets under Canadian control rose 9.9%, led by the depository credit intermediation industry.

As a result of these movements, foreign-controlled firms accounted for 21.3% of corporate assets in 2007, up slightly from 21.1% the year before.

In the manufacturing sector, assets under foreign control increased 16.4% in 2007, while those under Canadian control declined 8.2%. In the oil and gas industry, assets under foreign control rose 24.1%, more than double the 10.1% increase in assets under domestic control.

Asset-based measures of foreign control provide a longer-term perspective. However, foreign control is also measured by operating revenues and profits earned by enterprises operating in Canada that are controlled by non-resident or foreign interests.

In 2007, Canadian-controlled firms increased their operating profits by 6.5%, compared with a 1.0% increase for those under foreign control. In terms of revenues, firms under Canadian control recorded a 5.9% increase, almost double the 3.2% growth for foreign-controlled firms.

Consequently, foreign-controlled firms accounted for 26.2% of operating profits, down from 27.2% in 2006. With respect to revenues, foreign-controlled firms represented 29.4% of the total in 2007, down from 30.0% in the previous year.

Manufacturing: Foreign-controlled firms now represent over one-half of assets, revenues and profits

In 2007, foreign-controlled companies operating in Canada held more than half (52.8%) of assets in manufacturing, the first time since 1999. This share was up from 46.8% in 2006. The increase was due largely to foreign acquisitions of Canadian-controlled firms, especially in the primary metals and the wood and paper industries.

Firms under foreign control also accounted for 53.8% of manufacturing revenues and 51.4% of

Note to readers

Under the authority of the Minister of Industry, Statistics Canada administers the Corporations Returns Act, which requires the collection of financial and ownership information on corporations conducting business in Canada. This information is used to evaluate the extent of non-resident control of the Canadian corporate economy.

The Corporations Returns Act requires that an annual report be submitted to Parliament summarizing the extent to which foreign control is prevalent in Canada. The document being released today is the report for the reference year 2007.

Three components are used to measure foreign control: assets, operating revenues and operating profits.

Asset-based measures of foreign control provide a longer term perspective. Assets are a stock item, reflecting economic decisions and market conditions that evolve more slowly over time.

Revenue-based measures, on the other hand, represent a flow item and are closely tied to the business cycle. Revenues tend to reflect current business conditions, causing them to be more volatile than asset-based measures.

Profits are a measure of the financial health and well-being of an economy and can be used to assess its performance and sustainability.

manufacturing profits. Both shares were higher than those in 2006.

All manufacturers recorded a decline in profits in 2007, whether they were foreign-controlled or Canadian-controlled. This decline was due in part to an appreciating Canadian dollar, the softening US housing market, and strengthened global competition.

Oil and gas: Foreign-controlled shares get boost from acquisitions

For a second consecutive year, Canadian-controlled firms accounted for over one-half of assets, revenues and profits in the oil and gas industry in 2007. However, they lost some share to foreign-controlled firms.

The share of assets for domestic-controlled firms in oil and gas fell from 64.3% to 61.5%. While these firms generated 51.2% of operating revenues and 55.4% of profits, both shares were down from their levels in 2006.

Like firms in manufacturing, those in the oil and gas industry experienced declining profits in 2007, regardless of whether they were controlled domestically or by foreign countries.

The rising value of the Canadian dollar and lower natural gas prices contributed to lower earnings for both Canadian-controlled and foreign-controlled oil and gas extractors.

Banks: Foreign control is regulated

In the finance and insurance sector, the depository credit intermediation industry, which includes banks, posted the smallest shares under foreign control, at 8.3% of assets, 7.8% of revenues and 6.7% of profits. These shares have remained relatively stable since 1999, reflecting regulations governing foreign control.

United States and United Kingdom firms increase shares on strength of acquisitions

The United States continued to be the dominant player among foreign-controlled enterprises operating in Canada.

In 2007, US-controlled firms accounted for 54.7% of assets under foreign control as well as 59.3% of operating revenues, and 54.4% of profits. These proportions were all up slightly from the year before.

The increase in these shares was driven by acquisitions of firms that were formerly under the control of companies based in the European Union and Canada. This was especially the case in three manufacturing industries: motor vehicles and parts; wood and paper; and primary metals.

The shares of foreign-controlled assets and revenues under the control of firms in the United Kingdom expanded, while those under German control contracted.

The increase in shares controlled by firms in the United Kingdom reflected acquisitions of manufacturing firms formerly under Canadian control.

Germany was the only major foreign country of control whose shares declined significantly. They fell 2.0 percentage points for assets, 2.6 points for revenues and 2.1 points for profits.

This decline in German-controlled shares resulted from takeovers by US-controlled firms in manufacturing.

Available on CANSIM: tables 179-0004 and 179-0005.

Definitions, data sources and methods: survey number 2503.

The report *Corporations Returns Act, 2007* (61-220-X, free), is now available from the *Key resource* module of our website under *Publications*.

For more information, or to order data, contact Client Services (toll-free 1-888-811-6235; 613-951-2604; iofd-clientservicesunit@statcan.gc.ca). To enquire about the concepts, methods or data quality of this release, contact Andrea Farkas (613-951-6909; andrea.farkas@statcan.gc.ca), Industrial Organization and Finance Division.

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Growth in total assets, operating revenues and operating profits in Canada

	2006 to 2007		
	Assets	Operating revenues	Operating profits
	annual % growth rate		
Under foreign control	10.6	3.2	1.0
Under Canadian control	9.9	5.9	6.5

Total assets, operating revenues and operating profits, and shares under foreign control, by industry

	2006	2007	2006	2007
	Total under Canadian and foreign control		Under foreign control	
	\$ millions		%	
Assets				
Manufacturing	655,034	676,966	46.8	52.8
Oil and gas extraction and support activities	388,873	447,705	35.7	38.5
Rest of non-financial industries	1,827,608	2,009,717	16.7	15.9
Other financial industries	314,038	347,263	13.7	12.1
Depository credit intermediation	1,952,381	2,181,712	8.0	8.3
Rest of finance and insurance industries	652,035	707,697	42.1	40.0
Total all industries	5,789,970	6,371,059	21.1	21.3
Operating revenues				
Manufacturing	707,659	702,647	51.4	53.8
Oil and gas extraction and support activities	155,311	169,572	48.5	48.8
Rest of non-financial industries	1,851,100	1,966,118	21.5	20.4
Other financial industries	63,373	69,899	13.7	11.3
Depository credit intermediation	111,877	128,114	7.7	7.8
Rest of finance and insurance industries	132,605	138,502	39.3	39.6
Total all industries	3,021,925	3,174,851	30.0	29.4
Operating profits				
Manufacturing	45,510	44,032	50.8	51.4
Oil and gas extraction and support activities	29,181	24,757	40.9	44.6
Rest of non-financial industries	131,682	141,208	18.6	18.2
Other financial industries	22,973	28,424	8.7	11.6
Depository credit intermediation	30,300	34,113	7.5	6.7
Rest of finance and insurance industries	28,188	29,817	51.7	47.8
Total all industries	287,834	302,351	27.2	26.2

Note: Figures may not add up to totals because of rounding.

Total assets, operating revenues, and operating profits under foreign control, by major country of control, all industries

	2006	2007	2006	2007	2006	2007
	Assets		Operating revenues		Operating profits	
	\$ millions					
United States	665,983	740,095	531,617	554,523	41,421	43,050
United Kingdom	154,814	182,033	65,499	78,204	7,791	8,401
Germany	69,388	49,320	55,451	32,626	4,898	3,275
All other foreign countries	334,359	382,767	253,606	269,384	24,259	24,452
Total, under foreign control	1,224,543	1,354,215	906,173	934,736	78,369	79,178
	% under foreign control					
United States	54.4	54.7	58.7	59.3	52.9	54.4
United Kingdom	12.6	13.4	7.2	8.4	9.9	10.6
Germany	5.7	3.6	6.1	3.5	6.3	4.1
All other foreign countries	27.3	28.3	28.0	28.8	31.0	30.9
Total, under foreign control	100.0	100.0	100.0	100.0	100.0	100.0

Note: Figures may not add up to totals because of rounding.

Aircraft movement statistics: Small airports

December 2009

In December, the number of take-offs and landings at the 130 airports without air traffic control towers reached 41,638 movements. Year-over-year increases were reported by 63 of these airports in December. Moosonee, Ontario (3,799 movements), followed by Red Lake, Ontario (2,233 movements), were the most active sites in December.

Available on CANSIM: tables 401-0021 and 401-0022.

Definitions, data sources and methods: survey number 2715.

The December 2009 issue of *Aircraft Movement Statistics: Airports without Air Traffic Control Towers (TP 141)* (51-008-X, free) is now available from the *Key resource* module of our website under *Publications*. This report is a joint publication of Statistics Canada and Transport Canada.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (toll-free 1-866-500-8400; transportationstatistics@statcan.gc.ca), Transportation Division. ■

Production of eggs and poultry

January 2010 (preliminary)

Data on the production of egg and poultry meat are now available for January.

Definitions, data sources and methods: survey numbers, including related surveys, 3425 and 5039.

The fourth quarter 2009 issue of the *Poultry and Eggs Statistics*, Vol. 6, no. 4 (23-015-X, free), is available from the *Key resource* module of our website under *Publications*.

For more information, contact Client Services (toll-free 1-800-465-1991). To enquire about the concepts, methods or data quality of this release, contact Sandra Venturino (613-951-9278; sandra.venturino@statcan.gc.ca), Agriculture Division. ■

Spectator sports, event promoters, artists and related industries

2008

Data on spectator sports, event promoters, artists and related industries are now available for 2008.

Available on CANSIM: table 361-0013.

Definitions, data sources and methods: survey number 5132.

The publication *Service Bulletin: Spectator Sports, Event Promoters, Artists and Related Industries*, 2008 (63-246-X, free), will be available in May.

For more information, contact Client Services (toll-free 1-877-801-3282; 613-951-4612; servicesind@statcan.gc.ca). To enquire about the concepts, methods or data quality of this release, contact Irene Ross (613-951-6305; irene.ross@statcan.gc.ca), Service Industries Division. ■

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