

The Daily

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Releases

Foreign control in the Canadian economy, 2011

In 2011, the value of assets, revenues and profits increased for both foreign and Canadian-controlled enterprises. The shares of foreign-controlled assets and revenues declined from 2010, while the share of profits under foreign control was up over the previous year.

Canadian-controlled asset values increased 13.3% in 2011, compared with a 9.9% gain for foreign-controlled assets. Foreign-controlled enterprises accounted for 18.7% of assets in 2011, down from 19.2% in 2010.

Revenues of Canadian-controlled enterprises rose 8.3% compared with a 7.3% increase for those under foreign control. As a result, the share of revenues under foreign control edged down from 29.1% in 2010 to 28.9%.

Operating profits for foreign-controlled enterprises increased 16.6% in 2011, while those under Canadian control rose 13.9%. Consequently, the share of profits under foreign control rose from 22.3% to 22.7%. This gain was mostly attributable to the non-financial sector.

Non-financial industries

Among non-financial industries, the share of assets under foreign control decreased to 26.2%, while the proportion of revenues under foreign control edged down to 30.0%. The share of foreign controlled profits rose from 24.5% to 25.2%.

Manufacturing remained the largest sector in terms of non-financial assets. It was also the sector with the biggest share of foreign-controlled assets, at 50.6% in 2011, down from 52.5% in 2010.

The value of assets for Canadian-controlled manufacturers rose 8.4%, compared with a gain of 0.6% for those under foreign control.

The share of foreign-controlled manufacturing revenues declined from 48.7% to 47.0%, as revenues for Canadian-controlled manufacturers increased at a faster pace than revenues for foreign enterprises.

In 2011, foreign manufacturers reported profit growth of 36.5% compared with a year earlier. As a result, the share of manufacturing profits under foreign control rose from 40.4% to 42.5%. However, this was still below the range of 50% to 55% generally observed since 1999.

In the oil and gas extraction industry, the share of profits for foreign-controlled enterprises fell to 43.7% in 2011. This occurred as profits for foreign enterprises increased at a slower rate than they did for enterprises under Canadian control.

Finance and insurance industries

In the finance and insurance industries, foreign-controlled enterprises accounted for 12.7% of assets in 2011, unchanged from 2010. Foreign enterprises held 19.5% of revenues, down from 20.2% in 2010, and 15.7% of operating profits, down from 16.5% in 2010.

Canadian-controlled assets among enterprises operating in the financial sector increased 16.9% in 2011, compared with a 17.0% gain for enterprises under foreign control.

Canadian-controlled enterprise revenues were up 8.2% in 2011, compared with 3.5% growth for revenues of foreign-controlled enterprises.

Financial sector operating profits rose for both Canadian-controlled enterprises (+12.0%) and foreign-controlled enterprises (+5.8%) in 2011.

Foreign control by country

American-controlled enterprises continued to dominate the shares of assets, revenues and profits under foreign control.

These enterprises controlled 49.4% of all foreign assets and 55.4% of all foreign operating revenues in 2011, both down from the previous year. However, the US-controlled share of foreign profits grew to 58.0% in 2011.

Enterprises controlled from the United Kingdom accounted for 13.8% of assets in 2011, up from 12.9% in 2010. Almost two-thirds of assets under United Kingdom (64.8%) control were in the financial sector compared with 35.2% in the non-financial sector.

Dutch-controlled enterprises represented the third-largest share of foreign-controlled assets in 2011 at 8.0%. Their distribution was fairly even between the financial sector (54.3%) and the non financial sector (45.7%).

No other country has held more than 5.0% of foreign-controlled assets in the last several years.

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 reference year 2011.

These statistics are compiled from enterprise level data. An enterprise can be a single corporation or a family of corporations under common ownership or control, for which consolidated financial statements are produced.

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.

Table 1
Assets, operating revenues and operating profits under foreign control, by industry

	Total under Canadian and foreign control		Under foreign control	
	2010	2011	2010	2011
	millions of dollars		%	
Assets				
Total all industries	7,941,914	8,948,033	19.2	18.7
Total non-financial industries	3,708,499	3,999,128	26.6	26.2
Manufacturing	796,644	830,681	52.5	50.6
Oil and gas extraction and support activities	509,092	555,888	34.3	35.4
Rest of non-financial industries	2,402,763	2,612,559	16.5	16.5
Total finance and insurance industries	4,233,415	4,948,905	12.7	12.7
Depository credit intermediation	2,727,381	3,134,430	6.9	7.1
Rest of finance and insurance industries	1,506,034	1,814,475	23.1	22.3
Operating revenues				
Total all industries	3,204,803	3,461,150	29.1	28.9
Total non-financial industries	2,876,257	3,108,703	30.1	30.0
Manufacturing	682,208	732,595	48.7	47.0
Oil and gas extraction and support activities	155,690	201,700	50.6	55.6
Rest of non-financial industries	2,038,359	2,174,408	22.4	21.9
Total finance and insurance industries	328,547	352,446	20.2	19.5
Depository credit intermediation	115,074	126,474	6.5	6.9
Rest of finance and insurance industries	213,473	225,972	27.6	26.5
Operating profits				
Total all industries	299,229	342,663	22.3	22.7
Total non-financial industries	216,665	251,026	24.5	25.2
Manufacturing	44,218	57,379	40.4	42.5
Oil and gas extraction and support activities	11,252	17,156	47.8	43.7
Rest of non-financial industries	161,195	176,491	18.5	17.8
Total finance and insurance industries	82,564	91,637	16.5	15.7
Depository credit intermediation	29,943	37,636	7.5	8.2
Rest of finance and insurance industries	52,621	54,001	21.6	20.9

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

Table 2
Total assets, operating revenues, and operating profits under foreign control by major country of control – All industries

	Assets		Operating revenues		Operating profits	
	2010	2011	2010	2011	2010	2011
	millions of dollars					
Total	1,524,120	1,675,341	933,284	1,001,331	66,621	77,655
United States	789,880	826,895	540,535	554,666	37,911	45,030
United Kingdom	195,865	231,918	74,866	87,295	x	6,618
Germany	62,218	76,511	36,557	41,743	3,026	3,946
France	56,453	60,577	32,945	35,894	3,559	2,542
Netherlands	108,270	133,348	57,777	67,834	x	2,158
Japan	59,058	61,930	58,413	55,966	2,703	2,120
All other foreign countries	252,376	284,162	132,191	157,933	12,881	15,241
	% under foreign control					
Total	100.0	100.0	100.0	100.0	100.0	100.0
United States	51.8	49.4	57.9	55.4	56.9	58.0
United Kingdom	12.9	13.8	8.0	8.7	x	8.5
Germany	4.1	4.6	3.9	4.2	4.5	5.1
France	3.7	3.6	3.5	3.6	5.3	3.3
Netherlands	7.1	8.0	6.2	6.8	x	2.8
Japan	3.9	3.7	6.3	5.6	4.1	2.7
All other foreign countries	16.6	17.0	14.2	15.8	19.3	19.6

x suppressed to meet the confidentiality requirements of the Statistics Act

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

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

Definitions, data sources and methods: survey number 2503.

The report *Corporations Returns Act, 2011 (61-220-X)*, is now available from the *Browse by key resource* module of our website under *Publications*.

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca).

To enquire about the concepts, methods or data quality of this release, contact Jason Leonard (613-951-5593; jason.leonard@statcan.gc.ca), Industrial Organization and Finance Division.

Railway carloadings, August 2013

The Canadian railway industry carried 28.7 million tonnes of freight in August, up 2.7% from the same month last year. The growth was a result of increased freight traffic both originating on Canadian railways and received from the United States.

Rail freight originating in Canada and destined within Canada and other parts of the world rose 1.5% to 24.8 million tonnes. These shipments are composed of non-intermodal freight (that is, cargo moved via box cars or loaded in bulk) and intermodal freight (that is, cargo moved via containers and trailers on flat cars).

Non-intermodal freight rose 1.4% to 22.2 million tonnes. The increase was spurred by strong growth in shipments of iron ores and concentrates (up 300 000 tonnes), coal (up 262 000 tonnes), and other chemical products and preparations (up 167 000 tonnes).

Intermodal loadings increased 2.7% to 2.6 million tonnes in August. Higher shipments of both containers and trailers loaded on flat cars contributed to the gain.

Rail freight traffic received from the United States rose 10.7% to 3.9 million tonnes. The transportation of non-intermodal freight was the driving force behind the gain.

Note to readers

All the data in this release are not seasonally adjusted.

Available in CANSIM: table 404-0002.

Definitions, data sources and methods: survey number 2732.

The August 2013 issue of *Monthly Railway Carloadings*, Vol. 90, no. 8 (52-001-X), is now available from the *Browse by key resource* module of our website under *Publications*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

Civil aviation operating statistics, July 2013

Operational data on civil aviation are now available for July.

Note to readers

The data in this monthly release are not seasonally adjusted.

Available in CANSIM: tables 401-0001 and 401-0043.

Definitions, data sources and methods: survey number 5026.

A [data table](#) is also available from the *Browse by key resource* module of our website under *Summary tables*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

Secondary distributors of refined petroleum products, 2012 (final)

Final data on secondary distributors of refined petroleum products are now available for 2012.

Definitions, data sources and methods: survey number 5168.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

New products and studies

New products

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