

The Daily

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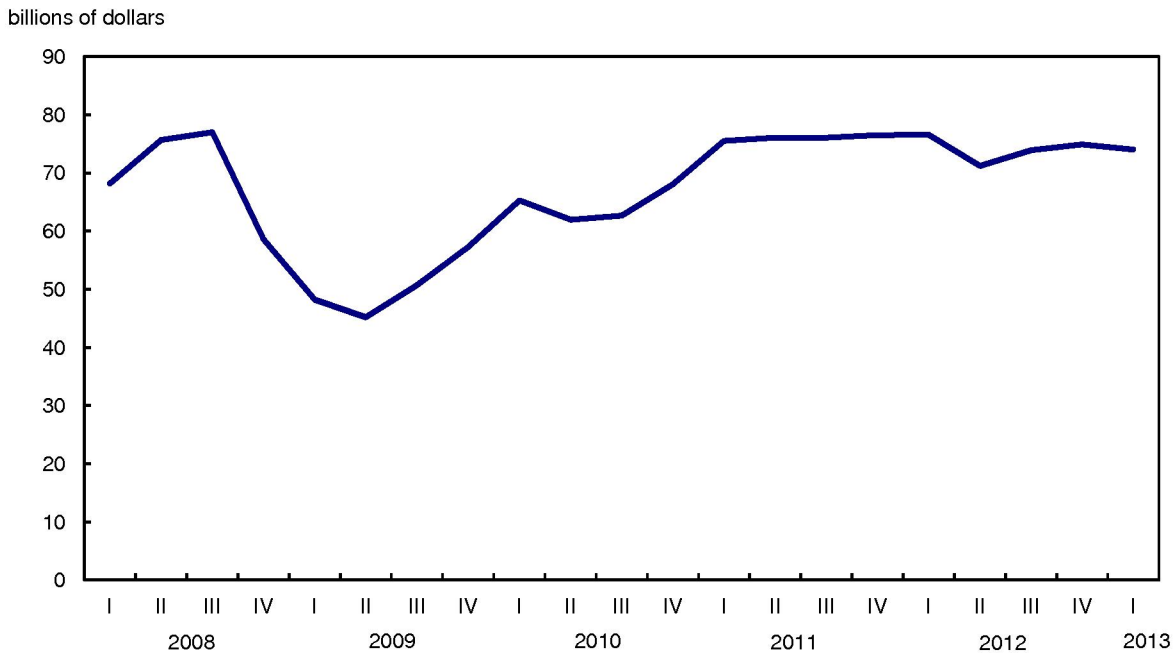
Releases

Quarterly financial statistics for enterprises, first quarter 2013

Canadian corporations earned \$74.0 billion in operating profits in the first quarter, down 1.2% from the previous quarter. This followed a 1.4% increase in the fourth quarter of 2012.

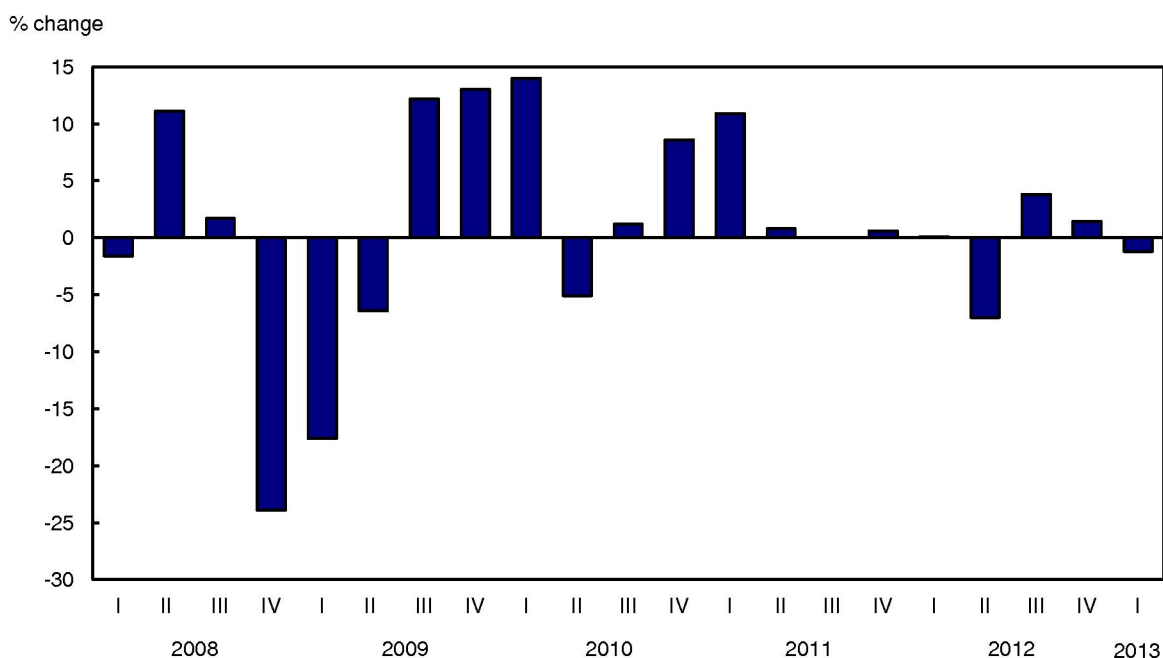
Operating profits decreased in 14 of 22 industries. Leading the overall decline were insurance carriers and related activities, down 16.0% to \$3.9 billion. Securities, commodity contracts and other financial investments fell 4.2% to \$5.5 billion.

Chart 1 Quarterly operating profits



In the non-financial sector, first quarter operating profits rose 0.3% to \$53.6 billion, following a 0.9% increase in the previous quarter. Retail trade profits increased 1.7% to \$4.1 billion. Profits for manufacturing industries declined 1.0% to \$12.1 billion. Wholesale trade profits fell 3.0% to \$5.7 billion.

Chart 2
Quarterly change in operating profits



In the financial sector, operating profits declined 4.7% to \$20.4 billion, following a 2.7% rise in the fourth quarter. Most of the first quarter decline came from insurance carriers and related activities.

On a year-over-year basis, operating profits for Canadian corporations decreased 3.3% compared with the first quarter of 2012. Profits fell 2.8% in the non-financial sector and 4.5% in the financial sector.

Non-financial sector

Operating profit growth in oil and gas extraction recovered with a 28.3% rise to \$1.7 billion in the first quarter, after posting six consecutive quarterly declines.

Profits in transportation and warehousing rose 5.4% to \$3.7 billion.

Operating profits in manufacturing fell 1.0% to \$12.1 billion.

Of 13 manufacturing industries, 8 reported decreases. Air, rail and ship products and other transportation equipment profits fell 46.6% to \$373 million. Profits for primary metal manufacturing fell 36.1% to \$477 million, following a 43.9% increase in the fourth quarter of 2012.

Increases in five manufacturing industries partially offset the decrease, with two posting strong profit gains in the first quarter. Profits for chemicals, plastics and rubber products manufacturing rose 11.6% to \$2.3 billion. Wood and paper manufacturing profits grew 126.4% to \$436 million, as the industry benefited from strong demand for lumber and building supplies in the United States.

Retailers' profits increased 1.7% to \$4.1 billion, with food and beverage stores leading the first quarter increase.

Wholesalers' profits fell 3.0% to \$5.7 billion; all industries except building material and supply wholesalers declined.

Financial sector

First quarter operating profits fell \$1.0 billion (-4.7%) to \$20.4 billion in the financial sector. A \$746 million drop in insurance carriers and related activities accounted for much of the decline. Securities, commodity contracts and other financial investments fell 4.2% to \$5.5 billion, while depository credit intermediation profits rose 1.5% to \$8.9 billion.

Note to readers

Quarterly financial statistics are compiled using financial information provided by enterprises that derive these data from their financial statements. Starting on January 1, 2011, Canadian publicly accountable enterprises are required to replace Canadian Generally Accepted Accounting Principles (CGAAP) with International Financial Reporting Standards (IFRS) when preparing their financial statements for fiscal years starting on or after January 1, 2011. Canadian private enterprises are required to replace CGAAP by Accounting Standards for Private Enterprises or IFRS. The adoption of new accounting standards by some enterprises since the beginning of 2011 may affect comparability with prior periods.

*Quarterly profit numbers referred to in this release are seasonally adjusted and are in current dollars. The seasonally adjusted data have been revised back to and including the first quarter of 1999. For more information on seasonal adjustment, see *Seasonal adjustment and identifying economic trends*.*

Quarterly financial statistics for the first quarter of 2010 and onward are based on the 2012 North American Industry Classification System (NAICS). For the period prior to the first quarter of 2010, the financial statistics are based on the 2007 NAICS.

Following reconciliation to the 2010 and 2011 annual series, the unadjusted quarterly financial data have been revised back to the first quarter of 2010 inclusively.

Quarterly financial statistics for enterprises are based upon a sample survey and represent the activities of all corporations in Canada, except those that are government controlled or not-for-profit. An enterprise can be a single corporation or a family of corporations under common ownership and/or control, for which consolidated financial statements are produced.

Profits referred to in this analysis are operating profits earned from normal business activities. For non-financial industries, operating profits exclude interest and dividend revenue and capital gains/losses whereas, for financial industries, these are included, along with interest paid on deposits.

Operating profits differ from net profits, which represent the after-tax profits earned by corporations.

Table 1
Quarterly financial statistics for enterprises – Seasonally adjusted

	First quarter 2012	Fourth quarter 2012 ^r	First quarter 2013 ^p	Fourth quarter 2012 to first quarter 2013	First quarter 2012 to first quarter 2013
	billions of dollars			% change	
All industries					
Operating revenue	859.8	862.9	852.6	-1.2	-0.8
Operating profit	76.5	74.9	74.0	-1.2	-3.3
Net profit	58.8	52.2	56.7	8.5	-3.6
Non-financial					
Operating revenue	780.2	780.7	771.7	-1.2	-1.1
Operating profit	55.1	53.4	53.6	0.3	-2.8
Net profit	44.0	38.4	42.7	11.2	-2.9
Financial					
Operating revenue	79.6	82.2	80.9	-1.6	1.7
Operating profit	21.4	21.5	20.4	-4.7	-4.5
Net profit	14.8	13.9	14.0	1.1	-5.4

^r revised

^p preliminary

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

Available in CANSIM: tables 187-0001 and 187-0002.

Definitions, data sources and methods: survey number 2501.

Aggregate balance sheet and income statement data for Canadian corporations are now available through CANSIM. They are available at the national level for 22 industry groupings.

The first quarter of 2013 issue of the *Quarterly Financial Statistics for Enterprises* (61-008-X) will soon be available.

Financial statistics for enterprises for the second quarter will be released on August 27.

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

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Study: The evolution of English-French bilingualism in Canada from 1961 to 2011

According to the 2011 Census, 17.5% of the Canadian population, or 5.8 million Canadians, reported being able to conduct a conversation in both English and French. Between the 2001 and 2011 censuses, this proportion declined slightly for the first time after four successive decades of growth.

In 1961, the English–French bilingualism rate was 12.2%. Subsequently, it rose in every decade to a peak of 17.7% in 2001.

In the last decade, the total population increased faster than the bilingual population for the first time since 1961.

As a result, although the number of bilingual Canadians increased from 5.2 million in 2001 to 5.8 million in 2011, their share as a percentage of the total population declined slightly over the period, from 17.7% to 17.5%.

Bilingualism increasing in Quebec

Between 2001 and 2011, Quebec had the largest increase in the number of individuals who could converse in both English and French.

In 2011, 42.6% of Quebec residents, or 3.3 million people, reported that they were able to conduct a conversation in English and in French. This compared with 40.8% in 2001, or 2.9 million people.

The other province with a higher-than-average rate was New Brunswick, where 33.2% of residents said they could conduct a conversation in the country's two official languages. However, the rate declined by a full percentage point in that province between 2001 and 2011.

Ontario, Prince Edward Island and Nova Scotia had bilingualism rates varying between 10% and 12%. Ontario had the second-largest number of English–French bilingual residents, at 1.4 million.

The Western provinces and Newfoundland and Labrador had the lowest rates. The rate was 8.6% in Manitoba, and varied between 5% and 7% in British Columbia, Saskatchewan, Alberta, and Newfoundland and Labrador.

English–French bilingualism was strongly concentrated in regions that have a substantial degree of interaction between Francophones and Anglophones.

Those regions were located in parts of Quebec, New Brunswick and Ontario. In total, 86% of the Canadian bilingual population lived in one of those three provinces in 2011. Back in 1961, the proportion was almost identical (87%).

Bilingualism rates were lower in the vast majority of provinces in 1961. For instance, the proportion of people who were bilingual was 25.5% in Quebec (compared with 42.6% in 2011), 19.0% in New Brunswick (33.2% in 2011), and 7.9% in Ontario (11.0% in 2011).

Decline in the proportion of students learning French

Outside Quebec, the recent slowdown in bilingualism occurred in tandem with two factors: the decline in the proportion of primary and secondary students exposed to French as a second language, and the increase in the number of immigrants.

Between the school years 1991/1992 and 2010/2011, the proportion of primary and secondary students outside Quebec learning French as a second language in a regular public school curriculum declined 24%, from 1.8 million to 1.4 million.

Even though the number of students registered in French-immersion programs rose 28% over the period—from 267,000 in 1991/1992 to 341,000 in 2010/2011—the overall proportion of students exposed to some degree of French in public schools declined from 53% to 44%.

At the same time, the proportion of young (aged 15 to 19) bilingual Anglophones outside Quebec decreased constantly in every census year since 1996.

English–French bilingualism was also influenced by the influx of new immigrants, whose mother tongue is neither English nor French in approximately 80% of cases.

Outside Quebec, immigrants (6%) were less likely than the Canadian-born (11%) to report being able to conduct a conversation in both English and French and thus contributed to the increase in the non-bilingual population.

In Quebec—contrary to elsewhere in the country—the immigrant population contributed to the increase in bilingualism, as immigrants in that province had higher rates of English–French bilingualism (51%) than the Canadian-born (42%).

Note to readers

This article uses data from the 1961 to 2011 censuses, which included questions about the knowledge of official languages. In this article, 'bilingualism' refers to English–French bilingualism, defined as the ability to conduct a conversation in Canada's two official languages.

The article also uses data from the 2011 National Household Survey on immigrant status, age, knowledge of official languages, and mother tongue. Data from the Elementary-Secondary Education Survey were also used to gauge the degree of exposure of Canadian students to the French as a second-language programs in primary and secondary public schools outside Quebec.

Definitions, data sources and methods: survey numbers 3901, 5102 and 5178.

The article "The evolution of English-French bilingualism in Canada from 1961 to 2011" is now available online in the May 2013 edition of *Insights on Canadian Society* (75-006-X), from the *Browse by key resource* module of our website under *Publications*.

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

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Study: Multifactor productivity measurement at Statistics Canada

The Multifactor Productivity Program at Statistics Canada was launched about 25 years ago with the aim of identifying the three main determinants of labour productivity and economic growth: increases in capital intensity, in investment in human capital, and in a residual component that captures all factors other than investment in fixed and human capital.

The 'residual component' is referred to as growth in multifactor productivity. It includes the effect on economic growth of technological change and organizational innovation not captured by investment, economies of scale, and short-term changes in capacity utilization.

Labour productivity growth in the Canadian business sector has come mostly from investment in fixed assets and investment in human capital, according to the data published by Statistics Canada's Multifactor Productivity Program.

Labour productivity growth in the Canadian business sector has been lower in Canada than in the United States since 1980, largely as a result of lower multifactor productivity growth in Canada. Investment in fixed assets and human capital has made a similar contribution to aggregate labour productivity growth in the two countries.

Those overall conclusions are not affected by a particular choice of specifications for the measurement framework adopted.

The research paper "Multifactor Productivity Measurement at Statistics Canada" documents major milestones in the development of the Multifactor Productivity Program at Statistics Canada, and summarizes possible future directions to improve the measurement of productivity at Statistics Canada.

Over the years, the Multifactor Productivity Program has implemented changes in keeping with international practices and the recommendation of the Organisation for Economic Co-operation and Development's productivity manual. Those changes were also introduced to respond to the users' need for improved comparability between the multifactor productivity estimates for Canada and those for the United States, produced by the US Bureau of Labor Statistics.

The research paper "Multifactor Productivity Measurement at Statistics Canada," in *The Canadian Productivity Review*, no. 31 (15-206-X), is now available from the *Browse by key resource* module of our website under *Publications*.

Similar studies from the Economic Analysis Division are available online (www.statcan.gc.ca/economicanalysis).

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

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Production and disposition of tobacco products, April 2013

Canadian manufacturers produced 2.0 billion cigarettes in April, up 4.9% from the previous month. The total number of cigarettes sold increased 12.7% to 1.9 billion.

Available in CANSIM: table 303-0062.

Definitions, data sources and methods: survey number 2142.

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

International travel account, first quarter 2013

International travel account data are now available for the first quarter.

Definitions, data sources and methods: survey numbers 3152 and 5005.

International travel account data for the second quarter will be released on August 28.

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

Annual telecommunications statistics, 2011

Principal financial statistics for the telecommunications industries for 2011 are now available for Canada.

Note to readers

This is Statistics Canada's first release of estimates for the telecommunication industries from the Annual Survey of Telecommunications since the redesign of the survey.

For more information on redesign and changes to the survey between 2007 and 2011, please refer to [Summary of changes over time – Annual Survey of Telecommunications](#).

Available in CANSIM: table 356-0004.

Definitions, data sources and methods: survey number 2722.

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

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New products and studies

New products

Insights on Canadian Society

Catalogue number 75-006-X (HTML | PDF)

New studies

The Canadian Productivity Review: "Multifactor Productivity Measurement at Statistics Canada", No. 31

Catalogue number 15-206-X2013031 (HTML | PDF)

The evolution of English-French bilingualism in Canada from 1961 to 2011

Insights on Canadian Society



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