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Releases

Survey of Innovation and Business Strategy, 2012

Global value chains

Business activities performed outside of Canada

In 2012, 13.7% of enterprises performed production activities (the production of goods and the provision of services) outside of Canada, up from 10.1% in 2009.

In 2012, 12.9% of Canadian enterprises performed support activities, such as distribution and logistics or human resource management, down from 15.1% in 2009. Enterprises continued to perform technical activities (10.1%), including information and communication technology services and research and development, at a similar rate as in 2009 (10.3%).

Large enterprises led in performing business activities outside of Canada in 2012. Almost one-half of large enterprises performed support activities (48.9%) outside of Canada, while 38.5% performed technical activities and 37.7% performed production activities. Overall, a lower proportion of small and medium-sized enterprises performed business activities outside of Canada.

Table 1
Enterprises performing business activities inside or outside of Canada, by enterprise size, all surveyed industries

	All enterprises		Small enterprises (20 to 99 employees)		Medium-sized enterprises (100 to 249 employees)		Large enterprises (250 or more employees)	
	2009	2012	2009	2012	2009	2012	2009	2012
	%							
Production activities								
Performed in Canada ¹	93.0 ^A	87.3 ^A	93.7 ^A	86.8 ^B	90.7 ^B	88.0 ^B	88.0 ^E	92.8 ^A
Performed outside of Canada ²	10.1 ^A	13.7 ^A	8.2 ^A	12.2 ^A	16.8 ^E	13.9 ^A	21.9 ^B	37.7 ^B
Technical activities								
Performed in Canada ¹	71.2 ^B	73.7 ^B	69.6 ^B	72.9 ^B	71.2 ^E	73.3 ^B	92.4 ^B	86.8 ^B
Performed outside of Canada ²	10.3 ^A	10.1 ^A	7.4 ^A	7.4 ^A	19.3 ^B	17.0 ^B	F	38.5 ^B
Support activities								
Performed in Canada ¹	89.8 ^B	94.6 ^A	88.7 ^B	95.1 ^A	92.9 ^B	90.0 ^B	97.9 ^A	96.4 ^A
Performed outside of Canada ²	15.1 ^A	12.9 ^A	11.4 ^A	9.4 ^A	27.5 ^E	21.4 ^B	F	48.9 ^B

A very reliable (standard error between 0% and 2.49%)

B reliable (standard error between 2.50% and 7.49%)

E use with caution

F too unreliable to be published

1. Performed in Canada, within the enterprise or outsourced (contracted out).

2. Performed outside of Canada, within the enterprise or outsourced (contracted out).

Note(s): Survey of Innovation and Business Strategy (SIBS) 2012 estimates are provided as percentages accompanied by quality indicators. Data quality indicators are based on the standard error (SE) and number of observations in the estimates. Quality indicators for SIBS are the following: A is very reliable (SE between 0% and 2.49%); B is reliable (SE between 2.50% and 7.49%); E is use with caution (SE between 7.50% and 14.99%); and F is too unreliable to be published (SE greater than or equal to 15.00%). Categories are not mutually exclusive and do not add up to 100%.

Business activities performed outside of Canada – outsourced

In 2012, 5.4% of Canadian enterprises outsourced the production of goods outside of Canada, 3.3% outsourced the provision of services and 3.1% outsourced distribution and logistics.

Enterprises in wholesale trade (15.2%) and manufacturing (10.7%) were the most likely to outsource the production of goods outside of Canada.

Enterprises in professional, scientific and technical services (14.0%) and transportation and warehousing (9.2%) led in outsourcing the provision of services outside of Canada in 2012.

Enterprises in manufacturing (8.2%) and transportation and warehousing (7.2%) were more apt to contract out distribution and logistics activities in other countries in 2012.

Human resource management, financial management and call centers and help centers were the three support activities least likely to be performed outside Canada and outsourced in 2012. Most Canadian enterprises maintained domestic in-house control of human resource management and financial management.

Table 2
Enterprises performing selected business activities outside of Canada, by selected sectors, all surveyed industries, 2012

	All surveyed industries	Manufacturing	Wholesale trade	Transportation and warehousing	Professional, scientific and technical services
	%				
Production activities	13.7^A	21.2^A	23.6^B	19.4^A	24.2^B
Production of goods					
Performed outside of Canada, within the enterprise	4.3 ^A	9.0 ^A	7.9 ^B	2.6 ^A	2.0 ^A
Performed outside of Canada, outsourced (contracted out)	5.4 ^A	10.7 ^A	15.2 ^B	1.7 ^A	2.7 ^A
Provision of services					
Performed outside of Canada, within the enterprise	7.5 ^A	8.4 ^A	4.6 ^A	16.8 ^A	20.0 ^B
Performed outside of Canada, outsourced (contracted out)	3.3 ^A	4.3 ^A	3.0 ^A	9.2 ^A	14.0 ^B
Technical activities	10.1^A	16.3^A	18.2^B	8.9^A	18.7^B
Research and development					
Performed outside of Canada, within the enterprise	3.2 ^A	8.6 ^A	6.5 ^A	1.0 ^A	4.2 ^A
Performed outside of Canada, outsourced (contracted out)	1.1 ^A	1.6 ^A	4.7 ^B	0.5 ^A	1.7 ^A
Support activities	12.9^A	26.3^A	17.5^B	16.7^A	27.0^B
Distribution and logistics					
Performed outside of Canada, within the enterprise	3.8 ^A	8.6 ^A	3.6 ^A	10.4 ^A	5.6 ^A
Performed outside of Canada, outsourced (contracted out)	3.1 ^A	8.2 ^A	3.2 ^A	7.2 ^A	1.3 ^A
Call centers and help centers					
Performed outside of Canada, within the enterprise	2.3 ^A	4.1 ^A	1.1 ^A	1.7 ^A	3.6 ^A
Performed outside of Canada, outsourced (contracted out)	1.1 ^A	0.6 ^A	1.6 ^A	0.2 ^A	5.6 ^B
Legal services					
Performed outside of Canada, within the enterprise	3.7 ^A	5.6 ^A	10.0 ^B	3.6 ^A	4.8 ^A
Performed outside of Canada, outsourced (contracted out)	2.9 ^A	4.9 ^A	0.0 ^A	2.4 ^A	8.6 ^B
Human resource management					
Performed outside of Canada, within the enterprise	4.1 ^A	7.0 ^A	5.4 ^B	3.5 ^A	11.1 ^B
Performed outside of Canada, outsourced (contracted out)	0.4 ^A	0.7 ^A	0.0 ^A	0.8 ^A	1.3 ^A
Financial management					
Performed outside of Canada, within the enterprise	4.3 ^A	8.3 ^A	7.7 ^B	3.2 ^A	6.8 ^A
Performed outside of Canada, outsourced (contracted out)	0.3 ^A	0.3 ^A	0.0 ^A	0.1 ^A	0.5 ^A

A very reliable (standard error between 0% and 2.49%)

B reliable (standard error between 2.50% and 7.49%)

Note(s): Survey of Innovation and Business Strategy (SIBS) 2012 estimates are provided as percentages accompanied by quality indicators. Data quality indicators are based on the standard error (SE) and number of observations in the estimates. Quality indicators for SIBS are the following: A is very reliable (SE between 0% and 2.49%); B is reliable (SE between 2.50% and 7.49%); E is use with caution (SE between 7.50% and 14.99%); and F is too unreliable to be published (SE greater than or equal to 15.00%).

Regional perspective on business activities performed outside of Canada

In 2012, enterprises in Ontario consistently had higher rates of performing production (19.4%), technical (13.9%) and support (17.3%) activities outside of Canada than the national average. In all but technical activities, enterprises headquartered in Ontario led their regional counterparts in performing activities abroad.

Enterprises in Alberta led in performing technical activities (14.3%) abroad.

Table 3
Enterprises performing business activities in or outside of Canada, by regions, all surveyed industries, 2012

	Canada	Atlantic region ¹	Quebec	Ontario	Alberta	Rest of Canada ²
	%					
Production of goods						
Performed in Canada ³	87.3 ^A	86.2 ^E	82.6 ^B	93.9 ^B	83.4 ^B	83.8 ^B
Performed outside of Canada ⁴	13.7 ^A	6.3 ^A	11.9 ^B	19.4 ^B	11.6 ^B	8.8 ^A
Technical activities						
Performed in Canada ³	73.7 ^B	69.8 ^E	64.9 ^B	87.1 ^A	78.2 ^B	57.8 ^B
Performed outside of Canada ⁴	10.1 ^A	4.2 ^A	5.9 ^A	13.9 ^A	14.3 ^B	7.5 ^A
Support activities						
Performed in Canada ³	94.6 ^A	94.9 ^B	93.7 ^B	95.3 ^A	90.4 ^B	97.1 ^A
Performed outside of Canada ⁴	12.9 ^A	8.7 ^B	10.8 ^A	17.3 ^A	12.1 ^B	8.9 ^A

A very reliable (standard error between 0% and 2.49%)

B reliable (standard error between 2.50% and 7.49%)

E use with caution

1. The Atlantic region includes Newfoundland and Labrador, Prince Edward Island, Nova Scotia and New Brunswick.

2. The rest of Canada includes Manitoba, Saskatchewan, British Columbia, Yukon, Northwest Territories and Nunavut.

3. Performed in Canada, within the enterprise or outsourced (contracted out).

4. Performed outside of Canada, within enterprise or outsourced (contracted out).

Note(s): Survey of Innovation and Business Strategy (SIBS) 2012 estimates are provided as percentages accompanied by quality indicators. Data quality indicators are based on the standard error (SE) and number of observations in the estimates. Quality indicators for SIBS are the following: A is very reliable (SE between 0% and 2.49%); B is reliable (SE between 2.50% and 7.49%); E is use with caution (SE between 7.50% and 14.99%); and F is too unreliable to be published (SE greater than or equal to 15.00%). Categories are not mutually exclusive and do not add up to 100%.

Obstacles to exporting or attempting to export, 2010 to 2012

Enterprises have many opportunities to be active globally. Performing business activities abroad is a facet of operating in the global economy. Another facet is exporting or attempting to export goods or services to enterprises outside of Canada. While the business strategy of enterprises can include exporting, not all exporting attempts are successful as there are many obstacles to entering global markets.

For the three-year period from 2010 to 2012, 20.8% of enterprises exported or attempted to export goods or services to an enterprise outside of Canada, almost unchanged from 21.8% for the three-year period from 2007 to 2009.

During the 2010 to 2012 period, large enterprises (37.5%) were the most likely to export or attempt to export, followed by medium-sized (25.2%) and small (19.1%) enterprises. Overall, enterprises in manufacturing (56.2%) and information and cultural industries (33.7%) led in exporting or attempting to export goods or services to enterprises outside of Canada.

Ontario was the region with the highest percentage of enterprises that exported or attempted to export from 2010 to 2012 at 25.4%, above the rate of 20.8% for Canada. It was followed by Quebec (20.9%), Alberta (18.0%), the rest of Canada (16.5%) and the Atlantic provinces (11.3%).

Enterprises, however, face many obstacles to exporting or attempting to export goods or services outside of Canada. During the 2010 to 2012 period, 29.7% of enterprises that exported or attempted to export rated meeting the cost requirements of customers as a highly important obstacle, unchanged from the 2007 to 2009 period (29.5%).

During the 2007 to 2009 period, one-quarter (25.0%) of enterprises that exported or attempted to export found that border security issues were obstacles of high importance. During the 2010 to 2012 period, this rate was down to 11.5%. The proportion of enterprises in all three size groups that found border security issues an obstacle of high importance to exporting or attempting to export was lower in 2010 to 2012 than in 2007 to 2009, perhaps indicating that Canadian firms are adjusting to new border security regulations.

Table 4
Enterprises' rate of importance of obstacles to exporting or attempting to export, Canada, all surveyed industries

	2007 to 2009			2010 to 2012		
	High	Medium	Low	High	Medium	Low
	%					
Canadian legal or administrative obstacles	7.4 ^A	13.6 ^A	37.1 ^B	7.4 ^A	15.0 ^A	29.3 ^B
Canadian export taxes or trade obstacles	10.7 ^A	10.9 ^A	36.6 ^B	8.7 ^A	22.0 ^B	26.3 ^B
Uncertainty of international standards	16.4 ^B	23.0 ^B	27.0 ^B	9.0 ^A	26.9 ^B	24.3 ^A
Access to financing	7.8 ^A	17.8 ^B	24.5 ^B	7.3 ^A	10.4 ^A	30.7 ^B
Concern of violation of patents and/or intellectual property rights	5.5 ^A	5.7 ^A	36.1 ^B	4.0 ^A	8.5 ^A	31.6 ^B
Foreign tariffs or trade barriers	13.4 ^A	17.9 ^A	31.1 ^B	12.6 ^B	19.4 ^A	27.4 ^B
Border security issues	25.0 ^B	27.0 ^B	25.3 ^B	11.5 ^B	17.0 ^A	27.6 ^B
Distance to customers	20.8 ^B	23.0 ^B	27.3 ^B	16.4 ^A	28.6 ^B	22.9 ^B
Linguistic or cultural obstacles	7.0 ^A	11.9 ^A	29.7 ^B	4.3 ^A	16.3 ^B	29.7 ^B
Customer requirements to use specific technologies/systems	4.9 ^A	10.2 ^A	36.0 ^B	4.3 ^A	16.9 ^B	29.8 ^B
Meeting cost requirements of customers	29.5 ^B	26.8 ^B	19.9 ^B	29.7 ^B	30.2 ^B	16.8 ^B
Meeting quality requirements of customers	17.6 ^B	13.9 ^A	23.7 ^B	11.9 ^A	19.3 ^B	27.7 ^B
Other obstacles	2.5 ^A	1.3 ^A	4.0 ^A	0.7 ^A	0.0 ^A	0.6 ^A

A very reliable (standard error between 0% and 2.49%)

B reliable (standard error between 2.50% and 7.49%)

Note(s): Survey of Innovation and Business (SIBS) 2012 estimates are provided as percentages accompanied by quality indicators. Data quality indicators are based on the standard error (SE) and number of observations in the estimates. Quality indicators for SIBS are the following: A is very reliable (SE between 0% and 2.49%); B is reliable (SE between 2.50% and 7.49%); E is use with caution (SE between 7.50% and 14.99%) and F is too unreliable to be published (SE greater than or equal to 15.00%).

Domestic business activities of enterprises in Canada

Of the three major business activities, support activities were mostly likely to be performed domestically (94.6%), up from 89.8% in 2009. Overall, domestic performance of technical activities (73.7%) remained relatively unchanged from 2009 (71.2%). The third major business activity, domestically performed production activities, decreased from 93.0% in 2009 to 87.3% in 2012.

Domestic outsourcing of business activities in 2012

Overall, 44.2% of enterprises in Canada domestically outsourced legal services, the most commonly domestically outsourced activity in 2012. Although 31.4% of large enterprises employed in-house legal services, large enterprises also had the highest rate of domestically outsourcing legal services (57.3%). Meanwhile, two-thirds of enterprises in real estate and rental and leasing (66.4%) domestically outsourced legal services in 2012, followed closely by enterprises in utilities (62.2%).

The second most commonly domestically outsourced business activity by enterprises in 2012 was information and communication technology (ICT) services. Overall, 26.3% of enterprises domestically outsourced ICT services, 27.0% of small enterprises looked outside for ICT services while larger enterprises contracted out ICT services to other enterprises in Canada at slightly lower rates.

Note to readers

The 2012 Survey of Innovation and Business Strategy (SIBS) is a joint initiative of Statistics Canada; Industry Canada; the Department of Foreign Affairs, Trade and Development; the Atlantic Canada Opportunities Agency; Institut de la statistique du Québec; the Ontario Ministry of Economic Development and Trade and Employment and the Ontario Ministry of Research and Innovation; and Alberta Innovation and Advanced Education.

SIBS 2012 provides key information on strategic decisions, innovation activities and operational tactics used by Canadian enterprises. Innovation data are collected for a three-year period. For SIBS 2012, the three-year period was 2010 to 2012 while for the previous iteration of SIBS (2009), the three-year period was 2007 to 2009.

The SIBS 2012 sample was composed of 7,818 enterprises in Canada with at least 20 employees and revenues of \$250,000 or more. These enterprises spanned 14 sectors within the North American Industry Classification System (2007). In 2012, the sample was stratified into five regions: the Atlantic region; Quebec; Ontario; Alberta; and the rest of Canada; the previous SIBS (2009) was not stratified by region. For Canada, the sample was also stratified by industry groups and by enterprise size: small (20 to 99 employees); medium (100 to 249 employees) and large (250 or more employees). Data collection for the 2012 reference period was undertaken between March and August 2013.

SIBS 2012 estimates are provided as percentages accompanied by quality indicators. Data quality indicators are based on the standard error and number of observations in the estimates. Quality indicators for SIBS are the following:

A is very reliable (standard error between 0% and 2.49%);

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F is too unreliable to be published (standard error greater than or equal to 15.00%).

Definitions

Performed outside of Canada: Enterprises that performed some or all of the business activity outside of Canada.

Performed within Canada: Enterprises that performed some or all of the business activity within Canada.

Production activities comprise the production of goods or the provision of services.

Technical activities comprise software development; information and communication technology services; engineering and related technical services or research and development.

Support activities comprise distribution and logistics; call centers and help centers; marketing, sales and after sales service; data processing; legal services; accounting and book-keeping; human resource management; financial management; or other types of business activities.

Available in CANSIM: tables 358-0224, 358-0225 and 358-0229.

Definitions, data sources and methods: survey number 5171.

This is the second of three planned releases from the 2012 Survey of Innovation and Business Strategy. The next release will be on business strategy. The first release was on innovation.

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 Louise Earl (613-951-2880) or Marc Nadeau (613-951-3692), Investment, Science and Technology Division.

Crude oil and natural gas: Supply and disposition, December 2013

Domestic production of crude oil and equivalent hydrocarbons rose 3.2% to 18.0 million cubic metres in December from December 2012.

During the same period, crude oil exports increased 8.6%.

Marketable natural gas production increased 11.9% to 14.5 billion cubic metres.

Domestic sales of natural gas increased 8.9%, while natural gas exports rose 17.2%.

Note to readers

Data are subject to revision.

Selected series are available on CANSIM up to December 2013 inclusive. All series are available for crude oil (126-0001) up to December 2013 inclusive, and for natural gas (131-0001) up to December 2013 inclusive.

Table 1
Crude oil and natural gas: Supply and disposition (key indicators)

	December 2012	November 2013	December 2013 ^P	November to December 2013	December 2012 to December 2013
	thousands of cubic metres			% change	
Crude oil and equivalent hydrocarbons					
Supply ¹					
Production	17 492.5	17 145.7	18 045.0	5.2	3.2
Imports ²	3 408.9	2 800.4	3 146.8	12.4	-7.7
Disposition					
Refinery receipts ³	8 894.1	7 743.7	8 240.8	6.4	-7.3
Exports ⁴	12 710.4	12 797.3	13 802.4	7.9	8.6
	millions of cubic metres			% change	
Natural gas					
Supply ⁵					
Marketable production ⁶	12 923.9	12 378.0	14 463.0	16.8	11.9
Imports	3 087.2	1 785.8	2 143.9	20.1	-30.6
Disposition					
Domestic sales ⁷	9 389.5	8 088.6	10 221.8	26.4	8.9
Exports	6 873.9	6 738.4	8 056.8	19.6	17.2

^P preliminary

1. Disposition may differ from supply because of inventory change, own consumption, losses and adjustments.

2. Data may differ from International Trade Division estimates because of timing and the inclusion of crude oil landed in Canada for future re-export.

3. Volumetric receipts at refineries of all domestic and imported crude oils for refinery processing or storage.

4. Exports may include some volumes that are not included in the supply, such as imports used for re-export and diluents that are blended in exports.

5. Disposition may differ from supply because of inventory change, usage as pipeline fuel, pipeline losses and line-pack fluctuations.

6. Receipts from fields after processing for the removal or partial removal of some constituents and impurities and that meet specifications for residential, commercial and industrial use; and including other adjustments.

7. Domestic sales include residential, commercial, industrial and direct sales (for example direct, non-utility, sales for consumption where the utility acts solely as transporter).

Available in CANSIM: tables 126-0001 and 131-0001.

Definitions, data sources and methods: survey number 2198.

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).

Crude oil and natural gas production, December 2013

Provincial crude oil and marketable natural gas production data are now available for December.

Note to readers

These data are subject to revision.

Definitions, data sources and methods: survey number 2198.

For more information, to order data, 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).

Supply and disposition of crude oil and equivalent, December 2013

Data on the supply and disposition of crude oil and equivalent are now available for December.

Note to readers

Data from November 2012 to November 2013 have been revised.

Available in CANSIM: table 126-0001.

Definitions, data sources and methods: survey number 2198.

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).

Supply and disposition of natural gas, December 2013

Monthly data on the supply and disposition of natural gas are now available for December.

Note to readers

Data from November 2012 to November 2013 have been revised.

Available in CANSIM: table 131-0001.

Definitions, data sources and methods: survey number 2198.

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).

Supply of natural gas liquids and sulphur products from processing plants, December 2013

Monthly data on the supply of natural gas liquids and sulphur products from processing plants are now available for December.

Note to readers

Data from February to November 2013 have been revised.

Available in CANSIM: table 131-0002.

Definitions, data sources and methods: survey number 2198.

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