Examples of statistical stories
Statistics Canada

Access to Health Services: http://www.statcan.ca/Daily/English/020715/d020715a.htm

Census Analysis Series: http://www12.statcan.ca/english/census01/Products/Analytic/Index.cfm

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Monday, July 15, 2002

Health Services Access Survey

2001

Almost one in five Canadians who accessed health care for themselves or a family member in 2001 encountered some form of difficulty, ranging from problems getting an appointment to lengthy waiting times, according to a new survey.

Access to two kinds of health care services were explored: first contact services included routine care, health information and immediate care for a minor health problem; specialized services included specialist visits, non-emergency surgery and diagnostic tests.

According to the Health Services Access Survey (HSAS), an estimated 23.2 million Canadians, or about 94% of the total population aged 15 and over, accessed first contact health care services in 2001.

Of these, about 18%, or just under 4.3 million people, encountered a difficulty of some kind. This proportion varied by time of day and type of service. The type of difficulty varied by type of service but long waits and problems contacting a health care provider topped the list.

An estimated 6.1 million individuals accessed specialized services. Among them, 23%, or about 1.4 million people, encountered some kind of difficulty. Again, long waits topped the list.

The proportion of individuals reporting that they waited less than one month for specialized services ranged from 40% for non-emergency surgery to 55% for diagnostic tests. Just over 5% waited 26 weeks (six months) or more for specialist visits and diagnostic tests. For non-emergency surgery, close to 10% reported waiting for 26 weeks and about 5% for 35 weeks or more.

For non-emergency surgery, the waiting time varied by type of surgery. Individuals who waited for cardiac- or cancer-related surgery were more likely to receive services within one month (54%), compared with those who waited for a joint replacement or cataract surgery (20%).

More than 20% of those who waited for specialized services felt that the time they waited was unacceptable. Those who said their waiting times were unacceptable had waited significantly longer, in some cases up to six times as long as those who said their waits were acceptable. They were also more likely to report that waiting for care affected their lives (over 50%), compared with those who felt that their waits were acceptable (5%).

Note to readers

This release presents the first results from the Health Services Access Survey, developed by Statistics Canada and partly funded by Health Canada and three provincial governments - Prince Edward Island, Alberta and British Columbia.

It gathered comprehensive and comparable information at the national level on the patterns of use of health care services and self-reported difficulties faced by Canadians aged 15 and over in accessing health care when they needed it.

The survey was conducted as a supplement to the Canadian Community Health Survey. Interviews were conducted in all 10 provinces in November and December 2001. The total sample size for the survey was 14,210.

The survey also indicates that most Canadians (88%) had a regular family physician. Among them, most considered the quality of care received to be excellent (53%) or good (39%). Among the 12% who do not have a regular family physician, most (63%) indicated that it was because they had not tried to contact one.

Access to first contact services: Difficulties vary by time of day

The survey examined three types of first contact services: routine care, health information or advice and immediate care for a minor health problem.

During regular office hours, individuals who required such services were most likely to contact their physician's office. During evenings and weekends, walk-in clinics and emergency rooms were the first point of contact. During the middle of the night, people went mainly to emergency rooms.

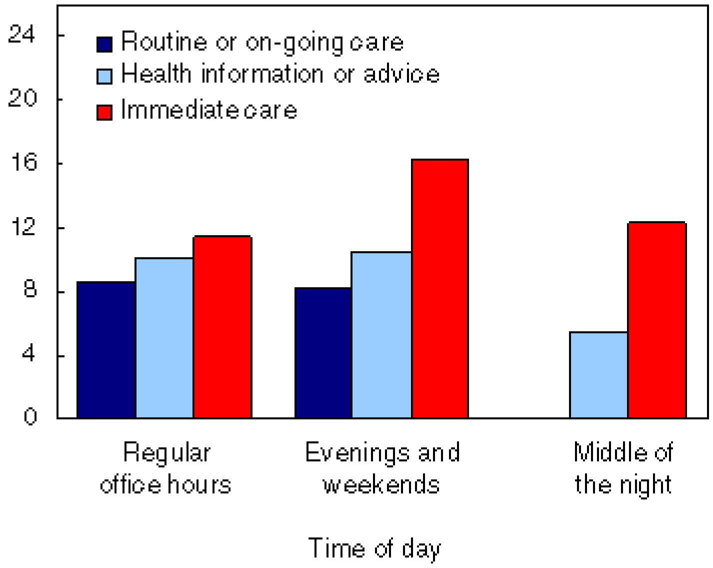
Overall, 11% (2.5 million) of those who accessed routine care reported they had difficulties, as did 13% (1.5 million) of those who accessed health information or advice, and 19% (1.6 million) of those who needed immediate care for a minor health problem. Difficulties were reported during all three time periods and reflected reasons associated with the health care system as well as personal reasons.

During regular office hours, 42% of individuals who reported difficulties accessing routine care did so because of problems getting an appointment, while during evenings and weekends - a time when most accessed walk-in clinics - 47% cited lengthy in-office waiting times.

Close to 40% of those who had difficulties getting health information during regular office hours or during evenings and weekends indicated that it was because they did not get adequate information. In the middle of the night, a time when most accessed or called emergency rooms, close to 60% cited that they had to wait too long to speak to someone.

Difficulties accessing first contact services by time of day, 2001

% reporting difficulties among those accessing this service at this time



About 38% of individuals who had difficulties getting immediate health care for a minor health problem during regular office hours cited in-office waiting times as the cause. This proportion increased to 57% during evening and weekends, and 59% during the middle of the night, times when most accessed walk-in clinics and emergency rooms.

Specialized services: Difficulties vary by type of service

The HSAS examined three types of specialized services: specialist visits for a new illness or condition, non-emergency surgery and diagnostic tests. Over the past 12 months, almost one quarter of Canadians sought specialist care.

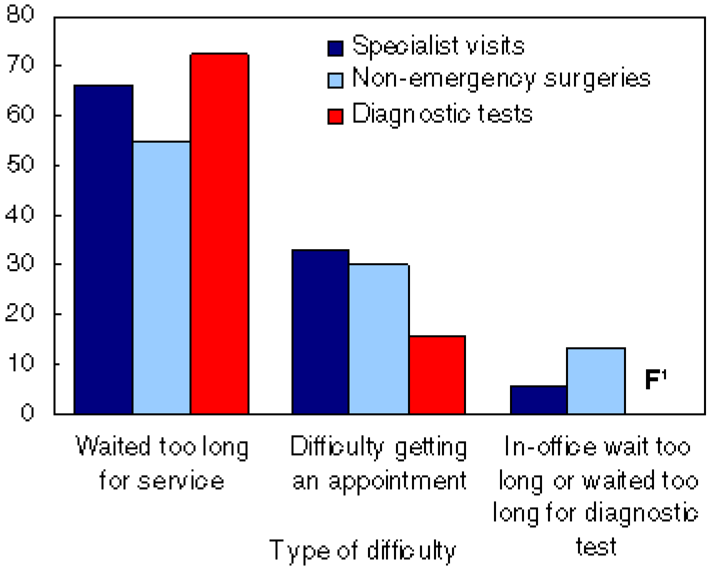
An estimated 5.1 million individuals aged 15 or over visited a specialist for a new illness or condition. About 1.2 million had non-emergency surgery and almost 1.7 million had certain non-emergency diagnostic tests - MRIs, CT scans or angiographies over a 12-month period.

About 22% of those who visited a specialist reported difficulties obtaining the service, as did 21% of those who had a non-emergency surgery and 18% of those who had a diagnostic test.

The majority of those who indicated that they had problems accessing specialized services said it was because of long waits. This was the primary reason given by 55% of those who had difficulties accessing non-emergency surgery, 66% of those who had difficulties seeing a specialist, and 72% of those who had difficulties accessing diagnostic tests. Other reasons cited included problems getting an appointment and lengthy in-office waits.

Top three types of difficulty in accessing specialized services, 2001

% reporting difficulties among those accessing this service



F[1] *Too unreliable to be published.*

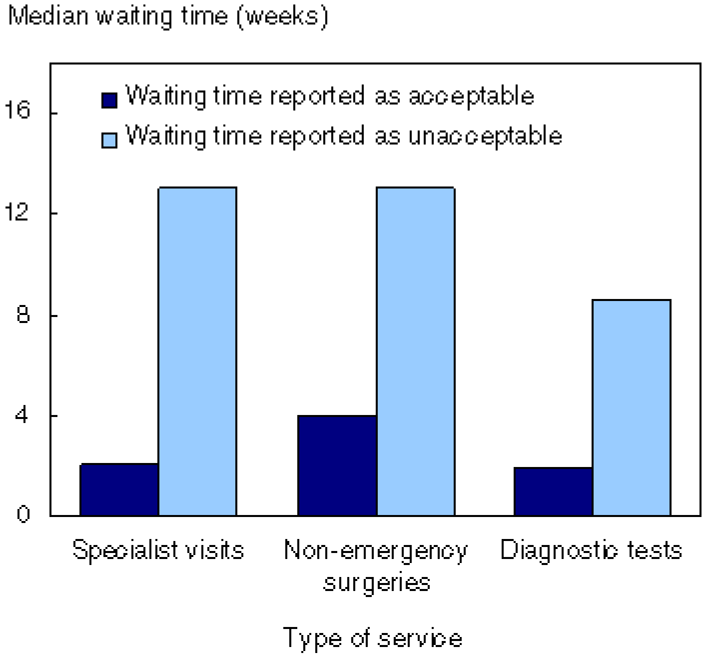
Waiting times: Most access specialized services within a month

More than half (55%) of individuals who had a diagnostic test received it within a month. About 45% of individuals who had a specialist visit and about 40% of people who had a non-emergency surgery waited less than a month.

The picture changes when surgical procedures that are known, or suspected, to have shorter waits are examined separately. For example, 54% of individuals needing surgery related to cardiac or cancer problems got it within one month. By contrast only 20% of joint-replacement or cataract surgery was provided within a month.

However, 35% of people having a joint-replacement or cataract surgery problems waited more than three months, compared with less than 20% of those having other types of non-emergency surgery.

Median waiting times for specialized services by reported acceptability, 2001



Waiting for care: Many feel stress, anxiety and pain

Of the estimated 5 million people who visited a specialist, roughly 18%, or 900,000 people, reported that waiting for care affected their lives. The majority of these people (59%) reported worry, anxiety or stress. About 37% said they experienced pain.

The situation was similar among individuals who said their lives were affected by waiting for diagnostic tests, with 68% reporting increased levels of worry, anxiety and stress. This may be because people waiting for specialist visits and diagnostic tests often do not know the details of their health problems and are waiting for a diagnosis.

Over 20% of those who waited for specialized services felt the amount of time was unacceptable. This ranged from 22% of people who waited for non-emergency surgery to 27% of those who waited for specialist visits. At first glance, these results may appear surprising, given that most individuals received care within a month.

However, the survey data shows that people who reported unacceptable waiting times had waited up to six times longer than those who considered their wait acceptable.

For example, among people who visited a specialist, those who said their waiting times were unacceptable had waited 13 weeks (median value), compared with only two weeks among those who reported acceptable waiting times. For non-emergency surgery, those who said their waits were unacceptable had also waited 13 weeks, three times longer than those who reported acceptable waiting times.

More than 50% of those who reported that their waiting times were unacceptable stated that waiting for care affected their lives. This compares with only 5% among those who reported that their waits were acceptable.

The report *Access to health care services in Canada, 2001* (82-575-XIE, free) is now available on Statistics Canada's Web site (*www.statcan.ca*). From the *Our products and services* page, choose *Free publications*, then

Health.

For information regarding access to the HSAS data, contact Mario Bédard (613-951-8933; fax: 613-951-4198; mario.bedard@statcan.ca).

For more information, or to enquire about the concepts, methods or data quality of this release, contact Jean-Marie Berthelot (613-951-3760; fax: 613-951-3959; berthel@statcan.ca) or Christian Houle (613-951-3767; fax: 613-951-3959; houlchr@statcan.ca), Health Analysis and Measurement Group.

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These products will consist of a series of comprehensive articles beginning as a supplement to the census data made available on the official day of release through *The Daily*.

The number and length of these articles will vary. They will be based on the 21 census topics disseminated across the eight major data releases and will provide an analytical perspective on the 2001 Census topics.

More focused articles will be disseminated as major releases in *The Daily* in the weeks following the official release of the data. Other more specialized articles will follow and will be announced in *The Daily*.

The articles in the 2001 Census Analysis Series will be available free of charge via the Internet.

Release Date	Title
March 12, 2002	A Profile of the Canadian Population: Where we live.
July 16, 2002	Profile of the Canadian population by age and sex: Canada ages.
October 22, 2002	Profile of Canadian families and households: Diversification continues.
November 5, 2002	2001 Census: Collective Dwellings.
December 10, 2002	Profile of languages in Canada: English, French and many others.
	Profile of the Canadian population by mobility status: Canada, a nation on the move.
January 21, 2003	Aboriginal Peoples of Canada: A Demographic Profile.
	Canada's Ethnocultural Portrait: The Changing Mosaic.
February 11, 2003	The changing profile of Canada's labour force.
	Where Canadians work and how they get there.
	Use of English and French at Work.
March 11, 2003	Earnings of Canadians: Making a living in the new economy.
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FOCUS ON CULTURE

Quarterly Bulletin from the Culture Statistics Program

Catalogue no. 87-004-XPB Vol. 14, No. 2

Hitting a high note: Canadian recording artists in 1998

By Erika Dugas

Canadian singers and musicians have taken the world by storm. A review of the Canadian and American top 100 recordings makes evident the resounding success of Canadian artists and bands over a significant period of time. Names such as Nickelback, Barenaked Ladies, Diana Krall, Nelly Furtado, Chantal Kreviazuk, Blue Rodeo, Our Lady Peace, and Garou, among others, demonstrate the visibility and saleability of Canadian recording artists. Over the past few years, the trio of Canadian divas – Céline Dion, Shania Twain and Alanis Morissette – has accumulated numerous international awards and has met unprecedented success. Each has topped the charts countless times in the United States, Europe and Asia. With the repertoire of Canadian artists flourishing, 1998 marked a triumphant year for Canadian stars. The sales generated by Canadian bands and singers reached new heights, with over $154 million reported in the sales of recordings by record labels in Canada, an increase of 15% over 1995-1996.

Note

The article is based on results from the 1998 Sound Recording Survey, our most recent data for this industry. This survey is conducted on a biennial cycle and data for the 2000 reference year are not yet available. Despite the age of these data, the premise of this article, that Canadian artists are making important in-roads in the recording sector, still rings true. This is confirmed by current national and international charts, which regularly cite Canadian artists, such as Avril Lavigne, in their listings of top-ten best-selling albums.

ERRATUM

In the last issue of *Focus on Culture*, Vol. 14, No. 1, there was an error in the article, "Facing the challenge: Performing arts in the 1990s". A sentence in the section entitled "Audience and market development", page 6, paragraph 3, sentence 2, should have read: "Opera and music suffered the greatest drop in attendance (9% and 7% respectively)."

In This Issue...

Articles:

Provincial and territorial data:

Canada in context

According to figures compiled by the International Federation of the Phonographic Industry (IFPI), Canada ranked 6th in terms of the value of sales of recorded music and 9th in terms of the units or volumes sold in the year 2000.[1] Industry estimates have placed the retail value of the Canadian sound recording market in the $1 billion range.[2] Retail sales in record and tape stores alone, are estimated to be close to $800 million,[3] counting neither direct sales (e.g. Columbia House) nor sales by such stores as Wal-Mart, Zellers or Chapters. In fact, average annual household spending on compact discs, tapes, videos and videodiscs in 2000 totaled $114 in Canada.[4]

Over 18 million[5] Canadians 15 years of age and over listened to cassettes, CDs or records in 1998, representing about 77% of the population. Over two-fifths[6] of Canadians who listened to CDs, cassettes or records, did so on a daily basis. Besides listening to CDs in our homes, many of us listen to music while driving our cars or sitting on the bus on the way to work. Music can be heard on the traditional media, such as AM and FM radio stations or on our CD players, or via newer media such as radio over the Internet and cable TV or MP3 players. Not surprisingly, younger age groups (15 to 24 and 25 to 29) were more likely to listen to cassettes, CDs or records on a daily basis than other age groups.

What you should know about the Sound Recording Survey

This Sound Recording Survey includes data from enterprises that produce records, prerecorded tapes or compact discs manufactured from master tapes either owned by them or leased from others. Included also are companies with some revenue from the leasing, consignment or sale of master tapes. Generally speaking, this census of companies includes all known record labels or other companies with record labels, as well as record production firms. This article focuses on the results of the 1998 Sound Recording Survey. Currently, data are being processed from the Sound Recording Survey for the 2000 calendar year and will be released shortly.

Starting in 1995-1996, use of the term “Canadian content” in the Sound Recording Survey was changed to “Canadian artist”. A musical selection is deemed to be by a Canadian artist if the instrumentation or lyrics were principally performed by a Canadian citizen or landed immigrant. Previously, a musical selection was deemed to be a “Canadian content selection” if it fulfilled any two of the following conditions (established by the Canadian Radio-Television and Telecommunications Commission): the music was composed by a Canadian; the instrumentation or lyrics were principally performed by a Canadian; the live performance was wholly recorded in Canada; or the lyrics were written by a Canadian.

In 1998, the reference period of the Sound Recording Survey was revised to coincide with the calendar year. The 1995-1996 survey asked respondents to report data for their financial year ending between April 1, 1995 and March 31, 1996, whereas the 1998 survey requested data for the financial year ending between January 1, 1998 and December 31, 1998. The impact of the above change is that for companies whose financial year ends in January to March there will be a two-year gap between the financial years for which data are reported in the 1995-1996 and 1998 surveys, while for companies whose financial year ends in April to December there will be a three-year gap. This implies that when comparing the 1995-1996 and 1998 Sound Recording Survey data (for companies reporting in both surveys), the gap between the two surveys cannot be considered as being over the same specified period of time for all companies. Rather, comparison between the two data sets is a mix of comparisons over a two-year period and comparisons over a three-year period. The impact of the companies with a three-year span relative to those with a two-year span varies depending on the variable being considered. In terms of number of companies, 87% of the companies reporting in both survey years were companies with a three-year span. However, from an economic point of view companies from a three-year span accounted for 73% of the total revenue in 1998.

New companies were added to the survey frame both in 1995-1996 and 1998. In some cases, companies that had been newly incorporated into the survey frame were discovered to have been active during a previous survey period. In 1998, 83 companies were added to the frame which had also been in operation in 1995-1996. These additional companies represented about 1.5% of the total revenue in 1998. In this article, percentage comparisons between 1998 and 1995-1996 survey years were based on adjustments that offset these changes to the frame and thus accurately reveal underlying trends.

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1. *International Federation of the Phonographic Industry*, Recording Industry in Numbers 2000, *London, England.*
2. *Canadian Independent Record Production Association (CIRPA), “Sound Recording Market Profile,” Music Industry, http://www.musicbusinesscanada.com.*
3. *Statistics Canada, Quarterly Retail Commodity Survey, 2000. Annual data for the commodity L6000: Pre-recorded audio and videotapes, DVDs, discs (and records) sales and for Trade Group 150 (Other Durable Goods Stores). Trade Group 150 includes the following stores: sporting goods stores, bicycle shops, musical instrument stores, record and tape stores, jewelry stores, watch and jewelry repair shops, and camera and photographic supply stores. For commodity L6000 in Trade Group 150 the data would mostly come from SIC 6552 Record and Tape Stores. Data from this survey specifically exclude sales by direct sellers (i.e. electronic shopping and mail-order houses).*
4. *Statistics Canada, Survey of Household Spending, 2000. Data were not collected in the territories for 2000.*
5. *Statistics Canada, General Social Survey, 1998.*
6. *Luffman, Jacqueline, “Variations on a Theme: The Changing Music Scene,”* Focus on Culture, *Vol. 11, no. 4, Winter 1999.*

Despite the popularity of listening to recordings, a study conducted by the Recording Industry Association of America (RIAA)[7] suggests that listening to music may not always translate into purchases. It points out that the younger age groups do not account for the largest share of purchases. A consumer profile study in 1998 by the RIAA indicated that women tend to purchase more units (of recordings) than men. Women over 30 accounted for the largest share of purchases among women while the contrary was true among men, with the purchases of men under 30 representing a larger share than those of their older counterparts. It found that, in general, the proportion of purchases accounted for by the 15- to 24-year-old group dropped slightly between 1997 and 1998.

An American study found that the percentage of Internet users downloading songs was highest among the younger age groups.[8] The survey showed that more than half the children (53%) between 12 and 17 had downloaded music. There was some evidence that the prevalence of downloading increased with age. For instance, 44% of the kids between ages 12 to 14 had downloaded music and fully 61% of those 15 to 17 had done so. Given that music downloads were in their infancy in 1998, one would expect this phenomenon to have had little influence on the music sales of that time.

Canadian-controlled labels take the helm in Canadian artist sales

It was a spectacular year for Canadian artists in 1998 and for many Canadian-controlled companies. Canadian artists racked up impressive sales that were reflected by their critical as well as popular success. According to the 1998 Sound Recording Survey, sales by all artists reached $891.6 million, with over 96 million units sold. Canadian artists accounted for 17% of the sales of sound recordings by labels in Canada, an increase over the 15% reported in 1995-1996. The growth of sales by Canadian artists was a boon for many record labels, including a number of Canadian-controlled independent companies. Canadian-controlled record labels reported almost $79 million in sales of recordings by Canadian artists, representing a 51% share of that market in 1998. This represents a gain of 5 percentage points in market share since 1995-1996.

However, not all was rosy, even with the increase in Canadian artist sales. The year 1998 also saw a drop in the sales of recordings by foreign artists. In fact, the sales of recordings by foreign artists released by Canadian-controlled labels plummeted to $25 million in 1998, a decrease of 63% from 1995-1996. Foreign-controlled labels, on the other hand, saw a minimal increase in the sales of recordings from foreign artists, with the volume of these sales continuing to dominate the industry.

Canadian artists on a roll in 1998

1998 proved to be a banner year for Canadian artists. Sarah McLachlan's album *Surfacing* was a tremendous success and received certification as having reached Diamond status as did Céline Dion's album which bore her name. Shania Twain's *Come On Over* was certified Eight Times Platinum, as was Céline Dion's *These Are Special Times* and Our Lady Peace's *Clumsy* while both Alanis Morissette's and Jann Arden's albums released that year reached Double Platinum status. Certified Platinum albums included Dubmatique's *La Force de Comprendre*, Jean Leloup's *Le Dôme*, Kevin Parent's *Grand Parleur Petit Faiseur*, and Chantal Kreviazuk's 1997 album, *Under These Rocks and Stones*. Even children's albums sold well: two Classical Kid titles, *Mozart's Magic Fantasy* and *Mr. Bach Comes To Call* from The Children's Group label reached record sales in 1998. Certified gold albums included those by Hagood Hardy, Bran Van 3000, Isabelle Boulay, Lhasa, Rush, Wild Strawberries and Sloan.

Source: *Canadian Recording Industry Association (CRIA).*

The 'major' influence

The Canadian sound recording industry is very concentrated, with foreign-controlled subsidiaries of multinational music companies dominating the industry. In 1998, there were 17 foreign-controlled companies reporting in Canada and these firms held a 71% share of the total number of releases and an 88% share of the sales of recordings (Table 1). An important focus of these foreign-controlled firms, comprised mostly of the 'majors', is to promote the releases of foreign singers and bands that have been signed by their parent companies. It is hardly surprising, then, that the bulk of sales for these firms derive from foreign artists.

Even so, foreign-controlled firms took in almost half of the sales generated by Canadian artists. This interest in domestic artists in not limited to the

7 *Recording Industry Association of America (RIAA),* Market data, 1998 Music consumer trends, *http://www.riaa.com.*

8 *"The Music Downloading Deluge: 37 million American adults and youths have retrieved music files on the Internet," April 24, 2001,* Pew Internet and American Life Project *at http://www.pewinternet.org.*

Table 1

Foreign-controlled companies spend more on marketing and promotion, 1998

	Foreign-controlled	Canadian-controlled	Total
Number of companies	**17**	**263**	**280**
Number of releases	**4,778**	**1,950**	**6,728**
By Canadian artists	202	821	1,023
Other	4,576	1,129	5,705
Total recording sales ($ millions)	**788.2**	**103.4**	**891.6**
Canadian artists sales	75.5	78.5	154.0
Others	712.7	24.9	737.6
Total revenue ($ millions)	**1,153.2**	**170.6**	**1,323.9**
Total expenses ($ millions)	**977.5**	**156.5**	**1,134.0**
Marketing and promotion	*226.1*	*25.3*	*251.4*
Profit margin (%)[1]	**15.2**	**8.3**	**14.3**
Total employment (#)[2]	**2,402**	**975**	**3,377**
Averages per firm			
Number of releases	**281**	**7**	**24**
By Canadian artists	12	3	4
Other	269	4	20
Total recording sales ($)	**46,364,594**	**393,336**	**3,184,448**
Canadian artists sales	4,441,576	298,634	550,170
Others	41,923,018	94,702	2,634,278
Total revenue ($)	**67,837,292**	**648,844**	**4,728,142**
Total expenses ($)	**57,499,795**	**595,229**	**4,050,149**
Marketing and promotion	*13,297,713*	*96,217*	*897,736*
Total employment (#)	**141**	**4**	**12**

1 *The profit margin is the difference between revenue and expenses, expressed as a percentage of total revenue.*
2 *Includes freelancers.*
Source: *Sound Recording Survey.*

Canadian recording scene. A major report from IFPI states that "the international recording industry is producing more national repertoire than ever before, with 7 out of every 10 records sold worldwide carrying music by local artists."[9] IPFI reported that recordings by domestic artists and acts signed to local music labels rose from 58% to 68% of sales between 1991 and 2000. It seems likely, therefore, that domestic acts will continue to be in demand and sought by both domestic and foreign-controlled companies in Canada.

Industry representatives have credited Canadian content requirements as a factor in the growth of the industry[10] and in the success of homegrown talent. By regulating that a percentage of radio play be Canadian content, record companies have been encouraged to develop Canadian acts that meet such a demand. The publicity generated by radio play, in turn, has promoted Canadian artists in Canada. A U.S. study by Edison Media Research,[11] which examined influences on music purchases, pinpointed radio airplay as the biggest influence on record buying, for all age groups. On average, Canadians listen to approximately 20 hours of radio per week primarily to stations which have a music format. Television also draws an audience for music. For younger consumers (aged 16 to 24) music videos have an important influence. Younger age groups (aged 12 to 17) spend 4% of their viewing time watching music and dance channels (e.g. Much Music) almost four times that of all age groups 2+ and over combined.[12]

Despite this encouragement, the music industry remains a tough business. Canadian-controlled companies have to compete with the foreign-controlled firms for Canadian repertoire and the competition is fierce. Producing records for the international market is a costly business and requires substantial investment; the Canadian Recording Industry Association (CRIA) reported that production costs now range between $300,000 and $500,000 for a single recording.[13] At such levels, Canadian-controlled labels may be able to obtain the working capital to fund only a few select productions. Even when funds are available for a production, companies may not be able to promote it adequately, particularly in international markets.

Data from the Sound Recording Survey reveal that foreign-controlled firms allocate a larger percentage of their total expenses to marketing and promotion than do domestic companies. In 1998, foreign-controlled companies spent almost a quarter of their budgets on promotional activities compared to less than a fifth spent by Canadian-controlled companies. This differential makes it extremely difficult for Canadian-controlled companies to compete with the services, such as international distribution and a large-scale

9 *IFPI,* Recording Industry in Numbers 2001, *September 6, 2001, http://www.ifpi.org.*
10 *Straw, Will, "In and Around Canadian Music,"* Journal of Canadian Studies, *Vol. 35, no. 3, Fall 2000, pp. 173-183.*
11 *"Major Influences on Music Purchase Decisions," February 4, 2002, abstracted from* The National Record Buyers Survey, *Edison Media Research, http://www.musicbusinesscanada.com.*
12 *Statistics Canada,* Television Viewing Data Bank, *Fall 2000.*
13 *Robertson, Brian, "An Industry Out Of Tune," Letter to the Editor,* Globe and Mail, *March 1, 2002.*

publicity and promotion infrastructure, offered by foreign-controlled firms. Consequently, foreign-controlled firms have been very successful at attracting and signing established Canadian talent. While multinational firms reported only 20% of new releases by Canadian artists, they accumulated 49% of the sales generated by Canadian artists.

Canadian-controlled firms are the traditional repositories of new Canadian talent. These domestic labels have a prominent role in representing talent and searching out potential stars. The result is that Canadian-controlled firms reported the dominant share (80%) of new releases by Canadian artists. With current technology, even small artist-run companies can enter the market by producing their own CDs and selling them at their concert venues, retail stores and over the Internet. Short-term or one-time financing, through federal government and private sector programs, is also available for domestic productions, providing a welcome cushion that helps companies meet the ever-expanding costs of doing business. Nevertheless, success in this sector also requires releases that appeal to a wide enough spectrum of the population that income is generated after expenses. Not all CDs are profitable, however, and the risks are great. Media reports suggest that only about 1 in 10 CDs released turns a profit.[14]

The lack of financial strength of many Canadian-controlled labels is an underlying theme in many evaluations of the industry. Talent scouts, artist development, marketing and promotions, high quality productions, management training, and distribution networks all require major financing. It is the larger foreign-controlled firms that are more likely to have the infrastructure required to succeed.

Sizing it up

The 1998 Sound Recording Survey revealed that larger firms – those with record industry-related revenues of $1 million and over – outperformed the smaller ones. These firms dominated the industry with larger numbers of releases, greater revenues, and higher profit margins (Table 2). Small companies (revenues of under $100,000) battled deficits while the larger firms reported profit margins of about 15% (as a percentage of total revenue).

As it is most likely that larger companies are better able to compete for established or emerging Canadian artists, it is hardly surprising that these same companies have been a dominant force in the release and sale of recordings by Canadians. In 1998, companies with revenues greater than $1 million had, on average, five times the number of releases by Canadian artists as the small companies. Larger firms earned, on average, over $3 million from the sales of recordings by Canadian artists as compared with only $14,000 reported by firms in the smallest revenue grouping.

The importance of having "deep" catalogues, which generate regular dependable revenues, has an important role to play in the profitability of

Table 2

Larger sound recording firms have higher number of releases, 1998

	Revenue less than $100,000[1]	Revenue $100,000 to $999,999[1]	Revenue $1,000,000 and over[1]	Total industry
Number of companies	**167**	**72**	**41**	**280**
Number of releases	**317**	**449**	**5,962**	**6,728**
By Canadian artists	276	355	392	1,023
Other	41	94	5,570	5,705
Total recording sales ($ millions)	**2.5**	**18.1**	**871.0**	**891.6**
Canadian artists sales	2.3	15.6	136.2	154.0
Others	0.2	2.5	734.9	737.6
Total revenue ($ millions)	**6.6**	**28.8**	**1,288.5**	**1,323.9**
Total expenses ($ millions)	**8.0**	**26.8**	**1,099.2**	**1,134.0**
Marketing and promotion	*0.9*	*3.3*	*247.2*	*251.4*
Profit margin (%)[2]	**-21.3**	**6.9**	**14.7**	**14.3**
Total employment (#)[3]	**257**	**296**	**2,824**	**3,377**
Averages per firm				
Number of releases	**2**	**6**	**145**	**24**
By Canadian artists	2	5	10	4
Other	0	1	136	20
Total recording sales ($)	**15,105**	**251,155**	**21,244,870**	**3,184,448**
Canadian artists sales	13,793	216,369	3,321,111	550,170
Others	1,312	34,787	17,923,760	2,634,278
Total revenue ($)	**39,633**	**400,095**	**31,425,716**	**4,728,142**
Total expenses ($)	**48,067**	**372,364**	**26,809,859**	**4,050,149**
Marketing and promotion	*5,414*	*45,449*	*6,029,018*	*897,736*
Total employment (#)	**2**	**4**	**69**	**12**

1 *Revenue groups are based on revenue from industry-related activities.*
2 *The profit margin is the difference between revenue and expenses, expressed as a percentage of total revenue.*
3 *Includes freelancers.*
Source: *Sound Recording Survey.*

14 *Philips, Chuck, "Record Label Chorus: High Risk, Low Margin,"* Los Angeles Times*, May 31, 2001.*

recording companies.[15] Industry experts have long argued that the size and quality of a company's catalogue (including numerous previously released works) has a measurable impact on a company's success.[16] They suggest that "profits come largely from having a large catalogue...generating income without the expenses attached to a new release."[17] Given the costs of signing the talent, producing the album and video, promoting and marketing the release, an album has to sell many copies to recoup expenses and for sales to reach profitability. Depending upon the label, the quality of the album and video and intended audience, expenses for production could range from thousands to several hundreds of thousands of dollars. The same can be said for publicity and promotion campaigns. Costs can include the hiring of independent promoters (to 'pitch' the recording and secure radio play[18]), supporting promotional appearances, paying imaging costs (e.g. hair and make-up) and covering advertisements in magazines or newspapers. Therefore, it is not surprising that companies depend on their blockbuster releases, including past hits from their catalogue, to offset losses of any new products that may be less successful.

New initiatives to strengthen the Canadian sound recording industry

The Department of Canadian Heritage has recently launched a comprehensive policy framework that invests in the Canadian sound recording sector at every level – from creator to audience. In support of the framework objectives, the new Canada Music Fund (CMF) has been established. Built on the success of the former Sound Recording Development Program (SRDP), the CMF is a series of eight programs designed to ensure that both in Canada and internationally, consumers have access to a diverse selection of Canadian music.

This fund introduces a new and integrated range of both proven and innovative programs. The Music Entrepreneur Program (MEP), a new component of the CMF, will provide company-based funding to Canadian music entrepreneurs to make the transition to the global and digital economy, to effectively develop Canadian talent, and to ultimately become self sufficient. Another new program is the Creator's Assistance Program, which will help artists create high-quality Canadian musical works. The various components of the Canada Music Fund are administered by FACTOR (Foundation to Assist Canadian Talent on Records), MUSICACTION, the Canada Council for the Arts, the SOCAN (Society of Composers, Authors and Music Publishers of Canada) Foundation, Telefilm Canada, the National Library and by the Department of Canadian Heritage.

Overall, public funding for the sound recording sector provided by the federal, provincial and territorial governments totalled about $15 million in 1999-2000. Examples of provincial or territorial support programs for sound recording include those administered by SODEC (Societé de développement des entreprises culturelles du Quebec), the Ontario Media Development Corporation and Manitoba Film and Sound.

The Canadian Radio-television and Telecommunications Commission's (CRTC) Commercial Radio Policy also requires radio broadcasters to make financial contributions in support of Canadian musical talent. As part of this Canadian talent development initiative, broadcasters are required to make payments to third party funding programs, on an annual basis, as well as upon approval of transfers of ownership or control of radio stations. Third party funding organizations (for example, FACTOR, MUSICACTION, Radio StarmakerFund, Fonds RadioStar) that receive these financial contributions provide assistance to all facets of the Canadian recording industry.

Sources: *Department of Canadian Heritage; Statistics Canada, Survey of Government Expenditures on Culture; Canadian Radio-television and Telecommunications Commission.*

The Canadian recording industry is very volatile; many artist-run companies or small labels struggle to remain economically viable, while moving in and out of the industry, being active one year but not the next. In such an environment, it is a challenge for many of these companies to develop sufficient industry experience and maintain trained staff. In 1998, the average number of employees for smaller revenue firms was half that of medium sized firms and approximately 35 times less than the average number of employees in larger sized firms. Moreover, many smaller companies rely mostly on freelancers, while firms in the largest revenue grouping primarily hire staff, both full time and part time. Even so, it is probable that many of the larger revenue Canadian-controlled firms still have a formidable task as they try to develop the business skills needed to succeed in this highly competitive sector.

Technology and new challenges

The Internet today provides untold opportunities for illegal file downloads and the swapping of song files. Music industry representatives argue that the 'music for free' mentality is causing the industry to face one of the greatest challenges in

[15] *Étude Économique Conseil,* Evaluation of the Sound Recording Development Program (SRDP/PADES). *Hull: Department of Canadian Heritage, 2000. See also Straw, Will,* Ibid.

[16] *Philips, Chuck,* Ibid.

[17] *Copeland, Miles, "Are Record Labels Greedy?" http://www.riaa.com.*

[18] *Ordonez, Jennifer, "Record Labels Rely on Stars to Finance Big-Money Flops – Vivendi Universal's $2 million Has Failed to Create a Hit – I'm Gonna Blow Your Mind,"* The Wall Street Journal Europe, *February 26, 2002.*

its history.[19] In addition, there is the issue of duplicating houses that manufacture and distribute illegal or pirated copies of CDs and the retailers who sell these copied CDs in foreign markets.

An IFPI report on pirate sales showed that sales of illegal music outnumbered that of legal sales in 21 countries.[20]

Advances in technology in the past few years have not only made it possible to record music on blank CDs (CD burning), but have also given rise to the MP3, an audio format, which enables audio files to be compressed to a size suitable for transmission over the Internet. Such transmission capabilities have encouraged the proliferation of free but illegal music swapping sites. While Napster, which was one of the most popular sites, has been curtailed by a much-publicized lawsuit, other free music swapping sites have blossomed, possibly exceeding Napster's success. File-sharing sites such as Audiogalaxy, KaZaA, Madster, Gnutella and MP3.com have sprung up. More recently, some file-swapping sites have settled lawsuits with recording industry associations although others are still pending.

According to the Household Internet Use Survey, 44% of all Internet households downloaded music from the Internet in 2000 whereas only 27% of Internet households did so in 1999.[21] Recording industry sources contend that illegal file swapping and downloading of music (free of charge) will have a negative impact on the sales of recordings as well as the royalties earned by record companies and artists. A Canadian copyright collective asserts that only 1 in 10 Canadians who copy sound recordings actually owns the original.[22] The debate continues, with some artists arguing that such downloading may actually encourage fans to buy records. Many underground or unsigned bands may feel the Internet gives them wider exposure, while others are worried about the long term impact that illegal file swapping may have on music sales.

Critics argue that consumers are interested in compiling their own CDs of songs and having the flexibility to copy and listen to music on portable players or in their cars. Record companies in the U.S. are trying to address consumers' needs for such services by launching their own on-line subscription services. Only time will tell as to their success. EMI (partnered with Liquid Audio Inc.) through its Internet subscription service called "BurnITFIRST.com"[23] is trying to meet such requirements for its Christian record label. Using this service, with certain restrictions, consumers can create their own custom-made compact discs and download songs from EMI's Christian label to portable devices. Other digital music subscription services include Rhapsody, MusicNet, Pressplay, FullAudio and Emusic.com. While online music sharing may be inevitable, the music industry's concern about its impact on record sales, and the need to find measures to combat it, are far from resolved.

Another problem facing the industry is the "burn and return" phenomenon that involves the burning of personal CDs from albums bought from retailers. The HMV music store chain put an end to their no-questions asked return policy as of January 2002 and now only accepts unopened merchandise for refund. This policy change was effected to discourage customers from buying a recording, burning it onto a compact disc and then returning it.[24]

To discourage CD copying, record firms are looking into new technologies that will make it impossible to produce copies of discs. Copy-protected CDs by Midbar,[25] Macrovision, and SunnComm are being released by some labels in the U.S. and Europe while other firms are looking into releasing music in a

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19 "A 'music for free' mentality is challenging the future of the European recording industry", *IFPI press release, July 11, 2002, http://www.ifpi.org. Also see Keefe, Bob, "CD piracy a growing problem; But recording industry, some artists differ on whether it hurts sales,"* Austin American-Statesman, *June 12, 2002.*

20 "Global report shows disc piracy 50% up despite sharp increase in enforcement action," *IFPI press release, http://www.ifpi.org. Also see Masson, Gordon, "IFPI Report Shows Surge in Pirate Sales" (reprinted from* Billboard*), June 23, 2001 on IFPI website.*

21 *Statistics Canada, "The Internet: Who's connected – who's shopping?"* Focus on Culture, *Vol. 13, No. 2, Summer 2001, pp. 10-13.*

22 *"Only 1 in 10 who copy own original, group says,"* The Globe and Mail, *March 20, 2002.*

23 *Richtel, Matt, "Technology Briefing Internet: Online Sale of Christian Music,"* The New York Times, *April 30, 2002.*

24 *"HMV puts a lid on 'no-hassle' return policy to prevent CD burning,"* The Canadian Press Newswire, *January 7, 2002.*

25 *"10 Million Copy-protected CDs now in stores", February 12, 2002 abstracted from "Shelves Hold 10 Million Copy-Locked CDs" by Gwendolyn Mariano,* ZD Net News (www.zdnet.com), *http://www.musicbusinesscanada.com.*

new format, a DataPlay disc.[26] The European edition of Céline Dion's album, A *New Day Has Come*, used Key2Audio protection technology. These new technologies come with their own set of challenges. Consumers' complaints about the CDs not working on some CD players or on standard DVD players or their PCs suggest that further refinements will have to be developed to keep consumers happy.

Difficult times face the music industry with technology creating many of the most difficult challenges. With the passing of time, the industry hopes that new technologies will no longer be a threat but will provide record labels with opportunities to share their wares over the information highway.

Regardless of the challenges faced by the sound recording industry, one thing is clear – Canadian artists continue to top the charts. Avril Lavigne's first album *Let Go* was released in Canada in June 2002 and had reached number one within weeks of its release. By August it had gone nearly double platinum in Canada (200,000 units) and in the United States (2 million units) and was dominating the charts in many other countries. Céline Dion's album *A New Day Has Come* topped the charts in both Canada and the U.S. Diana Krall's *The Look of Love* has captivated audiences and record buyers around the world while Alanis Morissette's *Jagged Little Pill*, released in 1995, had sold over 16 million units in the United States by 1998. Artists such as Kevin Parent, Daniel Boucher, Loreena McKennitt, Rufus Wainwright, Remy Shand, Sum 41, Swollen Members and Jann Arden continue to sell well and regularly reach the charts.

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[26] *Harmon, Amy, "CD Technology stops copies but it starts a Controversy,"* The New York Times, *March 1, 2002. Also see Arthur, Charles, "Record firms push new anti-piracy discs,"* The Independent, *March 20, 2002 and Bickers, James, "Copy protected CDs: Piracy defense or rip-off? Encrypted discs may hurt systems if copying tried,"* USA Today, *June 25, 2002.*

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Update on families

This article is adapted from *Profile of Canadian Families and Households: Diversification Continues*, published as part of the October 22, 2002 data release on families from the 2001 Census. This document is available from the Statistics Canada Web site at www12.statcan.ca/english/census01/products/analytic/companion/fam/pdf/96F0030XIE2001003.pdf.

With the release of data from the 2001 Census, much new information on the state of Canadian families has become available. This update outlines the major changes that have occurred within families and their living arrangements over the last 20 years.

Canadians continue to marry and have children. However, marital histories are becoming more complex. Common-law unions, lone-parent families, smaller households and people living alone are on the rise.

In 2001, the proportion of "traditional families" — mom, dad and kids — continued to decline, while families with no children at home were on the rise. Married or common-law couples with children aged 24 and under living at home represented only 44% of all families in Canada, down from 55% in 1981. At the same time, couples who had no children living at home accounted for 41% of all families in 2001, up from 34% in 1981. In 2001, lone-parent families increased to 16% of all families from 11% in 1981.

Behind this shift in living arrangements are diverse factors, such as lower fertility rates, delayed childbearing or a rise in the number of childless couples. In addition, because life expectancy is increasing, couples have more of their lives to spend together as "empty-nesters" after their children have grown up and left home.

Common-law relationships more frequent, especially among the young

The proportion of couples who live in common-law arrangements is on the rise. In 2001, 16% of all couples lived common-law up from 6% in 1981. The rate in 2001 is substantially higher than that in the United States, where 8% of couples lived common-law, but is much lower than in Sweden (30%) and Norway (24%). The trend toward common-law was strongest in Quebec, where 30% of all couples lived in common-law unions in 2001, a rate similar to that in Sweden.

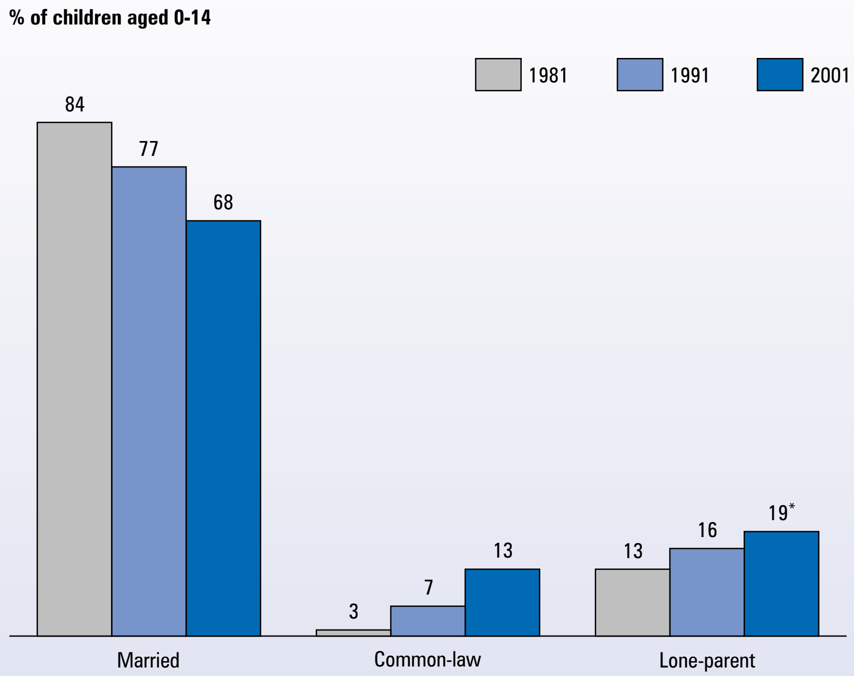
Although common-law relationships are most popular among the young, they are also becoming more acceptable among older generations. In 2001, 48% of 20- to 29-year-olds who lived as a couple were in a common-law union, compared with 5% of those aged 55 years or older. Common-law unions continue to be less stable than marriages. According to the 2001 General Social Survey (GSS), women whose first union was common-law were twice as likely to experience a separation as those whose first union was marriage.[1]

More children living in common-law and lone-parent families than before

It has become more acceptable to bring up children in common-law relationships, although childbearing is still more common in marriages. In 2001, 46% of common-law families included children, whether born in the current union or in a previous relationship. In 1981, this percentage was 34%. In terms of children, about 13% of those under the age of 15 lived in a common-law family in 2001, compared with 3% in 1981. This national average, however, masks large differences between the provinces. While in

1. Statistics Canada. 2002. *Changing Conjugal Life in Canada* (Statistics Canada Catalogue no. 89-576-XIE). p. 6.

Percentage of children living in common-law and lone-parent families is increasing



* Includes about 1% of children with other living arrangements.
Source: Statistics Canada, Censuses of Population.

Quebec, 29% of children under age 15 lived with common-law parents, only 8% of children in the rest of Canada had this living arrangement.

According to the National Longitudinal Survey of Children and Youth, children are experiencing parental separation at increasingly younger ages. Furthermore children born into common-law unions are more apt to see the separation of their parents. Research suggests that children who experience the separation or divorce of their parents during their childhood are more likely to separate themselves later in their adult lives.[2]

In 2001, about 19% of children did not live with both parents. Most of these children lived with a lone parent, the majority of whom were lone mothers. Only about 1% of children under age 15 lived with neither parent — these children usually stayed with other relatives.

Households becoming smaller

Canadian households continue to shrink as fewer people live in large households and more people live alone. In 2001, the average household size fell to 2.6 from 2.9 in 1981. One and two-person households have increased in the last two decades. By 2001, 13% of the population aged 15 and over lived alone compared with 9% in 1981.

Seniors more likely to live alone and less likely to live in health care institutions

In 2001, most senior men (61%) and about one-third (35%) of senior women lived with a spouse or partner and no children, little change from two decades earlier. The percentage of seniors residing with their adult children remained unchanged for men at 13%, but increased for women to 12% in 2001 from 9% in 1981.

Seniors were also more likely to live alone. In 2001, 35% of senior women and 16% of men aged 65 and over lived alone compared with 32% of women and 13% of men in 1981.

The percentage of seniors living in health care institutions has decreased to 9% in 2001 from 10% in 1981 for senior women and to 5% from 7% of senior men over the same time period.

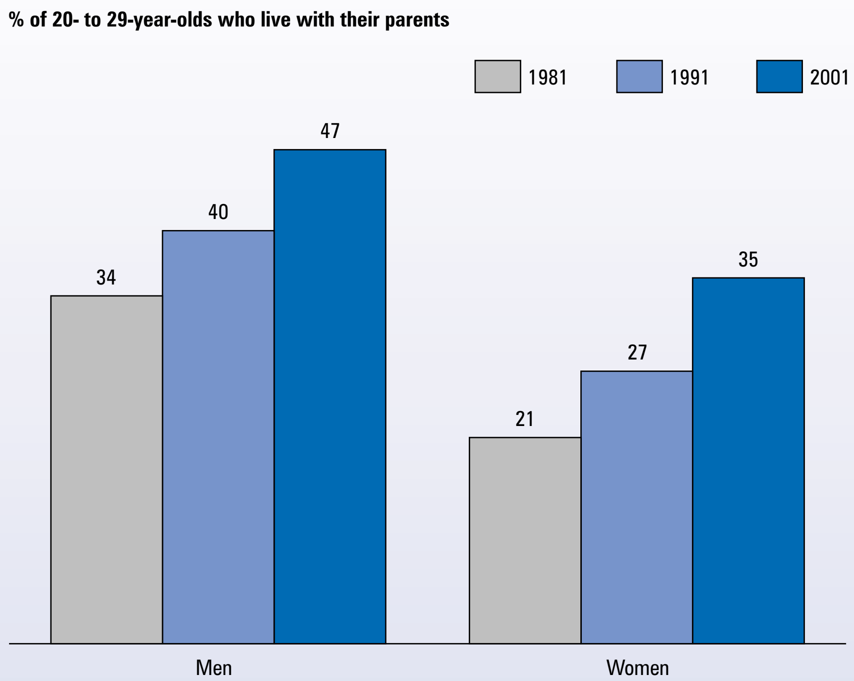
Young adults living with their parents

The new economy, with its intensified competition and rapid technological advances, has increased the need for higher skill levels and more education. More schooling, falling marriage rates, rising age at first marriage and the growth of common-law unions (which are more likely to dissolve than marriages) have extended the period during which young adults live with their parents. Young adults are increasingly remaining in or returning to the parental home. In 2001, 41% of 20- to 29-year-olds lived with their parents, a large increase from 27% in 1981. Young men in their early twenties are the most likely to live at home, with 64% doing so, compared with 52% of young women aged 20 to 24.

The fact that young adults continue to live with their parents has contributed to the decline in unions (marriage or common-law) among young adults. While the percentage of young adults in common-law unions has increased over the past 20 years, the percentage in marriages has declined by more, resulting in fewer unions among people in their twenties. In 2001, 35% of 20- to 29-year-olds were in a marriage or in a common-law

2. Statistics Canada. 2002. *Profile of Canadian Families and Households: Diversification Continues* (Statistics Canada Catalogue no. 96F0030XIE2001 003). p. 7.

More young adults live with mom and dad



Source: Statistics Canada, Censuses of Population.

union compared with 52% in 1981. Men in this age group are less likely to be married or in a common-law union than women.

Stepfamilies[3]

Many couples in new marriages or common-law unions have children from previous relationships. In 1998-99, nearly 7% of Canadian children under the age of 15 were living in a stepfamily.[4] Most of these children were part of a blended family,[5] which most often included the couple's biological children and the wife's children from a previous relationship.

Summary

The Canadian family is continuing to be reshaped. More and more people are in common-law unions or form a lone-parent family. Children are increasingly being raised in these two types of families. The traditional family, although the single largest group, has declined in popularity from two decades ago. Family trends in the 21st century will continue to evolve. Stay posted.

3. Stepfamilies refer to families in which at least one child is from a previous relationship of one of the parents.
4. National Longitudinal Survey of Children and Youth, 1998-99.
5. Blended families contain children of both spouses from one or more previous unions, or one or more children from the current union and one or more children from previous unions.

Benefiting from extended parental leave

Katherine Marshall

The *Unemployment Insurance Act* (EIA)[1] of 1940 introduced unemployment insurance to Canada, but it was another 30 years before the Act provided provisions for maternity leave. Starting in 1971, mothers with 20 or more insurable weeks could claim up to 15 weeks of benefits. Almost two decades later, in 1990, 10 weeks of parental leave benefits were added. These could be used by either parent or split between them (HRDC 1996). Another significant change in December 2000 increased parental leave benefits from 10 to 35 weeks, effectively increasing the total maternity and parental paid leave time from six months to one year. As well, the threshold for eligibility was lowered from 700 to 600 hours of insurable employment. However, the rate of benefit remained unchanged at 55% of prior weekly insurable earnings up to a set maximum (see *Parental benefit revision*).

One aim of the 2000 amendment was to enable working parents to care for their infant for longer and still allow them secure re-entry into employment. After the extension of parental benefits, all provinces and territories revised their labour codes to give full job protection of 52 weeks or more to employees taking paid or unpaid maternity or parental leave.[2] Many other industrialized countries have moved to provide employment-protected parental leave as well. In 1996, the European Union (EU) passed a directive on parental leave mandating the right of all workers to at least three months leave (not necessarily paid) for childcare purposes (as distinct from maternity). As of 1998, 13 of the EU countries had statutory parental leave provisions, 2 did not (United Kingdom and Ireland), and one (Luxembourg) had limited provisions (Hall 1998).

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Parental benefit revision

In 2000, Bill C-32 amended the *Employment Insurance Act* regarding paid parental leave in Canada. Starting December 31, 2000, leave time for employed parents increased from 10 to 35 weeks. Parental leave benefits can be claimed only after the birth of the child, and the leave must be taken within 52 weeks of the birth. To qualify, parents must have worked for 600 hours in the past 52 weeks, down from 700 previously. The 35 weeks of benefits can be taken by one (qualifying) parent, or they can be split between both (qualifying) parents, with only one waiting period required between them. The benefit entitlement remains at 55% of average insured earnings up to a maximum of $413 per week.

Maternity leave benefits, which are administered in the same way as parental benefits, can be claimed for 15 weeks by women only, and up to 8 weeks before the birth.

Although a discussion of sickness benefits is outside the scope of this paper, as of March 2002, these benefits no longer cut into the total eligible period for maternity and parental benefits. More information is available on the HRDC Web site (www.hrdc-drhc.gc.ca).

The expansion of parental benefits has the potential to alter the labour market behaviour of both mothers and fathers. Do women now remain at home longer with their infants, and are there factors, such as income, that influence the length of leave time taken? Do women return to the same employer after longer periods of leave? This paper examines the labour market activity of mothers before and after the last paid parental leave amendment. Some of the events, such as returning to work, are based on both actual and intended behaviour (see *Data source and definitions*).

Overview findings

In both 2000 and 2001, over 300,000 mothers had infants at home (Table 1). In both years, roughly three-quarters of these mothers had been employed for at least one of the 52 weeks prior to the birth of the child—74% in 2000 and 77% in 2001.

Table 1: Work-related facts on mothers with infants under 13 months

	2000	2001
Total mothers	**314,300**	**203,300**[a]
	%	
Worked during year before birth	74	77
Spouse claimed or planned to claim parental benefits[b]	3[E]	10*
Worked prior to birth	**100**	**100**
Returned or planned to return to work within 2 years[c]	84	82
Reference job was paid	93	93
Employees	**100**	**100**
Received EI maternity and/or parental benefits	79	84
Received EI and employer or other top-up	23	20
Returned or planned to return to same employer[d]	84	89

Source: Employment Insurance Coverage Survey
a The total of mothers in 2001 was 326,600, but because the extended parental benefit program began in 2001 only those who gave birth in 2001 were included.
b Of those with a spouse present.
c See note 3.
d Of those who took a break from work of one week or longer, and returned or planned to return within 18 months.
** Statistically significant difference between the two years at the .05 level or less.*

Among mothers who worked prior to the birth of their child, 84% in 2000 and 82% in 2001 returned or planned to return to work within two years.[3] The extension of paid leave does not appear to have affected mothers' return-to-work rate. An equal proportion of these women reported their reference job as paid (93%) (see *Data source and definitions*).

More mothers with paid jobs received maternity or parental leave benefits in 2001 (84%) than in 2000 (79%). This may be a result of the heightened awareness of the highly publicized revised parental benefit program and the reduction in the entrance requirement from 700 to 600 insurable hours. In any case, the combination of increased access to parental benefits and increased labour force participation of expectant mothers elevated the overall proportion of all new mothers receiving maternity or parental benefits from 54% in 2000 to 61% in 2001. Still, 39% of mothers with newborns in 2001 did not receive birth-related benefits because they were not in the labour force (23%), were paid workers who were ineligible or did not apply for benefits (12%), or were self-employed (5%).

A slightly smaller proportion of women who received EI reported receiving a financial top-up from either their employer or another source in 2001 than in 2000 (20% versus 23%). Women were much more likely to receive a top-up if they worked for a large firm. In 2001, 31% of those employed in firms of 500 employees or more received a top-up, compared with 18% of those in smaller firms. Also, the vast majority in both years returned to the same workplace, with 2001 showing a slightly higher rate—89% versus 84%.

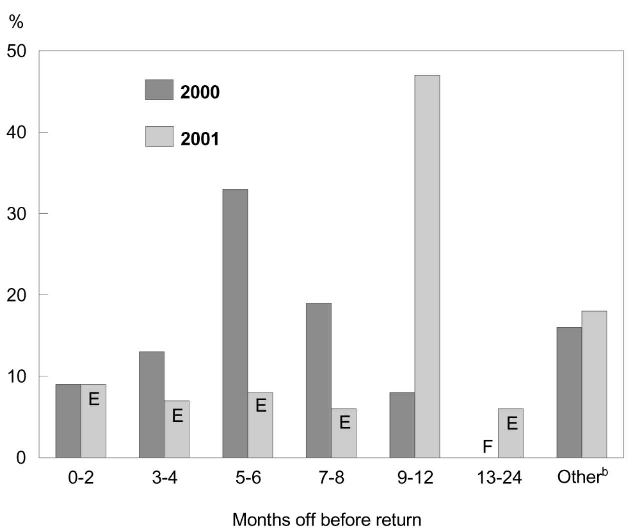
Only about 3% of husbands claimed or planned to claim paid parental benefits in 2000, whereas by 2001 the figure more than tripled to 10%. This is not only a statistically significant increase, but also a socially significant one. Although the length of time involved is not known, approximately 1 in 10 fathers take a formal leave from their job to be at home caring for a newborn. Administrative EI data also shows a five-fold increase in the number of men receiving parental benefits since the amendment (Pérusse 2003). This parental leave benefit claim rate for fathers moves Canada ahead of many other countries, but still leaves it considerably behind those that offer non-transferable leave to fathers—Norway, for example, where almost 80% of fathers take parental leave (see *International take-up rates among fathers*).

One year off work more common now

For mothers who returned or planned to return to work within two years of childbirth, the most common return time changed from 5 to 6 months in 2000 to between 9 and 12 months in 2001 (Chart A). Clearly a result of the longer paid-benefit period, the proportion of women returning to work after about a year off (9 to 12 months) jumped from 8% to 47% between the two years.

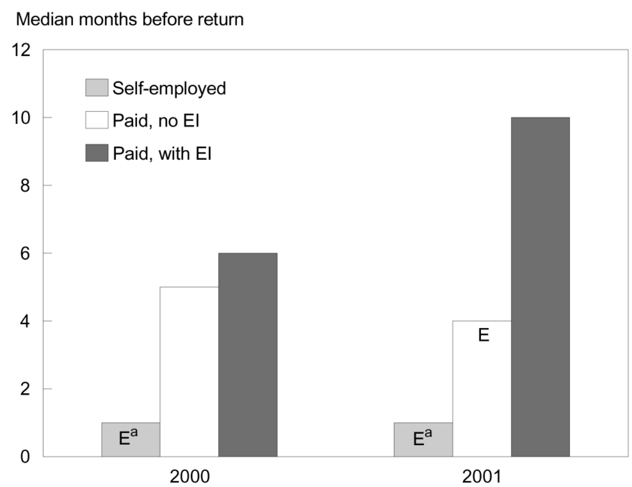
Roughly 1 in 10 women in both years took either no time, or only one or two months, off work after childbirth. The vast majority of these early returnees were self-employed or employees without maternity or parental leave benefits. At the other end of the spectrum, for both years, less than 2 in 10 women did not plan to return to work, or did plan to return and either did not know when or gave a date beyond two years.

Chart A: Returning[a] to work between 9 and 12 months after birth increased sharply.



Source: Employment Insurance Coverage Survey
[a] Based on completed and planned absences.
[b] Those who planned to return in 25 months or more, planned to return but did not know when, or did not plan to return at all.

Chart B: After 2000, actual and planned time off increased for mothers with EI only.



Source: Employment Insurance Coverage Survey
EI = Maternity and/or parental benefits
[a] See note 4.

Time off jumps from 6 months to 10 for benefit recipients only

Among self-employed women who returned to work within two years, the median time off work was only one month in both 2000 and 2001 (Chart B).[4] Previous research supports this finding, and suggests that entrepreneurs on leave can face a double financial loss, not only because of their own lost earnings but because of the possible expense of hiring a replacement worker (Marshall 1999). And, since the self-employed do not pay into the Employment Insurance program, they are not entitled to maternity or parental leave benefits. The median length of time off work also changed very little for employees not receiving maternity or parental benefits—five months in 2000, and four months in 2001. The self-employed and employees without benefits accounted for a minority of the total who were previously employed and had returned (23% in 2000 and 19% in 2001).

Most women who returned or planned to return to work were employees in receipt of maternity or parental leave benefits: 77% in 2000 and 81% in 2001. And it is this group that appreciably extended their stay at home following the program amendment. The median time at home for women with benefits increased from 6 months in 2000 to 10 months in 2001. Although there is some variation around the median, most recipients were concentrated in a narrow band around this figure. Two-thirds (67%) took or planned to take 9 to 12 months, one-quarter took 8 or less, and the remainder took 13 to 24.

Key factors in length of paid time off

Father's take-up rate of benefits

Although most employees with benefits took advantage of the revised parental leave program and were, or planned to be, off work for almost a year, one-quarter of the women took less than 9 months off (median of 5 months) (Table 2). The two groups share many similarities; they had roughly the same median age (30), the same marriage rate (95%), and the same education (7 out of 10 had a post-secondary diploma or university degree). However, fathers' participation in the program differed significantly. Almost one-quarter of the husbands of women who took less time off claimed or planned to claim benefits, while only a handful of husbands of the long leavetakers did so. Logically, if fathers claim some of the 35 paid parental

Data source and definitions

The Employment Insurance Coverage Survey (EICS), a supplement to the Labour Force Survey (LFS) since 1997, studies the extent of coverage of the Employment Insurance program. Starting in 2000, a special maternity supplement was added to help monitor the effect of the extended parental benefit program, which began December 31, 2000.

The supplement asked new mothers detailed questions on their labour market situation before and after the birth/adoption of their child. Other information collected included the timing of any breaks before and after the birth/adoption, the receipt of EI by type and benefit level, as well as individual and household income prior to or since the birth/adoption. The survey also asked about spousal use of parental benefits, as well as some employer- and childcare-related questions. In cases where an event had not occurred—for example, a mother's return to work or a husband's claim for parental benefits—subsequent questions about intentions were asked. Calculations of the time off work are based on both completed and intended leave spells.

The sample included roughly 1,350 mothers with children less than 13 months of age in both the 2000 and 2001 surveys. However, almost 500 of those interviewed in 2001 had given birth or adopted their child in 2000 and were therefore excluded from the analysis. This paper examines the labour market behaviour of a sample of mothers who gave birth before and after the implementation of the parental benefit amendment, which means births in 1999 or 2000, and 2001.

A number of non-sampling errors, such as incorrect skip patterns, have led to some data quality issues, particularly with the 2001 file. Several variables have some missing responses, and in these cases calculations are based on valid responses only. The extent of the problems is not believed to seriously affect the results. Future cycles of the survey will resolve these problems.

Employment prior to birth: Women were considered employed if they reported working one or more weeks for pay or profit in any of the 52 weeks preceding the birth of the child.

Annual earnings were derived for all previously employed women by multiplying usual weekly hours of work by total weeks worked before birth (maximum of 52) by usual hourly earnings.

All respondents were asked to report total **household income** from all sources within a list of income ranges provided.

Women had an **employed spouse** if at the time of the survey they reported living in a husband-wife family in which the husband was employed.

Reference job characteristics were collected at the time of the LFS, which was 4 to 6 weeks before the EICS. For women who were not yet back to work, the term refers to their last main job held; for women who had already returned, it refers to their current main job.

If mothers, while pregnant or on leave, received employer payments, private insurance payments or other benefits in addition to EI maternity or parental benefits, they were considered as receiving a **top-up**.

Parental leave refers to a period of job-protected time granted to employees for the care and nurturing of their children. Currently, all provinces and territories offer at least 52 weeks to mothers and 37 weeks to fathers.

Parental benefits are available to previously employed qualifying parents (see *Parental benefit revision*).

Duration of time off work was calculated for all women who reported taking a break of one week or more after the birth/adoption of their child. For those who had already returned to work, the total weeks off work was recorded. For those who were not yet back to work, but who knew when they would return, the planned return date was recorded. In all cases, total time off was calculated as the time between the birth month and year of the child and the month and year of return. As expected, a greater percentage of return-to-work spells based on 'intentions' was noted for mothers who gave birth after the parental benefits amendment. Of all time-off spells that took place within two years, 74% were based on a specified future return date in 2001, compared with 40% in 2000.

Some precision is lost in calculating total time off in months rather than in weeks, but the more important issue is the change between 2000 and 2001. Also, total time off work may be underestimated because some women begin their maternity leave before the birth, since this benefit can be claimed up to eight weeks ahead of time.

leave weeks, mothers would have less than a year of paid leave for themselves, and thus a shorter stay at home. Further analysis[5] indicated that women with partners who claimed or planned to claim parental benefits were 4.6 times more likely to return to work within eight months than those with partners who did not claim benefits.

Income

Significantly more mothers who returned within eight months reported annual earnings below $20,000 in their previous or current job (49%), compared with those who returned after almost a year (29%).[6] In other words, lower individual earnings were associated with

Table 2: Characteristics of employees with EI maternity and/or parental benefits, by actual or planned return to work, 2001

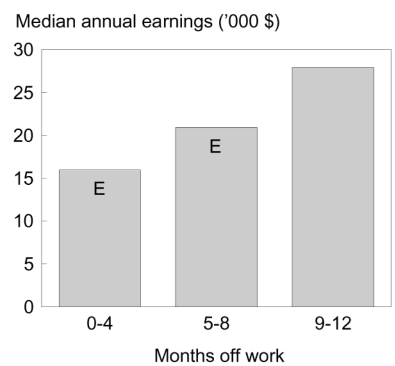
		Within 1 year		
	Within 2 years[a]	0 to 8 months	9-12 months	Odds ratios[d]
Total employees	**97,600***	**24,000**	**65,700**	
Median time off (months)	10	5	11	
Personal characteristics				
Median age (years)	31	30	31	ns
		%		
Spouse employed[b]	90	84	92	ns
Spouse not employed	10[E]	F	F	
Spouse claimed or planned to claim parental benefits[b]	10[E]	F	F	4.6***
Spouse did not claim benefits	90	77[E]	94*	
High school or less	28	F	29	
Post-secondary diploma, university degree	72	73[E]	71	ns
Income				
Had employer top-up	26	27[E]	26[E]	ns
No top-up	74	73	74	
Annual personal earnings				
Under $20,000	35	49[E]	29*	2.9 **
$20,000 - $39,999	45	31[E]	51	
$40,000 or more	21	F	20[E]	
Annual household earnings				
Under $40,000	41	46[E]	38*	ns
$40,000 - $59,999	34	32[E]	34	
$60,000 or more	25	F	28[E]	
		$		
Median weekly EI benefits	316	300	323	ns
Job related[c]		%		
Full-time job	86	82	87	ns
Part-time job	14	F	13[E]	
Permanent job	95	87	98*	
Temporary job	F	F	F	4.8**
Unionized	36	33[E]	34	
Not unionized	64	67[E]	66	ns

Source: Employment Insurance Coverage Survey

a *Excludes cases of non-response. The sample for those who took or planned to take 13 to 24 months off work was too small to present by individual characteristics.*
b *Only those with spouses, which was 95% for all groups.*
c *Refers to reference job at time of interview (see* Data sources and definitions*).*
d *See note 5.*
* *Statistically significant difference at the .05 level or less. Tests were done between the two return groups for each variable.*
** *Regression results statistically significant at the .01 level, or less.*
*** *Regression results statistically significant at the .001 level, or less.*
ns *Not significant*

a quicker return to work (Chart C). For example, mothers with maternity or parental leave benefits who returned to work within four months had median annual earnings of just under $16,000. This suggests that women with lower earnings (and possibly lower savings) may not be financially able to stay at home for an entire year on 55% of their earnings.

Chart C: Mothers with EI took or planned more time off work if earnings were higher.



Source: Employment Insurance Coverage Survey
EI = Maternity and/or parental benefits

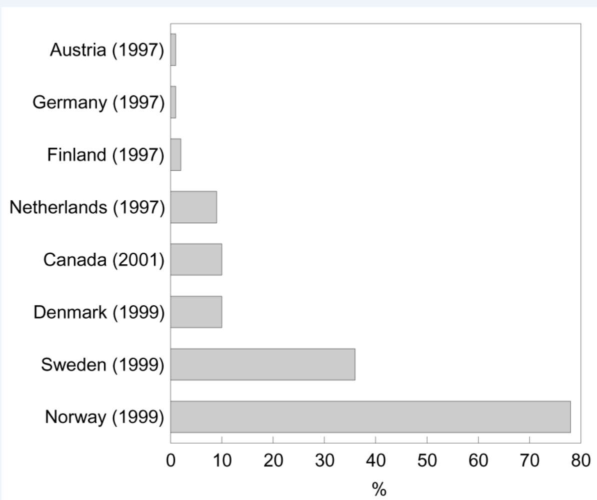
Since personal income influences total household income, early returnees were also more likely to be part of a household whose total income was under $40,000—46%, compared with 38% for those who returned between 9 and 12 months (Table 2). However, when household income is compared with all other variables at the same time, by way of regression analysis, the mother's earnings are clearly the overriding factor.

Receiving an employer top-up or other compensation in addition to paid maternity and parental

International take-up rates among fathers

Even though the EU parental leave directive was implemented in 1996, most research shows that participation rates are high for mothers (90% or more) but not for fathers, even though the benefit is usually paid and available to both parents. Data from a number of European countries indicate that fathers' participation in parental benefits is often under 5% (Austria, Germany and Finland). Participation rates tend to be higher only in countries where parents are offered non-transferable paid parental leave (each parent must use the leave or lose it), such as Sweden and Norway where rates are 36% and 78% respectively. Many reasons have been put forward for the low parental benefit take-up rates for fathers including social, cultural and employer attitudes, the income rate while on leave, the level of job protection, and also "whether or not the mother wishes it" (OECD 2001). One reason for the increased claim rate in Canada (from 3% in 2000 to 10% in 2001) may be that fathers no longer face a two-week payless waiting period if their spouse has already served one. Another reason may be the length of time now offered for benefits—with 35 weeks available, mothers may be more willing to share some of the leave time with their partners.

Fathers' participation in paid parental leave[a] for selected countries



Sources: European Industrial Relations Observatory on-line (www.eiro.eurofound.ie); OECD, 2001; EICS, 2001
a Distinct from paid paternity leave

benefits does not appear to affect the timing of returning to work. Just over a quarter of all employees who returned or planned to return to work within two years enjoyed this benefit.[7] Although the top-up was substantial for many—half received a supplement large enough to equal 90% or more of their previous earnings—the median duration was only 15 weeks. The median weekly EI benefit rate was somewhat lower for those who returned sooner than for those who returned later ($300 versus $323), but the difference was not statistically significant.

Job permanency

The majority of mothers who took or planned to take a year off had worked full time in their previous or current job (87%), as had those who took less time off (82%). And, almost equal proportions (one-third) reported the job as unionized. However, one job-related factor that did determine a relatively early return to work, despite receipt of maternity or parental leave benefits, was whether the mother's job was permanent. Almost all (98%) of mothers on leave for a year had a permanent job, compared with 87% of those who returned in eight months or less. The job-permanency rate for benefit recipients who returned in four months or less was only 75%. Roughly 90% of these non-permanent jobs were temporary, term, contract or casual, and so would in theory be less likely to offer job protection. Those with non-permanent work were almost 5 times more likely to return to work in less than nine months compared with those with a permanent job.

Some of the key factors influencing the time away from work for women with maternity and parental benefits may be interrelated. For example, non-permanent jobs generally offer lower wages than permanent ones, so an early return to work might reflect the possibility of job loss, economic necessity, or both. Further analyses in subsequent years, when the entire sample will include births after the 2001 parental leave extension amendment, and upcoming data from the Survey of Labour and Income Dynamics may help shed further light on these questions.

Summary

Bill C-32 added 25 weeks of paid parental leave to the pre-existing 10. Including the 15 weeks of maternity benefits, parents can now receive up to a year of benefits while caring for their newborn children. Those who received these benefits experienced a significant increase in the time taken off work after the birth or adoption. Over 80% of these women returned or planned to return to work within two years, and the median time off increased from 6 to 10 months between 2000 and 2001. Despite the extended time off taken by most women who received benefits, one-quarter of them returned to work within eight months. Significant factors linked with a shorter leave from work included a father's participation in the parental benefit program, a mother's job being non-permanent, and low employment earnings. Even with the increased time away from work, women were equally likely to return to the same employer in both years.

However, the program amendment had no effect on those without access to parental leave—roughly 46% of all mothers with newborns in 2000 and 39% of those in 2001. The increased claim rate in 2001 was likely due to the increased employment rate of women before childbirth, as well as the increase in the proportion of employees qualifying for birth-related benefits. The mothers in 2001 without maternity or parental benefits consisted of those who were self-employed (5%), paid workers who did not qualify or apply for benefits (12%), and those who had not previously been employed (23%).

Since the extension of parental leave benefits, fathers' participation rate in the program has increased from 3% to 10%. So, not only are most newborns receiving full-time care by their mothers for longer, but many more are experiencing a father at home for some of the time as well.

Perspectives

Notes

1 In 1996, the Unemployment Insurance Act became the Employment Insurance Act (EIA).

2 Under provincial or territorial labour codes, job-protected parental leave is granted to those with continuous employment, which can range from less than a week to one year.

3 This finding differs from a 1993-94 study of women returning to work after childbirth using the Survey of Labour and Income Dynamics (SLID), where 93% of women reported being back to work within two years. One reason for the difference may be that at the time of the EICS, about 8% of mothers were undecided about their future return. With the undecided removed, 90% of the women in the EICS also reported returning within two years.

4 An error in the questionnaire meant that all self-employed women in 2000, and most in 2001, who had not yet returned to work were not asked about their intention to return. Therefore, the calculations are based on completed spells only and likely underestimate the true time off. However, the majority of the self-employed had already returned, and well over half did so in less than three months. This is consistent with analysis of self-employed mothers using the Survey of Labour and Income Dynamics, which found that 80% of those previously employed were back to work by the end of the first month after chilbirth (Marshall 1999). Also, the full 2001 survey was used in order to have a large enough sample for calculation in Chart B (that is, self-employed mothers who gave birth in 2000 were included).

5 A logistic regression model was used to examine the probability of having taken less than nine months off work. The dichotomous dependent variable was less than 9 months (= 1) and 9 to 12 months (= 0). More information about the model may be obtained from the author.

6 An assumption is made that employment before and after the birth is largely similar. This is based on the fact that well over 80% of the women return to the same employer, and 90% to the same hours (Marshall 1999).

7 The overall top-up rates of 20% and 26% found in Tables 1 and 2 respectively, differ because of the population examined. The 26% includes only employees with maternity or parental benefits who had returned to work within two years.

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Mad cow disease and beef trade

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Summary

On May 20, 2003, Canada's beef industry was rocked when the announcement was made that a single breeder cow in northern Alberta had tested positive for bovine spongiform encephalopathy (BSE), more commonly known as mad cow disease.

Prior to the worldwide ban on Canadian beef products, Canada was the third largest exporter of beef in the world. In 2002, this export market was worth about $4.1 billion. After the ban, the value of these Canadian exports in June, July and August dropped to virtually zero.

Export markets have traditionally been important to Canadian beef farmers. Prior to the ban, almost half of the cattle sold in Canada were exported as either live animals or meat.

Canada exports the vast majority of its beef products to the United States, the world's largest beef-importing country. About 90% of Canadian beef exports went to the United States in 2002.

Canadian beef imports increased above historical levels in June 2003 before dropping in July and August. These imports have not been trivial (about $900 million in 2002) and represent a substantial proportion of the Canadian meat supply (almost 30% over the past three years).

Before the worldwide ban, Canada exported far more beef products than it imported. This surplus in beef trade amounted to about $3.2 billion in 2002.

In contrast to Canada, the U.S. beef supply was tight pushing retail prices to record levels.

This paper traces Canada's beef exports and imports throughout the early days of the beef export ban, with a particular focus on the U.S. market.

Canada: World's third largest exporter of beef products

In 2001, Canada held about 15% of the world beef market, ranking in third place[1]. The United States was second with a share of 16% and Australia was first with 23%.

Scope

Beef products in this paper refer to live cattle, fresh or chilled beef products and frozen beef products—which represent respectively about 45%, 45% and 5% of total exports of these products in 2002—and other products such as processed meats and offal (representing only 5%). Veal and bison are included in beef products.

Data sources

The sources of data used in this analysis are primarily Canadian and U.S. import and export trade data, taken from the International Trade Division of Statistics Canada and the Foreign Trade Division of the U.S. Census Bureau. Data on farm cash receipts are from Agriculture Division, Statistics Canada. Unless otherwise stated, all values are in Canadian dollars. Conversions are based on the average of the Bank of Canada's monthly or annual exchange rates. Likewise, all data sources, unless otherwise stated, are derived from customs-based values. No seasonal adjustment was made to the data.

Cattle farmers depend on export markets

Prior to May 20, 2003, almost half of the cattle sold in Canada were exported as either live animals or meat.

In 2002, the farm value of the animals sold for slaughter and exported as meat amounted to $1.8 billion. The corresponding exports—worth about $2.2 billion—include all the other costs such as processing and transportation.

In addition, the farm value of the live animals exported also amounted to $1.8 billion. This total of $3.6 billion in farm cash receipts accounted for nearly one-half (48%) of the $7.5 billion total farm cash receipts for cattle in 2002.

It required approximately 1.7 million cattle to produce the 612 thousand tonnes of meat exported in 2002, or approximately the same number of animals that Canada exported live.

Canada: The biggest exporter of beef to the United States

As far as the U.S. market is concerned, geography and free trade play important roles in the success of Canada's exports. After all, the United States is Canada's largest trading partner and the world's largest economy.

Canada's proximity and integration within the U.S. beef market partly explain the success of Canadian exporters of beef products. Canadian beef exports to the United States totalled $3.7 billion in 2002.

1. According to the Canadian Beef Export Federation, taken from the CANFAX Research Services website (www.canfax.ca /Statistical Briefer), published in February 2003 (accessed on July 14, 2003). The most recent data available are for 2001.

About 90% of Canadian beef exports went to the United States in 2002. Virtually all (99.6%) of Canada's exports of live cattle in 2002 were shipped to the United States. The relatively low values exported to other countries illustrate the importance of the U.S. market for Canadian cattle producers.

Canadian exports of beef products as defined by this article accounted for 55% of U.S. beef imports in 2002. Canadian exports of live bovine animals (dairy cattle, meat cattle and bison) represented about 80% of U.S. bovine imports in 2002 while Canada supplied 85% of U.S. imports of fresh or chilled beef products. In contrast, Canada supplied a very low proportion of U.S. imports of frozen beef products (3.5%).

The fact that Americans are the largest importers of beef in the world[2] (32% of world imports, followed by Japan at 14%) also contributes to the success Canadian beef exporters have enjoyed.

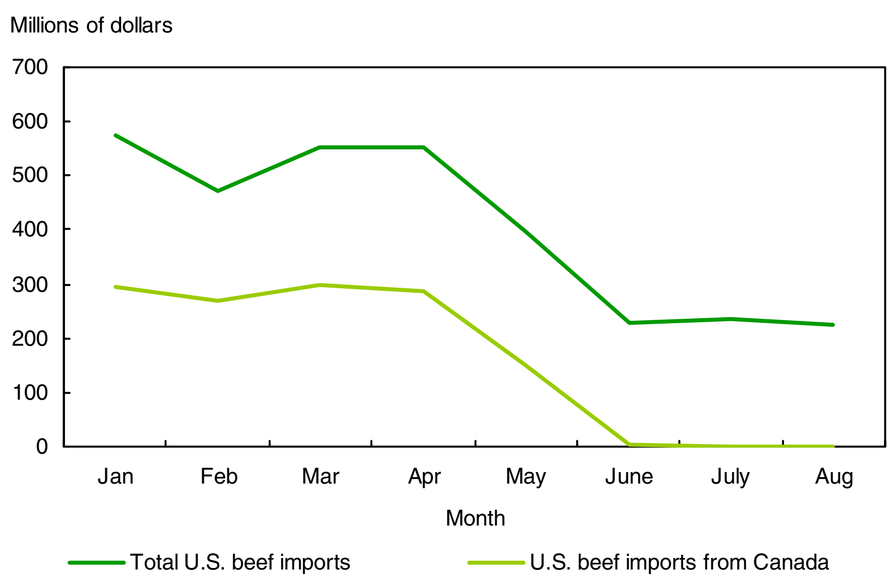
Americans are also among the largest consumers of meat per capita at 44.6 kilograms for beef and veal compared to 31.9 kilograms for Canadians[3]. The combination of all these factors creates favourable conditions and a very important market for Canadian cattle and beef exporters.

No increase in U.S. imports from other countries

The ban has clearly had an impact on U.S. beef imports from Canada, which fell to virtually zero in June, July and August from the $288 million level in April—the last unaffected month.

U.S. importers did not import more from other countries to fill the gap created by the banned Canadian beef. In fact, total U.S. beef imports in August were slightly lower than those recorded in June.

U.S. beef imports in 2003 stayed low following the ban



Source: *USA Trade Online.*

2. Taken from the Statistics section of the CANFAX Research Services website at www.canfax.ca (accessed on July 14, 2003).
3.. Ibid.

Strained U.S. market

Retail prices for beef in the United States were at record levels in February 2003, before the case of BSE in Canada was confirmed. Record retail beef prices continued through August, reaching US$3.74 a pound, the highest since June 2001, when prices reached US$3.48 a pound[4].

The reasons for the United States supply shortage, beside the drop in supply from Canada, are strong consumer demand and a falling U.S. dollar, which supports meat exports. In addition, seven years of herd liquidation in the U.S. is catching up to the beef business. Prices are so high for both fed and breeding cattle that ranchers are starting to rebuild their herds. The initial part of the herd rebuilding process means that more heifers are held back for breeding and less go into the feedlots.

U.S. beef exports to the world jumped by 17% after the ban on Canadian beef exports. This increase more than filled the gap on the world markets resulting from this ban. Most of this increase went to countries where Canadian and U.S. beef exporters traditionally compete: Mexico, Japan and South Korea.

The average monthly U.S. beef exports went from $460 million in the first four months of 2003, to $540 million in June, July and August. This $80 million increase was much more important than the $34 million (monthly average for 2002) drop in Canadian beef exports to countries other than the United States.

Alberta: The most affected province

The ban by the United States and other countries on Canadian beef has directly impacted the beef, dairy and stock-breeding industries. In addition, the ban is affecting employment in several related sectors, including meat packing, food processing and the transportation industry.

Of all Canadian provinces, Alberta is clearly losing the most. Its average beef exports from January to April 2003 was about $160 million per month. Alberta is followed by Ontario where exports were averaging $62 million per month and by Saskatchewan ($23 million) and Quebec ($11 million).

Imported beef is important to Canadian domestic supply

Beef imports represent a substantial proportion of the Canadian domestic meat supply. Over the past three years, bovine meat imports represented almost 30% of the beef consumed in Canada. Imports are largely prime cuts of boneless beef and veal or portion-packed products for the hotel and restaurant industry.

Notwithstanding the export ban, Canada was obliged under international regulations to continue to allow red meat and livestock imports into the country. This meant that Canada was unable to introduce an import ban policy on these products to help address the domestic oversupply.

Under the North American Free Trade Agreement (NAFTA), there is no restriction on the import of red meat and livestock from the United States, Mexico and Chile. As a member of the World Trade Organization (WTO), Canada is also obliged to accept negotiated quantities of beef from WTO countries.

4.. U.S. Department of Agriculture (USDA), Economic Research Service, *Livestock, Dairy and Poultry Outlook*/LDP-M-108, June 17, 2003, p.1.

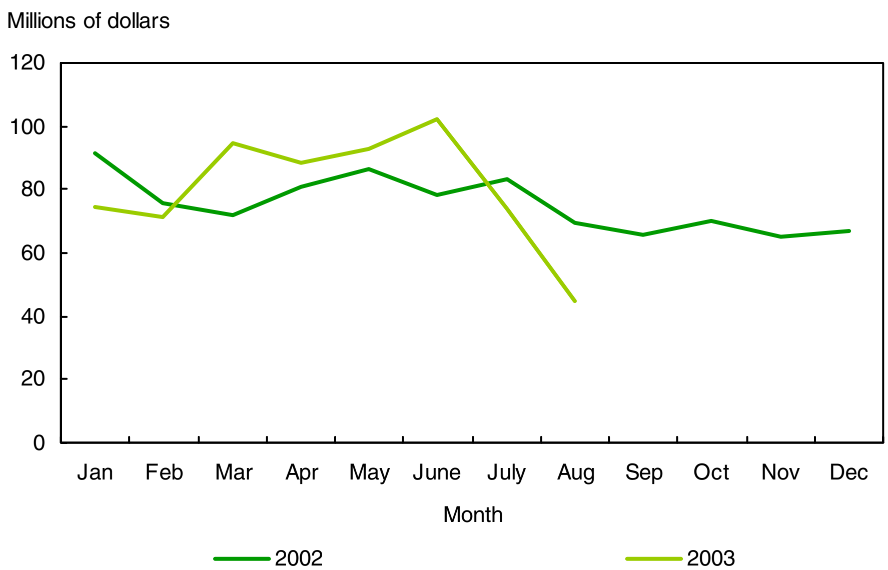
Under the WTO obligations, Canada has a tariff rate quota (TRQ) of 76,409 tonnes for non-NAFTA fresh, chilled and frozen beef per annum. Imports entering Canada within this TRQ quantity are duty-free, while imports above this quota are subject to duty. The tariffs are punitive and very little beef enters Canada unless it is duty-free. The Minister of Foreign Affairs and International Trade, however, may authorize supplemental duty-free imports of non-NAFTA beef over the TRQ level.

By the end of July 2003, duty-free imports for non-NAFTA beef had already exceeded the annual quota by almost 30%. The primary sources of these high imports were beef products from the European Union, Uruguay, Argentina and Brazil—countries all subject to the TRQ. At the end of July 2003, the Canadian government announced that it would not authorize any further supplemental duty-free imports of non-NAFTA beef.

Beef imports: Up in June, down in July and August

Canadian beef imports in June increased above historical levels before dropping in July and August.

Canadian beef imports increased in June before dropping in July and August



Source: *International Trade Division, Statistics Canada.*

The 10% jump in June relative to May might reflect the fact that beef products do not arrive in Canada without advance negotiations and preparations. Importers sign contracts and arrange import shipments some time prior to the date that they require the goods. It is, therefore, very likely that the imports recorded in June were in large part contracted for in advance of the beef export ban imposed on Canada.

The June increase might also reflect importers' efforts to anticipate a consumer preference to substitute imported beef for domestic meat, similar to the consumer reaction in Japan and the United Kingdom following the identification of BSE in those countries. If that was the case, it was an unnecessary precaution, as Canadian consumer demand for domestic beef never faltered.

The general oversupply of beef and low cattle prices probably explain the drop in beef imports in July and August.

The United States continues to be the major source of Canada's imports of beef products. In 2002, beef imports from the United States accounted for about half of total beef imports, followed by Australia (32%) and New Zealand (18%). Beef imports from other countries were very small.

Road to recovery

The United States and Mexico have reopened their borders to selected cuts of Canadian beef. Canada is the first country in the world with a case of BSE to get its products back into the United States.

As of mid-September, Canadian boneless beef from animals younger than 30 months has been allowed into the United States under a permit process. On October 16 the Minister of Agriculture reported that Canadian companies had shipped 28,000 tonnes of fresh, chilled and frozen beef to the United States up to October 15. These exports represent about half of a typical September in previous years.

Progress has also been made in a number of Canada's smaller export markets. Recently, Antigua and Barbuda, Barbados, Jamaica, Philippines, Russia and Trinidad and Tobago have partially lifted their bans on Canadian products.