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# The Daily

## Statistics Canada

**Tuesday, September 23, 2003**
Released at 8:30 a.m. Eastern time

## MAJOR RELEASES



## OTHER RELEASES



## NEW PRODUCTS 

# MAJOR RELEASES

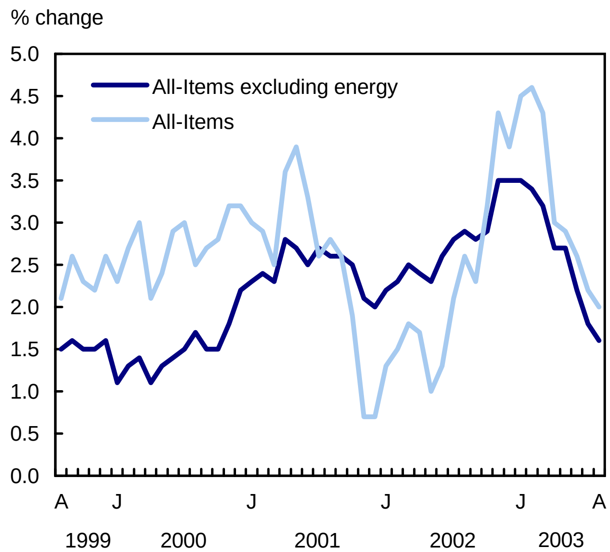
## Consumer Price Index

August 2003

The 12-month increase in the Consumer Price Index (CPI) eased to 2.0% in August from 2.2% in July. August's 12-month increase was well below the recent peak reached in February and was the lowest since July 2002. Excluding energy, the CPI advanced 1.6% from August 2002 to August 2003, after rising 1.8% in July.

Automotive vehicle insurance premiums, as well as natural gas and gasoline prices were primarily responsible for the 12-month increase in the All-items CPI. Homeowners' replacement cost, last September's tuition fees, homeowners' insurance premiums, and prices for cigarettes and food purchased from restaurants also contributed to the 12-month increase.

**Percentage change from the same month of the previous year**




Insurance premiums for automotive vehicles rose 21.8% from August 2002 to August 2003. Most of this increase occurred in the first half of the 12-month period. The industry cites rising health care costs, larger claim payouts, fraud and falling returns on its investments as contributing factors. The natural gas index was 51.4% higher than in August 2002, mostly the result of higher prices in Ontario (+49.5%) and the effects of a payment to Northern Alberta customers following the sale of a gas field last year. The natural gas index for Alberta was lowered by this payment between March and September 2002. A substantial monthly increase (+9.0%) left gasoline prices 6.3% higher than in August 2002.

A 12-month decrease in electricity prices (-8.4%) had a small moderating effect on the CPI's 12-month increase. Downward pressure also came from lower prices for traveller accommodation, automotive vehicles and beef.

Traveller accommodation prices were 13.6% below last August's levels as the tourism industry continued to face the effects of a higher Canadian dollar, the severe acute respiratory syndrome (SARS) epidemic and a general economic slowdown. Prices for purchased automotive vehicles fell 1.9% in August 2003 compared to August 2002 as manufacturers continued to offer additional incentives. Beef prices were down 9.5%, the result of trade restrictions on Canadian beef by the United States and other countries.

### The CPI continued its slow moving upward trend

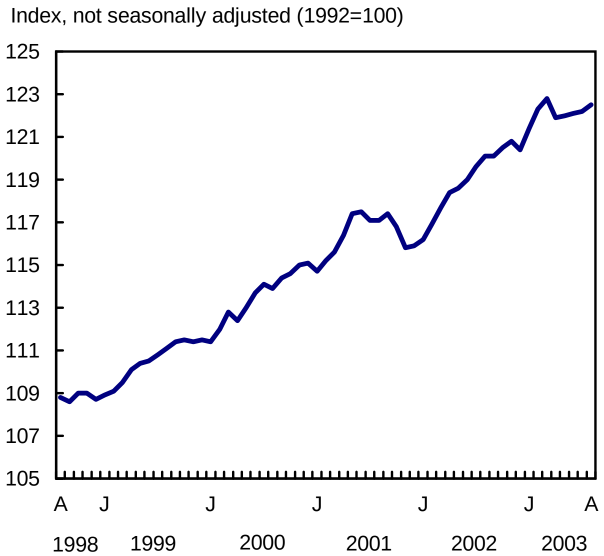
After three consecutive monthly increases of 0.1%, the CPI continued its slow-moving upward trend, rising 0.2% from July to August. A 9.0% increase in the price of gasoline accounted for nearly all of the upward pressure on the index. This upward pressure was almost entirely offset by price decreases for fresh vegetables, automotive vehicle purchases and beef.

Gasoline prices rose on average 9.0% between July and August. This was the highest monthly advance since March 2002. Gasoline prices were up in all provinces and increases ranged from a low of 2.7% in Newfoundland and Labrador to a high of 11.1% in both British Columbia and Ontario. Increases were due to reduced gasoline inventories in the United States and high summer demand.

Consumers paid 12.1% less for fresh vegetables, as more locally grown produce became available.

Prices for purchased automotive vehicles were down 0.8% in August, following decreases in June and July. Automotive vehicle manufacturers continue to push sales by offering incentives. The index for the purchase of automotive vehicles has fallen 4.4% since the beginning of 2003.

**Consumer Price Index**




Beef prices fell for the fourth consecutive month, decreasing 8.3% in August. Since May, prices have dropped 13.9% and are now at their lowest levels since January 2001. Price reductions were primarily the result of trade restrictions on Canadian beef by the United States and other countries, following the May 20 discovery of a case of bovine spongiform encephalopathy (BSE) in Alberta. Price declines were seen in Western and Central Canada while most Maritime Provinces showed increases.

## The seasonally adjusted CPI increased between July and August

After adjusting the CPI to remove seasonal influences, the All-items CPI showed a 0.3% rise from July to August. This increase is attributable to the rise in the seasonally adjusted indexes for transportation (+1.8%), alcoholic beverages and tobacco products (+0.4%), health and personal care (+0.3%), shelter (+0.1%), recreation, education and reading (+0.1%), and household operations and furnishings (+0.1). These increases were partly offset by the decrease in the seasonally adjusted index for clothing and footwear (-0.3%). The index for food was unchanged after seasonal adjustment.

## All-items excluding the eight most volatile components

The All-items index excluding the eight most volatile components as defined by the Bank of Canada rose 1.5% from August 2002 to August 2003. This follows a 12-month increase of 1.8% in July. The main contributors to August's rise were higher automotive vehicle insurance premiums (+21.8%) and homeowners' replacement cost (+6.2%), as well as the increase in tuition fees (+4.8%) registered last September.

The All-items index excluding the eight most volatile components as defined by the Bank of Canada increased 0.2% from July to August. Most of the upward pressure came from higher automotive vehicle insurance premiums. Downward pressure came from lower automotive vehicle purchase costs and beef prices. On a seasonally adjusted basis, the index remained unchanged from July to August.

## Energy

Consumers paid 7.6% more for energy in August 2003 than in August 2002. Most of this increase is attributable to the rise in the price of natural gas (+51.4%) and gasoline (+6.3%). Higher prices for fuel oil (+10.5%) also contributed to the increase, while lower prices for electricity (-8.4%) exerted some moderating downward pressure.

In August, energy prices were 4.3% higher than the previous month. This increase was due to higher gasoline prices (+9.0%) and, to a much lesser extent, higher prices for electricity (+0.3%). Lower natural gas prices (-1.1%) exerted some modest downward pressure.

**Available on CANSIM: tables 326-0001, 326-0002, 326-0009, 326-0012, 326-0016, 326-0017 and 326-0018.**

**Definitions, data sources and methods: survey number 2301.**

Available at 7 a.m. on Statistics Canada's website. From the home page, choose *Today's news releases from The Daily*, then *Latest Consumer Price Index*.

The August 2003 issue of the *Consumer Price Index* (62-001-XIB, $8/$77; 62-001-XPB, $11/$103) is now available. See *How to order products*.

The September Consumer Price Index will be released on October 21.

For more information, or to enquire about the concepts, methods or data quality of this release, call Rebecca McDougall (1-866-230-2248; 613-951-9606; fax: 613-951-1539; *infounit@statcan.ca*) or Joanne Moreau (613-951-7130), Prices Division.

□

## Consumer Price Index and major components
(1992=100)

| | August 2003 | July 2003 | August 2002 | July to August 2003 | August 2002 to August 2003 |
|---|---|---|---|---|---|
| | | | unadjusted | | |
| | | | | % change | |
| **All-items** | **122.5** | **122.2** | **120.1** | **0.2** | **2.0** |
| Food | 122.1 | 123.2 | 120.2 | -0.9 | 1.6 |
| Shelter | 117.7 | 117.6 | 114.2 | 0.1 | 3.1 |
| Household operations and furnishings | 114.7 | 114.6 | 114.3 | 0.1 | 0.3 |
| Clothing and footwear | 101.8 | 101.6 | 105.0 | 0.2 | -3.0 |
| Transportation | 142.4 | 139.9 | 137.0 | 1.8 | 3.9 |
| Health and personal care | 117.4 | 116.9 | 115.6 | 0.4 | 1.6 |
| Recreation, education and reading | 128.0 | 127.9 | 128.5 | 0.1 | -0.4 |
| Alcoholic beverages and tobacco products | 137.1 | 136.6 | 129.8 | 0.4 | 5.6 |
| All-items (1986=100) | 156.9 | | | | |
| Purchasing power of the consumer dollar expressed in cents, compared to 1992 | 81.6 | 81.8 | 83.3 | | |
| **Special aggregates** | | | | | |
| Goods | 117.9 | 117.5 | 116.8 | 0.3 | 0.9 |
| Services | 127.7 | 127.4 | 123.9 | 0.2 | 3.1 |
| All-items excluding food and energy | 120.5 | 120.3 | 118.5 | 0.2 | 1.7 |
| Energy | 143.5 | 137.6 | 133.4 | 4.3 | 7.6 |
| All-items excluding the 8 most volatile components[1] | 122.8 | 122.6 | 121.0 | 0.2 | 1.5 |

[1] *Excluded from the All-items CPI are the following eight volatile components, as defined by the Bank of Canada: fruit, fruit preparations and nuts; vegetables and vegetable preparations; mortgage interest cost; natural gas; fuel oil and other fuel; gasoline; inter-city transportation; and tobacco products and smokers' supplies. The Bank of Canada further adjusts this series to obtain their measure of core inflation, which also excludes the effect of changes in indirect taxes. For data and information on core inflation, consult the Bank of Canada website (www.bankofcanada.ca/inflation).*

## Consumer Price Index by province, and for Whitehorse, Yellowknife and Iqaluit
(1992=100)

| | August 2003 | July 2003 | August 2002 | July to August 2003 | August 2002 to August 2003 |
|---|---|---|---|---|---|
| | | | unadjusted | | |
| | | | | % change | |
| Newfoundland and Labrador | 120.7 | 121.2 | 117.8 | -0.4 | 2.5 |
| Prince Edward Island | 121.5 | 121.7 | 118.8 | -0.2 | 2.3 |
| Nova Scotia | 124.1 | 124.0 | 120.7 | 0.1 | 2.8 |
| New Brunswick | 122.7 | 122.6 | 119.9 | 0.1 | 2.3 |
| Québec | 118.4 | 118.3 | 116.3 | 0.1 | 1.8 |
| Ontario | 123.8 | 123.1 | 121.7 | 0.6 | 1.7 |
| Manitoba | 125.2 | 124.9 | 124.1 | 0.2 | 0.9 |
| Saskatchewan | 126.8 | 126.5 | 124.4 | 0.2 | 1.9 |
| Alberta | 129.3 | 129.6 | 124.3 | -0.2 | 4.0 |
| British Columbia | 120.9 | 120.5 | 118.7 | 0.3 | 1.9 |
| Whitehorse | 120.4 | 120.4 | 118.9 | 0.0 | 1.3 |
| Yellowknife | 118.1 | 118.3 | 117.4 | -0.2 | 0.6 |
| Iqaluit (Dec. 2002=100) | 100.3 | 100.7 | ... | -0.4 | ... |

... *Figures not available.*

■

# OTHER RELEASES

## Broadband: High-speed access to the Internet

1999 to 2002

Canadians have emerged as global leaders in the adoption of broadband Internet technologies, with almost one-half of regular home users and the majority of business Internet users connecting using broadband, according to the first comprehensive study of high-speed Internet access.

In 2001, over 2.8 million households subscribed to the Internet using broadband. These accounted for 49% of all Canadian households regularly using the Internet from home.

In addition, broadband has emerged as a standard business tool among large enterprises throughout the private sector, although the pattern among smaller firms is less consistent.

Overall, take-up rates in the household and business environments place Canada among the world's leaders in broadband use, ranking second only to South Korea among OECD countries on a per capita basis.

This study uses data from five Statistics Canada surveys and Industry Canada's Broadband for rural and northern development pilot program to detail broadband use by households and industry, as well as the supply and availability of broadband technologies.

In terms of households, broadband use increases from east to west. Six out of 10 households (61%) in British Columbia regularly using the Internet at home were connected using broadband. This compares with only 39% of households in the Atlantic provinces.

For the first time in 2002, the majority (58%) of businesses in the private sector accessing the Internet used broadband. However, its use is occurring unevenly. About 84% of large firms using the Internet had high-speed access, compared with 71% of medium-size firms and 56% of small firms, which were still very much in the process of developing broadband use.

Use among enterprises varied with firm size as well as type of industry. As with Internet use generally, information and cultural industries, with a penetration rate of 86%, were leaders in broadband penetration in 2002. Others included utilities (80%), finance and insurance (77%) and professional, scientific and technical services (75%). Ranking lowest were transportation and warehousing (40%) and the forestry sector (34%).

During the 1990s, dial-up Internet access using a telephone line and standard modem developed as the first widespread method of Internet access. Since then, broadband technologies have surged in popularity.

Broadband Internet access is typically delivered using cable or digital subscriber line (DSL) systems. In business environments, high capacity services such as T1 lines are sometimes used.

In recent years, cable operators and telecommunications services providers have made substantial investments to offer broadband services. For example, cable operators have replaced existing coaxial infrastructure designed for one-way delivery of television programming with upgraded hybrid fibre-coaxial (HFC) networks necessary for broadband.

As of July 2003, 86% of the Canadian population lived in communities where broadband access by cable or DSL networks was available. However, 72% of Canadian communities, mainly those in rural or remote areas, do not yet have broadband services available.

The low population densities of these areas, coupled with high costs of building broadband infrastructure over long distances, are the main barriers to broadband deployment.

A variety of government and private initiatives are already underway in efforts to expand access. Many of these initiatives depend on one or a combination of two broad underlying strategies: infrastructure support using public funds, and aggregate demand among community stakeholders.

The new paper in the Connectedness series, *High-speed on the information highway: Broadband in Canada*, no. 10 (56F0004MIE2003010, free) is now available on Statistics Canada's website. From the *Our products and services* page, under *Browse our Internet publications*, choose *Free*, then *Communications*.

For more information, or to enquire about the concepts, methods, or data quality of this release, contact Ben Veenhof (613-951-5067) or Bryan van Tol (613-951-6663), Science, Innovation and Electronic Information Division. ■

## Logging

2000 and 2001

Data on unit prices for some commodity groupings from the annual survey of forestry are now available for 2000 and 2001.

**Definitions, data sources and methods: survey number 2107.**

For more information, or to enquire about the concepts, methods or data quality of this release, contact the dissemination officer (1-866-873 8789; 613-951-9497; *manufact@statcan.ca*), Manufacturing, Construction and Energy Division. ■

## Particleboard, oriented strandboard and fibreboard

July 2003

Data on particleboard, oriented strandboard and fibreboard for are now available for July.

**Available on CANSIM: table 303-0002.**

**Definitions, data sources and methods: survey number 2141.**

The July 2003 issue of *Particleboard, oriented strandboard and fibreboard*, Vol. 39, no. 7 (36-003-XIB, $5/$47) is now available. See *How to order products*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the dissemination officer (1-866-873-8789; 613-951-9497; *manufact@statcan.ca*), Manufacturing, Construction and Energy Division ■

## Restaurants, caterers and taverns

July 2003

Total receipts of restaurants, caterers and taverns in July were an estimated $3.05 billion, up 1.1% from the July 2002 estimate.

**Available on CANSIM: table 355-0001.**

**Definitions, data sources and methods: survey number 2419.**

The July 2003 issue of *Restaurant, caterer and tavern statistics* (63-011-XIE, $6/$55) will be available soon. See *How to order products*.

For more information, or to enquire about the concepts methods or data quality of this release, contact Bill Birbeck (613-951-3506), Services Industries Division. ■

## Aircraft movement statistics: Major airports

June 2003

The June 2003 monthly report, Vol. 1 (TP141, free) is available on Transport Canada's website (*http://www.tc.gc.ca/pol/en/Report/tp141e/tp141.htm*).

**Note:** The TP141 monthly report is issued in two volumes. Volume 1 presents statistics for the major Canadian airports (those with NAV CANADA air traffic control towers or flight service stations). Volume 2 presents statistics for the smaller airports (those without air traffic control towers). Both volumes are available free upon release at Transport Canada's website.

For more information about this website, contact Michel Villeneuve (613-990-3825; *villenm@tc.gc.ca*) or Sheila Rajani (613-993-9822; *rajanis@tc.gc.ca*), Transport Canada.

**Definitions, data sources and methods: survey number 2715.**

For more information, or to enquire about the concepts, methods or data quality of this release, contact Kathie Davidson (613-951-0141; fax: 613-951-0010; *aviationstatistics@statcan.ca*), Transportation Division. ■

# NEW PRODUCTS

**Particleboard, oriented strandboard and fibreboard**, July 2003, Vol. 39, no. 7
**Catalogue number 36-003-XIB** ($5/$47).

**Connectedness series: High-speed on the information highway: Broadband in Canada**, no. 10
**Catalogue number 56F0004MIE2003010** (free).

**Quarterly financial statistics for enterprises**, Second quarter 2003, Vol. 14, no. 2
**Catalogue number 61-008-XIE** ($26/$86).

**Consumer Price Index**, August 2003, Vol. 82, no. 8
**Catalogue number 62-001-XIB** ($8/$77).

**Consumer Price Index**, August 2003, Vol. 82, no. 8
**Catalogue number 62-001-XPB** ($11/$103).

**Retail trade**, July 2003, Vol. 75, no. 7
**Catalogue number 63-005-XIB** ($16/$155).

**All prices are in Canadian dollars and exclude sales tax. Additional shipping charges apply for delivery outside Canada.**

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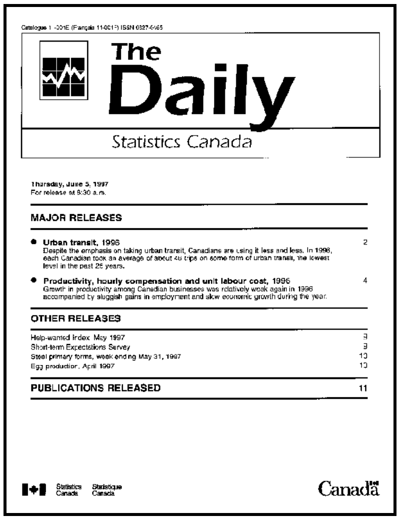
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The Daily

Statistics Canada

Thursday, June 5, 1997
For release at 8:30 a.m.

MAJOR RELEASES

- **Urban transit, 1996** 2
Despite the emphasis on taking urban transit, Canadians are using it less and less. In 1996, each Canadian took an average of about 46 trips on some form of urban transit, the lowest level in the past 25 years.
- **Productivity, hourly compensation and unit labour cost, 1996** 4
Growth in productivity among Canadian businesses was relatively weak again in 1996 accompanied by sluggish gains in employment and slow economic growth during the year.

OTHER RELEASES

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PUBLICATIONS RELEASED 11

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