



The Daily

Statistics Canada

Friday, July 20, 2001

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- **Consumer Price Index, June 2001** 3
The rate of increase for the prices of goods and services included in the Consumer Price Index basket slowed to 3.3% in June compared with June 2000.
- **Wholesale trade, May 2001** 6
Wholesale sales reached a record high in May on widespread gains in most sectors — especially farm equipment and the lumber industry.

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Travel-log

Summer 2001

The Summer 2001 issue of *Travel-log*, Statistics Canada's quarterly tourism newsletter, features the article, "Canadians' participation in culture/heritage travel in Canada." While travelling in their country, an increasing number of Canadian are attracted by culture and heritage activities. The economic benefits of culture/heritage trips are considerable; in 1999, these trips generated \$4 billion, or 21% of spending by Canadian tourists in the country. This article draws attention to the characteristics of this segment of travellers while comparing it with other types of travellers.

Each quarter, *Travel-log* examines the trends of the Travel Price Index. It also updates the latest travel indicators, travellers' characteristics and the international travel account.

The Summer 2001 issue of *Travel-log*, Vol. 20, no. 3 (87-003-XIE, \$5/\$16; 87-003-XPB, \$13/\$42) will be available soon. See *How to order products*.

For more information, contact Monique Beyrouiti (613-951-1673; fax: 613-951-2909; beyrmon@statcan.ca) or Jocelyn Lapierre (613-951-3720; fax: 613-951-2909), Culture, Tourism and the Centre for Education Statistics Division.



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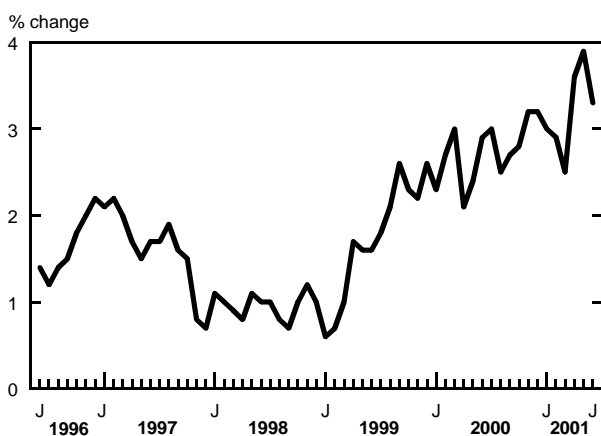
MAJOR RELEASES

Consumer Price Index

June 2001

The rate of increase for the prices of goods and services included in the Consumer Price Index (CPI) basket slowed to 3.3% in June compared with June 2000. This 12-month percentage change is down from 3.9% in May and 3.6% in April.

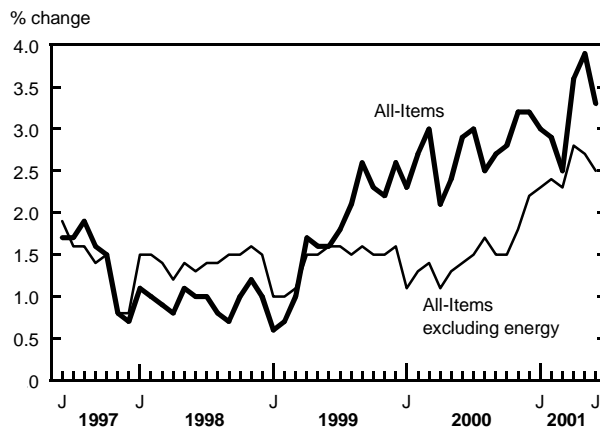
Percentage change in the Consumer Price Index from the same month of the previous year



Despite a significant 1.3% drop in energy prices in June compared with May, the 12-month rise in the all-items CPI is still substantially influenced by energy prices — they accounted for more than one-quarter of the increase. Energy prices climbed 10.4% from June 2000, lower than the 12-month rises of 16.0% in May and 11.6% in April. Gasoline prices were the key influence in June's slowdown in energy price increases. The 12-month percentage change in the gasoline index dropped from 12.0% in May to 0.9% in June; prices were rising from May to June 2000, whereas they were falling from May to June 2001. Natural gas prices (+62.0%) led the way for June's energy price rises, followed by electricity prices (+4.8%). The upward price pressure on the electricity index was concentrated in Ontario (+9.1%) and in Alberta (+21.3%).

When the impact of the energy component is excluded, the CPI rose 2.5% in June compared with June 2000. While this advance was smaller than those in May (+2.7%) and April (+2.8%), it was larger than March's 2.3% rise.

Annual change in the CPI and in the CPI excluding energy



Higher food prices were also central to the all-items increase, contributing more than one-quarter of the change. Higher prices for meat, restaurant meals and fresh fruit helped bring about a 4.6% annual increase in the food index. Meat prices were 10.0% higher than in June 2000. Among types of meat, the price increases were widespread, but the impact of beef prices was greatest. Beef prices have climbed steadily throughout 2001 — in June, they were 17.9% higher than in June 2000. Restaurant food prices were up 3.1%, reflecting higher operating costs. The lingering effect of bad weather conditions last winter and higher transportation costs resulted in a 14.3% price increase for fresh fruit.

Higher cigarette prices, mortgage interest cost and telephone service charges were also important factors driving the advance in the all-items CPI. These advances were tempered by lower prices for computer equipment and supplies and traveller accommodation.

Fifth consecutive monthly increase

The CPI rose 0.1% from May to June, the fifth consecutive month-to-month increase. The greatest upward pressure on June's index came from rising prices for electricity, traveller accommodation, air transportation, women's clothing and restaurant meals. Partly offsetting these effects were lower prices for gasoline and men's clothing.

Electricity prices rose 2.6%, mainly owing to higher prices in Ontario. The Ontario Energy Board approved a province-wide wholesale price increase. In several cases, this increase translated into higher prices for

consumers, leaving overall electricity prices 7.7% higher in June than in May.

Travellers faced a 4.3% rise in their accommodation costs in June, on the heels of May's 7.3% advance. This largely reflects higher summer demand. The greatest impact on the Canada index came from price rises in Quebec (+5.2%) and British Columbia (+7.3%).

Prices for air transportation climbed 4.7% from May to June, the result of increases on all but the southern routes. Higher transatlantic airfares had the greatest impact on the index, reflecting high season travel. Prices for domestic flights were pushed up by the introduction of a fuel surcharge to compensate for higher fuel costs and an increase in NAV Canada service fees paid by air carriers.

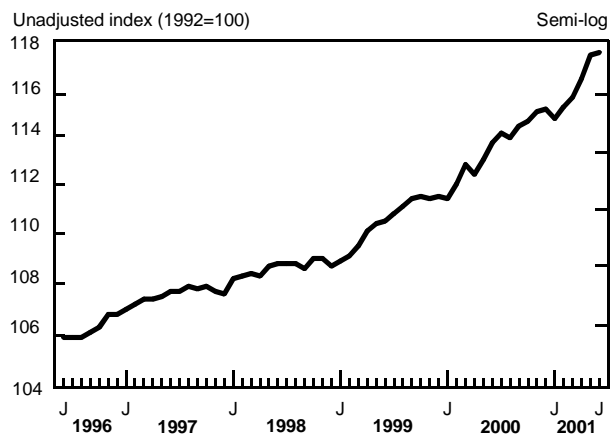
Women's clothing prices rose 1.4% from May to June; many items that were on special in May returned to regular price.

The cost of restaurant food rose 0.5%, mostly because of higher prices in table service restaurants (+0.8%). Prices were pushed up as restaurants faced higher operating costs.

Gasoline prices dropped 4.3% from May to June, amid signs of expanding inventories. This drop is the largest monthly decline since April 2000.

Prices for men's clothing fell 1.9% in June, reflecting widespread price decreases. Seasonal sale pricing was responsible for the bulk of the declines and was evident across most of the country. Declines over the previous three months helped keep prices slightly below (-0.5%) their June 2000 levels.

Consumer Price Index



Available on CANSIM: Tables 3260001, 3260002, 3260003, 3260004, 3260009, 3260010, 3260012 and matrices 9934, 9935 and 9940-9970

Available at 7 a.m. on Statistics Canada's Web site (www.statcan.ca).

The June 2001 issue of the *Consumer Price Index* (62-001-XIB, \$8/\$77; 62-001-XPB, \$11/\$103) is now available. See *How to order products*.

July's Consumer Price Index will be released on August 20.

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

The Consumer Price Index and its major components
(1992=100)

	June 2001	May 2001	June 2000	May to June 2001	June 2000 to June 2001
Unadjusted					
	% change				
All-items	117.5	117.4	113.7	0.1	3.3
Food	118.1	117.9	112.9	0.2	4.6
Shelter	114.2	113.8	108.1	0.4	5.6
Household operations and furnishings	112.4	112.2	109.9	0.2	2.3
Clothing and footwear	104.5	104.9	104.6	-0.4	-0.1
Transportation	133.0	134.0	131.8	-0.7	0.9
Health and personal care	114.9	114.4	111.9	0.4	2.7
Recreation, education and reading	125.6	125.3	123.9	0.2	1.4
Alcoholic beverages and tobacco products	105.4	105.2	97.9	0.2	7.7
All-items (1986=100)	150.5				
Purchasing power of the consumer dollar expressed in cents, compared to 1992	85.1	85.2	88.0		
Special aggregates					
Goods	115.8	116.2	111.3	-0.3	4.0
Services	119.5	119.0	116.5	0.4	2.6
All-items excluding food and energy	114.5	114.3	112.2	0.2	2.0
Energy	141.7	143.5	128.4	-1.3	10.4
All-items excluding the eight most volatile components ¹	117.6	117.3	115.0	0.3	2.3

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, please consult the Bank of Canada Web site: (www.bankofcanada.ca/inflation).

The Consumer Price Index by province, Whitehorse and Yellowknife
(1992=100)

	June 2001	May 2001	June 2000	May to June 2001	June 2000 to June 2001
Unadjusted					
	% change				
Newfoundland	115.5	115.6	113.3	-0.1	1.9
Prince Edward Island	115.5	115.0	111.9	0.4	3.2
Nova Scotia	117.0	117.0	114.2	0.0	2.5
New Brunswick	115.6	115.8	113.1	-0.2	2.2
Quebec	113.7	114.3	111.1	-0.5	2.3
Ontario	118.5	118.5	114.5	0.0	3.5
Manitoba	122.9	122.1	117.8	0.7	4.3
Saskatchewan	121.6	120.4	116.5	1.0	4.4
Alberta	123.5	123.2	117.1	0.2	5.5
British Columbia	116.3	115.6	113.2	0.6	2.7
Whitehorse	117.8	116.9	115.1	0.8	2.3
Yellowknife	113.2	112.8	111.4	0.4	1.6

Wholesale trade

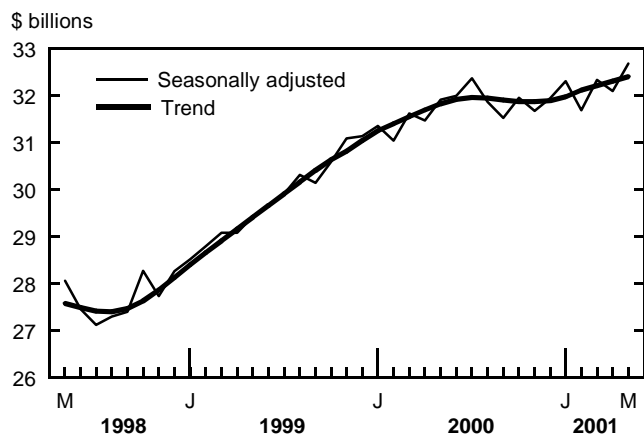
May 2001 (preliminary)

Wholesale sales reached a record high in May on widespread gains in most sectors — especially farm equipment and the lumber industry.

Sales rose 1.8% from April to \$32.7 billion, breaking the previous record of \$32.4 billion set in July 2000. Sales in May were 2.4% higher than they were in May 2000.

Wholesale sales cracked the \$32-billion mark for the first time last July, culminating a period of rising sales that started in mid-1998. During the latter half of 2000, wholesale sales weakened and levelled out. Although there is still some volatility in the industry, wholesale sales have been rising slowly in 2001.

Wholesale sales climbing slowly in 2001



Nine of the 11 wholesale sectors reported increases in May. Strong wholesale sales were reported in farm machinery, equipment and supplies (+7.5%); lumber and building materials (+5.7%); and motor vehicles, parts and accessories (+3.6%). Sales in the other products category rose 2.4%; this sector includes seeds and seed processing, agricultural chemicals and other farm supplies. The five other sectors all reported healthy sales.

The two wholesale sectors reporting declines were computers, packaged software and other electronic machinery (-3.1%), and beverage, drug and tobacco products (-0.2%).

Wholesale sales strong in the agricultural sector

Wholesalers of agricultural supplies, which account for approximately 38% of the total value of the other products category, reported strong sales in May. As well, sales in the farm machinery and equipment sector rose 7.5%. Farm machinery wholesale sales have been climbing since late 2000. Prior to this, sales started to fall in the summer of 2000 after climbing since mid-1999. Wholesalers in this sector reported that they were finally seeing a busy month, as farmers purchased new equipment.

Sales of lumber and building materials rose, owing to a mix of factors

Wholesalers of lumber and building materials saw their sales rise 5.7% in May. The increase was a combination of rising lumber prices and a still-healthy construction industry. Lumber wholesalers curtailed their shipments to the United States in May to protect themselves against the looming threat of costly duties on wood exports. Wholesale exporters tried to ensure that their shipments stayed within 15% of what they sold in the same period of 2000, when the softwood lumber accord was still in effect. As a result of this check on supply, lumber prices rose in May.

In Canada, the value of building permits in May was the highest in 12 years. Coupled with renovations to existing dwellings, construction intentions for multi- and single-family dwellings rose in May. Wholesale sales of lumber and building materials have climbed since the start of 2001, after falling since late 1999.

Automotive wholesalers have seen sales rebound in 2001; electronics sector has not

Wholesalers in the automotive sector saw their sales climb 3.6% in May; strong factory shipments were a key contributor. Although wholesale sales in 2001 have been up one month and down the next, automotive sales have generally increased since the start of the year. Prior to this, sales had weakened by the start of 2000, and were falling by spring of that year.

The same rebound has not occurred for wholesalers of computers and other electronics products. In May, their sales dropped 3.1% — the fourth consecutive monthly decline. May sales were 8.5% lower than those in January. Wholesale electronics sales have generally eroded since the start of this year, following the rise in sales that occurred during 2000. Falling demand for computers, mobile telephones and other electronics continued to plague this sector.

Agriculture the main reason for strong provincial gains

May wholesale sales soared 20.6% in Prince Edward Island. Strong wholesale sales in both the food and agricultural sectors aided this rise. Major contributors to this strength were food product wholesalers, who geared up for the start of the fishing season, and the re-entry of potatoes into the American market. Strong wholesale sales were also reported in agricultural supplies, notably among suppliers of crop protectants. Wholesale sales in Prince Edward Island started to level off at the beginning of 2000, and were falling by the end of that summer. Sales have generally rebounded in 2001.

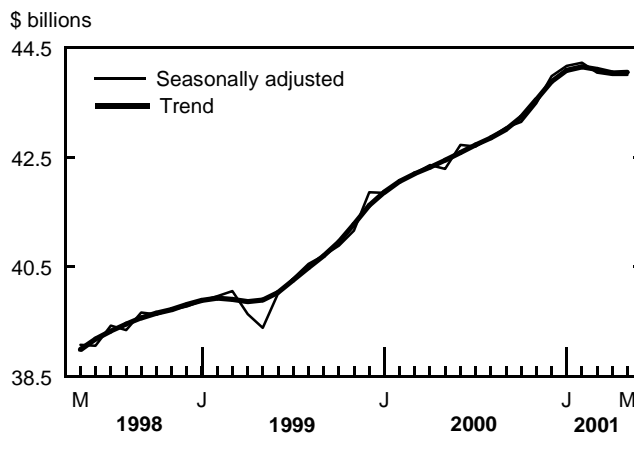
The agricultural sector also fuelled strong wholesale sales in Saskatchewan (+14.2%) and Manitoba (+7.6%). Sales in these two provinces eased in the first half of 2000, but since then they have been generally climbing.

Wholesale inventories unchanged

Wholesale inventory values were unchanged in May at \$44.0 billion for a second consecutive month. Inventories have levelled out since the start of 2001. Prior to this, inventories were rising over the past several years.

The inventory/sales ratio fell from 1.37 in April to 1.35 in May, a result of the rising sales and stable inventories. The ratio has been falling during 2001 after climbing in the latter half of 2000.

Inventories have remained steady in 2001



Available on CANSIM: tables 810001 and 810002 and matrices 59, 61, 648 and 649.

The May 2001 issue of *Wholesale trade* (63-008-XIB, \$14/\$140) will be available soon. See *How to order products*.

Wholesale trade estimates for June will be released August 20.

For data or general information, contact the Client Services Unit (1-877-421-3067; 613-951-3549; wholesaleinfo@statcan.ca). To enquire about the concepts, methods or data quality of this release, contact Alexander Hays (613-951-3552; haysale@statcan.ca), Distributive Trades Division. □

Wholesale merchants' sales and inventories

	May 2000	February 2001 ^r	March 2001 ^r	April 2001 ^r	May 2001 ^P	April to May 2001	May 2000 to May 2001
Seasonally adjusted							
	\$ millions					% change	
Sales, all trade groups	31,916	31,694	32,341	32,104	32,687	1.8	2.4
Food products	4,856	5,184	5,162	5,212	5,253	0.8	8.2
Beverage, drug and tobacco products	2,053	2,233	2,302	2,225	2,220	-0.2	8.1
Apparel and dry goods	543	556	543	556	564	1.3	3.8
Household goods	873	892	904	897	907	1.1	3.9
Motor vehicles, parts and accessories	6,164	5,292	5,873	5,769	5,978	3.6	-3.0
Metals, hardware, plumbing and heating equipment and supplies	2,095	2,033	2,041	2,006	2,045	2.0	-2.4
Lumber and building materials	2,381	2,328	2,317	2,313	2,444	5.7	2.6
Farm machinery, equipment and supplies	621	617	638	610	656	7.5	5.5
Industrial and other machinery, equipment and supplies	4,954	5,100	5,191	5,098	5,180	1.6	4.6
Computers, packaged software and other electronic machinery	2,946	2,916	2,904	2,882	2,793	-3.1	-5.2
Other products	4,429	4,543	4,468	4,536	4,647	2.4	4.9
Sales by province and territory							
Newfoundland	225	221	229	212	217	2.3	-3.6
Prince Edward Island	54	51	49	52	63	20.6	15.4
Nova Scotia	577	555	556	562	560	-0.4	-2.9
New Brunswick	411	407	400	384	424	10.4	3.2
Quebec	6,462	6,655	6,618	6,596	6,653	0.9	2.9
Ontario	16,037	15,497	16,013	15,925	16,115	1.2	0.5
Manitoba	899	920	953	886	953	7.6	6.1
Saskatchewan	913	960	1,006	1,051	1,201	14.2	31.6
Alberta	3,043	3,202	3,254	3,219	3,261	1.3	7.2
British Columbia	3,272	3,192	3,236	3,187	3,212	0.8	-1.8
Yukon	9	13	9	10	11	10.9	19.9
Northwest Territories	12	18	17	18	15	-14.6	22.5
Nunavut	3	3	3	2	3	49.1	-11.8
Inventories, all trade groups	42,291	44,222	44,043	44,005	44,001	0.0	4.0
Food products	2,841	3,079	3,114	3,153	3,141	-0.4	10.6
Beverage, drug and tobacco products	2,498	2,735	2,816	2,764	2,797	1.2	12.0
Apparel and dry goods	1,073	1,151	1,154	1,169	1,182	1.2	10.2
Household goods	1,527	1,701	1,670	1,673	1,705	1.9	11.7
Motor vehicles, parts and accessories	6,281	6,881	6,542	6,481	6,427	-0.8	2.3
Metals, hardware, plumbing and heating equipment and supplies	3,948	3,919	3,838	3,840	3,819	-0.5	-3.3
Lumber and building materials	4,026	4,013	4,047	4,022	4,044	0.6	0.5
Farm machinery, equipment and supplies	1,984	1,896	1,861	1,890	1,901	0.6	-4.2
Industrial and other machinery, equipment and supplies	10,443	11,130	11,096	11,107	11,079	-0.3	6.1
Computers, packaged software and other electronic machinery	2,393	2,175	2,266	2,209	2,168	-1.9	-9.4
Other products	5,278	5,544	5,638	5,697	5,738	0.7	8.7

^r Revised figures.

^P Preliminary figures.

OTHER RELEASES

Annual Survey of Manufacturers

1999

The Annual Survey of Manufacturers provides information on more than 250 different industries. Data for the industries listed in the following tables are now available for Canada.

Available on CANSIM: table 3010003 and matrices 11831, 11832, 11838, 11839, 11880, 11881, 11889-11891, 11912, 11913, 11924, 11925, 12005-12008, 12015, 12044, 12045, 12087, 12088, 12132, 12133, 12135, 12137, 12138, 12141-12143, 12145-12148, 12164 and 12165.

Data for the industries listed in the table will appear in *Manufacturing industries of Canada: National and provincial areas* (31-203-XPB, \$68). Research papers on manufacturing are available on Statistics Canada Web site (www.statcan.ca). From the *Our products and services* page, choose *Research papers (free)*, then *Manufacturing*.

To order data, 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.

Value of shipments

Industry	North American Industry Classification System	1998	1999	1998 to 1999	Matrix
		\$ millions		% change	
Industrial gas manufacturing	325120	399.2	299.1	-25.1	11832
Other basic organic chemical manufacturing	325190	2,637.4	2,786.1	5.6	11839
Laminated plastic plate, sheet and shape manufacturing	326130	649.8	492.5	-24.2	11881
Plastic plumbing fixture manufacturing	326191	321.4	357.9	11.3	11889
Motor vehicle plastic parts manufacturing	326193	2,376.7	2,736.4	15.1	11890
All other plastic product manufacturing	326198	4,008.6	4,426.3	10.4	11891
Ready-mix concrete manufacturing	327320	1,903.9	1,832.5	-3.8	11913
Abrasive product manufacturing	327910	322.4	261.3	-18.9	11925
Construction machinery manufacturing	333120	1,496.0	1,343.1	-10.2	12006
Mining and oil and gas field machinery manufacturing	333130	1,196.1	994.9	-16.8	12008
Paper industry machinery manufacturing	333291	682.3	423.8	-37.9	12015
Telephone apparatus manufacturing	334210	7,119.1	8,156.8	14.6	12045
All other electrical equipment and component manufacturing	335990	716.0	540.4	-24.5	12088
Wood kitchen cabinet and counter top manufacturing	337110	1,446.5	1,530.7	5.8	12133
Upholstered household furniture manufacturing	337121	766.9	822.1	7.2	12135
Household furniture (except wood and upholstered) manufacturing	337126	152.3	274.8	80.4	12137
Institutional furniture manufacturing	337127	687.9	667.1	-3.0	12138
Wood office furniture, including custom architectural woodwork, manufacturing	337213	1,004.5	1,050.8	4.6	12141
Office furniture (except wood) manufacturing	337214	1,311.8	1,184.0	-9.7	12142
Showcase, partition, shelving and locker manufacturing	337215	1,252.3	1,050.9	-16.1	12143
Mattress manufacturing	337910	582.1	576.3	-1.0	12146
Blind and shade manufacturing	337920	259.5	293.7	13.2	12148
All other miscellaneous manufacturing	339990	1,000.9	975.3	-2.6	12165

Potato production

2001 (preliminary)

Estimates of the 2001 Canadian potato area are now available. The acreage is estimated at 409,300 acres (165 700 hectares), up 0.7% from 406,400 acres (164 400 hectares) in 2000. Data are tabulated by province and nationally.

Available on CANSIM: table 10014 and matrix 1044.

These data are also available in *Canadian potato production* (22-008-UPB, \$21). See *How to order products*. *Canadian potato production* (22-008-UIB) is now available free at Statistics Canada's Web site (www.statcan.ca). From the *Our products and services* page, choose *Free publications*, then *Agriculture*.

For more information, call 1-800-216-2299. To enquire about the concepts, methods or data quality of this release, contact Barbara McLaughlin (902-893-7251; barbara.mclaughlin@statcan.ca).

Aircraft movement statistics

May 2001 (preliminary)

Statistics on aircraft movements for the 43 Nav Canada air traffic control towers are now available for May. The number of take-offs and landings at these airports totalled 460,339 in May, up 1.7% from May 2000.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Jim Hines (613-951-0134; fax: 613-951-0010; aviationstatistics@statcan.ca), Transportation Division. ■

Airport activity statistics

2000 (preliminary)

Select annual data on airport activity for 2000 are now available.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Rolf Hakka (613-951-0068), Transportation Division. ■

NEW PRODUCTS

Infomat — A weekly review, July 20, 2001
Catalogue number 11-002-XIE (\$3/\$109).

Infomat — A weekly review, July 20, 2001
Catalogue number 11-002-XPE (\$4/\$145).

Canadian potato production, 2001
Catalogue number 22-008-UIB
(Free).

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

Catalogue numbers with an -XIB or an -XIE extension are Internet versions; those with -XMB or -XME are microfiche; -XPB or -XPE are paper versions; -XDB are electronic versions on diskette and -XCD are electronic versions on compact disc.

How to order products

Order products by phone:

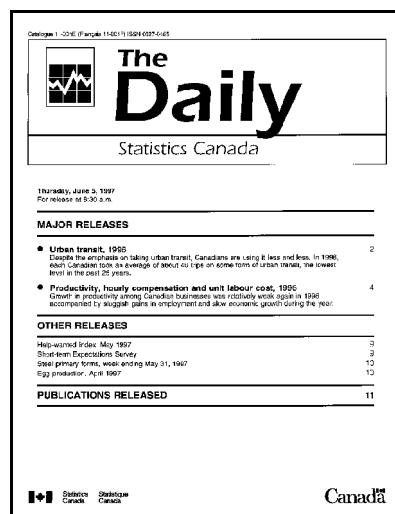
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The Daily, July 20, 2001

RELEASE DATES: JULY 23 TO 27

(Release dates are subject to change.)

Release date	Title	Reference period
23	Retail trade	May 2001
24	Canada's international transactions in securities	May 2001
25	Composite Index	June 2001
26	Employment, earnings and hours	May 2001
26	Employment Insurance	May 2001
26	Household Internet Use Survey	2000
27	Industrial Product and Raw Materials Price Indexes	June 2001
