

Statistics Canada

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Releases

Crude oil and natural gas production, December 2005	7					
Production and disposition of tobacco products, January 2006	7					
Commercial and Institutional Consumption of Energy Survey, 2004	6					
Study: Aging, health and work, 2003	6					
Consumer Price Index, January 2006 Due to higher energy prices, the Consumer Prices Index increased 0.5% in January 2006 from December 2005, the first monthly increase since September 2005. On a 12-month basis, the All-item CPI rose by 2.8% in January.						

Perspectives on Labour and Income

February 2006 online edition

The February 2006 online edition of *Perspectives on Labour and Income*, released today, features two articles. "Aging, health and work" compares the health of working individuals aged 50 to 69 with their contemporaries who are not working, whether for health or other reasons. "Disability in the workplace" looks at the labour market access for people with disabilities, by examining the types and severity of disabilities experienced by those aged 15 to 64 in the labour force and comparing some of their characteristics with the non-disabled population. The study found that, in 2001, almost two million Canadians of working age reported having a disability and about 45% of these individuals were in the labour force. Also, the participation rate for those with only a mild disability was 63%, but it fell to just 28% for those with a severe or very severe disability.

The February 2006 online edition of *Perspectives on Labour and Income*, Vol. 7, no. 2 (75-001-XIE, \$6/\$52) is now available. See *How to order products*.

For more information, contact Henry Pold (613-951-4608; henry.pold@statcan.ca), Labour and Household Surveys Analysis Division.



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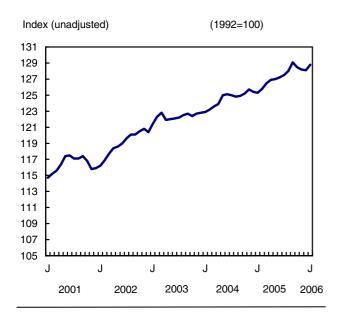
Releases

Consumer Price Index

January 2006

In January 2006, consumers paid 0.5% more than in December 2005 for the goods and services included in the Consumer Price Index (CPI) basket, the first monthly increase since September 2005. This increase was mainly due to higher energy prices as the All-items excluding energy index remained unchanged between December 2005 and January 2006.

The Consumer Price Index

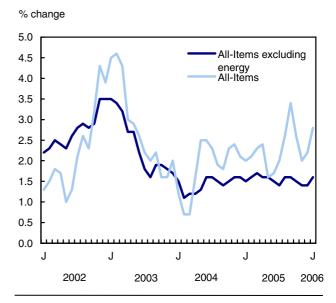


The All-items index excluding the eight volatile components identified by the Bank of Canada also remained unchanged between December 2005 and January 2006.

On a 12-month basis, the All-items CPI rose by 2.8% in January, up from the 2.2% rise in December. The All-items excluding energy index increased by 1.6% from January 2005 to January 2006, up slightly from the 1.4% rise in December 2005.

The All-items index excluding the eight volatile components identified by the Bank of Canada rose by 1.7% between January 2005 and January 2006, slightly more than the 1.6% increase recorded in December 2005.

Percentage change from the same month of the previous year



Gasoline prices pushed up the CPI compared to a year ago

In January, the CPI was up 2.8% compared to January 2005. The main factors behind this increase were gasoline, natural gas, the purchase and leasing of automotive vehicles, and homeowner's replacement cost.

These increases were moderated by lower prices for insurance premiums for automotive vehicles, computer equipment and supplies, and traveller accommodation.

Gasoline prices rose by 19.2% between January 2005 and January 2006. Increases were posted in all provinces and ranged from 13.7% in British Columbia to 24.5% in Prince Edward Island.

In January, natural gas prices were 26.0% higher compared to January 2005. All provinces posted increases, with Ontario (+27.3%) and Alberta (+35.9%) contributing the most to the advance.

The cost to purchase and lease automotive vehicles rose an average 2.8% in January. All provinces posted price increases compared to January 2005. The most modest increases were in Alberta (+2.0%) and the strongest in Prince Edward Island (+4.5%).

With continued higher costs for materials and labour, homeowner's replacement costs rose 5.2% in January,

its largest increase since May 2005 when it rose 5.3%. Homeowner's replacement cost represents the worn out structural portion of housing, and is estimated using new housing prices (excluding land).

Insurance premiums for automotive vehicles exerted a moderating effect on the CPI, and were 2.6% lower in January 2006 compared to the same month a year earlier. The decrease reflected declines that took place throughout 2005.

Continuing its downward trend, the index for computer equipment and supplies plunged by 15.7% compared to January 2005.

Traveller accommodation also moderated the increase in the All-items index by falling 5.1%, the same drop as in December 2005. All provinces posted decreases ranging from 1.3% in Saskatchewan to 6.2% in Ontario.

For six of the eight major components of the CPI, prices in January 2006 were higher than those of January 2005. The indexes for shelter (+3.9%), transportation (+5.4%), and food (+2.8%) exerted the strongest upward pressure. The indexes for clothing and footwear (-1.0%) and for recreation, education and reading (-0.2%) exerted downward pressure.

The CPI increases in January after three months of decline

Between December and January, the CPI rose by 0.5%, from a level of 128.1 to 128.8 (1992=100). Increases in the prices of gasoline, natural gas and fresh vegetables were offset very slightly by lower prices for travel tours, and men's clothing.

Gasoline prices rose by 6.5% between December 2005 and January 2006, after three consecutive months of decline. All provinces recorded increases, which ranged from 2.6% in British Columbia to 7.9% in Ontario. These increases stemmed from market volatility and a rise in crude oil prices.

After a 6.1% drop in December, the price of natural gas increased by 15.4% in January 2006. This was the largest increase since the 18.5% increase in October 2002.

All categories of fresh vegetables showed price increases, which led to a 12.4% jump in the fresh vegetable index. Adverse weather conditions particularly affected tomato (+39.6%) and "other fresh vegetables" (+6.0%) prices.

Pushing down the All-items index in January 2006, the travel tours index dropped by 12.6%. Every province posted a decrease. The biggest decreases were recorded in Ontario (-15.7%), while Alberta showed the smallest (-4.9%). Travel tour prices are recorded every January, February and March, when they are most popular with Canadians. Of these three months,

demand is the lowest in January. Since January prices are directly compared to those of the previous March, the index normally falls in January.

Prices for men's clothing fell by 2.8% in January 2006 compared to December 2005. The drop was mainly caused by discount sales in Ontario (-5.7%). All provinces, except Newfoundland and Labrador, and Manitoba, recorded decreases.

The seasonally adjusted CPI increased between December and January

Seasonally adjusted, the CPI was up 0.5% between December 2005 and January 2006.

Upward pressure came from the indexes for the shelter (+1.2%), transportation (+1.4%), food (+0.8%), household operations and furnishings (+0.2%), and alcoholic beverages and tobacco products (+0.3%).

The seasonally adjusted index was pushed down only by the clothing and footwear index (-0.8%).

The indexes for health and personal care as well as recreation, education and reading remained stable in January.

The All-items index excluding the eight volatile components

The All-items index excluding the eight volatile components identified by the Bank of Canada increased by 1.7% between January 2005 and January 2006. The main factors behind this increase were the purchase and leasing of automotive vehicles (+2.8%), homeowner's replacement cost (+5.2%), restaurant meals (+3.0%) and electricity (+4.7%). The increase was mitigated by a drop in insurance premiums for automotive vehicles (-2.6%), as well as prices for computer equipment and supplies (-15.7%), traveller accommodation (-5.1%) and video equipment (-9.0%).

Between December 2005 and January 2006, the All-items index excluding the eight volatile components identified by the Bank of Canada remained stable. The main upward pressure came from electricity (+2.3%), non-alcoholic beverages (+6.6%) and water in the shelter component (+5.2%). Downward factors were travel tours (-12.6%), men's clothing (-2.8%), and women's footwear (-7.0%).

Energy

Following a 10.2% rise between December 2004 and December 2005, the energy index rose 15.3% between January 2005 and January 2006.

Although all components contributed to the increase in the energy index in January 2006, the gasoline index (+19.2%) was the main factor. Prices for natural gas (+26.0%), electricity (+4.7%), fuel oil (+19.3%), and fuel,

parts and supplies for recreational vehicles (+11.7%) also had an impact.

The energy index was up 5.9% on a monthly basis, largely under the influence of the price of gasoline (+6.5%), though natural gas (+15.4%), fuel oil (+2.0%), electricity (+2.3%) and fuel, parts and supplies for recreational vehicles (+3.1%) components also recorded increases.

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

Definitions, data sources and methods: survey number 2301.

More information about the concepts and use of the CPI are also available online in *Your Guide to the Consumer Price Index* (62-557-XIB, free). Available at 7 a.m. online under *Today's news* releases from The Daily, then Latest Consumer Price Index.

The January 2006 issue of the *Consumer Price Index*, Vol. 85, no. 1 (62-001-XIB, \$9/\$83; 62-001-XPB \$12/\$111) is now available. See *How to order products*.

The February Consumer Price Index will be released on March 16.

For more information, or to enquire about the concepts, methods or data quality of this release, call Client Services Unit (1-866-230-2248; 613-951-9606; fax 613-951-1539; infounit@statcan.ca), Prices Division.

Consumer Price Index and major components (1992=100)

	Relative	January	December	January	December	January		
	importance1	2006	2005	2005	2005	2005		
	•				to	to		
					January	January		
					2006	2006		
	unadjusted							
				% change				
All-items	100.00	128.8	128.1	125.3	0.5	2.8		
Food	16.89	130.4	129.3	126.8	0.9	2.8		
Shelter	26.75	127.2	125.7	122.4	1.2	3.9		
Household operations and furnishings	10.58	116.4	116.2	115.3	0.2	1.0		
Clothing and footwear	5.37	99.0	100.4	100.0	-1.4	-1.0		
Transportation	19.79	154.2	152.1	146.3	1.4	5.4		
Health and personal care	4.52	121.3	121.5	119.0	-0.2	1.9		
Recreation, education and reading	11.96	125.2	126.6	125.5	-1.1	-0.2		
Alcoholic beverages and tobacco products	4.13	148.3	147.5	145.1	0.5	2.2		
All-items (1986=100)		165.0						
Purchasing power of the consumer dollar								
expressed in cents, compared to 1992		77.6	78.1	79.8				
Special aggregates								
Goods	48.84	124.2	122.7	119.8	1.2	3.7		
Services	51.16	134.1	134.1	131.4	0.0	2.1		
All-items excluding food and energy	74.27	124.3	124.5	122.6	-0.2	1.4		
Energy	8.84	171.9	162.3	149.1	5.9	15.3		
All-items excluding the eight most volatile								
components ³	82.75	127.6	127.6	125.5	0.0	1.7		

 ²⁰⁰¹ CPI basket weights at June 2004 prices, Canada, effective July 2004. Detailed weights are available under the Documentation section of survey 2301 at (http://www.statcan.ca/english/sdds/index.htm).

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

	January	December	January	December	January
	2006	2005	2005	2005	2005
				to	to
				January	January
				2006	2006
			unadjusted		
				% change	
Newfoundland and Labrador	127.1	126.6	123.9	0.4	2.6
Prince Edward Island	129.8	129.4	125.3	0.3	3.6
Nova Scotia	130.9	130.9	127.0	0.0	3.1
New Brunswick	129.1	128.5	125.2	0.5	3.1
Quebec	124.9	124.1	121.6	0.6	2.7
Ontario	130.0	129.2	126.2	0.6	3.0
Manitoba	132.1	131.6	129.2	0.4	2.2
Saskatchewan	133.5	132.7	130.6	0.6	2.2
Alberta	137.1	135.4	131.7	1.3	4.1
British Columbia	125.6	125.7	123.6	-0.1	1.6
Whitehorse	125.1	125.1	121.3	0.0	3.1
Yellowknife	124.9	125.4	121.7	-0.4	2.6
Igaluit (Dec. 2002=100)	103.5	103.6	102.0	-0.1	1.5

^{1.} View the geographical details for the cities of Whitehorse and Yellowknife and the town of Igaluit.

5

^{2.} Figures may not add to 100% due to rounding.

^{3.} 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/en/inflation/index.htm).

^{2.} Part of the increase first recorded in the shelter index for Yellowknife for December 2004 inadvertently reflected rent increases that actually occurred earlier. As a result, the change in the shelter index was overstated in December 2004, and was understated in the previous two years. The shelter index series for Yellowknife has been corrected from December 2002. In addition, the Yellowknife All-items CPI and some Yellowknife special aggregate index series have also changed. Data for Canada and all other provinces and territories were not affected.

Study: Aging, health and work 2003

The people in Canada's labour force who were within 10 years of retirement in 2003 were generally in good or excellent physical and mental health, according to a new study.

However, nearly half a million (19%) individuals aged between 50 and 69 had already left the labour force because of health-related reasons. Their loss is important because of rising concerns over a labour shortage in coming years as the baby-boom generation nears retirement and the growth in Canada's population slows. In 2002, 20% of workers were within 10 years of the median retirement age, double the proportion 15 years earlier.

This study used data from the 2003 Canadian Community Health Survey to examine the severity of the health issues faced by these individuals.

The study showed that the issue worsens with age. For every 100 working men aged 50 to 54 in 2003, only 6 were not working because of ill health. By the age of 65 to 69, this ratio had tripled to 19.

Among women, the ratio was substantially higher, and the increase by age larger. For every 100 working women aged 50 to 54, 10 were not working for health reasons. By the age of 65 to 69, this had risen nearly four-fold.

The study found that individuals who were not working because of ill health rated their physical and mental health as fair to poor. Chronic conditions such as arthritis and rheumatism, high blood pressure and back problems were common concerns.

Of those not working for health reasons, 7 in 10 older men and 9 in 10 women suffered from three or more chronic conditions. These rates were much higher than in the working population.

Mobility was a key concern. Half of women aged 50 to 54 who were not working for health reasons had mobility problems, which could impair their access to the workplace.

In addition, the impact of pain was clearly a concern. For example, only 25% of men aged 50 to 54 who were not working because of ill health were free of pain, compared with 87% of working men in this age group. Almost all of those not working who experienced pain reported moderate to severe levels.

Various risk factors were also associated with not working for health reasons. Among men aged 50 to 54, 42% of those not working for health reasons smoked, compared with only 26% of those working. Unhealthy weight was a similar factor.

Definitions, data sources and methods: survey numbers, including related surveys, 3226 and 3251.

The article "Aging, health and work" is available in the February 2006 online edition of *Perspectives on Labour and Income*, Vol. 7, no. 2 (75-001-XIE, \$6/\$52). See *How to order products*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Wendy Pyper (613-951-0381; wendy.pyper@statcan.ca), Labour and Household Surveys Analysis Division.

Commercial and Institutional Consumption of Energy Survey

2004

Hotels and restaurants consumed energy at a higher rate than other commercial businesses, institutions and organizations in 2004, according to a new survey on energy use.

Data from the Commercial and Institutional Consumption of Energy Survey provide aggregate information on the energy consumption of commercial and institutional establishments in Canada.

Nationally, the survey found that the accommodations and food services sector had the highest gross energy intensity at 2.21 gigajoules per square metre in 2004. (The energy content of a 30-litre tank of gasoline equals about one gigajoule.)

The offices sector, which includes establishments in the public administration as well as three industries: financial and insurance; real estate and leasing; and professional, scientific and technical services, had the lowest gross energy intensity at 1.23 gigagoules per square metre.

Energy intensity is the total energy consumed in gigajoules by a business, institution or organization, divided by the total floor area of that business, institution or organization. Lower energy intensities are considered more efficient than higher intensities.

Gross energy intensity is simply the total energy consumed by type of business, institution or organization at the national level, divided by the corresponding national total of area in square metres.

Relative differences in gross energy intensity may be explained by the different natures of business conducted by different sectors. Sectors with higher energy intensities tend to consist of establishments that operate virtually around the clock, and may also operate large pieces of machinery as part of their normal activities. Conversely, sectors with lower energy intensities tend to consist of establishments that do not operate beyond core business hours, and have little in the way of machinery besides general office equipment.

A previous Consumption of Energy Survey was conducted for 2003, but coverage was limited to hospitals, universities and colleges. The 2004 survey, which collected data in early 2005, was expanded to include industries that make up the commercial and institutional sectors.

Future versions will allow historical comparisons to better evaluate energy consumption patterns of Canadian businesses, institutions and organizations.

This survey was conducted on behalf of the Office of Energy Efficiency at Natural Resources Canada. Based upon the results, Natural Resources Canada will produce an analytical publication which will be available in March 2006 on the Office of Energy Efficiency Web site.

Definitions, data sources and methods: survey number 5034.

For more information on the concepts, methods or data quality of this survey, contact Client Services (1-877-679-2746, sbss-info@statcan.ca), Small Business and Special Surveys Division.

For more information about Natural Resources Canada's energy efficiency programs, consult the Office of Energy Efficiency Web site (www.oee.nrcan.gc.ca).

Production and disposition of tobacco products

January 2006

Total cigarettes sold in January by Canadian manufacturers decreased 32.4% from December to 2.3 billion cigarettes. Total cigarettes sold decreased 10.5% compared with January 2005.

Cigarette production for January decreased 13.3% from December to 2.3 billion cigarettes. Cigarette production decreased 22.4% compared with January 2005.

At 4.1 billion cigarettes, the level of closing inventories for January increased by 1.9% from December and stood 9.6% above the level recorded in January 2005.

Available on CANSIM: table 303-0062.

Definitions, data sources and methods: survey number 2142.

The January 2006 issue of *Production* and *Disposition of Tobacco Products*, Vol. 35, no. 1 (32-022-XIE, \$6/\$51) is now available. See *How to order products*.

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

Crude oil and natural gas production

December 2005 (preliminary)

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

Definitions, data sources and methods: survey number 2198.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the Marketing and Dissemination Section (613-951-9497; toll free: 1-866-873-8789; energ@statcan.ca), Manufacturing, Construction and Energy Division.

New products

Production and Disposition of Tobacco Products, January 2006, Vol. 35, no. 1

Catalogue number 32-022-XIE (\$6/\$51).

The Consumer Price Index, January 2006, Vol. 85, no. 1

Catalogue number 62-001-XIB (\$9/\$83).

The Consumer Price Index, January 2006, Vol. 85, no. 1

Catalogue number 62-001-XPB (\$12/\$111).

Retail Trade, December 2005, Vol. 77, no. 12 **Catalogue number 63-005-XIE** (\$18/\$166).

Perspectives on Labour and Income, February 2006, Vol. 7, no. 2

Catalogue number 75-001-XIE (\$6/\$52).

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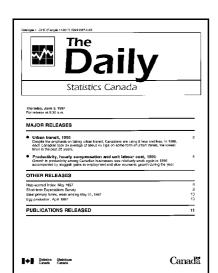
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