



The Daily

Statistics Canada

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<p>Owing largely to higher gasoline prices in September 2007 compared with low levels in September 2006, consumer prices rose by 2.5% during the same period. This was a sharp acceleration from the 1.7% increase posted in August. Excluding gasoline, consumer prices rose by a more moderate 2.0% between September 2006 and September 2007.</p>	
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Postal Code Conversion File

April 2007

The April 2007 version of the *Postal Code Conversion File (PCCF)* is now available. This file links the six-character postal codes to the standard 2006 Census geographic areas (such as dissemination areas, census tracts and census subdivisions). By linking postal codes to the Statistics Canada geographic areas, the file facilitates the extraction and subsequent aggregation of data for selected geographic areas. The PCCF also associates each postal code with a longitude and latitude coordinate to support mapping applications. New information is included to indicate the source, quality and type of linkage made between the postal code and the geographic area.

The April 2007 update of the *Postal Codes by Federal Ridings File (2003 Representation Order)* is also available. This product, a subset of the PCCF, provides a link between the six-character postal code and Canada's federal electoral districts (commonly known as federal ridings). By using postal codes as a key, data from files may be organised and tabulated by federal riding.

The *Postal Code Conversion File* (92-153-XCB, \$10,000) and the *Postal Codes by Federal Ridings File* (92F0193UCB, \$500) are available in ASCII format on CD-ROM. The reference guides for the *Postal Code Conversion File* (92-153-GWE, free) and the *Postal Codes by Federal Ridings File* (92F0193GWE, free) are also available in electronic format.

For more information, contact GeoHelp (613-951-3889; geohelp@statcan.ca), Geography Division.

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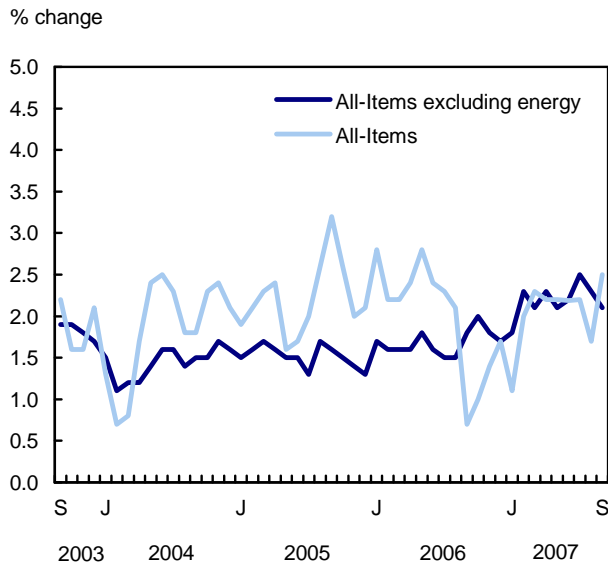
Releases

Consumer Price Index

September 2007

Owing largely to higher gasoline prices in September 2007 compared with low levels in September 2006, consumer prices rose by 2.5% during the same period. This was a sharp acceleration from the 1.7% increase posted in August. Excluding gasoline, consumer prices rose by a more moderate 2.0% between September 2006 and September 2007.

Percentage change from the same month of the previous year



It was the highest year-over-year increase in the all-items index since May 2006, and the sharpest acceleration since February of this year.

Gasoline prices were the primary cause of an increase in the 12-month variation of the Consumer Price Index (CPI) in most provinces.

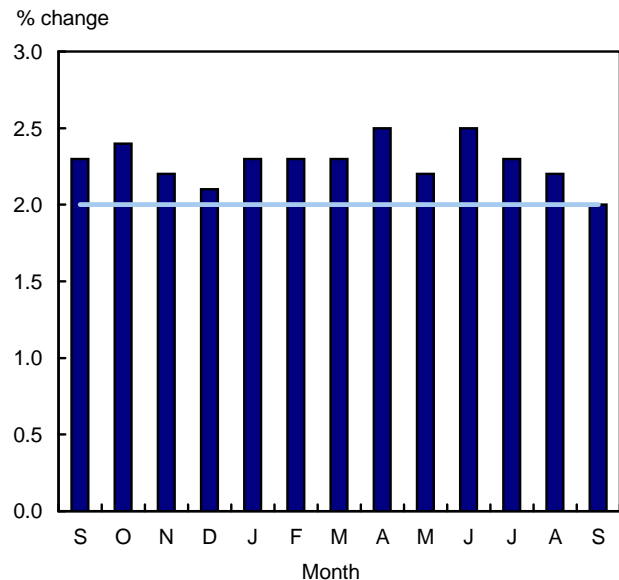
The year-over-year increase in gasoline prices (+12.7%) owed more to a sudden drop in last year's prices than to any significant developments in the most recent month. Indeed, on a month-to-month basis, gasoline prices barely budged, rising a mere 0.8% from August to September 2007.

On a year-over-year basis, lower prices for natural gas and computer equipment and supplies partially offset the impact of gas prices.

Excluding energy, consumer prices advanced 2.1%, compared with the 2.3% annual rate of growth posted in August.

The Bank of Canada's core index, used to monitor the inflation control target, rose by 2.0% between September 2006 and September 2007, a deceleration from the rate of 2.2% posted in August 2007. This was the lowest rate of growth in the core CPI since August 2006.

Percentage change in the Bank of Canada's core index from the same month of the previous year



On a month-to-month basis, the all-items CPI rose 0.2% between August and September 2007, after declining 0.3% between July and August. This increase was due primarily to a rise in prices for women's clothing, the purchasing and leasing of passenger vehicles and the cost of postsecondary education.

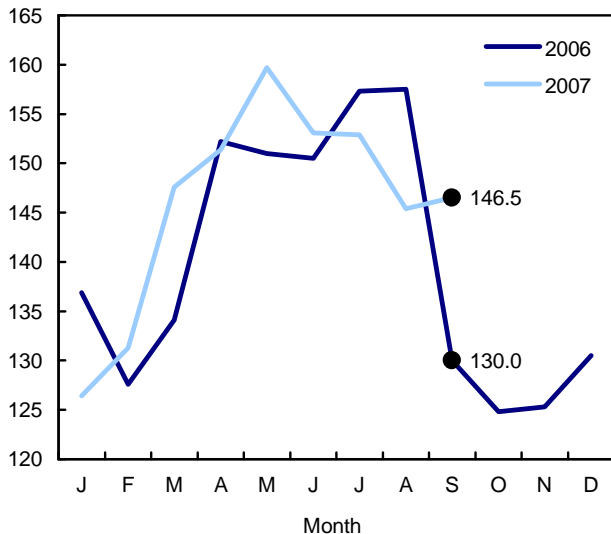
The CPI excluding energy advanced 0.2% between August and September, after posting no growth in the previous month. The core index rose 0.4%, compared with a 0.1% rate of growth in the previous month.

12-month change: Higher gasoline prices exert strong upward pressure

Gasoline prices were the main factor behind the 2.5% climb in consumer prices between September 2006 and September 2007.

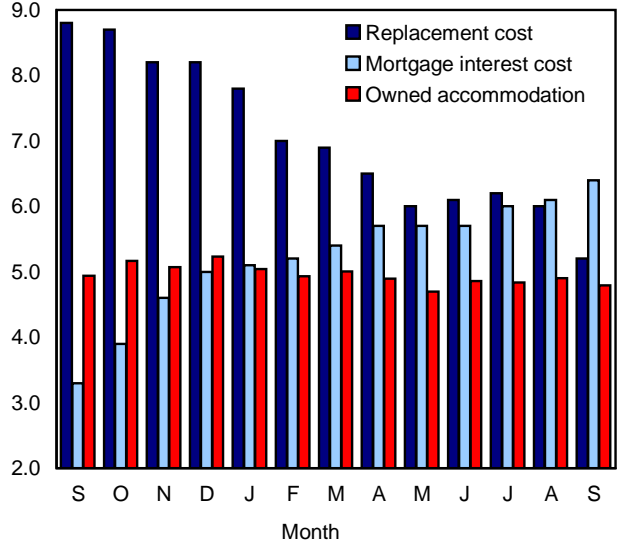
Gasoline Index, Canada

Index (2002=100)



Percentage change in owned accommodation index buoyed by mortgage interest and replacement cost

% change



Prices at the pump were 12.7% higher in September than they were in September 2006. This was the fastest rate of growth since July 2006 and was due to a sharp drop in gasoline prices in September 2006. On a monthly basis, pump prices remained relatively stable between August and September this year, rising a moderate 0.8%.

Owned accommodation cost also pushed up the 12-month change in the CPI in September, rising 4.8%. Homeowner's replacement cost, which represents the worn-out structural portion of housing, and mortgage interest cost were the primary drivers of the increase in costs to Canadian homeowners.

Over time, mortgage interest cost has become an increasingly important driver of the overall change in owned accommodation. Between September 2006 and September 2007, mortgage interest cost rose by 6.4%, compared with 6.1% in August. This is the highest rate of growth since June 1991.

Homeowners' replacement costs were 5.2% higher in September than they were a year earlier. However, this component's contribution to owned accommodation has been tapering off.

Housing costs also accelerated, due to a 2.1% increase in the price of electricity and a 9.0% rise in the price of water.

Food prices rose 1.9% in September compared with September 2006, primarily the result of a 3.3% year-over-year increase in the price of food purchased from restaurants. This increase was partially offset by declines in the price of fresh vegetables and fresh fruit.

On the other hand, consumers got some relief from a decline in natural gas prices. These fell 7.6% in September compared with September 2006, following a moderate increase of 0.6% in the previous month.

Also moderating the increase in consumer prices were declines for computer equipment and supplies (-13.9%), the purchasing and leasing of vehicles (-1.0%), fresh vegetables (-9.2%), fresh fruit (-4.2%), women's clothing (-3.4%) and video equipment (-9.7%).

Price increases higher than national average in four provinces

On a year-over-year basis, consumer prices increased at a faster pace than the national average in only four provinces in September: New Brunswick (+2.9%), Manitoba (+2.8%), Saskatchewan (+3.8%) and Alberta (+4.6%).

The CPI accelerated in every province except Alberta, where the increase eased off slightly from the 12-month change of 4.7% in August. This was the lowest level of growth in consumer prices in Alberta since the beginning of the year.

The primary cause of the slowdown in Alberta was a 28.7% year-over-year decline in natural gas prices and a deceleration in the cost of owned accommodation.

Gasoline was the main factor in the increase in the CPI for most provinces. Gas price increases ranged from a hefty 18.4% in Alberta to a more moderate 3.2% in New Brunswick. The only provinces where drivers did not face double-digit growth were British Columbia, Newfoundland and Labrador, Prince Edward Island and New Brunswick.

In New Brunswick, a 17.9% jump in the year-over-year price of electricity drove the growth of the CPI above the national level.

Much of the variation in the 12-month CPI among the provinces was due to differences in the change of costs for owned accommodation. Owned accommodation continued to be a principal source of growth in consumer prices in September, primarily because of increases in homeowners' replacement cost and mortgage interest cost.

In Saskatchewan, homeowners' replacement costs shot up 44.8% between September 2006 and September 2007. This compares with increases of 13.0% for homeowners in Alberta, 8.3% in Manitoba and 7.6% in Nova Scotia. The year-over-year growth for all other provinces was below the national average (+5.2%).

Month-over-month: Price of women's clothing pushes monthly CPI ahead

The main factor in the 0.2% increase in consumer prices between August and September 2007 was a 5.9% increase in the price of women's clothing, caused by the arrival of the new women's collections in retail outlets.

It was accompanied by a 1.1% increase in the price of purchasing and leasing of passenger vehicles. This was the result of a decrease in incentives offered by car manufacturers in September.

The cost of obtaining a postsecondary education also drove up consumer prices between August and September. Students paid 3.0% more for their tuition fees in 2007. Higher tuition fees in Ontario (+4.1%) explained most of the upward trend in this index.

Also exerting upward pressure, but to a lesser extent, were a 0.8% increase in mortgage interest cost, a 0.8% gain in gasoline prices and a 2.3% increase in the cost of child care.

These price increases were partially offset by declines for fresh vegetables (-8.9%), air transportation (-4.9%), fresh fruit (-6.4%) and natural gas (-2.3%). The decline in natural gas prices was due largely to a 14.2% drop in the price for natural gas in Alberta from August to September.

The month-over-month price of vegetables contracted for the seventh consecutive month, following a surge in fresh vegetable prices in February.

A substantial 15.7% decline in the price of potatoes between August and September, as a result of seasonal factors, was the primary cause for the decrease in fresh vegetable prices.

Available on CANSIM: tables 326-0020, 326-0021, 326-0009, 326-0012, 326-0015 and 326-0022.

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) from the *Publications* module of our website.

Available at 7 a.m. online from *The Daily* module of our website.

The September 2007 issue of the *Consumer Price Index*, Vol. 86, no. 9 (62-001-XWE, free), is now available from the *Publications* module of our website. A paper copy is also available (62-001-XPE, \$12/\$111). A more detailed analysis of the CPI is available in this publication. See *How to order our products*.

The October Consumer Price Index will be released on November 20.

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

Consumer Price Index and major components
(2002=100)

	Relative importance ¹	September 2007	August 2007	September 2006	August to September 2007	September 2006 to September 2007
Unadjusted						
		% change				
All-items	100.00²	111.9	111.7	109.2	0.2	2.5
Food	17.04	110.9	111.8	108.8	-0.8	1.9
Shelter	26.62	117.8	117.6	114.0	0.2	3.3
Household operations, furnishings and equipment	11.10	103.7	103.5	102.1	0.2	1.6
Clothing and footwear	5.36	97.4	95.4	98.5	2.1	-1.1
Transportation	19.88	116.9	116.3	112.8	0.5	3.6
Health and personal care	4.73	107.6	107.6	106.0	0.0	1.5
Recreation, education and reading	12.20	103.4	102.9	101.5	0.5	1.9
Alcoholic beverages and tobacco products	3.07	126.6	126.1	122.0	0.4	3.8
All-items (1992=100)		133.2	132.9	130.0	0.2	2.5
Special aggregates						
Goods	48.78	107.8	107.7	106.4	0.1	1.3
Services	51.22	115.9	115.6	111.9	0.3	3.6
All-items excluding food and energy	73.57	109.7	109.2	107.4	0.5	2.1
Energy	9.38	136.6	136.4	128.8	0.1	6.1
Core Consumer Price Index ³	82.71	110.5	110.1	108.3	0.4	2.0

1. 2005 CPI basket weights at April 2007 prices, Canada - effective May 2007. Detailed weights are available under the Documentation section of survey 2301 (<http://www.statcan.ca/english/sdds/index.htm>).
2. Figures may not add up to 100% due to rounding.
3. The measure of the core Consumer Price Index (CPI) excludes from the all-items CPI the effect of changes in indirect taxes and eight of the most volatile components identified 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. For additional information on the core CPI, please consult the Bank of Canada website (www.bankofcanada.ca/en/inflation/index.htm).

Consumer Price Index by province, and for Whitehorse, Yellowknife and Iqaluit¹
(2002=100)

	September 2007	August 2007	September 2006	August to September 2007	September 2006 to September 2007
Unadjusted					
	% change				
Newfoundland and Labrador	111.1	111.1	109.7	0.0	1.3
Prince Edward Island	114.0	113.8	111.6	0.2	2.2
Nova Scotia	112.9	112.7	110.6	0.2	2.1
New Brunswick	112.0	111.4	108.8	0.5	2.9
Quebec	110.5	110.1	108.4	0.4	1.9
Ontario	111.0	110.9	108.5	0.1	2.3
Manitoba	111.8	111.2	108.8	0.5	2.8
Saskatchewan	113.4	113.1	109.3	0.3	3.8
Alberta	119.4	119.3	114.1	0.1	4.6
British Columbia	110.5	110.4	108.4	0.1	1.9
Whitehorse	110.8	110.5	107.2	0.3	3.4
Yellowknife ²	111.6	111.1	107.8	0.5	3.5
Iqaluit (Dec. 2002=100)	109.1	108.9	105.0	0.2	3.9

1. View the geographical details for the city of Whitehorse, the city of Yellowknife and the town of Iqaluit.
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.

Current economic conditions

The Canadian dollar capped its five-year appreciation against the US dollar by achieving parity late in September. The increase accompanied higher commodity prices, notably record prices for oil and wheat, and a cut in US interest rates. The latter was motivated by the turmoil in financial markets that began in mid-August, and renewed weakness in the US housing market.

In Canada, however, there were few signs that the disruption in some financial markets (notably asset-backed commercial paper) was affecting the real economy. Most importantly, employment jumped 0.3% in September, helping to send the unemployment rate to a 31-year low of 5.9%. Higher commodity and stock market prices in September also pointed to the underlying strength of the economy. Short-term business credit growth was steady, as more bank loans made up for a drop in commercial paper.

The Consumer Price Index fell 0.1% between July and August, largely due to lower gasoline prices. As a result, the annual inflation rate slowed substantially to 1.7% from the 2.2% posted in each of the previous four months.

Much of the drop in gasoline prices reflects an easing in the cost of crude oil over the summer (before surging to new record highs in September). But part of the drop also reflects the stronger Canadian dollar: gasoline prices in Canada fell 7.7%, more than the 4.9% drop in the US. This continues a trend that began when the loonie began its appreciation in 2003: since then, gasoline prices have risen 42% in Canada, while US drivers have seen prices jump 90%. While Canada imports little gasoline directly from the US, the North American market is fully integrated, ensuring that any savings from the exchange rate are passed on to drivers in Canada. Most studies of the impact of the exchange rate on import prices ignore this effect, which has saved Canadians \$10.2 billion, or \$823 per household on average, over the last five years.

Household demand in Quebec softened over the summer, after pay-equity settlements had fuelled strong gains in the spring. Housing starts fell steadily over the summer, while retail sales in June and July gave back all of their 5% gain in May. The underlying determinants of growth remained strong. Employment grew 0.4% in the third quarter, and unemployment remained at its lowest level on record. Manufacturing sales dipped early in the summer due to temporary declines in oil and metals prices. Since these industries represent 25% of its sales of manufactured goods, Quebec remains well-positioned to profit from the recent rebound in their prices.

British Columbia's resource sector continued to hamper growth. In particular, its forestry products, which account for one-third of its shipments, were hit by a province-wide strike late in July. This was the latest blow to the lumber industry, which has seen shipments tumble 22% in a little over a year. Still, British Columbia's overall employment growth of 2.9% in the past year remained the third highest among the provinces, led by construction. This helped buoy housing starts and retail sales over the summer.

Ontario also continued to shift away from its traditional manufacturing base. It has shed 60,000 factory jobs in the past year. Nevertheless, employment growth has remained close to the national average due to services. Business services led the way with gains of nearly 10%. Education and accommodation and food have also seen employment grow at double-digit rates. Housing starts remained steady into August, but Ontario retail sales in July were the weakest in Canada.

Definitions, data sources and methods: survey numbers, including related surveys, 1301, 1901, 2152, 2306, 2406 and 3701.

The print version of the October 2007 issue of *Canadian Economic Observer*, Vol. 20, no.10 (11-010-XPB, \$25/\$243) is now available. This issue summarizes the major economic events that occurred in September and presents an article entitled "The new underground economy of subsoil resources: no longer hewers of wood and drawers of water."

For more information, or to enquire about the concepts, methods or data quality of this release, contact Philip Cross (613-951-9162; ceo@statcan.ca), Current Economic Analysis Division. ■

Crude oil and natural gas production

August 2007 (preliminary)

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

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 (toll-free 1-866-873-8789; 613-951-9497; energ@statcan.ca), Manufacturing, Construction and Energy Division. ■

Primary iron and steel

August 2007

Data on primary iron and steel for August are now available.

Available on CANSIM: tables 303-0048 to 303-0051.

Definitions, data sources and methods: survey numbers, including related surveys, 2116 and 2184.

The August 2007 issue of *Steel, Tubular Products and Steel Wire* (41-019-XWE) will soon be available.

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

Large urban transit

August 2007 (preliminary)

Combined ridership on 10 large urban transit systems in Canada was 5.1% higher in August than it was for the same month in 2006.

Approximately 100.8 million passenger trips were taken on these transit systems in August. These systems account for about 80% of total urban transit in Canada.

The trips generated \$174.2 million in revenue in August (excluding subsidies), a 4.9% increase over August 2006.

Available on CANSIM: table 408-0004.

Definitions, data sources and methods: survey number 2745.

For more information, or to enquire about the concepts, methods or data quality of this release, contact the Dissemination Unit (toll-free 1-866-500-8400; fax: 613-951-0009; transportationstatistics@statcan.ca), Transportation Division. ■

Aircraft movement statistics

September 2007 (preliminary)

The 42 Canadian airports with NAV CANADA air traffic control towers reported 443,944 aircraft take-offs and landings in September, up 10.8% compared with September 2006 (400,522 movements). This marked the 16th consecutive increase in year-over-year monthly comparisons. Year-over-year increases in aircraft movements were reported by 32 of these airports in September. The variations ranged from an increase of 88.8% for Gander International to a decline of 22.7% for Boundary Bay.

Available on CANSIM: table 401-0005.

Definitions, data sources and methods: survey number 2715.

The September 2007 issue of *Aircraft Movement Statistics*, Vol. 6, no. 9 (51F0001PWE, free), is now available from the *Publications* module of our website.

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

Aircraft Movement Statistics, Monthly,
September 2007, Vol. 6, no. 9
Catalogue number 51F0001PWE
(free).

The Consumer Price Index, September 2007, Vol. 86,
no. 9
Catalogue number 62-001-XPE (\$12/\$111).

The Consumer Price Index, September 2007, Vol. 86,
no. 9
Catalogue number 62-001-XWE
(free).

Imports by Commodity, August 2007, Vol. 64, no. 8
Catalogue number 65-007-XCB (\$40/\$387).

Imports by Commodity, August 2007, Vol. 64, no. 8
Catalogue number 65-007-XPB (\$84/\$828).

Canada's International Transactions in Securities,
Vol. 73, no. 8
Catalogue number 67-002-XWE
(free).

Postal Code Conversion File, 2006 Census,
Reference Guide, April 2007
Catalogue number 92-153-GWE
(free).

Postal Code Conversion File, 2006 Census,
April 2007
Catalogue number 92-153-XCB (\$10,000).

Postal Codes by Federal Ridings
(2003 Representation Order) File
(PCFRF), 2006 Census, Reference Guide,
April 2007
Catalogue number 92F0193GWE
(free).

Postal Codes by Federal Ridings
(2003 Representation Order) File
(PCFRF), 2006 Census - Update, April 2007
Catalogue number 92F0193UCB (\$500).

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Document 1 - 2006: 07-0001-11-001-XIE-0001-0001-0001



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 six rides 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 and industry work force in 1996 accompanied by sluggish gains in employment and slow economic growth during the year.

OTHER RELEASES

- Map-based Index, May 1997 3
- Short-term Expectations Survey 9
- Steel primary forms, week ending May 31, 1997 12
- Egg producer, Apr 8, 1997 12

PUBLICATIONS RELEASED 11

Statistics Canada's official release bulletin

Catalogue 11-001-XIE.

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Release dates: October 22 to October 26

(Release dates are subject to change.)

Release date	Title	Reference period
23	Retail trade	August 2007
23	Canadian social trends	2006
23	Employment Insurance	August 2007
25	Control and sale of alcoholic beverages	2006
26	Business Conditions Survey: Canadian manufacturing industries	October 2007
26	Canadian agriculture at a glance	2006
26	Payroll employment, earnings and hours	August 2007
