

Tuesday, August 21, 2007
Released at 8:30 a.m. Eastern time

## Releases

Consumer Price Index, July 2007
Consumer prices rose $2.2 \%$ in July compared with July 2006, identical to the increases of the three previous months. In July, consumer prices in Alberta posted the largest slowdown since October 2003.
Retail trade, June 2007 ..... 6
Consumers took a shopping break in June following the largest monthly sales increase in almost a decade in May.
Employment Insurance, June 2007 ..... 10
Leading indicators, July 2007 ..... 11
Machinery and equipment price indexes, second quarter 2007 ..... 12
Refined petroleum products, June 2007 ..... 13
Large urban transit, June 2007 ..... 13
New products ..... 14

## Releases

## Consumer Price Index

July 2007
Consumer prices rose $2.2 \%$ in July compared with July 2006, identical to the increases of the three previous months.


For the fourth straight month, most of the average growth in consumer prices was attributable to costs associated with owned accommodation ( $+4.8 \%$ ). Declines in prices for gasoline and computer equipment and supplies dampened the upward pressure on average prices.

The all-items index excluding energy rose $2.5 \%$ from July 2006 to July 2007, faster than in June (+2,2\%).

The Bank of Canada's core index advanced $2.3 \%$ in July after posting a $2.5 \%$ increase in June. This index is used by the Bank of Canada to monitor the inflation control target.

The all-items index edged up $0.1 \%$ between June and July 2007 after falling $0.2 \%$ between May and June. Higher prices for women's clothing and traveller accommodation, and increased mortgage interest cost
were largely offset by lower prices for motor vehicle purchases and leases, natural gas and fresh vegetables.

The all-items index without energy and the core index both rose $0.1 \%$ between June and July 2007. These indexes were unchanged between May and June.

## 12-month change: Owned accommodation costs remain major contributor for a fourth straight month

The 12-month rise in the Consumer Price Index (CPI) was mainly due to higher costs for owned accommodation and, to a lesser extent, food.

For the fourth straight month, owned accommodation costs were the main contributor to the year-over-year increase in the CPI.

The component that contributed the most to the increase of owned accommodation costs was mortgage interest cost, which rose $6.0 \%$, faster than in June $(+5.7 \%)$. This was the highest rate of growth posted since December 2000.

Higher mortgage rates fuelled the increase in mortgage interest cost. In previous months, the growth in mortgage interest cost had been mainly attributable to higher prices for new homes.

Homeowners' replacement cost also contributed to the increase in the CPI in July. This component, which represents the worn-out structural portion of housing and is estimated using new housing prices (excluding land), increased 6.2\% between July 2006 and July 2007. This was up slightly from the $6.1 \%$ increase observed in June, a second consecutive acceleration for this component following eight months of slowdown.

In July, consumers spent $3.6 \%$ more for restaurant meals and $2.7 \%$ more for food purchased at grocery stores than in July 2006. In spite of this increase, fresh fruit prices were down 3.7\% in July 2007 from July 2006.

Upward pressure on the all-items index was partially offset by falling prices for gasoline, computer equipment and supplies, and natural gas.

Lower gasoline prices were recorded in all provinces except in the Prairies and Newfoundland and Labrador. The 2.8\% drop in gasoline prices from July 2006 accounted for most of the dampening effect on the rise in consumer prices.

Natural gas prices declined $3.2 \%$ in July. Prices for this component had increased $1.9 \%$ in June after 11 months of consecutive reductions.

The Daily, August 21, 2007


Consumers continued to enjoy declines in prices for computer equipment and supplies ( $-17.7 \%$ ) and video equipment ( $-8.6 \%$ ).

## Owned accommodation cost in Alberta slows down

The increase in consumer prices was between $1.0 \%$ and $2.0 \%$ in all provinces except Alberta ( $+5.0 \%$ ), Saskatchewan (+3.2\%), Manitoba (+2.2\%) and New Brunswick (+2.2\%).

Despite the increase in Alberta in July, the province recorded the most significant slowdown since October 2003. From June 2006 to June 2007, the CPI grew 6.3\% in Alberta.

The cost of owned accommodation rose $13.9 \%$ in Alberta, the smallest increase since May 2006. The slowdown compared with June was mainly due to slowing growth in homeowners' replacement cost. This cost increased $17.8 \%$ in July compared with a rise of $23.6 \%$ in June.

In Saskatchewan, the 15.2\% increase in the cost of owned accommodation was driven mainly by a leap in homeowners' replacement cost (+37.7\%), which surpassed the 31.8\% climb in June.

The smallest increases in the CPI were observed in Newfoundland and Labrador (+1.0\%), Prince Edward Island ( $+1.3 \%$ ) and Quebec ( $+1.3 \%$ ). In these provinces, the rise in prices can largely be attributed to mortgage interest cost.


## From June to July 2007: Moderate growth in the CPI

Average prices rose $0.1 \%$ between June and July after dropping $0.2 \%$ between May and June.

Upward pressures from women's clothing, traveller accommodation and mortgage interest cost were largely offset by lower prices for motor vehicle purchases and leases, natural gas and fresh vegetables.

Women's clothing prices climbed $4.0 \%$ in July following a $4.3 \%$ downturn in June.

Traveller accommodation cost increased 4.6\% between June and July. While the increase was lower than that in July $2006(+5.8 \%)$, it remains in line with price shifts regularly observed during the peak tourist season.

Mortgage interest cost rose 0.8\% in July, the largest month-over-month increase since August 1994. This followed six consecutive months of $0.4 \%$ increases. The growth in July was mainly due to the increase in mortgage rates.

Consumers were able to purchase and lease motor vehicles for $1.6 \%$ less than in June, following a decrease of $0.3 \%$ over the preceding month. Such downward movement is common at this time of the year when discounts are given to reduce inventories of the current year's models.

The $4.6 \%$ drop in natural gas prices also mitigated the monthly increase in the CPI. The decline observed in

July was related to the price decreases posted in Alberta $(-15.3 \%)$, Ontario ( $-3.3 \%$ ) and Quebec ( $-1.7 \%$ ).

Consumers spent $5.6 \%$ less for fresh vegetables in July compared with the previous month. This decrease is seasonal and reflects the arrival of local harvests in grocery stores.

Note: Users of the urban centre indexes should note that, effective July 2007, Statistics Canada has corrected the weights of some urban centres that were in error in the Consumer Price Index 2005 basket update.

The weights of St. John's, Charlottetown, Halifax, Saint John, Québec, Montréal, Ottawa, Thunder Bay, Winnipeg, Regina, Saskatoon, Edmonton, Calgary and Victoria were adjusted, while those of Toronto, Vancouver, Whitehorse, Yellowknife and Iqaluit were not.

With this correction, the July level of each urban centre index has been restored to reflect the correct movement for May and June. The published urban centre indexes for May and June will remain unchanged.

The calculation of urban centre indexes is separate from the calculation of the provincial and national indexes. Therefore, the correction made to the urban centre weights has no effect on the provincial or national indexes.

Published weight documentation was also not affected.

Available on CANSIM: tables 326-0009, 326-0012, 326-0015 and 326-0020 to 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 under The Daily module of our website.

The July 2007 issue of the Consumer Price Index, Vol. 86, no. 7 (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 products.

The August Consumer Price Index will be released on September 19.

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

The Daily, August 21, 2007

Consumer Price Index and major components
$(2002=100)$
(2002=100)

|  | Relative importance ${ }^{1}$ | $\begin{array}{r} \text { July } \\ 2007 \end{array}$ | $\begin{aligned} & \text { June } \\ & 2007 \end{aligned}$ | $\begin{gathered} \text { July } \\ 2006 \end{gathered}$ | $\begin{array}{r} \text { June } \\ \text { to } \\ \text { July } \\ 2007 \end{array}$ | $\begin{array}{r} \text { July } \\ 2006 \\ \text { to } \\ \text { July } \\ 2007 \\ \hline \end{array}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Unadjusted |  |  |  |  |  |
|  |  |  |  |  |  |  |
| All-items | $100.00^{2}$ | 112.0 | 111.9 | 109.6 | 0.1 | 2.2 |
| Food | 17.04 | 112.3 | 112.6 | 109.2 | -0.3 | 2.8 |
| Shelter | 26.62 | 117.0 | 116.8 | 113.2 | 0.2 | 3.4 |
| Household operations and furnishings | 11.10 | 103.2 | 103.0 | 101.4 | 0.2 | 1.8 |
| Clothing and footwear | 5.36 | 94.6 | 93.1 | 93.5 | 1.6 | 1.2 |
| Transportation | 19.88 | 118.5 | 119.2 | 118.3 | -0.6 | 0.2 |
| Health and personal care | 4.73 | 107.5 | 107.9 | 105.7 | -0.4 | 1.7 |
| Recreation, education and reading | 12.20 | 103.0 | 102.5 | 101.3 | 0.5 | 1.7 |
| Alcoholic beverages and tobacco products | 3.07 | 126.0 | 125.7 | 121.5 | 0.2 | 3.7 |
| All-items (1992=100) |  | 133.3 | 133.2 | 130.5 | 0.1 | 2.1 |
| Special aggregates |  |  |  |  |  |  |
| Goods | 48.78 | 108.6 | 108.9 | 108.1 | -0.3 | 0.5 |
| Services | 51.22 | 115.3 | 114.8 | 111.2 | 0.4 | 3.7 |
| All-items excluding food and energy | 73.57 | 109.1 | 109.0 | 106.5 | 0.1 | 2.4 |
| Energy | 9.38 | 139.6 | 140.1 | 142.0 | -0.4 | -1.7 |
| Core index ${ }^{3}$ | 82.71 | 110.0 | 109.9 | 107.5 | 0.1 | 2.3 |

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, consult the Bank of Canada website (www.bankofcanada.ca/en/inflation/index.htm).

Consumer Price Index by province, and for Whitehorse, Yellowknife and Iqaluit ${ }^{1}$ (2002=100)

|  | $\begin{array}{r} \text { July } \\ 2007 \end{array}$ | $\begin{aligned} & \text { June } \\ & 2007 \end{aligned}$ | $\begin{array}{r}\text { July } \\ 2006 \\ \\ \\ \hline\end{array}$ | $\begin{array}{r} \text { June } \\ \text { to } \\ \text { July } \\ 2007 \end{array}$ | $\begin{array}{r} \text { July } \\ 2006 \\ \text { to } \\ \text { July } \\ 2007 \\ \hline \end{array}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |  |
| Newfoundland and Labrador | 111.6 | 111.9 | 110.5 | -0.3 | 1.0 |
| Prince Edward Island | 114.0 | 114.1 | 112.5 | -0.1 | 1.3 |
| Nova Scotia | 113.0 | 113.0 | 111.3 | 0.0 | 1.5 |
| New Brunswick | 112.1 | 112.1 | 109.7 | 0.0 | 2.2 |
| Quebec | 110.6 | 110.7 | 109.2 | -0.1 | 1.3 |
| Ontario | 111.1 | 111.1 | 109.0 | 0.0 | 1.9 |
| Manitoba | 112.1 | 111.7 | 109.7 | 0.4 | 2.2 |
| Saskatchewan | 113.3 | 113.1 | 109.8 | 0.2 | 3.2 |
| Alberta | 119.1 | 118.8 | 113.4 | 0.3 | 5.0 |
| British Columbia | 110.5 | 110.3 | 108.8 | 0.2 | 1.6 |
| Whitehorse | 110.7 | 109.7 | 107.5 | 0.9 | 3.0 |
| Yellowknife ${ }^{2}$ | 111.5 | 111.6 | 107.8 | -0.1 | 3.4 |
| Iqaluit (Dec. 2002=100) | 108.9 | 108.0 | 104.8 | 0.8 | 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.

## Retail trade

June 2007
Consumers took a shopping break in June following the largest monthly sales increase in almost a decade in May.

Total retail sales fell $0.9 \%$ to an estimated $\$ 34.6$ billion in June after advancing 2.6\% in May.

Buoyed by May's advance, quarterly sales growth for the April-to-June period reached $3.0 \%$ and was the largest three-month gain in almost six years.

The bulk of the decline observed in June was due to a sales drop in the automotive sector. Excluding this sector (which includes gasoline stations' sales), retail sales were essentially unchanged.


Sales in the automotive sector fell $2.7 \%$ in June after three months of strong growth, most recently jumping 3.7\% in May.

General merchandise stores ( $-0.7 \%$ ), clothing and accessories stores ( $-0.4 \%$ ), and building and outdoor home supplies stores $(-0.3 \%)$ fell moderately in June after rebounding in May from April's sales declines.

Furniture, home furnishings and electronics stores saw sales fall for the second month in a row after six months of consecutive growth.

Partially offsetting these declines were sales increases in food and beverage stores ( $+0.7 \%$ ), at
miscellaneous retailers ( $+0.4 \%$ ) and in pharmacies and personal care stores (+0.1\%).

Retail sales at constant prices fell $0.6 \%$ in June, yet high sales levels throughout the second quarter resulted in a strong $2.6 \%$ increase during this three-month period.

## June declines partially offset sizeable May gains

Sales at new car dealers fell back 2.7\% in June after surging $3.1 \%$ in May. The New Motor Vehicles Sales Survey revealed that a decline in truck sales accounted for the entire drop in the number of new motor vehicles sold in June.

Used and recreational vehicles and parts dealers also saw sales decline in June (-2.9\%), giving back just over a third of the exceptionally strong gains in May. Sales by gasoline stations fell $2.5 \%$ after a run-up in sales over the last eight months. This was only the second decline since the $14.6 \%$ drop posted in September 2006, when gasoline prices had plummeted 17.5\%.

Sales at home centres and hardware stores ( $-0.5 \%$ ), clothing stores ( $-0.3 \%$ ) and general merchandisers $(-0.7 \%)$ fell in June, following gains in May and declines in April attributable to volatile weather patterns.

Within the furniture, home furnishings and electronics stores sector, furniture stores ( $-1.8 \%$ ) and computer and software stores (-4.8\%) saw sales decrease for the second month in a row. Sales at computer and software stores have been on a downward trend for quite some time, posting six consecutive years of annual sales declines. Home furnishings stores sales rebounded back from a drop in May ( $-1.1 \%$ ) to advance $1.5 \%$ in June, while sales at home electronics and appliance stores remained flat in June ( $+0.1 \%$ ).

Supermarkets' sales rose $0.8 \%$ in June, continuing four months of consecutive sales growth. Sales have been consistently strong for beer, wine and liquor stores, which saw their fifth monthly increase in six months $(+1.0 \%)$. Partially offsetting these gains was a $0.4 \%$ sales decline in convenience and specialty food stores.

## Retailers experience their best quarterly performance in almost six years

Retail sales growth accelerated in the second quarter of 2007, clocking in at a heady $3.0 \%$ and bettering the previous quarter's already solid $2.0 \%$ performance by a wide margin. The latest advance was mostly attributable to a significant upswing in the automotive sector's sales (including gasoline stations sales), which accounts for $35 \%$ of total retail sales.

A $5.1 \%$ surge in sales by new car dealers accounted for the lion's share of the second quarter's outsized
performance. This was in stark contrast to the first quarter, when sales at new car dealers actually declined (-1.7\%). The New Motor Vehicle Sales Survey revealed strong growth in the number of cars sold in the second quarter of $2007(+4.4 \%)$ with passenger car sales taking the lead $(+6.0 \%)$ and truck sales rising at a slower rate (+2.7\%).

Retailers other than new, used and recreational motor vehicle and parts dealers saw a reverse of this pattern, with strong second quarter sales growth of $2.2 \%$ falling short of the first quarter's gain (+2.9\%). Most store types recorded positive but more subdued growth, building instead on the significant sales gains reported in the January-to-March period. Notable in this respect, recording positive but slower growth, were furniture, home furnishings and electronics stores ( $+1.8 \%$ ), building and outdoor home supplies stores $(+1.0 \%)$, general merchandise stores ( $+1.0 \%$ ), and pharmacies and personal care stores ( $+0.9 \%$ ).

Food and beverage store sales bucked the trend, however, with sales picking up $2.5 \%$ in the April-to-June period after a lackluster first quarter ( $+0.8 \%$ ). Since the sales jump in February ( $+2.1 \%$ ), partially induced by a hike in fresh vegetable prices between January and February, sales have continued to grow strongly at supermarkets (+2.4\%), making the second quarter advance one of the biggest since this series began.

At the detailed store-type level, only 2 of 18 store types actually recorded declines in the second quarter, computer and software stores ( $-2.3 \%$ ) and specialized building materials and garden stores ( $-2.7 \%$ ). These accounted for less than $2 \%$ of overall retail sales in the second quarter.

## Quebec shoppers take a break from their recent spending spree

Quebec sales fell $3.4 \%$ in June as shoppers took a break after a spending spree in May ( $+4.7 \%$ ), induced by the payout of a pay equity settlement to the province's public service sector. The May surge contributed to the sales growth of $3.6 \%$ in the second quarter, the highest three-month gain in over 10 years.

Sales edged down only $0.3 \%$ in Ontario in June. Despite the decrease, April-to-June sales rose $2.6 \%$, compared with the $0.8 \%$ gain of the first quarter, due to
high sales levels at the start of the second quarter after a strong March.

Sales in Manitoba and Saskatchewan both edged down $0.3 \%$ in June after strong increases in May. Alberta ( $+0.2 \%$ ) and British Columbia ( $-0.0 \%$ ) retail sales remained fairly flat in June. However, second quarter growth rates in Alberta ( $+3.9 \%$ ) and British Columbia ( $+2.8 \%$ ) were buoyed by May's strong sales advances in both provinces.

Sales were down in all of the Atlantic Provinces, except Newfoundland and Labrador, after registering large gains in May. Newfoundland and Labrador bucked the trend as sales grew $1.8 \%$, the province's seventh monthly sales increase in nine months.

## Related indicators for July

Estimates from the Labour Force Survey revealed that employment was little changed in July, leaving growth so far in 2007 at $1.3 \%$, similar to the growth rate in the first seven months of 2006. The unemployment rate edged down 0.1 percentage points to $6.0 \%$, the lowest since 1974.

Based on preliminary sales data from the automotive industry, sales of new motor vehicles declined again in July ( $-3 \%$ ).

The seasonally adjusted annual rate of housing starts declined a further 4.3\% to 215,600 units in July, down from 225,300 units in June, according to the Canada Mortgage and Housing Corporation.

## Available on CANSIM: tables 080-0014 to 080-0017.

Definitions, data sources and methods: survey numbers, including related surveys, 2406 and 2408.

The June 2007 issue of Retail Trade (63-005-XWE, free) will soon be available.

Data on retail trade for July will be released on September 21.

For more information or to order data, contact Client Services (toll-free 1-877-421-3067; 613-951-3549; retailinfo@statcan.ca). For analytical information, or to enquire about the concepts, methods or data quality of this release, contact Lucy Chung (613-951-1903), Distributive Trades Division.

The Daily, August 21, 2007

Retail sales

|  | $\begin{aligned} & \text { June } \\ & 2006 \end{aligned}$ | $\begin{gathered} \hline \text { March } \\ 2007^{r} \end{gathered}$ | April $2007^{r}$ | May <br> 2007 <br>  <br>  <br>  | $\begin{aligned} & \hline \text { June } \\ & 2007^{p} \end{aligned}$ | May to June 2007 | $\begin{array}{r} \hline \text { June } \\ 2006 \\ \text { to } \\ \text { June } \\ 2007 \\ \hline \end{array}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | \$ millions |  |  |  |  | \% change |  |
| Automotive | 10,955 | 11,682 | 11,879 | 12,325 | 11,998 | -2.7 | 9.5 |
| New car dealers | 5,923 | 6,402 | 6,535 | 6,736 | 6,557 | -2.7 | 10.7 |
| Used and recreational motor vehicle and parts dealers | 1,461 | 1,534 3 | 1,535 | 1,668 | 1,619 | -2.9 | 10.8 |
| Gasoline stations | 3,570 | 3,746 | 3,809 | 3,921 | 3,821 | -2.5 | 7.0 |
| Furniture, home furnishings and electronics stores | 2,283 | 2,468 | 2,499 | 2,484 | 2,471 | -0.5 | 8.2 |
| Furniture stores | 786 | 852 | 857 | 853 | 838 | -1.8 | 6.6 |
| Home furnishings stores | 444 | 490 | 498 | 492 | 500 | 1.5 | 12.5 |
| Computer and software stores | 128 | 121 | 123 | 123 | 117 | -4.8 | -8.6 |
| Home electronics and appliance stores | 925 | 1,005 | 1,020 | 1,016 | 1,017 | 0.1 | 9.9 |
| Building and outdoor home supplies stores | 2,057 | 2,203 | 2,126 | 2,246 | 2,240 | -0.3 | 8.9 |
| Home centres and hardware stores | 1,683 | 1,780 | 1,725 | 1,835 | 1,825 | -0.5 | 8.4 |
| Specialized building materials and garden stores | 374 | 424 | 402 | 411 | 415 | 1.0 | 11.0 |
| Food and beverage stores | 7,335 | 7,567 | 7,638 | 7,658 | 7,712 | 0.7 | 5.1 |
| Supermarkets | 5,285 | 5,402 | 5,450 | 5,463 | 5,507 | 0.8 | 4.2 |
| Convenience and specialty food stores | 779 | 839 | 842 | 849 | 846 | -0.4 | 8.6 |
| Beer, wine and liquor stores | 1,271 | 1,325 | 1,347 | 1,346 | 1,359 | 1.0 | 6.9 |
| Pharmacies and personal care stores | 2,187 | 2,341 | 2,311 | 2,365 | 2,368 | 0.1 | 8.3 |
| Clothing and accessories stores | 1,872 | 1,990 | 1,927 | 2,010 | 2,002 | -0.4 | 6.9 |
| Clothing stores | 1,427 | 1,527 | 1,467 | 1,546 | 1,541 | -0.3 | 8.0 |
| Shoe, clothing accessories and jewellery stores | 445 | 463 | 460 | 464 | 461 | -0.7 | 3.6 |
| General merchandise stores | 3,833 | 4,001 | 3,954 | 4,080 | 4,052 | -0.7 | 5.7 |
| Miscellaneous retailers | 1,695 | 1,767 | 1,738 | 1,794 | 1,802 | 0.4 | 6.3 |
| Sporting goods, hobby, music and book stores | 824 | 893 | 875 | 894 | 906 | 1.2 | 9.8 |
| Miscellaneous store retailers | 871 | 874 | 863 | 899 | 896 | -0.4 | 2.9 |
| Total retail sales | 32,218 | 34,019 | 34,074 | 34,962 | 34,645 | -0.9 | 7.5 |
| Total excluding new car dealers, used and recreational motor vehicle and parts dealers | 24,833 | 26,083 | 26,003 | 26,557 | 26,468 | -0.3 | 6.6 |
| Provinces and territories |  |  |  |  |  |  |  |
| Newfoundland and Labrador | 494 | 541 | 546 | 546 | 556 | 1.8 | 12.5 |
| Prince Edward Island | 119 | 133 | 129 | 130 | 130 | -0.1 | 9.5 |
| Nova Scotia | 901 | 964 | 948 | 974 | 953 | -2.2 | 5.7 |
| New Brunswick | 719 | 761 | 747 | 796 | 788 | -1.1 | 9.6 |
| Quebec | 7,198 | 7,452 | 7,541 | 7,894 | 7,629 | -3.4 | 6.0 |
| Ontario | 11,613 | 12,142 | 12,120 | 12,330 | 12,295 | -0.3 | 5.9 |
| Manitoba | 1,067 | 1,159 | 1,151 | 1,176 | 1,172 | -0.3 | 9.9 |
| Saskatchewan | 951 | 1,052 | 1,051 | 1,067 | 1,064 | -0.3 | 11.9 |
| Alberta | 4,676 | 5,057 | 5,051 | 5,197 | 5,208 | 0.2 | 11.4 |
| British Columbia | 4,372 | 4,641 | 4,668 | 4,730 | 4,729 | -0.0 | 8.2 |
| Yukon | 38 | 39 | 40 | 41 | 42 | 1.7 | 11.6 |
| Northwest Territories | 49 | 55 | 56 | 56 | 55 | -2.2 | 10.5 |
| Nunavut | 21 | 23 | 24 | 24 | 24 | 0.1 | 10.7 |

[^0]
## Retail sales

|  | $\begin{aligned} & \hline \text { June } \\ & 2006 \end{aligned}$ | $\begin{gathered} \text { May } \\ 2007^{r} \end{gathered}$ | $\begin{aligned} & \hline \text { June } \\ & 2007^{p} \end{aligned}$ | $\begin{array}{r} \text { June } \\ 2006 \\ \text { to } \\ \text { June } \\ 2007 \\ \hline \end{array}$ |
| :---: | :---: | :---: | :---: | :---: |
|  | Unadjusted |  |  |  |
|  | \$ millions |  |  | \% change |
| Automotive | 12,808 | 14,650 | 13,636 | 6.5 |
| New car dealers | 7,138 | 8,164 | 7,527 | 5.5 |
| Used and recreational motor vehicle and parts dealers | 1,829 | 2,314 | 1,993 | 9.0 |
| Gasoline stations | 3,842 | 4,171 | 4,116 | 7.1 |
| Furniture, home furnishings and electronics stores | 2,208 | 2,321 | 2,388 | 8.2 |
| Furniture stores | 810 | 845 | 859 | 6.0 |
| Home furnishings stores | 443 | 484 | 493 | 11.3 |
| Computer and software stores | 121 | 112 | 107 | -11.4 |
| Home electronics and appliance stores | 833 | 880 | 929 | 11.5 |
| Building and outdoor home supplies stores | 2,615 | 2,985 | 2,798 | 7.0 |
| Home centres and hardware stores | 2,111 | 2,392 | 2,250 | 6.6 |
| Specialized building materials and garden stores | 503 | 594 | 548 | 8.8 |
| Food and beverage stores | 7,677 | 7,951 | 8,243 | 7.4 |
| Supermarkets | 5,483 | 5,719 | 5,815 | 6.1 |
| Convenience and specialty food stores | 839 | 898 | 921 | 9.8 |
| Beer, wine and liquor stores | 1,356 | 1,334 | 1,507 | 11.2 |
| Pharmacies and personal care stores | 2,201 | 2,410 | 2,353 | 6.9 |
| Clothing and accessories stores | 1,863 | 2,038 | 1,990 | 6.8 |
| Clothing stores | 1,421 | 1,563 | 1,535 | 8.0 |
| Shoe, clothing accessories and jewellery stores | 442 | 475 | 455 | 2.9 |
| General merchandise stores | 4,004 | 4,284 | 4,269 | 6.6 |
| Miscellaneous retailers | 1,697 | 1,804 | 1,807 | 6.4 |
| Sporting goods, hobby, music and book stores | 770 | 843 | 841 | 9.3 |
| Miscellaneous store retailers | 927 | 961 | 966 | 4.1 |
| Total retail sales | 35,074 | 38,443 | 37,484 | 6.9 |
| Total excluding new car dealers, used and recreational motor vehicle and parts dealers | 26,107 | 27,965 | 27,964 | 7.1 |
| Provinces and territories |  |  |  |  |
| Newfoundland and Labrador | 552 | 599 | 615 | 11.5 |
| Prince Edward Island | 136 | 143 | 146 | 8.0 |
| Nova Scotia | 1,018 | 1,056 | 1,058 | 3.9 |
| New Brunswick | 800 | 873 | 868 | 8.5 |
| Quebec | 7,941 | 8,980 | 8,344 | 5.1 |
| Ontario | 12,622 | 13,495 | 13,306 | 5.4 |
| Manitoba | 1,171 | 1,286 | 1,271 | 8.5 |
| Saskatchewan | 1,049 | 1,193 | 1,165 | 11.0 |
| Alberta | 4,998 | 5,668 | 5,561 | 11.3 |
| British Columbia | 4,666 | 5,025 | 5,017 | 7.5 |
| Yukon | 44 | 46 | 49 | 11.1 |
| Northwest Territories | 54 | 56 | 60 | 10.8 |
| Nunavut | 22 | 24 | 25 | 11.5 |

[^1]
## Employment Insurance

June 2007 (preliminary)
An estimated 471,470 Canadians (seasonally adjusted) received regular Employment Insurance benefits in June, virtually unchanged from May ( $+0.1 \%$ ). Declines in seven provinces and territories were offset by a $5.4 \%$ increase in Ontario, which had shown a $4.2 \%$ decline the previous month. Quebec and Yukon remained unchanged from the previous month.

Nationally, the number of regular beneficiaries was $3.6 \%$ lower than in June 2006 and $15 \%$ lower than in the same month five years ago. Provinces showing the strongest declines over the past five years are Alberta (-49.5\%), British Columbia (-44.5\%), Manitoba (-31.1\%) and Saskatchewan (-23.2\%).

Regular benefit payments in June totalled $\$ 710.2$ million, while 218,940 people made initial and renewal claims.

Note: Employment Insurance Statistics Program data are produced from an administrative data source and may, from time to time, be affected by changes to the Employment Insurance Act or administrative procedures.

The number of beneficiaries for this month is a measure of all persons who received Employment Insurance benefits from the 10th to the 16th of the month. This coincides with the reference week of the Labour Force Survey. The regular benefit payments figure measures the total of all monies paid to individuals from the 1 st to the end of the month.

Available on CANSIM: tables 276-0001 to 276-0006, 276-0009, 276-0011, 276-0015 and 276-0016.

Definitions, data sources and methods: survey number 2604.

Data on Employment Insurance for July will be released on September 25.

For general information or to order data, contact Client Services (toll-free 1-866-873-8788; 613-951-4090; labour@statcan.ca). To enquire about the concepts, methods or data quality of this release, contact Gilles Groleau (613-951-4091), Labour Statistics Division.

## Employment Insurance statistics

|  | $\begin{aligned} & \text { June } \\ & 2007 \end{aligned}$ | $\begin{gathered} \text { May } \\ 2007 \end{gathered}$ | $\begin{aligned} & \hline \text { June } \\ & 2006 \end{aligned}$ | $\begin{array}{r} \text { May } \\ \text { to } \\ \text { June } \\ 2007 \end{array}$ | $\begin{array}{r} \text { June } \\ 2006 \\ \text { to } \\ \text { June } \\ 2007 \\ \hline \end{array}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Seasonally adjusted |  |  |  |  |  |
|  |  |  |  | \% change |  |
| Regular beneficiaries | 471,470 ${ }^{\text {p }}$ | 471,200 ${ }^{\text {r }}$ | 489,130 | 0.1 | -3.6 |
| Regular benefits paid (\$ millions) | $710.2^{\text {p }}$ | $673.3^{\text {r }}$ | 694.3 | 5.5 | 2.3 |
| Initial and Renewal Claims received ('000) | $218.9^{\text {p }}$ | $220.7^{\text {r }}$ | 230.0 | -0.8 | -4.8 |
| Unadjusted |  |  |  |  |  |
| All beneficiaries ('000) ${ }^{1}$ | $604.2{ }^{\text {p }}$ | $658.6^{p}$ | 639.5 |  |  |
| Regular beneficiaries ('000) | $367.5^{\text {p }}$ | $416.6^{\text {p }}$ | 385.3 |  |  |
| Initial and Renewal Claims received ('000) | 174.2 | 166.2 | 190.5 |  |  |
| Payments (\$ millions) | 962.3 | 1,056.8 | 959.5 |  |  |
| Year-to-date (January to June) |  |  |  |  |  |
|  |  |  | 2007 | 2006 | 2006 to 2007 |
|  |  |  |  |  | \% change |
| Claims received ('000) |  |  | 1,222.5 | 1,234.9 | -1.0 |
| Payments (\$ millions) |  |  | 7,860.7 | 7,943.2 | -1.0 |

[^2]Number of beneficiaries receiving regular benefits

|  | June | May |
| :--- | :---: | ---: |
| to |  |  |
| $2007^{p}$ | June |  |
| 2006 |  |  |
| to |  |  |
| June |  |  |
| 2007 |  |  |


p preliminary
Note: $\quad$ The number of beneficiaries includes all claimants who received regular benefits for the Labour Force Survey reference week, usually containing the 15th day of the month.

## Leading indicators

July 2007
The composite leading index advanced $0.4 \%$ in July after an upward-revised gain of $0.3 \%$ in June. Of the 10 components, 6 expanded, one more than in June, while 2 were unchanged and 2 declined. Household spending remained the main source of growth, while manufacturing continued to lag.

Consumer spending on the two durable goods components posted their largest gains in a year. Furniture and appliance sales received a boost from continued strong existing home sales over the summer and a rebound in housing starts. Spending on other durable goods continued to strengthen, underpinned by strong labour market conditions and lower prices for imported consumer goods.

Business spending remained a positive force in domestic spending. Business services drove the growth of services employment. The buoyancy of business investment was reflected in non-residential building permits and the volume of machinery and equipment imports, both of which hit record highs in the second quarter.

Manufacturing remained the weakest sector of the economy. Orders for durable goods and the ratio of shipments to inventories both trended down, although the unsmoothed versions turned up. The slack in manufacturing reflects weak US demand. The US
leading indicator was unchanged in July, and has not risen in five months. While understating the underlying strength of the US economy, this correctly reflects the underlying trend of our exports to the US at a time of a rising exchange rate.


Available on CANSIM: table 377-0003.

Definitions, data sources and methods: survey number 1601.

For more information on the economy, consult the August 2007 issue of Canadian Economic Observer,

Vol. 20, no. 8 (11-010-XIB, free), 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 Philip Cross (613-951-3627; ceo@statcan.ca), Current Economic Analysis Group.

## Leading indicators

|  | $\begin{array}{r} \text { February } \\ 2007 \end{array}$ | $\begin{array}{r} \hline \text { March } \\ 2007 \end{array}$ | $\begin{aligned} & \hline \text { April } \\ & 2007 \end{aligned}$ | $\begin{gathered} \text { May } \\ 2007 \end{gathered}$ | $\begin{aligned} & \text { June } \\ & 2007 \end{aligned}$ | $\begin{array}{r} \text { July } \\ 2007 \end{array}$ | Last month of data available |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |  |  | \% change |
| Composite leading indicator (1992=100) | 223.1 | 224.1 | 225.1 | 226.2 | 226.8 | 227.7 | 0.4 |
| Housing index (1992=100) ${ }^{1}$ | 144.1 | 144.9 | 145.1 | 147.7 | 146.4 | 148.2 | 1.2 |
| Business and personal services employment ('000) | 2,805 | 2,820 | 2,828 | 2,836 | 2,842 | 2,850 | 0.3 |
| S\&P/TSX stock price index ( $1975=1,000$ ) | 12,817 | 12,981 | 13,114 | 13,344 | 13,518 | 13,683 | 1.2 |
| Money supply, M1 (\$ millions, 1992) ${ }^{2}$ | 161,732 | 162,507 | 163,161 | 163,190 | 163,752 | 164,485 | 0.4 |
| US Conference Board leading indicator $(1992=100)^{3}$ | 127.0 | 126.9 | 126.9 | 126.9 | 126.8 | 126.8 | 0.0 |
| Manufacturing |  |  |  |  |  |  |  |
| Average workweek (hours) | 38.3 | 38.4 | 38.5 | 38.5 | 38.5 | 38.5 | 0.0 |
| New orders, durables (\$ millions, 1992) ${ }^{4}$ | 26,323 | 26,541 | 26,806 | 27,079 | 27,044 | 26,891 | -0.6 |
| Shipments/inventories of finished goods ${ }^{4}$ | 1.81 | 1.81 | 1.81 | 1.84 | 1.84 | 1.83 | $-0.01{ }^{5}$ |
| Retail trade |  |  |  |  |  |  |  |
| Furniture and appliance sales (\$ millions, 1992) ${ }^{4}$ | 2,613 | 2,623 | 2,625 | 2,633 | 2,651 | 2,674 | 0.9 |
| Other durable goods sales (\$ millions, 1992) ${ }^{4}$ | 8,848 | 8,865 | 8,866 | 8,953 | 9,043 | 9,154 | 1.2 |
| Unsmoothed composite leading indicator | 225.1 | 225.7 | 226.7 | 228.2 | 228.4 | 229.5 | 0.5 |

1. Composite index of housing starts (units) and house sales (multiple listing service).
2. Deflated by the Consumer Price Index for all items.
3. The figures in this row reflect data published in the month indicated, but the figures themselves refer to data for the month immediately preceding
4. The figures in this row reflect data published in the month indicated, but the figures themselves refer to data for the second preceding month.
5. Difference from previous month.

## Machinery and equipment price indexes

Second quarter 2007

The Machinery and Equipment Price Index (MEPI) stood at $89.7 \quad(1997=100)$ in the second quarter, down $4.1 \%$ from the previous quarter. The import component index fell $5.9 \%$, while the domestic index edged down $0.6 \%$. Compared with the second quarter of 2006 , the total MEPI was down $0.2 \%$, as the import index decreased $0.4 \%$, while the domestic index rose slightly by $0.1 \%$.

In the second quarter, all industries recorded decreases in the prices of machinery and equipment purchased. Manufacturing industries (-4.1\%) contributed significantly to the total MEPI quarterly decrease. Among its subcomponents, the largest contributors to the quarterly decrease were transportation equipment manufacturing (-4.2\%), primary metal and fabricated metal product manufacturing (-4.5\%) and paper manufacturing
(-3.0\%). The second largest contributor to the total quarterly decrease was finance, insurance and real estate ( $-4.8 \%$ ), with its subcomponent, real estate, rental and leasing services, falling 5.4\%.

Among commodities, price decreases for automobiles, excluding passenger vans (-7.5\%) and other industry-specific machinery ( $-5.1 \%$ ) were the largest contributors to the quarterly decrease.

The US dollar depreciated 6.3\% against its Canadian counterpart in the second quarter of 2007.

Available on CANSIM: tables 327-0041 and 327-0042.
Definitions, data sources and methods: survey number 2312.

The second quarter 2007 issue of Capital Expenditure Price Statistics (62-007-XWE, free) will be available in October.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (toll-free

1-866-230-2248; 613-951-9606; fax: 613-951-1539; prices-prix@statcan.ca), or Adrian Fisher (613-951-9612), Prices Division.

## Machinery and equipment price indexes

(1997=100)
$\left.\begin{array}{lrrrr}\hline \text { Industries } & \begin{array}{rlr}\text { Relative } \\ \text { importance }\end{array} & \begin{array}{r}\text { Second } \\ \text { quarter }\end{array} & \begin{array}{r}\text { Fecond } \\ \text { quarter } \\ \text { quarter } \\ \text { to }\end{array} \\ \text { 2006 } \\ \text { to }\end{array}\right)$
p preliminary

## Refined petroleum products <br> June 2007 (preliminary)

Data on the production, inventories and domestic sales of refined petroleum products are now available for June. Other selected data about these products are also available.

Definitions, data sources and methods: survey number 2150.

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; energy@statcan.ca), Manufacturing, Construction and Energy Division.

## Large urban transit

June 2007 (preliminary)
Combined ridership on 10 large urban transit systems in Canada was 3.0\% higher in June than it was for the same month in 2006.

Approximately 118.8 million passenger trips were taken on these transit systems in June. These systems account for about 80\% of total urban transit in Canada.

The trips generated $\$ 195.9$ million in revenue in June (excluding subsidies), a $5.3 \%$ increase over June 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 Client Services (toll-free 1-866-500-8400; fax: 1-613-951-0009; transportationstatistics@statcan.ca), Transportation Division.

## New products

The Consumer Price Index, July 2007, Vol. 86, no. 7 Catalogue number 62-001-XPE (\$12/\$111).

The Consumer Price Index, July 2007, Vol. 86, no. 7 Catalogue number 62-001-XWE (free).

Imports by Country, January to June 2007, Vol. 64, no. 2
Catalogue number 65-006-XCB (\$67/\$221).

Imports by Country, January to June 2007, Vol. 64, no. 2
Catalogue number 65-006-XPB (\$133/\$441).

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

Catalogue numbers with an -XWE, -XIB or an -XIE extension are Internet versions; those with -XMB or -XME are microfiche; -XPB or -XPE are paper versions; -XDB or -XDE are electronic versions on diskette; -XCB or -XCE are electronic versions on compact disc; -XVB or -XVE are electronic versions on DVD and -XBB or -XBE a database.

## How to order products

To order by phone, please refer to:

- The title • The catalogue number • The volume number • The issue number • Your credit card number.

From Canada and the United States, call: 1-800-267-6677
From other countries, call: 1-613-951-2800
To fax your order, call: 1-877-287-4369
For address changes or account inquiries, call:
1-877-591-6963
To order by mail, write to: Statistics Canada, Finance, $6^{\text {th }}$ floor, R.H. Coats Bldg., Ottawa, K1A 0T6.
Include a cheque or money order payable to Receiver General of Canada/Publications. Canadian customers add $6 \%$ GST and applicable PST.

To order by Internet, write to: infostats@statcan.ca or download an electronic version by accessing Statistics Canada's website (www.statcan.ca). From the Our products and services page, under Browse our Internet publications, choose For sale.
Authorized agents and bookstores also carry Statistics Canada's catalogued publications.



[^0]:    $r$ revised
    p preliminary

[^1]:    $r$ revised
    p preliminary

[^2]:    revised
    preliminary

    1. "All beneficiaries" includes all claimants receiving regular benefits (for example, as a result of a layoff) or special benefits (for example, as a result of illness) and are representative of data for the Labour Force Survey reference week, which is usually the week containing the 15 th of the month.
