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The Daily

Statistics Canada

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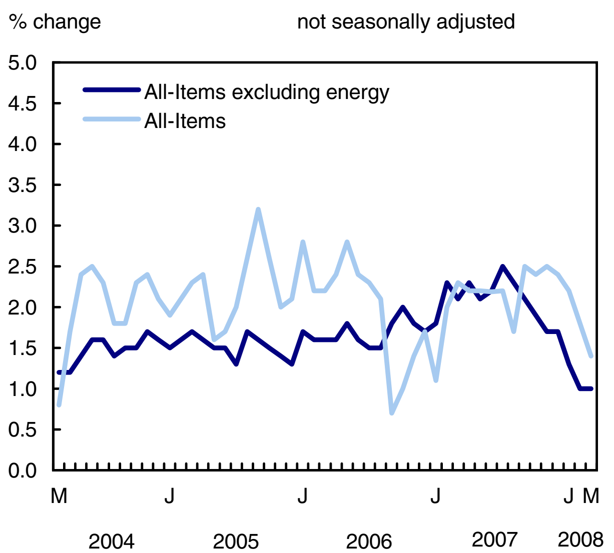
Releases

Releases

Consumer Price Index
March 2008

Consumer prices rose 1.4% on average in the 12 months to March 2008, the fourth consecutive month in which the rate of growth has decelerated. This was the slowest rate of growth since January 2007.

Percentage change from the same month of the previous year



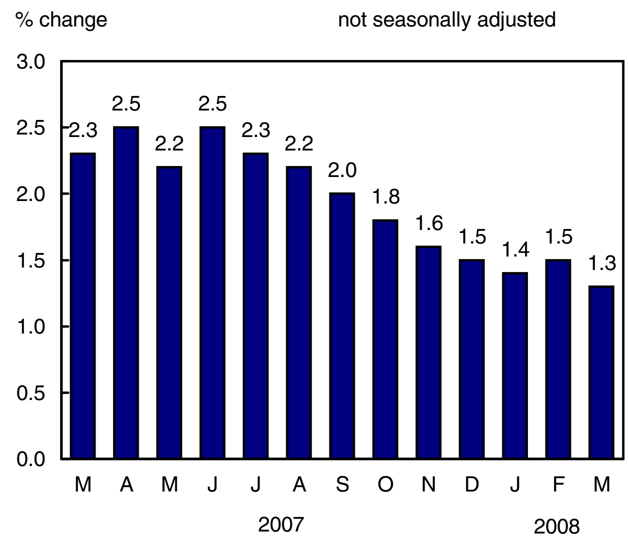
The main upward factor in March was mortgage interest cost, which rose 8.3%, while gasoline prices were the second most significant contributor.

Prices at the pump rose by 7.9% between March 2007 and March 2008, less than half the rate of growth of 17.1% posted the previous month. If pump prices are excluded, the all-items Consumer Price Index (CPI) increased 1.0% in the 12 months to March 2008.

The 12-month change in the Bank of Canada's core index, which is used to monitor the inflation control target, rose 1.3% in March, down from the 1.5% increase in February. This deceleration was mostly attributable to lower prices for automotive vehicles.

Consumer prices rose 0.4% between February and March 2008, the same rate as in the preceding period. The core index increased by 0.2% between February and March 2008, a slowdown compared with the 0.5% increase during the previous period.

Percentage change over 12 months in the Bank of Canada's core index



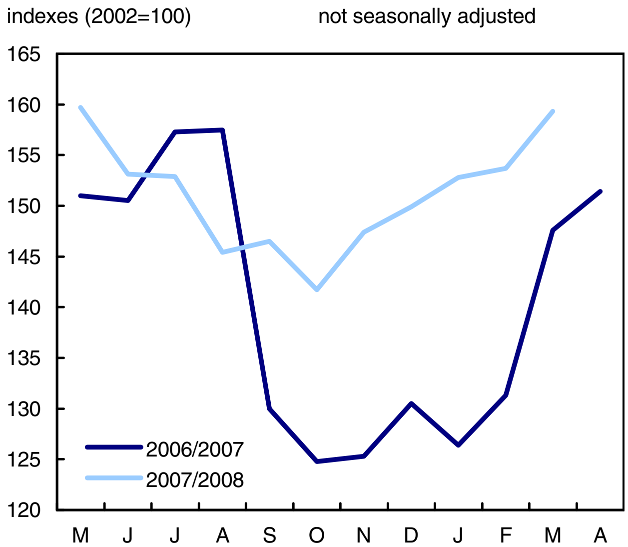
12-month change: Reduced upward pressure from gasoline prices

Gasoline prices exerted less upward pressure on the all-items index than they did in February. Pump prices increased 7.9% between March 2007 and March 2008, compared with the 17.1% gain in February.

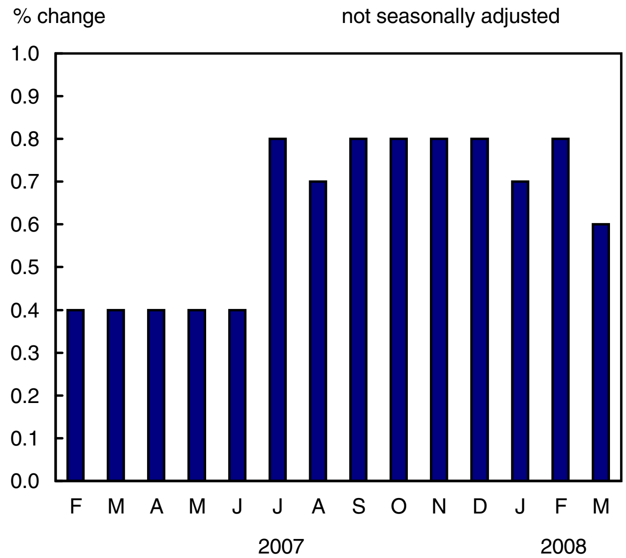
This slowdown reflected the fact that gasoline prices in March this year increased at a slower pace than they did in March last year. In spite of its relative loss of speed, pump prices were the second biggest contributor to the 12-month increase in the all-items CPI.

The main contributor to the upward pressure on the all-items index was mortgage interest cost, which rose 8.3% in March compared with the same month a year earlier, slightly faster than the 8.1% posted in February. This acceleration was due more to the slower monthly growth in this index in the same period last year than to any recent acceleration. The upswing in prices of new housing in March continued to put more upward pressure on mortgage interest cost than the change in interest rates.

Evolution of the gasoline price index



Percentage change in mortgage interest cost from the previous month



The price of fuel oil and other fuels surged 29.6% in the 12 months to March 2008. This was the steepest jump in prices since September 2005, when hurricanes Katrina and Rita provoked a sharp spike in prices. The biggest increases in fuel oil and other fuels occurred in provinces east of Ontario, where prices rose between 27.6% and 37.0%.

Homeowners' replacement cost, which represents the cost of maintaining a housing structure, was up 4.8% between March 2007 and March 2008, the same increase as in February. New housing costs were up in all parts of the country compared with the same period last year.

Homeowners' replacement cost surged 46.7% in Saskatchewan, the fastest pace among the provinces. With the fast growing natural resources sector, the Saskatchewan real estate market appears to be experiencing the strongest growth in the country.

The price of bakery products increased 9.0% in the 12 months to March 2008, as world wheat prices appreciated considerably. Reports indicated that the price for No. 1 grade wheat more than doubled between March 2007 and March 2008, the sharpest gain in 25 years.

The main factor mitigating these upward pressures was a 7.1% slide in prices for purchasing and leasing vehicles, on the heels of a 6.8% drop in February. March's decline was linked to the increase of incentives on most models and to relatively low manufacturer's suggested retail prices compared with March 2007.

Prices for computer equipment and supplies fell 14.9% in March, following a 15.4% decline in February, in the wake of lower prices for laptop computers. The decline in prices for central processing units for desktop computers was less in March than in February. The downward movement was consistent with the long-term trend for this index, which reflects in part technological advances and competition in this sector.

The price of fresh vegetables fell 17.8% in March 2008 compared with March 2007, the largest decrease in 12 years. Vegetable prices were relatively higher in March 2007 because of a frost in California. The appreciation of the Canadian dollar between March 2007 and March 2008 could also have helped to lower prices of imported vegetables.

Prices for fresh fruit slumped a substantial 11.3% between March 2007 and March 2008, mainly in response to lower prices for citrus fruits, grapes and cantaloupes.

Prices for women's clothing fell 4.3% in the 12 months to March 2008, a faster decline than the 3.0% decrease posted the previous month.

Ontario consumers enjoy slowest increase in prices

Consumers in Ontario enjoyed the slowest increase in prices in March among the provinces. Prices on average rose only 0.8% between March 2007 and March 2008 in Ontario, a much slower growth than the 1.5% increase in February. In Alberta, consumers paid 2.9% more on average in March this year than they did the same month a year earlier, compared with 3.5% in February.

This deceleration of consumer prices in Ontario and Alberta reflects a slower rise in gasoline prices in March 2008 compared with March 2007.

Consumers in Saskatchewan faced the highest 12-month increase (+3.2%). This increase was mainly supported by the rise in homeowners' cost and gasoline prices.

Monthly change: Rise in all-items index sustained by higher gasoline prices

Consumer prices rose by 0.4% between February and March 2008, unchanged from the rate of growth posted a month earlier.

The main factor in the monthly increase was a 3.6% jump in gasoline prices, which coincided with the result of gains in the price of crude oil. The price of gasoline surged 12.4% in this same period last year.

Higher prices for women's clothing (+3.0%) also contributed to the rise in consumer prices, albeit to a lesser extent. This upward movement occurred as new spring collections hit stores.

Consumers paid 8.6% more for fuel oil and other fuels in March than in February. This increase reflects, to some extent, lower inventories at the end of winter as well as higher crude oil prices.

Mortgage interest costs rose 0.6% between February and March. This was a slowdown from the 0.8% increase recorded the previous month, the result of a decline in rates at which mortgages were renewed and initiated.

Amongst the factors dampening the monthly rise in prices were a 0.8% decline in prices for the purchase and leasing of passenger vehicles and a 2.8% decline in the cost of traveller accommodation.

The downward movement in vehicle prices was due to higher incentives offered on some models by manufacturers.

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.

The March 2008 issue of the *Consumer Price Index*, Vol. 87, no. 3 (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 April Consumer Price Index will be released on May 21.

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]	March 2008	February 2008	March 2007	February to March 2008	March 2007 to March 2008
		Unadjusted				
					% change	
All-items	**100.00[2]**	**112.6**	**112.2**	**111.1**	**0.4**	**1.4**
Food	17.04	112.6	112.8	112.2	-0.2	0.4
Shelter	26.62	120.1	119.6	115.4	0.4	4.1
Household operations and furnishings	11.10	104.1	104.1	103.2	0.0	0.9
Clothing and footwear	5.36	96.0	94.1	97.5	2.0	-1.5
Transportation	19.88	117.8	117.0	117.7	0.7	0.1
Health and personal care	4.73	107.9	107.7	106.4	0.2	1.4
Recreation, education and reading	12.20	101.3	100.8	100.9	0.5	0.4
Alcoholic beverages and tobacco products	3.07	126.6	126.8	124.1	-0.2	2.0
All-items (1992=100)		134.1	133.6	132.3	0.4	1.4
Special aggregates						
Goods	48.78	108.1	107.4	108.8	0.7	-0.6
Services	51.22	117.1	116.9	113.4	0.2	3.3
All-items excluding food and energy	73.57	109.6	109.4	108.5	0.2	1.0
Energy	9.38	143.2	139.4	135.9	2.7	5.4
Core CPI[3]	82.71	110.9	110.7	109.5	0.2	1.3

1. *2005 CPI basket weights at April 2007 prices, Canada : Effective May 2007. Detailed weights are available under the Documentation section of survey 2301 at (www.statcan.ca/english/sdds/index.htm).*
2. *Figures may not add to 100% due to rounding.*
3. *The measure of 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 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 Iqaluit[1]
(2002=100)

	March 2008	February 2008	March 2007	February to March 2008	March 2007 to March 2008
	Unadjusted				
				% change	
Newfoundland and Labrador	112.9	112.4	110.8	0.4	1.9
Prince Edward Island	115.8	114.6	113.3	1.0	2.2
Nova Scotia	114.5	113.9	111.9	0.5	2.3
New Brunswick	112.1	111.7	110.7	0.4	1.3
Quebec	111.7	111.4	110.4	0.3	1.2
Ontario	111.7	111.4	110.8	0.3	0.8
Manitoba	111.8	111.2	110.4	0.5	1.3
Saskatchewan	114.5	113.6	111.0	0.8	3.2
Alberta	119.8	119.0	116.4	0.7	2.9
British Columbia	110.8	110.3	109.5	0.5	1.2
Whitehorse	111.0	110.1	108.0	0.8	2.8
Yellowknife[2]	113.3	112.3	109.8	0.9	3.2
Iqaluit (Dec. 2002=100)	108.2	108.4	106.7	-0.2	1.4

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.*

■

Travel between Canada and other countries
February 2008

Both same-day and overnight car travel from the United States fell in February, with every province except Saskatchewan recording declines in inbound border crossings by US residents travelling by car.

Adverse weather in Ontario, Quebec and the Maritimes, and the resulting accumulation of snow, likely contributed to a downswing in car travel from the United States.

Trips through Ontario border crossings, which accounted for almost two-thirds of all car trips by US residents in Canada, fell 4.8% from January. New Brunswick posted a 12.6% decrease, as Environment Canada estimated Fredericton's snowfalls at 75.5 centimetres in February. (Unless otherwise specified, monthly data are seasonally adjusted.)

Same-day car travel from the United States continued its downward trend, falling 4.1% to a low of 751,000 trips in February. This was the eighth consecutive decline in same-day car travel, and in that span, it has fallen by nearly one-quarter. February's level was far below the record high 3.0 million same-day car trips that US residents took to Canada in March 1981.

Overnight car travel fell for the fourth consecutive month, dropping 5.6% to 610,000 trips in February, the lowest level in over 24 years. Overall, US residents made 1.0 million overnight trips to Canada in February, down 3.8% from January and the lowest level since November 1996.

Meanwhile, travel from overseas countries inched up to its highest level since October 2004, reaching 401,000 trips. Increases in travel from Asia, most notably China (+6.3%), South Korea (+3.2%) and Japan (+2.0%), offset declines from Canada's two most important overseas markets, the United Kingdom (-1.2%) and France (-1.0%).

All in all, foreign visitors made nearly 2.3 million trips to Canada in February, the lowest monthly level since record keeping started in 1972.

In the other direction, a decline in travel from Canada to the United States offset an increase in travel to overseas countries in February.

The unfavorable weather did not hamper car travel to the United States as much as it did US travel to Canada. Same-day car travel to the United States fell 1.3% to 2.1 million trips in February. Same-day car travel to the United States has fallen in the last three months following seven consecutive increases. Overnight car travel to the United States slipped 0.1% to 973,000 trips.

Overall, Canadians made 1.6 million overnight trips to the United States in February, up 0.7% from January and the second highest level in 16 years. Total travel to the United States fell 0.3% to 3.7 million trips.

Canadian travel to overseas countries resumed its upward trend in February, after slipping the previous two months. Canadians made an unprecedented 667,000 trips overseas, up 1.9% from January. In the last five years, travel to overseas countries has increased 59.7%.

Available on CANSIM: tables 427-0001 to 427-0006.

Definitions, data sources and methods: survey number 5005.

The February 2008 issue of *International Travel, Advance Information*, Vol. 24, no. 2 (66-001-PWE, free) is now available from the *Publications* module of our website.

For general information, contact Client Services (toll-free 1-800-307-3382; 613-951-9169; fax: 613-951-2909; *tourism@statcan.ca*). To enquire about the concepts, methods or data quality of this release, contact Eric Desjardins (613-951-1781; *eric.desjardins@statcan.ca*), Culture, Tourism and the Centre for Education Statistics. □

Travel between Canada and other countries

	January 2008[r]	February 2008[p]	January to February 2008	February 2008[p]	February 2007 to February 2008
	Seasonally adjusted			Unadjusted	
	thousands		% change[1]	thousands	% change[1]
Canadian trips abroad[2]	**4,412**	**4,412**	**0.0**	**3,750**	**18.1**
to the United States	3,758	3,746	-0.3	2,921	18.7
to other countries	654	667	1.9	829	16.2
Same-day car trips to the United States	2,099	2,072	-1.3	1,667	15.5
Total trips, one or more nights	2,261	2,284	1.0	2,030	20.6
United States[3]	1,606	1,618	0.7	1,201	23.9
Car	973	973	-0.1	545	30.8
Plane	527	541	2.7	612	19.2
Other modes of transportation	106	103	-2.4	44	11.4
Other countries[4]	654	667	1.9	829	16.2
Travel to Canada[2]	**2,358**	**2,285**	**-3.1**	**1,405**	**-9.0**
from the United States	1,957	1,884	-3.7	1,175	-11.1
from other countries	401	401	0.1	229	3.6
Same-day car trips from the United States	783	751	-4.1	564	-18.9
Total trips, one or more nights	1,475	1,433	-2.8	799	-0.9
United States[3]	1,084	1,042	-3.8	573	-2.5
Car	646	610	-5.6	338	-2.4
Plane	303	304	0.4	198	-3.5
Other modes of transportation	135	128	-5.1	37	2.2
Other countries[4]	391	391	0.0	226	3.3
Travel to Canada: Top overseas markets, by country of origin[5]					
United Kingdom	76	75	-1.2	49	0.7
France	33	33	-1.0	26	7.3
Germany	26	27	3.5	13	1.2
Japan	25	26	2.0	16	-17.8
Mexico	25	25	0.4	12	20.8
Australia	20	20	-1.0	10	10.7
South Korea	18	19	3.2	11	5.9
China	14	15	6.3	9	21.1
Hong Kong	11	11	0.5	9	9.5
Netherlands	10	10	0.0	4	-1.6
India	9	9	1.4	5	3.9
Switzerland	9	9	1.7	4	12.0

p *preliminary*
r *revised*
1. *Percentage change is based on unrounded data.*
2. *Totals exceed the sum of "same-day car trips" and "total trips, one or more nights" because they include all of the same-day trips.*
3. *Estimates for the United States include counts of cars and buses, and estimated numbers for planes, trains, boats and other methods.*
4. *Figures for other countries exclude same-day entries by land only, via the United States .*
5. *Includes same-day and overnight trips.*

■

Current economic conditions

Output in January rebounded smartly from a sharp drop in December, reflecting a widespread increase in demand. This was consistent with employment, which picked up steadily through the first quarter.

The bounce in output in January reflected the transitory nature of the factors that depressed gross domestic product in December. Just over half of this decline originated in a sharp slowdown in auto assemblies, the majority of which were related to model changeovers at several factories. Auto output in January recouped about half of these losses, and will continue to strengthen in February as more retooling is completed and cuts to control inventories moderate.

As well, the sharp recovery of transportation and housing starts and a surge in auto sales in January points to heavy snow in December and the impending cut in the Goods and Services Tax rate as factors that shifted a significant amount of activity from December to January.

Every province will benefit from higher business investment in 2008, according to the survey of investment intentions. The pervasiveness of the increase reflects the boom in energy investment in the Western Canada and Newfoundland and Labrador, a surge for mining in Quebec and British Columbia, and a rebound in manufacturing in Central Canada.

Firms in Alberta plan the largest dollar increase in business outlays, up $2.5 billion. The continuing boom in the oil sands and pipelines related to their development drove this increase. Pipelines also played a major role in investment growth of over 20% in Manitoba and Saskatchewan, supplemented by gains in mining and hydro development.

Firms in British Columbia intend to raise capital spending for a sixth straight year, the longest string of unbroken gains in Canada. Its oil and gas industry plans the largest hike of any province this year, after it slowed in 2007. The mining industry also intends to nearly double investment to $1.2 billion. Increased spending downstream in smelting and refining helped offset declines for manufacturers of forestry products.

Manufacturers in both Quebec and Ontario intend to invest more, after cutbacks in 2007. Refiners of oil and metals led the turnaround in Quebec. Further upstream, mining operations in Quebec also plan a large increase to $1.9 billion, the most in Canada, reflecting Quebec's diverse metals base of gold, copper and iron ore. Ontario's manufacturing investment increase was smaller but more broadly based than Quebec. As well, gains in finance and transportation offset a drop in mining.

Newfoundland and Labrador led investment plans in the Atlantic region thanks to its offshore oil development. All the maritime provinces posted modest gains in intentions for 2008. New Brunswick has the smallest projected increase of any province, as work slowed in transportation.

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

The print version of the April 2008 issue of *Canadian Economic Observer*, Vol. 21, no. 4 (11-010-XPB, $25/$243) is now available. See *How to order products*. This issue summarizes the major economic events that occurred in March and presents an article entitled "Turbulent stability: Canada's economy in 2007."

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 Group. ■

Construction Union Wage Rate Index

March 2008

The Construction Union Wage Rate Index (including supplements) for Canada remained unchanged in March compared with the revised February level of 140.3 (1992=100). The composite index increased 0.9% compared with the revised March 2007 index (139.0).

Union wage rates are published for 16 trades in 20 metropolitan areas for both the basic rates and rates including selected supplementary payments. Indexes on a 1992=100 time base are calculated for the same metropolitan areas and are published for those where a majority of trades are covered by current collective agreements.

Available on CANSIM: tables 327-0003 and 327-0004.

Definitions, data sources and methods: survey number 2307.

The first quarter 2008 issue of *Capital Expenditure Price Statistics* (62-007-XWE, free) will be available in July.

For more information, or to enquire about the concepts, methods or data quality for this release, contact the Client Services Unit (613-951-9606; fax: 613-951-1539; *prices-prix@statcan.ca*), or Louise Chainé (613-951-3393), Prices Division. ■

Stocks of frozen poultry meat
April 1, 2008 (preliminary)

Stocks of frozen poultry meat in cold storage on April 1 totalled 66 749 metric tonnes, up 22.8% from a year earlier.

Available on CANSIM: tables 003-0023 and 003-0024.

Definitions, data sources and methods: survey number 3425.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Sandra Gielfeldt (613-951-2505; *sandy.gielfeldt@statcan.ca*), Agriculture Division. ■

Primary iron and steel
February 2008

Data on primary iron and steel for February 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 February 2008 issue of *Steel, Tubular Products and Steel Wire* (41-019-XWE, free) 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. ■

New products

Canadian Economic Observer, April 2008, Vol. 21, no. 4
Catalogue number 11-010-XPB ($25/$243).

The Consumer Price Index, March 2008, Vol. 87, no. 3
Catalogue number 62-001-XPE ($12/$111).

The Consumer Price Index, March 2008, Vol. 87, no. 3
Catalogue number 62-001-XWE
(free).

International Travel: Advance Information, February 2008, Vol. 24, no. 2
Catalogue number 66-001-PWE
(free).

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

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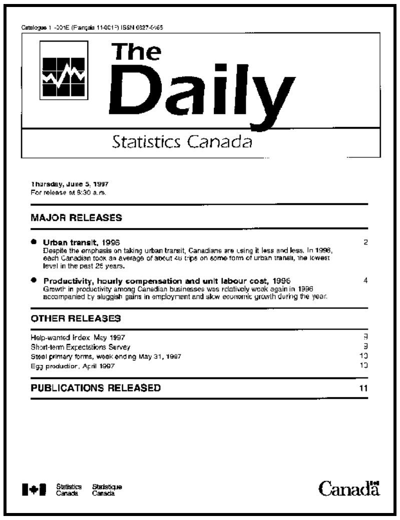
Catalogue 11-001E (Français 11-001F) ISSN 0827-0465

The Daily

Statistics Canada

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

MAJOR RELEASES

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

OTHER RELEASES

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