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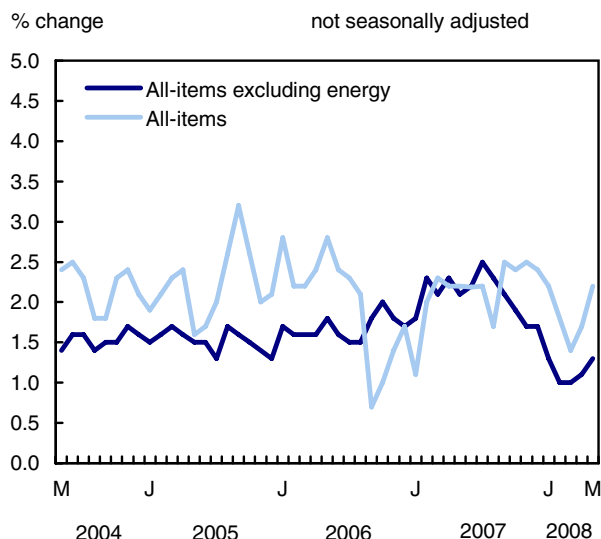
Releases

Consumer Price Index

May 2008

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Percentage change from the same month of the previous year



The 2.2% increase in May was the highest since January 2008, and was mostly a result of higher prices for gasoline, which rose 15.0% in May compared with the same month last year. This was considerably faster than the 12-month change of 11.6% posted in April. Excluding gasoline prices, the 12-month growth in May was 1.6%.

The Bank of Canada's core index, which is used to monitor the inflation control target, rose 1.5% between May 2007 and May 2008, identical to the 12-month increase posted in April. Lower prices for passenger vehicles dampened the upward pressure on the core index.

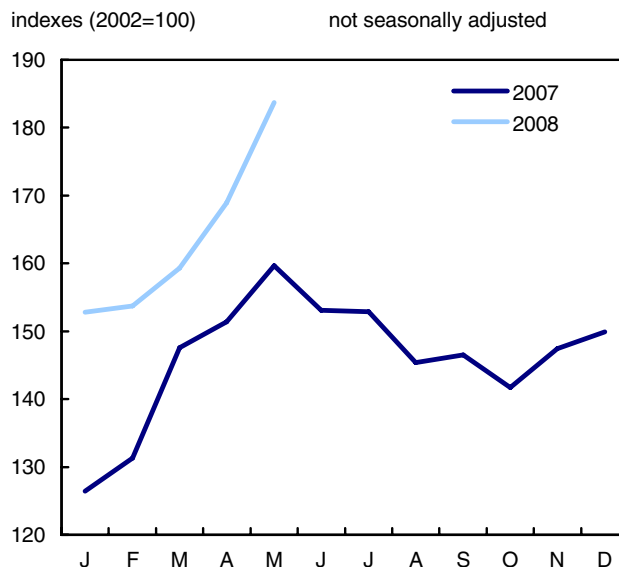
On a monthly basis, the seasonally adjusted all-items index rose 0.6% between April and May 2008, while the seasonally adjusted core index edged up 0.1%. The seasonally adjusted all-items rose 0.5% and the seasonally adjusted core index increased 0.4% between March and April.

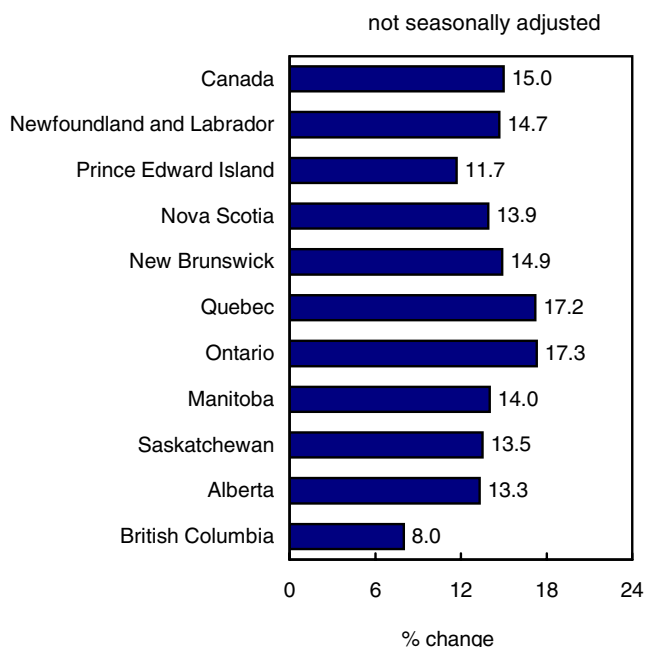
The 0.6% monthly increase in the seasonally adjusted all-items index was the fastest rate of growth since January 2006. It reflects mainly the increase of gasoline prices.

12-month change: Strong acceleration due to gasoline prices

The acceleration in consumer prices in May was mainly a reflection of the 12-month increase in gasoline prices. This acceleration in gasoline prices occurred as crude oil prices almost doubled between May 2007 and May 2008. Gasoline prices increased substantially across the country, rising the most in Quebec and Ontario.

Evolution of the gasoline price index



Percentage change in the gasoline index between May 2007 and May 2008


Higher mortgage interest costs were also a contributing factor to the rise in consumer prices in May. New housing prices continued to exert more upward pressure on this index than mortgage interest rates.

Prices for fuel oil and other fuels, which are products derived from crude oil, rose 49.3% in May compared with May 2007 — the fastest increase since March 2003. The highest 12-month increase in prices for fuel oil and other fuels was posted in Quebec (+60.4%).

Homeowner's replacement cost, which represents the cost of maintaining a housing structure, rose 4.0% in May. This was the weakest increase since April 2002.

Canadians paid 1.9% more in May for store-bought food items compared with the same month last year, up from the 0.9% increase posted in April.

Prices for bakery products increased 13.2%, the fastest 12-month rise since October 1981.

The 12-month price change for fresh vegetables continued to decline in May (-8.7%), but more slowly than in April (-17.3%). The appreciation of the Canadian dollar and the fact that supplies had been hit by frost in California in 2007 accounted in part for the decrease in prices for fresh vegetables. However, higher transportation costs for these commodities possibly alleviated the downward pressures to some extent.

Several components put downward pressure on the rate of growth in consumer prices. For example,

the price to purchase and lease vehicles declined 8.1% between May 2007 and May 2008. The strong Canadian dollar and an increase in manufacturers' rebates on certain larger models of motor vehicles contributed to this decrease.

As was the case in April, the price of women's clothing fell 6.7% in May. The downward trend in prices for computer equipment and supplies continued, although the decrease was the smallest since August 2003.

Fastest price increases in Prince Edward Island

Consumers in Prince Edward Island faced the fastest increase in prices between May 2007 and May 2008. Prices rose 4.1% in the province during that period, a sharp increase from the 12-month change of 2.6% posted in April.

Rising energy prices contributed substantially to the 1.5 percentage-point acceleration in Prince Edward Island. This growth was due mainly to upward pressure from fuel oil, gasoline and electricity prices.

In Alberta, a rise in the price of natural gas was the main factor driving up consumer prices, which rose 3.7% in May.

The most moderate growth in consumer prices occurred in Manitoba (+1.6%) and Ontario (+1.8%).

For a more detailed analysis, consult the publication *The Consumer Price Index*.

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 May 2008 issue of *The Consumer Price Index*, Vol. 87, no. 5 (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). See *How to order products*. A more detailed analysis of the CPI is available in this publication.

The June Consumer Price Index will be released on July 23.

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.

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Consumer Price Index and major components (2002=100)

	Relative importance ¹	May 2008	April 2008	May 2007	April to May 2008	May 2007 to May 2008
Unadjusted						
					% change	
All-items	100.00²	114.6	113.5	112.1	1.0	2.2
Food	17.04	114.6	113.5	112.5	1.0	1.9
Shelter	26.62	121.6	121.2	116.0	0.3	4.8
Household operations and furnishings	11.10	104.3	104.4	103.0	-0.1	1.3
Clothing and footwear	5.36	93.0	94.3	96.0	-1.4	-3.1
Transportation	19.88	123.6	120.1	120.7	2.9	2.4
Health and personal care	4.73	108.6	108.3	107.4	0.3	1.1
Recreation, education and reading	12.20	102.9	101.6	102.2	1.3	0.7
Alcoholic beverages and tobacco products	3.07	127.4	126.7	125.2	0.6	1.8
All-items (1992=100)		136.4	135.1	133.4	1.0	2.2
Special aggregates						
Goods	48.78	110.4	109.2	109.6	1.1	0.7
Services	51.22	118.7	117.7	114.5	0.8	3.7
All-items excluding food and energy	73.57	110.3	109.9	109.0	0.4	1.2
Energy	9.38	158.4	150.2	142.0	5.5	11.5
Core Consumer Price Index ³	82.71	111.5	111.2	109.9	0.3	1.5

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 Iqaluit¹ (2002=100)

	May 2008	April 2008	May 2007	April to May 2008	May 2007 to May 2008
Unadjusted					
				% change	
Newfoundland and Labrador	114.5	113.6	111.4	0.8	2.8
Prince Edward Island	118.9	116.7	114.2	1.9	4.1
Nova Scotia	117.1	115.5	113.1	1.4	3.5
New Brunswick	113.9	112.8	111.6	1.0	2.1
Quebec	113.6	112.4	111.1	1.1	2.3
Ontario	113.6	112.5	111.6	1.0	1.8
Manitoba	113.5	112.7	111.7	0.7	1.6
Saskatchewan	116.2	115.4	112.6	0.7	3.2
Alberta	122.2	121.3	117.8	0.7	3.7
British Columbia	112.8	111.8	110.5	0.9	2.1
Whitehorse	113.6	111.8	109.5	1.6	3.7
Yellowknife ²	115.7	114.9	111.3	0.7	4.0
Iqaluit (Dec. 2002=100)	109.8	109.0	108.0	0.7	1.7

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

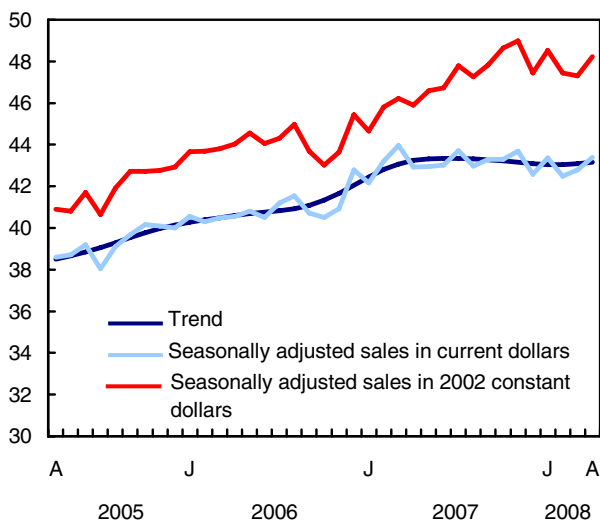
2. Part of the increase first recorded in the shelter index for Yellowknife for December 2004 inadvertently reflected rent increases that actually occurred earlier. As a result, the change in the shelter index was overstated in December 2004, and was understated in the previous two years. The shelter 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.

Wholesale trade

Wholesale sales rose for the second consecutive month in April, largely as a result of increased demand in the personal and household goods and the machinery and electronic equipment sectors.

Wholesale sales rise for a second consecutive month

\$ billions



Wholesalers sold \$43.4 billion worth of goods and services in April for a gain of 1.4%, following a 0.7% increase in March.

In April, five of the seven wholesale sectors reported higher sales, with the only declines coming from the automotive and farm products sectors.

Despite the back-to-back monthly increases, overall wholesale sales have lost a bit of momentum since the second half of 2007 and are still slightly below the peak attained in March 2007. A significant dampening factor has been the slowdown in exports of motor vehicles and lumber.

Sales in constant dollars, which remove the impact of price changes to provide an indicator of volume sales, increased by 1.9% in April.

Personal and household goods and machinery and electronic equipment sectors among the major gainers

The 2.9% increase in the personal and household goods sector was underpinned by higher sales (+5.6%) in the pharmaceuticals trade group, which regained its momentum following two consecutive monthly declines.

Note to readers

The volume of sales is calculated by deflating the current dollar sales using import and industry price indexes. As many of the goods sold by wholesalers are imported, any rise or fall in the value of the Canadian dollar can lead to differences between the growth rates of the volume of sales and those in current dollars. In periods when the Canadian dollar is appreciating, as has recently been the case, the growth in volume will tend to be higher than the growth in current dollars.

The volume of sales is a chained Fisher volume estimate with 2002 as a reference year.

This trade group continues to be a leading source of growth in this sector.

The personal and household goods sector also benefited from a rebound in demand for apparel (+5.1%), following two months of significant declines. The unusually harsh winter weather in Central Canada, which may have led consumers to delay their purchases of spring clothing, has likely contributed to the recent volatility in this trade group.

The machinery and electronic equipment sector was another major source of growth in April, posting a solid 2.5% increase, similar to the gain in March. A 7.2% increase in the computer and other electronic equipment trade group was the major contributor to the rise in this sector.

Gains in almost all provinces and territories with British Columbia and Ontario leading the way

Increases in wholesale sales were spread throughout the country with only Newfoundland and Labrador reporting lower sales in April.

British Columbia saw April sales post their largest increase since June 2007, rising 3.1% to \$4.4 billion. This was largely the result of higher sales in the machinery and electronic equipment and the building materials sectors.

Wholesalers in Ontario continued their rebound from a very weak February, registering a solid 1.8% gain in April to \$21.4 billion after a similar increase in March. The food, beverages and tobacco products and the machinery and electronic equipment sectors, which were also behind much of the increase in March, were among the major contributors to the April gain.

In Nova Scotia, an increase in demand in the automotive and the building materials sectors was mostly behind the 2.4% increase in April.

Inventories rise slightly

Wholesale inventories rose 0.3% in April to \$54.4 billion, after remaining essentially unchanged since the start of 2008.

The trend for inventories has been edging downward for six months, mostly as a result of reductions in the motor vehicle and machinery and equipment trade groups.

The inventory-to-sales ratio fell for the second consecutive month, from 1.27 in March to 1.25 in April. The ratio has remained within a fairly narrow band over the last 12 months.

The inventory-to-sales ratio is an indicator of how many months it would require to deplete current inventories at the existing rate of sales.

Available on CANSIM: tables 081-0007 to 081-0010.

Definitions, data sources and methods: survey number 2401.

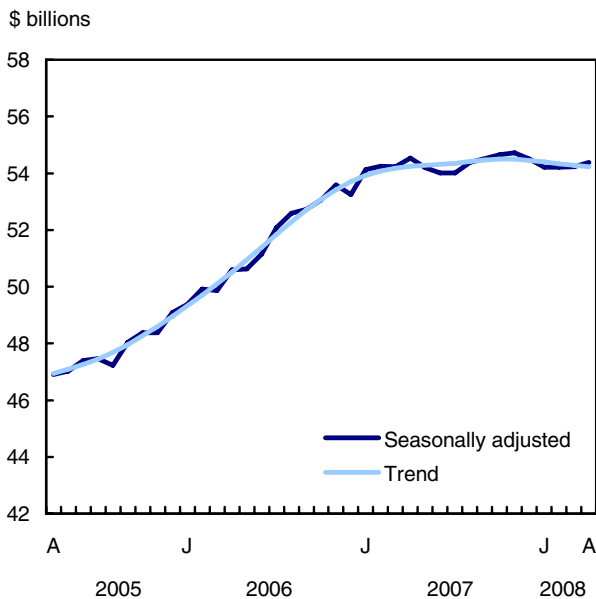
The April 2008 issue of *Wholesale Trade* (63-008-XWE, free) will soon be available.

Wholesale trade estimates for May will be released on July 18.

To obtain data or general information, contact Client Services (toll-free 1-877-421-3067; 613-951-3549; wholesaleinfo@statcan.ca). To enquire about the concepts, methods or data quality of this release, contact Pierre Desjardins (613-951-9682; pierre.desjardins@statcan.ca), Distributive Trades Division.

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Inventories rise slightly



Wholesale merchants' inventories and inventory-to-sales ratio

	April 2007	January 2008 ^r	February 2008 ^r	March 2008 ^r	April 2008 ^p	March to April 2008	April 2007 to April 2008	March 2008 ^r	April 2008 ^p
	Wholesale inventories						Inventory-to-sales ratio		
	Seasonally adjusted								
	\$ millions				% change				
Inventories	54,533	54,207	54,206	54,232	54,378	0.3	-0.3	1.27	1.25
Farm products	190	164	156	164	168	2.5	-11.9	0.36	0.38
Food products	4,106	4,243	4,242	4,357	4,340	-0.4	5.7	0.64	0.63
Alcohol and tobacco	300	350	343	356	350	-1.7	16.6	0.53	0.54
Apparel	1,639	1,795	1,762	1,755	1,726	-1.7	5.3	2.35	2.20
Household and personal products	3,894	4,019	4,041	4,086	4,093	0.2	5.1	1.51	1.53
Pharmaceuticals	3,528	3,566	3,595	3,580	3,629	1.4	2.9	1.20	1.15
Motor vehicles	4,741	4,513	4,542	4,350	4,316	-0.8	-9.0	0.77	0.77
Motor vehicle parts and accessories	3,346	3,190	3,196	3,258	3,253	-0.1	-2.8	2.11	2.09
Building supplies	5,907	5,995	5,984	5,895	5,943	0.8	0.6	1.58	1.60
Metal products	3,100	2,776	2,754	2,776	2,782	0.2	-10.3	1.88	1.82
Lumber and millwork	1,241	1,112	1,090	1,066	1,101	3.3	-11.3	1.20	1.21
Machinery and equipment	11,772	11,575	11,627	11,584	11,521	-0.5	-2.1	2.41	2.39
Computer and other electronic equipment	1,764	1,648	1,573	1,647	1,708	3.7	-3.2	0.63	0.61
Office and professional equipment	2,627	2,655	2,673	2,702	2,693	-0.3	2.5	1.32	1.29
Other products	6,378	6,607	6,628	6,657	6,755	1.5	5.9	1.17	1.18

^r revised

^p preliminary

Note: Figures may not add up to totals due to rounding.

Wholesale merchants' sales

	April 2007	January 2008 ^r	February 2008 ^r	March 2008 ^r	April 2008 ^p	March to April 2008	April 2007 to April 2008
Seasonally adjusted							
	\$ millions				% change		
Total, wholesale sales	42,919	43,359	42,499	42,784	43,389	1.4	1.1
Farm products	489	429	446	450	440	-2.2	-10.0
Food, beverages and tobacco products	7,505	7,395	7,442	7,468	7,552	1.1	0.6
Food products	6,894	6,791	6,796	6,792	6,899	1.6	0.1
Alcohol and tobacco	610	604	646	676	653	-3.4	7.0
Personal and household goods	6,364	6,723	6,554	6,444	6,629	2.9	4.2
Apparel	768	838	788	747	785	5.1	2.2
Household and personal products	2,745	2,748	2,721	2,702	2,683	-0.7	-2.3
Pharmaceuticals	2,851	3,137	3,045	2,995	3,162	5.6	10.9
Automotive products	8,046	7,327	7,070	7,172	7,153	-0.3	-11.1
Motor vehicles	6,465	5,807	5,567	5,625	5,595	-0.5	-13.5
Motor vehicle parts and accessories	1,581	1,520	1,503	1,546	1,558	0.7	-1.4
Building materials	6,393	6,183	5,995	6,102	6,166	1.0	-3.6
Building supplies	3,820	3,774	3,632	3,739	3,724	-0.4	-2.5
Metal products	1,495	1,431	1,458	1,475	1,532	3.8	2.5
Lumber and millwork	1,079	977	906	888	910	2.5	-15.6
Machinery and electronic equipment	9,024	9,347	9,257	9,475	9,715	2.5	7.7
Machinery and equipment	4,456	4,601	4,643	4,804	4,815	0.2	8.0
Computer and other electronic equipment	2,602	2,698	2,603	2,627	2,817	7.2	8.3
Office and professional equipment	1,966	2,048	2,012	2,044	2,084	2.0	6.0
Other products	5,098	5,956	5,736	5,673	5,734	1.1	12.5
Total, excluding automobiles	34,873	36,033	35,429	35,612	36,237	1.8	3.9
Sales, province and territory							
Newfoundland and Labrador	239	254	277	259	255	-1.5	6.9
Prince Edward Island	42	38	38	40	40	1.1	-4.8
Nova Scotia	560	573	579	574	587	2.4	5.0
New Brunswick	427	428	426	424	426	0.4	-0.3
Quebec	8,117	8,086	8,170	8,056	8,103	0.6	-0.2
Ontario	21,885	21,746	20,691	21,013	21,385	1.8	-2.3
Manitoba	1,055	1,101	1,106	1,062	1,075	1.3	1.9
Saskatchewan	1,218	1,455	1,411	1,574	1,587	0.9	30.3
Alberta	4,919	5,264	5,344	5,422	5,420	0.0	10.2
British Columbia	4,391	4,348	4,370	4,289	4,420	3.1	0.7
Yukon	9	12	15	12	14	23.6	57.5
Northwest Territories	54	50	69	58	74	27.4	37.8
Nunavut	3	3	3	2	3	27.8	5.6

^r revised

^p preliminary

Note: Figures may not add up to totals due to rounding.

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Construction Union Wage Rate Index

May 2008

The Construction Union Wage Rate Index (including supplements) for Canada increased 0.28% in May compared with the revised April level of 140.4 (1992=100). The composite index increased 0.4% compared with the revised May 2007 index (140.3).

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 second quarter 2008 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, and data quality for this release, contact Client Services (613-951-9606; fax: 613-951-1539; prices-prix@statcan.ca), or Louise Chainé (613-951-3393), Prices Division. ■

Primary iron and steel

April 2008

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

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

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

The April 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 and Energy Division. ■

Monthly Survey of Large Retailers

April 2008

Data for the Monthly Survey of Large Retailers are now available for April.

Available on CANSIM: table 080-0009.

Definitions, data sources and methods: survey number 5027.

A data table is also available in the *Summary tables* module online.

For general information, or to order data, contact Client Services (toll-free 1-877-421-3067; 613-951-3549; retailinfo@statcan.ca). To enquire about the concepts, methods or data quality of this release, contact Abdulelah Mohammed (613-951-7719), Distributive Trades Division. ■

New products

Canadian Economic Observer, June 2008, Vol. 21, no. 6
Catalogue number 11-010-XPB (\$25/\$243).

The Consumer Price Index, May 2008, Vol. 87, no. 5
Catalogue number 62-001-XWE (free).

The Consumer Price Index, May 2008, Vol. 87, no. 5
Catalogue number 62-001-XPE (\$12/\$111).

Performing Arts: Data Tables, 2004 (revised)
Catalogue number 87F0003XIE (free).

Matter of Fact: "Have patterns of living in owned versus rented dwellings changed since 1985?"
Catalogue number 89-630-XWE (free).

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.

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