

Telecommunications services price indexes, fourth quarter 2018

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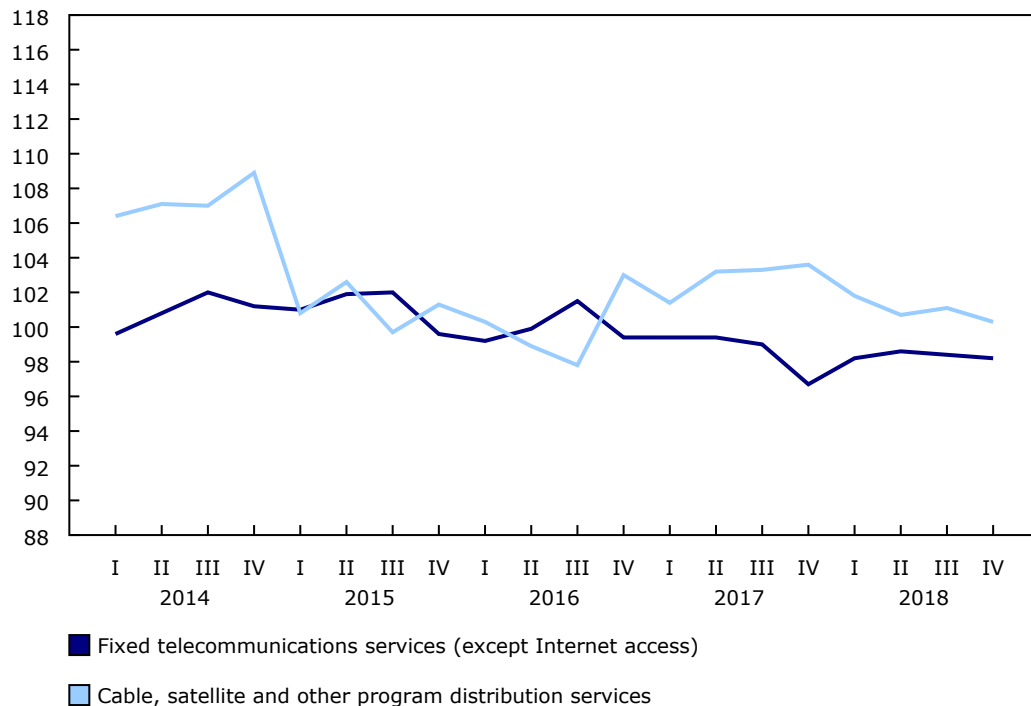
Quarterly change

Prices for fixed telecommunications services (except Internet access) decreased 0.2% in the fourth quarter of 2018, following a 0.2% decline in the previous quarter. The decrease is consistent with the downward trend observed in the fourth quarter of each year since the beginning of the series in 2014.

Prices for cable, satellite and other program distribution services were down 0.8% in the fourth quarter of 2018, the first fourth quarter decrease since the series began in 2014.

Chart 1
Telecommunications services price indexes

index (2016=100)



Source(s): Table 18-10-0066-01.

Year-over-year change

After yearly price decreases in the last six quarters, the fixed telecommunications services (except Internet access) price index rose by 1.6% in the fourth quarter of 2018, compared with the fourth quarter of 2017. Prices for fixed telecommunications services (except Internet access) have decreased by 1.4% since the series began in the first quarter of 2014, as Canadian businesses and consumers have been moving away from landline services to wireless and Voice over Internet Protocol (VoIP) telecommunications services. According to the 2019 *Communications Monitoring Report (CMR)* from the Canadian Radio-television and Telecommunication

Commission (CRTC), over one-third (36.0%) of Canadian households in 2017 relied solely on mobile telecommunications services. This trend coincided with an increase in the average cost per subscriber of providing landline services, according to the 2018 IBISWorld Industry Report *Wired Telecommunications Carriers in Canada*.

The cable, satellite and other program distribution services price index declined 3.2%, compared with the same quarter in 2017. Both cable, satellite and other program distribution services, and the fixed telecommunications services (except Internet access) price indexes declined in the fourth quarter of 2018, compared with the same quarter of 2016. This decrease is consistent with an observed reduction in the number of household subscriptions for both of these services, as reported in the "Subscriptions & Expenditures 2013-2017" section of the CRTC's 2019CMR.

Note to readers

The telecommunications services price indexes (TSPI) measure quarterly price changes for the following telecommunications services: fixed telecommunications services (except Internet access) and cable, satellite and other program distribution services.

The indexes are calculated using data from the Quarterly Survey of Telecommunications, which is collected jointly by the Canadian Radio-television and Telecommunications Commission of Canada and Statistics Canada. The survey collects quarterly financial and operating data for the statistical measurement and analysis of the Canadian telecommunications sector.

The price index for fixed telecommunications services (except Internet access) covers both local and long-distance "landline" telephone calling services across Canada. It does not cover either Voice over Internet Protocol services or data and private line services. The prices used are the average revenue per line for local calling and the average revenue per minute for long-distance calling services.

The price index for cable, satellite and other program distribution services covers the provision of subscription television services across the country. This includes the redistribution of programming from conventional over-the-air television and radio stations. It also includes the distribution of pay audio and discretionary services (that is, specialty, pay-per-view and video-on-demand services), as well as Internet Protocol television services. The prices used are the average revenue per subscriber.

Beginning with the first quarter of 2015, the price index for cable, satellite and other program distribution services includes subscriptions to 'Mobile TV' services.

A price index for fixed Internet access services is not available at this time. Work is ongoing to evaluate alternative data sources to properly account for changes in the quality of these services.

Upon release of the TSPI for the third quarter of 2018, the price index for mobile telecommunications services has been suppressed while the methodology is under review.

With each release, data for the previous quarter may have been revised. Data are also subject to an annual revision with the release of second quarter data of the following reference year. The indexes are not seasonally adjusted. Data are available at the Canada level only.

A Historical Timeline of Canadian Producer Price Statistics

The publication "[A Historical Timeline of Canadian Producer Price Statistics](#)," part of the Prices Analytical Series ([62F0014M](#)), was created to showcase the key milestones in the history of Canadian producer price statistics. This historical timeline contains answers to questions such as: Who collected Canada's first statistics? What do Canadian producer price indexes measure?

Infographic: Producer Price Indexes at a Glance

The infographic "[Producer Price Indexes at a Glance](#)," part of the series Statistics Canada — Infographics ([11-627-M](#)), demonstrates how producer price indexes for goods and services are calculated and why they are important for the Canadian economy.

Products

The video "[Producer Price Indexes](#)" is available on the Statistics Canada Training Institute webpage. It provides an introduction to Statistics Canada's Producer Price Indexes: what they are, how they are made and what they are used for.

Table 1
Telecommunications services price indexes - Not seasonally adjusted

	Fourth quarter 2017	Third quarter 2018 ^r	Fourth quarter 2018 ^p	Third quarter to fourth quarter 2018	Fourth quarter 2017 to fourth quarter 2018
	(2016=100)			% change	
Fixed telecommunications services (except Internet access)	96.7	98.4	98.2	-0.2	1.6
Cable, satellite and other program distribution services	103.6	101.1	100.3	-0.8	-3.2

^r revised

^p preliminary

Source(s): Table [18-10-0066-01](#).

Available tables: table [18-10-0066-01](#).

Definitions, data sources and methods: survey number [5041](#).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).