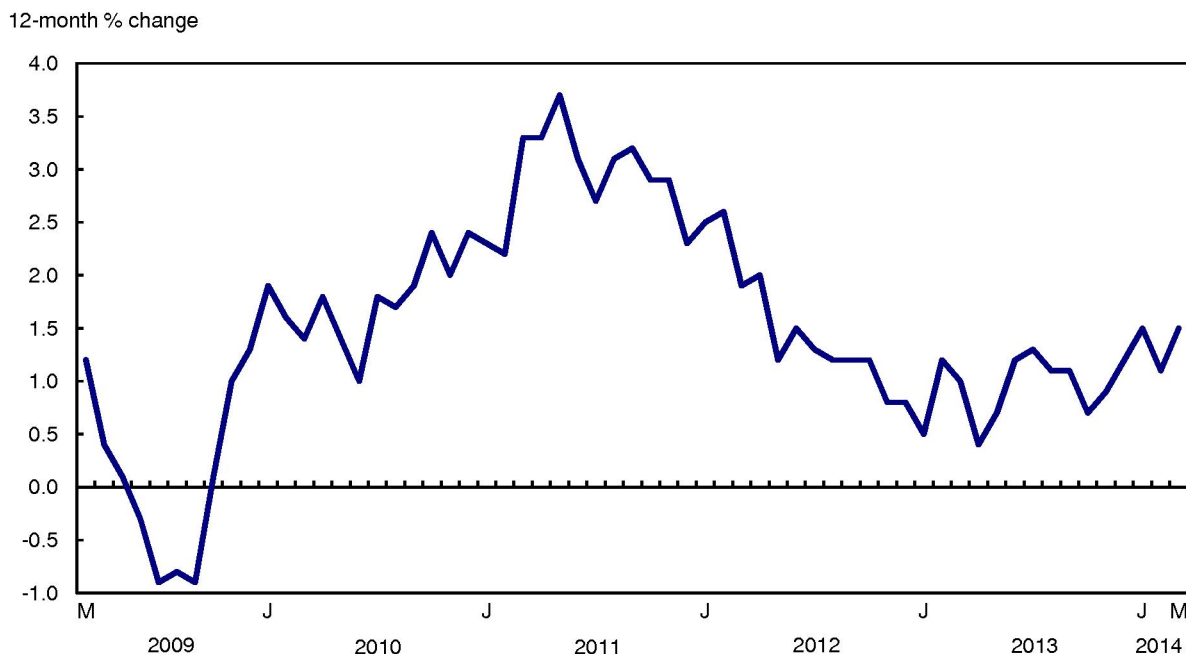


Consumer Price Index, March 2014

Released at 8:30 a.m. Eastern time in *The Daily*, Thursday, April 17, 2014

The Consumer Price Index (CPI) rose 1.5% in the 12 months to March, following a 1.1% increase in February.

Chart 1
The 12-month change in the Consumer Price Index



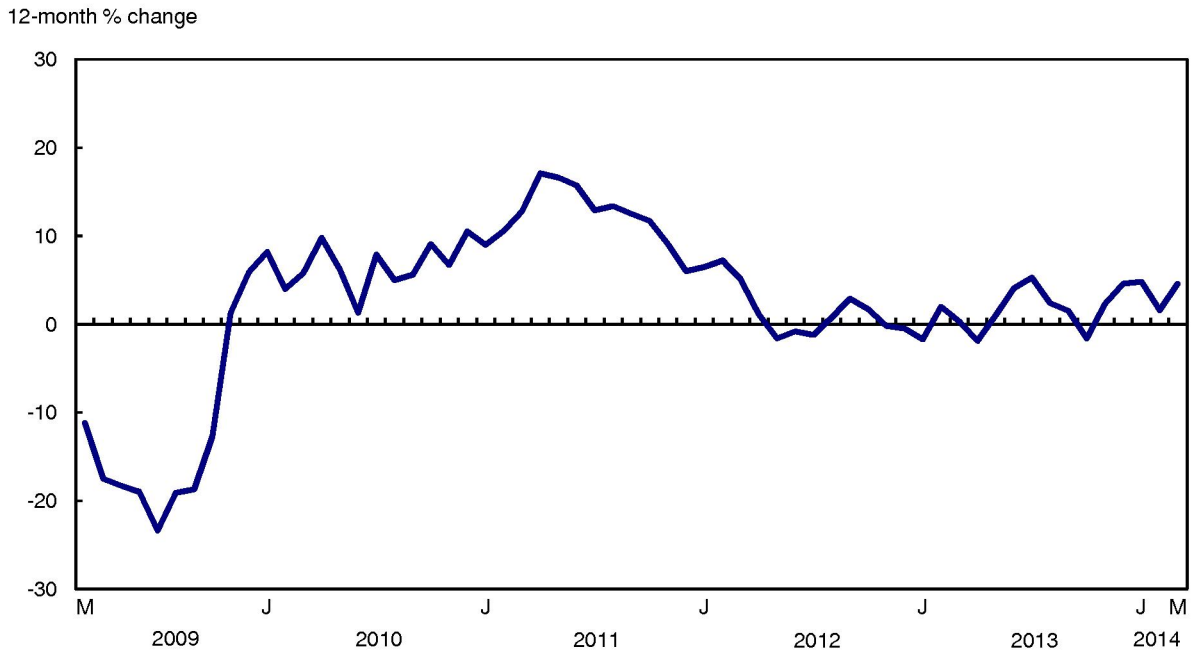
Higher energy prices lead the faster rise in the Consumer Price Index

The larger year-over-year rise in the CPI in March compared with February was led by energy prices, which rose 4.6% in the 12 months to March, following a 1.6% increase in February. Gasoline prices rose 1.4% on a year-over-year basis, after decreasing 1.3% in February. In addition, the natural gas index increased 17.9% in March, following a 5.5% rise in February. The rise in the natural gas index in March was mainly attributable to a price increase in Alberta.

Prices for electricity rose 5.0% in the 12 months to March, while prices for fuel oil increased 9.1%.



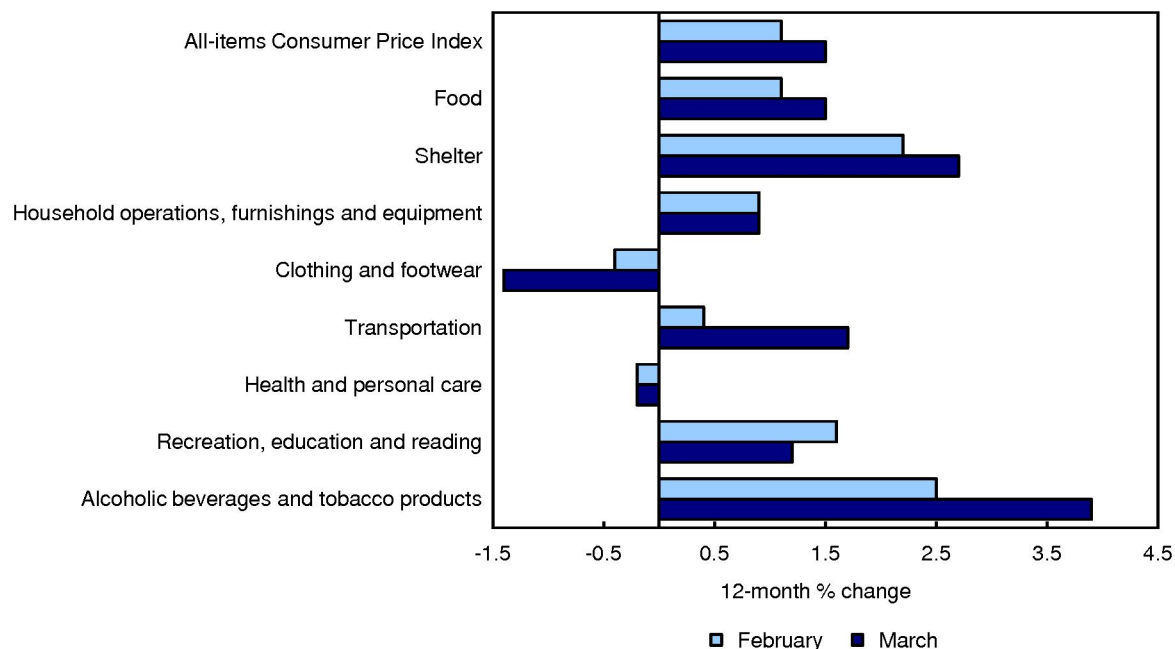
Chart 2
The 12-month change in the energy price index



12-month change in the major components

Of the eight major components, six posted price gains in the 12 months to March. The increase in the March CPI was led by rising prices for shelter, transportation and food. Prices for clothing and footwear and for health and personal care decreased in March compared with the same month a year earlier.

Chart 3
Prices increase in six of eight major components



Shelter costs advanced 2.7% on a year-over-year basis in March, after rising 2.2% the previous month. The increase in March was the largest since December 2010. In addition to natural gas, electricity and fuel oil, consumers paid more for property taxes. At the same time, the mortgage interest cost index decreased 0.6% in the 12 months to March. On a monthly basis, however, the mortgage interest cost index posted gains in five of the last seven months.

Prices for transportation rose 1.7% in the 12 months to March, following a 0.4% rise in February. In addition to gasoline, prices for the purchase of passenger vehicles increased 1.5% on a year-over-year basis in March, after posting a 0.3% gain the previous month. Passenger vehicle insurance premiums also increased in March.

Food prices rose 1.5% in March compared with the same month a year earlier. Prices for food purchased from stores increased 1.7% in March, following a 1.0% gain in February. Consumers paid more on a year-over-year basis for fresh fruit (+8.8%), meat (+3.4%) and fresh vegetables (+5.3%). In contrast, prices fell for fruit juices as well as for bakery and cereal products. Prices for food purchased from restaurants increased 1.0%.

Prices for alcoholic beverages and tobacco products rose 3.9% in the 12 months to March. Cigarette prices advanced 7.6% year over year, after increasing 4.7% in February. The federal excise tax on cigarettes increased on February 12, 2014.

The clothing and footwear index fell 1.4% in the 12 months to March, following a 0.4% decrease the previous month. Prices for clothing led the decline, decreasing 2.9% after falling 1.1% in February. On a monthly basis, clothing prices recorded a smaller increase this March (+4.1%) than in the same month last year (+6.0%).

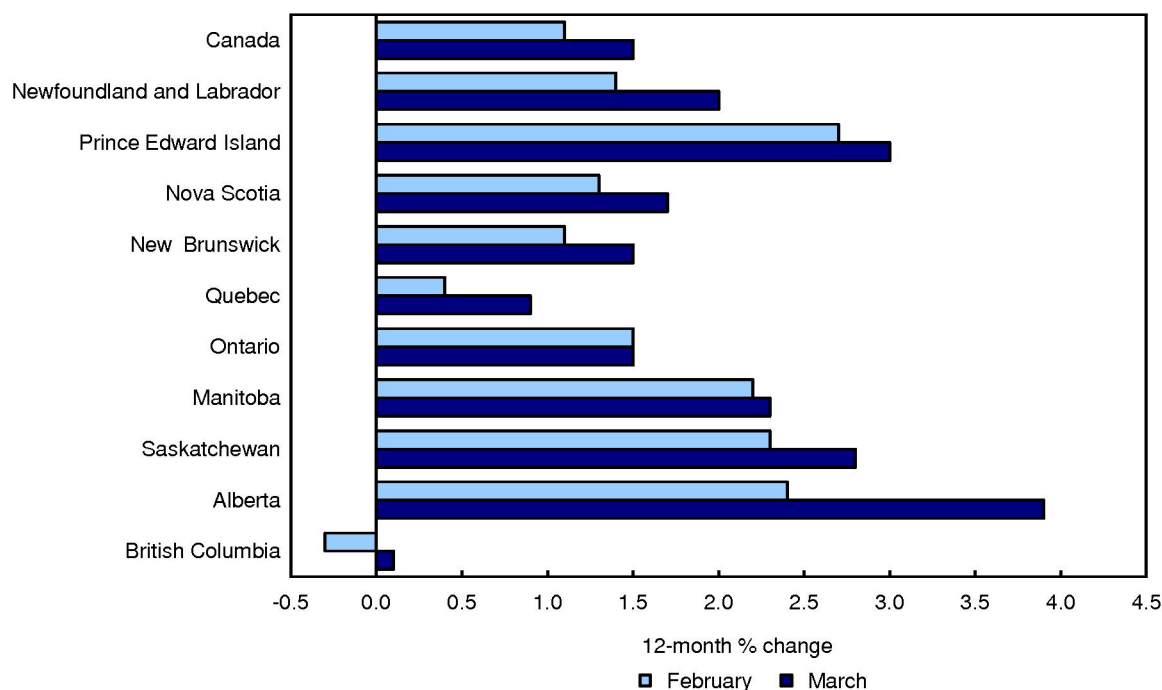
The health and personal care index decreased 0.2% on a year-over-year basis in March. This decline continued to be led by prices for prescribed medicines, which fell 4.0% in the 12 months to March.

12-month change in the provinces

Consumer prices rose in all provinces in the 12 months to March. The largest increase was observed in Alberta, while the smallest was in British Columbia.

With the exception of Ontario, prices rose at faster rates in all provinces on a year-over-year basis in March compared with February. Higher rates of price change for gasoline and for the purchase of passenger vehicles were observed across all provinces.

Chart 4
Consumer prices rise in all provinces



Prices rose 3.9% in Alberta in March compared with the same month last year. This increase followed a 2.4% gain in February. Natural gas prices in Alberta rose 81.5% in the 12 months to March. On a monthly basis, natural gas prices, which tend to be volatile in the province, increased 49.6%.

In British Columbia, prices increased 0.1% in March, the first year-over-year gain in the province since March 2013. Consumers paid more for fresh fruit (+11.0%) and in property taxes (+3.4%) in the 12 months to March. Conversely, prices decreased 4.5% for food purchased from restaurants.

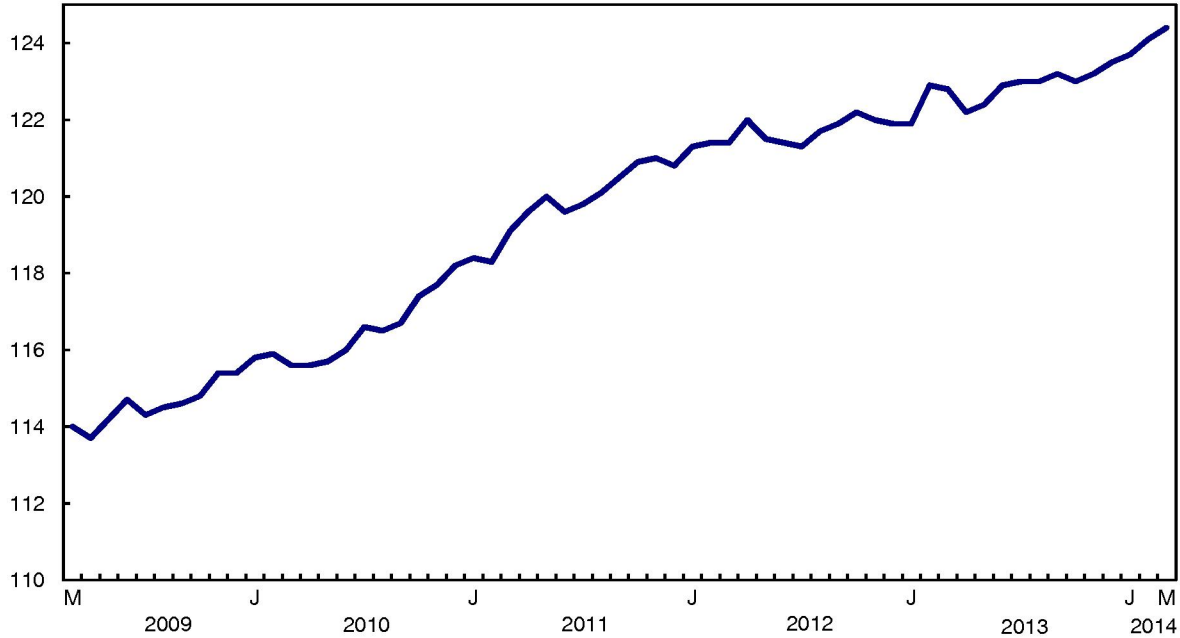
Consumer prices in Ontario increased 1.5% in the 12 months to March, matching the increase in February. Compared with Canada as a whole, Ontario recorded a smaller year-over-year acceleration in gasoline prices.

Seasonally adjusted monthly Consumer Price Index increases

On a [seasonally adjusted monthly basis](#), the CPI rose 0.2% in March, marking the fifth consecutive increase of equal or greater magnitude.

Chart 5 Seasonally adjusted monthly Consumer Price Index

index (2002=100)



Of the eight major components, four increased on a seasonally adjusted monthly basis in March. The index for alcoholic beverages and tobacco products posted the largest monthly rise (+1.7%), followed by the shelter index (+0.5%) and the food index (+0.3%).

The recreation, education and reading index posted the largest decline on a seasonally adjusted monthly basis, decreasing 0.6% in March after increasing 0.6% in February. The indexes for clothing and footwear, transportation, as well as health and personal care also decreased.

Bank of Canada's core index

The [Bank of Canada's core index](#) rose 1.3% in the 12 months to March, after increasing 1.2% in February.

On a monthly basis, the seasonally adjusted core index rose 0.1% in March. This increase followed a 0.2% gain in February.

Note to readers

The special aggregate "Energy" includes: electricity; natural gas; fuel oil and other fuels; gasoline; and fuel, parts and supplies for recreational vehicles.

A seasonally adjusted series is one from which seasonal movements have been eliminated. Users employing Consumer Price Index (CPI) data for indexation purposes are advised to use the unadjusted indexes. For more information on seasonal adjustment, see "Seasonal adjustment and identifying economic trends."

The Bank of Canada's core index excludes eight of the CPI's most volatile components (fruit, fruit preparations and nuts; vegetables and vegetable preparations; mortgage interest cost; natural gas; fuel oil and other fuels; gasoline; inter-city transportation; and tobacco products and smokers' supplies) as well as the effects of changes in indirect taxes on the remaining components.

The travel tours index, which is part of the recreation, education and reading major component, underwent a [methodology update](#) effective with the September 2013 CPI. Therefore, until the release of the September 2014 CPI, the 12-month rate of change for this index should be interpreted with caution (because it compares periods before and after the update).

Table 1
Consumer Price Index and major components, Canada – Not seasonally adjusted

	Relative importance ¹	March 2013	February 2014	March 2014	February to March 2014	March 2013 to March 2014
	%	(2002=100)			% change	
All-items Consumer Price Index (CPI)	100.00²	122.9	124.1	124.8	0.6	1.5
Food	16.60	132.4	134.3	134.4	0.1	1.5
Shelter	26.26	128.0	130.7	131.4	0.5	2.7
Household operations, furnishings and equipment	12.66	114.7	115.3	115.7	0.3	0.9
Clothing and footwear	5.82	95.3	91.0	94.0	3.3	-1.4
Transportation	19.98	129.5	130.8	131.7	0.7	1.7
Health and personal care	4.93	118.3	118.4	118.1	-0.3	-0.2
Recreation, education and reading	10.96	105.2	106.4	106.5	0.1	1.2
Alcoholic beverages and tobacco products	2.79	139.8	142.9	145.3	1.7	3.9
Special aggregates						
Core CPI ³	84.91	120.9	122.1	122.5	0.3	1.3
All-items CPI excluding energy	91.44	120.0	121.0	121.5	0.4	1.3
Energy ⁴	8.56	159.9	162.6	167.2	2.8	4.6
Gasoline	4.62	186.5	183.7	189.2	3.0	1.4
All-items CPI excluding food and energy	74.85	117.2	118.2	118.6	0.3	1.2
Goods	48.18	115.4	115.6	117.0	1.2	1.4
Services	51.82	130.3	132.5	132.5	0.0	1.7

1. 2011 CPI basket weights at January 2013 prices, Canada, effective February 2013. Detailed weights are available under the Documentation section of survey 2301 (www.statcan.gc.ca/imdb-bmdi/2301-eng.htm).

2. Figures may not add up to 100% as a result of rounding.

3. The Bank of Canada's core index excludes eight of the CPI's most volatile components (fruit, fruit preparations and nuts; vegetables and vegetable preparations; mortgage interest cost; natural gas; fuel oil and other fuels; gasoline; inter-city transportation; and tobacco products and smokers' supplies) as well as the effects of changes in indirect taxes on the remaining components. For additional information on the core CPI, consult the Bank of Canada website (www.bankofcanada.ca/rates/indicators/key-variables/inflation-control-target/).

4. The special aggregate "Energy" includes: electricity; natural gas; fuel oil and other fuels; gasoline; and fuel, parts and supplies for recreational vehicles.

Table 2
Consumer Price Index by province, and for Whitehorse, Yellowknife and Iqaluit – Not seasonally adjusted

	Relative importance ¹	March 2013	February 2014	March 2014	February to March 2014	March 2013 to March 2014
	%	(2002=100)			% change	
Canada	100.00²	122.9	124.1	124.8	0.6	1.5
Newfoundland and Labrador	1.36	125.9	127.6	128.4	0.6	2.0
Prince Edward Island	0.36	127.1	130.1	130.9	0.6	3.0
Nova Scotia	2.59	126.7	128.4	128.9	0.4	1.7
New Brunswick	1.96	123.3	124.4	125.1	0.6	1.5
Quebec	22.04	121.8	122.6	122.9	0.2	0.9
Ontario	39.05	123.2	124.6	125.1	0.4	1.5
Manitoba	3.16	122.3	124.3	125.1	0.6	2.3
Saskatchewan	2.94	125.2	127.8	128.7	0.7	2.8
Alberta	12.32	128.1	130.8	133.1	1.8	3.9
British Columbia	14.05	118.5	118.0	118.6	0.5	0.1
Whitehorse	0.08	121.5	124.0	124.3	0.2	2.3
Yellowknife	0.07	125.6	127.9	128.0	0.1	1.9
Iqaluit (Dec. 2002=100)	0.02	115.8	117.2	117.3	0.1	1.3

1. 2011 Consumer Price Index basket weights at January 2013 prices, effective February 2013. Detailed weights are available under the Documentation section of survey 2301 (www.statcan.gc.ca/imdb-bmdi/2301-eng.htm).
2. Figures may not add up to 100% as a result of rounding.

Table 3
Consumer Price Index and major components – Seasonally adjusted¹

	January 2014	February 2014	March 2014	January to February 2014	February to March 2014
	(2002=100)			% change	
All-items Consumer Price Index (CPI)	123.7	124.1	124.4	0.3	0.2
Food	132.9	133.6	134.0	0.5	0.3
Shelter	130.5	130.7	131.4	0.2	0.5
Household operations, furnishings and equipment	115.0	115.1	115.4	0.1	0.3
Clothing and footwear	92.4	91.7	91.4	-0.8	-0.3
Transportation	129.9	130.8	130.6	0.7	-0.2
Health and personal care	118.4	118.4	118.3	0.0	-0.1
Recreation, education and reading	107.2	107.8	107.2	0.6	-0.6
Alcoholic beverages and tobacco products	140.9	142.9	145.3	1.4	1.7
Special aggregates					
Core CPI ²	121.8	122.1	122.2	0.2	0.1
All-items CPI excluding food and energy ³	117.9	118.2	118.3	0.3	0.1

1. A seasonally adjusted series is one from which seasonal movements have been eliminated. Each month, the previous month's seasonally adjusted index is subject to revision. On an annual basis, the seasonally adjusted values for the last three years are revised with the January data release. Users employing CPI data for indexation purposes are advised to use the unadjusted indexes. For more information on the availability and uses of seasonally adjusted CPI data, please see the Definitions, data sources and methods section of survey 2301 (www.statcan.gc.ca/imdb-bmdi/2301-eng.htm).

2. The Bank of Canada's core index excludes eight of the CPI's most volatile components (fruit, fruit preparations and nuts; vegetables and vegetable preparations; mortgage interest cost; natural gas; fuel oil and other fuels; gasoline; inter-city transportation; and tobacco products and smokers' supplies) as well as the effects of changes in indirect taxes on the remaining components. For additional information on the core CPI, please consult the Bank of Canada website (www.bankofcanada.ca/rates/indicators/key-variables/inflation-control-target/).

3. The special aggregate "Energy" includes: electricity; natural gas; fuel oil and other fuels; gasoline; and fuel, parts and supplies for recreational vehicles.

Available in CANSIM: tables 326-0009, 326-0012, 326-0020 and 326-0022.

Definitions, data sources and methods: survey number 2301.

For a more detailed analysis, consult the publication *The Consumer Price Index*. The March 2014 issue of *The Consumer Price Index*, Vol. 93, no. 3 (62-001-X), is now available from the *Browse by key resource* module of our website under *Publications*.

More information about the concepts and use of the Consumer Price Index are also available online in *Your Guide to the Consumer Price Index* (62-557-X). From the *Browse by key resource* module of our website, choose *Publications*.

The Consumer Price Index for April will be released on May 23.

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; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).