Consumer Price Index, April 2014

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The Consumer Price Index (CPI) rose 2.0% in the 12 months to April, following a 1.5% increase in March. The rise in April was the largest since April 2012.

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

The larger year-over-year rise in the CPI in April compared with March was led by energy prices, which increased 8.4% in the 12 months to April, after rising 4.6% in March.

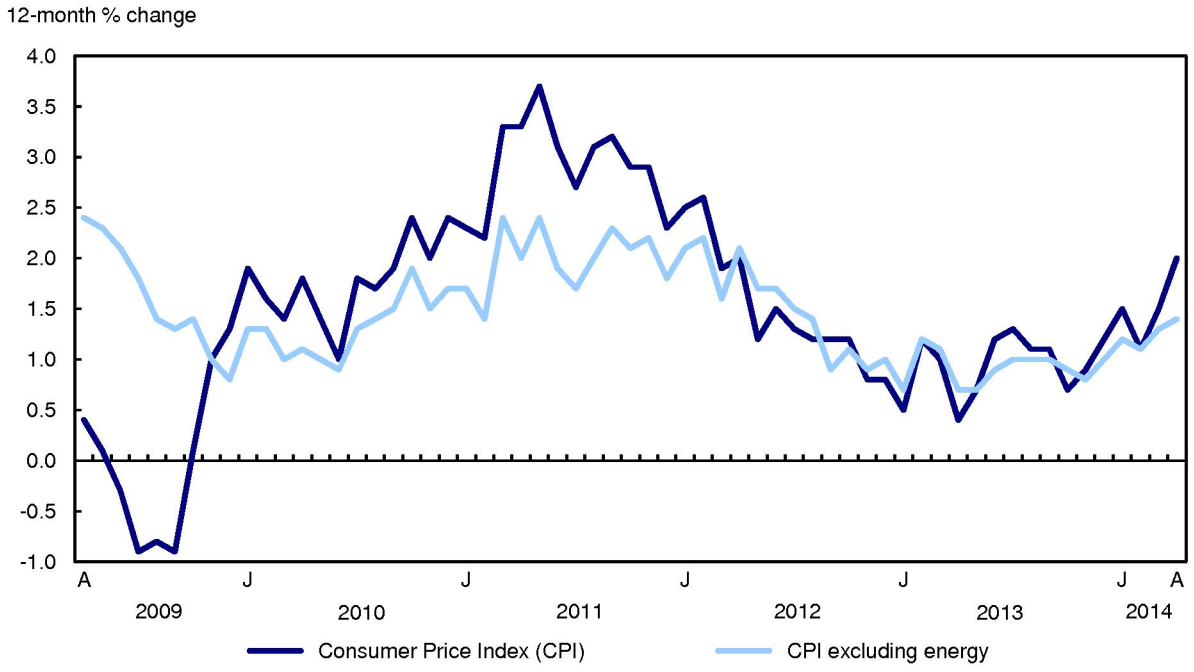
Gasoline prices rose 6.6% in the 12 months to April, following a 1.4% increase in March. Faster rates of change in gasoline prices were observed in nine provinces, with Prince Edward Island being the exception.

Prices for natural gas increased 26.0% year over year in April, after posting a 17.9% gain in March. The rise in the natural gas index in April was mainly attributable to a price increase in Ontario.

Electricity prices increased 4.6% in the 12 months to April, while fuel oil prices rose 9.3%.

Excluding energy, the CPI advanced 1.4% year over year in April, after increasing 1.3% the previous month.

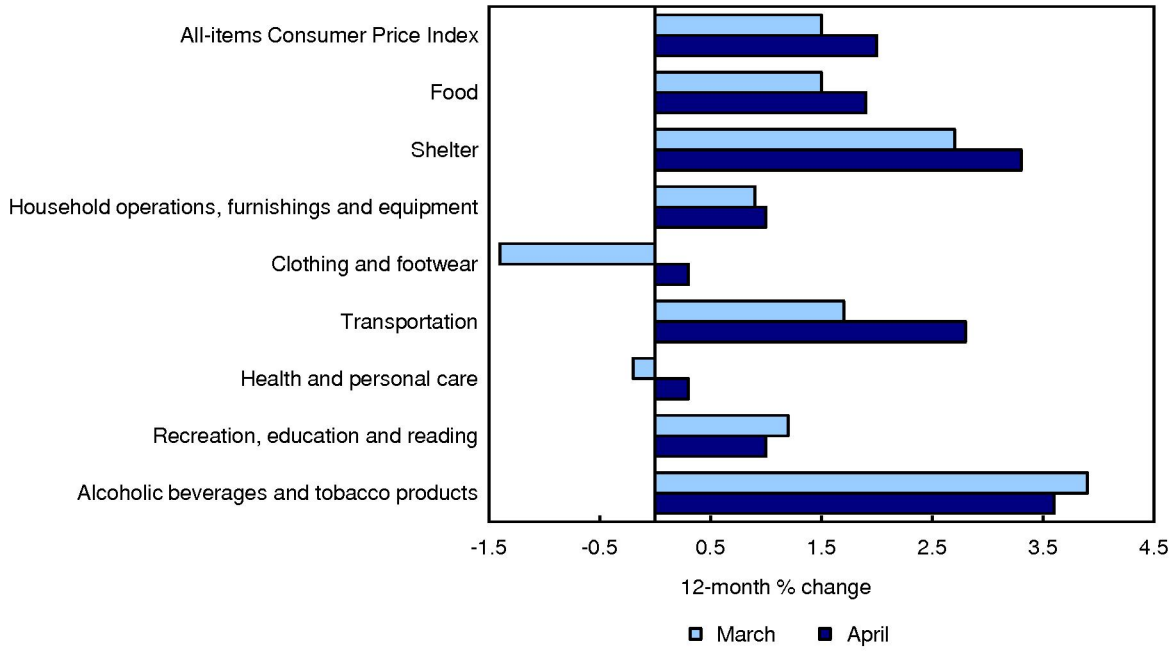
Chart 1
The 12-month change in the Consumer Price Index (CPI) and the CPI excluding energy



12-month change in the major components

Prices rose in all major components in the 12 months to April. The increase in the CPI was led by higher prices for shelter, transportation and food.

Chart 2
Prices increase in all major components



Shelter costs advanced 3.3% on a year-over-year basis in April, after rising 2.7% the previous month. In addition to higher prices for natural gas and electricity, consumers paid more in property taxes in the 12 months to April. The mortgage interest cost index increased 0.2% in the 12 months to April, after posting a 0.6% decline in March. April marked the first year-over-year gain in the mortgage interest cost index since June 2009.

Transportation costs increased 2.8% in the 12 months to April, following a 1.7% rise in March. In addition to higher gasoline prices, consumers paid 1.5% more for the purchase of passenger vehicles and 2.4% more for passenger vehicle insurance premiums.

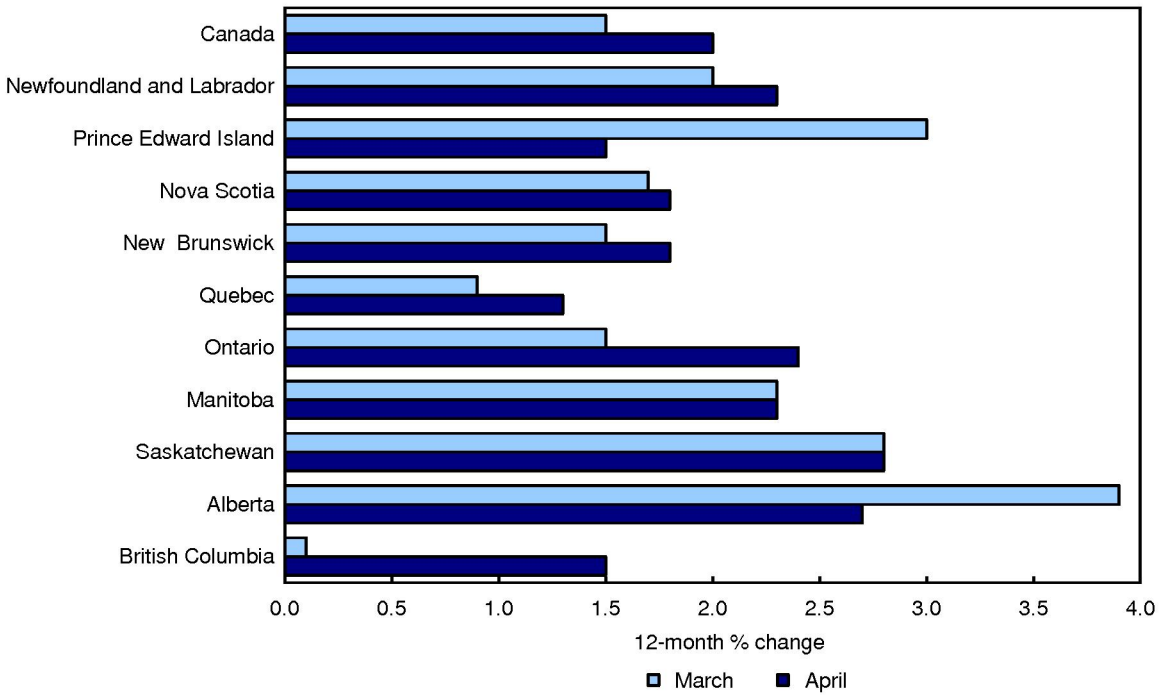
Food prices rose 1.9% in the 12 months to April, after advancing 1.5% in March. Prices for food purchased from stores were up 1.7%, matching the increase in March. The rise was led by meat prices, which increased 4.5% on a year-over-year basis in April following a 3.4% gain in March. Prices for fresh fruit and fresh vegetables also went up compared with the same month a year earlier.

Prices for food purchased from restaurants grew 2.1% in the 12 months to April, after rising 1.0% in March. The larger increase in April was led by an acceleration in British Columbia.

12-month change in the provinces

Consumer prices rose at faster year-over-year rates in six provinces in April compared with March. The largest accelerations occurred in British Columbia and Ontario. Prince Edward Island and Alberta saw prices rise at slower year-over-year rates in April than in March.

Chart 3
Consumer prices rise at faster rates in six provinces



On April 1, 2013, British Columbia removed its Harmonized Sales Tax (HST) and reinstated its Provincial Sales Tax and the Goods and Services Tax. Also on this date, Prince Edward Island implemented its HST. April 2014 marked the first time that 12-month rates of change were calculated using months that both followed these tax changes.

In British Columbia, prices rose 1.5% in the 12 months to April, after increasing 0.1% in March. The acceleration was mainly attributable to prices for food purchased from restaurants, which rose 2.3% on a year-over-year basis in April, after declining 4.5% in March. Higher prices for gasoline, electricity and natural gas also contributed to the higher rate of change in British Columbia's CPI.

Consumer prices rose 2.4% on a year-over-year basis in Ontario, following a 1.5% increase in March. This faster rise was led by natural gas prices, which climbed 39.3% in the 12 months to April, after increasing 1.5% in March. Gasoline prices rose 7.1% in April, following a 1.1% increase the previous month.

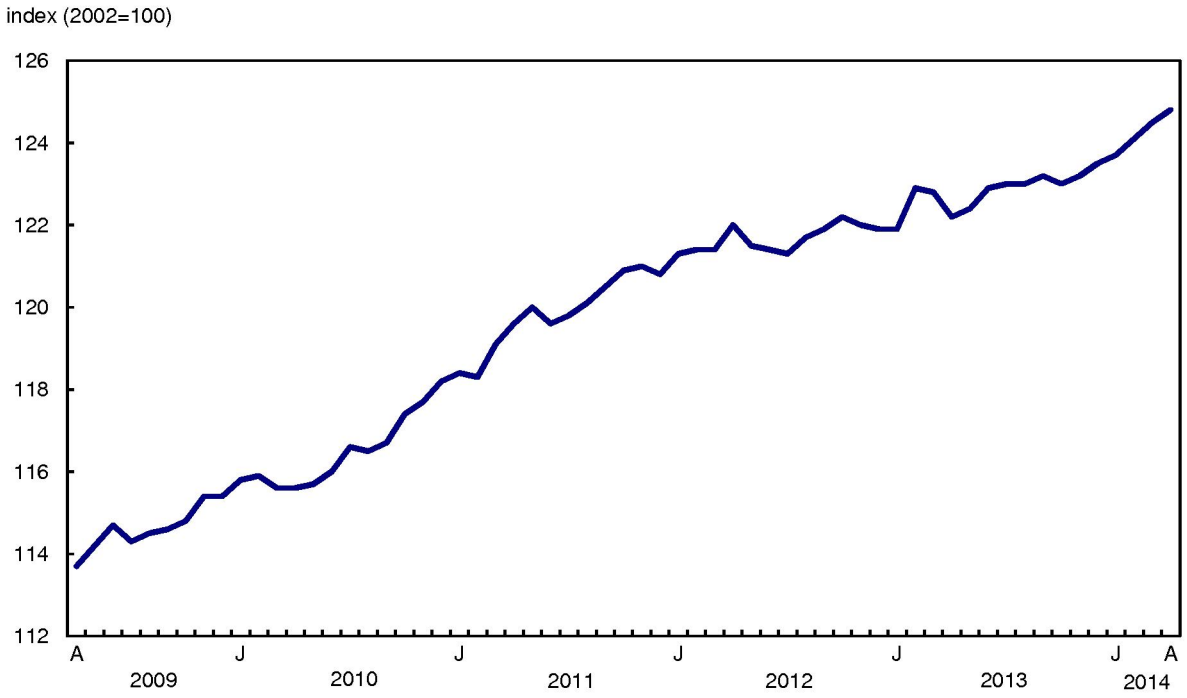
Consumer prices in Prince Edward Island rose 1.5% in the 12 months to April. This increase followed a 3.0% gain in March. The slower rate of change in April compared with March was mainly attributable to clothing prices and homeowner's replacement cost, which both declined in the 12 months to April after increasing in March.

In Alberta, consumer prices increased 2.7% in the 12 months to April, following a 3.9% rise in March. A smaller year-over-year gain in natural gas prices in April (+10.8%) compared with March (+81.5%) was the main contributor to the slower rate of change in Alberta's CPI. On a monthly basis, natural gas prices, which tend to be volatile in the province, fell 30.5% in April.

Seasonally adjusted monthly Consumer Price Index increases

On a seasonally adjusted monthly basis, the CPI rose 0.2% in April, following a 0.3% advance in March.

Chart 4
Seasonally adjusted monthly Consumer Price Index



Of the eight major components, six increased on a seasonally adjusted monthly basis in April. The shelter index rose 0.8%, following a 0.5% gain in March. Increases were also observed in the clothing and footwear index (+0.8%) and the food index (+0.4%) in April.

The recreation, education and reading index fell 0.3% in April, while the index for alcoholic beverages and tobacco products decreased 0.1%.

Bank of Canada's core index

The Bank of Canada's core index rose 1.4% in the 12 months to April, after increasing 1.3% in March.

On a monthly basis, the seasonally adjusted core index rose 0.2% in April, matching the gain in March.

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]	April 2013	March 2014	April 2014	March to April 2014	April 2013 to April 2014
	%	(2002=100)			% change	
All-items Consumer Price Index (CPI)	**100.00[2]**	**122.7**	**124.8**	**125.2**	**0.3**	**2.0**
Food	16.60	132.1	134.4	134.6	0.1	1.9
Shelter	26.26	128.2	131.4	132.4	0.8	3.3
Household operations, furnishings and equipment	12.66	114.3	115.7	115.5	-0.2	1.0
Clothing and footwear	5.82	94.7	94.0	95.0	1.1	0.3
Transportation	19.98	128.6	131.7	132.2	0.4	2.8
Health and personal care	4.93	118.6	118.1	118.9	0.7	0.3
Recreation, education and reading	10.96	105.2	106.5	106.2	-0.3	1.0
Alcoholic beverages and tobacco products	2.79	140.1	145.3	145.1	-0.1	3.6
Special aggregates						
Core CPI[3]	84.91	121.0	122.5	122.7	0.2	1.4
All-items CPI excluding energy	91.44	119.9	121.5	121.6	0.1	1.4
Energy[4]	8.56	158.0	167.2	171.2	2.4	8.4
Gasoline	4.62	181.3	189.2	193.2	2.1	6.6
All-items CPI excluding food and energy	74.85	117.2	118.6	118.8	0.2	1.4
Goods	48.18	114.9	117.0	117.5	0.4	2.3
Services	51.82	130.3	132.5	132.9	0.3	2.0

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]	April 2013	March 2014	April 2014	March to April 2014	April 2013 to April 2014
	%	(2002=100)			% change	
Canada	**100.00[2]**	**122.7**	**124.8**	**125.2**	**0.3**	**2.0**
Newfoundland and Labrador	1.36	125.9	128.4	128.8	0.3	2.3
Prince Edward Island	0.36	128.6	130.9	130.5	-0.3	1.5
Nova Scotia	2.59	126.8	128.9	129.1	0.2	1.8
New Brunswick	1.96	122.8	125.1	125.0	-0.1	1.8
Quebec	22.04	121.8	122.9	123.4	0.4	1.3
Ontario	39.05	122.9	125.1	125.9	0.6	2.4
Manitoba	3.16	122.6	125.1	125.4	0.2	2.3
Saskatchewan	2.94	125.4	128.7	128.9	0.2	2.8
Alberta	12.32	128.7	133.1	132.2	-0.7	2.7
British Columbia	14.05	117.2	118.6	119.0	0.3	1.5
Whitehorse	0.08	121.6	124.3	124.4	0.1	2.3
Yellowknife	0.07	126.0	128.0	127.7	-0.2	1.3
Iqaluit (Dec. 2002=100)	0.02	116.5	117.3	117.7	0.3	1.0

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 adjusted[1]

	February 2014	March 2014	April 2014	February to March 2014	March to April 2014
	(2002=100)			% change	
All-items Consumer Price Index (CPI)	**124.1**	**124.5**	**124.8**	**0.3**	**0.2**
Food	133.6	134.1	134.7	0.4	0.4
Shelter	130.7	131.4	132.4	0.5	0.8
Household operations, furnishings and equipment	115.1	115.3	115.4	0.2	0.1
Clothing and footwear	91.7	91.5	92.2	-0.2	0.8
Transportation	130.8	130.6	130.8	-0.2	0.2
Health and personal care	118.4	118.3	118.5	-0.1	0.2
Recreation, education and reading	107.8	107.1	106.8	-0.6	-0.3
Alcoholic beverages and tobacco products	142.9	145.3	145.1	1.7	-0.1
Special aggregates					
Core CPI[2]	122.1	122.3	122.5	0.2	0.2
All-items CPI excluding food and energy[3]	118.2	118.3	118.5	0.1	0.2

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 April 2014 issue of *The Consumer Price Index*, Vol. 93, no. 4 (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 under *Publications*.

The Consumer Price Index for May will be released on June 20.

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).