

# Consumer Price Index, May 2017

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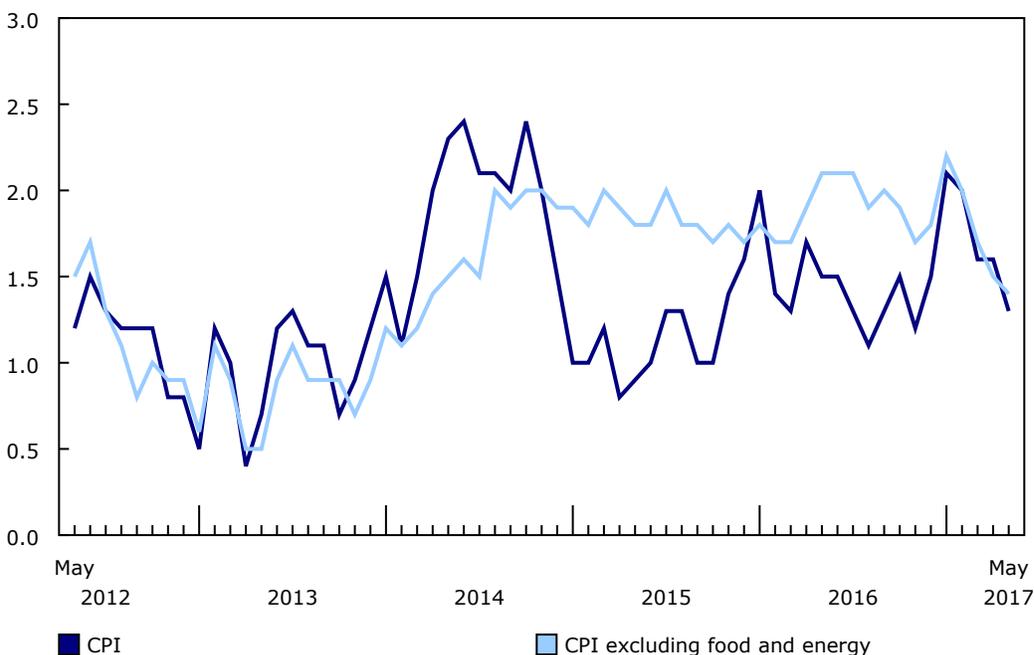
The Consumer Price Index (CPI) rose 1.3% on a year-over-year basis in May, following a 1.6% gain in April.

Overall, energy prices rose less year over year in May than they did in April, with the year-over-year growth rate in gasoline prices slowing to half of what it was the previous month. Declines in food prices continued to moderate.

Excluding food and energy, the CPI was up 1.4% on a year-over-year basis in May, after posting a 1.5% increase in April.

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

12-month % change



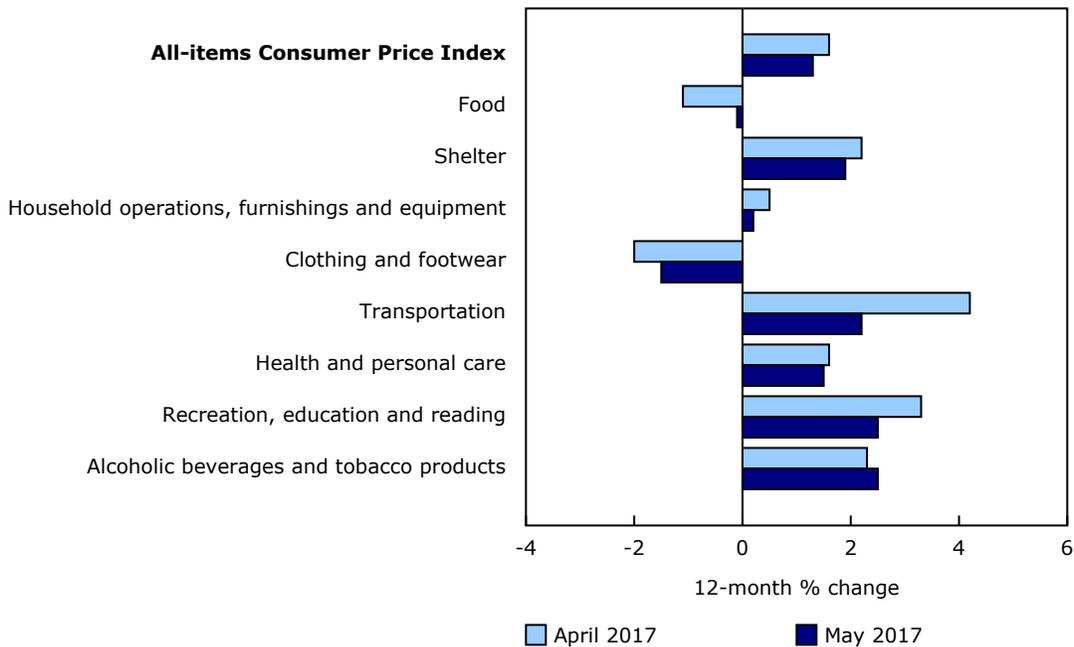
Source(s): CANSIM table [326-0020](#).

## 12-month change in the major components

Prices were up in six of the eight major components in the 12 months to May, with the shelter and transportation indexes contributing the most to the year-over-year rise in the CPI. The clothing and footwear index and the food index declined on a year-over-year basis.



**Chart 2**  
**Consumer prices increase in six of the eight major components**



Source(s): CANSIM table [326-0020](#).

Shelter costs grew 1.9% in May on a year-over-year basis, after increasing 2.2% in April. This deceleration was led by the electricity index (-5.5%), which declined year over year for a fifth consecutive month. On a monthly basis, electricity prices were down 3.3% in May, led by declines in Ontario. On a year-over-year basis, the natural gas index rose less in May than in April. Conversely, homeowners' replacement costs were up more in May (+4.4%) than in April (+3.9%).

The transportation index rose 2.2% over the 12-month period ending in May, compared with 4.2% in April. Gasoline prices contributed the most to this deceleration, up 6.8% on a year-over-year basis in May, after a 15.9% gain in April. The purchase of passenger vehicles index edged up 0.2% in the 12 months to May, marking its smallest year-over-year increase since February 2015. At the same time, the price of air transportation rose more in the 12-month period to May than in April.

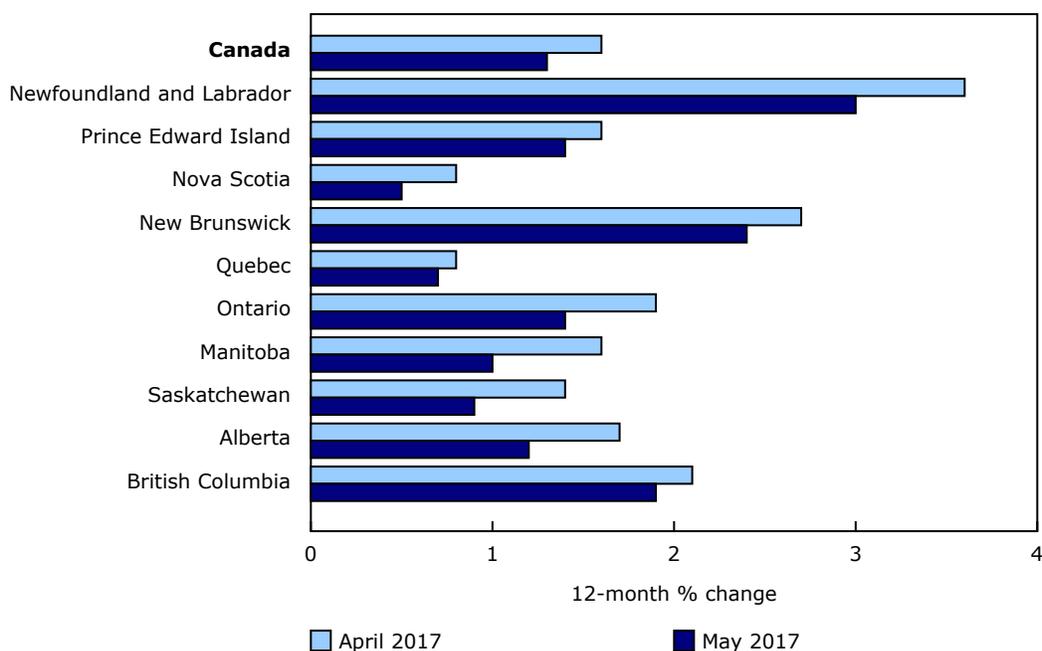
The recreation, education and reading index rose 2.5% in the 12 months to May, following a 3.3% increase in April. The travel tours index was up 6.8% year over year in May, after a 9.4% increase in April. Prices for video equipment fell more on a year-over-year basis in May than in April. At the same time, the traveller accommodation index rose 6.3% over the 12-month period ending in May, following a 5.7% increase in April.

In May, the food index was down 0.1% on a year-over-year basis, following a 1.1% decline in April. Prices for food purchased from stores decreased 1.2% year over year in May, with the meat and bakery products indexes contributing the most to the drop. The decline in fresh fruit prices (-1.0%) slowed in May, following a 6.2% decrease in April. Prices for fresh vegetables rose year over year for the first time since August 2016. Meanwhile, prices for food purchased from restaurants posted a 2.4% increase in the 12 months to May.

## 12-month change in the provinces

Year over year, consumer prices rose less in May than in April in all provinces. Growth in the CPI decelerated most in Manitoba, while the smallest deceleration in the growth of prices occurred in Quebec.

**Chart 3**  
Consumer prices rise at a slower rate in all provinces



Source(s): CANSIM table [326-0020](#).

The CPI in Manitoba was up 1.0% year over year in May, following a 1.6% increase in April. The gasoline index registered a 0.9% decline in the 12 months to May, following an increase of 12.5% in April. Manitoba was the only province to post a year-over-year decline in gasoline prices. Natural gas prices in the province fell 4.9% in the 12-month period ending in May, providing the largest downward contribution to the natural gas index at the national level. At the same time, passenger vehicle insurance premiums rose 3.4% over the course of the year ending in May.

Consumer prices in Ontario rose 1.4% in the 12 months to May, after a 1.9% increase in April. Electricity prices declined 16.1% year over year in May, partly reflecting decreases in the time-of-use rates. Among the provinces, the cost of women's clothing fell the most in Ontario, declining 5.0% in the 12-month period ending in May. At the same time, the homeowners' replacement cost index registered a 7.9% year-over-year increase in May, the largest gain among the provinces, following a 6.8% increase in April.

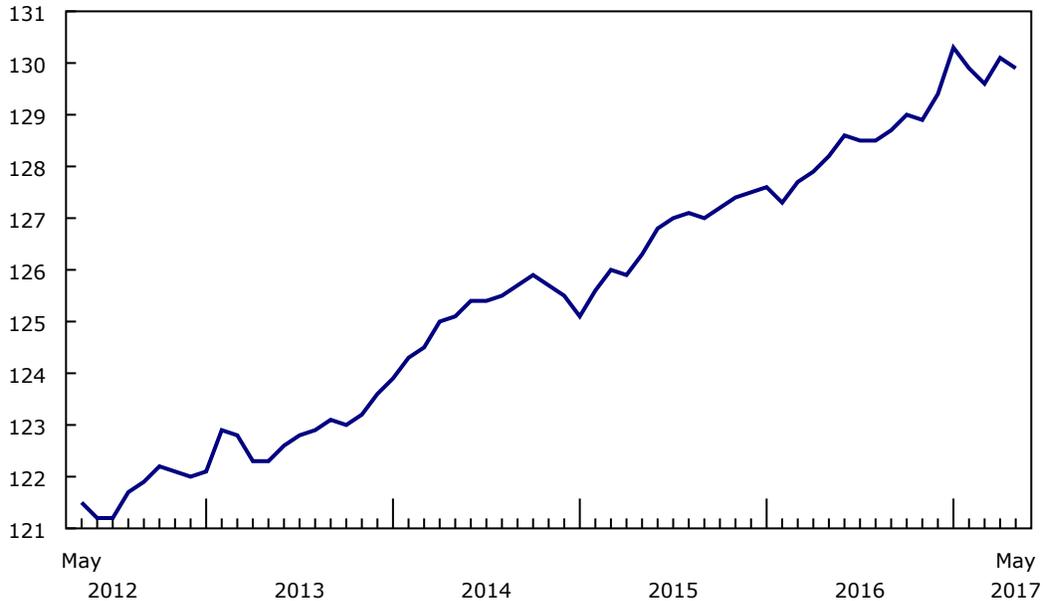
In Quebec, consumer prices rose 0.7% year over year in May, following a 0.8% increase in April. The Internet access services index fell 11.7% in the 12-month period ending in May, the largest decline among the provinces. In contrast, fresh vegetable prices increased more in Quebec than in any other province on a year-over-year basis in May.

## Seasonally adjusted monthly Consumer Price Index

On a [seasonally adjusted monthly basis](#), the CPI fell 0.2% in May, after rising 0.4% in April.

**Chart 4**  
**Seasonally adjusted monthly Consumer Price Index**

index (2002=100)



Source(s): CANSIM table [326-0022](#).

Four major components decreased on a seasonally adjusted monthly basis in May, while four increased.

On a seasonally adjusted monthly basis in May, the transportation index (-1.1%) posted the largest decline, while the clothing and footwear index (+0.6%) recorded the largest gain.



In celebration of the country's 150th birthday, Statistics Canada is presenting snapshots from our rich statistical history.

Gasoline prices in Canada and abroad have varied significantly over time. This largely reflects price volatility in crude oil, which is traded on commodity exchange markets and influenced by the global economic and political climate.

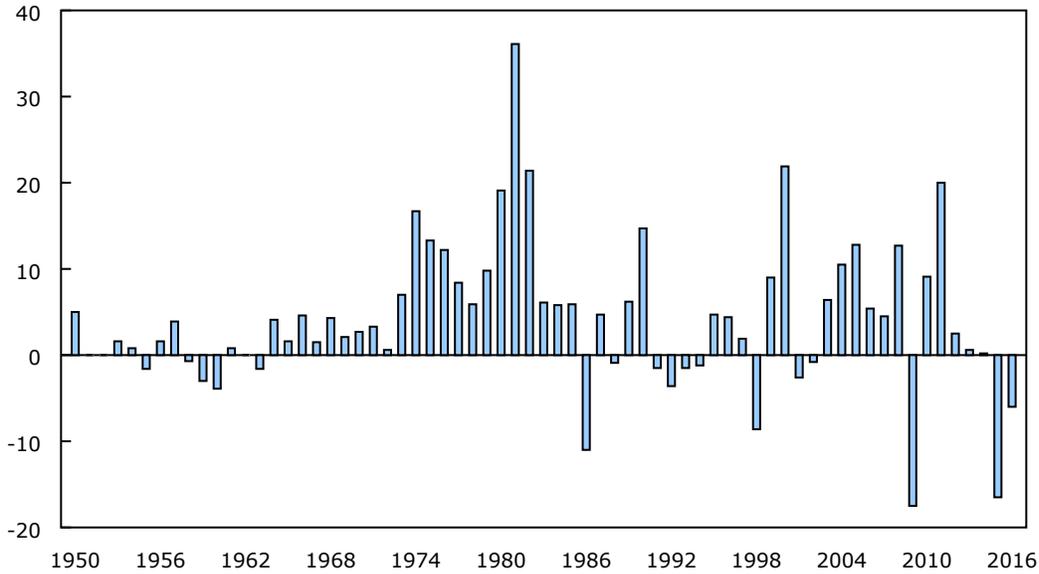
From 1955 to 1970, gasoline prices rose a modest 19%. Beginning in the 1970s, crude oil prices jumped sharply in response to supply disruptions caused by geopolitical events in the Middle East, including an oil embargo in 1973/1974, the Iranian Revolution in 1978/1979, and the Iran-Iraq war. In 1981 alone, gasoline prices jumped 36% on an annual average basis. By 1985, gasoline prices were 387% higher than they were in 1970.

Since 1985, other major events that have contributed to large gasoline price movements include the Gulf wars (in 1990/1991 and from 2003 to 2010), the Asian financial crisis from 1997 to 1999, and the global financial crisis in 2008/2009.

In more recent years, various factors have contributed to slower growth in gasoline prices, including rising crude oil inventories (due in part to greater shale oil production in the United States and looser output restrictions among the Organization of the Petroleum Exporting Countries (OPEC)). Over the course of 2015 and 2016, gasoline prices were, on average, 18% lower than they were between 2011 and 2014.

**Chart 5**  
**The gasoline index, annual average, Canada, 1950 to 2016**

annual average % change



Source(s): CANSIM table [326-0021](#)

**Note to readers**

A new article, [Inflation in Atlantic Canada fuelled more by oil-linked products](#), is now available in the publication *Analysis in Brief* ([11-621-M](#)).

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 [Seasonally adjusted data – Frequently asked questions](#).

The special aggregate "energy" comprises electricity, natural gas, fuel oil and other fuels, gasoline, and fuel, parts and accessories for recreational vehicles.

**Real-time CANSIM tables**

Real-time CANSIM table 326-8023 will be updated on July 10. For more information, consult the document [Real-time CANSIM tables](#).

**Next release**

The CPI for June will be released on July 21.

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

	Relative importance <sup>1</sup>	May 2016	April 2017	May 2017	April to May 2017	May 2016 to May 2017
	%	(2002=100)			% change	
<b>All-items</b>	<b>100.00<sup>2</sup></b>	<b>128.8</b>	<b>130.4</b>	<b>130.5</b>	<b>0.1</b>	<b>1.3</b>
Food	16.23	143.3	142.2	143.1	0.6	-0.1
Shelter	27.15	135.1	137.9	137.7	-0.1	1.9
Household operations, furnishings and equipment	12.97	122.1	122.2	122.4	0.2	0.2
Clothing and footwear	5.44	96.0	94.1	94.6	0.5	-1.5
Transportation	19.70	129.4	133.2	132.3	-0.7	2.2
Health and personal care	5.00	122.3	124.2	124.1	-0.1	1.5
Recreation, education and reading	10.89	111.7	113.9	114.5	0.5	2.5
Alcoholic beverages and tobacco products	2.63	156.8	160.1	160.7	0.4	2.5
<b>Special aggregates</b>						
All-items excluding energy	92.94	127.2	128.2	128.6	0.3	1.1
Energy <sup>3</sup>	7.06	146.9	157.2	151.8	-3.4	3.3
Gasoline	3.37	149.6	166.5	159.8	-4.0	6.8
All-items excluding food and energy	76.71	123.8	125.2	125.5	0.2	1.4
Goods	45.32	118.9	119.5	119.0	-0.4	0.1
Services	54.68	138.8	141.4	142.0	0.4	2.3

1. 2015 Consumer Price Index (CPI) basket weights at December 2016 prices, Canada, effective with the January 2017 CPI.

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

3. The special aggregate "energy" comprises electricity, natural gas, fuel oil and other fuels, gasoline, and fuel, parts and accessories for recreational vehicles.

Source(s): CANSIM tables [326-0020](#) and [326-0031](#).

**Table 2**  
**Consumer Price Index for the provinces and for Whitehorse, Yellowknife and Iqaluit – Not seasonally adjusted**

	Relative importance <sup>1</sup>	May 2016	April 2017	May 2017	April to May 2017	May 2016 to May 2017
	%	(2002=100)			% change	
<b>Canada</b>	<b>100.00<sup>2</sup></b>	<b>128.8</b>	<b>130.4</b>	<b>130.5</b>	<b>0.1</b>	<b>1.3</b>
Newfoundland and Labrador	1.39	131.5	135.6	135.4	-0.1	3.0
Prince Edward Island	0.33	131.4	133.2	133.3	0.1	1.4
Nova Scotia	2.38	131.6	132.0	132.2	0.2	0.5
New Brunswick	1.85	128.1	131.2	131.2	0.0	2.4
Quebec	20.93	126.2	127.0	127.1	0.1	0.7
Ontario	39.34	130.1	132.0	131.9	-0.1	1.4
Manitoba	3.04	128.9	130.2	130.2	0.0	1.0
Saskatchewan	3.08	132.7	134.2	133.9	-0.2	0.9
Alberta	13.07	135.6	137.4	137.2	-0.1	1.2
British Columbia	14.40	122.7	124.4	125.0	0.5	1.9
Whitehorse	0.08	125.2	127.6	127.8	0.2	2.1
Yellowknife	0.07	131.9	133.5	133.5	0.0	1.2
Iqaluit (Dec. 2002=100)	0.03	123.1	124.6	125.5	0.7	1.9

1. 2015 Consumer Price Index (CPI) basket weights at December 2016 prices, effective with the January 2017 CPI.

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

Source(s): CANSIM tables [326-0020](#) and [326-0031](#).

**Table 3**  
**Consumer Price Index, major components and special aggregates – Seasonally adjusted<sup>1</sup>**

	March 2017	April 2017	May 2017	March to April 2017	April to May 2017
	(2002=100)			% change	
<b>All-items</b>	<b>129.6</b>	<b>130.1</b>	<b>129.9</b>	<b>0.4</b>	<b>-0.2</b>
Food	141.2	142.0	142.4	0.6	0.3
Shelter	137.7	137.9	137.7	0.1	-0.1
Household operations, furnishings and equipment	121.3	122.0	122.1	0.6	0.1
Clothing and footwear	93.5	92.9	93.5	-0.6	0.6
Transportation	130.9	132.3	130.9	1.1	-1.1
Health and personal care	123.8	123.9	123.8	0.1	-0.1
Recreation, education and reading	114.7	114.5	114.1	-0.2	-0.3
Alcoholic beverages and tobacco products	159.6	159.9	160.3	0.2	0.3
<b>Special aggregates</b>					
All-items excluding food and energy <sup>2</sup>	124.9	125.0	125.1	0.1	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 release of January data. Users employing Consumer Price Index (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](#).

2. The special aggregate "energy" comprises electricity, natural gas, fuel oil and other fuels, gasoline, and fuel, parts and accessories for recreational vehicles.

Source(s): CANSIM table [326-0022](#).

**Table 4**  
**Consumer Price Index statistics, preferred measures of core inflation – Bank of Canada definitions, year-over-year percent change, Canada<sup>1,2</sup>**

	February 2017	March 2017	April 2017	May 2017
	%			
CPI-common <sup>3,5</sup>	1.3	1.3	1.3	1.3
CPI-median <sup>4,6</sup>	1.8	1.7	1.6	1.5
CPI-trim <sup>4,7</sup>	1.6	1.4	1.3	1.2

1. For more information on these measures of core inflation, please consult the [methodology](#) and [general information](#) documents found in our Definitions, data sources and methods - record number [2301](#).

2. The Bank of Canada's preferred measures of core inflation, CPI-common, CPI-median and CPI-trim, are subject to revision. In the case of CPI-median and CPI-trim, this results from the fact that these measures are based on seasonally adjusted price index series. In the case of CPI-common, revisions are due to the statistical technique used, as the factor model is estimated over all available historical data. The CANSIM table 326-8023 contains the historical release data for these three measures and will be updated every month.

3. This measure is based on the Consumer Price Index (CPI) series adjusted to remove the effect of changes in indirect taxes.

4. This measure is based on CPI series that have been treated to remove the effect of changes in indirect taxes, and that have been seasonally adjusted.

5. CPI-common is a measure of core inflation that tracks common price changes across categories in the CPI basket.

6. CPI-median is a measure of core inflation corresponding to the price change located at the 50th percentile (in terms of CPI basket weights) of the distribution of price changes in a given month.

7. CPI-trim is a measure of core inflation that excludes CPI components whose rates of change in a given month are located in the tails of the distribution of price changes.

Source(s): CANSIM table [326-0023](#).

Available in CANSIM: tables [326-0009](#), [326-0012](#), [326-0020](#), [326-0022](#) and [326-0023](#).

Definitions, data sources and methods: survey number [2301](#).

The May 2017 issue of *The Consumer Price Index*, Vol. 96, no. 5 ([62-001-X](#)) is now available.

More information about the concepts and use of the Consumer Price Index (CPI) is available in *The Canadian Consumer Price Index Reference Paper* ([62-553-X](#)).

For information on the history of the CPI in Canada, consult the publication *Exploring the First Century of Canada's Consumer Price Index* ([62-604-X](#)).

Two videos, "[An Overview of Canada's Consumer Price Index \(CPI\)](#)" and "[The Consumer Price Index and Your Experience of Price Change](#)," are available on Statistics Canada's YouTube channel.

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](mailto:STATCAN.infostats-infostats.STATCAN@canada.ca)) or Media Relations (613-951-4636; [STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca](mailto:STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca)).