

Consumer Price Index, June 2017

Released at 8:30 a.m. Eastern time in *The Daily*, Friday, July 21, 2017

The Consumer Price Index (CPI) rose 1.0% on a year-over-year basis in June, following a 1.3% gain in May.

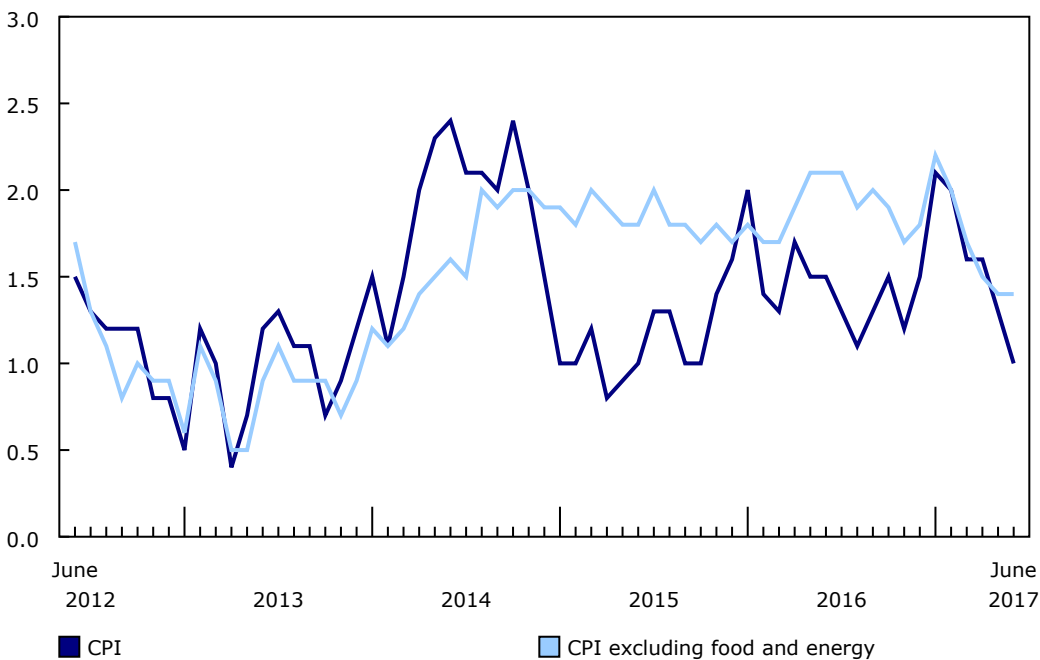
Energy prices decreased in the 12 months to June, after increasing in May. At the same time, prices for food rose year over year in June, following a small decline in May.

Excluding food and energy, the CPI was up 1.4% on a year-over-year basis in June, matching the gain in May.

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

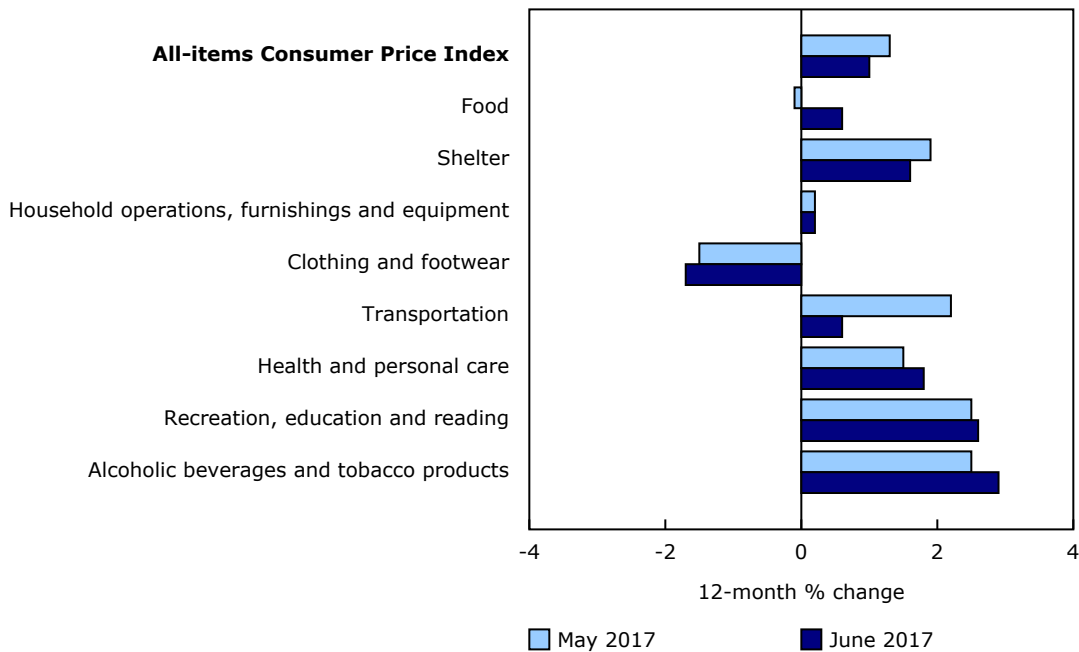
Prices were up in seven of the eight major components in the 12 months to June, with the shelter index and the recreation, education and reading index contributing the most to the year-over-year rise in the CPI. The clothing and footwear index declined on a year-over-year basis.



Statistics Canada
Statistique Canada

Canada

Chart 2
Consumer prices increase in seven of the eight major components



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

Transportation costs rose 0.6% on a year-over-year basis in June, following a 2.2% gain in May. This deceleration was led by gasoline prices, which fell 1.4% in the 12 months to June, after increasing 6.8% in May. The purchase of passenger vehicles index declined for the first time since February 2015, down 0.2% year over year in June. Meanwhile, passenger vehicle insurance premiums rose 2.1% in the 12 months to June, following a 1.4% increase in May.

The shelter index increased 1.6% year over year in June, after rising 1.9% in May. Homeowners' replacement costs, which rose 4.1% on a year-over-year basis in June, contributed the most to this price increase. At the same time, prices for natural gas (+10.0%) and fuel oil (+7.8%) increased at a slower rate in the 12 months to June, than they did in May, contributing the most to the deceleration in the shelter index. On a year-over-year basis, growth in the rent index (+0.7%) rose to a rate not recorded since May 2016, while there was no change in mortgage interest cost for the third month in a row, following 31 months of declines.

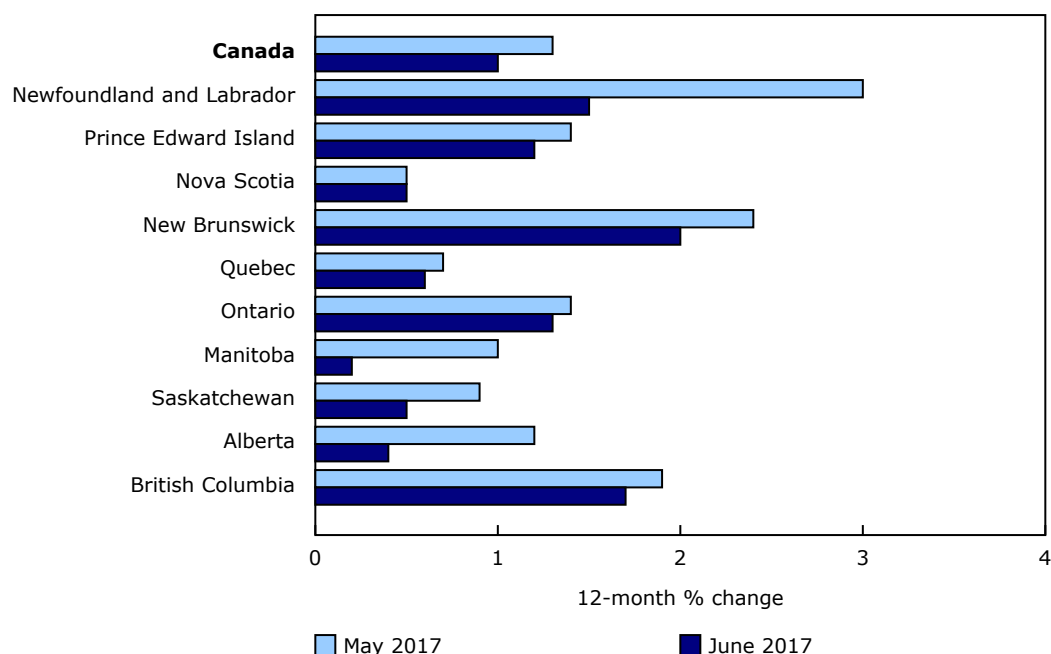
Household operations, furnishings and equipment costs rose 0.2% on a year-over-year basis in June, matching the increase in May. The telephone services index was up 2.0% in the 12 months to June, following a 1.1% rise in May. At the same time, prices for household appliances declined 3.3% in June, after falling 2.1% in May.

The food index rose 0.6% in the 12 months to June, after posting declines for eight consecutive months. Prices for food purchased from stores decreased 0.3% on a year-over-year basis, after dropping 1.2% in May. Year-over-year declines in the meat and bakery products indexes moderated, while the fresh vegetables index increased at a faster pace in June than in May. On a year-over-year basis, prices for cereal products fell 3.7% in June, following a 2.7% decline in May. Prices for food purchased from restaurants registered a 2.5% gain in the 12 months to June.

12-month change in the provinces

Consumer prices rose less on a year-over-year basis in nine provinces in June than they did in May. The 12-month increase in the CPI in Nova Scotia was unchanged from a month earlier.

Chart 3
Consumer prices rise at a slower rate in nine provinces



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

In Newfoundland and Labrador, the CPI increased 1.5% on a year-over-year basis in June, after rising 3.0% in May. The gasoline index, which led this deceleration, declined 8.7% year over year in June, following a 22.9% increase in May. A reduction in the province's gasoline tax contributed to this decline. In contrast to the movement at the national level, prices for fresh vegetables (-7.4%) fell in the 12 months to June. The traveller accommodation index in Newfoundland and Labrador grew 3.1% year over year in June, after declining 5.1% the previous month.

The CPI in Ontario was up 1.3% in the 12 months to June, following a 1.4% gain in May. Homeowners' replacement costs contributed the most to this growth, up 6.9% year over year in June, following a 7.9% increase in May. Traveller accommodation prices increased at a faster rate in June (+10.1%) than in May (+5.9%). Prices for women's clothing declined 4.8% in the 12-month period ending in June.

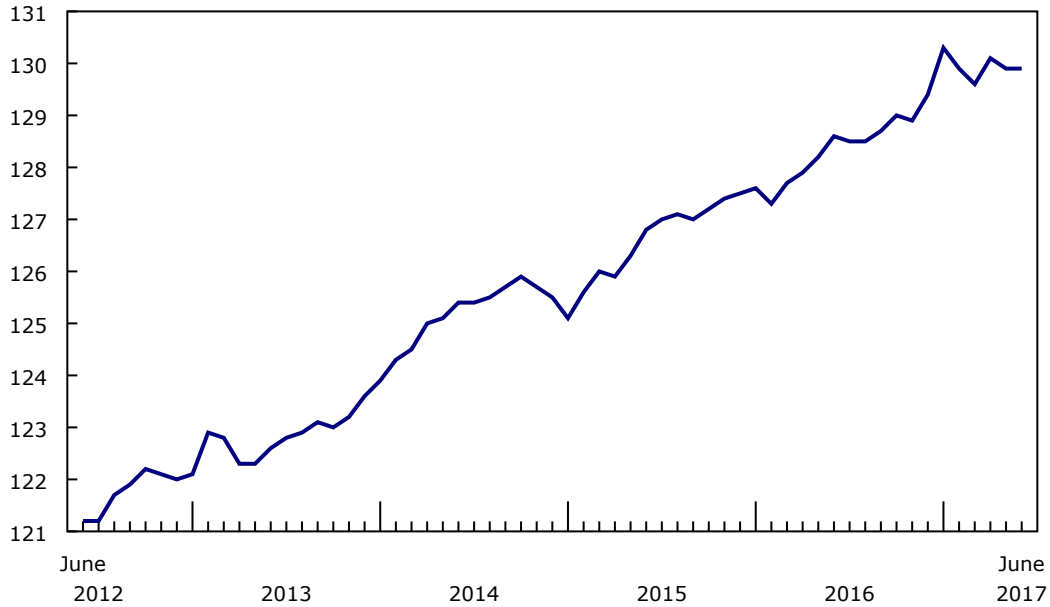
In Alberta, the CPI increased 0.4% year over year in June, following a 1.2% gain in May. The natural gas index rose 14.2% on a year-over-year basis in June, after increasing 35.5% in May. Contrary to the movement at the national level, passenger vehicle insurance premiums (-1.4%) in Alberta fell in the 12-month period ending in June. Among the provinces, growth in women's clothing prices accelerated the most in Alberta.

Seasonally adjusted monthly Consumer Price Index

On a [seasonally adjusted monthly basis](#), the CPI was unchanged in June, after declining 0.2% in May.

Chart 4
Seasonally adjusted monthly Consumer Price Index

index (2002=100)



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

In June, the clothing and footwear index was unchanged on a seasonally adjusted monthly basis. At the same time, six major components increased, with the food index (+0.4%) and the alcoholic beverages and tobacco products index (+0.4%) recording the largest gains. The transportation index declined 0.5%.



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

Statistics Canada's purchase of passenger vehicles index, which tracks average changes in the prices of vehicles, was first published in 1949. At that time, the Dodge Coronet and the Oldsmobile 88 were making their debuts on the market.

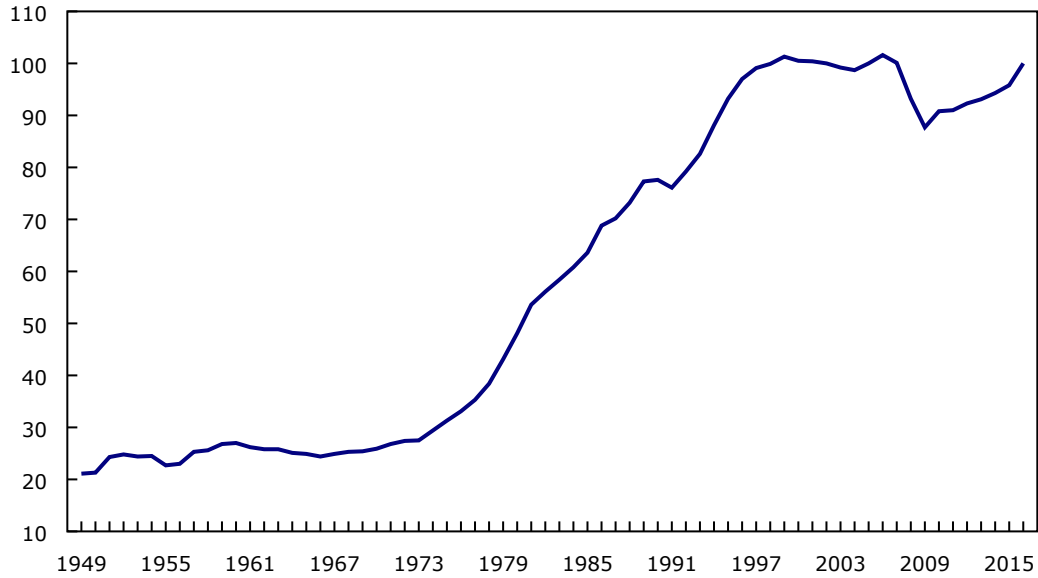
In the nearly 70 years since the inauguration of that index, the average cost of a vehicle has almost quintupled. Interestingly, much of the increase occurred before the mid-1990s. From June 1997 to June 2007, the price of vehicles rose by only 2%.

However, from 2007 to 2009, automobile prices actually fell in the context of the global economic downturn. Manufacturers lowered prices and offered bigger discounts in the face of lower demand. On average, automobile prices fell by almost 7% year over year during the Great Recession, with the biggest drop (-9.4%) occurring in September 2008.

Since 2010, the index has been trending upward by 1.9% year over year, on average, and by the spring of 2016, had finally recovered to its pre-recession level. The latter stage of this growth, from mid-2015 to mid-2016, followed a strong depreciation in the Canadian dollar relative to the US dollar.

Chart 5
The purchase of passenger vehicles index, annual average, Canada, 1949 to 2016

index (2002=100)



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

Note to readers

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

A seasonally adjusted series is one from which seasonal movements have been eliminated. Users employing 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 August 8. For more information, consult the document [Real-time CANSIM tables](#).

Next release

The CPI for July will be released on August 18.

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

| | Relative importance ¹ | June 2016 | May 2017 | June 2017 | May to June 2017 | June 2016 to June 2017 |
|---|----------------------------------|--------------|--------------|--------------|------------------|------------------------|
| | % | (2002=100) | | | % change | |
| All-items | 100.00² | 129.1 | 130.5 | 130.4 | -0.1 | 1.0 |
| Food | 16.23 | 142.8 | 143.1 | 143.6 | 0.3 | 0.6 |
| Shelter | 27.15 | 135.6 | 137.7 | 137.8 | 0.1 | 1.6 |
| Household operations, furnishings and equipment | 12.97 | 122.4 | 122.4 | 122.7 | 0.2 | 0.2 |
| Clothing and footwear | 5.44 | 94.1 | 94.6 | 92.5 | -2.2 | -1.7 |
| Transportation | 19.70 | 131.0 | 132.3 | 131.8 | -0.4 | 0.6 |
| Health and personal care | 5.00 | 122.2 | 124.1 | 124.4 | 0.2 | 1.8 |
| Recreation, education and reading | 10.89 | 112.0 | 114.5 | 114.9 | 0.3 | 2.6 |
| Alcoholic beverages and tobacco products | 2.63 | 156.7 | 160.7 | 161.2 | 0.3 | 2.9 |
| Special aggregates | | | | | | |
| All-items excluding energy | 92.94 | 127.3 | 128.6 | 128.8 | 0.2 | 1.2 |
| Energy ³ | 7.06 | 150.6 | 151.8 | 148.7 | -2.0 | -1.3 |
| Gasoline | 3.37 | 156.1 | 159.8 | 153.9 | -3.7 | -1.4 |
| All-items excluding food and energy | 76.71 | 123.9 | 125.5 | 125.6 | 0.1 | 1.4 |
| Goods | 45.32 | 119.1 | 119.0 | 118.5 | -0.4 | -0.5 |
| Services | 54.68 | 139.1 | 142.0 | 142.4 | 0.3 | 2.4 |

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 ¹ | June 2016 | May 2017 | June 2017 | May to June 2017 | June 2016 to June 2017 |
|---------------------------|----------------------------------|--------------|--------------|--------------|------------------|------------------------|
| | % | (2002=100) | | | % change | |
| Canada | 100.00² | 129.1 | 130.5 | 130.4 | -0.1 | 1.0 |
| Newfoundland and Labrador | 1.39 | 133.0 | 135.4 | 135.0 | -0.3 | 1.5 |
| Prince Edward Island | 0.33 | 131.8 | 133.3 | 133.4 | 0.1 | 1.2 |
| Nova Scotia | 2.38 | 131.8 | 132.2 | 132.4 | 0.2 | 0.5 |
| New Brunswick | 1.85 | 128.5 | 131.2 | 131.1 | -0.1 | 2.0 |
| Quebec | 20.93 | 126.0 | 127.1 | 126.7 | -0.3 | 0.6 |
| Ontario | 39.34 | 130.4 | 131.9 | 132.1 | 0.2 | 1.3 |
| Manitoba | 3.04 | 130.0 | 130.2 | 130.2 | 0.0 | 0.2 |
| Saskatchewan | 3.08 | 133.3 | 133.9 | 133.9 | 0.0 | 0.5 |
| Alberta | 13.07 | 136.3 | 137.2 | 136.9 | -0.2 | 0.4 |
| British Columbia | 14.40 | 123.1 | 125.0 | 125.2 | 0.2 | 1.7 |
| Whitehorse | 0.08 | 126.6 | 127.8 | 127.3 | -0.4 | 0.6 |
| Yellowknife | 0.07 | 132.6 | 133.5 | 133.6 | 0.1 | 0.8 |
| Iqaluit (Dec. 2002=100) | 0.03 | 123.7 | 125.5 | 126.2 | 0.6 | 2.0 |

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 adjusted¹

| | April 2017 | May 2017 | June 2017 | April to May 2017 | May to June 2017 |
|--|---------------|--------------|--------------|----------------------|---------------------|
| | (2002=100) | | | % change | |
| All-items | 130.1 | 129.9 | 129.9 | -0.2 | 0.0 |
| Food | 142.0 | 142.4 | 143.0 | 0.3 | 0.4 |
| Shelter | 137.9 | 137.7 | 137.8 | -0.1 | 0.1 |
| Household operations, furnishings and equipment | 122.0 | 122.1 | 122.2 | 0.1 | 0.1 |
| Clothing and footwear | 92.9 | 93.4 | 93.4 | 0.5 | 0.0 |
| Transportation | 132.3 | 130.9 | 130.2 | -1.1 | -0.5 |
| Health and personal care | 123.9 | 123.8 | 124.2 | -0.1 | 0.3 |
| Recreation, education and reading | 114.5 | 114.0 | 114.1 | -0.4 | 0.1 |
| Alcoholic beverages and tobacco products | 159.9 | 160.4 | 161.0 | 0.3 | 0.4 |
| Special aggregates | | | | | |
| All-items excluding food and energy ² | 125.0 | 125.1 | 125.3 | 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 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^{1,2}

| | March 2017 | April 2017 | May 2017 | June 2017 |
|---------------------------|---------------|---------------|-------------|--------------|
| | % | | | |
| CPI-common ^{3,5} | 1.3 | 1.3 | 1.3 | 1.4 |
| CPI-median ^{4,6} | 1.7 | 1.6 | 1.5 | 1.6 |
| CPI-trim ^{4,7} | 1.4 | 1.3 | 1.2 | 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 June 2017 issue of *The Consumer Price Index*, Vol. 96, no. 6 ([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) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).