

Consumer Price Index, January 2022

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In January 2022, Canadian inflation surpassed 5% for the first time since September 1991, rising 5.1% on a year-over-year basis and up from a 4.8% gain in December 2021. In comparison, the headline Consumer Price Index (CPI) increased 1.0% on a year-over-year basis in January 2021.

Excluding gasoline, the CPI rose 4.3% year over year in January 2022—the fastest pace since the introduction of the index in 1999. COVID-19 pandemic-related challenges continue to weigh on supply chains, and consumer energy prices remain elevated. Taken together, Canadians continued to feel the impact of rising prices for goods and services, especially for housing, food and gasoline.

On a monthly basis, the CPI rose 0.9% in January, the largest increase since January 2017, following a 0.1% decline in December 2021.

Highlights

The Consumer Price Index (CPI) rose 5.1% on a year-over-year basis in January 2022, up from a 4.8% gain in December 2021. Excluding gasoline, the CPI rose 4.3% year over year—the fastest pace since the introduction of the index in 1999.

On a monthly basis, the CPI rose 0.9% in January 2022, the largest increase since January 2017, following a 0.1% decline in December 2021.

On a seasonally adjusted monthly basis, the CPI was up 0.6%.

In January, prices rose in all major components on a year-over-year basis, with shelter prices (+6.2%) contributing the most to the all-items increase.

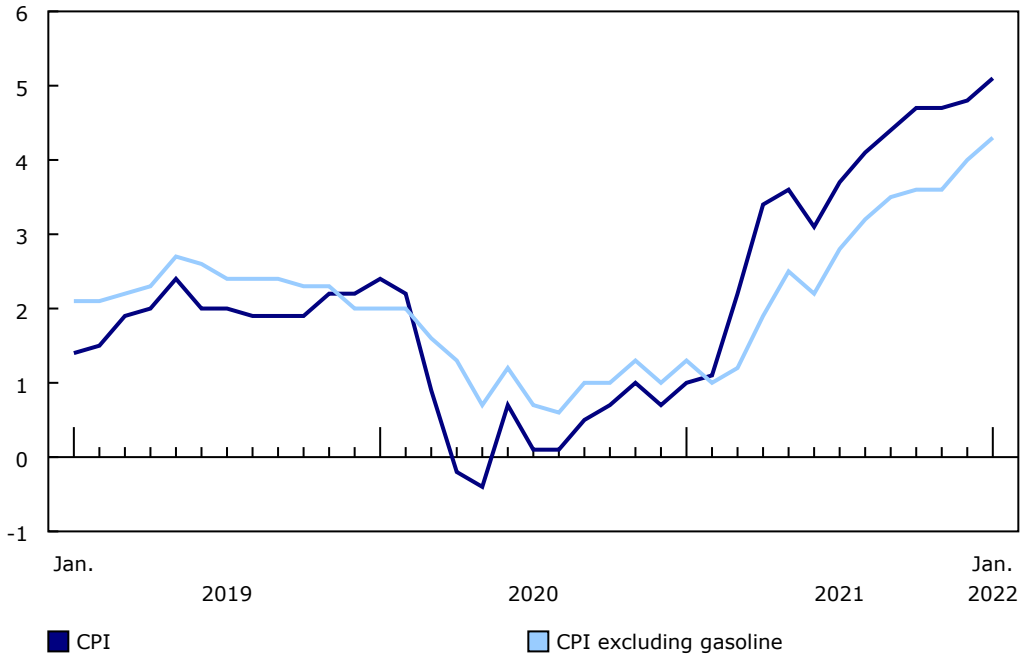
Year over year, prices for services (+3.4%) rose in January, matching the increase in December 2021. Prices for goods (+7.2%) grew at a faster pace in January 2022 than in December 2021 (+6.8%), contributing to the price growth in the CPI.

Inflation is often compared with changes to average wages. In January 2022, the CPI rose 5.1% on a year-over-year basis. Wage data from the [Labour Force Survey](#) found wages rose 2.4% during the same period, meaning that, on average, prices rose faster than wages and Canadians experienced a decline in purchasing power.



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

12-month % change



Source(s): Table 18-10-0004-01.

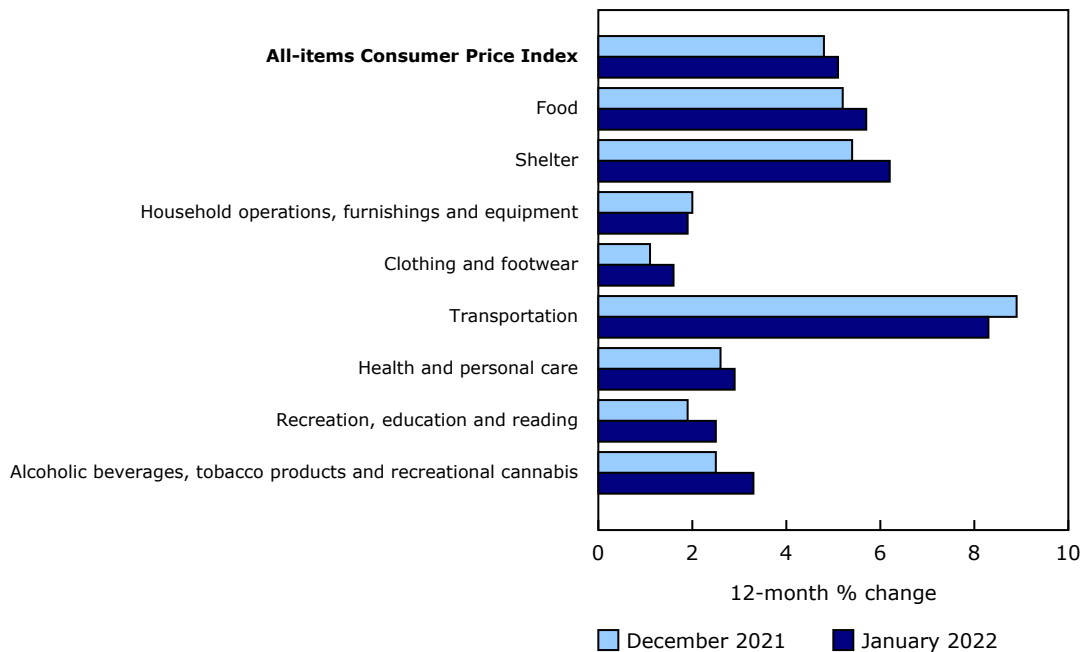
Explore the Consumer Price Index tools that can help you make informed financial decisions

Check out the [Personal Inflation Calculator](#)! This interactive calculator allows you to enter dollar amounts in the common expense categories to produce a personalized inflation rate, which you can compare to the official measure of inflation for the average Canadian household—the Consumer Price Index (CPI).

Visit the [Consumer Price Index Portal](#) to find all CPI data, publications, interactive tools, and announcements highlighting new products and upcoming changes to the CPI in one convenient location.

Consult the [Consumer Price Index Data Visualization Tool](#) to access current and historical CPI data in a customizable visual format.

Chart 2 Prices rise in all major components



Source(s): Table 18-10-0004-01.

Shelter costs rise at the fastest pace since 1990

Shelter costs rose 6.2% year over year in January 2022, the fastest pace since February 1990.

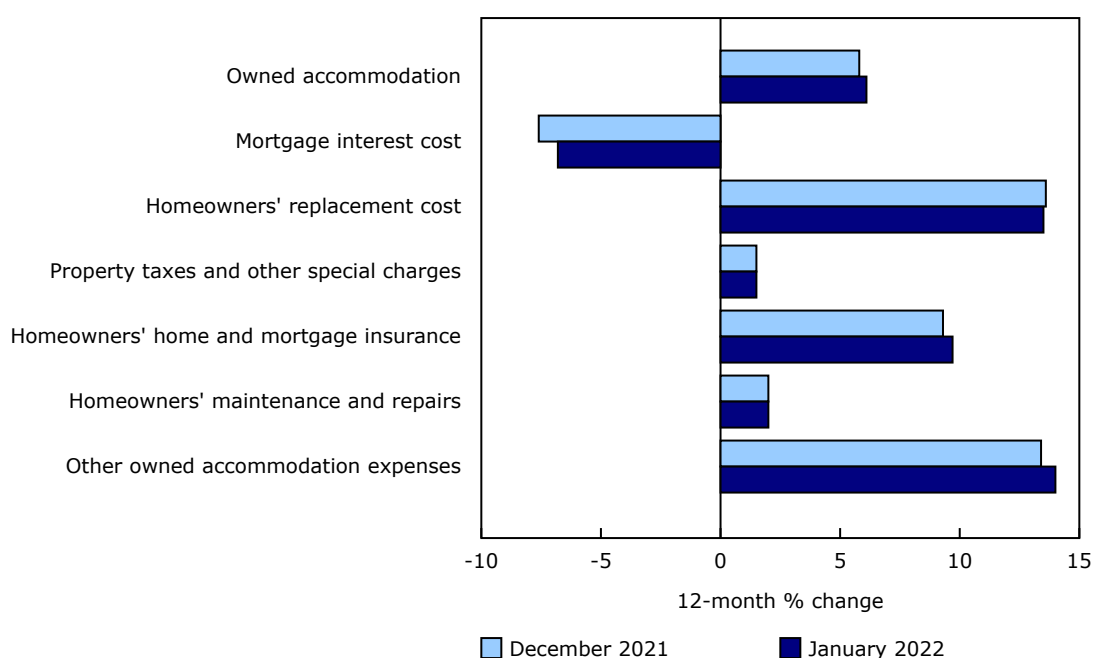
Higher prices for new homes contribute to higher costs associated with the upkeep of a property, or the homeowners' replacement cost. Higher home prices also tend to raise other owned accommodation expenses. In contrast, lower interest rates bring borrowing costs down—measured in the CPI through the mortgage interest cost index, which includes both new and resale home prices.

The owned accommodation index, which measures the ongoing costs of home ownership, increased 6.1% year over year in January. On a yearly basis, homeowners' replacement cost (+13.5%) and other owned accommodation expenses (+14.0%), which includes commissions on the sale of real estate, put upward pressure on shelter prices amid rapid price growth in the housing market throughout the pandemic.

Conversely, mortgage interest cost fell 6.8% year over year in January, putting downward pressure on the shelter index.

Renters also saw a rise in prices, as the rented accommodation index increased 3.2% year over year, contributing to the higher shelter prices Canadians faced in January.

Chart 3
Prices for owned accommodation rise year over year



Source(s): Table 18-10-0004-01.

Prices for groceries increase at a faster pace

Year over year, shoppers paid more for groceries, as prices for food purchased from stores rose at a faster pace in January 2022 (+6.5%) than in December 2021 (+5.7%). This is the largest yearly increase since May 2009.

Prices for fresh or frozen beef (+13.0%), fresh or frozen chicken (+9.0%), and fresh or frozen fish (+7.9%) rose more in January 2022 compared with December 2021. Margarine (+16.5%), as well as condiments, spices and vinegars (+12.1%) were also up compared with January 2021. Higher input prices and shipping costs, because of ongoing supply chain disruptions, have contributed to the increase in the price of food.

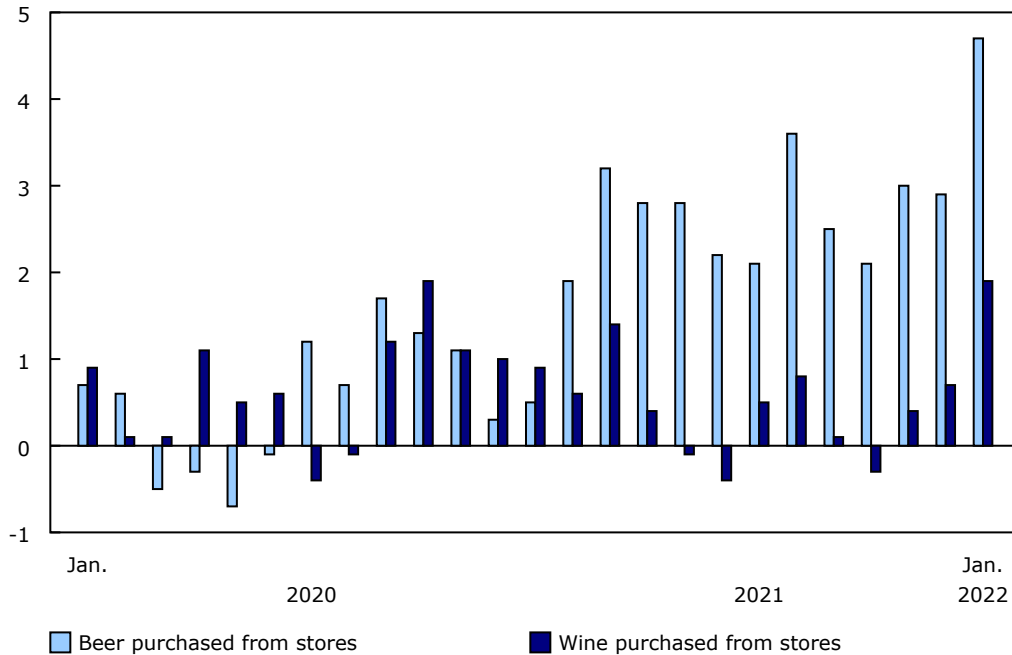
In addition to supply chain disruptions, unfavourable growing conditions have led to higher prices for fresh fruit (+8.2%) and bakery products (+7.4%).

Consumers pay more for alcoholic beverages

Consumers paid more for alcohol in January 2022, as alcoholic beverages purchased from stores rose 2.9%, following a 1.6% gain in December 2021. Much of this increase stemmed from higher prices for both beer and wine, amid material shortages and increased shipping costs.

Chart 4
Yearly changes in prices for beer and wine purchased from stores

12-month % change



Source(s): Table 18-10-0004-01.

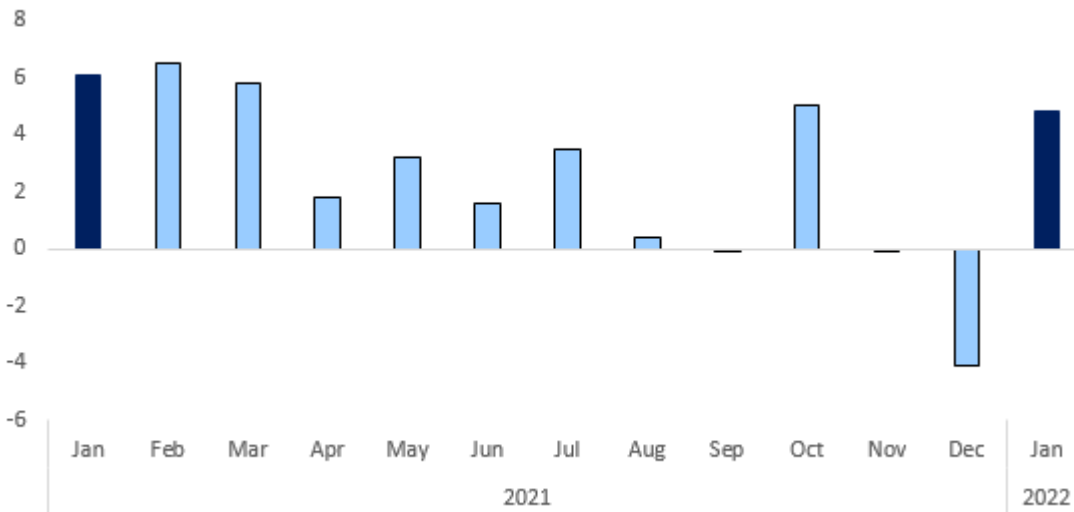
Gasoline prices remain elevated

On a monthly basis, Canadian drivers paid more at the pumps as gasoline prices rose 4.8% in January 2022. Gasoline prices increased amid concerns over global oil supplies in response to international political events.

Year over year, gasoline prices rose to a lesser extent in January 2022 (+31.7%) compared with December 2021 (+33.3%). This is because higher prices in January 2021, when gasoline prices rose 6.1% month over month, were used as the basis for the year-over-year comparison, leading to a slowdown in year-over-year growth in January 2022. For more information on base-year effects, visit the [March 2021](#) release of the CPI.

Infographic 1 – Gasoline prices increase month over month

1-month % change

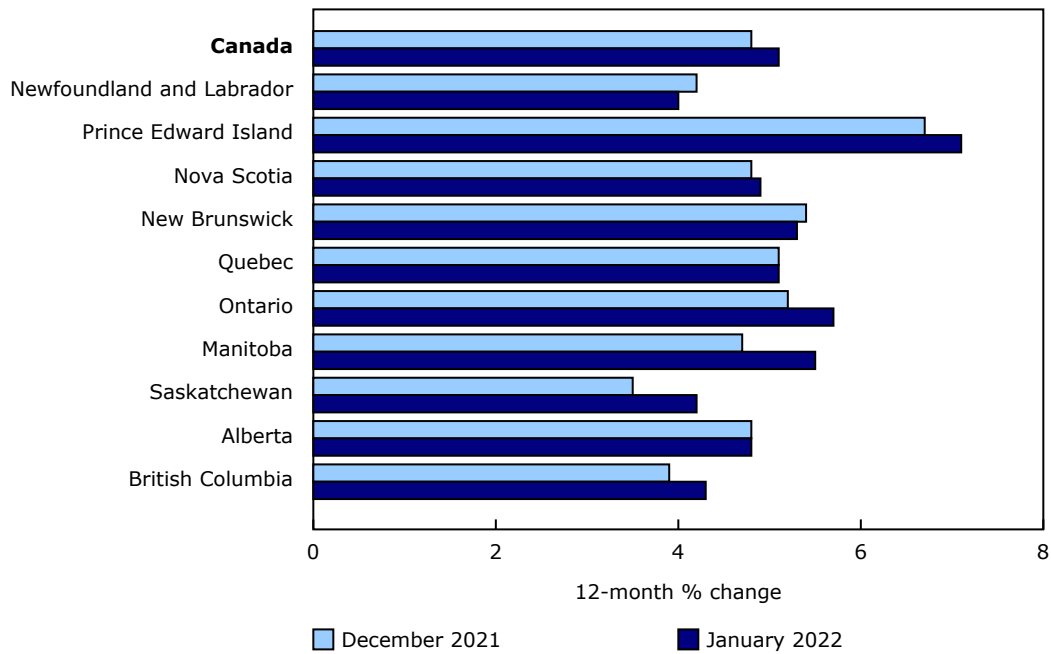


Source: Table 18-10-0004-01

Regional highlights

Prices rose at a faster pace year over year in January 2022 than in December 2021 in six provinces. Year over year prices increased in Ontario (+5.7%), Manitoba (+5.5%) and Saskatchewan (+4.2%), with higher electricity prices contributing to the gains.

Chart 5
The Consumer Price Index rises at a faster pace in six provinces



Source(s): Table 18-10-0004-01.

Higher prices for rent in British Columbia

Prices in British Columbia rose at a faster pace in January 2022 (+4.3%) compared with December 2021 (+3.9%), due in large part to higher rent prices (+4.2%). The gain in rent prices was partly attributable to increased demand as more people migrated to the region over the past year.

Note to readers

COVID-19 and the Consumer Price Index

Goods and services in the Consumer Price Index (CPI) that were not available to consumers in January due to COVID-19 restrictions received special treatments, effectively removing their impact on the monthly CPI. The following sub-indexes were imputed from the monthly change in the all-items index: some components of both spectator entertainment and use of recreational facilities and services in some areas.

The details of the special treatments from April 2020 to March 2021 are provided in technical supplements available through the [Prices Analytical Series](#). Details and other treatment information for April 2021 and onwards are available upon request.

Upcoming enhancements

The CPI is continuously evolving to incorporate the most timely and accurate data sources and methods. In the coming months, new sources of administrative data will be introduced for the mortgage interest cost index and the cellular services price index.

Used vehicle prices

The Canadian CPI accounts for the sale of used vehicles by including a weight for used vehicles in the index for the purchase of passenger vehicles. However, price changes for new cars are used as a proxy for used cars to ensure price change for this product is still covered to the best extent possible. Work is under way to include the price of used cars and trucks in the purchase of passenger vehicles index. An analytical paper will be forthcoming in the [Prices Analytical Series](#).

Expansion of monthly average retail prices

Beginning May 4, 2022, national average prices will be available in the Monthly Average Retail Prices for Selected Products (18-10-0245-01) table. At that time this table will also include an expanded list of products, based on enhanced data sources and methods. These new data series will begin with March 2022 data. This table uses scanner data (also known as transaction data) collected from Canadian retailers. Transaction data provide a comprehensive electronic record of the transactions made through a retailer's point-of-sale system, and contain relevant pricing information, such as product descriptions and quantities sold. The Monthly Average Retail Prices for Food and Other Selected Products (18-10-0002-01) table will no longer be published after March 16, 2022. Note that these tables are not directly comparable due to [methodological differences](#), and do not contain all the same products and may contain different product definitions.

Real-time data tables

Real-time data table 18-10-0259-01 will be updated on February 28. For more information, consult the document "[Real-time data tables](#)."

Next release

The adjusted price index for October 2021 to December 2021 will be released on February 24, 2022.

The Consumer Price Index for February 2022 will be released on March 16, 2022.

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

	Relative importance ^{1,2}	January 2021	December 2021	January 2022	December 2021 to January 2022	January 2021 to January 2022
	%	(2002=100)			% change	
All-items	100.00	138.2	144.0	145.3	0.9	5.1
Food	16.24	155.0	161.6	163.9	1.4	5.7
Shelter	30.03	148.4	156.8	157.6	0.5	6.2
Household operations, furnishings and equipment	14.89	124.3	126.1	126.7	0.5	1.9
Clothing and footwear	3.99	91.9	93.1	93.4	0.3	1.6
Transportation	15.96	144.9	154.9	156.9	1.3	8.3
Gasoline	3.57	160.9	202.2	211.9	4.8	31.7
Health and personal care	4.68	130.3	133.4	134.1	0.5	2.9
Recreation, education and reading	9.40	116.3	117.7	119.2	1.3	2.5
Alcoholic beverages, tobacco products and recreational cannabis	4.80	172.5	175.7	178.2	1.4	3.3
Special aggregates						
All-items excluding food	83.76	135.1	140.7	141.8	0.8	5.0
All-items excluding food and energy	77.06	132.8	136.7	137.5	0.6	3.5
All-items excluding alcoholic beverages, tobacco products and smokers' supplies and recreational cannabis	95.20	137.1	143.1	144.3	0.8	5.3
All-items excluding energy	93.30	136.7	141.1	142.1	0.7	4.0
All-items excluding gasoline	96.43	137.2	142.0	143.1	0.8	4.3
Energy ³	6.70	154.3	184.2	190.0	3.1	23.1
Goods	48.78	123.8	130.8	132.7	1.5	7.2
Durable goods	14.44	94.5	98.2	98.9	0.7	4.7
Semi-durable goods	6.60	95.4	97.1	98.3	1.2	3.0
Non-durable goods	27.73	148.9	160.1	163.2	1.9	9.6
Services	51.22	152.5	157.2	157.7	0.3	3.4

1. 2020 Consumer Price Index (CPI) basket weights at May 2021 prices, Canada, effective with the June 2021 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): Tables [18-10-0004-01](#) and [18-10-0007-01](#).

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

	Relative importance ^{1,2}	January 2021	December 2021	January 2022	December 2021 to January 2022	January 2021 to January 2022
	%	(2002=100)			% change	
Canada	100.00	138.2	144.0	145.3	0.9	5.1
Newfoundland and Labrador	1.32	142.1	146.3	147.8	1.0	4.0
Prince Edward Island	0.36	139.7	147.4	149.6	1.5	7.1
Nova Scotia	2.35	140.3	145.4	147.2	1.2	4.9
New Brunswick	1.90	138.2	144.3	145.5	0.8	5.3
Quebec	20.90	134.3	140.2	141.1	0.6	5.1
Ontario	40.59	139.5	146.0	147.4	1.0	5.7
Manitoba	3.21	138.5	144.0	146.1	1.5	5.5
Saskatchewan	2.92	141.9	145.9	147.8	1.3	4.2
Alberta	11.55	145.8	151.7	152.8	0.7	4.8
British Columbia	14.73	133.6	138.0	139.4	1.0	4.3
Whitehorse	0.07	136.1	140.8	141.1	0.2	3.7
Yellowknife	0.08	139.7	144.8	145.3	0.3	4.0
Iqaluit (Dec. 2002=100)	0.03	132.0	134.7	134.8	0.1	2.1

1. 2020 Consumer Price Index (CPI) basket weights at May 2021 prices, effective with the June 2021 CPI.

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

Source(s): Tables [18-10-0004-01](#) and [18-10-0007-01](#).

Table 3
Consumer Price Index, major components and special aggregates – Seasonally adjusted¹

	November 2021	December 2021	January 2022	November to December 2021	December 2021 to January 2022
	(2002=100)			% change	
All-items	144.5	144.9	145.7	0.3	0.6
Food	161.2	161.9	162.9	0.4	0.6
Shelter	155.9	156.8	157.6	0.6	0.5
Household operations, furnishings and equipment	126.3	126.7	127.2	0.3	0.4
Clothing and footwear	94.7	94.7	95.1	0.0	0.4
Transportation	156.8	156.5	157.6	-0.2	0.7
Health and personal care	133.9	133.8	134.2	-0.1	0.3
Recreation, education and reading	119.1	119.1	121.7	0.0	2.2
Alcoholic beverages, tobacco products and recreational cannabis	176.6	176.5	178.5	-0.1	1.1
Special aggregates					
All-items excluding food	141.2	141.6	142.3	0.3	0.5
All-items excluding food and energy ²	136.9	137.3	137.8	0.3	0.4

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): Table [18-10-0006-01](#).

Table 4
Consumer Price Index statistics, preferred measures of core inflation – Bank of Canada definitions, year-over-year percent change, Canada^{1,2}

	October 2021	November 2021	December 2021	January 2022
	% change			
CPI-common ^{3,5}	1.8	2.0	2.1	2.3
CPI-median ^{4,6}	2.9	2.9	3.1	3.3
CPI-trim ^{4,7}	3.4	3.4	3.8	4.0

1. For more information on these measures of core inflation, please consult the [methodology](#) and [general information](#) documents found in the "Definitions, data sources and methods" section of survey [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. Table 18-10-0259-01 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): Table [18-10-0256-01](#).

Table 5
Main contributors to the 12-month and 1-month change in the Consumer Price Index

January 2021 to January 2022

	% change
Main contributors to the 12-month change	
Main upward contributors	
Gasoline	31.7
Homeowners' replacement cost	13.5
Other owned accommodation expenses	14.0
Purchase of passenger vehicles	5.2
Meat	10.1
Main downward contributors	
Mortgage interest cost	-6.8
Telephone services	-11.9
Passenger vehicle insurance premiums	-6.7
Travel tours	-26.3
Digital computing equipment and devices	-8.2
December 2021 to January 2022	
	% change
Main contributors to the 1-month change, not seasonally adjusted	
Main upward contributors	
Gasoline	4.8
Purchase of passenger vehicles	0.9
Meat	2.2
Alcoholic beverages purchased from stores	2.1
Other owned accommodation expenses	1.0
Main downward contributors	
Air transportation	-18.0
Furniture	-2.0
Passenger vehicle insurance premiums	-0.6
Traveller accommodation	-2.2
Mortgage interest cost	-0.2

Source(s): Table [18-10-0004-01](#).

Available tables: [18-10-0001-01](#), [18-10-0002-01](#), [18-10-0004-01](#), [18-10-0006-01](#) and [18-10-0256-01](#).

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

The "[Consumer Price Index Data Visualization Tool](#)" is available on the Statistics Canada website.

More information on 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; infostats@statcan.gc.ca) or Media Relations (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).