

Consumer Price Index, February 2022

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In February, Canadian consumer prices increased 5.7% year over year, up from a 5.1% gain in January. This was the largest gain since August 1991 (+6.0%). February marked the second consecutive month where headline inflation exceeded 5%.

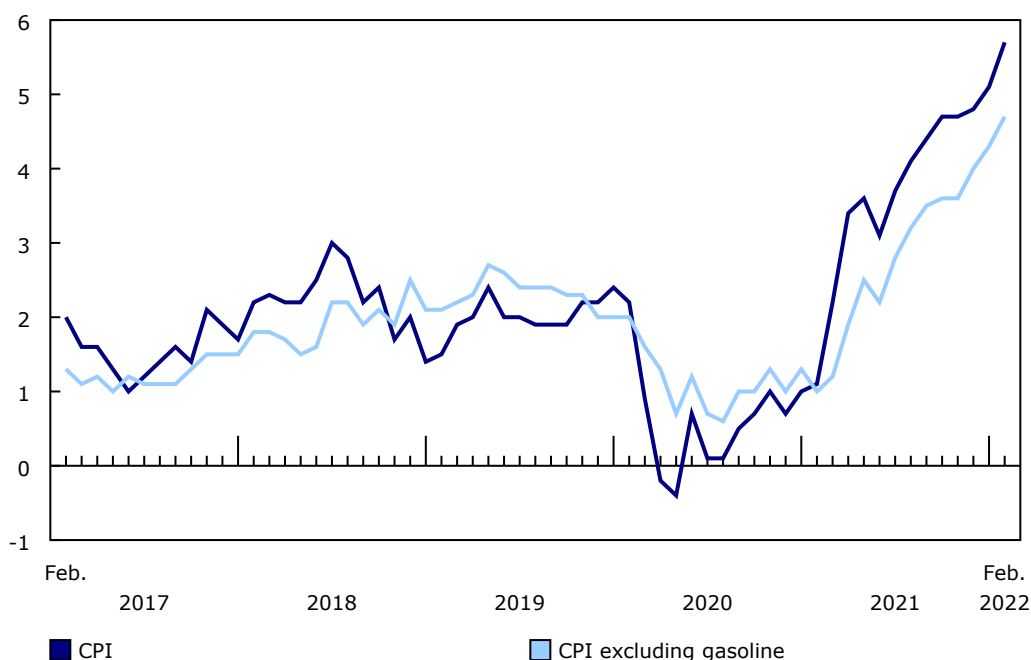
Price increases were broad-based in February, pinching the pocketbooks of Canadians. Consumers paid higher prices for gasoline and groceries in February 2022 compared with the same month a year earlier. Shelter costs continued to trend higher, rising at the fastest year-over-year pace since August 1983.

Excluding gasoline, the Consumer Price Index (CPI) rose 4.7% year over year in February, surpassing the gain in January (+4.3%) when the index increased at the fastest pace since its introduction in 1999.

On a monthly basis, the CPI rose 1.0% in February, the largest increase since February 2013, following a 0.9% increase in January. On a seasonally adjusted monthly basis, the CPI rose 0.6%.

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

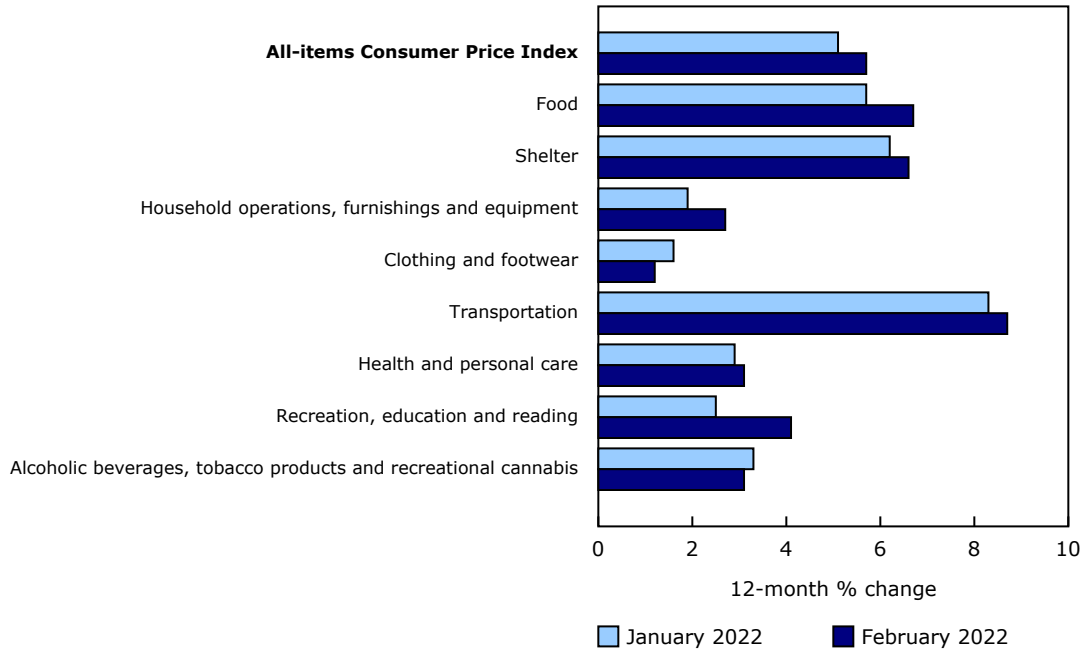
12-month % change



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



Chart 2 Prices rise in all major components



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

Higher prices for gasoline amid geopolitical conflict

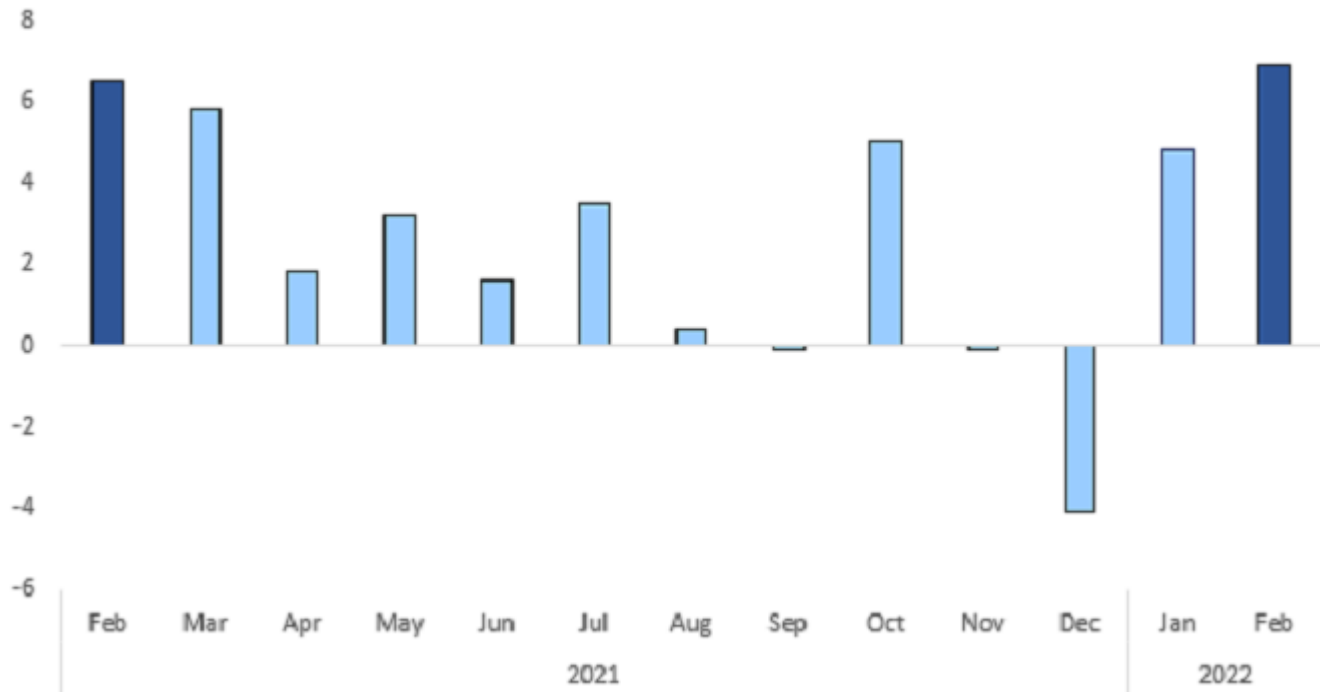
Canadian motorists paid 32.3% more at the pump compared with February 2021.

Monthly gasoline prices increased 6.9% amid geopolitical conflict in Eastern Europe and the Middle East, as uncertainty surrounding global oil supply put upward pressure on prices.

Similarly, prices for fuel oil and other fuels increased 8.5% month over month following higher international energy prices.

Infographic 1 – Gasoline prices increase month over month

1-month % change



Source: Table 18-10-0004-01.

Spotlight on dairy prices

Price change for staple foods, like dairy products, has an impact on inflation, which affects some Canadians more than others, especially those for whom food costs represent a larger proportion of disposable income.

In Canada, dairy, poultry and eggs are supply-managed and the Canadian system is supported by three main pillars to ensure income stability for domestic farmers: production control, import control and pricing mechanisms. Production control refers to limiting production through quotas, and therefore limiting supply of a product to ensure price stability. Import control refers to tariffs placed on foreign goods, making these goods comparatively expensive for Canadians. Pricing mechanisms refer to guaranteed minimum prices for farmers selling supply-managed products, called "farm gate prices," when farmers sell to processors. Each of the three pillars has an effect on the prices Canadians ultimately pay for dairy, poultry and eggs at grocery stores.

After reviewing farm gate milk prices as well as various other costs used to administer the supply management system, the [Canadian Dairy Commission \(CDC\)](#) implemented several changes on February 1, 2022. The farm gate milk price increased \$0.06 per litre (+8.4%), the largest increase to date, in order to partially offset the increased costs of production associated with COVID-19 (particularly animal feed, energy and fertilizer costs). Additionally, the support price for butter, the price at which the CDC buys and sells butter within the framework of its various programs, rose from \$8.7149 to \$9.7923 per kg, a 12.4% increase.

Following the changes by the CDC, many processors and retailers passed on dairy product price increases to consumers. In the Consumer Price Index (CPI), dairy products account for 1.45% of the CPI basket weight. In February, prices for dairy products rose 3.7% month over month. While fresh milk prices (+5.8%) rose at the fastest month-over-month pace since April 1994, price increases were seen across all dairy products in February, most notably in the indexes for cheese (+3.0%) and other dairy products (+4.9%) and, to a lesser extent, in butter (+0.8%) and ice cream and related products (+0.8%).

Grocery prices continue to climb in February

Prices for food purchased from stores (+7.4%) rose at a faster year-over-year pace in February than in January (+6.5%). This is the largest yearly increase since May 2009. Higher input prices and heightened transportation costs continued to contribute inflationary pressure in February.

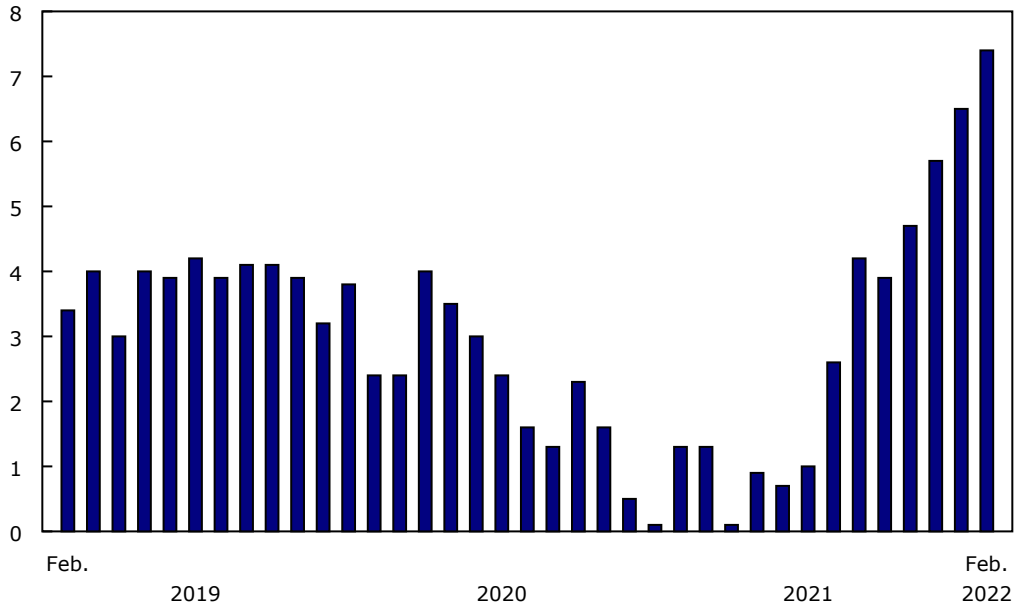
Price growth for meat (+11.7%), including fresh or frozen beef (+16.8%) and chicken (+10.4%), was higher year over year in February than in January (+10.1%).

On a year-over-year basis, prices for dairy products and eggs were up 6.9%, following a 4.5% gain in January, as the farm gate milk prices producers receive increased on February 1, 2022 to partially offset higher production costs.

In contrast, price growth for bread, rolls, and buns (+3.7%) slowed year over year in February compared with January (+7.5%).

Chart 3
Prices for food purchased from stores rise

12-month % change



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

Shelter costs rise at fastest pace since 1983

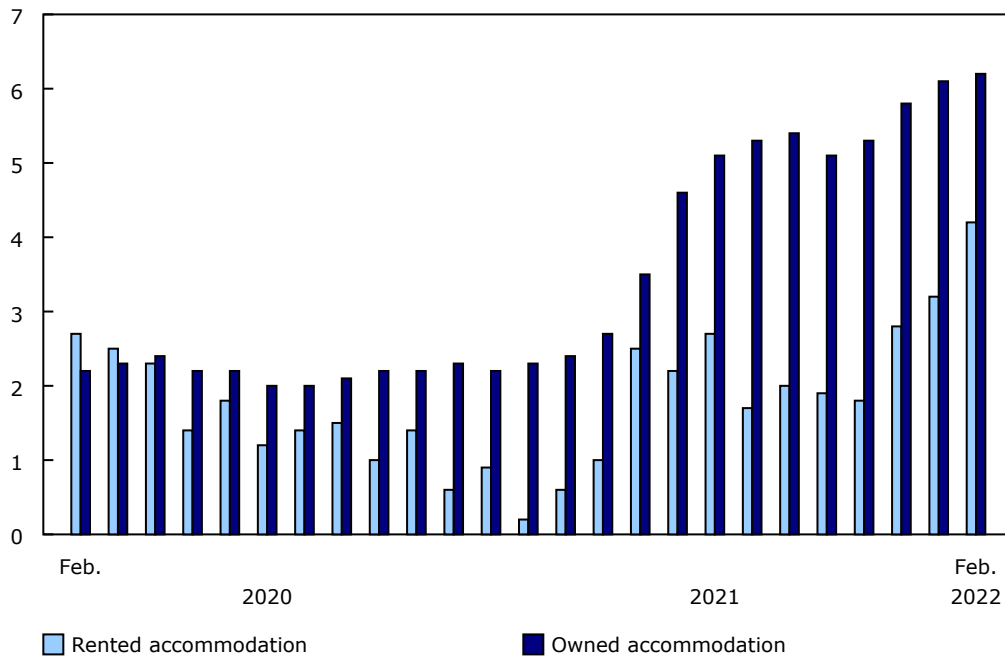
In February, shelter costs rose 6.6% year over year, the fastest pace since August 1983. Higher costs for both owned accommodation (+6.2%) and rented accommodation (+4.2%) contributed to the increase.

Homeowners' replacement cost (+13.2%), which is related to the price of new homes, and other owned accommodation expenses (+14.3%), which includes commissions on the sale of real estate, remained elevated year over year. In contrast, mortgage interest cost (-6.0%) moderated the shelter index on a year-over-year basis.

According to the Canadian Mortgage and Housing Corporation, improved economic and demographic conditions over the past year, including youth employment recovery and resumption of international migration to Canada, [supported rental demand](#). This, in part, contributed to higher rent (+4.2%) prices year over year in February.

Chart 4
Year-over-year change in owned and rented accommodation prices

12-month % change



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

Higher prices for household appliances and non-electric kitchen utensils

Consumers paid higher prices for household appliances (+7.8%), including cooking appliances (+9.4%), refrigerators and freezers (+15.6%) and laundry and dishwashing appliances (+9.1%), compared with February 2021.

In addition, prices for non-electric kitchen utensils, tableware and cookware increased 10.4% on a year-over-year basis in February, following a gain of 7.5% in January.

Prices for telephone services fall less in February

Although prices for telephone services continued to trend lower year over year, prices fell to a lesser extent in February (-7.9%) compared with January (-11.9%).

The movement was mostly the result of a price decline in February 2021, when various cellular providers offered bonus data to customers at no additional charge, which no longer influences the 12-month price movement.

Upcoming Consumer Price Index basket update: Helping to shape Canada's post-pandemic economic recovery

The COVID-19 pandemic has had an undeniable impact on the prices of consumer goods and services, and on the way Canadians spend their money. Capturing shifts in purchasing patterns is critical to helping government leaders and policy-makers make evidence-based decisions. As Canada continues to chart a path to economic recovery, Statistics Canada is updating its methods to ensure its core statistical programs, including the Consumer Price Index (CPI), are accurate, timely and of the highest quality.

Consumer Price Index basket update in June 2022

The CPI is based on a fixed basket of goods and services designed according to international standards and methods. On **June 15, 2022**, updated basket weights for the goods and services used in the calculation of the CPI will be made available in table [18-10-0007-01](#). The new basket weight reference period will be 2021, based on the most recent national [household final consumption expenditure](#) data. Alternative data for 2021 will be used to account for pandemic-related shifts at more detailed levels of geography and within the various CPI components. The methods and data sources used will be similar to the [last basket update in July 2021](#).

One week later, on June 22, the May 2022 CPI will be released, based on the updated basket weights.

For general information on basket updates, consult [The Canadian Consumer Price Index Reference Paper](#), chapter 8, "Weights and basket updates."

For the latest analysis of evolving consumer expenditure patterns during the pandemic recovery, see the [Adjusted price index](#), which has provided a complementary measure of consumer price inflation based on a more timely set of national weights from alternative sources of expenditure data, such as those from the Bank of Canada.

Going forward, and to ensure an even greater degree of relevance, Statistics Canada will move towards annual basket updates based on the most recent household expenditure data.

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 CPI.

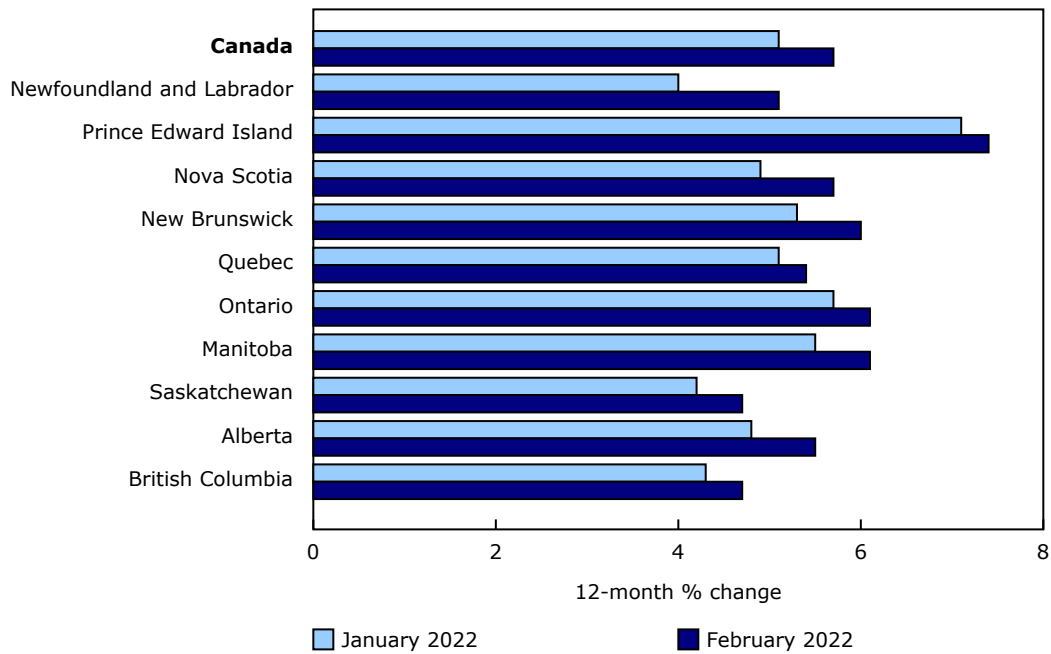
Visit the [Consumer Price Index](#) portal to find all CPI data, publications, interactive tools, and announcements highlighting new products and upcoming changes to the CPI in one convenient location.

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

Regional highlights

Year over year, prices rose at a faster pace in February than in January in every province. Price increases across the provinces were broad-based.

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



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

Prices for child care drop in Saskatchewan and Newfoundland and Labrador

In February, prices for child care and housekeeping services fell 32.8% month over month in Saskatchewan and 18.2% in Newfoundland and Labrador following the introduction of new child care grants.

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 February 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 spectator entertainment 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.

Expansion of monthly average retail prices

Beginning May 4, 2022, national average retail prices will be available in the Monthly Average Retail Prices for Selected Products (table [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 (table [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.

Upcoming enhancements

The CPI is continuously evolving to incorporate the most timely and accurate data sources and methods. With the release of the March CPI on April 20, new sources of administrative data will be introduced for the mortgage interest cost index. In the coming months, new sources of administrative data will be introduced for the cellular services price index.

Real-time data tables

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

Next release

The Consumer Price Index for March will be released on April 20.

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

	Relative importance ^{1,2}	February 2021	January 2022	February 2022	January to February 2022	February 2021 to February 2022
	%	(2002=100)		% change		
All-items	100.00	138.9	145.3	146.8	1.0	5.7
Food	16.24	155.6	163.9	166.0	1.3	6.7
Shelter	30.03	148.8	157.6	158.6	0.6	6.6
Household operations, furnishings and equipment	14.89	124.3	126.7	127.6	0.7	2.7
Clothing and footwear	3.99	92.7	93.4	93.8	0.4	1.2
Transportation	15.96	147.1	156.9	159.9	1.9	8.7
Gasoline	3.57	171.3	211.9	226.6	6.9	32.3
Health and personal care	4.68	130.5	134.1	134.6	0.4	3.1
Recreation, education and reading	9.40	116.1	119.2	120.9	1.4	4.1
Alcoholic beverages, tobacco products and recreational cannabis	4.80	173.2	178.2	178.5	0.2	3.1
Special aggregates						
All-items excluding food	83.76	135.8	141.8	143.1	0.9	5.4
All-items excluding food and energy	77.06	133.1	137.5	138.3	0.6	3.9
All-items excluding alcoholic beverages, tobacco products and smokers' supplies and recreational cannabis	95.20	137.8	144.3	145.8	1.0	5.8
All-items excluding energy	93.30	137.1	142.1	143.1	0.7	4.4
All-items excluding gasoline	96.43	137.6	143.1	144.1	0.7	4.7
Energy ³	6.70	160.4	190.0	199.0	4.7	24.1
Goods	48.78	125.2	132.7	134.7	1.5	7.6
Durable goods	14.44	95.4	98.9	100.0	1.1	4.8
Semi-durable goods	6.60	96.1	98.3	98.9	0.6	2.9
Non-durable goods	27.73	150.9	163.2	166.3	1.9	10.2
Services	51.22	152.6	157.7	158.4	0.4	3.8

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}	February 2021	January 2022	February 2022	January to February 2022	February 2021 to February 2022
	%	(2002=100)		% change		
Canada	100.00	138.9	145.3	146.8	1.0	5.7
Newfoundland and Labrador	1.32	142.0	147.8	149.3	1.0	5.1
Prince Edward Island	0.36	140.8	149.6	151.2	1.1	7.4
Nova Scotia	2.35	140.8	147.2	148.8	1.1	5.7
New Brunswick	1.90	138.7	145.5	147.0	1.0	6.0
Quebec	20.90	135.3	141.1	142.6	1.1	5.4
Ontario	40.59	140.2	147.4	148.8	0.9	6.1
Manitoba	3.21	138.9	146.1	147.4	0.9	6.1
Saskatchewan	2.92	142.4	147.8	149.1	0.9	4.7
Alberta	11.55	146.4	152.8	154.5	1.1	5.5
British Columbia	14.73	134.1	139.4	140.4	0.7	4.7
Whitehorse	0.07	136.4	141.1	142.5	1.0	4.5
Yellowknife	0.08	139.6	145.3	147.2	1.3	5.4
Iqaluit (Dec. 2002=100)	0.03	132.0	134.8	135.8	0.7	2.9

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

	December 2021	January 2022	February 2022	December 2021 to January 2022	January to February 2022
	(2002=100)			% change	
All-items	144.9	145.8	146.7	0.6	0.6
Food	161.9	163.3	164.9	0.9	1.0
Shelter	156.8	157.6	158.6	0.5	0.6
Household operations, furnishings and equipment	126.7	127.2	127.5	0.4	0.2
Clothing and footwear	94.7	95.1	94.8	0.4	-0.3
Transportation	156.5	157.8	159.5	0.8	1.1
Health and personal care	133.8	134.2	134.6	0.3	0.3
Recreation, education and reading	119.1	120.9	121.0	1.5	0.1
Alcoholic beverages, tobacco products and recreational cannabis	176.5	178.3	178.5	1.0	0.1
Special aggregates					
All-items excluding food	141.6	142.4	143.1	0.6	0.5
All-items excluding food and energy ²	137.3	137.8	138.2	0.4	0.3

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}

	November 2021	December 2021	January 2022	February 2022
	% change			
CPI-common ^{3,5}	2.1	2.1	2.4	2.6
CPI-median ^{4,6}	3.0	3.2	3.4	3.5
CPI-trim ^{4,7}	3.5	3.8	4.0	4.3

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

February 2021 to February 2022

	% change
Main contributors to the 12-month change	
Main upward contributors	
Gasoline	32.3
Homeowners' replacement cost	13.2
Other owned accommodation expenses	14.3
Purchase of passenger vehicles	4.7
Rent	4.2
Main downward contributors	
Mortgage interest cost	-6.0
Passenger vehicle insurance premiums	-6.5
Telephone services	-7.9
Travel tours	-17.9
Digital computing equipment and devices	-7.7
January to February 2022	
	% change
Main contributors to the 1-month change, not seasonally adjusted	
Main upward contributors	
Gasoline	6.9
Rent	1.0
Dairy products	3.7
Purchase of passenger vehicles	0.8
Homeowners' replacement cost	0.7
Main downward contributors	
Jewellery	-5.3
Paper, plastic and aluminum foil supplies	-2.6
Air transportation	-3.4
Internet access services (200212=100)	-0.9
Telephone services	-0.5

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).