Consumer Price Index, April 2022

Released at 8:30 a.m. Eastern time in The Daily, Wednesday, May 18, 2022

In April, Canadian consumer prices rose 6.8% year over year, a slight increase from March (+6.7%).

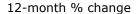
The year-over-year increase in April was largely driven by food and shelter prices. Gas prices increased at a slower pace in April compared with March, moderating the acceleration of the all-items Consumer Price Index (CPI) in April.

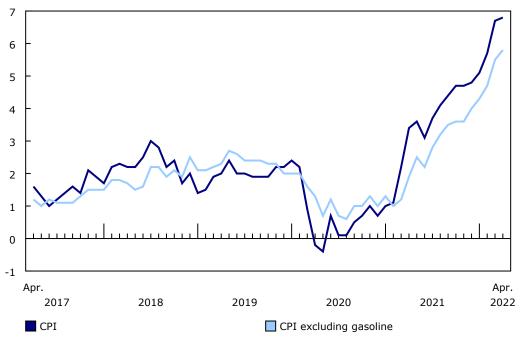
Excluding gasoline, the CPI rose 5.8% year over year in April, after a 5.5% gain in March. This was the fastest pace since the introduction of the all-items excluding gasoline special aggregate in 1999.

Russia's invasion of Ukraine in late February continued to affect energy, commodity and, most notably, food prices. With the unemployment rate falling to a record low in April, strong employment figures tend to put upward pressure on prices. In April, average hourly wages for employees rose 3.3% on a year-over-year basis, meaning that, on average, prices rose faster than wages, and Canadians experienced a decline in purchasing power.

On a monthly basis, the CPI rose 0.6% in April after a 1.4% gain in March. On a seasonally adjusted monthly basis, the CPI rose 0.7%.

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





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

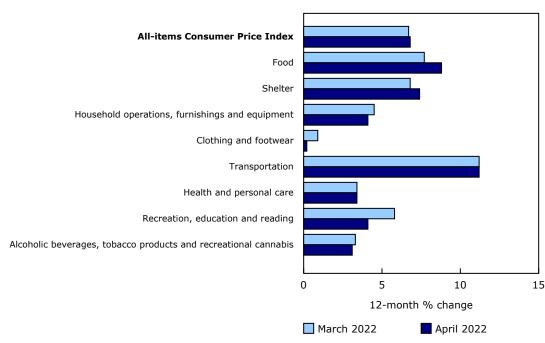
Important enhancements to the CPI

As part of Statistics Canada's rigorous and ongoing efforts to maintain the quality and relevance of the CPI, important enhancements are planned for June 2022:

- The introduction of used vehicle prices;
- · CPI basket update.

For information on these enhancements, please see the Note to readers.

Chart 2
Prices increase at a slower rate in four of eight major components in April, but accelerate in the food component



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

Prices for groceries continue to increase

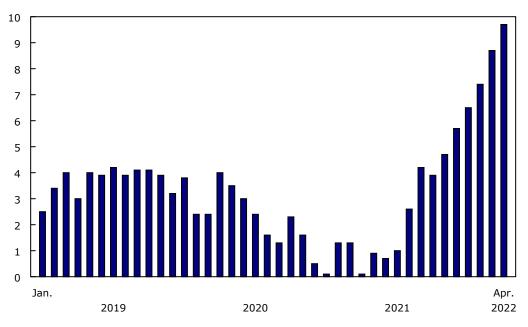
Canadians paid 9.7% more in April for food purchased from stores compared with April 2021. This increase, which exceeded 5% for the fifth month in a row, was the largest increase since September 1981. For comparison, from 2010 to 2020, there were five months when prices for food purchased from stores increased at a rate of 5% or higher.

On a year-over-year basis, increases in food prices have been broad-based, with consumers paying more for nearly everything at the grocery store. Basics, such as fresh fruit (+10.0%), fresh vegetables (+8.2%) and meat (+10.1%), were all more expensive in April compared with a year earlier. Prices for starchy foods such as bread (+12.2%), pasta (+19.6%), rice (+7.4%) and cereal products (+13.9%) also increased. Additionally, a cup of coffee (+13.7%) cost more in April 2022 than in April 2021.

The recent period of higher food prices has occurred within the context of numerous events that are continuing to fuel higher prices. With both countries being major wheat exporters, Russia's invasion of Ukraine in late February put upward price pressure on food products that use wheat. Poor weather in growing regions has also impacted prices for food. Additionally, higher prices for inputs such as fertilizer and natural gas continued to increase the cost of production for farmers, who have passed some of these costs on to consumers.

Chart 3 Prices for food purchased from stores rise

12-month % change



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

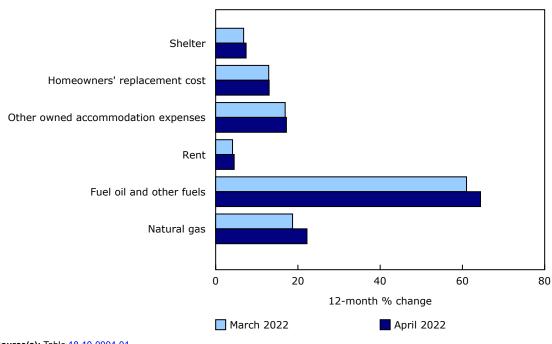
Higher fuel oil prices contribute to higher shelter costs

In April, shelter costs rose 7.4% year over year, the fastest pace since June 1983, following a 6.8% increase in March. Higher prices for energy sources used to heat homes, such as natural gas (+22.2%) and fuel oil and other fuels (+64.4%), contributed to the increase.

Reflecting the dynamic Canadian housing market, homeowners' replacement cost (+13.0%) which is related to the price of new homes, and other owned accommodation expenses (+17.2%) which includes commissions on the sale of real estate, both increased in April.

The mortgage interest cost Index (+0.2%) increased on a month-over-month basis for the first time since April 2020.

Chart 4 Top contributors to the increase in shelter prices



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

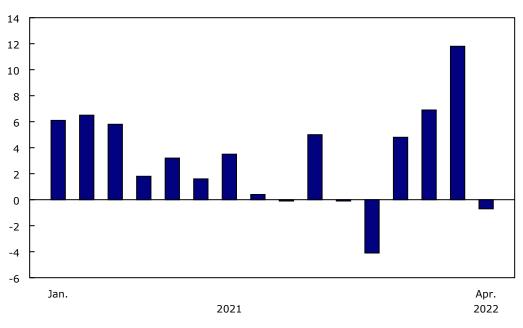
Monthly gasoline prices slow in April after strong increase in March

In April, gasoline prices fell slightly on a month-over-month basis (-0.7%), following a gain of 11.8% in March. Global crude oil prices declined in April, in part due to lower global demand expectations.

Year over year, consumers paid 36.3% more for gasoline in April compared with 39.8% in March.

Chart 5
Monthly price for gasoline falls after strong increases in the first quarter of 2022

1-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.

Listen to the latest Eh Sayers podcast, to learn more about supply chains.

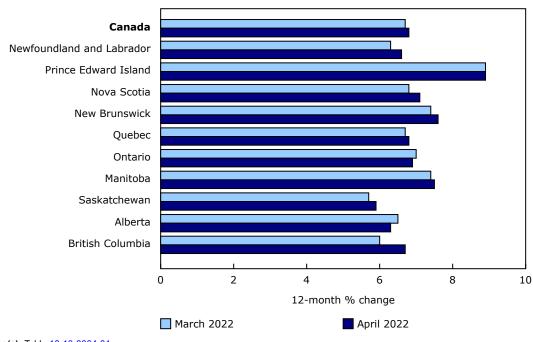
Regional highlights

On a year-over-year basis, the CPI increased at a faster pace in April than in March in seven provinces.

Although prices in Ontario increased 6.9% in April year over year, they grew at a slower pace than in March (+7.0%). This is in part attributed to the gradual implementation of the provincial and federal agreement to subsidize licensed daycare and the provincial government's removal of passenger vehicle registration fees.

Price growth slowed the most in Alberta, partly due to the temporary removal of the fuel tax on gasoline initiated by the provincial government.

Chart 6 The Consumer Price Index accelerates in seven provinces



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

Rent prices rise in the most populous provinces

Rent prices increased in April (+4.5%) compared with the same month in 2021. The increase in rent was partly driven by price increases in Canada's most populous provinces: Ontario (+5.3%), Quebec (+4.3%) and British Columbia (+6.4%).

Note to readers

Used vehicle prices

Statistics Canada has published a technical paper, "Measuring price change for used vehicles in the Canadian Consumer Price Index." The paper outlines the proposed plan for introducing used vehicle prices in the Consumer Price Index (CPI), including data and methods.

With the introduction of the 2021 CPI basket, Statistics Canada will use administrative data to strengthen the measurement of price change for used vehicles, which will replace the current method of measuring price change by proxy. The enhancements will be incorporated into the calculation of the purchase of passenger vehicles index. With the introduction of used vehicle prices in the CPI, two new series will be published: purchase of new passenger vehicles (2022-04=100) and purchase of used passenger vehicles (2022-04=100). Both price index series will be available starting April 2022 and will be published at the national level.

Used vehicle prices are scheduled to be introduced with the May 2022 monthly price change (release in June 2022), with no level adjustment for historical changes in the all-items CPI. This approach is consistent with the way other products have been introduced in the CPI such as cellular services, electronic devices and cannabis. This approach follows international best practices as well as recommendations by Statistics Canada's Price Measurement Advisory Committee.

For additional information or to provide comments on the proposed enhancement, users may contact the Consumer Prices Division at statcan.cpddisseminationunit-dpcunitedediffusion.statcan@statcan.gc.ca.

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.

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.

Real-time data tables

Real-time data table 18-10-0259-01 will be updated on May 30. For more information, consult the document "Real-time data tables."

Planned maintenance

The Consumer Price Index Data Visualization Tool will be temporarily unavailable from June 15 to 22, 2022, due to planned maintenance related to the updated basket.

Next release

The updated basket weights for the Consumer Price Index, based on the 2021 weight reference period, will be released on June 15.

The Consumer Price Index for May will be released on June 22.

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

	Relative	April	March	April	March to April	April 2021 to
	importance ^{1,2}	2021	2022	2022	2022	April 2022
	%		(2002=100)		% change	
All-items	100.00	140.3	148.9	149.8	0.6	6.8
Food	16.24	155.4	167.5	169.0	0.9	8.8
Shelter	30.03	150.7	160.2	161.9	1.1	7.4
Household operations, furnishings and equipment	14.89	124.7	129.1	129.8	0.5	4.1
Clothing and footwear	3.99	94.9	94.5	95.1	0.6	0.2
Transportation	15.96	149.5	165.5	166.3	0.5	11.2
Gasoline	3.57	184.6	253.4	251.7	-0.7	36.3
Health and personal care	4.68	132.5	134.9	137.0	1.6	3.4
Recreation, education and reading	9.40	116.8	123.1	121.6	-1.2	4.1
Alcoholic beverages, tobacco products and						
recreational cannabis	4.80	174.4	179.3	179.8	0.3	3.1
Special aggregates						
All-items excluding food	83.76	137.4	145.3	146.2	0.6	6.4
All-items excluding food and energy	77.06	134.2	139.6	140.4	0.6	4.6
All-items excluding alcoholic beverages, tobacco products and smokers' supplies and recreational						
cannabis	95.20	139.2	147.9	148.9	0.7	7.0
All-items excluding energy	93.30	137.9	144.4	145.3	0.6	5.4
All-items excluding gasoline	96.43	138.6	145.6	146.6	0.7	5.8
Energy ³	6.70	170.2	213.9	215.1	0.6	26.4
Goods	48.78	126.8	137.8	138.3	0.4	9.1
Durable goods	14.44	95.6	102.5	102.3	-0.2	7.0
Semi-durable goods	6.60	97.6	99.5	99.9	0.4	2.4
Non-durable goods	27.73	153.5	170.5	171.7	0.7	11.9
Services	51.22	153.7	159.4	160.8	0.9	4.6

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

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

	Relative importance ^{1,2}	April 2021	March 2022	April 2022	March to April 2022	April 2021 to April 2022
	%	(2002=100)		% cha	inge
Canada	100.00	140.3	148.9	149.8	0.6	6.8
Newfoundland and Labrador	1.32	143.5	151.9	153.0	0.7	6.6
Prince Edward Island	0.36	143.2	154.7	156.0	0.8	8.9
Nova Scotia	2.35	142.3	151.4	152.4	0.7	7.1
New Brunswick	1.90	140.3	149.5	150.9	0.9	7.6
Quebec	20.90	136.2	144.5	145.5	0.7	6.8
Ontario	40.59	141.8	150.8	151.6	0.5	6.9
Manitoba	3.21	140.6	149.9	151.1	0.8	7.5
Saskatchewan	2.92	143.9	151.4	152.4	0.7	5.9
Alberta	11.55	147.7	156.5	157.0	0.3	6.3
British Columbia	14.73	135.2	143.0	144.2	0.8	6.7
Whitehorse	0.07	137.8	144.9	145.8	0.6	5.8
Yellowknife	0.08	140.5	149.6	150.3	0.5	7.0
Iqaluit (Dec. 2002=100)	0.03	133.2	136.9	137.8	0.7	3.5

^{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.

^{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.

^{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

	February 2022	March 2022	April 2022	February to March 2022	March to April 2022
	((2002=100)		% ch	ange
All-items	146.9	148.4	149.4	1.0	0.7
Food	165.1	167.0	168.8	1.2	1.1
Shelter	158.6	160.2	161.9	1.0	1.1
Household operations, furnishings and equipment	127.5	128.8	129.3	1.0	0.4
Clothing and footwear	94.7	94.4	94.4	-0.3	0.0
Transportation	160.3	163.9	164.8	2.2	0.5
Health and personal care	134.7	135.3	136.4	0.4	0.8
Recreation, education and reading	121.4	122.2	121.8	0.7	-0.3
Alcoholic beverages, tobacco products and					
recreational cannabis	178.6	179.2	179.4	0.3	0.1
Special aggregates					
All-items excluding food	143.4	144.8	145.5	1.0	0.5
All-items excluding food and energy ²	138.4	139.4	140.1	0.7	0.5

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.

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

	January	February	March	April
	2022	2022	2022	2022
		% change		
CPI-common ^{3,5}	2.6	2.8	3.0	3.2
CPI-median ^{4,6}	3.4	3.6	4.0	4.4
CPI-trim ^{4,7}	4.1	4.4	4.8	5.1

^{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**.

- 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.
- 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.

^{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**.

^{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.

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

	April 2021 to April 2022
	% change
Main contributors to the 12-month change	
Main upward contributors	
Gasoline	36.3
Homeowners' replacement cost	13.0
Other owned accommodation expenses	17.2
Purchase of passenger vehicles	7.5
Food purchased from restaurants	6.6
Main downward contributors	
Mortgage interest cost	-4.4
Telephone services	-6.7
Travel tours	-18.6
Passenger vehicle insurance premiums	-3.0
Passenger vehicle registration fees	-28.2
	March to April 2022
	% change
Main contributors to the 1-month change, not seasonally adjusted	
Main upward contributors	
Other owned accommodation expenses	2.0
Homeowners' replacement cost	1.5
Food purchased from restaurants	1.5
Natural gas	6.3
Homeowners' maintenance and repairs	2.6
Main downward contributors	
Travel tours	-12.6
Purchase of digital media	-19.1
Purchase of recreational vehicles and outboard motors	-3.0
Child care and housekeeping services	-4.2
Gasoline	-0.7

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

Available tables: 18-10-0001-01, 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).