

Consumer Price Index, June 2024

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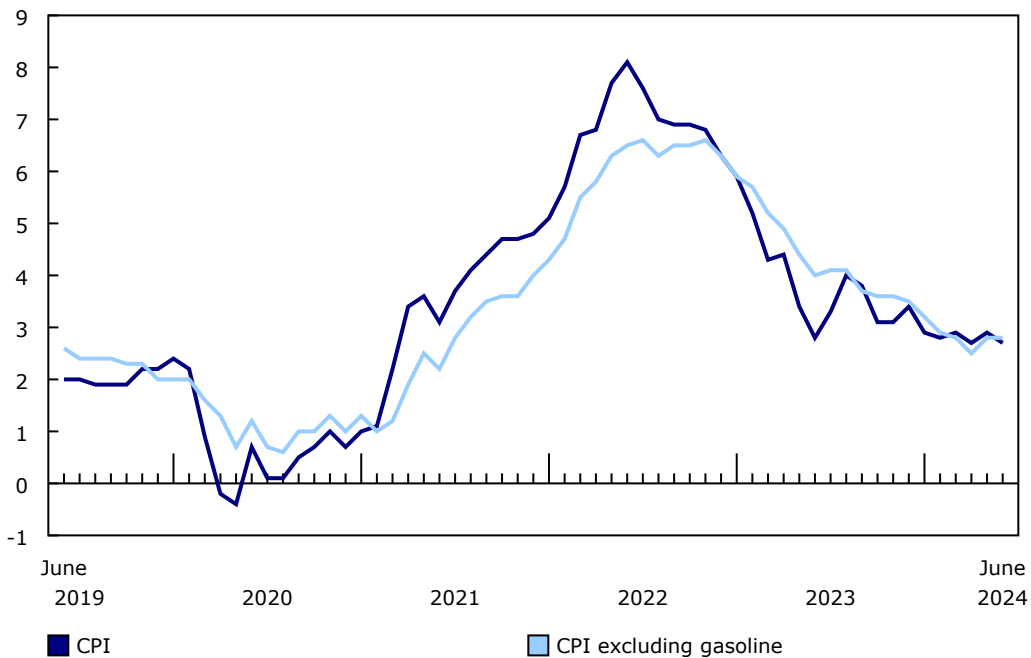
The Consumer Price Index (CPI) rose 2.7% on a year-over-year basis in June, down from a 2.9% gain in May. The deceleration was largely the result of slower year-over-year growth in gasoline prices, which rose 0.4% in June following a 5.6% increase in May. Excluding gasoline, the CPI rose 2.8% in June.

Year over year, lower prices for durable goods (-1.8%) also contributed to the slowdown in the all-items CPI in June. Moderating the deceleration was an increase in prices for food purchased from stores (+2.1%), as well as a smaller decline for cellular services in June (-12.8%) compared with May (-19.4%).

On a monthly basis, the CPI fell 0.1% in June, following a 0.6% increase in May. The monthly decrease was driven by lower prices for travel tours (-11.1%) and gasoline (-3.1%). On a seasonally adjusted monthly basis, the CPI rose 0.1% in June.

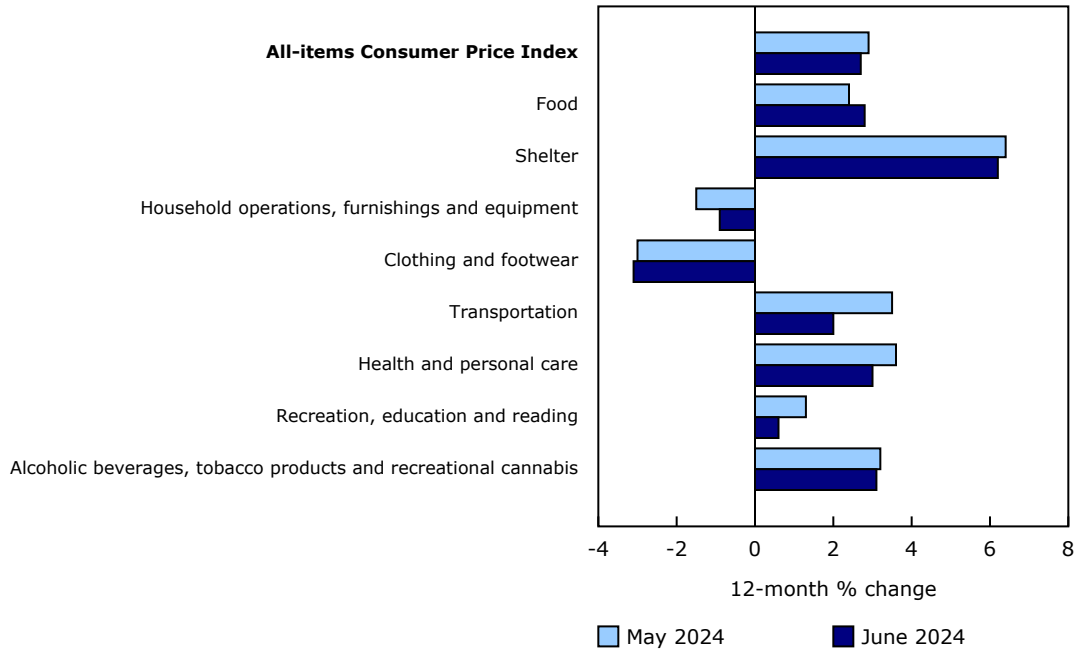
Chart 1
12-month change in the Consumer Price Index (CPI) and CPI excluding gasoline

12-month % change



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

Chart 2
Slowdown in headline inflation led by transportation component



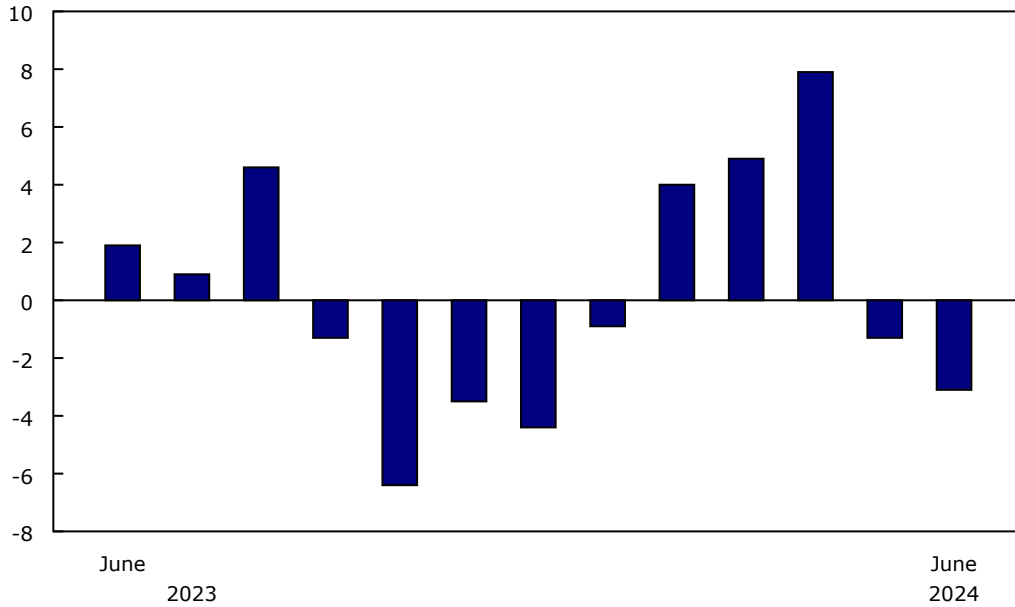
Source(s): Table 18-10-0004-01.

Gasoline prices rise at a slower pace

Year over year, gasoline prices rose at a slower pace in June (+0.4%) compared with May (+5.6%), stemming from a month-over-month decline of 3.1%. This monthly decrease coincided with an announcement from the Organization of the Petroleum Exporting Countries and its partners (OPEC+) to gradually phase out voluntary production cuts later this year and the restart of production for some refineries following shutdowns for spring maintenance.

Chart 3
Gasoline prices fall month over month

1-month % change



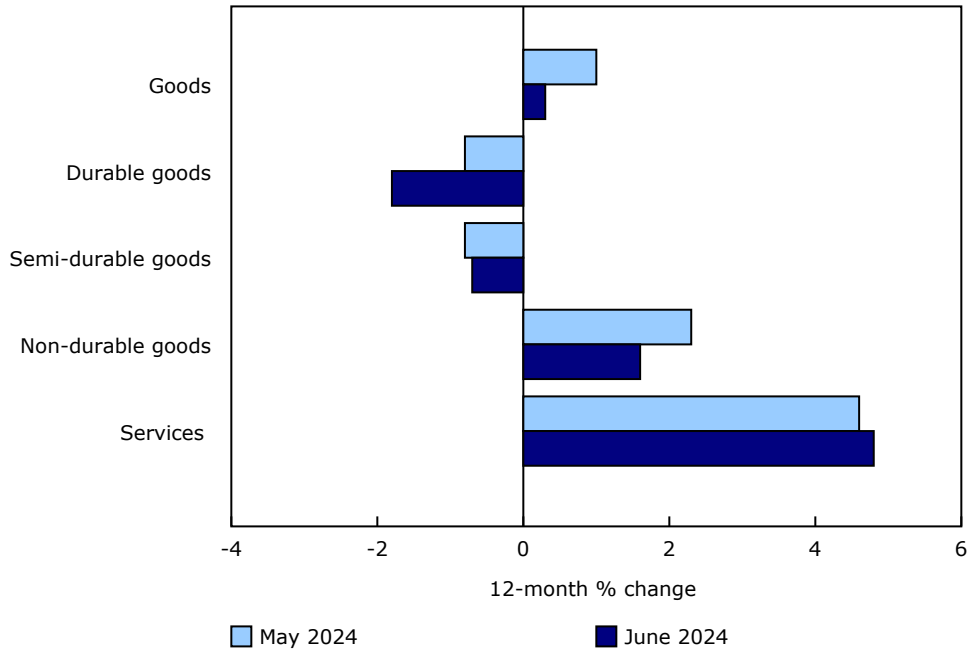
Source(s): Table 18-10-0004-01.

Prices for durable goods continue to decline

Prices for durable goods fell 1.8% year over year in June, following a 0.8% decline in May. The purchase of passenger vehicles index contributed the most to the decrease, falling 0.4% year over year in June, the largest yearly decline since February 2015. This decline was driven by a reduction in prices for used vehicles (-4.5%) amid improved inventory levels compared with a year ago.

Additionally, prices for furniture (-3.9%) fell on a year-over-year basis in June 2024, partly attributable to the easing of supply chain issues. Higher interest rates are also impacting the spending patterns of consumers, with many spending less on discretionary goods by delaying big-ticket purchases, which may be contributing to [lower demand](#) and therefore lower prices.

Chart 4
Price growth for goods slows but accelerates for services



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

Spotlight on quality adjustment in the Consumer Price Index

The Consumer Price Index (CPI) tracks price change experienced by Canadians by comparing the cost of a fixed basket of goods and services through time. Over time, products become outdated and technology advances. As a product changes or evolves, it may change in quality, with new features or enhanced services, or in quantity, such as with changes to packaging sizes. While the CPI maintains a fixed basket, quantity and quality adjustments are required to ensure goods and services remain comparable over time, while at the same time ensuring alignment with international standards for consumer price indexation.

Quality

In a process known as [quality adjustment](#), price adjustments are made during the compilation of the CPI to account for changes in the characteristics of goods and services over time. Once the collected prices are adjusted to maintain constant quality, the remaining price difference is reflected in the CPI as a pure price change.

Quality adjustments are often required for technological goods and services to maintain constant quality because of frequent advancements and innovation. For example, [prices for laptops, desktops, monitors, smartphones, smartwatches, and tablets are all adjusted when quality changes occur](#), as are services like cellular and Internet access services. Quality improvements, like a faster processor speed of a laptop or a higher data allowance for a cellular plan, are treated as price declines, all else being equal.

Quantity

When the quantity or size of a product is reduced, but the price stays the same, consumers are paying more for the same quantity of the product. To account for this in the CPI, the collected prices are adjusted upward to reflect the change in quantity, and the resulting price increase is reflected in the CPI as a pure price change.

Quantity adjustments are often required for food items in the CPI. For example, if a bag of potato chips has gotten smaller over time, the CPI will measure this as a price increase, all else being equal. This is often referred to as "[shrinkflation](#)."

As product characteristics change, Statistics Canada will continue to measure pure price change by adjusting for shifts in quality and quantity, ensuring an accurate CPI and alignment with international best practices.

Consumers pay more for groceries

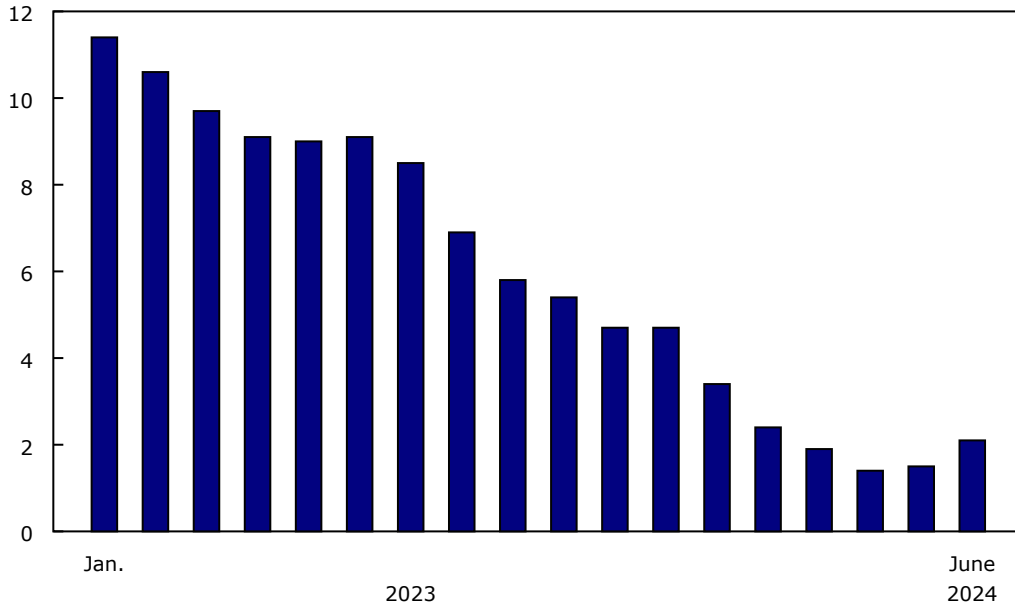
On a year-over-year basis, consumers paid more for food purchased from stores in June (+2.1%) compared with May (+1.5%), marking the second consecutive month that grocery price growth accelerated. For comparison, from June 2021 to June 2024, prices for food purchased from stores increased 21.9%.

Price growth for some food items such as dairy products (+2.0%), fresh vegetables (+3.8%), non-alcoholic beverages (+5.6%), as well as preserved fruit and fruit preparations (+9.5%), accelerated year over year in June.

Moderating the increase in grocery prices were prices for fresh fruit, which fell to a greater extent in June (-5.2%) compared with May (-2.8%).

Chart 5
Grocery prices accelerate for the second consecutive month

12-month % change



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

Explore the Consumer Price Index tools

Check out Statistics Canada's [Food Price Data Hub](#), which features a variety of food price related statistics, articles and tools.

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).

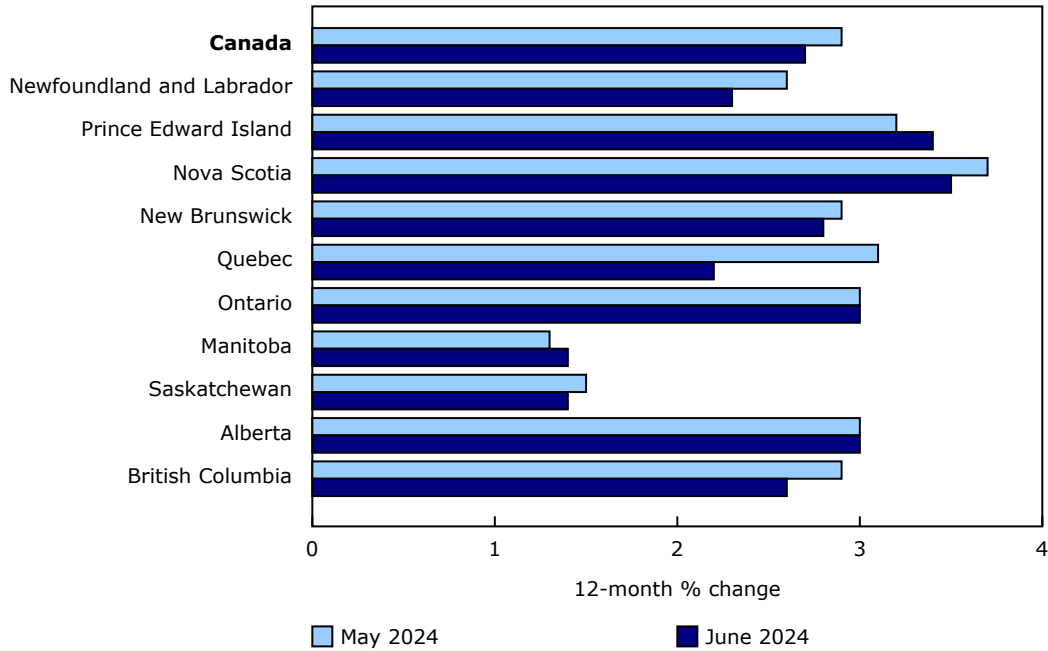
Browse the [Consumer Price Index Data Visualization Tool](#) to access current ([Latest Snapshot of the CPI](#)) and historical ([Price trends: 1914 to today](#)) CPI data in a customizable visual format.

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.

Regional highlights

Year over year, prices rose at a slower pace in June compared with May in six provinces. Lower prices for traveller accommodation (-20.2%) contributed to the slowdown in Quebec, stemming from a base-year effect.

Chart 6
The Consumer Price Index rises at a slower pace in six provinces



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

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Note to readers

Upcoming enhancements: New approach to estimating the cellular services price index

The cellular services price index will be updated with an enhanced methodology and new data sources in the coming months. A technical paper describing the new approach will be available on August 20.

Real-time data tables

Real-time data table [18-10-0259-01](#) will be updated on July 29. For more information, consult the document, "[Real-time data tables](#)."

Next release

The Consumer Price Index for July will be released on August 20.

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

	Relative importance ^{1,2}	June 2023	May 2024	June 2024	May to June 2024	June 2023 to June 2024
	%	(2002=100)			% change	
All-items	100.00	157.2	161.5	161.4	-0.1	2.7
Food	16.69	184.8	189.0	190.0	0.5	2.8
Shelter	29.15	171.4	181.5	182.1	0.3	6.2
Household operations, furnishings and equipment	13.01	132.2	131.0	131.0	0.0	-0.9
Clothing and footwear	4.55	96.2	95.0	93.2	-1.9	-3.1
Transportation	16.90	170.2	173.9	173.6	-0.2	2.0
Gasoline	4.09	234.7	243.2	235.7	-3.1	0.4
Health and personal care	5.23	146.4	151.2	150.8	-0.3	3.0
Recreation, education and reading	10.27	126.8	129.5	127.6	-1.5	0.6
Alcoholic beverages, tobacco products and recreational cannabis	4.20	190.5	196.4	196.5	0.1	3.1
Special aggregates						
All-items excluding food	83.31	152.1	156.5	156.1	-0.3	2.6
All-items excluding food and energy	76.30	147.2	151.4	151.4	0.0	2.9
All-items excluding alcoholic beverages, tobacco products and smokers' supplies and recreational cannabis	95.80	156.1	160.4	160.2	-0.1	2.6
All-items excluding energy	92.99	153.5	157.7	157.8	0.1	2.8
All-items excluding gasoline	95.91	154.5	158.8	158.8	0.0	2.8
Energy ³	7.01	207.2	212.8	208.3	-2.1	0.5
Goods	45.29	144.4	145.5	144.8	-0.5	0.3
Durable goods	12.05	105.0	103.5	103.1	-0.4	-1.8
Semi-durable goods	7.27	103.6	104.1	102.9	-1.2	-0.7
Non-durable goods	25.98	181.1	184.6	184.0	-0.3	1.6
Services	54.71	169.5	177.2	177.6	0.2	4.8

1. 2023 Consumer Price Index (CPI) basket weights at April 2024 prices, Canada, effective with the May 2024 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}	June 2023	May 2024	June 2024	May to June 2024	June 2023 to June 2024
	%	(2002=100)			% change	
Canada	100.00	157.2	161.5	161.4	-0.1	2.7
Newfoundland and Labrador	1.30	158.9	162.7	162.5	-0.1	2.3
Prince Edward Island	0.38	161.0	166.4	166.4	0.0	3.4
Nova Scotia	2.47	159.4	164.7	165.0	0.2	3.5
New Brunswick	1.87	157.6	161.9	162.0	0.1	2.8
Quebec	20.34	154.1	158.2	157.5	-0.4	2.2
Ontario	40.80	158.4	163.2	163.1	-0.1	3.0
Manitoba	3.15	158.5	161.1	160.7	-0.2	1.4
Saskatchewan	2.80	160.5	162.8	162.8	0.0	1.4
Alberta	11.74	164.4	169.1	169.4	0.2	3.0
British Columbia	14.99	151.6	155.4	155.5	0.1	2.6
Whitehorse	0.07	156.4	158.4	159.4	0.6	1.9
Yellowknife	0.07	156.6	160.4	159.4	-0.6	1.8
Iqaluit (Dec. 2002=100)	0.02	142.6	143.8	144.0	0.1	1.0

1. 2023 Consumer Price Index (CPI) basket weights at April 2024 prices, effective with the May 2024 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

	April 2024	May 2024	June 2024	April to May 2024	May to June 2024
	(2002=100)			% change	
All-items	160.2	160.6	160.7	0.2	0.1
Food	187.3	188.4	189.6	0.6	0.6
Shelter	180.8	181.5	182.1	0.4	0.3
Household operations, furnishings and equipment	130.4	130.5	130.7	0.1	0.2
Clothing and footwear	94.2	93.7	93.6	-0.5	-0.1
Transportation	172.8	172.1	171.3	-0.4	-0.5
Health and personal care	149.4	150.5	150.4	0.7	-0.1
Recreation, education and reading	127.2	127.7	127.0	0.4	-0.5
Alcoholic beverages, tobacco products and recreational cannabis	195.5	195.8	196.3	0.2	0.3
Special aggregates					
All-items excluding food	155.2	155.5	155.5	0.2	0.0
All-items excluding food and energy ²	150.4	150.9	151.2	0.3	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): Table 18-10-0006-01.

Table 4
Consumer Price Index statistics (CPI), measures of core inflation – Bank of Canada definitions, Canada^{1,2}

	January 2024	February 2024	March 2024	April 2024	May 2024	June 2024
	year-over-year % change					
CPI-common ^{3,5}	3.3	3.1	2.8	2.6	2.4	2.3
CPI-median ^{4,6}	3.1	3.0	2.8	2.6	2.7	2.6
CPI-trim ^{4,7}	3.3	3.1	3.1	2.8	2.9	2.9
	index (January 1989=100)					
CPI-median ^{4,6}	209.6	209.9	210.1	210.4	211.1	211.6
CPI-trim ^{4,7}	206.8	207.0	207.4	207.7	208.4	208.9

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 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 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

June 2023 to June 2024

	% change
Main contributors to the 12-month change	
Main upward contributors	
Mortgage interest cost	22.3
Rent	8.8
Food purchased from restaurants	4.3
Passenger vehicle insurance premiums	8.1
Homeowners' home and mortgage insurance	9.2
Main downward contributors	
Telephone services	-9.3
Traveller accommodation	-8.7
Furniture	-3.9
Digital computing equipment and devices	-9.3
Fresh fruit	-5.2
May to June 2024	
	% change
Main contributors to the 1-month change, not seasonally adjusted	
Main upward contributors	
Air transportation	5.7
Mortgage interest cost	0.8
Passenger vehicle insurance premiums	1.5
Food purchased from restaurants	0.4
Homeowners' home and mortgage insurance	1.6
Main downward contributors	
Travel tours	-11.1
Gasoline	-3.1
Women's clothing	-1.6
Men's clothing	-2.7
Purchase of passenger vehicles	-0.5

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 \(CPI\) and Your Experience of Price Change](#)," are available on Statistics Canada's YouTube channel.

Find out [answers to the most common questions](#) posed about the CPI in the context of the COVID-19 pandemic and beyond.

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).