

Highlights:

- The Whitehorse 2011 annual inflation rate was 3.0%; Canada's was 2.9%.
- Whitehorse prices increased at a higher rate than Canada in *Shelter* and *Alcoholic Beverages and Tobacco Products*.
- Whitehorse 2011 prices increased over 2010 in all major components except *Clothing and Footwear*.

2011 and Historical Inflation Rates

The 3.0% **annual** increase in Whitehorse prices in 2011 is the second-highest increase since 1992; Canada's 2.9% increase was the highest since 1992.

All jurisdictions saw increases in the overall 2011 inflation rate. These increases ranged from 1.4% in Iqaluit to 3.8% in Nova Scotia.

	Whitehorse, Yukon	Canada	Province/City	Inflation Rate '10 to '11
			Iqaluit, Nunavut	1.4%
			Alberta	2.4%
			British Columbia	2.4%
			Saskatchewan	2.8%
			Prince Edward Island	2.9%
			Manitoba	3.0%
			Quebec	3.0%
			Whitehorse, Yukon	3.0%
			Ontario	3.1%
			Yellowknife, NWT	3.1%
			Newfoundland and Labrador	3.4%
			New Brunswick	3.5%
			Nova Scotia	3.8%
2011	3.0%	2.9%		
2010	0.8%	1.8%		
2009	0.4%	0.3%		
2008	3.6%	2.3%		
2007	2.5%	2.2%		
2006	1.4%	2.0%		
2005	2.2%	2.2%		
2004	1.1%	1.8%		
2003	1.9%	2.8%		
2002	0.7%	2.2%		

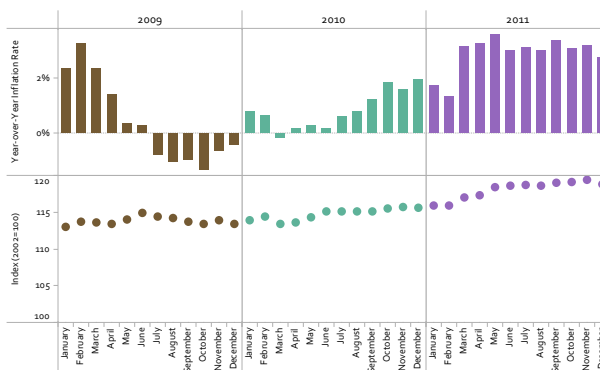
About CPI

The Consumer Price Index (CPI) is a measure of the rate of price change for goods and services bought by Canadian consumers. It is the most widely used indicator of price changes in Canada. CPI is not a cost-of-living index.

Think of the CPI as a measure of the percentage change over time of the average cost of a large basket of goods and services purchased by Canadians. The CPI does not count the price of each item equally but weights each according to its share of total household expenditures in the base period (2009).

The quantity and quality of the goods and services in the basket remain the same. Therefore, changes in the cost of the basket over time are not due to changes in the quantity and/or quality of the goods and services observed, but are purely due to price movements.

3-Year Index and Inflation Rate



Between mid-2007 and early 2009, Whitehorse's **year-over-year** inflation (comparing a month with the same month of the previous year) rate remained above 2.0%. The drop in energy prices beginning in late 2008 brought a levelling out and some decreases in the rate in 2009 (deflation).

As energy prices began to increase toward the end of 2009, the inflation rate rose back up above zero and remained high through 2011, ending at 2.8% in December '11.

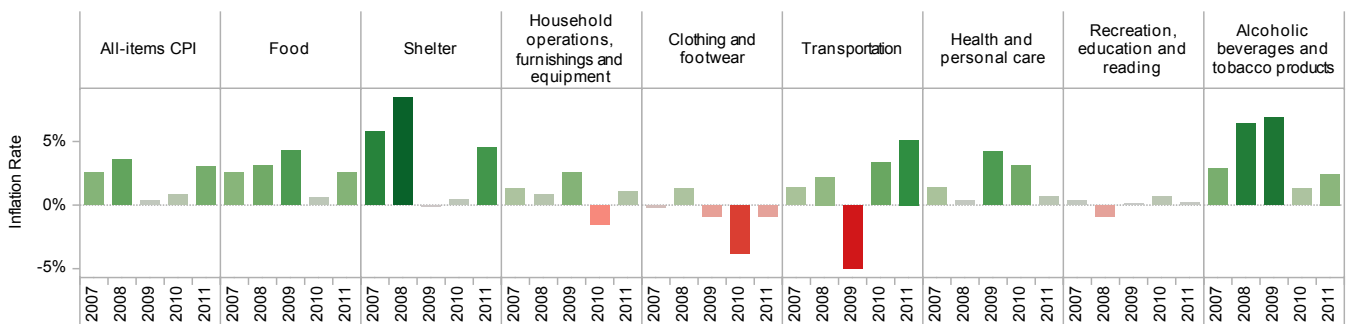
Related Links

- Statistics Canada's Guide to the Consumer Price Index: <http://www.statcan.gc.ca/pub/62-557-x/62-557-x1996001-eng.pdf>
- Weighting of the 2009 CPI basket including Whitehorse: http://www.statcan.gc.ca/imdb-bmdi/document/2301-D47_Tg_V1-eng.htm
- Yukon Monthly Statistical Review - including the Community Spatial Price Index: <http://www.eco.gov.yk.ca/stats/monthlyreview.html>
- Monthly Yukon Fuel Price Survey: http://www.eco.gov.yk.ca/stats/stats_princ.html

Components Within the All-Items Index; Weighting and Change

- The weighting of the Index is based on consumer spending patterns within each geographic area; the weighting of the Whitehorse CPI is unique to Whitehorse residents' spending patterns as reported in the Survey of Household Spending.
- Whitehorse residents spend 26.8 cents out of every dollar on *Shelter*, while only spending 4.4 cents of each dollar on *Health and Personal Care*.
- These differences of relative importance should be kept in mind when analysing the inflation of individual components.
- Over the ten-year period from 2002 through 2011, prices have risen 34.8% in *Shelter*, while decreases were seen in *Recreation, Education and Reading* and *Clothing and Footwear*.

Components	Percent of every dollar spent on...	% change in index since 2002
All-items	100.0	18.1
Shelter	26.8	34.8
Transportation	18.3	22.8
Food	16.5	20.2
Recreation, education and reading	12.5	-4.1
Household operations, furnishings and equipment	12.1	3.4
Clothing and footwear	5.0	-5.2
Alcoholic beverages and tobacco products	4.4	38.4
Health and personal care	4.4	16.3



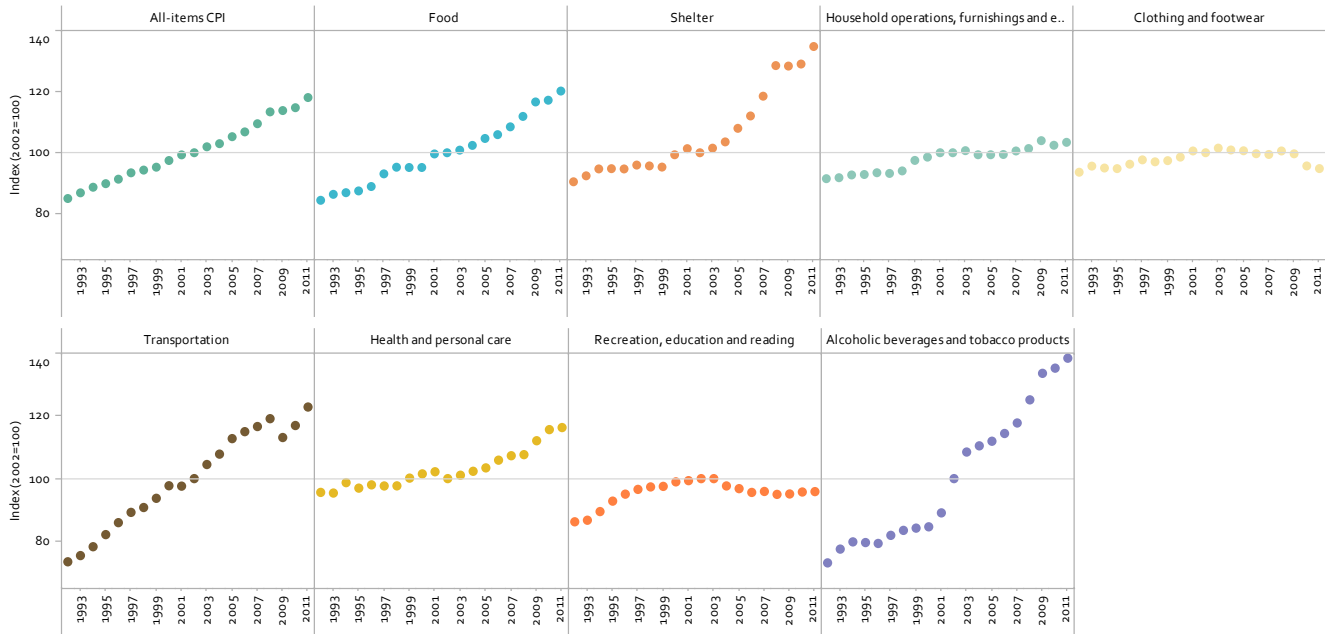
- In the largest contributing component of the Whitehorse CPI, *Shelter*, prices rose 4.5% in 2011. *Transportation*, the second-largest contributing component, saw an increase of 5.0%. This was the largest gain of any component.
- All components saw price increases over 2010 with the exception of *Clothing and Footwear* (-0.9%).

2011 Year-over-Year Inflation Rate and Index



2011 Index	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
All-items	115.9	115.9	117.0	117.3	118.4	118.6	118.7	118.6	119.0	119.1	119.4	118.8
Food	117.4	118.7	119.9	119.3	120.3	120.0	120.9	120.3	120.3	121.5	121.9	121.7
Shelter	132.3	132.3	133.0	133.6	133.8	134.6	135.1	135.2	135.9	136.9	137.0	137.4
Household operations, furnishings and equipment	104.9	102.5	102.8	101.8	102.5	103.8	103.2	103.6	104.2	104.7	104.1	102.7
Clothing and footwear	92.6	93.5	95.0	95.5	94.2	95.0	93.3	94.1	95.8	96.0	95.9	96.8
Transportation	119.5	119.8	121.6	123.2	125.5	125.0	123.3	122.5	123.2	122.8	124.6	122.8
Health and personal care	117.2	115.9	117.0	115.1	116.3	115.1	114.7	116.6	115.7	116.4	118.6	116.7
Recreation, education and reading	92.8	92.8	94.4	94.9	97.3	96.9	99.1	98.9	98.3	96.0	94.9	94.1
Alcoholic beverages and tobacco products	136.9	136.9	137.3	138.5	139.2	138.3	138.2	138.8	139.0	139.1	139.1	139.2

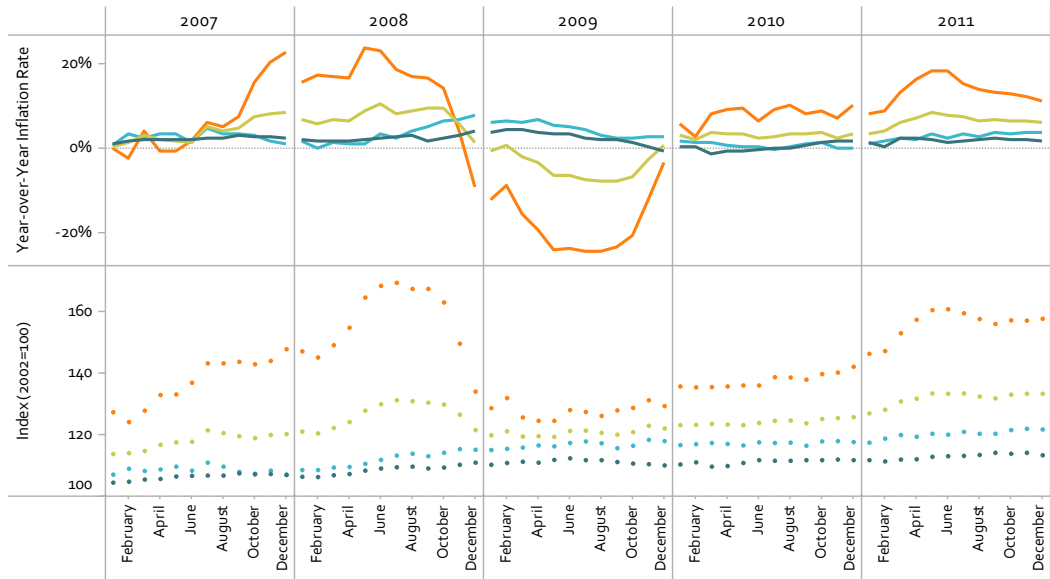
20-Year Index of Major Components



- Comparing 1992 to 2011, annual average prices in Whitehorse rose 38.9%. In that same time period, Yukon average weekly earnings (according to the Survey of Employment, Payrolls and Hours) rose 33.8%.
- Price increases over the past 20 years have not been even across components - the *Alcoholic Beverages and Tobacco Products* index has increased 89.1%, while *Clothing and Footwear* prices increased 1.3%.

Food and Energy-Related Indices and Inflation Rates, 5 Years

- As food and energy are seen as especially volatile, analysis can be done using the index excluding these components. Excluding *Food and Energy*, prices in Whitehorse rose 6.2% between 2007 and 2011, compared to an increase of 7.9% in the *All-items* index.
- Excluding *Food and Energy*, '11 prices netted a 1.6% increase from '10, while *All-items* rose 3.0%.
- The *Food and Energy* aggregate had an annual increase of 6.2% in '11; *Food* increased 2.6% and *Energy* rose 13.3%.

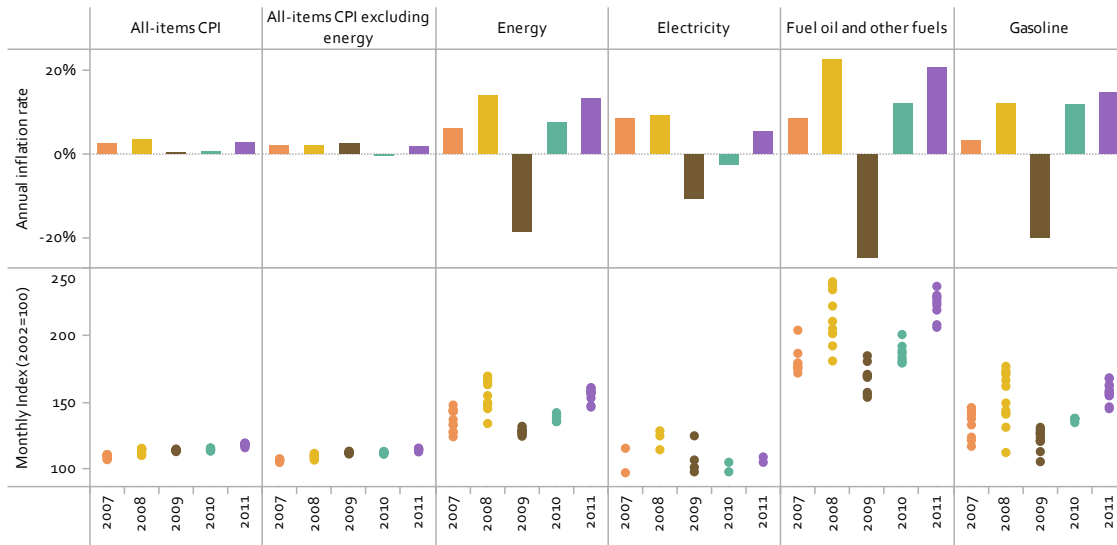


Commodity

- All-items CPI excluding food and energy
- Food and energy
- Food
- Energy

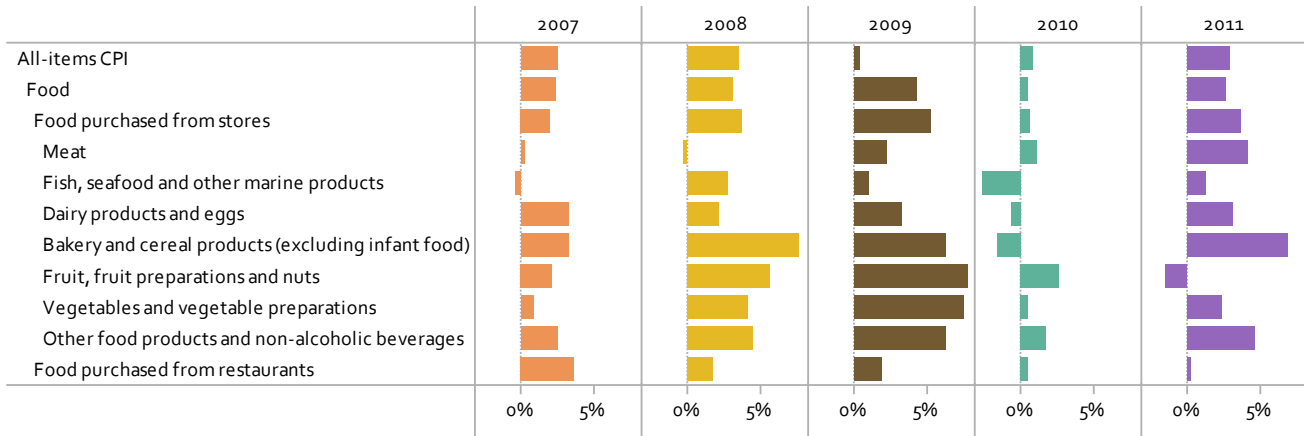
Components Related to Energy and Food

Inflation Rate of Energy-Related Components



- The *Energy* aggregate is comprised of the sub-components *Electricity*; *Natural Gas* (no Yukon data available); *Fuel Oil and Other Fuels*; *Gasoline*; and *Fuel, Parts and Supplies for Recreational Vehicles* (no Yukon data available). Therefore, portions of the *Energy* aggregate are located under the major components of *Shelter, Transportation, and Recreation, Education and Reading*.
- As seen in the spread of dots (each representing the index for one month in the year), *Fuel Oil and Other Fuels* and *Gasoline* experienced large swings in 2008 and had more stable numbers for 2009 through 2011.

Inflation Rate of Food-Related Components and Sub-Components



- The 2011 *Food* prices increase of 2.6% is due to an increase in each food-related sub-component with the exception of *Fruit, Fruit Preparations and Nuts*.
- The largest increase was seen in *Bakery and Cereal Products (Excluding Infant Food)*, with an increase of 6.9%.

Released April, 2012