

Consumer Price Index December 2020

COVID-19 has restricted the movement of people and forced many businesses to change their normal operations. This affected how Statistics Canada conducted the Consumer Price Index in December. In-person data collection was done remotely, supplemented by alternate data sources, and a higher level of data imputation occurred due to the reduced availability of some products and services.

Statistics Canada indicates that in December 2020 the Yellowknife All-Items Consumer Price Index fell by 1.4% compared to one year ago. By comparison, the annual price change in December was 0.7% for Canada, 0.7% for Edmonton, 0.1% for Whitehorse and -0.8 for Iqaluit.

Between December 2019 and December 2020, Yellowknife consumer prices decreased in all eight major components. Shelter contributed to the decline, largely a result of the 10.3% decline in water, fuel and electricity.

Fuel oil & other fuels fell 24.7% between December 2019 and December 2020 while electricity prices remained the same over this period. Gasoline fell by 9.7% resulting in an overall decrease of 11.9% in energy prices.

**TABLE 1: CONSUMER PRICE INDEX, DECEMBER 2020
SELECTED INDEXES, YELLOWKNIFE (2002 = 100)**

	20-Dec	20-Nov	19-Dec	% Change from	
				20-Nov	19-Dec
All Items	138.1	138.8	140.0	-0.5	-1.4
Food	144.9	146.0	146.7	-0.8	-1.2
Shelter	160.8	160.1	162.5	0.4	-1.0
Water, Fuel & Electricity	197.5	192.4	220.2	2.7	-10.3
Household Operations & Furnishings	113.2	113.8	114.1	-0.5	-0.8
Clothing & Footwear	101.8	105.7	108.4	-3.7	-6.1
Transportation	139.4	139.8	140.9	-0.3	-1.1
Health & Personal Care	123.7	127.5	127.4	-3.0	-2.9
Recreation, Education & Reading	107.6	108.1	108.5	-0.5	-0.8
Alcoholic Beverages & Tobacco Products	180.0	180.0	181.9	-	-1.0
ENERGY AND ITS COMPONENTS:					
Energy	174.7	170.8	198.4	2.3	-11.9
Electricity	202.4	202.4	202.4	-	-
Fuel Oil And Other Fuels	206.9	192.0	274.8	7.8	-24.7
Natural Gas	..	..	..	..	..
Gasoline	136.1	136.1	150.7	-	-9.7
Fuel, Parts and Supplies for Rect'l Vehicles	..	..	..	..	..

Notes:

Source: Statistics Canada, Table 18-10-0004-01 Consumer Price Index, monthly, not seasonally adjusted.

CPI values for Yellowknife and Whitehorse include estimates of price changes for owned accommodation based on the price of rental accommodation. As a result, the all-items indexes published for these centres are not strictly comparable to those for Canada and Edmonton.



Year-End Review, 2020

The following year-end review looks at how prices changed from one year to the next based on the 12-month average price index. Businesses tend to use this rate for the calendar year (January to December) to adjust salaries or evaluate prices of their goods and services. The anomalous circumstances of COVID suggest the 2020 inflation rate should be used with caution in any medium to long-term inflation outlooks.

Between 2020 and 2019, the calendar year inflation rate for Yellowknife was 0.1%, a 1.5 percentage point decline from the previous year and the lowest recorded rate since 1998. The last time the calendar year inflation rate was below 1% was in 2009.

The low 2020 inflation rate was due to the large monthly price declines in March, April and August, causing the CPI to remain below pre-pandemic levels for the rest of the year.

Inflation by Major Component

All major components in Yellowknife had a calendar year inflation rate less than 1% with household operations & furnishings, clothing & footwear and health & personal care declining between 2019 and 2020.

While food and shelter prices rose in 2020, all of the price increase occurred early in the year before government imposed restrictions. Since March the price of food and shelter has been stable, but lower than the first three months of 2020.

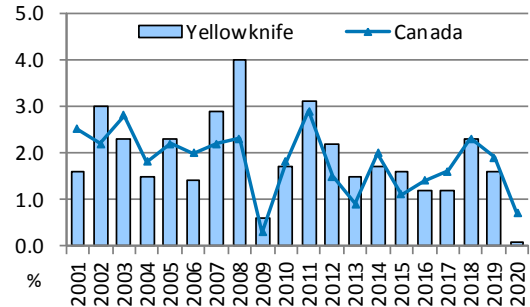
Energy products experienced a large overall decline in 2020, falling by 10.1%. Most of the decline coincided with the start of the pandemic in Spring with prices rebounding in Summer. Currently prices for both fuel oil and other fuels and gasoline are below pre-pandemic levels.

Inflation Across Canada

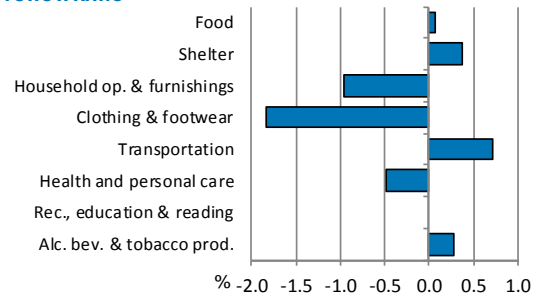
Many areas of Canada experienced lower than usual inflation in 2020, largely due to deflationary pressure over the spring and summer months. Only Alberta had an inflation rate over 1%. Overall the Canadian inflation rate was 0.7% in 2020, 1.2 percentage points lower than 2019.

Next release of CPI: February 24, 2021.

**Calendar Year Inflation Rate (Jan - Dec)
Canada & Yellowknife, 2001 to 2020**



**2020 Inflation Rate by Major Component
Yellowknife**



2020 Inflation Rate by Geography

