



## YELLOWKNIFE GASOLINE PRICES

### ISSUE:

Comparisons of Yellowknife gasoline prices

### BACKGROUND:

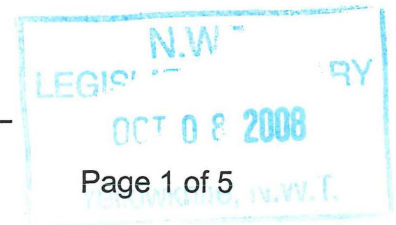
Recent sharp price changes in world oil markets have led to volatility in gasoline prices.

One measure of volatility of a data series is the standard deviation, a statistic that based on the difference between the value of each data point and the series average. The more spread apart the data, the higher the standard deviation and the more volatile the data.

Table 1 and Table 2 show that the volatility of Yellowknife gasoline and diesel prices measured by standard deviation has been lower than the price volatility of most other Canadian centres over the past nine years. The data is obtained from MJ Ervin, an independent company reporting weekly fuel prices across Canada.

**TABLE 1**  
**MJ ERVIN WEEKLY PUMP PRICE SURVEY**  
**REGULAR GASOLINE PRICES**  
**JAN 04-00 TO SEP 30-08**

			Standard deviation	Difference from average standard deviation
1	ST. CATHARINES	ON	17.04	(1.30)
2	BATHURST	NB	17.15	(1.19)
3	TORONTO	ON	17.22	(1.12)
4	<b>YELLOWKNIFE</b>	<b>NT</b>	<b>17.26</b>	<b>(1.08)</b>
5	WINDSOR	ON	17.26	(1.08)
6	SAULT STE MARIE	ON	17.34	(1.00)
7	LONDON	ON	17.34	(1.00)
8	FREDERICTON	NB	17.41	(0.93)
9	MONCTON	NB	17.55	(0.79)
10	CORNER BROOK	NL	17.58	(0.77)
11	OTTAWA	ON	17.60	(0.74)
12	SAINTJOHN	NB	17.61	(0.73)
13	HAMILTON	ON	17.64	(0.70)
14	WHITEHORSE	YT	17.67	(0.67)
15	NORTH BAY	ON	17.78	(0.56)
16	STJOHNS	NL	17.84	(0.50)
17	LETHBRIDGE	AB	17.90	(0.44)
18	GANDER	NL	17.94	(0.40)
19	CHICOUTIMI	QC	18.17	(0.17)
20	SHERBROOKE	QC	18.19	(0.15)
21	RED DEER	AB	18.21	(0.13)
22	BRANDON	MB	18.28	(0.06)
23	PRINCE ALBERT	SK	18.32	(0.02)
24	SASKATOON	SK	18.35	0.01
25	REGINA	SK	18.40	0.06
26	EDMONTON	AB	18.46	0.11
27	THUNDER BAY	ON	18.48	0.14
28	HALIFAX	NS	18.52	0.18
29	MONTRÉAL	QC	18.54	0.19
30	YARMOUTH	NS	18.55	0.21
31	SUDBURY	ON	18.58	0.23
32	CALGARY	AB	18.59	0.25
33	TRURO	NS	18.79	0.45
34	SYDNEY	NS	18.81	0.47
35	CHARLOTTETOWN	PE	19.13	0.78
36	QUÉBEC	QC	19.14	0.80
37	GASPÉ	QC	19.22	0.87
38	VICTORIA	BC	19.30	0.96
39	TIMMINS	ON	19.40	1.06
40	PRINCE GEORGE	BC	19.68	1.34
41	KELOWNA	BC	19.86	1.52
42	WINNIPEG	MB	19.89	1.55
43	KAMLOOPS	BC	20.15	1.80
44	VANCOUVER	BC	20.89	2.55
	AVERAGE		18.34	



**TABLE 2**  
**MJ ERVIN WEEKLY PUMP PRICE SURVEY**  
**DIESEL PRICES**  
**JAN 04-00 TO SEP 30-08**

		Standard deviation	Difference from from average standard deviation
1	ST. CATHARINES ON	18.38	(2.35)
2	WINDSOR ON	18.82	(1.91)
3	SUDBURY ON	19.33	(1.40)
4	SAULT STE MARIE ON	19.37	(1.37)
5	NORTH BAY ON	19.38	(1.36)
6	TORONTO ON	19.43	(1.31)
7	HAMILTON ON	19.62	(1.11)
8	THUNDER BAY ON	19.71	(1.02)
9	TRURO NS	19.81	(0.92)
10	LONDON ON	19.81	(0.92)
11	BRANDON MB	19.89	(0.84)
12	WHITEHORSE YT	19.91	(0.82)
13	<b>YELLOWKNIFE NT</b>	<b>20.04</b>	<b>(0.69)</b>
14	CORNER BROOK NL	20.10	(0.64)
15	HALIFAX NS	20.24	(0.50)
16	OTTAWA ON	20.26	(0.47)
17	GANDER NL	20.38	(0.35)
18	REGINA SK	20.38	(0.35)
19	YARMOUTH NS	20.45	(0.29)
20	WINNIPEG MB	20.54	(0.19)
21	SASKATOON SK	20.56	(0.18)
22	FREDERICTON NB	20.68	(0.05)
23	PRINCE ALBERT SK	20.72	(0.01)
24	TIMMINS ON	20.73	(0.01)
25	SYDNEY NS	20.83	0.10
26	ST.JOHNS NL	20.84	0.11
27	CALGARY AB	20.99	0.26
28	PRINCE GEORGE BC	21.05	0.32
29	SAINTJOHN NB	21.07	0.34
30	EDMONTON AB	21.08	0.34
31	BATHURST NB	21.15	0.42
32	GASPÉ QC	21.18	0.45
33	MONTRÉAL QC	21.39	0.65
34	CHICOUTIMI QC	21.42	0.68
35	SHERBROOKE QC	21.58	0.84
36	RED DEER AB	21.58	0.85
37	QUÉBEC QC	21.60	0.87
38	MONCTON NB	21.95	1.22
39	VICTORIA BC	22.01	1.28
40	CHARLOTTETOWN PE	22.25	1.52
41	KELOWNA BC	22.71	1.98
42	VANCOUVER BC	22.89	2.15
43	LETHBRIDGE AB	23.00	2.26
44	KAMLOOPS BC	23.15	2.42
	AVERAGE	20.73	

Table 3 shows the average weekly price change for gasoline in 44 Canadian cities, again as measured by M J Ervin. Based on this measure, Yellowknife prices are less volatile than those in any other Canadian city. It is common in many southern locations for prices to change several times a day.

**TABLE 3**  
**MJ ERVIN WEEKLY PUMP PRICE SURVEY**  
**REGULAR GASOLINE PRICES**  
**JAN 04-00 TO SEP 30-08**

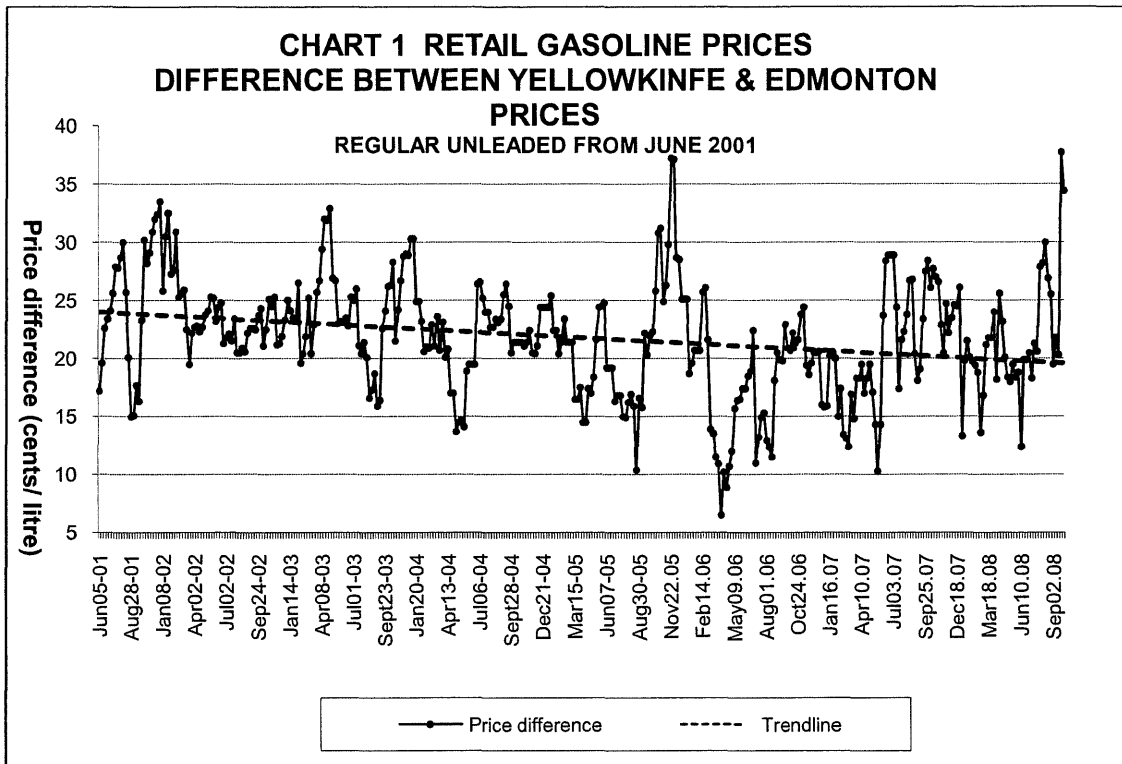
		ABSOLUTE VALUE AVERAGE WEEKLY PRICE CHANGE
		(cents/litre)
1	YELLOWKNIFE	0.84716
2	WHITEHORSE	0.96944
3	KELOWNA	1.12882
4	PRINCE GEORGE	1.21796
5	VICTORIA	1.23591
6	CHARLOTTETOWN	1.24151
7	STJOHNS	1.28724
8	CORNER BROOK	1.31254
9	GANDER	1.35487
10	PRINCE ALBERT	1.36975
11	RED DEER	1.42599
12	BRANDON	1.46104
13	KAMLOOPS	1.48467
14	BATHURST	1.53356
15	LETHBRIDGE	1.63802
16	YARMOUTH	1.65709
17	CHICOUTIMI	1.66498
18	TIMMINS	1.68393
19	GASPÉ	1.80469
20	SASKATOON	1.81223
21	CALGARY	1.81307
22	REGINA	1.83497
23	SAINTJOHN	1.85164
24	EDMONTON	1.85921
25	SHERBROOKE	1.87583
26	SYDNEY	1.92022
27	FREDERICTON	1.94790
28	WINNIPEG	1.97125
29	TRURO	1.98995
30	HALIFAX	2.02454
31	SAULT STE MARIE	2.10578
32	MONCTON	2.15056
33	QUÉBEC	2.22558
34	HAMILTON	2.53207
35	NORTH BAY	2.63025
36	THUNDER BAY	2.79090
37	LONDON	2.90110
38	VANCOUVER	2.95760
39	ST. CATHARINES	2.95897
40	TORONTO	2.98177
41	OTTAWA	3.05504
42	WINDSOR	3.13263
43	SUDBURY	3.54954
44	MONTRÉAL	3.74663
	AVERAGE	1.9759

The NWT Department of Finance conducts a quarterly survey of Yellowknife gasoline prices as part of its administration of the *Petroleum Products Tax Act*. Results from the most recent Quarterly Retail Price Survey, shown in Table 4, display the price variation characteristic of a competitive market. Every survey since 1995 has shown price variation among Yellowknife retailers. As well, many retail dealers offer discounts or rebates to members or regular customers.

**TABLE 4**  
**QUARTERLY RETAIL PRICE SURVEY**  
**AUGUST 29, 2008**

	Survey price	Difference from average
	(dollars/litre)	
Petro Canada Bulk	1.3881	(0.0809)
Co-op Gas Bar	1.4390	(0.0300)
Shell Circle K	1.4390	(0.0300)
Winks	1.4690	-
Monkey Tree Gas Bar	1.4690	-
Yellowknife Motors	1.5090	0.0400
Bassett Petroleum	1.5100	0.0410
Gas Town (TC Oil)	1.5290	0.0600
Average	1.4690	
Range excluding bulk sales	0.0900	

Chart 1 shows a declining trend between Yellowknife and Edmonton gasoline prices since 2001. The price difference between Yellowknife and Edmonton averages close to 20 cents a litre. The tax difference accounts for 1.7 cents of this difference. While transportation costs probably account for most of the remaining difference, higher construction costs, wages and utilities in Yellowknife probably also account for part of the difference.



Source: MJ Ervin Weekly Pump Price Survey

#### CURRENT STATUS:

- Yellowknife gasoline and diesel prices are less volatile than prices in other Canadian centres.
- Price variation among gasoline retailers in the Quarterly Retail Price Survey is evidence of Yellowknife's competitive market.
- The difference in gasoline prices between Yellowknife and Edmonton has trended lower since 2001.