

# Consumer Price Index, July 2016

Released at 8:30 a.m. Eastern time in *The Daily*, Friday, August 19, 2016

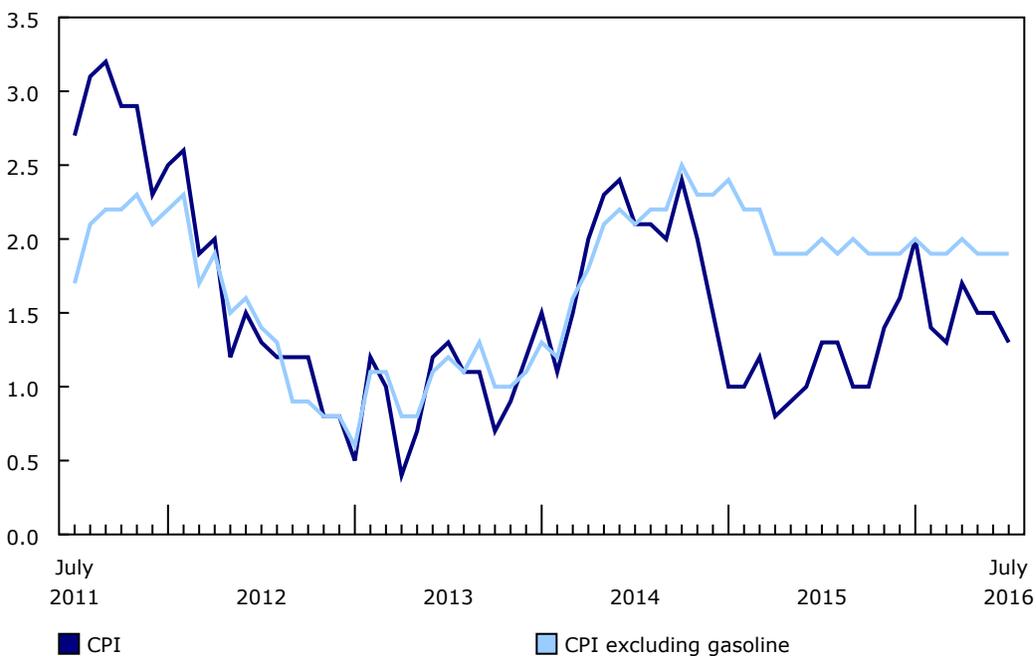
The Consumer Price Index (CPI) rose 1.3% in the 12 months to July, after increasing 1.5% in June.

Excluding gasoline, the CPI was up 1.9% year over year in July, matching the gain in June.

## Chart 1

### The 12-month change in the Consumer Price Index (CPI) and the CPI excluding gasoline

12-month % change



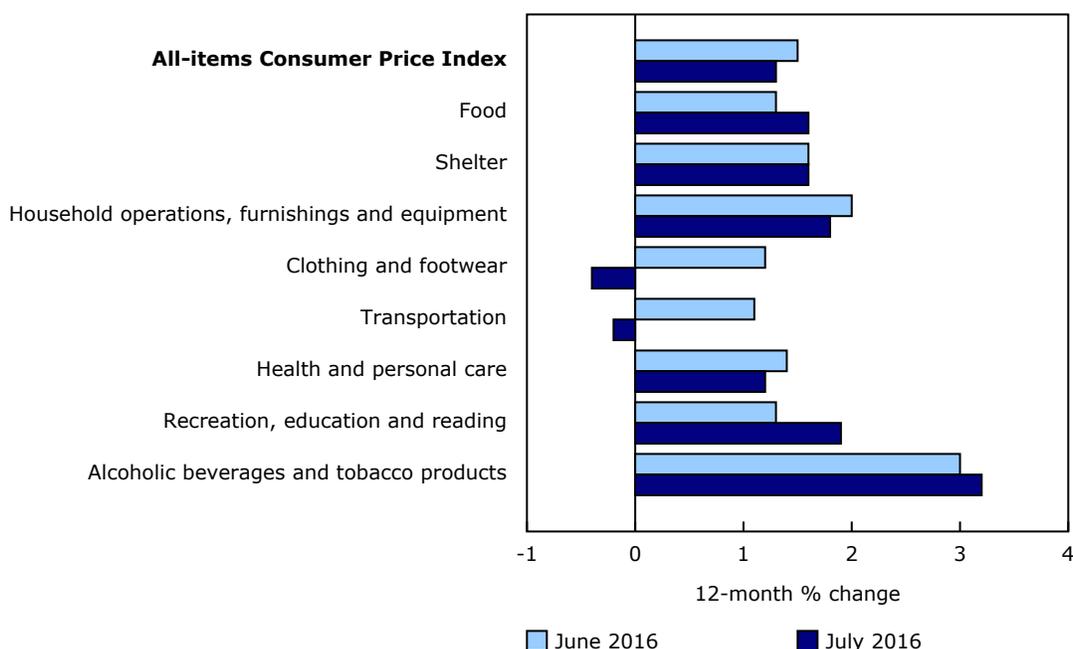
Source(s): CANSIM table [326-0020](#).

## 12-month change in the major components

Prices rose in six of the eight major components in the 12 months to July, with the shelter and food indexes contributing the most to the year-over-year gain in consumer prices. The transportation index, which includes gasoline, and the clothing and footwear index declined on a year-over-year basis in July.



**Chart 2**  
**Consumer prices increase in six of the eight major components**



Source(s): CANSIM table [326-0020](#).

The transportation index was down 0.2% in the 12 months to July, after rising 1.1% in June. Gasoline prices declined more year over year in July (-14.0%) than in June (-8.5%); on a monthly basis, gasoline prices fell 5.6% in July. On a year-over-year basis, the purchase of passenger vehicles index (+5.4%) and the city bus and subway transportation index (+2.1%) rose less in July than in June.

The clothing and footwear index decreased 0.4% year over year in July, after posting a 1.2% gain in June. This turnaround was partly attributable to a decline in the women's clothing index in the 12 months to July (-0.4%), following a year-over-year increase in June (+2.2%). Compared with the same month a year earlier, shoppers also paid less for children's clothing and men's clothing in July.

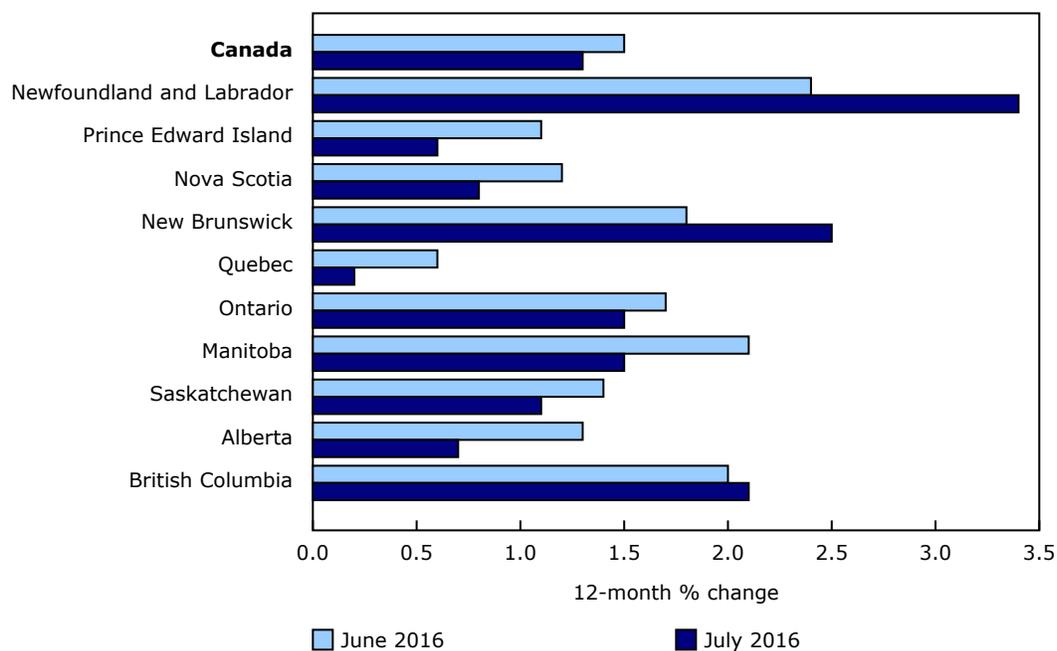
Food prices were up 1.6% in the 12 months to July, after rising 1.3% in June. Prices for food purchased in stores increased 1.1% year over year in July, following a 0.8% gain the previous month. After registering a 0.3% year-over-year decline in June, meat prices were up 1.1% in the 12 months to July, contributing to the acceleration in the year-over-year rise in food prices. In addition, the fresh or frozen fish index posted its largest year-over-year increase since April 2014. By contrast, the fresh fruit and fresh vegetables indexes recorded smaller year-over-year gains in July than in the previous month.

The recreation, education and reading index increased 1.9% on a year-over-year basis in July, following a 1.3% gain in June. Consumers paid 5.0% more for video and audio subscription services in July compared with the same month a year earlier. The travel tours index rose 0.4% year over year in July, after declining 3.4% the previous month.

## 12-month change in the provinces

In seven provinces, consumer prices rose less on a year-over-year basis in July than in June. In Newfoundland and Labrador, New Brunswick and British Columbia, the CPI was up more on a year-over-year basis in July than in the previous month.

**Chart 3**  
Consumer prices rise in all provinces



Source(s): CANSIM table [326-0020](#).

On July 1, 2016, the provincial component of the harmonized sales tax (HST) increased in both Newfoundland and Labrador and New Brunswick. In the 12 months to July, consumer prices rose 3.4% in Newfoundland and Labrador, following a 2.4% gain in June. In New Brunswick, consumer prices were up 2.5% on a year-over-year basis, after rising 1.8% the previous month.

In Quebec, the CPI was up 0.2% year over year in July, after rising 0.6% in June. Gasoline prices declined 16.3% in the 12 months to July, a larger decrease than at the national level. On a year-over-year basis, the men's clothing index was down 3.7% in July, following a 3.8% gain in June, and the women's clothing index rose less year over year in July than in the previous month.

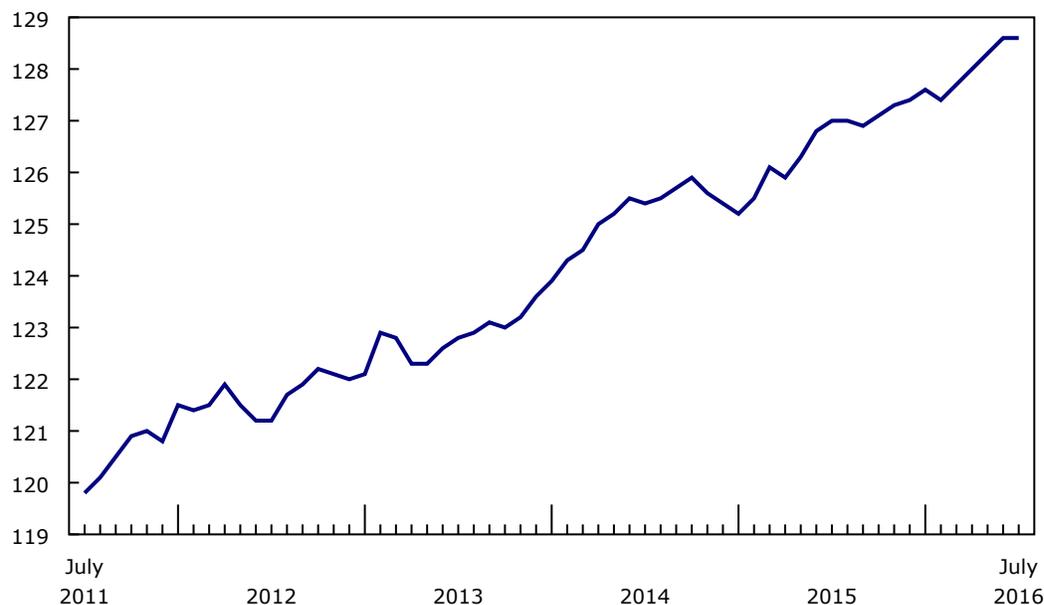
The CPI in Alberta rose 0.7% in the 12 months to July, its smallest year-over-year gain since May 2015. Households paid 12.5% less for electricity in July compared with the same month a year earlier. This year-over-year decline partly reflected a spike in the electricity index in Alberta in July 2015, when prices rose 30.2% on a monthly basis. On a year-over-year basis, the rent index was down 1.9% in the 12 months to July, its sixth consecutive year-over-year decline.

## Seasonally adjusted monthly Consumer Price Index posts no change

On a [seasonally adjusted monthly basis](#), the CPI was unchanged in July, after increasing 0.2% in June.

## Chart 4 Seasonally adjusted monthly Consumer Price Index

index (2002=100)



Source(s): CANSIM table [326-0022](#).

In July, five of the eight major components increased on a seasonally adjusted monthly basis. The transportation index and clothing and footwear index declined, while the health and personal care index was unchanged.

On a seasonally adjusted monthly basis, the recreation, education and reading index (+0.4%) recorded the largest gain in July, while the transportation index (-0.9%), which includes gasoline, posted the largest decrease.

### Bank of Canada's core index

The [Bank of Canada's core index](#) increased 2.1% in the 12 months to July, matching the rise in June.

The seasonally adjusted core index was up 0.1% on a monthly basis in July, following a 0.2% gain in June.

#### Note to readers

A seasonally adjusted series is one from which seasonal movements have been eliminated. Users employing Consumer Price Index (CPI) data for indexation purposes are advised to use the unadjusted indexes. For more information on seasonal adjustment, see [Seasonally adjusted data – Frequently asked questions](#).

The Bank of Canada's core index excludes eight of the CPI's most volatile components (fruit, fruit preparations and nuts; vegetables and vegetable preparations; mortgage interest cost; natural gas; fuel oil and other fuels; gasoline; inter-city transportation; and tobacco products and smokers' supplies) as well as the effects of changes in indirect taxes on the remaining components.

#### Next release

The CPI for August will be released on September 23.

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

|   | Relative importance <sup>1</sup> | July 2015    | June 2016    | July 2016    | June to July 2016 | July 2015 to July 2016 |
|---|----------------------------------|--------------|--------------|--------------|-------------------|------------------------|
|   | %                                | (2002=100)   |              |              | % change          |                        |
| <b>All-items</b>                                | <b>100.00<sup>2</sup></b>        | <b>127.3</b> | <b>129.1</b> | <b>128.9</b> | <b>-0.2</b>       | <b>1.3</b>             |
| Food  | 16.41                            | 140.9        | 142.8        | 143.2        | 0.3               | 1.6                    |
| Shelter   | 26.80                            | 133.8        | 135.6        | 136.0        | 0.3               | 1.6                    |
| Household operations, furnishings and equipment | 13.14                            | 120.1        | 122.4        | 122.3        | -0.1              | 1.8                    |
| Clothing and footwear                           | 6.08                             | 93.0         | 94.1         | 92.6         | -1.6              | -0.4                   |
| Transportation                                  | 19.10                            | 129.2        | 131.0        | 128.9        | -1.6              | -0.2                   |
| Health and personal care                        | 4.73                             | 120.6        | 122.2        | 122.0        | -0.2              | 1.2                    |
| Recreation, education and reading               | 10.89                            | 111.2        | 112.0        | 113.3        | 1.2               | 1.9                    |
| Alcoholic beverages and tobacco products        | 2.86                             | 152.2        | 156.7        | 157.1        | 0.3               | 3.2                    |
| <b>Special aggregates</b>                       |                                  |              |              |              |                   |                        |
| Bank of Canada's core index <sup>3</sup>        | 85.39                            | 126.0        | 128.6        | 128.6        | 0.0               | 2.1                    |
| All-items excluding energy                      | 92.21                            | 124.8        | 127.3        | 127.2        | -0.1              | 1.9                    |
| Energy <sup>4</sup>                             | 7.79                             | 159.2        | 150.6        | 147.4        | -2.1              | -7.4                   |
| Gasoline  | 3.84                             | 171.3        | 156.1        | 147.4        | -5.6              | -14.0                  |
| All-items excluding food and energy             | 75.80                            | 121.3        | 123.9        | 123.8        | -0.1              | 2.1                    |
| Goods   | 46.68                            | 117.9        | 119.1        | 118.2        | -0.8              | 0.3                    |
| Services  | 53.32                            | 136.8        | 139.1        | 139.7        | 0.4               | 2.1                    |

- 2013 Consumer Price Index (CPI) basket weights at December 2014 prices, Canada, effective with the January 2015 CPI.
  - Figures may not add up to 100% as a result of rounding.
  - The Bank of Canada's core index excludes eight of the CPI's most volatile components (fruit, fruit preparations and nuts; vegetables and vegetable preparations; mortgage interest cost; natural gas; fuel oil and other fuels; gasoline; inter-city transportation; and tobacco products and smokers' supplies), as well as the effects of changes in indirect taxes on the remaining components. For additional information on the core index, consult the [Bank of Canada's website](#).
  - The special aggregate "energy" comprises electricity, natural gas, fuel oil and other fuels, gasoline, and fuel, parts and accessories for recreational vehicles.
- Source(s): CANSIM tables [326-0020](#) and [326-0031](#).

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

|                           | Relative importance <sup>1</sup> | July 2015    | June 2016    | July 2016    | June to July 2016 | July 2015 to July 2016 |
|---------------------------|----------------------------------|--------------|--------------|--------------|-------------------|------------------------|
|                           | %                                | (2002=100)   |              |              | % change          |                        |
| <b>Canada</b>             | <b>100.00<sup>2</sup></b>        | <b>127.3</b> | <b>129.1</b> | <b>128.9</b> | <b>-0.2</b>       | <b>1.3</b>             |
| Newfoundland and Labrador | 1.38                             | 129.8        | 133.0        | 134.2        | 0.9               | 3.4                    |
| Prince Edward Island      | 0.34                             | 130.3        | 131.8        | 131.1        | -0.5              | 0.6                    |
| Nova Scotia               | 2.47                             | 130.1        | 131.8        | 131.2        | -0.5              | 0.8                    |
| New Brunswick             | 1.87                             | 126.3        | 128.5        | 129.4        | 0.7               | 2.5                    |
| Quebec                    | 21.60                            | 125.3        | 126.0        | 125.6        | -0.3              | 0.2                    |
| Ontario                   | 38.94                            | 128.4        | 130.4        | 130.3        | -0.1              | 1.5                    |
| Manitoba                  | 3.15                             | 127.1        | 130.0        | 129.0        | -0.8              | 1.5                    |
| Saskatchewan              | 3.01                             | 131.4        | 133.3        | 132.8        | -0.4              | 1.1                    |
| Alberta                   | 13.20                            | 134.6        | 136.3        | 135.6        | -0.5              | 0.7                    |
| British Columbia          | 13.85                            | 120.8        | 123.1        | 123.3        | 0.2               | 2.1                    |
| Whitehorse                | 0.08                             | 125.4        | 126.6        | 126.4        | -0.2              | 0.8                    |
| Yellowknife               | 0.08                             | 131.3        | 132.6        | 132.4        | -0.2              | 0.8                    |
| Iqaluit (Dec. 2002=100)   | 0.03                             | 121.2        | 123.7        | 125.0        | 1.1               | 3.1                    |

- 2013 Consumer Price Index (CPI) basket weights at December 2014 prices, effective with the January 2015 CPI.
  - Figures may not add up to 100% as a result of rounding.
- Source(s): CANSIM tables [326-0020](#) and [326-0031](#).

**Table 3**  
**Consumer Price Index, major components and special aggregates – Seasonally adjusted<sup>1</sup>**

|  | May<br>2016  | June<br>2016 | July<br>2016 | May to June<br>2016 | June to July<br>2016 |
|--|--------------|--------------|--------------|---------------------|----------------------|
|  | (2002=100)   |              |              | % change            |                      |
| <b>All-items</b>                                 | <b>128.3</b> | <b>128.6</b> | <b>128.6</b> | <b>0.2</b>          | <b>0.0</b>           |
| Food   | 142.8        | 142.5        | 142.9        | -0.2                | 0.3                  |
| Shelter  | 135.1        | 135.6        | 136.0        | 0.4                 | 0.3                  |
| Household operations, furnishings and equipment  | 121.9        | 122.0        | 122.1        | 0.1                 | 0.1                  |
| Clothing and footwear                            | 94.8         | 94.9         | 94.3         | 0.1                 | -0.6                 |
| Transportation                                   | 128.0        | 128.9        | 127.8        | 0.7                 | -0.9                 |
| Health and personal care                         | 122.0        | 122.1        | 122.1        | 0.1                 | 0.0                  |
| Recreation, education and reading                | 111.1        | 111.2        | 111.7        | 0.1                 | 0.4                  |
| Alcoholic beverages and tobacco products         | 156.8        | 156.7        | 157.1        | -0.1                | 0.3                  |
| <b>Special aggregates</b>                        |              |              |              |                     |                      |
| Bank of Canada's core index <sup>2</sup>         | 128.2        | 128.5        | 128.6        | 0.2                 | 0.1                  |
| All-items excluding food and energy <sup>3</sup> | 123.4        | 123.7        | 123.9        | 0.2                 | 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 Bank of Canada's core index excludes eight of the CPI's most volatile components (fruit, fruit preparations and nuts; vegetables and vegetable preparations; mortgage interest cost; natural gas; fuel oil and other fuels; gasoline; inter-city transportation; and tobacco products and smokers' supplies), as well as the effects of changes in indirect taxes on the remaining components. For additional information on the core index, please consult the [Bank of Canada's website](#).
  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):** CANSIM table [326-0022](#).

**Available in CANSIM: tables [326-0009](#), [326-0012](#), [326-0020](#) and [326-0022](#).**

**Definitions, data sources and methods: survey number [2301](#).**

The July 2016 issue of *The Consumer Price Index*, Vol. 95, no. 7 ([62-001-X](#)), is now available from the *Browse by key resource* module of our website, under *Publications*.

More information about 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; [STATCAN.infostats-infostats.STATCAN@canada.ca](mailto:STATCAN.infostats-infostats.STATCAN@canada.ca)) or Media Relations (613-951-4636; [STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca](mailto:STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca)).