

Consumer Price Index, September 2017

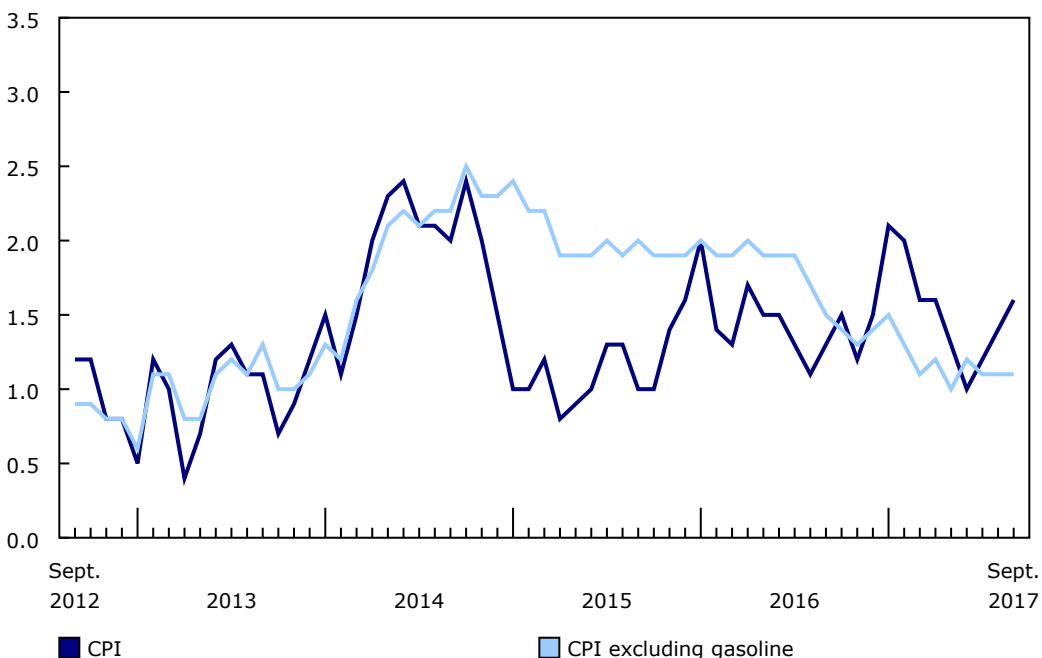
Released at 8:30 a.m. Eastern time in *The Daily*, Friday, October 20, 2017

The Consumer Price Index (CPI) rose 1.6% on a year-over-year basis in September, following a 1.4% gain in August. The all-items CPI excluding gasoline rose 1.1% year over year in September, matching the gain in both July and August.

Chart 1

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

12-month % change



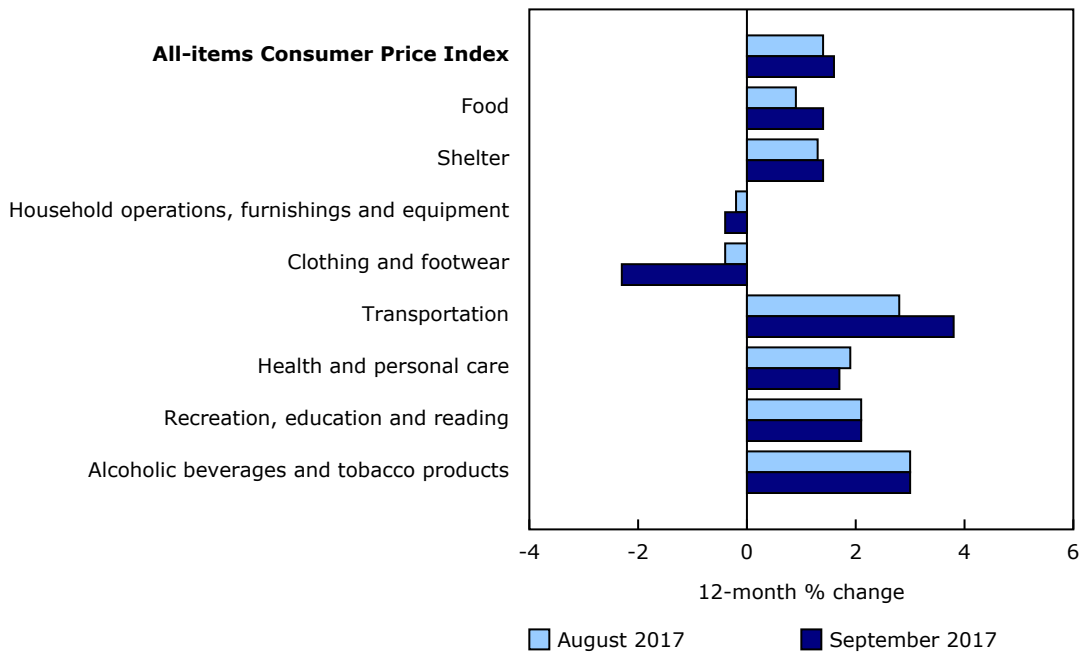
Source(s): CANSIM table [326-0020](#).

12-month change in the major components

Prices were up in six of the eight major CPI components in the 12 months to September, with the transportation and shelter indexes contributing the most to the year-over-year rise. The clothing and footwear index and the household operations, furnishings and equipment index both declined on a year-over-year basis.



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



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

Transportation costs rose 3.8% on a year-over-year basis in September, following a 2.8% increase in August. For a third consecutive month, gasoline prices were the largest contributor to the gain in transportation prices and also to their acceleration. The gasoline index rose 14.1% in the 12 months to September, largely due to supply disruptions caused by Hurricane Harvey. The purchase of passenger vehicles index accelerated 1.0% year over year in September, up from a 0.7% increase in August.

Consumer prices for food were up 1.4% on a year-over-year basis in September, after increasing 0.9% in August. Prices for food purchased from stores grew 0.9% year over year in September, largely due to the price declines reported in September 2016 not counting as part of the current 12-month movement. Prices for food purchased from restaurants rose 2.7% in September, up slightly from a 2.6% year-over-year gain in August.

Recreation, education and reading costs rose 2.1% on a year-over-year basis in September, matching the increase in August. Tuition fees grew 3.0% in the 12-month period ending in September.

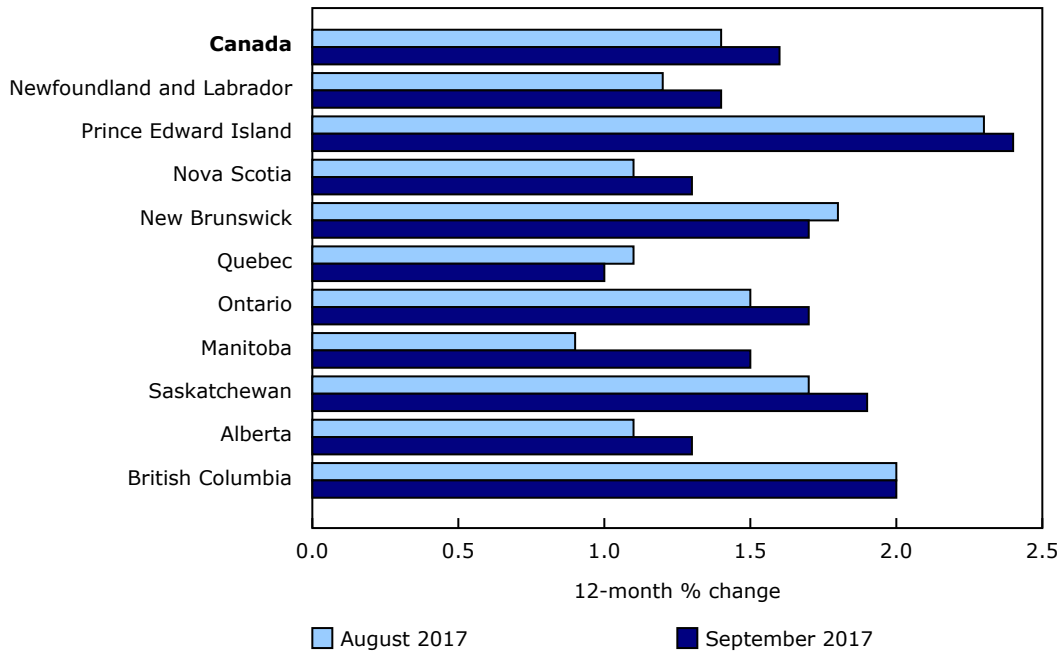
In September, the household operations, furnishings and equipment index (-0.4%) declined on a year-over-year basis for the third consecutive month. The telephone services index contributed the most to this continued decline, down 3.1% in the 12 months to September. Consumers also paid 3.3% less for furniture in September compared with the same month a year earlier.

The clothing and footwear index declined 2.3% on a year-over-year basis in September. Prices for women's clothing contributed the most to the decrease in this major component, falling 4.6% in September, following a 1.9% decline in August. Men's clothing prices also posted a year-over-year decrease, falling 2.7%. In contrast, prices for clothing material and notions rose 3.5% in the 12 months to September.

12-month change in the provinces

Consumer prices rose more on a year-over-year basis in September than they did in August in seven provinces, while two provinces registered decelerations.

Chart 3
Consumer prices rise at a faster rate in seven provinces



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

The CPI in Manitoba increased 1.5% on a year-over-year basis in September, after rising 0.9% in August. Consumers paid 3.4% more in the 12 months to September for food purchased from stores, which was a larger increase than in any other province. The fresh vegetables index (+11.7%) contributed the most to this rise in prices. Among the provinces, prices for household equipment fell the most year over year in Manitoba during September.

In British Columbia, the CPI gained 2.0% year over year, matching the increase in August. The homeowners' replacement cost index (+7.1%) contributed the most to the rise in the CPI in this province, and also matched the gain in August. The gasoline index (+8.9%) decelerated on a year-over-year basis compared with August. British Columbia was the only province to register a deceleration in this index.

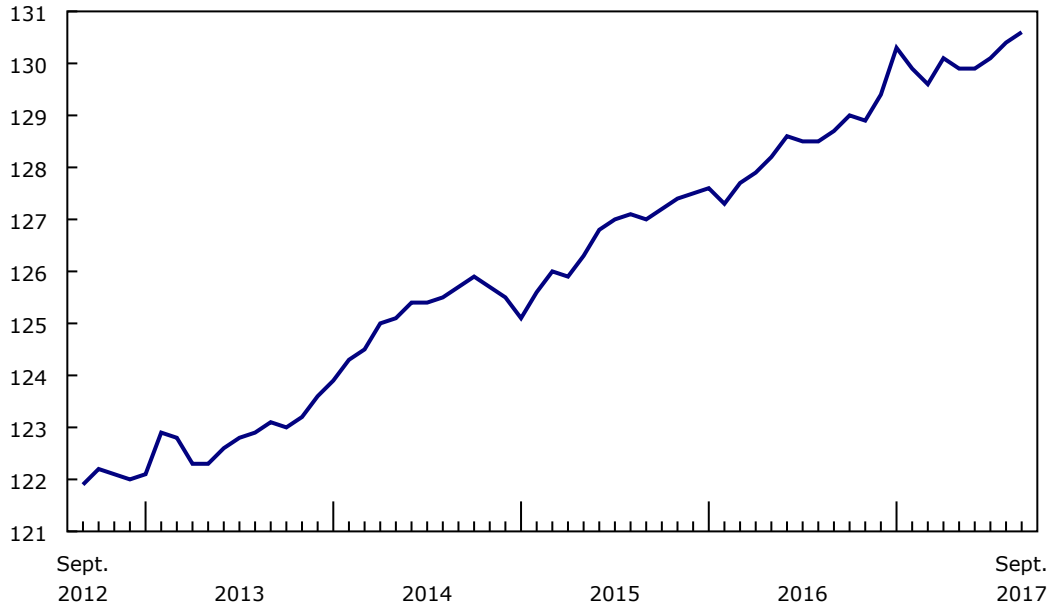
Consumer prices in New Brunswick rose 1.7% year over year in September, following a 1.8% increase in August. The telephone services index fell 2.5% in the 12-month period ending in September, which contributed the most to the decline in prices in this province. The traveller accommodation index decreased by 4.5% on a year-over-year basis in September, following a 15.0% increase in August. In contrast, consumers paid more for recreational vehicles and outboard motors in September compared with the same month a year earlier.

Seasonally adjusted monthly Consumer Price Index

On a [seasonally adjusted monthly basis](#), the CPI increased 0.2% in September, matching the gain in August.

Chart 4
Seasonally adjusted monthly Consumer Price Index

index (2002=100)



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

In September, five major components increased on a seasonally adjusted monthly basis, while three decreased.

On a seasonally adjusted monthly basis in September, the transportation index (+1.1%) posted the largest gain, while the clothing and footwear index (-1.0%) posted the largest decline.



In celebration of the country's 150th birthday, Statistics Canada is presenting snapshots from our rich statistical history.

Canada's tuition fees price index, first published in 1973, tracks changes in tuition prices for publicly-funded universities and colleges. When the index was first published in the 1970s, public postsecondary education was heavily subsidized by the federal and provincial governments, which began directly funding universities in the period following the Second World War. Consequently, tuition fees paid by students remained low and annual increases to the index averaged about 3.2%.

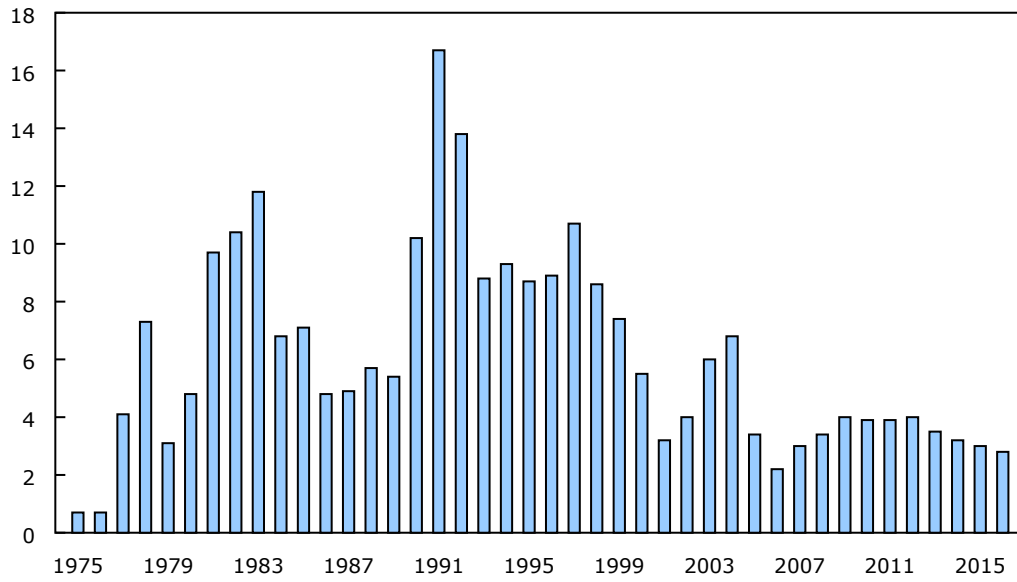
Throughout the 1980s, federal transfer payments to fund postsecondary education gradually decreased, while at the same time university enrollment increased in response to a growing demand for higher education. Consumer prices for tuition rose steadily during this time, with the index increasing by an average of 7.1% each year.

The cost of tuition continued to rise, climbing at an average annual rate of 10.3% from 1990 to 1999. In response, provincial governments throughout the country implemented tuition caps or freezes to limit further increases.

Since 2000, growth in the tuition fees index has taken on a more moderate pace, with an average annual increase of 3.9%, and year-over-year decreases in tuition prices have been observed in six provinces.

Chart 5
Tuition fees index, annual average, Canada, 1975 to 2016

annual average % change



Source(s): CANSIM table [326-0021](#).

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](#).

Upcoming methodological change: New approach for estimating the Mortgage Interest Cost Index

The CPI measures the change in prices of consumer goods and services over time. To accurately reflect trends in the market and in consumer behaviour, Statistics Canada periodically reviews and updates the methods applied to various components of the CPI.

The release of the October 2017 CPI (to be published on November 17, 2017) will mark the implementation of new data sources and methodological changes for the calculation of the Mortgage Interest Cost Index (MICI).

The MICI represents 3.41% of the 2015 CPI basket at link month (December 2016) prices and is part of Shelter, one of the major CPI components.

This new approach will use administrative data to replace survey data, which will reduce survey response burden while better reflecting the Canadian residential mortgage market, and will allow for a simplified estimation process.

Detailed documentation describing the new MICI approach will be available with the October 2017 CPI release on November 17, 2017.

Upcoming changes to table entitled "Inter-city indexes of price differentials of consumer goods and services": Addition of a new geographic stratum

Data on inter-city indexes of price differentials of consumer goods and services will be updated to October 2016 with the release of the October 2017 CPI (to be published on November 17, 2017). As well, the geographic stratum "Calgary, Alberta" will be introduced in the table, reflecting data for the all-items index and its eight major components.

Real-time CANSIM tables

Real-time CANSIM table 326-8023 will be updated on November 6. For more information, consult the document [Real-time CANSIM tables](#).

Next release

The CPI for October will be released on November 17.

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

	Relative importance ¹	September 2016	August 2017	September 2017	August to September 2017	September 2016 to September 2017
	%	(2002=100)			% change	
All-items	100.00²	128.8	130.5	130.8	0.2	1.6
Food	16.23	140.4	143.6	142.4	-0.8	1.4
Shelter	27.15	136.2	138.0	138.1	0.1	1.4
Household operations, furnishings and equipment	12.97	121.9	121.9	121.4	-0.4	-0.4
Clothing and footwear	5.44	96.8	93.2	94.6	1.5	-2.3
Transportation	19.70	128.3	131.8	133.2	1.1	3.8
Health and personal care	5.00	122.4	125.0	124.5	-0.4	1.7
Recreation, education and reading	10.89	113.8	115.3	116.2	0.8	2.1
Alcoholic beverages and tobacco products	2.63	157.7	162.0	162.5	0.3	3.0
Special aggregates						
All-items excluding energy	92.94	127.2	128.8	128.8	0.0	1.3
Energy ³	7.06	147.3	150.4	154.5	2.7	4.9
Gasoline	3.37	147.3	158.7	168.1	5.9	14.1
All-items excluding food and energy	76.71	124.3	125.6	125.8	0.2	1.2
Goods	45.32	117.8	118.4	118.8	0.3	0.8
Services	54.68	139.9	142.7	142.8	0.1	2.1

1. 2015 Consumer Price Index (CPI) basket weights at December 2016 prices, Canada, effective with the January 2017 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): 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 ¹	September 2016	August 2017	September 2017	August to September 2017	September 2016 to September 2017
	%	(2002=100)			% change	
Canada	100.00²	128.8	130.5	130.8	0.2	1.6
Newfoundland and Labrador	1.39	134.5	135.5	136.4	0.7	1.4
Prince Edward Island	0.33	130.6	133.6	133.7	0.1	2.4
Nova Scotia	2.38	131.6	132.6	133.3	0.5	1.3
New Brunswick	1.85	129.4	131.3	131.6	0.2	1.7
Quebec	20.93	125.8	126.7	127.1	0.3	1.0
Ontario	39.34	130.1	131.8	132.3	0.4	1.7
Manitoba	3.04	129.0	130.4	130.9	0.4	1.5
Saskatchewan	3.08	132.4	134.7	134.9	0.1	1.9
Alberta	13.07	135.3	137.4	137.0	-0.3	1.3
British Columbia	14.40	123.2	125.9	125.7	-0.2	2.0
Whitehorse	0.08	125.9	126.6	127.3	0.6	1.1
Yellowknife	0.07	131.8	132.5	132.5	0.0	0.5
Iqaluit (Dec. 2002=100)	0.03	124.5	125.7	125.9	0.2	1.1

1. 2015 Consumer Price Index (CPI) basket weights at December 2016 prices, effective with the January 2017 CPI.

2. 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 adjusted¹

	July 2017	August 2017	September 2017	July to August 2017	August to September 2017
	(2002=100)			% change	
All-items	130.1	130.4	130.6	0.2	0.2
Food	143.5	143.6	143.7	0.1	0.1
Shelter	137.7	138.0	138.1	0.2	0.1
Household operations, furnishings and equipment	121.9	121.7	121.5	-0.2	-0.2
Clothing and footwear	94.0	93.7	92.8	-0.3	-1.0
Transportation	130.6	131.7	133.1	0.8	1.1
Health and personal care	124.7	124.9	124.7	0.2	-0.2
Recreation, education and reading	114.0	113.9	114.2	-0.1	0.3
Alcoholic beverages and tobacco products	161.5	161.8	162.3	0.2	0.3
Special aggregates					
All-items excluding food and energy ²	125.5	125.6	125.6	0.1	0.0

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

Table 4
Consumer Price Index statistics, preferred measures of core inflation – Bank of Canada definitions, year-over-year percent change, Canada^{1,2}

	June 2017	July 2017	August 2017	September 2017
	%			
CPI-common ^{3,5}	1.4	1.4	1.5	1.5
CPI-median ^{4,6}	1.5	1.7	1.8	1.8
CPI-trim ^{4,7}	1.2	1.3	1.4	1.5

- For more information on these measures of core inflation, please consult the [methodology](#) and [general information](#) documents found in our Definitions, data sources and methods - record number [2301](#).
- The Bank of Canada's preferred 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. The CANSIM table 326-8023 contains the historical release data for these three measures and will be updated every month.
- This measure is based on the Consumer Price Index (CPI) series adjusted to remove the effect of changes in indirect taxes.
- 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.
- CPI-common is a measure of core inflation that tracks common price changes across categories in the CPI basket.
- 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.
- 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): CANSIM table [326-0023](#).

Available in CANSIM: tables [326-0009](#), [326-0012](#), [326-0020](#), [326-0022](#) and [326-0023](#).

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

The September 2017 issue of *The Consumer Price Index*, Vol. 96, no. 9 ([62-001-X](#)) is now available.

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) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).