

# Consumer Price Index, August 2019

Released at 8:30 a.m. Eastern time in *The Daily*, Wednesday, September 18, 2019

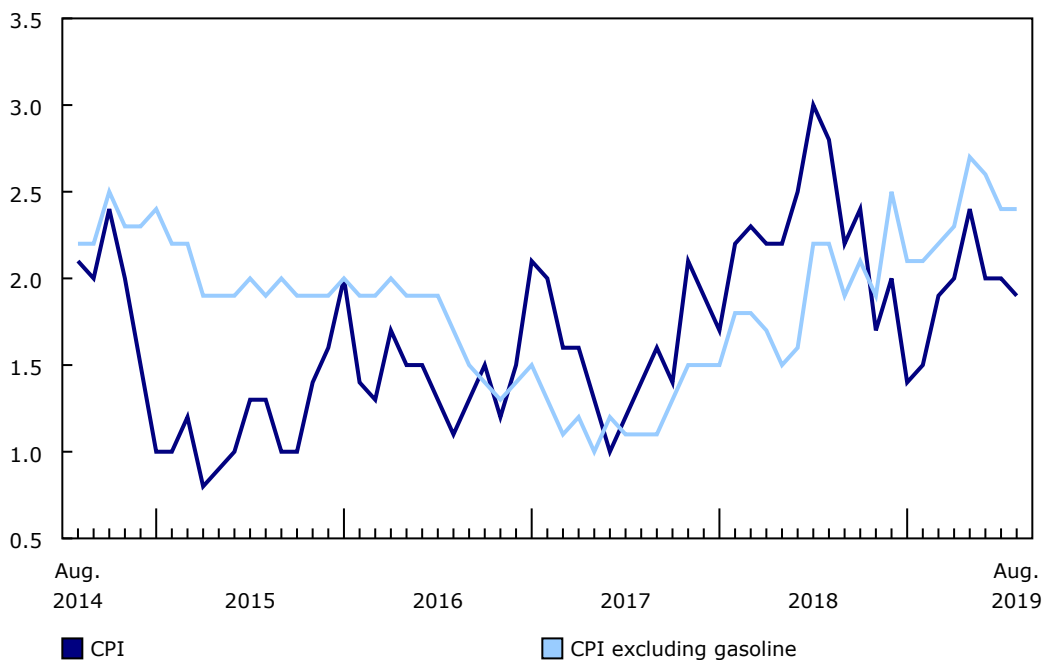
The Consumer Price Index (CPI) rose 1.9% on a year-over-year basis in August, down from a 2.0% increase in July, primarily due to lower gasoline prices. Excluding gasoline, the CPI rose 2.4%, matching the increase in July.

The CPI has grown by 1.9% or more on a year-over-year basis for six consecutive months, after reaching a low of 1.4% in January of this year. The broad-based gains in the CPI over the past two quarters have coincided with strength in Canadian labour market conditions.

On a [seasonally adjusted monthly basis](#), the CPI was unchanged in August following a 0.4% increase in July.

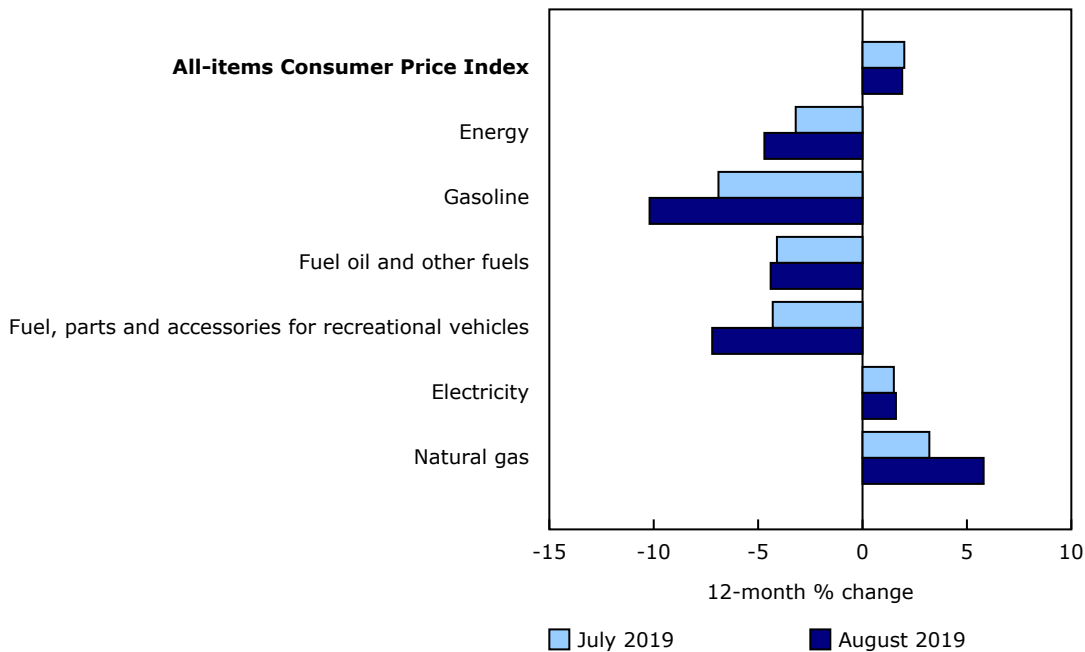
**Chart 1**  
**The 12-month change in the Consumer Price Index (CPI) and CPI excluding gasoline**

12-month % change



Source(s): Table 18-10-0004-01.

**Chart 2**  
**Prices for energy decline year over year**



Source(s): Table 18-10-0004-01.

**Visit the new Consumer Price Index Portal!**

Statistics Canada has launched a new [Consumer Price Index \(CPI\) Portal](#) as part of a suite of portals for prices and price indexes. The CPI Portal centralizes all CPI information and products in one convenient location on the Statistics Canada website. This webpage serves as a single point of access for users to find CPI data, publications, interactive tools, and announcements highlighting new products and upcoming changes to the CPI.

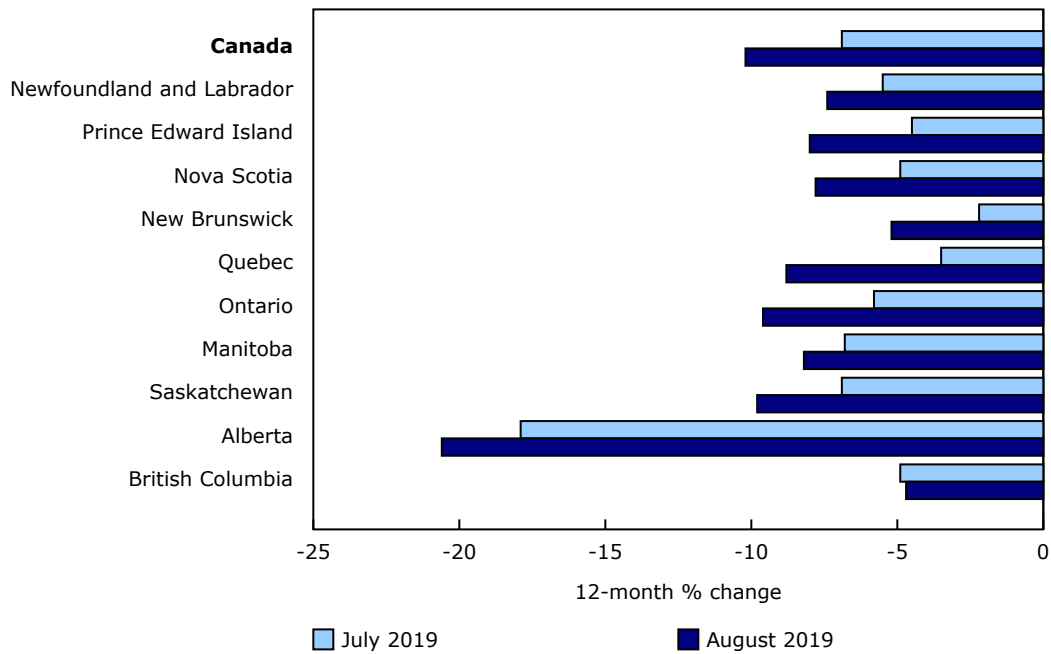
**Highlights**

**Consumers pay less for gasoline, while natural gas prices rise**

Consumer prices for gasoline fell 10.2% in the 12 months to August, following a 6.9% decline in July. Global oil prices fell slightly in August due to higher production and soft international demand, remaining below the elevated levels of 2018.

In contrast, natural gas prices rose 5.8% year over year in August, up from a 3.2% increase in July. This was attributable to a bounce back in prices from earlier this summer, when gas pipeline maintenance was ongoing and inventories were higher.

**Chart 3**  
**Gas prices decrease at a faster pace year-over-year in nine provinces**



Source(s): Table 18-10-0004-01.

**Air fares increase on jet groundings and summer travel**

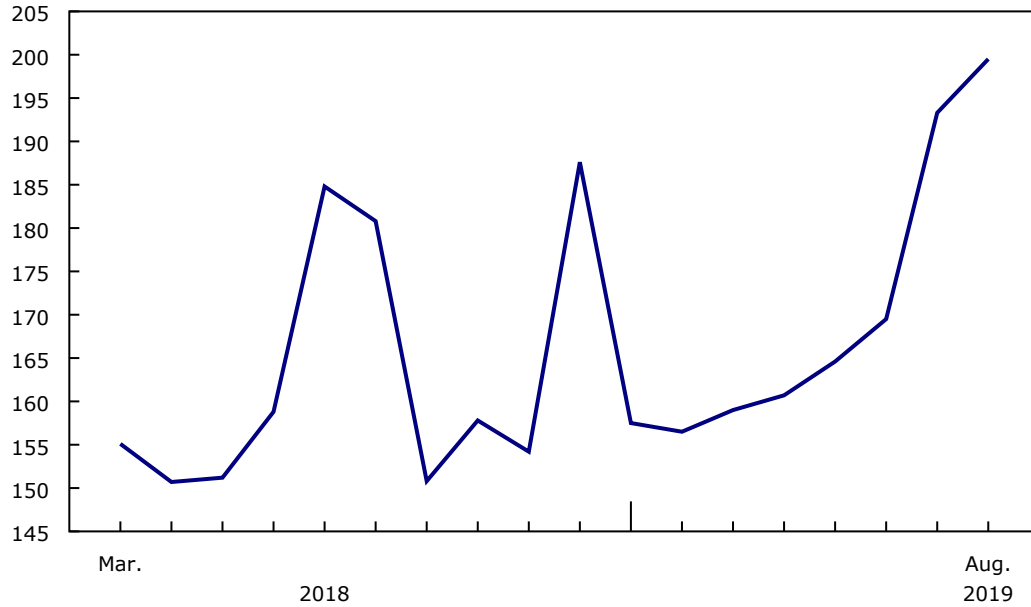
Air transportation prices rose 10.3% year over year in August after increasing 4.6% in July. The increase was largely related to continued reductions in operational aircraft capacity during the final month of the busy summer travel season, due to the March grounding of the Boeing 737 MAX aircraft models.

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**Chart 4**  
**Air transportation prices continue to reach summer highs**

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index (2002=100)



Source(s): Table [18-10-0004-01](#).

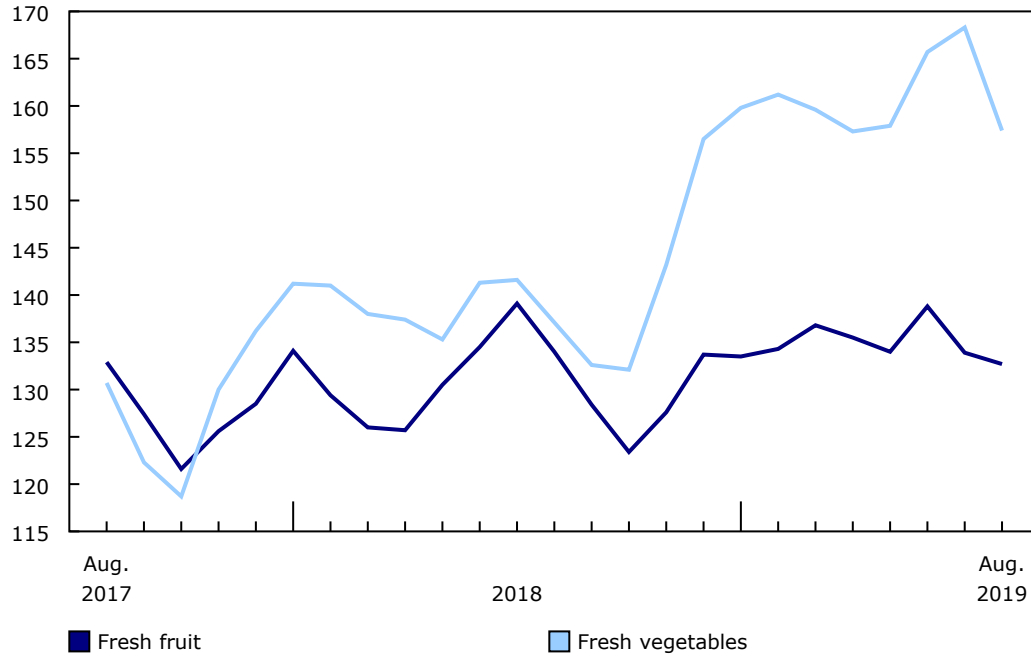
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**Cheaper vegetables and meat for consumers**

Canadians paid 6.5% less for fresh vegetables in August compared with July, marking the largest month-over-month decline in five years. This led to slower year-over-year growth in the fresh vegetables index as transitory pressures stemming from inclement weather in agricultural regions, which boosted the index in May, June and July, eased. The fresh fruit index (-1.0%) declined on a year-over-year basis for the second consecutive month.

**Chart 5**  
**Slowdown in fresh fruit and fresh vegetables prices**

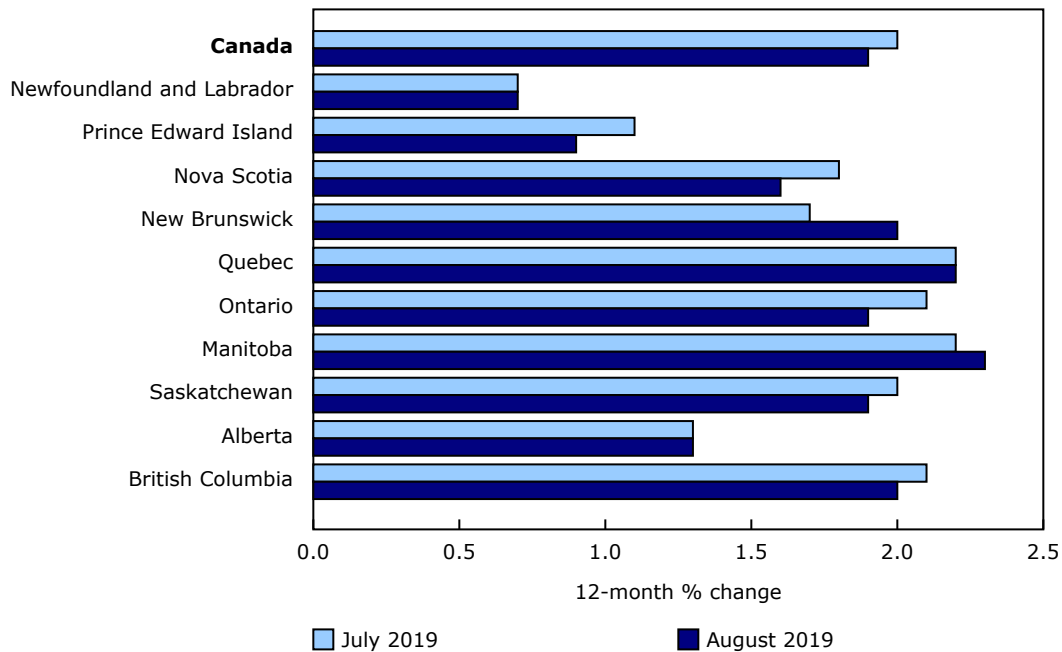
index (2002=100)



Source(s): Table 18-10-0004-01.

The cost of meat grew 4.8% on a year-over-year basis in August, after rising 5.5% in July. The slowdown was partially attributable to a 2.7% month-over-month decline in the fresh or frozen pork index, coinciding with increased domestic supply owing to foreign restrictions on Canadian pork exports.

**Chart 6**  
**Consumer prices rise at a slower or unchanged pace in eight provinces**



Source(s): Table 18-10-0004-01.

**Regional highlights**

The homeowners' replacement cost index, which tracks the price of new homes, declined in five provinces. The index fell year over year in Saskatchewan (-3.4%) and Alberta (-3.3%), continuing the downward trend since the beginning of 2018. It also fell in Ontario (-0.4%), driven by the largest month-over-month decline in the province since 2009.

**Canadians pay less for hotels, except in New Brunswick**

The cost of traveller accommodation (-6.7%) fell on a year-over-year basis for the 14th consecutive month. The decrease was widespread, as the index fell in all but one province. New Brunswick was the lone province to report higher year-over-year prices for traveller accommodation, which was attributable, in part, to higher demand related to a festival held in the region in August.

**Note to readers**

**Real-time data tables**

Real-time data table 18-10-0259-01 will be updated on September 30.

**Next release**

The Consumer Price Index for September will be released on October 16.

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

	Relative importance <sup>1,2</sup>	August 2018	July 2019	August 2019	July to August 2019	August 2018 to August 2019
	%	(2002=100)			% change	
<b>All-items</b>	<b>100.00</b>	<b>134.2</b>	<b>137.0</b>	<b>136.8</b>	<b>-0.1</b>	<b>1.9</b>
Food	16.48	145.9	151.6	151.1	-0.3	3.6
Shelter	27.36	141.2	144.3	144.6	0.2	2.4
Household operations, furnishings and equipment	12.80	122.9	123.5	123.5	0.0	0.5
Clothing and footwear	5.17	93.7	94.0	94.7	0.7	1.1
Transportation	19.95	141.3	144.2	143.3	-0.6	1.4
Gasoline	3.13	190.3	179.9	170.9	-5.0	-10.2
Health and personal care	4.79	126.7	128.0	127.8	-0.2	0.9
Recreation, education and reading	10.24	117.5	121.1	119.8	-1.1	2.0
Alcoholic beverages, tobacco products and recreational cannabis	3.21	169.5	171.0	171.1	0.1	0.9
<b>Special aggregates</b>						
All-items excluding food	83.52	131.9	134.2	134.0	-0.1	1.6
All-items excluding food and energy	77.01	128.5	131.3	131.3	0.0	2.2
All-items excluding alcoholic beverages, tobacco products and smokers' supplies and recreational cannabis	96.79	133.1	135.9	135.7	-0.1	2.0
All-items excluding energy	93.50	131.6	134.9	134.8	-0.1	2.4
All-items excluding gasoline	96.87	132.2	135.4	135.4	0.0	2.4
Energy <sup>3</sup>	6.50	167.2	163.4	159.3	-2.5	-4.7
Goods	44.29	121.4	123.2	122.5	-0.6	0.9
Durable goods	12.94	89.8	91.4	91.2	-0.2	1.6
Semi-durable goods	6.63	96.4	96.6	97.0	0.4	0.6
Non-durable goods	24.72	147.4	149.8	148.3	-1.0	0.6
Services	55.71	147.1	150.7	150.9	0.1	2.6

1. 2017 Consumer Price Index (CPI) basket weights at December 2018 prices, Canada, effective with the January 2019 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): Tables 18-10-0004-01 and 18-10-0007-01.

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

	Relative importance <sup>1,2</sup>	August 2018	July 2019	August 2019	July to August 2019	August 2018 to August 2019
	%	(2002=100)			% change	
<b>Canada</b>	<b>100.00</b>	<b>134.2</b>	<b>137.0</b>	<b>136.8</b>	<b>-0.1</b>	<b>1.9</b>
Newfoundland and Labrador	1.31	138.9	140.1	139.9	-0.1	0.7
Prince Edward Island	0.33	137.6	139.5	138.8	-0.5	0.9
Nova Scotia	2.31	136.2	138.5	138.4	-0.1	1.6
New Brunswick	1.76	134.7	137.1	137.4	0.2	2.0
Quebec	20.72	129.5	132.6	132.4	-0.2	2.2
Ontario	39.83	135.9	138.8	138.5	-0.2	1.9
Manitoba	3.16	134.2	137.4	137.3	-0.1	2.3
Saskatchewan	2.98	137.6	140.7	140.2	-0.4	1.9
Alberta	12.15	141.6	143.6	143.4	-0.1	1.3
British Columbia	15.27	129.6	132.4	132.2	-0.2	2.0
Whitehorse	0.08	131.6	135.1	134.8	-0.2	2.4
Yellowknife	0.07	136.9	139.2	139.3	0.1	1.8
Iqaluit (Dec. 2002=100)	0.03	131.2	132.8	133.6	0.6	1.8

1. 2017 Consumer Price Index (CPI) basket weights at December 2018 prices, effective with the January 2019 CPI.

2. Figures may not add up to 100% as a result of rounding.

Source(s): Tables 18-10-0004-01 and 18-10-0007-01.

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

	June 2019	July 2019	August 2019	June to July 2019	July to August 2019
	(2002=100)			% change	
<b>All-items</b>	<b>135.9</b>	<b>136.5</b>	<b>136.5</b>	<b>0.4</b>	<b>0.0</b>
Food	150.1	150.6	150.8	0.3	0.1
Shelter	144.0	144.3	144.6	0.2	0.2
Household operations, furnishings and equipment	123.8	123.5	123.6	-0.2	0.1
Clothing and footwear	95.5	95.5	95.5	0.0	0.0
Transportation	141.6	142.4	142.5	0.6	0.1
Health and personal care	127.6	127.9	127.5	0.2	-0.3
Recreation, education and reading	117.5	118.6	118.1	0.9	-0.4
Alcoholic beverages, tobacco products and recreational cannabis	170.8	170.7	170.9	-0.1	0.1
<b>Special aggregates</b>					
All-items excluding food	133.4	133.6	133.7	0.1	0.1
All-items excluding food and energy <sup>2</sup>	130.6	130.8	131.1	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 special aggregate "energy" comprises electricity, natural gas, fuel oil and other fuels, gasoline, and fuel, parts and accessories for recreational vehicles.

Source(s): Table [18-10-0006-01](#).

**Table 4**  
**Consumer Price Index statistics, preferred measures of core inflation – Bank of Canada definitions, year-over-year percent change, Canada<sup>1,2</sup>**

	May 2019	June 2019	July 2019	August 2019
	% change			
CPI-common <sup>3,5</sup>	1.8	1.8	1.9	1.8
CPI-median <sup>4,6</sup>	2.1	2.1	2.1	2.1
CPI-trim <sup>4,7</sup>	2.3	2.1	2.1	2.1

1. 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](#).

2. 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 table 18-10-0259-01 contains the historical release data for these three measures and will be updated every month.

3. This measure is based on the Consumer Price Index (CPI) series adjusted to remove the effect of changes in indirect taxes.

4. 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.

5. CPI-common is a measure of core inflation that tracks common price changes across categories in the CPI basket.

6. 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.

7. 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): Table [18-10-0256-01](#).



**Table 5**  
**Main contributors to the 12-month and 1-month change in the Consumer Price Index**

August 2018 to August 2019

	% change
<b>Main contributors to the 12-month change</b>	
<b>Main upward contributors</b>	
Mortgage interest cost	7.8
Passenger vehicle insurance premiums	8.7
Purchase of passenger vehicles	2.9
Rent	3.0
Air transportation	10.3
<b>Main downward contributors</b>	
Gasoline	-10.2
Traveller accommodation	-6.7
Internet access services	-8.2
Homeowners' replacement cost	-0.7
Furniture	-1.9
July to August 2019	
	% change
<b>Main contributors to the 1-month change, not seasonally adjusted</b>	
<b>Main upward contributors</b>	
Air transportation	3.2
Rent	0.7
Women's clothing	1.5
Food purchased from restaurants	0.3
Mortgage interest cost	0.3
<b>Main downward contributors</b>	
Gasoline	-5.0
Fresh vegetables	-6.5
Travel tours	-4.2
Digital computing equipment and devices	-3.0
Traveller accommodation	-1.3

Source(s): Table [18-10-0004-01](#).

**Available tables:** [18-10-0001-01](#), [18-10-0002-01](#), [18-10-0004-01](#), [18-10-0006-01](#) and [18-10-0256-01](#).

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

The interactive [Consumer Price Index Data Visualization Tool](#) is available on the Statistics Canada website.

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)).