

Consumer Price Index, August 2020

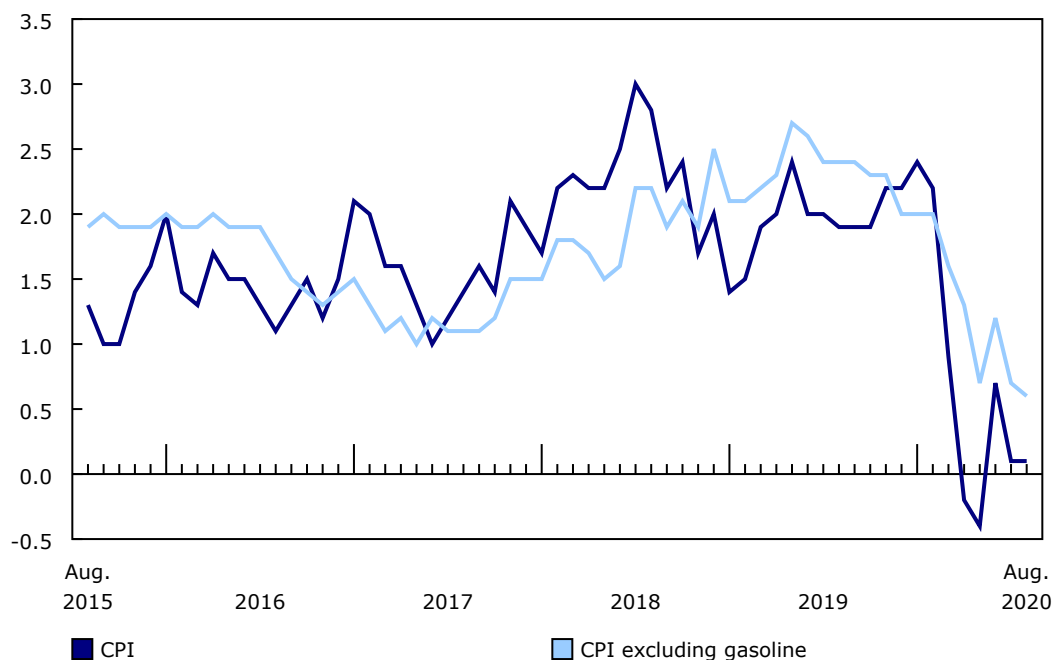
Released at 8:30 a.m. Eastern time in *The Daily*, Wednesday, September 16, 2020

The Consumer Price Index (CPI) rose 0.1% on a year-over-year basis in August, matching the 0.1% increase in July. Excluding gasoline, the CPI rose 0.6% in August, following a 0.7% increase in July.

On a [seasonally adjusted monthly basis](#), the CPI rose 0.1% in August.

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.

Quality adjustment infographic

Explore the new infographic "[Measuring Pure Price Change in a Constantly Changing World](#)" to see how the Consumer Price Index (CPI) reports pure price change using quality adjustment and constant quality principles.

Two ways of exploring the Consumer Price Index

Visit the [Consumer Price Index portal](#) to find all CPI data, publications, interactive tools, and announcements highlighting new products and upcoming changes to the CPI in one convenient location.

Check out the "[Consumer Price Index Data Visualization Tool](#)" to access current and historical CPI data in a customizable visual format.



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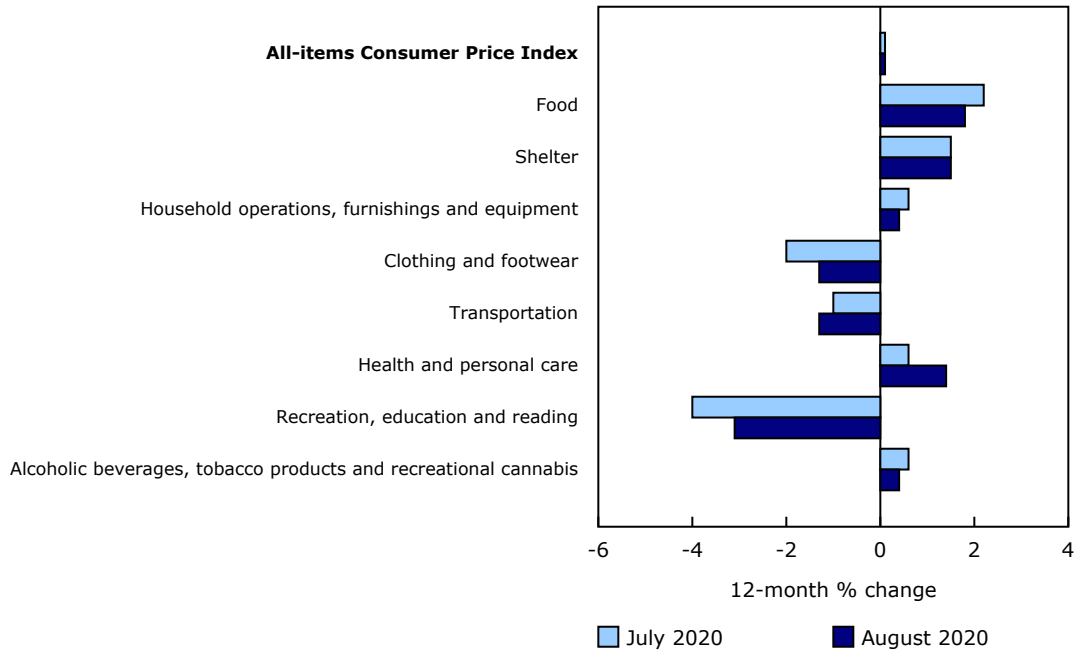
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Highlights

Prices rose in five of the eight major components on a year-over-year basis in August.

Chart 2 Prices rise in five of eight major components

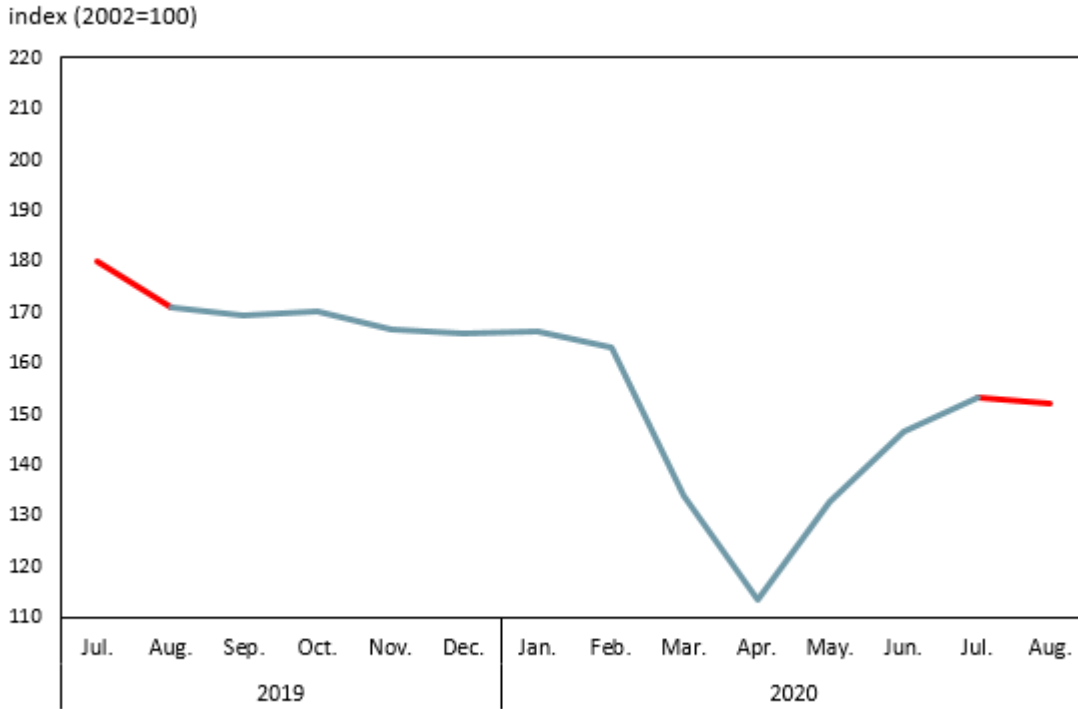


Source(s): Table [18-10-0004-01](#).

Gas prices down in August

Gas prices were down 11.1% in August on a year-over-year basis, following a 14.9% decrease in July. The more moderate year-over-year price decline in August stemmed from weaker gas prices in August 2019, when gas prices declined as result of [higher production and softer international demand](#).

Infographic 1 – Gas prices down in August



Source: Table 18-10-0004-01.

Prices up for personal care services

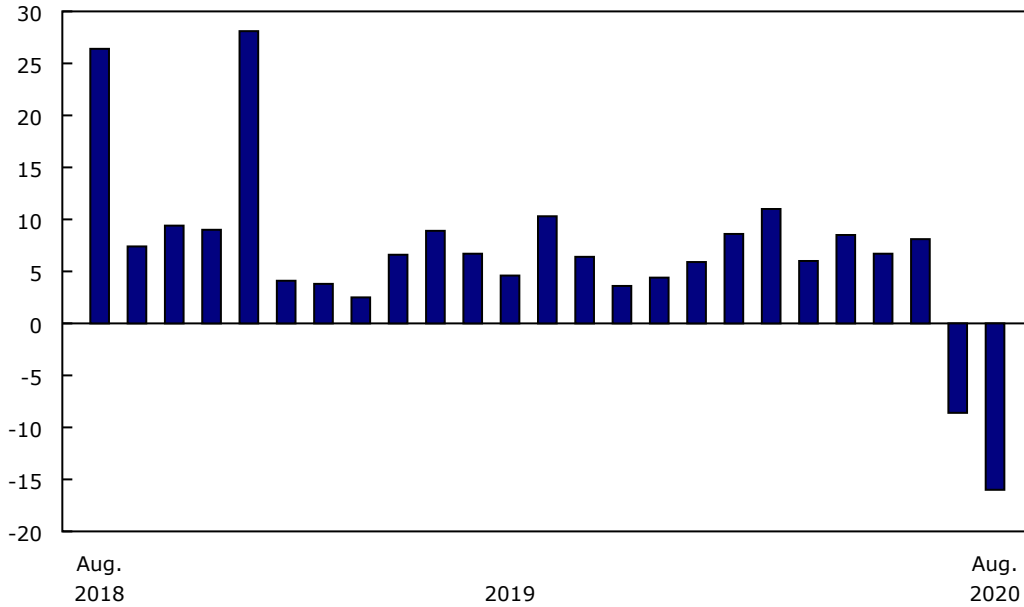
Year over year, prices for personal care services increased 7.2% in August. This increase was mainly attributable to higher prices for haircuts and hairdressing as increased costs related to safety measures to prevent the spread of COVID-19 were passed along to consumers.

Air transportation prices fall for the second consecutive month

Air transportation prices fell 16.0% year over year in August, following an 8.6% decline in July. Demand for air travel has fallen during the pandemic and airlines continue to offer travel discounts to encourage a return to travel.

Chart 3
Air transportation prices fall for the second consecutive month

12-month % change



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

Jewellery prices rise on higher gold prices

Jewellery prices rose 6.8% on a year-over-year basis in August, the highest yearly increase since July 2016, amid record-high commodity [prices for gold](#).

Passenger vehicle prices grow at a slower pace with higher rebates

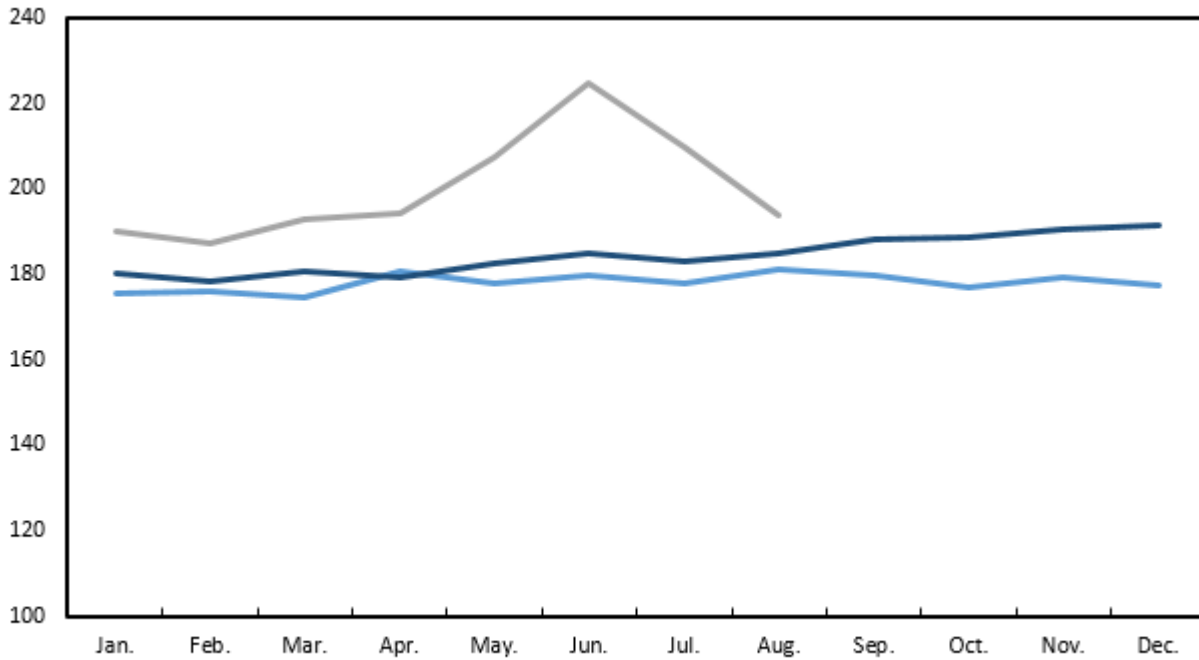
Year over year, the price increase for purchase of passenger vehicles was lower in August (+2.2%) than in July (+3.2%), mainly the result of higher rebates in August 2020 compared with August 2019.

Beef price growth slows for the second consecutive month

Year-over-year price growth for fresh or frozen beef (+4.8%) slowed as prices continued to fall from a 21.6% year-over-year increase in [June 2020](#), when reduced production impacted supply and contributed to higher beef prices. By August, beef prices had returned to levels near those at the onset of the COVID-19 pandemic in March.

Infographic 2 – Beef price growth slows for the second consecutive month

index (2002=100)

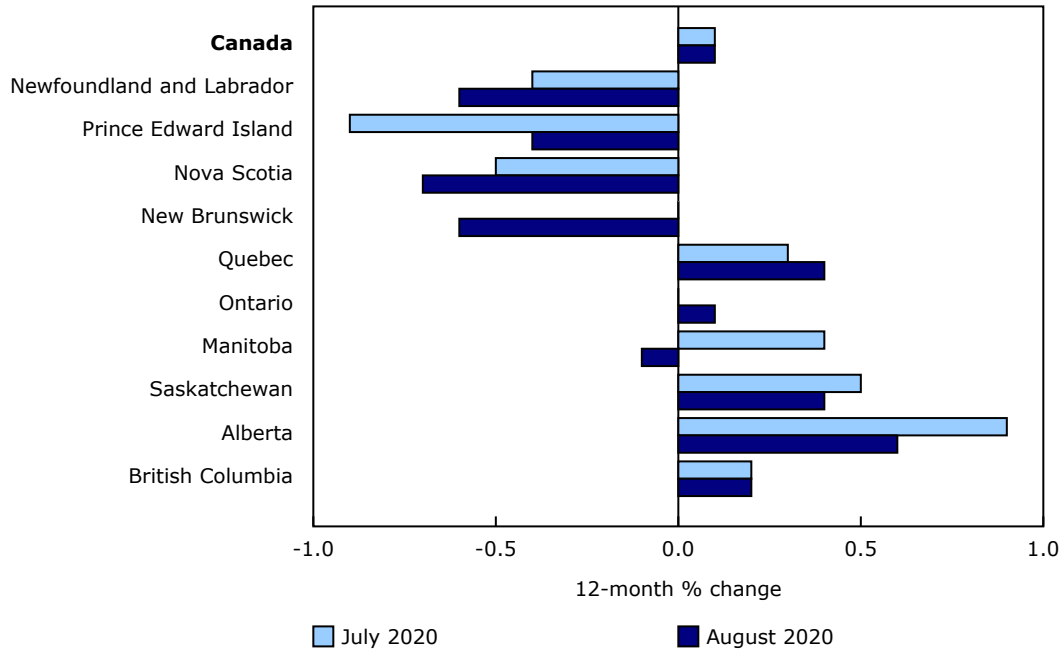


Source: Table 18-10-0004-01. — 2018 — 2019 — 2020

Regional highlights

Prices rose in five provinces on a year-over-year basis in August. Prices accelerated the most in Prince Edward Island, where consumers paid more for cigarettes (+7.8%) year over year in August following a provincial cigarette tax increase instated in mid-July.

Chart 4
The Consumer Price Index increases in five provinces



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

Additional research related to COVID-19

For more information about the impact of COVID-19 on the CPI, please consult the research document entitled "[Consumer expenditures during COVID-19: An exploratory analysis of the effects of changing consumption patterns on consumer price indexes](#)," released on July 13, which explores new sources of expenditure data to estimate basket weights that reflect shifting consumption patterns during the early months of the pandemic. An update to this research will be released on October 8.

For more information on consumer expenditures during COVID-19, users can consult two available documents. The first is "[Canadian Consumers Prepare for COVID-19](#)," released on April 8, which examines the shifting consumption patterns of Canadians during the COVID-19 pandemic up to March 14. The second is "[Canadian Consumers Adapt to COVID-19: A Look at Canadian Grocery Sales up to April 11](#)," released on May 11, which explores a continued shift in the consumption patterns of Canadians during the COVID-19 pandemic up to April 11.

All of the above publications can be found in the *Prices Analytical Series* ([62F0014M](#)).

Note to readers

COVID-19 and the Consumer Price Index

Statistics Canada continues to monitor the impacts of the novel coronavirus (also known as COVID-19) on Canada's Consumer Price Index (CPI).

In August, measures remained in place across much of the country to restrict gatherings and the movement of people. In-person field collection continued to be conducted via telephone or Internet for health and safety reasons, supplementing prices collected via web scraping, transaction data and administrative data. Due to the impact of COVID-19 on product availability in the month of August 2020, select sub-components of the CPI received temporary special imputations.

Goods and services in the CPI which were not available to consumers in August due to COVID-19 restrictions received special treatments, effectively removing their impact on the monthly CPI. The following sub-indexes were imputed from the monthly change in the All-items index: travel tours, components of spectator entertainment, and recreational services.

Consistent with previous months affected by the COVID-19 pandemic, prices for suspended flights are excluded from the August CPI calculation because passengers were ultimately unable to consume them. As a result, select sub-components of the air transportation index were imputed from the parent index.

Where prices were missing due to high levels of out-of-stock products or the temporary closure of businesses, they were imputed with the average price movement of available prices for those items.

A document entitled "[Technical Supplement for the August 2020 Consumer Price Index](#)" is available in the *Prices Analytical Series* ([62F0014M](#)) publication, with further details on the imputations used to compile the August 2020 CPI.

Cellular services index

The cellular services index is available upon request. For more information, please contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca).

Real-time data tables

Real-time data table 18-10-0259-01 will be updated on September 28.

Next release

The CPI for September will be released on October 21.

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

| | Relative importance ^{1,2} | August 2019 | July 2020 | August 2020 | July to August 2020 | August 2019 to August 2020 |
|---|------------------------------------|--------------|--------------|--------------|---------------------|----------------------------|
| | % | (2002=100) | | | % change | |
| All-items | 100.00 | 136.8 | 137.2 | 137.0 | -0.1 | 0.1 |
| Food | 16.48 | 151.1 | 155.0 | 153.8 | -0.8 | 1.8 |
| Shelter | 27.36 | 144.6 | 146.4 | 146.8 | 0.3 | 1.5 |
| Household operations, furnishings and equipment | 12.80 | 123.5 | 124.2 | 124.0 | -0.2 | 0.4 |
| Clothing and footwear | 5.17 | 94.7 | 92.1 | 93.5 | 1.5 | -1.3 |
| Transportation | 19.95 | 143.3 | 142.8 | 141.5 | -0.9 | -1.3 |
| Gasoline | 3.13 | 170.9 | 153.1 | 151.9 | -0.8 | -11.1 |
| Health and personal care | 4.79 | 127.8 | 128.8 | 129.6 | 0.6 | 1.4 |
| Recreation, education and reading | 10.24 | 119.8 | 116.3 | 116.1 | -0.2 | -3.1 |
| Alcoholic beverages, tobacco products and recreational cannabis | 3.21 | 171.1 | 172.0 | 171.8 | -0.1 | 0.4 |
| Special aggregates | | | | | | |
| All-items excluding food | 83.52 | 134.0 | 133.9 | 133.8 | -0.1 | -0.1 |
| All-items excluding food and energy | 77.01 | 131.3 | 131.9 | 131.9 | 0.0 | 0.5 |
| All-items excluding alcoholic beverages, tobacco products and smokers' supplies and recreational cannabis | 96.79 | 135.7 | 136.1 | 135.9 | -0.1 | 0.1 |
| All-items excluding energy | 93.50 | 134.8 | 136.0 | 135.7 | -0.2 | 0.7 |
| All-items excluding gasoline | 96.87 | 135.4 | 136.4 | 136.2 | -0.1 | 0.6 |
| Energy ³ | 6.50 | 159.3 | 149.7 | 149.3 | -0.3 | -6.3 |
| Goods | 44.29 | 122.5 | 122.9 | 122.3 | -0.5 | -0.2 |
| Durable goods | 12.94 | 91.2 | 92.8 | 92.4 | -0.4 | 1.3 |
| Semi-durable goods | 6.63 | 97.0 | 95.7 | 96.3 | 0.6 | -0.7 |
| Non-durable goods | 24.72 | 148.3 | 148.2 | 147.1 | -0.7 | -0.8 |
| Services | 55.71 | 150.9 | 151.5 | 151.6 | 0.1 | 0.5 |

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 ^{1,2} | August 2019 | July 2020 | August 2020 | July to August 2020 | August 2019 to August 2020 |
|---------------------------|------------------------------------|--------------|--------------|--------------|---------------------|----------------------------|
| | % | (2002=100) | | | % change | |
| Canada | 100.00 | 136.8 | 137.2 | 137.0 | -0.1 | 0.1 |
| Newfoundland and Labrador | 1.31 | 139.9 | 139.6 | 139.1 | -0.4 | -0.6 |
| Prince Edward Island | 0.33 | 138.8 | 138.2 | 138.3 | 0.1 | -0.4 |
| Nova Scotia | 2.31 | 138.4 | 137.8 | 137.5 | -0.2 | -0.7 |
| New Brunswick | 1.76 | 137.4 | 137.1 | 136.6 | -0.4 | -0.6 |
| Quebec | 20.72 | 132.4 | 133.0 | 132.9 | -0.1 | 0.4 |
| Ontario | 39.83 | 138.5 | 138.8 | 138.6 | -0.1 | 0.1 |
| Manitoba | 3.16 | 137.3 | 137.9 | 137.2 | -0.5 | -0.1 |
| Saskatchewan | 2.98 | 140.2 | 141.4 | 140.8 | -0.4 | 0.4 |
| Alberta | 12.15 | 143.4 | 144.9 | 144.2 | -0.5 | 0.6 |
| British Columbia | 15.27 | 132.2 | 132.6 | 132.4 | -0.2 | 0.2 |
| Whitehorse | 0.08 | 134.8 | 134.2 | 133.6 | -0.4 | -0.9 |
| Yellowknife | 0.07 | 139.3 | 139.1 | 137.5 | -1.2 | -1.3 |
| Iqaluit (Dec. 2002=100) | 0.03 | 133.6 | 131.3 | 130.5 | -0.6 | -2.3 |

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 adjusted¹

| | June 2020 | July 2020 | August 2020 | June to July 2020 | July to August 2020 |
|---|--------------|--------------|----------------|----------------------|------------------------|
| | (2002=100) | | | % change | |
| All-items | 136.9 | 136.8 | 136.9 | -0.1 | 0.1 |
| Food | 154.1 | 154.0 | 153.6 | -0.1 | -0.3 |
| Shelter | 146.4 | 146.4 | 146.8 | 0.0 | 0.3 |
| Household operations, furnishings and equipment | 123.6 | 124.2 | 124.1 | 0.5 | -0.1 |
| Clothing and footwear | 93.2 | 95.2 | 95.6 | 2.1 | 0.4 |
| Transportation | 141.4 | 141.1 | 141.2 | -0.2 | 0.1 |
| Health and personal care | 128.2 | 128.6 | 129.2 | 0.3 | 0.5 |
| Recreation, education and reading | 115.7 | 113.1 | 114.2 | -2.2 | 1.0 |
| Alcoholic beverages, tobacco products and recreational cannabis | 171.7 | 171.8 | 171.7 | 0.1 | -0.1 |
| Special aggregates | | | | | |
| All-items excluding food | 133.6 | 133.5 | 133.7 | -0.1 | 0.1 |
| All-items excluding food and energy ² | 131.8 | 131.6 | 131.7 | -0.2 | 0.1 |

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^{1,2}

| | May 2020 | June 2020 | July 2020 | August 2020 |
|---------------------------|-------------|--------------|--------------|----------------|
| | % change | | | |
| CPI-common ^{3,5} | 1.4 | 1.4 | 1.3 | 1.5 |
| CPI-median ^{4,6} | 1.8 | 1.9 | 1.9 | 1.9 |
| CPI-trim ^{4,7} | 1.6 | 1.8 | 1.7 | 1.7 |

1. For more information on these measures of core inflation, please consult the [methodology](#) and [general information](#) documents found in the "Definitions, data sources and methods" section of survey [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 2019 to August 2020

| | % change |
|---|----------|
| Main contributors to the 12-month change | |
| Main upward contributors | |
| Purchase of passenger vehicles | 2.2 |
| Passenger vehicle insurance premiums | 5.1 |
| Food purchased from restaurants | 2.1 |
| Homeowners' replacement cost | 2.0 |
| Rent | 1.4 |
| Main downward contributors | |
| Gasoline | -11.1 |
| Traveller accommodation | -25.4 |
| Air transportation | -16.0 |
| Telephone services | -7.3 |
| Tuition fees | -3.6 |
| July to August 2020 | |
| | % change |
| Main contributors to the 1-month change, not seasonally adjusted | |
| Main upward contributors | |
| Rent | 0.9 |
| Personal care services | 5.5 |
| Men's clothing | 2.1 |
| Jewellery | 9.9 |
| Women's clothing | 1.2 |
| Main downward contributors | |
| Purchase of passenger vehicles | -1.0 |
| Air transportation | -5.1 |
| Meat | -2.9 |
| Fresh vegetables | -4.7 |
| Gasoline | -0.8 |

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