

Consumer Price Index, August 2022

Released at 8:30 a.m. Eastern time in *The Daily*, Tuesday, September 20, 2022

In August, the Consumer Price Index (CPI) rose 7.0% on a year-over-year basis, down from a 7.6% gain in July. This was the second consecutive slowdown in the year-over-year price growth and was largely driven by lower gasoline prices in August compared with July.

Excluding gasoline, prices rose 6.3% year over year in August, following a 6.6% increase in July. This is the first month since June 2021 that the year-over-year CPI, excluding gasoline, has slowed.

On a monthly basis, the CPI fell 0.3% in August, the largest monthly decline since the early months of the COVID-19 pandemic. On a seasonally adjusted monthly basis, the CPI was up 0.1%, the smallest gain since December 2020.

Transportation (+10.3%) and shelter (+6.6%) prices drove the deceleration in consumer prices in August. Moderating the slowing in prices were sustained higher prices for groceries, as prices for food purchased from stores (+10.8%) rose at the fastest pace since August 1981 (+11.9%).

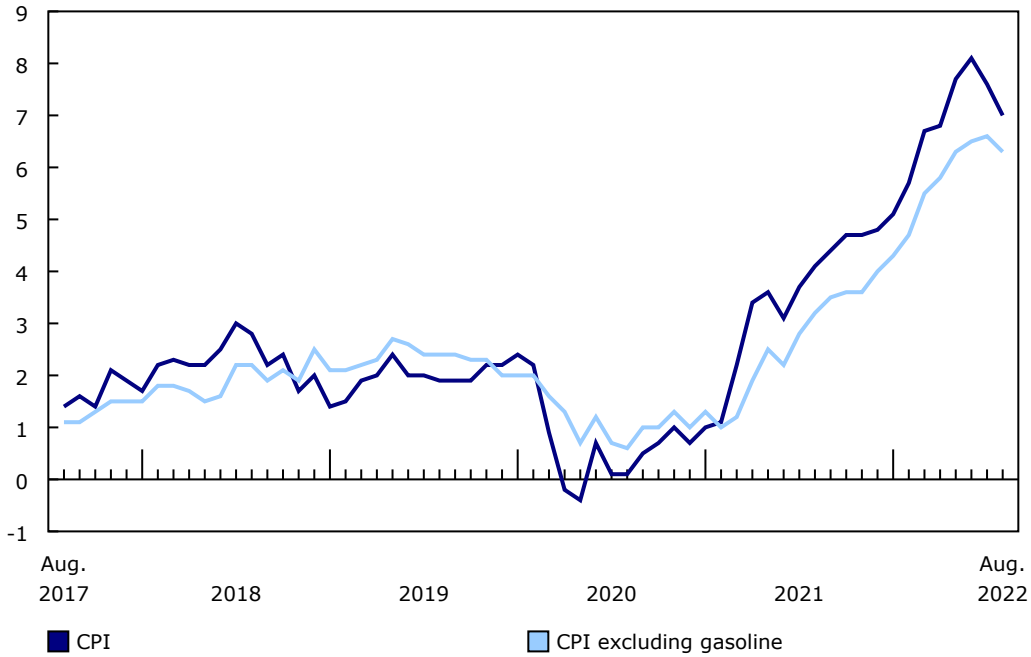
Price growth for goods and services both slowed on a year-over-year basis in August. As non-durable goods (+10.8%) decelerated due to lower prices at the pump, services associated with travel and shelter services contributed the most to the slow down in service prices (+5.5%). Prices for durable goods (+6.0%), such as passenger vehicles and appliances, also grew at a slower rate in August.

In August, [the average hourly wages rose 5.4%](#) on a year-over-year basis, meaning that, on average, prices rose faster than wages. Although Canadians experienced a decline in purchasing power, [the gap was smaller than in July](#).



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

12-month % change



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

Explore the Consumer Price Index tools

Check out the [Personal Inflation Calculator](#)! This interactive calculator allows you to enter dollar amounts in the common expense categories to produce a personalized inflation rate, which you can compare to the official measure of inflation for the average Canadian household—the Consumer Price Index (CPI).

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.

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

Chart 2
Prices increase at a slower pace in August in four major components



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

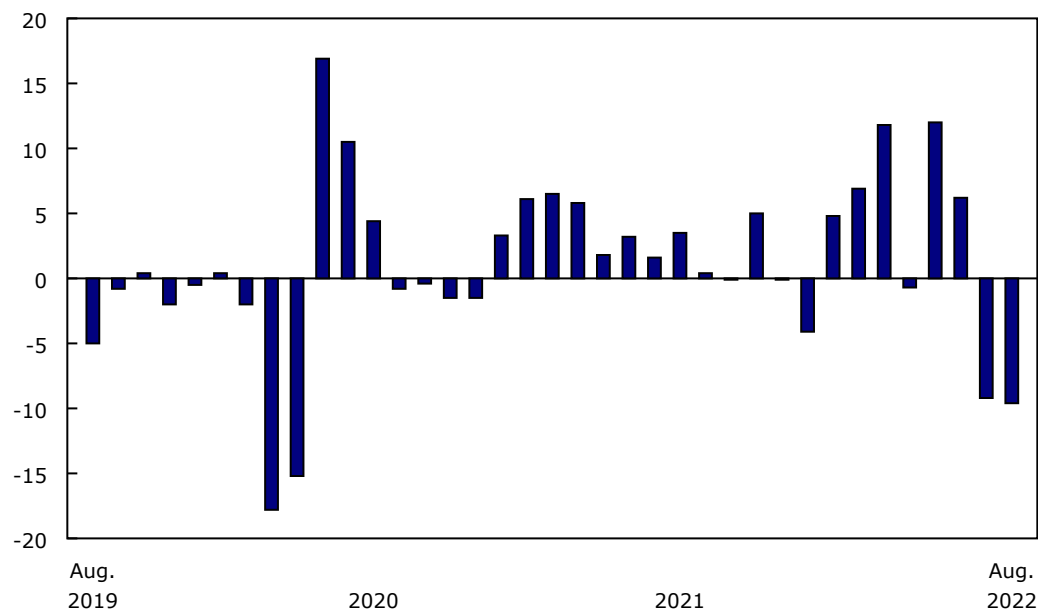
Gasoline prices rise at a slower pace year over year

Year over year, gasoline prices rose less in August (+22.1%) compared with July (+35.6%). On a monthly basis, gasoline prices fell 9.6% following a decline in July (-9.2%). This was the largest monthly decline since April 2020.

The monthly gas price decline in August compared with July mainly stemmed from higher global production by oil-producing countries. According to data from Natural Resources Canada, refining margins, also fell from higher levels in July.

Chart 3 Second consecutive decline in monthly gas prices

1-month % change



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

Price growth for traveller accommodation slows, but remains elevated

Prices for traveller accommodation (+33.0%) rose at a slower pace on a year-over-year basis in August compared with July. The slowdown was mainly due to the steep monthly price increase in August 2021 (+12.0%), the first August since the beginning of the pandemic with fewer COVID-19-related health restrictions in place.

Prices for durable goods increase at a slower rate

Year-over-year growth in durable goods slowed to 6.0% in August, following a 7.0% gain in July. Prices for household appliances (+9.0%) rose less in August than in July (+11.5%) amid [reduced consumer demand](#). The moderation in price growth was observed for refrigerators and freezers (+12.0%), laundry and dishwashing appliances (+9.3%) and cooking appliances (+7.9%).

The purchase of passenger vehicles index rose 7.3% year over year in August, down from an 8.2% increase in July. Higher prices for passenger vehicles in August 2021 contributed to the year-over-year slowdown in August 2022. The same month a year earlier, prices rose amid a global shortage of semiconductor chips resulting in fewer discounts available to consumers. On a month-over-month basis, prices for used vehicles (-0.7%) fell in August.

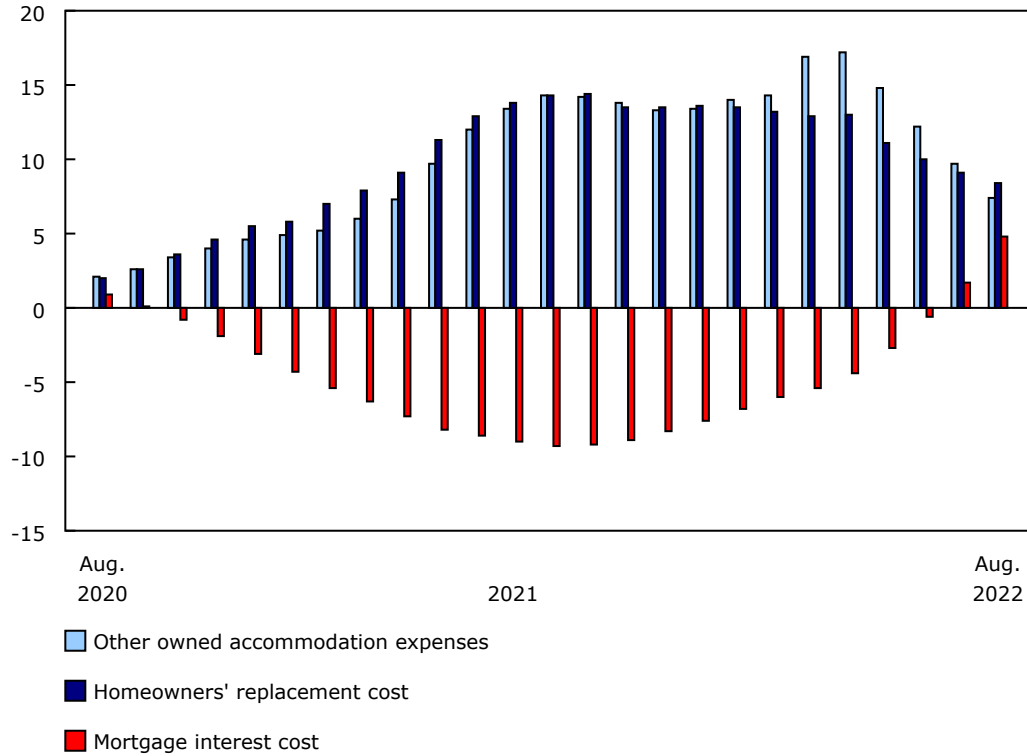
Growth in shelter prices continue to slow

In August, year-over-year growth in shelter prices (+6.6%) continued to slow. Other owned accommodation expenses, which includes commissions on the sale of real estate, slowed on a year-over-year basis in August (+7.4%) compared with July (+9.7%). The homeowners' replacement cost index (+8.4%), which is related to the price of new homes, also slowed in August. These movements reflect a general cooling of the housing market.

Conversely, the mortgage interest cost index increased at a faster rate in August (+4.8%) compared with July (+1.7%), the fastest pace since January 2020. The increase occurred amid elevated bond yields and a higher interest rate environment.

Chart 4
Other owned accommodation expenses and homeowners' replacement cost slow, while mortgage interest cost accelerates

12-month % change



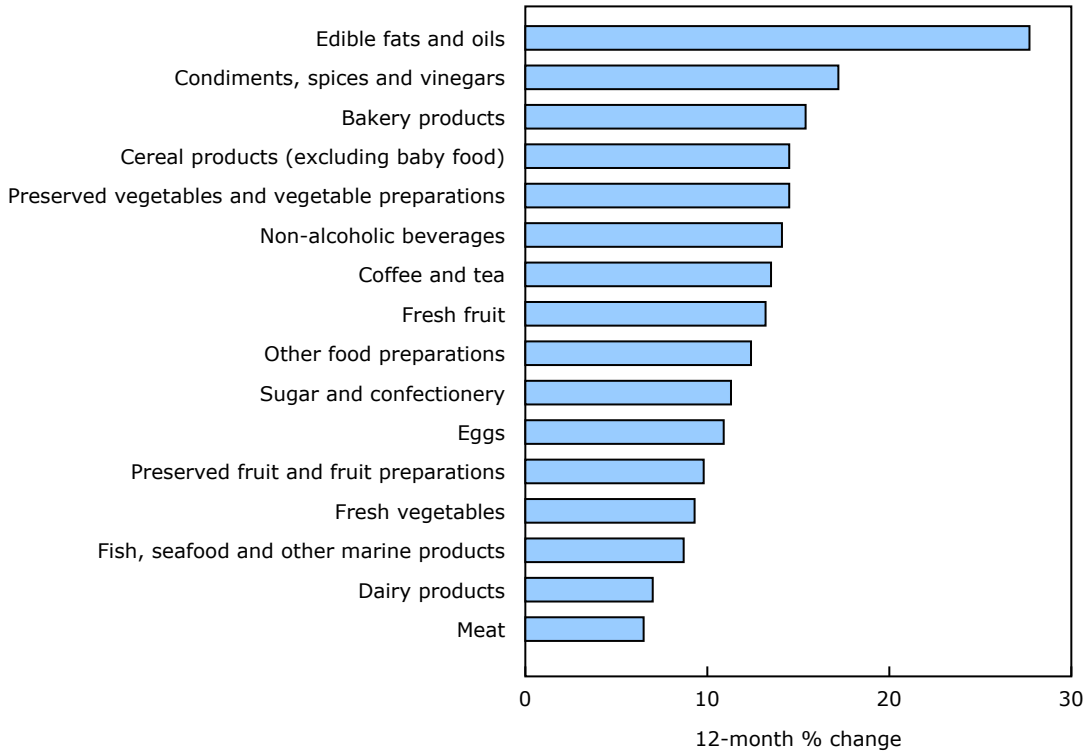
Source(s): Table 18-10-0004-01.

Prices for groceries rise at the fastest pace since 1981

Prices for food purchased from stores continued to increase in August (+10.8%), rising at the fastest pace since 1981 (+11.9%). The supply of food continued to be impacted by multiple factors, including extreme weather, higher input costs, Russia's invasion of Ukraine, and supply chain disruptions.

Food price growth remained broad-based. On a year-over-year basis, Canadians paid more for meat (+6.5%), dairy products (+7.0%), bakery products (+15.4%), fresh fruit (+13.2%), non-alcoholic beverages (+14.1%), condiments, spices, and vinegars (+17.2%), sugar and confectionery (+11.3%), and fish, seafood, and other marine products (+8.7%).

Chart 5
Canadians pay more for many grocery items

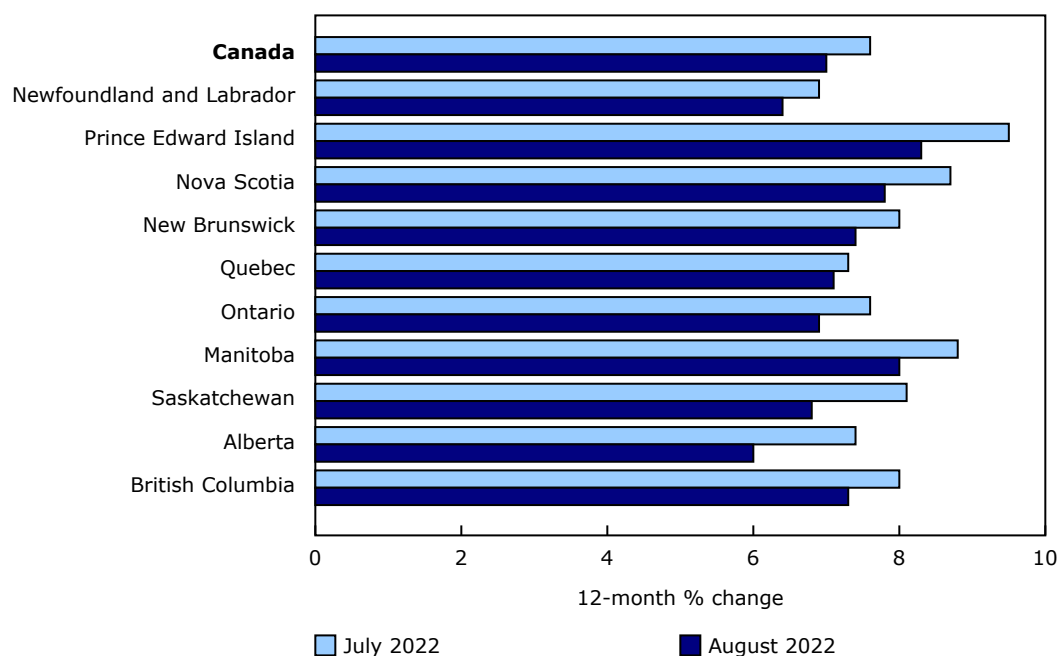


Source(s): Table 18-10-0004-01.

Regional highlights

Year over year, prices rose at a slower pace in August than in July in every province.

Chart 6
The Consumer Price Index rises at a slower pace in every province



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

Gasoline prices decline the most in Saskatchewan and Alberta

Gasoline prices fell month over month in every province in August compared with July, contributing the most to the year-over-year slowdown.

Among the provinces, gasoline prices declined the most in Saskatchewan (-17.0%) and Alberta (-17.0%) on a monthly basis in August. This decline coincided with [lower retailer margins](#), which represents the difference between the price a business pays for a product and the price at which it sells the product to consumers.

Note to readers

Find out [answers to the most common questions](#) posed about the Consumer Price Index (CPI) in the context of the COVID-19 pandemic and beyond.

Real-time data tables

Real-time data table [18-10-0259-01](#) will be updated on October 3. For more information, consult the document "[Real-time data tables.](#)"

Next release

The CPI for September will be released on October 19.

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

	Relative importance ^{1,2}	August 2021	July 2022	August 2022	July to August 2022	August 2021 to August 2022
	%	(2002=100)		% change		
All-items	100.00	142.6	153.1	152.6	-0.3	7.0
Food	15.94	158.0	172.1	173.5	0.8	9.8
Shelter	29.80	153.9	164.2	164.1	-0.1	6.6
Household operations, furnishings and equipment	14.50	125.8	131.9	132.2	0.2	5.1
Clothing and footwear	4.31	93.3	94.3	94.6	0.3	1.4
Transportation	16.91	153.8	174.1	169.7	-2.5	10.3
Gasoline	4.28	201.3	271.8	245.8	-9.6	22.1
Health and personal care	4.62	133.3	138.6	139.1	0.4	4.4
Recreation, education and reading	9.29	118.6	127.1	125.4	-1.3	5.7
Alcoholic beverages, tobacco products and recreational cannabis	4.63	176.2	181.6	182.4	0.4	3.5
Special aggregates						
All-items excluding food	84.06	139.7	149.5	148.6	-0.6	6.4
All-items excluding food and energy	76.65	135.9	143.1	143.1	0.0	5.3
All-items excluding alcoholic beverages, tobacco products and smokers' supplies and recreational cannabis	95.37	141.5	152.3	151.6	-0.5	7.1
All-items excluding energy	92.59	139.8	148.1	148.3	0.1	6.1
All-items excluding gasoline	95.72	140.6	149.4	149.5	0.1	6.3
Energy ³	7.41	180.2	229.4	214.5	-6.5	19.0
Goods	48.88	129.4	141.5	140.4	-0.8	8.5
Durable goods	14.41	97.7	104.2	103.6	-0.6	6.0
Semi-durable goods	7.08	97.0	100.6	100.7	0.1	3.8
Non-durable goods	27.39	157.6	176.8	174.6	-1.2	10.8
Services	51.12	155.7	164.2	164.3	0.1	5.5

1. 2021 Consumer Price Index (CPI) basket weights at April 2022 prices, Canada, effective with the May 2022 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 2021	July 2022	August 2022	July to August 2022	August 2021 to August 2022
	%	(2002=100)		% change		
Canada	100.00	142.6	153.1	152.6	-0.3	7.0
Newfoundland and Labrador	1.30	145.8	155.9	155.1	-0.5	6.4
Prince Edward Island	0.37	147.0	160.5	159.2	-0.8	8.3
Nova Scotia	2.39	144.5	156.7	155.7	-0.6	7.8
New Brunswick	1.91	143.0	153.9	153.6	-0.2	7.4
Quebec	20.23	138.7	148.6	148.6	0.0	7.1
Ontario	40.46	144.1	154.6	154.1	-0.3	6.9
Manitoba	3.18	143.2	155.3	154.6	-0.5	8.0
Saskatchewan	2.84	144.9	156.4	154.8	-1.0	6.8
Alberta	11.47	151.0	161.4	160.0	-0.9	6.0
British Columbia	15.67	137.0	147.6	147.0	-0.4	7.3
Whitehorse	0.08	140.3	150.6	151.0	0.3	7.6
Yellowknife	0.08	143.1	153.2	152.7	-0.3	6.7
Iqaluit (Dec. 2002=100)	0.03	133.9	139.9	140.3	0.3	4.8

1. 2021 Consumer Price Index (CPI) basket weights at April 2022 prices, effective with the May 2022 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 2022	July 2022	August 2022	June to July 2022	July to August 2022
	(2022=100)			% change	
All-items	152.1	152.3	152.4	0.1	0.1
Food	170.0	171.5	173.3	0.9	1.0
Shelter	163.6	164.2	164.1	0.4	-0.1
Household operations, furnishings and equipment	131.7	131.5	131.9	-0.2	0.3
Clothing and footwear	96.1	95.6	95.5	-0.5	-0.1
Transportation	173.1	171.3	169.4	-1.0	-1.1
Health and personal care	137.7	138.3	138.7	0.4	0.3
Recreation, education and reading	124.0	124.6	124.5	0.5	-0.1
Alcoholic beverages, tobacco products and recreational cannabis	180.4	181.4	182.1	0.6	0.4
Special aggregates					
All-items excluding food	148.5	148.6	148.4	0.1	-0.1
All-items excluding food and energy ²	141.8	142.5	142.8	0.5	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^{1,2}

	May 2022	June 2022	July 2022	August 2022
	% change			
CPI-common ^{3,5}	5.6	5.8	6.0	5.7
CPI-median ^{4,6}	4.9	4.9	4.9	4.8
CPI-trim ^{4,7}	5.4	5.5	5.4	5.2

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. 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 2021 to August 2022

	% change
Main contributors to the 12-month change	
Main upward contributors	
Gasoline	22.1
Homeowners' replacement cost	8.4
Purchase of passenger vehicles	7.3
Food purchased from restaurants	7.4
Other owned accommodation expenses	7.4
Main downward contributors	
Video equipment	-10.8
Digital computing equipment and devices	-11.0
Passenger vehicle registration fees	-28.2
Telephone services	-2.6
Child care and housekeeping services	-2.7
July to August 2022	
	% change
Main contributors to the 1-month change, not seasonally adjusted	
Main upward contributors	
Mortgage interest cost	2.4
Non-alcoholic beverages	4.8
Tools and other household equipment	2.8
Other food preparations	2.6
Paper, plastic and aluminum foil supplies	4.2
Main downward contributors	
Gasoline	-9.6
Purchase of recreational vehicles and outboard motors	-3.7
Other owned accommodation expenses	-1.1
Natural gas	-3.8
Fuel oil and other fuels	-7.8

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

Available tables: [18-10-0001-01](#), [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 on 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.

Find out [answers to the most common questions](#) posed about the CPI in the context of COVID-19 and beyond.

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; infostats@statcan.gc.ca) or Media Relations (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).