**Consumer Price Index (2002=100)**

**Highlights**

British Columbia’s consumer price index (CPI) was 2.4% higher (unadjusted) in February 2020 than in the same month of 2019. On a monthly basis, the CPI rose 0.6% from January 2020.

The overall annual inflation rate dropped to 1.9% when food and energy were excluded from the index.

The cost of food climbed 3.7% since February of 2019. Prices for groceries purchased from stores (+3.7%) and meals purchased from restaurants (+3.7%) were both up from the previous year. Within the food category, the highest rise in prices was for fresh vegetables (+8.5%), followed by non-alcoholic beverages (+8.4%), meat (+7.2%), and dairy products and eggs (+4.4%). The price of fish and other seafood (-2.2%) and fresh fruit (-1.0%) decreased from the previous year.

The cost of shelter continued to climb in February (+1.4%), as the price for renters (+5.2%) increased, while the price for home owners (-0.1%) decreased. Within the shelter category, the cost of electricity (+2.2%) and piped gas (+0.5%) increased, and the cost of fuel oil and other fuel (-4.2%) decreased.

The overall cost of clothing and footwear was also on the rise (+3.4%) compared to February 2019, with increases in the price for clothing (+4.5%) and footwear (+2.4%).

The transportation index rose 4.4% in February, with the price of both private (+3.9%) and public (+7.7%) transportation going up. The price of gasoline (+8.5%) rose since February of last year, and public transportation passengers paid more to travel within (+2.1%) and between (+9.5%) cities.

 Compared to a year ago, consumers paid more for recreation, education and reading (+2.6%), health and personal care (+2.2%), and alcoholic beverages and tobacco products (+1.9%), while paying less for household operations and furnishing (-0.9%). Within these categories, items with significant price increases include cigarettes (+6.9%), recreation (+3.3%), personal care (+2.7%), and health care (+1.9%). The only categories to see a price decrease over February 2019 were household furnishings (-1.3%) and household operations (-0.7%).

Consumer prices rose in both Vancouver (+2.2%) and Victoria (+2.4%) in February compared to the same month of 2019.

Canada’s CPI was up 2.2% (unadjusted) in February. The rate of inflation in Alberta (+2.5%), Nova Scotia (+2.5%), British Columbia (+2.4%), Quebec (+2.3%), and Manitoba (+2.3%) were highest among the provinces.

*Note: Statistics Canada will release the March Consumer Price Index on April 22, 2020.*
2002=100 | All-Items Index | % Change from January 2020 | February 2019 |
<table>
<thead>
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<th></th>
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<tr>
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<td>BC</td>
<td>132.9</td>
<td>0.6</td>
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<tr>
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<tr>
<td>Victoria</td>
<td>130.5</td>
<td>0.9</td>
<td>2.4</td>
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<td>Canada-X1</td>
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<td>0.7</td>
<td>1.8</td>
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<tr>
<td>BC (excluding energy)</td>
<td>130.0</td>
<td>0.5</td>
<td>2.1</td>
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</table>

1 Defined by the Bank of Canada as the All-Items index excluding the eight most volatile components (fruit, vegetables, gasoline, fuel oil, natural gas, mortgage interest, inter-city transportation and tobacco products). Also excluded is the effect of changes in indirect taxes on the remaining components.

**BC and Canada Inflation Trend**

(\% change, same month of previous year)

![Inflation Trend Graph]

**Terms and definitions**

**Base effect**

The 12-month variation in the CPI is calculated by comparing the current month's index with the index for the same month of the previous year. The 12-month change is represented by the difference in the indexes of the reference months. Thus, the 12-month variation can decrease from one month to the next merely because the base serving as the point of comparison increased.

*Source: Statistics Canada*

**Twelve-Month Percent Changes**

Also referred to as "year-over-year", twelve-month percent changes compare indexes for a given month to indexes for the same month of the previous year. As they compare two points in time, they are influenced by unusual or temporary events that can affect either of the two months. Their calculation does not include any of the intervening monthly indexes.

*Source: Statistics Canada*

**Annual Average Index**

Annual average indexes are calculated by averaging index levels over the 12 months of the calendar year. These data should not be confused with the 12-month change in the CPI. By the nature of the calculation, averaging indexes over the calendar year gives a better representation of price behaviour over the whole year and is closer to the concept of an average price. The use of annual averages is considered the preferred option for indexation purposes.

*Source: Statistics Canada*
Latest Twelve-Month Average Index
The latest twelve-month average index (ending in the current month) is a 12-month moving average of the indexes of the most recent 12 months. It is calculated like the annual average index. Hence, in theory, the December twelve-month average index would be equal to the annual average index for the calendar year. However, in practice, when BC Stats makes these calculations from published data, the December 12-month average index may differ from Statistics Canada's published annual average index due to rounding.
Source: Statistics Canada

Harmonized Sales Tax
On July 1, 2010, the Harmonized Sales Tax (HST) came into effect in British Columbia and Ontario. As well, Nova Scotia increased its HST by two percentage points.

On April 1, 2013, the Harmonized Sales Tax came into effect in Prince Edward Island, while British Columbia returned to the Provincial Sales Tax and the Goods and Services Tax.
Source: Statistics Canada

Additional information

With the release of the May 2011 CPI, Statistics Canada updated the basket of goods & services used in the calculation of the Index. Learn more.