

Consumer Price Index



BCStats

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Consumer Price Index (2002=100)

Highlights

British Columbia's consumer price index (CPI) in August 2022 was 7.3% higher (*unadjusted*) than in August 2021. On a monthly basis, the CPI was down 0.4% from July 2022. The year-over-year inflation rate in August 2022 was 6.3% with food and energy excluded from the index.

The cost of food climbed 9.4% from August of 2021. The prices for groceries purchased from stores (+10.5%) and meals purchased from restaurants (+6.4%) both increased when compared to the previous year. Within the food category, there was a year-over-year increase in price for all items. The largest increases in price were for coffee & tea (+13.6%), non-alcoholic beverages (+13.5%), and bakery & other cereal products (+13.4%).

Compared to the previous month, the cost of alcoholic beverages and tobacco products (+7.0%) increased. Beer purchased from stores (+10.2%), cigarettes (+9.7%), and liquor purchased from stores (+2.0%) all rose in price in August.

On a year-over-year basis, the cost of shelter went up (+7.7%) in August as the cost of homeownership (+7.8%) and renting (+6.5%) increased. Within the shelter category, the cost of fuel oil and other fuel (+30.5%), piped gas (+28.9%), and electricity (+1.0%) all increased.

The cost of transportation increased 10.9% in August from the same month in 2021. As the price for gasoline (+17.7%) climbed, the cost of public (+11.6%) and private (+10.6%) transportation rose in the past 12 months. In August, public transportation passengers paid more to travel within (+2.1%) and between (+15.8%) cities.

Compared to a year ago, consumers paid more for recreation, education, and reading (+6.4%), household operations and furnishings (+5.7%), and health and personal care (+3.3%). While most items within these categories had price increases, the most significant included household furnishings (+8.3%), recreation (+7.5%), and household operations (+4.4%).

The overall cost of clothing and footwear in August was down (-3.1%) when compared to the same month in 2021. Both the price of clothing (-3.7%) and footwear (-1.3%) decreased.

At the city level, consumer prices increased in Vancouver (+7.4%) and Victoria (+7.4%) compared to August 2021.

Canada's CPI was up 7.0% (*unadjusted*) in August, with the largest increase in the rate of inflation in Prince Edward Island (+8.3%), followed by Manitoba (+8.0%), Nova Scotia (+7.8%), and British Columbia (+7.3%).

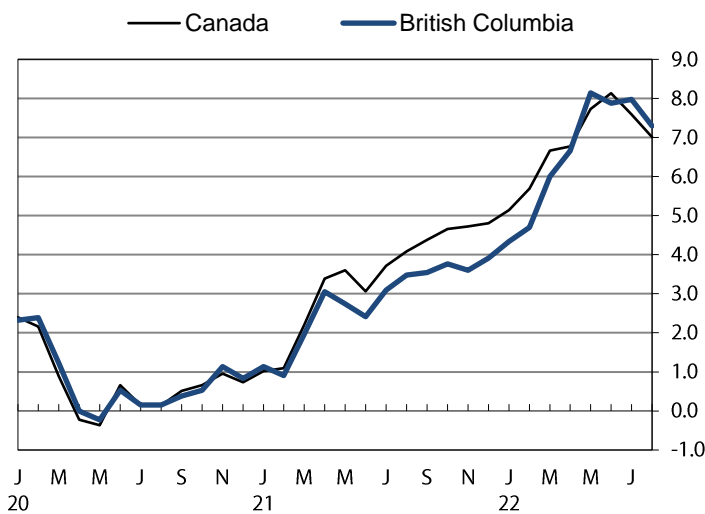
Note: Statistics Canada will release the September Consumer Price Index on October 19, 2022.

| 2002=100 | All-Items Index August 2022 | % Change from | |
|-------------------------------|-----------------------------------|---------------|----------------|
| | | July 2022 | August 2021 |
| Canada | 152.6 | -0.3 | 7.0 |
| B.C. | 147.0 | -0.4 | 7.3 |
| Vancouver | 149.5 | -0.1 | 7.4 |
| Victoria | 144.3 | -0.5 | 7.4 |
| Canada-X ¹ | 148.5 | 0.0 | 5.8 |
| B.C. (excluding energy) | 142.5 | -0.1 | 6.8 |

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.

B.C. and Canada Inflation Trend

(% change, same month of previous year)



| 2002=100 | Latest 12-month Average Index (ending in August 2022) | Latest 12-month Average % Change | Annual Average % Change |
|-----------|--|---|-------------------------------|
| Canada | 148.0 | 6.1 | 3.4 |
| B.C. | 142.1 | 5.7 | 2.8 |
| Vancouver | 144.5 | 5.6 | 2.7 |
| Victoria | 139.6 | 5.5 | 2.5 |

Did You Know?

Real-time data tables for the Consumer Price Index were updated on August 29th. The real-time database allows users to examine the Consumer Price Index as it appeared at a given point in time before it was revised. (Statistics Canada table 18-10-0259-01).

The real-time Consumer Price Index data table contains three measures of core inflation. These measures are based on the factor-model (CPI-common), weighted median (CPI-median) approach, or trimmed mean (CPI-trim) approach.

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

12-Month Percent Changes

Also referred to as "year-over-year", 12-month percent changes compare indexes for a given month to indexes for the same month of the previous's 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 12-Month Average Index

The latest 12-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 12-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

Additional information

More information about the concepts and use of the CPI is available online in the Statistics Canada publication [The Canadian Consumer Price Index Reference Paper](#) (catalogue 62-553-X).

With the release of the May 2022 CPI, Statistics Canada updated the basket of goods & services used in the calculation of the Index. For more information, please see the document entitled "[An Analysis of the 2021 Consumer Price Index Basket Update](#)".

Prepared by: BC Stats, September 2022