Consumer Price Index (2002=100)

Highlights

British Columbia’s consumer price index (CPI) was 2.2% higher (unadjusted) in October 2019 than in the same month of 2018. On a monthly basis, the CPI dropped 0.2% from September 2019.

The overall annual inflation rate dropped to 1.7% when food and energy are excluded from the index.

The cost of food climbed 4.6% since October of 2018. Prices for groceries purchased from stores (+5.1%) and meals purchased from restaurants (+3.5%) were both up from the previous year. Within the food category, the highest rise in prices was for fresh vegetables (+13.0%), followed by meat (+8.0%), non-alcoholic beverages (+7.6%), coffee and tea (+5.6%), and fresh fruit (+5.2%).

The cost of shelter continued to climb in October (+1.8%), with prices for both renters (+3.5%) and home owners (+0.8%) rising. Within the shelter category, there were increases in the cost of utilities, including piped gas (+10.4%) and electricity (+1.8%), while fuel oil and other fuel (-4.9%) saw a price decrease in October.

The overall cost of clothing and footwear was also on the rise (+2.4%) compared to October 2018, with an increase in the price for clothing (+3.2%) offsetting a decrease for footwear (-1.6%).

The transportation index rose 2.1% in October, with the price of both private (+1.6%) and public (+2.9%) transportation going up. While the price of gasoline (-1.3%) dropped since October of last year, public transportation passengers paid more to travel within (+1.9%) and between (+3.0%) cities.

Compared to a year ago, consumers paid more for recreation, education and reading (+3.5%), health and personal care (+1.5%), and alcoholic beverages and tobacco products (+1.0%), while paying less for household operations and furnishing (-0.4%). Within these categories, items with significant price increases include beer purchased from stores (+7.6%), recreation (+5.0%), cigarettes (+2.3%), and health care (+1.6%). The only categories to see a price decrease over October 2018 was reading material and other printed matter (-2.1%) and household operations (-0.7%).

Consumer prices rose in both Vancouver (+2.3%) and Victoria (+2.0%) in October compared to the same month of 2018.

Canada’s CPI was up 1.9% (unadjusted) in October. The rate of inflation in Quebec (+2.3%), British Columbia (+2.2%), Manitoba (+2.2%), and Ontario (+1.7%) were highest among the provinces.

Note: Statistics Canada will release the November Consumer Price Index on December 18, 2019.
### 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.

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