

# Inflation Review

## November 2025

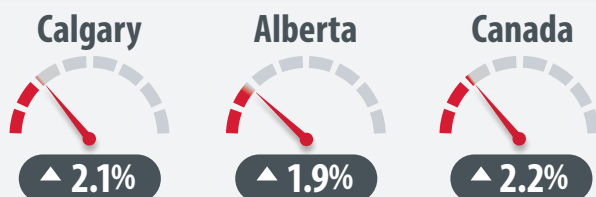
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December 15, 2025

### HIGHLIGHTS

#### Headline Inflation Comparison\*

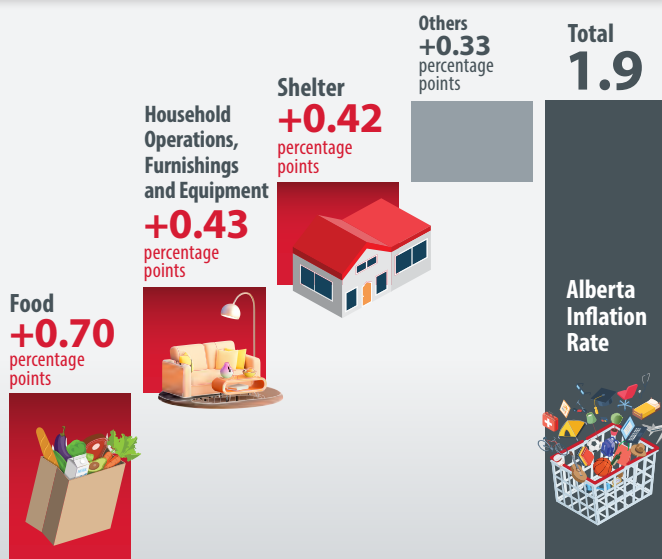
November 2025



\*Compared to the same month last year

#### Top Three Contributors to Alberta's Inflation Rate

November 2025



The total contribution of each product component may not exactly add up to the overall inflation figure due to rounding.

### Inflation Rates

	Relative Importance (%)*	Nov-25	Year-over-year (%) Oct-25	Sep-25
<b>Calgary: All-items</b>	<b>100.00</b>	<b>2.1</b>	<b>2.1</b>	<b>2.1</b>
Shelter	28.73	2.1	3.1	2.4
Rented accommodation	6.12	3.2	6.1	4.6
Owned accommodation	19.12	2.7	3.0	3.0
Water, fuel and electricity	3.48	-5.1	-4.4	-6.7
<b>Alberta: All-items</b>	<b>100.00</b>	<b>1.9</b>	<b>1.8</b>	<b>1.9</b>
Alberta: All-items excluding food and energy	78.28	2.5	2.9	2.6
<b>Canada: All-items</b>	<b>100.00</b>	<b>2.2</b>	<b>2.2</b>	<b>2.4</b>
Canada: All-items excluding food and energy	77.26	2.4	2.7	2.4

\* CPI basket weights are based on the 2024 expenditure data, modified in June 2025.  
Sources: Statistics Canada, Corporate Economics, December 15, 2025.

### Calgary's inflation rate remains steady at 2.1 per cent in November 2025, while national rate also holds at 2.2 per cent

In November 2025, the Consumer Price Index (CPI) for the Calgary Census Metropolitan Area (CMA) rose 2.1 per cent year-over-year (YoY), unchanged from October. Alberta's overall inflation edged up slightly to 1.9 per cent from 1.8 per cent in October, while Canada's headline inflation held steady at 2.2 per cent. Lower services costs, led by travel services amid softer demand for travel to the U.S., provided some downward pressure on inflation. Offsetting this moderation, grocery inflation recorded its fastest increase since December 2024 at the national level, driven by higher beef and coffee prices. Cellular service prices also rose at a faster pace, partly reflecting fewer Black Friday promotions compared with last year.

In Alberta, both home and mortgage insurance and vehicle insurance costs continued to post the highest increases in the country for a fourth consecutive month, rising 13.3 per cent and 14.4 per cent YoY, respectively.

On December 10, 2025, the Bank of Canada decided to hold its policy interest rate at 2.25 per cent, concluding the final rate announcement of 2025. Between January and December, the policy rate fell 75 bps, from 3.0 per cent to 2.25 per cent. The first policy announcement of 2026 is scheduled for January 28, followed by March 18.

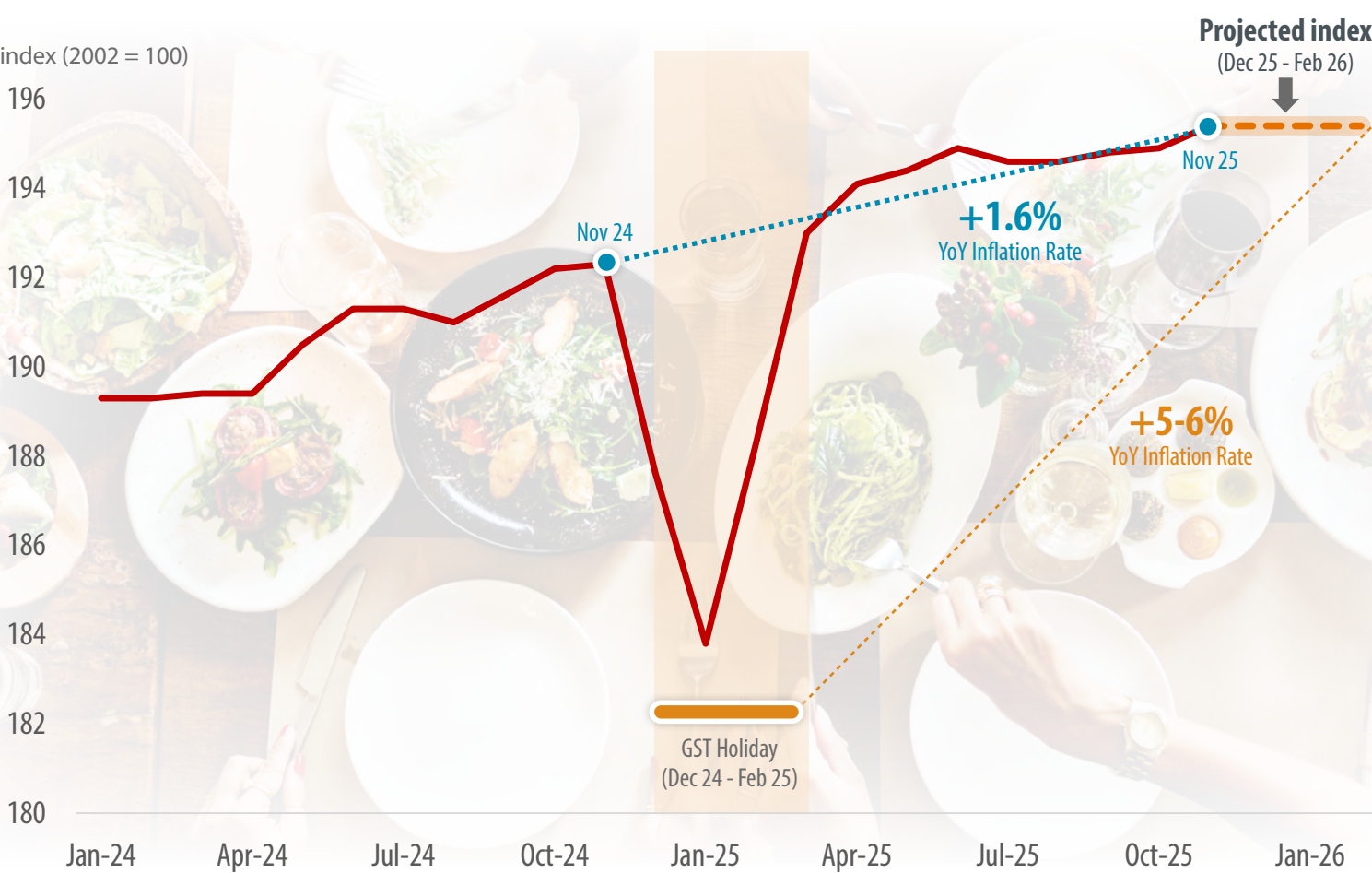
### GST holiday from 2024 is expected to lift inflation readings over the next three months

The GST holiday, which temporarily removed GST on dining out, toys, and children's clothing, was in effect from December 14, 2024 to February 15, 2025, affecting about 10 per cent of the CPI basket<sup>1,2</sup>. This policy appears to have contributed to increased restaurant activity, as noted in the [March 2025 Inflation Review](#) based on OpenTable data. As outlined in the [November 2024 Inflation Review](#), the GST holiday is expected to elevate the YoY inflation rates for food purchased from restaurants in the upcoming three months of releases, specifically the CPI readings for December 2025 through February 2026.

This effect is expected because the temporary GST removal lowered the price indices for eligible items during the policy period of December 2024 to February 2025. As a result, the base for year over year comparison in December 2025 through February 2026 is arbitrarily low. Consequently, year-over-year inflation rates for these three months will appear higher even if prices remain the same between this month and the next three months. (See Chart 1 on next page). Economists refer to these impacts of prior year price changes on current inflation readings as the "baseline effect."

- <https://www.canada.ca/en/services/taxes/child-and-family-benefits/gst-hst-holiday-tax-break.html>
- <https://www150.statcan.gc.ca/n1/daily-quotidien/250121/dq250121a-eng.htm>

**Chart 1: An Illustrative Example of the Baseline Effect from the GST Holiday on Food Purchased from Restaurants in Alberta**  
(Actual: Jan 2024 - Nov 2025; Projected index: Dec 2025 - Feb 2026)

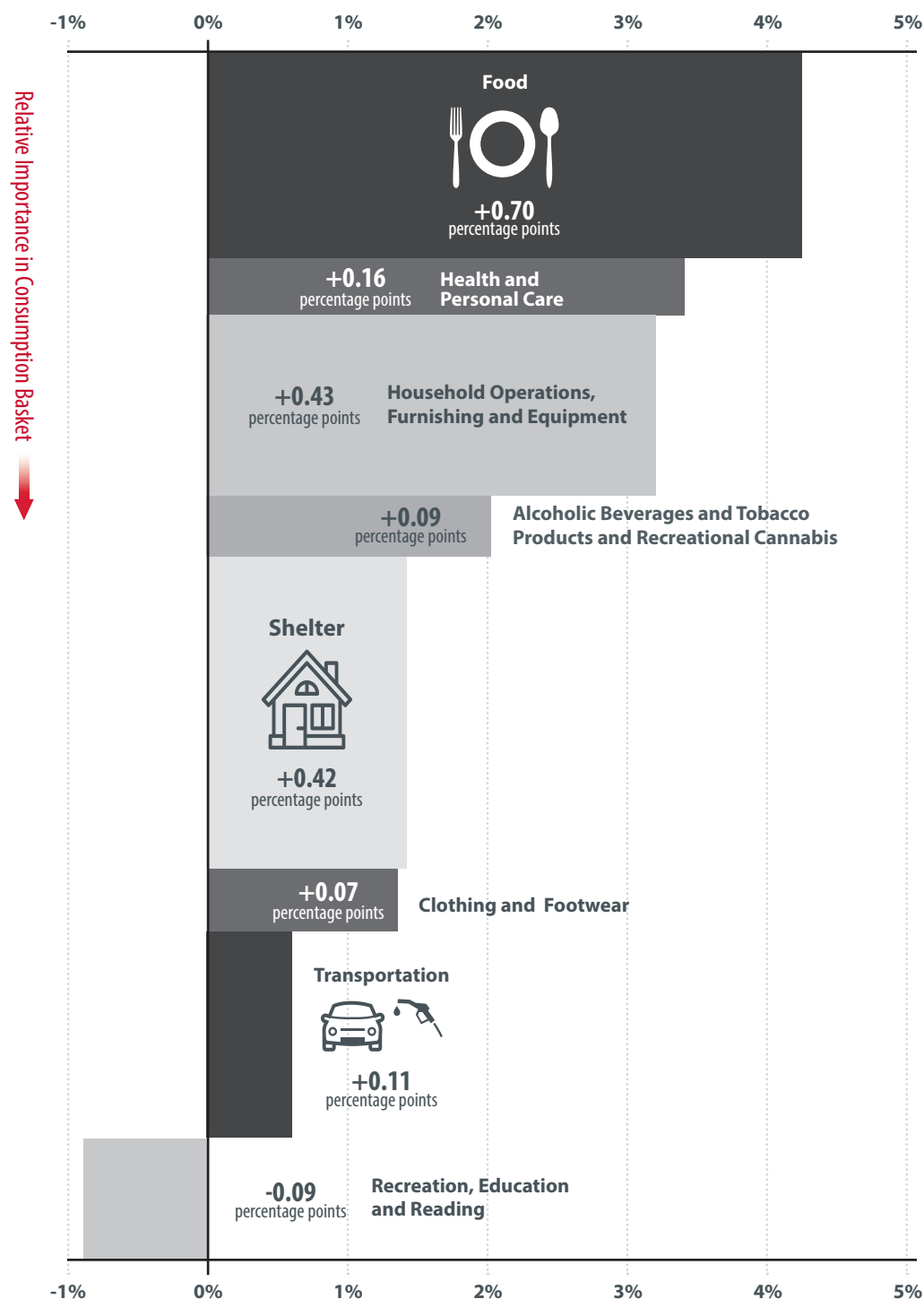


Source: Statistics Canada, Corporate Economics.

Contribution of Consumer Items to Inflation: **Alberta**

November 2025

Inflation Rate →



The calculation for contribution incorporates the effects of changes in basket weight. The total contribution of each product component may not exactly add up to the overall inflation figure due to rounding.

Sources: Statistics Canada, Corporate Economics, December 15, 2025.

Next release: January 19, 2026

## Who We Are

Corporate Economics provides services in four areas: forecasting, information provision, policy analysis and consulting. We also monitor the current economic trends which allows us to develop unique insights on how external events are impacting the local economy and the Municipal government. We are experienced at researching different economic topics and have developed reliable methods of forecasting and analysis.

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Sources:  
Bank of Canada, Statistics Canada,  
Corporate Economics