## Consumer Price Index for Industrial Workers (CPI-IW) – July, 2020

Posted On: 31 AUG 2020 3:39PM by PIB Delhi

The Labour Bureau, an attached office of the M/o Labour & Employment, has been compiling Consumer Price Index for Industrial Workers every month on the basis of the retail prices of selected items collected from 289 markets spread over 78 industrially important centres in the country. The index is compiled for 78 centres and All-India and is released on the last working day of succeeding month. The index for the month of July, 2020 is being released in this press release.

The All-India CPI-IW for July, 2020 increased by 4 points and stood at 336 (three hundred and thirty six). On 1-month percentage change, it increased by (+) 1.20 per cent between June and July, 2020 compared to (+) 0.95 per cent increase between corresponding months of previous year.

The maximum upward pressure in current index came from Housing group contributing (+) 2.28 percentage points to the total change. The Food index further accentuated the overall index by (+) 1.77 percentage points. At item level, Wheat Atta, Mustard Oil, Milk (Buffalo), Green Chillies, Brinjal, Gourd, Palak, Parval, Potato, Tomato, Snack Saltish, Cooking Gas, Fire Wood, Bus Fare, Petrol, Tailoring Charges, etc. are responsible for the increase in index. However, this increase was checked by Rice, Fish Fresh, Goat Meat, Poultry (Chicken), Lemon, etc., putting downward pressure on the index.

At centre level, Jamshedpur recorded the maximum increase of 36 points followed by Haldia (23 points), Tiruchirapally (13 points), Kodarma and Faridabad (12 points each), Srinagar (11 points), Lucknow and Doom-Dooma Tinsukia (10 points each). Among others, 8 points increase was observed in 2 centres, 7 points in 5 centres, 6 points in 8 centres, 5 points in 7 centres, 4 points in 10 centres, 3 points in 9 centres, 2 points in another 9 centres and 1 point in yet another 9 centres. On the contrary, Madurai recorded the maximum decrease of 5 points. Among others, 3 points decrease was observed in 1 centre, 2 points in another 1 centre and 1 point in 2 centres. Rest of 6 centres' indices remained stationary.

The indices of 31 centres are above All-India Index and 45 centres' indices are below national average. The indices of Chhindwara & Jalandhar centres remained at par with All-India Index.

Year-on-year inflation based on all-items stood at 5.33 per cent for July, 2020 as compared to 5.06 per cent for the previous month and 5.98 per cent during the corresponding month of the previous year. Similarly, Food inflation stood at 6.38 per cent against 5.49 per cent of the previous month and 4.78 per cent during the corresponding month a year ago.

## Y-o-Y Inflation based on CPI-IW (Food and General Indices)



Sr. No.	Groups	July, 2019	June, 2020	July, 2020
Ι	Food Group	329	346	350
II	Pan, Supari, Tobacco & Intoxicants	390	404	406
III	Fuel & Light	277	297	299
IV	Housing	434	450	465
V	Clothing, Bedding & Footwear	225	229	229
VI	Miscellaneous Group	253	257	260
	General Index	319	332	336

All-India Group-wise CPI-IW for June and July, 2020



**CPI-IW: Food and General Indices** 

Speaking about CPI-IW for July, 2020 Shri Santosh Gangwar, Minister of State (I/C) for Labour and Employment the increase in CPI-IW will have a positive effect on wages/salaries of industrial workers engaged in organized sector besides Government employees and pensioners. He added that the rise in annual inflation is mainly due to hike in house rent and items like Potato, Tomato, Medicine, Bus Fare, Petrol, etc.

Shri DPS Negi, Director General of Labour Bureau while releasing the index said "The increase in CPI-IW will have a positive effect on wages/salaries of industrial workers engaged in organized sector besides Government employees and pensioners. Despite various constraints faced by field staff in collection of price data in view of COVID-19, Labour Bureau has brought out the monthly indices as per the schedule time frame without interruption. Rise in index is mainly due to Housing and Food Group items. Housing index is revised on six monthly basis in January and July of every year. Among food, Potato and Tomato are the determining factors for the rise. Besides, fuel items viz. Cooking Gas and Petrol also experienced a hike in prices

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(Release ID: 1649988)