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CONSUMER PRICE INDEX – DECEMBER QUARTER 1978

INQUIRIES

If you want to know more about these statistics ring Mr Trevor Travers on Canberra 526251 or our State office, or write to Information Services, ABS, P.O. Box 10, Belconnen, A.C.T. 2616.

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NOTE: The treatment of the recent changes in health insurance arrangements is described in the Appendix on page 10.

MAIN FEATURES

All Groups index	Change between		Group indexes – Weighted average of six State capital cities	Change between	
	Sept. quarter 1978	Dec. quarter 1977		Sept. quarter 1978	Dec. quarter 1977
	and Dec. quarter 1978	and Dec. quarter 1978		and Dec. quarter 1978	and Dec. quarter 1978
	%	%		%	%
Weighted average of six State capital cities	+2.3	+7.8	Food	+3.1	+9.9
Sydney	+2.6	+8.2	Clothing	+2.2	+7.1
Melbourne	+1.7	+7.3	Housing	+1.9	+6.3
Brisbane	+3.1	+9.0	Household equipment and operation	+1.4	+5.9
Adelaide	+1.7	+6.6	Transportation	+3.4	+8.6
Perth	+2.4	+7.5	Tobacco and alcohol	+17.2	+20.2
Hobart	+2.1	+6.9	Health and personal care	–19.5	–9.4
Canberra	+2.3	+7.0	Recreation	+1.6	+6.1
Weighted average of seven capital cities	+2.2	+7.7	All Groups	+2.3	+7.8

Main price changes between September quarter 1978 and December quarter 1978 were as follows:

- Food**

 - Prices of fresh fruit and vegetables increased significantly in all cities.
 - Prices of beef, meals out and take-away food increased in all cities.
- Clothing**

 - Main price increases were for women's clothing, reflecting higher prices for summer seasonal clothing.
- Housing**

 - Private dwelling rents increased in all cities.
 - Local government rates and charges increased in all cities.
 - Rents for government dwellings increased in Perth.
- Household equipment and operation**

 - Prices of heating oil and kerosene increased in all cities, reflecting increased excise duties.
- Transportation**

 - Petrol prices increased significantly in all cities, mostly because of increased excise duties.
- Motor car prices decreased following a reduction in sales tax, partly offset by increased customs duties on imported vehicles and other price increases for some vehicles.**
- Tobacco and alcohol**

 - Prices for beer, spirits and cigarettes increased significantly in all cities, mainly because of increases in excise duties.
 - Beer prices in Brisbane were also affected by an industrial dispute. This led to the import of beer from other sources which was sold at higher prices than local beer.
- Health and personal care**

 - Prices of hospital and medical services fell significantly in all cities following changes in the financing of health services effective from 1 November 1978 – see Appendix for further details.
- Recreation**

 - Prices of books increased in all cities.

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Australian Statistician

EXPLANATORY NOTES

Brief description of the CPI

The Consumer Price Index (CPI) measures quarterly changes in the price of a 'basket' of goods and services which account for a high proportion of expenditures by metropolitan wage and salary earner households. This 'basket' covers a wide range of goods and services, arranged in the following groups: Food; Clothing; Housing; Household equipment and operation; Transportation; Tobacco and alcohol; Health and personal care; and Recreation. Each group is in turn divided into subgroups. Index numbers at the *group* and *All Groups* levels are published for each State capital city and Canberra, for the weighted average of six State capital cities and for the weighted average of seven capital cities. This bulletin also contains *subgroup index numbers* for the weighted average of six State capital cities.

2. It is important to note that the capital city indexes measure price movements over time in *each city individually*. They do not measure differences in retail price levels between cities.

3. Further information about the CPI is contained in the booklet entitled *A Guide to the Consumer Price Index* which is available from the ABS on request.

Prices

4. Prices of *non-food items* are collected quarterly, usually as at the middle of the mid-month of the quarter. However, to facilitate field collection arrangements, some items (furniture, appliances, television sets, radios, sound equipment, motor vehicle operation, clothing and footwear services and hairdressing) are priced during the first month of each quarter. Items such as local government rates and seasonal clothing are priced annually.

5. The quarterly prices for *food items* used in the index are the averages of prices collected as at the middle of each of the three months of the quarter. In the case of some fresh food items (fruit, vegetables and fish) prices are collected more frequently and averaged to obtain monthly prices.

Weighting pattern

6. There are 105 expenditure classes (that is, groupings of like items) within the current CPI and each expenditure class has its own weight, or measure of relative importance. In calculating the index, price changes for the various expenditure classes are combined using these weights.

7. Changes in the weighting pattern have been made at approximately five-yearly intervals to take account of changes in household spending patterns. The CPI in fact comprises nine series of price indexes which have been linked to form a continuous series. The ninth series (that is, the current series) was introduced as from September quarter 1976 and its weighting pattern is based on estimated expenditures in 1974-75, obtained from the first household expenditure survey conducted by the ABS.

Index points and percentage changes

8. Movements in indexes from one period to another can be expressed either as percentage changes, or as changes in 'index points'. The difference between these two methods of describing movements in indexes is shown by the following example:

All Groups CPI : Weighted average of six State capital cities

Index numbers :

December quarter 1978 :	258.2
Less : September quarter 1978 :	252.5
Change in index points :	+5.7

$$\text{Percentage change} = \frac{+5.7}{252.5} \times 100 = +2.3\%$$

The index number of 258.2 for December quarter 1978 indicates an increase of 158.2% since the reference base year (1966-67).

9. Most of the tables in this bulletin show index numbers or percentage changes calculated from index numbers. Table 3, on the other hand, shows the main changes between September quarter 1978 and December quarter 1978, in terms of '*All Groups*' index points, for each capital city.

Special tables

10. Table 7 provides a *detailed analysis*, for the weighted average of six State capital cities, of movements in the CPI since the previous quarter, including information on movements for subgroups and for some special groupings. It also shows the *contribution* which each group and subgroup makes to the total index. For instance, the dairy produce subgroup contributed 5.42 index points to the total All Groups index number of 258.2 for December quarter 1978. The final column shows contributions to the *change in All Groups index points* by each group and subgroup.

11. The All Groups index includes the effects of changes in prices for hospital and medical services, for September and December quarters of 1975 (following the introduction of Medibank), for December quarter 1976 (following changes to Medibank) and for December quarter 1978 (following further changes in health insurance arrangements). To facilitate analysis of trends in retail prices without the effects of these changes, Table 5 shows percentage changes for a special series "All Groups excluding hospital and medical services", and compares these with changes in the All Groups index. The treatment of the December quarter 1978 changes is described in the Appendix on page 10.

Monthly food group index

12. The ABS publication *Consumer Price Index, Monthly Food Group Index, Six State Capital Cities and Canberra* (6402.0) contains monthly index numbers, percentage changes and other data relating to the Food Group of the CPI.

Symbols and other usages

— Nil or less than half the final digit shown.

NOTE. Any discrepancies between totals and sums of components in this publication are due to rounding. For similar reasons quarterly movements shown by subgroup or group index numbers in Table 7 do not necessarily correspond exactly with those shown by the relevant index points.

TABLE 1. CONSUMER PRICE INDEX : ALL GROUPS
PERCENTAGE CHANGES

	<i>Weighted average of six State capital cities</i>	<i>Sydney</i>	<i>Melbourne</i>	<i>Brisbane</i>	<i>Adelaide</i>	<i>Perth</i>	<i>Hobart</i>	<i>Canberra</i>	<i>Weighted average of seven capital cities</i>
	%	%	%	%	%	%	%	%	%
<i>Change from previous year</i>									
1975-76	+13.0	+13.0	+12.9	+13.2	+12.3	+14.1	+14.0	+13.6	+13.0
1976-77	+13.8	+12.3	+14.3	+14.2	+15.5	+15.7	+14.6	+13.7	+13.8
1977-78	+ 9.5	+ 8.9	+10.0	+ 9.4	+ 9.9	+10.8	+ 9.8	+ 9.1	+ 9.5
<i>Change from corresponding quarter of previous year</i>									
1976-77									
December	+14.4	+13.2	+14.3	+14.9	+16.6	+16.7	+14.9	+14.0	+14.3
March	+13.6	+12.0	+14.3	+13.8	+15.5	+15.5	+14.0	+13.0	+13.6
June	+13.4	+11.9	+14.5	+13.2	+14.8	+14.4	+13.0	+11.4	+13.3
1977-78									
September	+13.1	+11.8	+14.0	+12.8	+14.6	+14.4	+12.9	+11.3	+13.1
December	+ 9.3	+ 8.5	+ 9.9	+ 8.5	+ 9.5	+10.7	+ 9.6	+ 8.9	+ 9.3
March	+ 8.2	+ 7.8	+ 8.2	+ 8.1	+ 8.2	+ 9.5	+ 8.8	+ 8.2	+ 8.2
June	+ 7.9	+ 7.5	+ 8.0	+ 8.2	+ 7.6	+ 8.9	+ 8.3	+ 8.1	+ 7.9
1978-79									
September	+ 7.9	+ 8.1	+ 7.8	+ 8.0	+ 7.2	+ 8.4	+ 7.5	+ 8.0	+ 7.9
December	+ 7.8	+ 8.2	+ 7.3	+ 9.0	+ 6.6	+ 7.5	+ 6.9	+ 7.0	+ 7.7
<i>Change from previous quarter</i>									
1976-77									
December	+6.0	+5.5	+6.0	+6.2	+7.1	+6.6	+5.7	+5.5	+6.0
March	+2.3	+2.1	+2.6	+2.2	+2.1	+2.3	+1.9	+1.6	+2.3
June	+2.4	+2.2	+2.7	+1.8	+2.4	+2.4	+2.4	+1.8	+2.3
1977-78									
September	+2.0	+1.6	+2.0	+2.1	+2.4	+2.4	+2.3	+2.0	+2.0
December	+2.3	+2.5	+2.2	+2.2	+2.3	+3.2	+2.6	+3.2	+2.4
March	+1.3	+1.4	+1.1	+1.8	+0.9	+1.2	+1.1	+1.0	+1.3
June	+2.1	+1.9	+2.5	+1.9	+1.9	+1.8	+2.0	+1.7	+2.1
1978-79									
September	+1.9	+2.1	+1.8	+1.9	+2.0	+2.0	+1.5	+1.9	+1.9
December	+2.3	+2.6	+1.7	+3.1	+1.7	+2.4	+2.1	+2.3	+2.2

TABLE 2. CONSUMER PRICE INDEX : ALL GROUPS
INDEX NUMBERS
(Base of each index : Year 1966-67 = 100.0)

	<i>Weighted average of six State capital cities</i>	<i>Sydney</i>	<i>Melbourne</i>	<i>Brisbane</i>	<i>Adelaide</i>	<i>Perth</i>	<i>Hobart</i>	<i>Canberra</i>	<i>Weighted average of seven capital cities</i>
1974-75	171.1	176.1	167.9	168.7	169.7	166.1	166.7	164.9	171.0
1975-76	193.3	199.0	189.5	190.9	190.5	189.6	190.0	187.3	193.3
1976-77	220.0	223.4	216.6	218.0	220.1	219.4	217.7	212.9	219.9
1977-78	241.0	243.2	238.2	238.4	241.8	243.1	239.1	232.3	240.9
Quarter									
1974-75									
December	168.1	173.0	164.6	166.6	166.4	163.6	165.5	162.7	168.0
March	174.1	178.8	170.8	171.1	173.8	169.8	169.3	166.4	174.0
June	180.2	185.5	176.7	175.6	179.3	176.7	174.6	173.2	180.1
1975-76									
September	181.6	188.2	177.7	178.4	178.2	176.5	175.9	173.0	181.5
December	191.7	196.9	188.4	189.6	188.6	187.7	189.1	186.9	191.7
March	197.4	203.1	193.4	195.6	194.6	193.9	194.2	191.6	197.4
June	202.4	207.6	198.3	200.1	200.4	200.4	200.6	197.7	202.4
1976-77									
September	206.9	211.1	203.2	205.1	205.5	205.4	205.5	201.9	206.8
December	219.3	222.8	215.3	217.8	220.0	219.0	217.2	213.0	219.2
March	224.3	227.4	221.0	222.5	224.7	224.0	221.4	216.5	224.2
June	229.6	232.3	227.0	226.6	230.1	229.3	226.7	220.3	229.4
1977-78									
September	234.1	236.0	231.6	231.3	235.6	234.9	232.0	224.8	233.9
December	239.6	241.8	236.6	236.3	241.0	242.5	238.1	231.9	239.5
March	242.7	245.1	239.2	240.6	243.1	245.3	240.8	234.2	242.5
June	247.7	249.8	245.2	245.2	247.6	249.8	245.5	238.1	247.6
1978-79									
September	252.5	255.0	249.6	249.8	252.6	254.7	249.3	242.7	252.4
December	258.2	261.6	253.9	257.6	256.9	260.8	254.5	248.2	258.0

TABLE 3. CONSUMER PRICE INDEX
CHANGE IN INDEX POINTS BETWEEN SEPTEMBER QUARTER 1978 AND DECEMBER QUARTER 1978 (a)

	<i>Weighted average of six State capital cities</i>	<i>Sydney</i>	<i>Melbourne</i>	<i>Brisbane</i>	<i>Adelaide</i>	<i>Perth</i>	<i>Hobart</i>	<i>Canberra</i>	<i>Weighted average of seven capital cities</i>
Food									
Fruit and vegetables	+0.8	+0.9	+0.9	+0.3	+0.7	+0.3	+0.5	+0.5	+0.7
Meals out and take-away food	+0.3	+0.3	+0.2	+0.2	+0.1	+0.4	+0.2	+0.2	+0.3
Beef and veal	+0.2	+0.3	+0.1	+0.3	+0.1	+0.1	+0.4	+0.1	+0.2
Dairy produce	+0.2	+0.1	+0.3	—	+0.1	—	+0.1	—	+0.2
Other	+0.3	+0.4	+0.2	+0.6	+0.2	+0.1	+0.4	+0.4	+0.3
Clothing									
Women's and girls' clothing	+0.4	+0.4	+0.3	+0.4	+0.4	+0.4	+0.3	+0.3	+0.4
Other	+0.2	+0.2	+0.2	+0.2	+0.3	+0.2	+0.2	+0.2	+0.2
Housing									
Rent, privately owned dwellings	+0.2	+0.4	+0.1	+0.2	+0.1	+0.1	+0.1	+0.1	+0.2
Rent, government owned dwellings	—	—	—	+0.1	—	+0.2	—	—0.1	—
Local government rates and charges	+0.2	+0.1	+0.2	+0.2	+0.7	+0.5	+0.4	+0.2	+0.2
House price, repairs and maintenance	+0.1	+0.2	+0.1	—	+0.1	—	+0.1	+0.1	+0.1
Household equipment and operation									
Heating oil and kerosene	+0.2	+0.1	+0.3	—	+0.1	+0.2	+0.5	+0.6	+0.2
Household supplies and services	+0.1	+0.1	+0.2	+0.1	+0.1	—	+0.1	+0.1	+0.1
Other	+0.2	+0.3	+0.1	+0.2	+0.3	+0.4	+0.2	+0.6	+0.2
Transportation									
Petrol	+1.8	+1.6	+1.9	+2.0	+1.9	+2.1	+0.9	+1.2	+1.8
Motor vehicle purchase	—0.5	—0.4	—0.4	—0.4	—0.7	—0.5	—0.4	—0.6	—0.5
Other	+0.2	+0.2	+0.1	+0.1	+0.3	+0.2	+0.5	+0.6	+0.2
Tobacco and alcohol									
Beer	+1.9	+1.8	+1.3	+4.9	+1.1	+2.5	+1.7	+1.3	+1.9
Cigarettes and tobacco	+1.1	+1.1	+1.1	+1.1	+0.9	+1.1	+0.9	+0.8	+1.1
Spirits	+0.9	+1.1	+0.8	+0.9	+0.8	+0.8	+0.9	+0.8	+0.9
Wine	—	+0.1	—	+0.1	—	—	—	+0.1	—
Health and personal care									
Hospital and medical services	—3.6	—2.9	—4.0	—4.3	—4.1	—3.5	—3.0	—2.4	—3.6
Other	+0.1	+0.2	+0.1	+0.1	+0.1	+0.2	+0.1	—	+0.1
Recreation									
Books, newspapers, magazines	+0.1	+0.1	+0.1	+0.2	+0.2	+0.1	+0.2	+0.2	+0.1
Other	+0.2	+0.1	+0.2	+0.2	+0.3	+0.3	+0.2	+0.2	+0.2
Total change	+5.7	+6.6	+4.3	+7.8	+4.3	+6.1	+5.2	+5.5	+5.6

(a) See notes about changes in index points in paragraphs 8 and 9.

TABLE 4. CONSUMER PRICE INDEX : GROUP INDEXES
WEIGHTED AVERAGE OF SIX STATE CAPITAL CITIES
PERCENTAGE CHANGES

	<i>Food</i>	<i>Clothing</i>	<i>Housing</i>	<i>Household equipment and operation</i>	<i>Transporta- tion</i>	<i>Tobacco and alcohol</i>	<i>Health and personal care (a)</i>	<i>Recreation</i>	<i>All Groups (a)</i>
	%	%	%	%	%	%	%	%	%
<i>Change from previous year</i>									
1975-76	+9.9	+16.2	+18.0	+15.9	+17.8	+23.9	-18.7	(b)	+13.0
1976-77	+11.7	+15.7	+13.9	+10.1	+8.9	+8.9	+75.3	(b)	+13.8
1977-78	+10.9	+10.7	+9.1	+8.3	+8.2	+4.4	+19.8	+8.9	+9.5
<i>Change from corresponding quarter of previous year</i>									
1976-77									
December	+12.8	+16.1	+14.2	+8.2	+7.7	+6.1	+104.7	(b)	+14.4
March	+9.5	+16.3	+13.5	+9.3	+7.8	+4.4	+101.4	(b)	+13.6
June	+12.2	+13.9	+11.8	+9.1	+8.3	+3.4	+94.3	(b)	+13.4
1977-78									
September	+13.1	+13.8	+10.6	+8.7	+7.9	+4.4	+90.2	+10.1	+13.1
December	+11.3	+10.5	+9.5	+9.7	+9.4	+4.4	+5.3	+10.8	+9.3
March	+9.9	+10.1	+8.6	+7.5	+8.0	+5.0	+5.5	+8.6	+8.2
June	+9.7	+8.8	+7.7	+7.3	+7.5	+4.0	+10.6	+6.6	+7.9
1978-79									
September	+8.8	+8.4	+6.9	+7.1	+8.1	+3.9	+14.0	+6.8	+7.9
December	+9.9	+7.1	+6.3	+5.9	+8.6	+20.2	-9.4	+6.1	+7.8
<i>Change from previous quarter</i>									
1976-77									
December	+3.8	+6.4	+3.4	+1.6	+1.6	+1.4	+82.9	+1.6	+6.0
March	+1.9	+1.5	+2.2	+3.1	+2.9	+0.5	+2.0	+4.1	+2.3
June	+2.9	+3.6	+2.6	+2.3	+1.6	+1.3	+1.2	+2.8	+2.4
1977-78									
September	+3.8	+1.7	+1.9	+1.4	+1.6	+1.1	+0.7	+1.2	+2.0
December	+2.2	+3.3	+2.4	+2.6	+3.0	+1.4	+1.3	+2.3	+2.3
March	+0.6	+1.1	+1.4	+1.0	+1.6	+1.1	+2.2	+2.0	+1.3
June	+2.8	+2.4	+1.7	+2.1	+1.2	+0.4	+6.1	+1.0	+2.1
1978-79									
September	+3.0	+1.3	+1.2	+1.3	+2.2	+1.0	+3.8	+1.4	+1.9
December	+3.1	+2.2	+1.9	+1.4	+3.4	+17.2	-19.5	+1.6	+2.3

(a) Series includes effects of price changes in hospital and medical services; see paragraph 11. (b) New grouping not compiled for quarters prior to September quarter 1976.

TABLE 5. CONSUMER PRICE INDEX
COMPARISON OF 'ALL GROUPS EXCLUDING HOSPITAL AND MEDICAL SERVICES' AND ALL GROUPS INDEX
WEIGHTED AVERAGE OF SIX STATE CAPITAL CITIES : PERCENTAGE CHANGES

	<i>Change from previous quarter</i>		<i>Change from corresponding quarter of previous year</i>	
	<i>All Groups excluding hospital and medical services</i>	<i>All Groups</i>	<i>All Groups excluding hospital and medical services</i>	<i>All Groups</i>
	%	%	%	%
1975-76				
September	+2.9	+0.8	+13.7	+12.1
December	+6.3	+5.6	+16.7	+14.0
March	+2.9	+3.0	+16.8	+13.4
June	+2.5	+2.5	+15.4	+12.3
1976-77				
September	+2.2	+2.2	+14.6	+13.9
December	+2.8	+6.0	+10.8	+14.4
March	+2.4	+2.3	+10.2	+13.6
June	+2.4	+2.4	+10.2	+13.4
1977-78				
September	+2.1	+2.0	+10.1	+13.1
December	+2.5	+2.3	+ 9.6	+ 9.3
March	+1.2	+1.3	+ 8.4	+ 8.2
June	+1.8	+2.1	+ 7.8	+ 7.9
1978-79				
September	+1.8	+1.9	+ 7.5	+ 7.9
December	+3.8	+2.3	+ 9.0	+ 7.8

TABLE 6.
CONSUMER PRICE INDEX - GROUP INDEXES

<i>Quarter</i>	<i>Weighted average of six State capital cities</i>	<i>Sydney</i>	<i>Melbourne</i>	<i>Brisbane</i>	<i>Adelaide</i>	<i>Perth</i>	<i>Hobart</i>	<i>Canberra</i>	<i>Weighted average of seven capital cities</i>
FOOD (Base of each index : Year 1966-67 = 100.0)									
1976-77									
December	199.6	199.5	197.0	199.8	203.8	201.8	200.4	201.8	199.6
March	203.4	202.1	200.8	205.9	207.6	208.2	204.0	203.8	203.4
June	209.4	207.1	207.7	209.1	214.4	217.3	209.7	207.4	209.4
1977-78									
September	217.4	213.2	216.6	215.7	224.3	229.4	218.9	215.3	217.4
December	222.1	218.9	220.8	219.9	228.0	233.2	223.3	219.0	222.0
March	223.5	221.5	219.6	225.1	229.7	235.1	225.5	223.1	223.5
June	229.8	226.7	226.6	229.6	236.9	244.7	229.5	229.1	229.8
1978-79									
September	236.6	234.6	233.3	233.7	242.7	250.4	238.4	235.7	236.6
December	244.0	243.0	241.1	240.4	248.7	254.4	245.0	241.7	243.9
CLOTHING (Base of each index : Year 1966-67 = 100.0)									
1976-77									
December	232.1	231.3	232.3	230.0	235.8	232.7	231.8	232.2	232.1
March	235.6	234.7	235.6	233.6	240.7	235.5	235.4	235.1	235.6
June	244.1	244.1	243.8	240.7	248.6	243.5	244.1	243.9	244.1
1977-78									
September	248.2	247.7	247.9	245.8	252.0	249.2	248.5	246.4	248.2
December	256.5	255.8	256.1	254.5	260.2	258.7	255.9	254.1	256.4
March	259.3	257.7	260.4	256.3	262.6	260.7	258.4	251.9	259.2
June	265.6	264.4	266.4	261.8	269.9	265.7	265.5	262.3	265.5
1978-79									
September	269.0	268.0	269.9	263.9	273.2	269.3	269.7	265.5	268.9
December	274.8	274.1	274.4	271.7	280.2	275.8	275.2	270.9	274.7
HOUSING (Base of each index : Year 1966-67 = 100.0)									
1976-77									
December	249.4	262.3	239.1	235.1	252.5	242.9	244.0	226.4	249.2
March	255.0	267.4	245.4	239.4	258.1	249.3	247.7	226.6	254.6
June	261.6	273.8	253.3	244.2	263.3	254.8	252.5	228.4	261.1
1977-78									
September	266.7	279.9	257.1	251.1	268.0	259.1	257.3	229.6	266.1
December	273.2	286.5	261.6	258.1	275.7	270.8	264.0	243.2	272.8
March	276.9	290.5	264.8	265.4	277.4	273.0	267.0	244.1	276.4
June	281.7	297.8	268.8	268.9	279.1	274.9	270.2	244.5	281.1
1978-79									
September	285.2	302.9	271.6	272.4	279.6	276.5	272.0	246.4	284.6
December	290.5	309.3	274.9	276.8	288.3	282.7	277.3	249.1	289.8
HOUSEHOLD EQUIPMENT AND OPERATION (Base of each index : Year 1966-67 = 100.0)									
1976-77									
December	193.0	202.7	184.0	194.8	187.0	195.3	198.5	181.5	192.8
March	198.9	207.7	191.2	199.9	192.7	200.7	203.3	185.6	198.7
June	203.5	212.8	195.9	203.7	196.2	205.3	209.3	190.1	203.3
1977-78									
September	206.4	215.3	197.8	207.8	201.0	209.2	212.8	193.9	206.2
December	211.7	219.7	203.3	211.4	206.8	218.5	223.2	199.0	211.5
March	213.8	222.0	205.3	214.4	208.1	220.1	224.6	201.0	213.6
June	218.3	225.7	210.4	221.6	211.9	223.6	227.3	202.9	218.0
1978-79									
September	221.1	227.8	213.1	225.9	214.4	228.3	228.8	206.3	220.8
December	224.2	230.9	216.2	228.0	217.2	232.4	233.4	213.1	224.0

TABLE 6.
CONSUMER PRICE INDEX - GROUP INDEXES - *continued*

<i>Quarter</i>	<i>Weighted average of six State capital cities</i>	<i>Sydney</i>	<i>Melbourne</i>	<i>Brisbane</i>	<i>Adelaide</i>	<i>Perth</i>	<i>Hobart</i>	<i>Canberra</i>	<i>Weighted average of seven capital cities</i>
TRANSPORTATION (Base of each index : Year 1966-67 = 100.0)									
1976-77									
December	218.6	228.0	212.5	217.6	213.5	204.9	217.7	214.0	218.7
March	225.0	235.3	220.7	221.3	217.7	207.2	223.3	219.1	225.0
June	228.7	237.5	226.0	224.5	223.0	209.4	226.6	222.1	228.7
1977-78									
September	232.3	240.0	229.7	228.0	228.4	213.5	233.2	228.1	232.3
December	239.2	247.8	235.3	232.9	234.2	225.1	240.6	237.1	239.3
March	243.0	251.9	239.6	235.4	236.4	229.0	244.5	238.8	243.1
June	245.9	254.6	242.2	238.7	240.3	231.8	247.9	241.0	245.9
1978-79									
September	251.2	260.4	245.8	245.9	246.5	239.3	247.0	246.4	251.2
December	259.7	268.7	254.5	255.1	253.9	248.0	252.4	252.1	259.7
TOBACCO AND ALCOHOL (Base of each index : Year 1966-67 = 100.0)									
1976-77									
December	229.2	236.4	228.4	216.6	224.7	225.1	220.9	212.0	228.9
March	230.3	236.6	230.5	217.9	225.5	227.5	220.5	214.8	230.1
June	233.4	240.4	232.7	221.8	227.6	229.5	227.6	215.2	233.0
1977-78									
September	236.0	240.6	238.2	223.5	231.4	232.6	229.2	218.1	235.7
December	239.2	245.6	240.1	226.0	233.1	235.6	230.6	225.8	239.0
March	241.9	247.3	243.5	229.1	234.7	240.3	233.2	226.3	241.6
June	242.8	247.2	244.8	231.4	236.1	241.9	235.7	227.7	242.6
1978-79									
September	245.3	250.6	247.1	232.3	237.6	244.3	238.8	228.7	245.1
December	287.5	290.3	284.8	301.9	272.8	286.4	276.0	262.5	287.0
HEALTH AND PERSONAL CARE (Base of each index : December quarter 1968 = 100.0)									
1976-77									
December	295.4	272.1	295.0	329.8	310.2	348.0	277.0	289.4	295.1
March	301.3	278.6	300.5	335.4	313.9	356.3	283.4	294.6	301.0
June	304.9	281.4	305.3	340.7	318.0	355.8	287.3	299.4	304.6
1977-78									
September	307.1	282.8	308.0	343.6	320.8	358.0	292.1	302.2	306.9
December	311.0	285.6	312.3	348.4	324.1	364.4	295.1	306.7	310.7
March	317.8	297.0	316.6	353.1	328.2	367.8	298.9	319.7	317.7
June	337.3	313.2	349.2	369.2	332.3	372.5	324.1	338.6	337.2
1978-79									
September	350.2	323.0	364.3	379.2	354.7	382.9	331.3	350.3	350.1
December	281.9	270.7	284.6	289.0	282.1	316.5	274.2	294.6	282.0
RECREATION (Base of each index : September quarter 1976 = 100.0)									
1976-77									
December	101.6	102.0	101.2	102.0	101.0	101.4	102.1	102.8	101.6
March	105.8	106.5	105.1	106.2	105.0	105.9	105.4	105.8	105.8
June	108.8	109.2	108.3	108.2	109.0	109.9	106.9	108.5	108.8
1977-78									
September	110.1	110.8	109.3	110.5	109.7	111.0	107.3	110.1	110.1
December	112.6	113.1	111.7	113.8	112.6	112.9	109.6	112.8	112.6
March	114.9	114.7	114.7	117.2	114.9	114.5	111.4	114.1	114.9
June	116.0	115.4	116.3	117.6	116.6	115.6	112.6	114.5	116.0
1978-79									
September	117.6	117.0	117.4	120.3	118.6	117.1	115.4	117.2	117.6
December	119.5	118.2	119.5	122.4	121.6	119.4	117.7	119.4	119.5

TABLE 7. CONSUMER PRICE INDEX - INDEX NUMBERS AND INDEX POINTS CONTRIBUTIONS : WEIGHTED AVERAGE OF SIX STATE CAPITAL CITIES

	Reference base period	Index numbers		Change between September qtr 1978 and December qtr 1978 %		Contribution to total CPI (expressed as All Groups index points)					
		September quarter 1978	December quarter 1978	September quarter 1978	December quarter 1978	September quarter 1978	December quarter 1978	Change between September qtr 1978 and December qtr 1978			
FOOD											
Dairy produce	1966-67 = 100.0	236.6	244.0	+3.1		53.52	55.19	+1.67			
Cereal products	"	207.1	214.4	+3.5		5.24	5.42	+0.18			
Meat and seafoods	"	263.7	265.7	+0.8		5.78	5.82	+0.04			
Beef and veal	"	228.1	233.9	+2.5		13.06	13.40	+0.34			
Lamb and mutton	"	197.3	203.7	+3.2					5.64		+0.18
Pork	"	274.8	269.6	-1.9					2.48		-0.05
Poultry	"	243.9	253.3	+3.9					0.64		+0.02
Other meat	Dec. Qtr 1968 = 100.0	172.8	178.2	+3.1					1.25		+0.04
Fish	1966-67 = 100.0	214.2	224.1	+4.6					2.14		+0.09
Fruit and vegetables	Sept. Qtr 1976 = 100.0	137.1	143.2	+4.4					1.24		+0.05
Fresh fruit and vegetables	"	125.4	137.9	+10.0		7.54	8.29	+0.75			
Processed fruit and vegetables	"	130.2	147.3	+13.1					6.15		+0.72
Soft drinks, ice cream and confectionery	1966-67 = 100.0	195.6	198.7	+1.6					2.14		+0.03
Meals out and take-away food	"	287.2	291.6	+1.5		5.32	5.40	+0.08			
Other food	Sept. Qtr 1976 = 100.0	120.5	123.4	+2.4		10.97	11.24	+0.27			
	1966-67 = 100.0	209.2	209.6	+0.2		5.60	5.62	+0.02			
CLOTHING											
Men's and boys'	"	269.0	274.8	+2.2		25.88	26.43	+0.55			
Women's and girls'	"	255.6	258.6	+1.2		7.45	7.54	+0.09			
Piecegoods and other clothing	"	268.7	277.1	+3.1		11.60	11.96	+0.36			
Footwear	"	231.6	236.2	+2.0		1.42	1.45	+0.03			
Clothing and footwear services (a)	"	302.7	306.7	+1.3		4.07	4.12	+0.05			
	"	348.5	354.9	+1.8		1.33	1.36	+0.03			
HOUSING											
Rent	"	285.2	290.5	+1.9		33.14	33.75	+0.61			
Privately-owned dwellings	"	272.7	278.2	+2.0		12.96	13.23	+0.27			
Government-owned dwellings	"	264.9	270.2	+2.0					11.78		+0.23
Home ownership (b)	"	383.8	391.1	+1.9		11.55			1.44		+0.02
Local government rates and charges (c)	"	297.6	302.8	+1.7		20.17	20.53	+0.36			
House price, repairs and maintenance	"	351.8	370.2	+5.2		4.50			4.73		+0.23
	"	277.2	279.3	+0.8		15.67			15.79		+0.12
HOUSEHOLD EQUIPMENT AND OPERATION											
Fuel and light	"	221.1	224.2	+1.4		35.56	36.05	+0.49			
Furniture and floor coverings	"	201.6	207.8	+3.1		5.50	5.67	+0.17			
Appliances	"	267.1	269.0	+0.7		7.85	7.91	+0.06			
Drapery	"	133.0	133.6	+0.5		4.32	4.34	+0.02			
Household utensils and tools	"	295.3	300.6	+1.8		2.86	2.91	+0.05			
Household supplies and services (d)	"	235.8	238.8	+1.3		3.75	3.80	+0.05			
Postal and telephone services	"	210.6	213.6	+1.4		8.06	8.17	+0.11			
	"	253.0	255.8	+1.1		3.22	3.26	+0.04			
TRANSPORTATION											
Private transport	"	251.2	259.7	+3.4		44.55	46.06	+1.51			
Motor vehicle purchase	"	247.0	256.0	+3.6		39.61	41.06	+1.45			
Motor vehicle operation (e)	"	232.1	224.4	-3.3		13.86			13.41		-0.45
Public transport fares (f)	"	256.7	275.7	+7.4		25.75			27.65		+1.90
	"	235.0	237.8	+1.2		4.94	5.00	+0.06			

For footnotes see page 9.

TABLE 7. CONSUMER PRICE INDEX - INDEX NUMBERS AND INDEX POINTS CONTRIBUTIONS : WEIGHTED AVERAGE OF SIX STATE CAPITAL CITIES - continued

	Reference base period	Index numbers		Change between September qtr 1978 and December qtr 1978 %		Contribution to total CPI (expressed as All Groups index points)		Change between September qtr 1978 and December qtr 1978	
		September quarter 1978	December quarter 1978						
		1978	1978	1978	1978	September quarter 1978	December quarter 1978	September quarter 1978	December quarter 1978
TOBACCO AND ALCOHOL	1966-67 = 100.0	245.3	287.5	+17.2		23.01	26.96	+3.95	
Alcoholic beverages	"	236.8	279.7	+18.1		15.85	18.72	+2.87	
Beer	"	239.3	282.0	+17.8		10.82			+1.93
Wine and spirits	Dec. Qtr 1973 = 100.0	164.7	195.6	+18.8		5.02	12.75		+0.94
Cigarettes and tobacco	1966-67 = 100.0	251.3	289.3	+15.1		7.16	8.24	+1.08	
HEALTH AND PERSONAL CARE	Dec. Qtr 1968 = 100.0	350.2	281.9	-19.5		17.72	14.26	-3.46	
Health services (g)	"	422.6	291.9	-30.9		11.54	7.97	-3.57	
Personal care products (h)	1966-67 = 100.0	228.6	231.6	+1.3		4.38	4.44	+0.06	
Personal care services (i)	"	490.7	505.3	+3.0		1.80	1.85	+0.05	
RECREATION	Sept. Qtr 1976 = 100.0	117.6	119.5	+1.6		19.17	19.48	+0.31	
Books, newspapers, magazines	"	123.5	127.7	+3.4		3.65	3.77	+0.12	
Other recreational goods (j)	"	110.6	112.0	+1.3		7.36	7.45	+0.09	
Holiday accommodation	"	122.6	126.6	+3.3		2.34	2.41	+0.07	
Other recreational services (k)	"	121.8	122.0	+0.2		5.83	5.84	+0.01	
ALL GROUPS	1966-67 = 100.0	252.5	258.2	+2.3		252.5	258.2	+5.7	
SPECIAL GROUPINGS									
All groups, excluding food group	"	258.6	263.8	+2.0		199.02	203.00	+3.98	
All groups, excluding housing group	"	247.3	252.9	+2.3		219.40	224.43	+5.03	
All groups, excluding hospital and medical services	"	249.5	259.0	+3.8		242.61	251.85	+9.24	
All groups, goods component (l)	"	236.5	246.9	+4.4		185.15	193.31	+8.16	
All groups, services component (l)	"	315.0	303.2	-3.7		67.40	64.88	-2.52	

(a) Dry cleaning and shoe repairs. (b) Does not include cost of land and interest charges on house purchases. (c) Local government (council) and water and sewerage authority rates and charges. (d) Household cleaning agents and paper products, gardening supplies, stationery, pet food, travel goods, umbrellas, insurance of dwellings and contents, repairs to household goods. (e) Petrol, tyres, tubes, parts, repairs, motor vehicle insurance, registration, driver's licence, motoring organisation fees. (f) Bus, tram, rail, taxi and air fares. (g) Medical practitioners' fees (net), hospital charges (net), dental charges, and hospital and medical insurance contributions. (h) Pharmaceuticals, toiletries, cosmetics. (i) Hairdressing services. (j) Television sets, radios, sound equipment, photographic goods, sunglasses, records, cassettes, tapes, sports equipment, bicycles, toys, games, caravans. (k) Cinema and live theatre admission, other entertainment and recreation, spectator admission to sports, other sports services, television hire, photographic services and repairs to television sets. (l) The special grouping "All groups, goods component" comprises: the Food group except meals out; Clothing group (except clothing and footwear services); Household equipment and operation group (except insurance of dwellings and contents, repairs to household goods and postal and telephone services); Tobacco and alcohol group; house price; house repair materials; motor vehicle purchase; petrol, tyres, tubes, vehicle replacement parts; personal care products; books, newspapers, magazines; other recreational goods; replacement parts for television sets. The remaining items are classified as "Services".

APPENDIX

CONSUMER PRICE INDEX – DECEMBER QUARTER 1978

HEALTH SERVICES SUBGROUP – EFFECT OF CHANGES IN HEALTH INSURANCE ARRANGEMENTS

The CPI for December quarter 1978 is significantly affected by price changes for hospital and medical services associated with the changes to health insurance arrangements introduced on 1 November 1978. Price decreases resulted from the abolition of the Medibank levy and reductions in health insurance fund contribution rates. These price decreases were partly offset by increases in the net price of medical services.

2. The following table shows the contribution of these components to the decrease in the Health Services subgroup between September and December quarters 1978, expressed in terms of All Groups index points.

CPI HEALTH SERVICES SUBGROUP
(Weighted average of six State capital cities)

	All Groups Index Points		
	September Quarter 1978	December Quarter 1978	Change between September and December quarters
Health insurance –			
Levy component (a)	2.39	–	–2.39
Fund component (b)	6.57	5.04	–1.53
Net price for medical services (c)	0.96	1.30	+0.34
Dental charges	1.61	1.64	+0.03
TOTAL HEALTH SERVICES SUBGROUP	11.54	7.97	–3.57

(a) Includes levy payments both by those who paid only the levy and by those who also had additional private fund insurance. (b) Includes fund contributions by those belonging only to a fund and contributions to fund hospital benefit tables by those who also paid the levy. (c) Net prices for medical services are the estimated average fees charged by doctors for selected representative services less basic medical benefit payable. Net prices for hospital accommodation were zero in both quarters, on the basis that the target population uses standard (public ward) accommodation, or, if they use intermediate (shared) or private ward accommodation in public hospitals, have corresponding insurance which provides full cover for the charges.

PRICE MEASUREMENT UP TO SEPTEMBER QUARTER 1978

3. Measurement of price change for the levy component involved calculating an average levy amount, using statistics on income distribution and movements in earnings. The fund component was measured by pricing commonly-purchased levels of insurance cover for medical and hospital services from major health insurance funds in each capital city.

4. The net medical services component was calculated by taking a representative selection of medical services (e.g. doctor's consultation), and calculating a net amount for each service from the average fee charged by doctors less the basic medical benefit paid. The basic medical benefit at September quarter 1978 was "75% of the schedule fee" for the service or "the schedule fee less \$10" (whichever is the greater). The same benefit levels applied to levy payers and to fund members insured for basic medical benefits. In calculating the net amount an allowance was made for the proportion of services which were bulk billed and hence had a net price of zero.

PRICE MEASUREMENT IN DECEMBER QUARTER 1978

5. The approach taken in assessing price change for the health services subgroup was to price in December quarter the same services as were priced in September quarter. For hospital and medical services price changes for the three components were measured as follows :

- a As a consequence of the abolition of the levy, as from 1 November 1978 the levy had a zero price.
- b For the fund component the price movement was based on the same levels of cover (that is, the same commonly purchased fund tables) as were priced in previous quarters. Prices for the fund component decreased in December quarter because fund contribution rates effective on the CPI pricing date (15 November 1978) reflected the introduction of the Commonwealth Government reimbursement of 40% of the schedule fee for each medical service with a maximum patient contribution of \$20 per service.

- c The net price for medical services showed an increase in respect of former levy payers because the new Commonwealth Government benefit provides reimbursement of 40% of the schedule fee for each medical service with a maximum patient contribution of \$20 per service, compared with the reimbursement in September quarter of 75% of the schedule fee with a maximum patient contribution of \$10. The new arrangements did not affect the net price for medical services in respect of fund members because, as indicated above, the price movement was based on the same level of cover as was priced in September quarter. In calculating the net price, allowance was made for a decrease in the incidence of bulk billing for the CPI target population, arising from the abolition of bulk billing except for those regarded by doctors as disadvantaged.

6. In calculating the movement for hospital and medical services between September and December quarters 1978, price movements have been combined on the basis of estimated proportions of (a) persons covered by levy and (b) persons covered by health insurance funds, as at September quarter 1978.

7. The measurement of price changes relating to hospital and medical services is conceptually difficult, especially at times when changes in financial arrangements affect the ways in which the costs can be met by the consumer. For this reason, this component of the CPI might be regarded as less firmly based than other components. In this connection, attention is drawn to Table 5 on page 5 which shows movements in a special series "All Groups excluding hospital and medical services". This series is provided to facilitate analysis of trends in retail prices excluding the increases and decreases associated with the hospital and medical services component which have occurred in recent years.

