

03 MAY 1990



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CONSUMER PRICE INDEX - MARCH QUARTER 1990

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MAIN FEATURES

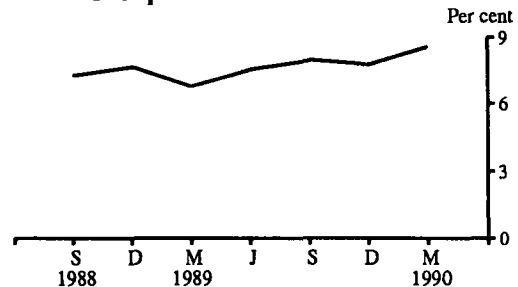
	Change between	
	Dec. qtr 1989 and Mar. qtr 1990 %	Mar. qtr 1989 and Mar. qtr 1990 %
Weighted average of eight capital cities		
Food	+0.2	+6.2
Clothing	+0.1	+5.2
Housing	+2.0	+17.0
Household equipment and operation	+1.5	+5.7
Transportation	+2.6	+9.9
Tobacco & alcohol	+2.2	+8.9
Health and personal care	+3.8	+6.2
Recreation and education	+2.3	+7.0
All groups	+1.7	+8.6
All groups excluding housing	+1.6	+7.1
All groups excluding food	+2.1	+9.1

Overview.

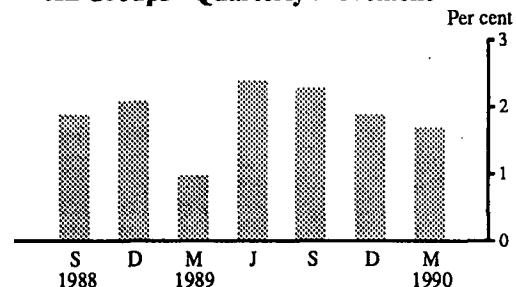
The CPI increased by 1.7% between the December and March quarters and by 8.6% since March quarter last year.

The annual rate (8.6%) follows an annual rate last quarter of 7.8% although that rate (and the rate for the previous three quarters) was affected by a change in the treatment of mortgage interest charges introduced in March quarter 1989. For a comparable annual series see *Changes over recent years* on page 2 of this publication.

All Groups - Annual Movement



All Groups - Quarterly Movement

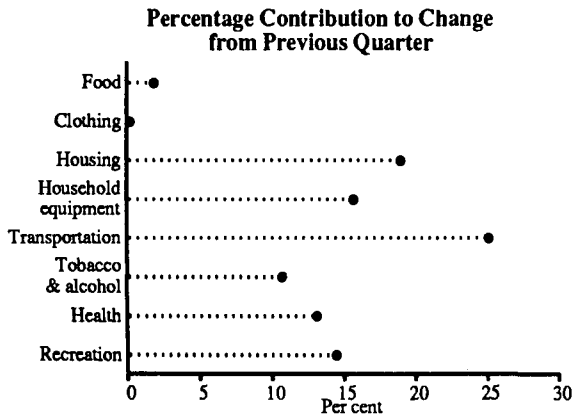


Increases in transportation costs - mainly driven by petrol price increases - overshadowed housing costs this quarter as the single most important factor affecting increases in the *all groups* index. Significant increases in petrol prices have resulted from increases in wholesale prices and a marked decrease in the incidence of discounting. The change in the rate of increase in housing costs reflects a moderation in the rate of increase of mortgage interest charges, mainly due to a slowing of increases in house prices.

Food prices had a moderating influence on the CPI for the second quarter in a row (increasing by 0.2% this quarter following an increase of 0.3% last quarter). The small increase this quarter was mainly due to falls in the prices of fresh vegetables.

Main contributions to change.

Four groups accounted for more than 70% of the increase in the all groups index - Transportation (25.1%), Housing (19.0%), Household equipment and operation (15.7%), and Recreation and education (14.5%) - see chart below.



Transportation: +2.6%

This represents the largest increase recorded since December quarter 1987 (+2.6%). The transportation group is the largest contributor to the change in the all groups index - accounting for 25.1% of the change. Increases in petrol prices account for 65% of this and increases in prices of motor vehicles for a further 13%.

Petrol prices increased by 6.5% on average this quarter following an increase of 4.7% last quarter. The largest increase was recorded in Canberra (9.0%) and the smallest in Darwin (3.2%). The result reflects increases in wholesale prices combined with a marked reduction in the incidence of discounting.

Prices of motor vehicles increased by 1.0% on average with increases being recorded in all cities with the exception of Melbourne where prices remained unchanged. The largest price increase was recorded in Perth (2.1%).

Housing: +2.0%

While the rate of increase recorded this quarter is significantly lower than the rate of 3.4% recorded last quarter, the housing group still contributed significantly to the change in the all groups index - accounting for 19.0% of the change. Increases in mortgage interest charges account for 80% of this.

The increase in mortgage interest charges this quarter of 3.4% is down on the 4.1% increase recorded last quarter mainly due to a reduction in the rate of increase in the value of debt outstanding (down from 3.4% to 2.9%). Interest rates increased by 0.6% compared with 0.8% in December quarter.

Household equipment and operation: +1.5%

This represents no change on the rate recorded last quarter. Increases in consumer credit charges account for 36% of the movement and increases in furniture prices for a further 32%.

Consumer credit charges increased by 3.6% this quarter, compared with 2.8% last quarter, comprising 1.7% from increases in the value of debt outstanding and 1.9% from increases in interest rates.

Furniture prices increased by 2.0% on average compared with 2.4% last quarter with increases being recorded in all cities.

Recreation and education: +2.3%

The rate of increase recorded this quarter is slightly down on the 2.5% increase recorded last quarter. The most significant contributor to the movement this quarter is the increase in education fees which account for 57% of the change.

Large increases in education fees were recorded in all cities with Melbourne recording the highest (16.0%) and Darwin the lowest (8.9%). Private primary and secondary school fees increased in all cities and Government secondary school fees increased in all cities except Brisbane.

CONSUMER PRICE INDEX - ALL GROUPS PERCENTAGE CHANGES

	Change between	
	Dec. qtr 1989 and Mar. qtr 1990	Mar. qtr 1989 and Mar. qtr 1990
Sydney	+1.7	+9.1
Melbourne	+1.5	+8.7
Brisbane	+1.5	+7.8
Adelaide	+1.5	+6.9
Perth	+2.3	+9.1
Hobart	+1.6	+7.2
Canberra	+2.0	+8.3
Darwin	+1.3	+6.2
Weighted average of eight capital cities	+1.7	+8.6

Changes over recent years.

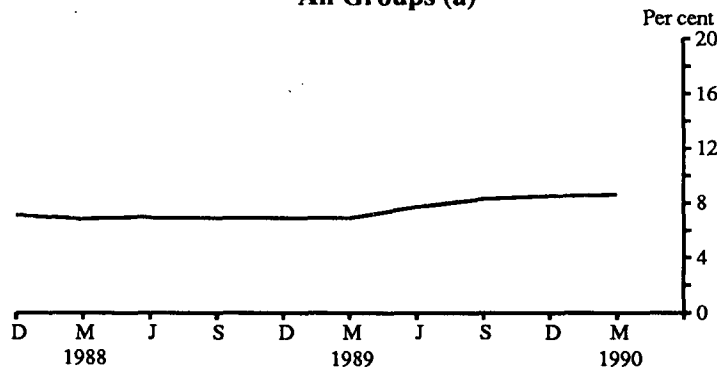
An improved approach to the treatment of mortgage interest charges in the CPI was introduced in March quarter 1989. CPI series which included mortgage interest charges (eg Housing group and All groups) were affected by the change. In order to provide the correct basis of comparison for the analysis of changes in prices, the ABS has compiled index number series using the new debt profile approach from the time that mortgage interest charges were first included in the CPI (March quarter 1987). These series together with an explanation of the change in treatment of mortgage interest charges were published in the December quarter 1989 issue of this publication, copies of which are available on request. They also form the basis of the graphs on the following page and the estimates shown in Table 5 of this publication. These series are recommended for the analysis of price change (as distinct from statutory indexation and contract escalation purposes).

Annual percentage changes (Analytical Series)

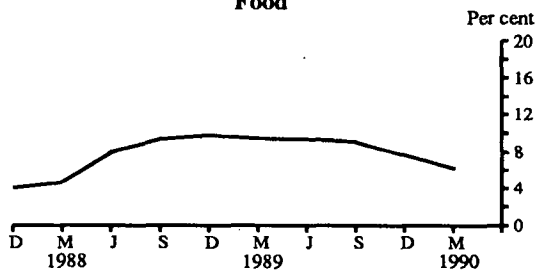
	1989			1990
	June	Sept.	Dec.	Mar.
	7.7	8.3	8.5	8.6

**WEIGHTED AVERAGE OF EIGHT CAPITAL CITIES
PERCENTAGE CHANGE ON CORRESPONDING QUARTER OF PREVIOUS YEAR**

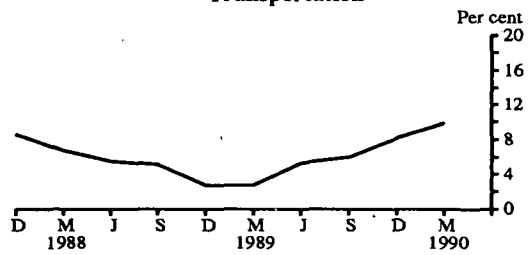
All Groups (a)



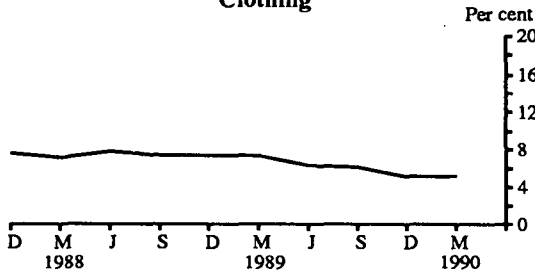
Food



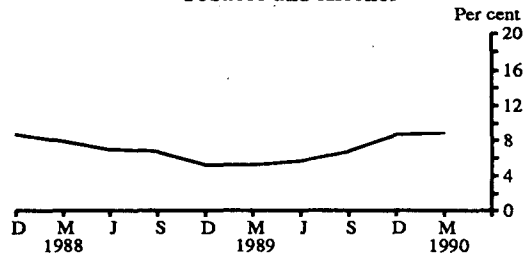
Transportation



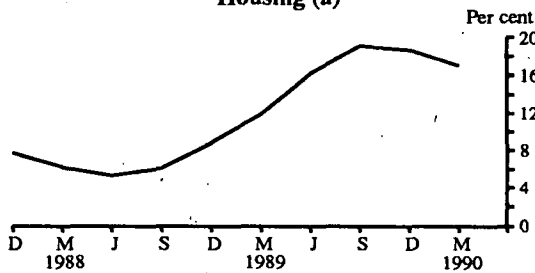
Clothing



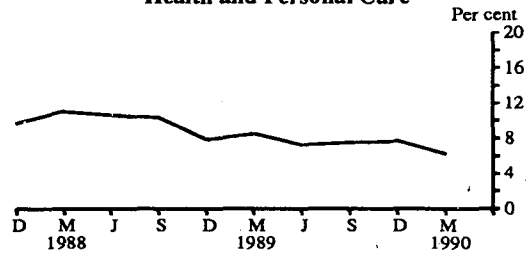
Tobacco and Alcohol



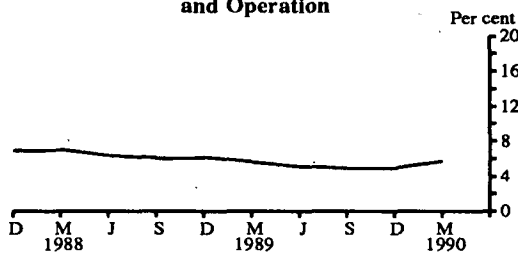
Housing (a)



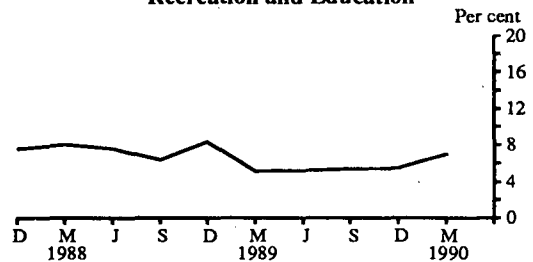
Health and Personal Care



Household Equipment and Operation



Recreation and Education



(a) Analytical series see previous page under *Changes over recent years*.

TABLE 1. CONSUMER PRICE INDEX: ALL GROUPS INDEX NUMBERS
(Base of each index: Year 1980-81 = 100.0)

Period	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Canberra	Darwin	Weighted average of eight capital cities
1985-86	147.5	149.8	149.0	150.2	147.1	147.9	150.8	146.2	148.7
1986-87	161.4	163.9	161.8	164.0	161.8	162.5	163.4	159.3	162.6
1987-88	173.7	175.9	173.1	175.0	173.3	174.4	174.7	170.6	174.5
1988-89	187.7	187.9	185.4	187.8	186.1	185.3	186.3	178.9	187.3
Quarter - 1985-86									
March	149.4	151.8	151.0	151.4	148.5	149.0	152.5	147.4	150.5
June	152.0	154.2	152.7	154.4	150.8	152.2	155.1	149.4	153.0
1986-87									
September	155.8	158.2	156.4	158.9	155.9	156.3	158.4	153.3	157.0
December	160.1	162.9	160.7	162.9	160.7	161.4	162.3	158.6	161.5
March	163.5	166.0	164.1	165.7	163.8	164.8	165.1	161.4	164.7
June	166.1	168.6	166.1	168.4	166.6	167.3	167.8	163.9	167.2
1987-88									
September	169.0	171.6	168.4	170.5	169.1	170.3	170.0	166.6	170.0
December	171.8	174.5	171.5	173.8	171.8	172.9	173.0	169.5	172.9
March	175.6	177.1	174.6	176.3	174.6	175.8	176.4	171.7	176.0
June	178.3	180.4	177.9	179.2	177.7	178.4	179.5	174.5	179.0
1988-89									
September	182.9	183.0	180.5	182.7	181.3	180.6	181.7	175.6	182.4
December	187.6	186.2	183.7	185.7	185.1	183.5	185.0	177.2	186.2
March	187.8	188.7	186.4	189.5	187.0	186.8	187.2	180.0	188.0
June	192.5	193.8	191.0	193.2	191.0	190.3	191.5	182.9	192.6
1989-90									
September	197.8	198.1	194.5	196.5	195.5	193.6	194.5	185.5	197.0
December	201.4	202.0	197.9	199.6	199.5	197.1	198.8	188.8	200.7
March	204.9	205.1	200.9	202.5	204.1	200.2	202.7	191.2	204.1

TABLE 2. CONSUMER PRICE INDEX : ALL GROUPS PERCENTAGE CHANGES.

Period	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Canberra	Darwin	Weighted average of eight capital cities
Change from previous year									
1986-87	9.4	9.4	8.6	9.2	10.0	9.9	8.4	9.0	9.3
1987-88	7.6	7.3	7.0	6.7	7.1	7.4	6.9	7.1	7.3
1988-89	8.1	6.8	7.1	7.3	7.4	6.3	6.6	4.9	7.4
Change from corresponding quarter of previous year									
1987-88									
March	7.4	6.7	6.4	6.4	6.6	6.7	6.8	6.4	6.9
June	7.3	7.0	7.1	6.4	6.7	6.6	7.0	6.5	7.1
1988-89									
September	8.2	6.6	7.2	7.2	7.2	6.0	6.9	5.4	7.3
December	9.2	6.7	7.1	6.8	7.7	6.1	6.9	4.5	7.7
March	6.9	6.5	6.8	7.5	7.1	6.3	6.1	4.8	6.8
June	8.0	7.4	7.4	7.8	7.5	6.7	6.7	4.8	7.6
1989-90									
September	8.1	8.3	7.8	7.6	7.8	7.2	7.0	5.6	8.0
December	7.4	8.5	7.7	7.5	7.8	7.4	7.5	6.5	7.8
March	9.1	8.7	7.8	6.9	9.1	7.2	8.3	6.2	8.6
Change from previous quarter									
1987-88									
March	2.2	1.5	1.8	1.4	1.6	1.7	2.0	1.3	1.8
June	1.5	1.9	1.9	1.6	1.8	1.5	1.8	1.6	1.7
1988-89									
September	2.6	1.4	1.5	2.0	2.0	1.2	1.2	0.6	1.9
December	2.6	1.7	1.8	1.6	2.1	1.6	1.8	0.9	2.1
March	0.1	1.3	1.5	2.0	1.0	1.8	1.2	1.6	1.0
June	2.5	2.7	2.5	2.0	2.1	1.9	2.3	1.6	2.4
1989-90									
September	2.8	2.2	1.8	1.7	2.4	1.7	1.6	1.4	2.3
December	1.8	2.0	1.7	1.6	2.0	1.8	2.2	1.8	1.9
March	1.7	1.5	1.5	1.5	2.3	1.6	2.0	1.3	1.7

TABLE 3. CONSUMER PRICE INDEX : CHANGE BETWEEN DECEMBER QUARTER 1989 AND MARCH QUARTER 1990
MAIN CONTRIBUTIONS TO CHANGE IN TERMS OF ALL GROUPS INDEX POINTS

Item	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Canberra	Darwin	Weighted average of eight capital cities
FOOD	0.40	-0.55	0.33	-0.29	0.64	0.02	0.39	-0.19	0.07
Cheese	0.02	0.05	0.01	0.03	0.03	0.02	0.03	0.03	0.03
Cakes and biscuits	0.07	0.02	0.04	0.09	-0.01	0.04	0.06	-0.03	0.05
Lamb and mutton	0.02	0.06	0.01	-0.02	0.02	0.00	0.01	0.02	0.04
Fresh fruit	0.18	-0.04	0.04	-0.08	0.06	0.00	0.13	0.05	0.07
Fresh potatoes	-0.25	-0.49	-0.25	-0.46	-0.01	-0.10	-0.24	-0.30	-0.32
Fresh vegetables	-0.22	-0.71	0.17	-0.28	-0.12	-0.46	-0.16	-0.22	-0.32
Confectionery	0.10	0.08	0.08	0.08	0.15	0.06	0.07	0.03	0.10
Meals out	0.15	0.06	0.06	0.04	0.06	0.08	0.13	0.03	0.10
Take away foods	0.11	0.13	0.14	0.01	0.11	0.14	0.14	0.08	0.12
CLOTHING	0.00	0.04	-0.07	0.10	-0.05	0.09	-0.05	0.03	0.00
Mens shirts	-0.04	0.00	-0.01	0.00	-0.02	0.01	0.01	0.00	-0.02
Boys clothing	-0.02	-0.05	-0.05	-0.03	0.00	0.00	-0.04	-0.02	-0.03
Womens underwear nightwear etc.	0.02	0.02	0.01	0.02	0.01	0.01	0.00	0.00	0.02
HOUSING	0.60	0.69	0.42	0.54	1.16	0.41	0.43	0.44	0.64
Privately-owned dwelling rents	0.12	0.17	-0.02	0.10	0.11	0.05	0.02	0.06	0.11
Govt-owned dwelling rents	0.00	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.00
Mortgage interest charges	0.45	0.49	0.37	0.44	1.03	0.28	0.39	0.33	0.51
House repairs & maintenance	0.05	0.00	0.06	0.00	0.05	0.05	0.02	0.04	0.03
HOUSEHOLD EQUIP. & OPERATION	0.58	0.60	0.26	0.49	0.58	0.34	0.46	0.22	0.53
Furniture	0.07	0.21	0.05	0.06	0.12	0.03	0.05	0.09	0.12
Floor coverings	0.04	0.07	0.00	0.05	0.04	-0.02	0.03	0.00	0.04
Appliances	0.01	0.00	-0.06	-0.05	-0.01	-0.02	-0.04	-0.08	-0.02
Tableware glassware & cutlery	0.06	0.04	-0.01	0.02	0.04	-0.02	0.00	0.00	0.04
Kitchen & cooking utensils	0.01	-0.01	0.04	0.07	0.02	-0.04	0.01	-0.01	0.02
Household cleaning agents	0.00	0.02	0.01	0.00	0.03	0.00	0.03	0.00	0.02
Watches & clocks	-0.02	-0.02	-0.02	0.00	-0.01	-0.01	-0.02	-0.01	-0.02
Veterinary services	0.02	0.01	0.01	0.01	0.01	0.01	0.02	0.00	0.02
Pet food	0.06	0.04	0.03	0.08	0.07	0.04	0.03	0.00	0.05
Consumer credit charges	0.18	0.17	0.22	0.14	0.19	0.17	0.23	0.26	0.19
TRANSPORTATION	0.86	0.84	0.89	0.82	0.73	0.71	1.31	0.36	0.85
Motor vehicles	0.14	0.00	0.14	0.15	0.26	0.11	0.19	0.06	0.11
Automotive fuel	0.58	0.58	0.52	0.49	0.42	0.39	0.80	0.21	0.55
Vehicle insurance	0.05	0.05	0.10	0.11	0.10	0.10	0.03	-0.01	0.07
Vehicle servicing etc.	0.04	0.12	0.08	0.15	0.08	0.07	0.22	0.08	0.08
Urban transport fares	0.01	0.06	0.04	-0.13	0.02	0.01	0.06	0.02	0.02
TOBACCO & ALCOHOL	0.30	0.35	0.42	0.40	0.55	0.34	0.30	0.36	0.36
Beer	0.12	0.16	0.22	0.24	0.19	0.18	0.11	0.26	0.16
Wine	-0.02	0.01	0.00	-0.06	-0.03	0.03	0.04	-0.07	-0.01
Spirits	0.03	0.06	0.04	0.10	0.03	0.02	0.04	0.03	0.05
Cigarettes & tobacco	0.16	0.13	0.15	0.11	0.35	0.12	0.12	0.15	0.16
HEALTH & PERSONAL CARE	0.44	0.43	0.46	0.49	0.42	0.74	0.17	0.69	0.45
Hospital & medical services	0.09	0.05	0.09	0.07	0.09	0.28	-0.17	0.44	0.08
Dental services	0.02	0.02	0.03	0.06	0.04	0.03	0.03	0.02	0.03
Pharmaceuticals	0.24	0.25	0.30	0.20	0.25	0.37	0.23	0.18	0.25
Toiletries & personal products	0.05	0.09	0.00	0.05	0.05	0.05	0.05	0.04	0.06
Hairdressing services	0.05	0.01	0.03	0.10	0.01	0.02	0.02	0.01	0.04
RECREATION & EDUCATION	0.36	0.71	0.30	0.34	0.54	0.46	0.86	0.42	0.49
Books newspapers & magazines	0.06	0.10	0.05	0.03	0.00	0.04	0.03	0.04	0.06
Video and sound equipment	-0.03	-0.03	-0.05	-0.04	-0.05	-0.02	-0.03	-0.03	-0.04
Entertainment	0.08	0.16	0.07	0.06	0.11	0.33	0.59	0.07	0.12
Education fees	0.22	0.41	0.23	0.22	0.24	0.15	0.24	0.14	0.28
Child care fees	0.04	0.06	0.03	0.02	0.03	0.04	0.03	0.09	0.04
Total change	3.5	3.1	3.0	2.9	4.6	3.1	3.9	2.4	3.4
Contribution of selected State & local government charges (a) to total change	0.05	0.05	0.02	-0.11	-0.22	0.29	0.06	0.00	0.01

(a) Composition of this category is described in footnote (d) Table 8, page 11.

TABLE 4. CHANGE BETWEEN DECEMBER QUARTER 1989 AND MARCH QUARTER 1990 (a)
PERCENTAGE CONTRIBUTION TO CHANGE IN WEIGHTED AVERAGE EIGHT CAPITAL CITIES ALL GROUPS INDEX.

	<i>Sydney</i>	<i>Melbourne</i>	<i>Brisbane</i>	<i>Adelaide</i>	<i>Perth</i>	<i>Hobart</i>	<i>Canberra</i>	<i>Darwin</i>	<i>Weighted average of eight capital cities</i>
Food	4.2	-4.8	1.1	-0.8	1.9	0.0	0.4	-0.1	1.9
Clothing	-0.1	0.3	-0.2	0.2	-0.1	0.0	0.0	0.0	0.2
Housing	6.2	5.9	1.4	1.4	3.4	0.2	0.4	0.1	19.0
Household equipment and operation	6.0	5.2	0.8	1.3	1.7	0.2	0.4	0.1	15.7
Transportation	8.9	7.3	2.9	2.2	2.1	0.3	1.2	0.1	25.1
Tobacco and alcohol	3.1	3.0	1.4	1.1	1.6	0.2	0.3	0.1	10.7
Health and personal care	4.6	3.7	1.5	1.3	1.2	0.4	0.2	0.2	13.1
Recreation and education	3.7	6.2	1.0	0.9	1.6	0.2	0.8	0.1	14.5
All groups	36.8	26.7	9.8	7.6	13.3	1.5	3.6	0.7	100.0

(a) Table 4 shows the percentage contribution of Groups in each city to the change (between December quarter 1989 and March quarter 1990) in the All Groups index for the weighted average of the eight capital cities.

ANALYTICAL SERIES (a)

TABLE 5. DEBT PROFILE METHOD - WEIGHTED AVERAGE OF EIGHT CAPITAL CITIES: PERCENTAGE CHANGES

<i>Period</i>	<i>Food</i>	<i>Clothing</i>	<i>Housing</i>	<i>Household equipment and operation</i>	<i>Transportation</i>	<i>Tobacco and alcohol</i>	<i>Health and personal care</i>	<i>Recreation and education</i>	<i>All Groups</i>
Change from previous year									
1986-87	8.0	9.6	7.4	7.3	11.2	10.5	16.1	9.3	9.3
1987-88	5.2	7.8	6.9	6.9	7.8	8.4	11.3	7.8	7.3
1988-89	9.4	7.1	10.8	5.7	3.9	5.7	8.4	6.2	7.1
Change from corresponding quarter of previous year									
1987-88									
March	4.6	7.1	6.2	7.0	6.7	7.9	11.0	8.0	6.8
June	7.9	7.8	5.3	6.3	5.5	7.0	10.6	7.5	6.9
1988-89									
September	9.3	7.4	6.1	6.0	5.1	6.7	10.3	6.3	6.9
December	9.7	7.4	8.8	6.1	2.7	5.2	7.8	8.3	6.9
March	9.4	7.3	11.8	5.6	2.7	5.2	8.5	5.1	6.9
June	9.3	6.3	16.2	5.1	5.3	5.7	7.2	5.2	7.7
1989-90									
September	9.0	6.1	19.1	4.9	6.0	6.8	7.5	5.4	8.3
December	7.6	5.1	18.7	4.9	8.2	8.7	7.7	5.5	8.5
March	6.2	5.2	17.0	5.7	9.9	8.9	6.2	7.0	8.6
Change from previous quarter									
1987-88									
March	1.7	0.1	0.7	1.2	1.0	2.0	4.6	3.9	1.7
June	3.3	3.8	1.2	1.6	-0.2	1.6	1.7	1.0	1.6
1988-89									
September	2.8	0.4	2.8	1.6	1.5	1.3	0.8	0.8	1.7
December	1.6	3.0	3.8	1.6	0.3	0.2	0.5	2.4	1.7
March	1.5	-0.1	3.5	0.7	1.0	2.0	5.3	0.8	1.6
June	3.2	2.8	5.3	1.0	2.4	2.1	0.5	1.1	2.4
1989-90									
September	2.5	0.2	5.4	1.5	2.2	2.3	1.0	1.0	2.3
December	0.3	2.0	3.4	1.5	2.4	2.0	0.7	2.5	1.9
March	0.2	0.1	2.0	1.5	2.6	2.2	3.8	2.3	1.7

(a) This table is intended to assist in the analysis of price change (as distinct from movements in the CPI) and is therefore based on indexes calculated using the debt profile method of measuring mortgage interest charges from March quarter 1987.

TABLE 6. CONSUMER PRICE INDEX - GROUP INDEXES

Period	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Canberra	Darwin	Weighted average of eight capital cities
FOOD (Base of each index : Year 1980-81 = 100.0)									
1987-88									
March	162.8	167.7	163.8	165.0	168.3	170.3	158.6	159.5	165.0
June	168.2	174.0	168.6	170.0	172.0	173.9	163.0	163.8	170.4
1988-89									
September	172.3	179.5	172.3	176.0	176.6	178.1	167.8	167.2	175.1
December	176.0	182.3	173.9	177.4	178.7	180.6	170.7	168.1	177.9
March	178.4	183.9	177.6	180.4	183.8	181.9	172.8	171.8	180.5
June	184.5	190.8	183.8	185.6	185.7	185.2	176.6	175.2	186.2
1989-90									
September	189.4	196.6	186.8	189.5	188.4	188.8	180.8	176.7	190.8
December	189.4	198.1	185.8	188.4	190.6	192.1	183.2	178.6	191.4
March	191.4	195.4	187.5	186.8	194.0	192.1	185.3	177.7	191.7
CLOTHING (Base of each index : Year 1980-81 = 100.0)									
1987-88									
March	163.4	163.3	165.3	166.7	165.4	161.2	163.8	148.1	163.9
June	169.2	170.3	169.8	173.1	171.9	167.7	170.7	153.5	170.1
1988-89									
September	169.4	171.2	170.7	174.5	172.2	168.6	171.6	152.7	170.8
December	174.0	177.5	175.6	180.3	177.6	173.2	175.9	156.7	176.0
March	173.9	177.3	175.6	180.2	177.0	173.1	175.1	157.6	175.9
June	179.2	181.1	180.0	186.2	182.7	178.3	180.9	159.8	180.8
1989-90									
September	179.6	182.3	179.7	186.6	181.5	178.5	181.7	159.2	181.2
December	182.8	186.4	184.7	188.7	186.4	182.3	185.7	161.2	184.9
March	182.7	186.9	183.6	190.1	185.8	183.5	185.0	161.9	185.0
HOUSING (a) (Base of each index : Year 1980-81 = 100.0)									
1987-88									
March	177.0	186.8	163.9	175.2	163.5	163.4	182.2	162.1	177.2
June	182.5	189.1	167.8	175.8	166.0	165.0	183.7	164.1	180.8
1988-89									
September	193.2	193.7	171.5	180.0	175.2	167.2	189.0	161.8	188.0
December	208.1	204.5	180.0	185.0	188.2	173.5	196.1	164.3	199.7
March	199.7	207.3	179.0	197.2	182.1	179.9	201.9	168.9	197.7
June	210.8	218.9	186.6	204.3	193.4	186.1	210.7	174.4	208.1
1989-90									
September	222.3	230.9	195.7	212.6	206.6	193.5	220.0	180.1	219.3
December	230.6	237.2	202.4	219.0	215.1	200.0	229.6	185.5	226.8
March	234.5	242.6	205.4	223.4	222.6	203.0	233.0	188.3	231.4
HOUSEHOLD EQUIPMENT AND OPERATION (Base of each index : Year 1980-81 = 100.0)									
1987-88									
March	171.7	174.7	176.7	174.0	171.2	173.4	169.2	172.2	173.4
June	174.4	176.8	179.7	176.8	174.6	175.8	173.7	174.6	176.1
1988-89									
September	178.6	178.6	182.1	180.1	177.1	178.2	175.3	176.3	179.0
December	181.2	181.1	186.1	182.5	180.3	180.9	178.7	178.0	181.8
March	182.2	182.3	186.9	184.0	182.9	183.2	180.4	179.1	183.1
June	183.6	185.0	188.9	185.4	185.2	185.5	182.6	180.5	185.0
1989-90									
September	186.1	188.1	191.2	187.5	188.6	187.7	185.3	182.6	187.8
December	188.3	192.2	195.0	191.1	189.5	190.4	188.2	184.5	190.7
March	191.4	195.5	196.4	193.5	192.6	192.3	190.6	185.7	193.5

(a) These series have been affected by the adoption of a new approach to the treatment of mortgage interest charges.

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

Period	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Canberra	Darwin	Weighted average of eight capital cities
TRANSPORTATION (Base of each index : Year 1980-81 = 100.0)									
1987-88									
March	195.4	180.2	190.4	192.0	185.7	192.4	192.5	186.5	188.6
June	192.1	180.8	192.2	191.4	187.9	193.7	194.0	189.9	188.2
1988-89									
September	198.5	181.1	195.2	195.2	188.1	195.4	192.8	189.8	191.1
December	198.6	181.3	195.2	199.6	188.4	196.9	193.7	190.8	191.7
March	199.3	184.5	196.4	201.6	192.0	199.5	193.3	192.3	193.6
June	203.6	189.0	201.3	204.9	196.9	204.1	200.4	195.6	198.2
1989-90									
September	212.8	190.6	205.4	205.8	200.4	206.7	198.7	197.8	202.5
December	218.9	195.4	209.9	210.5	203.1	208.5	204.4	199.9	207.4
March	224.8	200.4	214.9	215.6	207.7	212.8	212.0	202.2	212.7
TOBACCO AND ALCOHOL (Base of each index : Year 1980-81 = 100.0)									
1987-88									
March	205.1	195.6	188.4	195.5	204.5	213.0	201.7	209.0	199.8
June	207.3	199.1	192.0	200.6	208.0	218.1	205.4	211.2	203.0
1988-89									
September	209.1	201.9	195.0	205.2	210.8	220.3	207.4	214.5	205.6
December	208.8	201.9	198.5	206.9	210.5	223.3	206.1	213.5	206.0
March	211.1	204.8	212.6	210.9	213.0	229.7	209.1	216.7	210.1
June	215.3	209.8	217.3	215.8	217.3	233.3	213.7	217.9	214.6
1989-90									
September	220.7	214.7	221.6	221.2	222.2	237.0	217.7	220.5	219.6
December	225.1	219.5	224.2	223.5	229.1	239.9	222.0	226.4	223.9
March	229.1	224.6	229.9	228.5	236.4	244.6	226.8	230.0	228.9
HEALTH AND PERSONAL CARE (Base of each index : Year 1980-81 = 100.0)									
1987-88									
March	168.6	185.8	173.2	177.1	179.2	159.4	175.1	169.6	176.2
June	170.1	190.8	175.6	180.8	181.8	160.4	178.2	173.3	179.2
1988-89									
September	170.8	192.6	175.7	182.8	186.3	159.7	179.8	173.7	180.6
December	172.8	192.6	176.4	182.7	187.1	159.7	181.3	175.1	181.5
March	181.9	203.7	187.2	190.8	193.9	168.4	188.7	187.0	191.1
June	182.2	205.0	189.1	191.6	195.7	170.6	189.5	188.7	192.1
1989-90									
September	183.7	207.2	189.3	196.0	199.2	171.3	192.4	190.4	194.1
December	184.2	206.7	191.4	201.7	204.1	174.2	195.5	196.4	195.5
March	191.6	213.8	199.6	209.4	212.2	185.8	198.6	211.8	203.0
RECREATION AND EDUCATION (Base of each index : March Quarter 1982 = 100.0)									
1987-88									
March	153.0	158.6	157.1	155.7	148.6	159.9	160.3	147.2	155.3
June	153.8	160.4	159.7	158.6	150.0	161.3	160.7	148.1	156.9
1988-89									
September	155.8	161.1	160.3	158.3	152.3	162.8	162.2	149.5	158.1
December	161.2	163.7	163.5	161.6	155.2	165.0	167.5	152.5	161.9
March	161.9	165.4	164.4	163.3	157.4	167.6	169.1	153.1	163.2
June	163.5	167.9	167.3	165.2	156.6	168.2	169.4	155.1	165.0
1989-90									
September	165.0	169.4	168.7	166.9	158.8	171.8	172.0	158.0	166.6
December	169.2	174.0	173.3	170.1	162.8	175.6	174.3	161.8	170.8
March	172.3	179.3	175.6	173.0	167.0	179.1	180.2	164.8	174.7

TABLE 7. CONSUMER PRICE INDEX - GROUPS, SUB-GROUPS AND SELECTED EXPENDITURE CLASSES : WEIGHTED AVERAGE OF EIGHT CAPITAL CITIES

Group, Sub-group and Expenditure class	Index numbers (Base of each index: Year 1980-81=100.0)				Percentage Change between		Contribution to total CPI (expressed as All Groups index points)			Change between Dec qtr 1989 and Mar qtr 1990
	Mar qtr 1989	Dec qtr 1989	Mar qtr 1990	Dec qtr 1989 and Mar qtr 1990	Dec qtr 1989 and Mar qtr 1990	Mar qtr 1990	Dec qtr 1989	Mar qtr 1990		
FOOD										
Dairy products	180.5	191.4	191.7	0.2	6.2	37.66	37.73	0.07	0.07	
Cereal products	172.9	180.5	184.4	2.2	6.7	2.99	3.06	0.07	0.07	
Meat and seafoods	200.4	209.9	214.7	2.3	7.1	3.92	4.01	0.09	0.09	
Beef and veal	156.4	163.3	165.3	1.2	5.7	6.95	7.03	0.08	0.08	
Lamb and mutton	158.6	170.5	173.6	1.8	9.5	1.98	2.01	0.03	0.03	
Pork	146.8	151.1	157.6	4.3	7.4	0.92	0.96	0.04	0.04	
Poultry	158.0	166.5	167.0	0.3	5.7	0.35	0.35	0.00	0.00	
Bacon and ham	145.3	152.9	151.6	-0.9	4.3	0.76	0.75	-0.01	-0.01	
Processed meat	139.2	146.0	145.6	-0.3	4.6	0.65	0.64	-0.01	-0.01	
Fish	148.7	159.0	161.5	1.6	8.6	1.34	1.36	0.02	0.02	
Fresh fruit and vegetables	225.2	216.3	214.7	-0.7	-4.7	0.95	0.94	-0.01	-0.01	
Processed fruit and vegetables	199.4	230.3	198.1	-14.0	-0.7	4.04	3.47	-0.57	-0.57	
Soft drinks - ice cream & conf.	188.6	200.1	205.0	2.4	8.7	1.74	1.78	0.04	0.04	
Meals out and take away foods	195.6	207.3	212.1	2.3	8.4	5.54	5.66	0.12	0.12	
Other food	193.4	203.7	208.3	2.3	7.7	9.26	9.47	0.21	0.21	
	171.2	177.8	178.7	0.5	4.4	3.22	3.24	0.02	0.02	
CLOTHING										
Men's and boys' clothing	175.9	184.9	185.0	0.1	5.2	13.53	13.53	0.00	0.00	
Women's and girls' clothing	169.3	177.6	176.0	-0.9	4.0	3.82	3.78	-0.04	-0.04	
Fabrics and knitting wool	178.0	188.3	188.8	0.3	6.1	6.19	6.21	0.02	0.02	
Footwear	185.6	189.9	192.0	1.1	3.4	0.92	0.93	0.01	0.01	
Dry cleaning and shoe repairs	174.2	181.6	181.8	0.1	4.4	2.10	2.10	0.00	0.00	
	194.1	207.9	212.8	2.4	9.6	0.51	0.52	0.01	0.01	
HOUSING										
Rents	197.7	226.8	231.4	2.0	17.0	31.58	32.22	0.64	0.64	
Privately-owned dwelling rents	213.1	225.4	228.0	1.2	7.0	9.59	9.70	0.11	0.11	
Government-owned dwelling rents	209.5	221.7	224.5	1.3	7.2	8.72	8.83	0.11	0.11	
Home ownership	241.9	255.1	255.3	0.1	5.5	0.87	0.87	0.00	0.00	
Mortgage interest charges(a)	191.2	227.7	233.2	2.4	22.0	21.99	22.52	0.53	0.53	
Local govt. rates & charges	122.4	153.6	158.8	3.4	29.7	14.78	15.29	0.51	0.51	
House repairs and maintenance	200.9	220.5	220.5	0.0	9.8	3.60	3.60	0.00	0.00	
House insurance	174.6	184.4	186.4	1.1	6.8	2.81	2.84	0.03	0.03	
	186.2	198.8	197.9	-0.5	6.3	0.80	0.79	-0.01	-0.01	
HOUSEHOLD EQUIPMENT AND OPERATION										
Fuel and light	183.1	190.7	193.5	1.5	5.7	35.40	35.93	0.53	0.53	
Furniture and floor coverings	201.4	209.4	210.1	0.3	4.3	4.56	4.58	0.02	0.02	
Appliances	183.8	194.2	198.3	2.1	7.9	8.20	8.20	0.00	0.00	
Household textiles	142.0	145.7	145.0	-0.5	2.1	2.83	2.81	-0.02	-0.02	
Household utensils and tools	177.0	187.6	189.2	0.9	6.9	1.34	1.35	0.01	0.01	
Household supplies and services	199.0	204.4	207.9	1.7	4.5	3.39	3.45	0.06	0.06	
Postal and telephone services	189.2	192.8	195.3	1.3	3.2	7.40	7.49	0.09	0.09	
Consumer credit charges (a)	160.7	158.6	159.0	0.3	-1.1	2.60	2.61	0.01	0.01	
	118.5	130.0	134.7	3.6	13.7	5.25	5.44	0.19	0.19	

For footnotes see page 10.

TABLE 7. CONSUMER PRICE INDEX - GROUPS, SUB-GROUPS AND SELECTED EXPENDITURE CLASSES : WEIGHTED AVERAGE OF EIGHT CAPITAL CITIES - continued

Group, Sub-group and Expenditure class	Index numbers (Base of each index: Year 1980-81=100.0)				Percentage Change between				Contribution to total CPI (expressed as All Groups index points)				Change between Dec qtr 1989 and Mar qtr 1990	
	Mar qtr 1989	Dec qtr 1989	Mar qtr 1990	Dec qtr 1989 and Mar qtr 1990	Dec qtr 1989 and Mar qtr 1990	Mar qtr 1989 and Mar qtr 1990	Dec qtr 1989	Mar qtr 1990	Dec qtr 1989	Mar qtr 1990	Dec qtr 1989	Mar qtr 1990	Dec qtr 1989	Mar qtr 1990
TRANSPORTATION														
Private motoring	193.6	207.4	212.7	2.6	9.9	33.18	34.03	0.85						
Motor vehicles	191.5	205.0	210.5	2.7	9.9	31.19	32.02	0.83						
Automotive fuel	219.6	227.4	229.6	1.0	4.6					11.41	11.52	8.93	0.11	
Vehicle insurance	152.9	176.2	187.6	6.5	22.7					8.38	8.34	4.34	0.07	
Motoring charges	232.9	255.6	259.4	1.5	11.4					4.27	1.54	1.54	0.01	
Tyres and tubes	186.9	191.6	193.3	0.9	3.4					1.53	0.44	0.45	0.01	
Vehicle serv. repairs & parts	159.4	162.7	165.6	1.8	3.9					0.44	5.17	5.25	0.08	
Urban transport fares	195.0	200.4	203.8	1.7	4.5					5.17	2.00		0.02	
	215.8	232.7	234.9	0.9	8.9	1.98								
TOBACCO AND ALCOHOL														
Alcoholic drinks	210.1	223.9	228.9	2.2	8.9	16.40	16.76	0.36						
Beer	193.2	204.2	207.7	1.7	7.5	11.61	11.81	0.20						
Wine	197.9	208.8	213.7	2.3	8.0					6.89	7.05	7.05	0.16	
Spirits	168.7	176.5	175.9	-0.3	4.3					2.36	2.35	2.35	-0.01	
Cigarettes and tobacco	193.5	207.9	211.9	1.9	9.5					2.36	4.95	2.41	0.16	
	255.7	278.0	287.5	3.4	12.4	4.79								
HEALTH AND PERSONAL CARE														
Health services	191.1	195.5	203.0	3.8	6.2	11.50	11.95	0.45						
Personal care products	184.3	193.1	196.3	1.7	6.5	6.74	6.85	0.11						
Hairstressing services	201.5	195.1	212.1	8.7	5.3	3.47	3.77	0.30						
	186.9	196.7	201.4	2.4	7.8	1.29	1.33	0.04						
RECREATION AND EDUCATION(b)														
Books - newspapers and magazines	163.2	170.8	174.7	2.3	7.0	21.42	21.91	0.49						
Recreational goods	227.0	228.1	233.7	2.5	3.0	2.41	2.47	0.06						
Holiday travel and accomm.(b)	124.7	125.2	124.7	-0.4	0.0	4.93	4.91	-0.02						
Recreational services	167.1	185.4	185.3	-0.1	10.9	6.55	6.55	0.00						
Education and child care(b)	201.3	211.7	217.4	2.7	8.0	4.75	4.88	0.13						
	205.2	208.2	232.5	11.7	13.3	2.78	3.11	0.33						
ALL GROUPS	188.0	200.7	204.1	1.7	8.6	200.7	204.1	3.4						

(a) Base : December quarter 1986 = 100.0. (b) Base : March quarter 1982 = 100.0.

TABLE 8. CONSUMER PRICE INDEX - SPECIAL SERIES : WEIGHTED AVERAGE OF EIGHT CAPITAL CITIES

	Index numbers (Base of each index: Year 1980-81 = 100.0)			Percentage Change between		Contribution to total CPI (expressed as All Groups index points)			Change between Dec qtr 1989 and Mar qtr 1990
	Mar qtr 1989	Dec qtr 1989	Mar qtr 1990	Dec qtr 1989 and Mar qtr 1990	Mar qtr 1989 and Mar qtr 1990	Dec qtr 1989	Mar qtr 1990		
ALL GROUPS	188.0	200.7	204.1	1.7	8.6	200.7	204.1	3.4	
SPECIAL SERIES									
All groups - excluding food	190.1	203.2	207.4	2.1	9.1	163.01	166.33	3.32	
All groups - excluding housing	186.4	196.5	199.7	1.6	7.1	169.09	171.84	2.75	
All groups - excl. home ownership	187.7	197.8	201.0	1.6	7.1	178.68	181.54	2.86	
Mortgage interest and consumer credit charges (a)	121.2	146.6	151.7	3.5	25.2	20.04	20.73	0.69	
All groups excl. mortgage int. and consumer credit charges (a) and medical services	116.0	122.2	124.0	1.5	6.9	180.63	183.33	2.70	
All groups - goods component (b)	188.5	201.3	204.7	1.7	8.6	195.82	199.13	3.31	
All groups-services comp. (c)	183.3	192.6	195.2	1.3	6.5	124.93	126.64	1.71	
Selected State and local govt. charges (d)	198.8	218.0	222.8	2.2	12.1	75.75	77.42	1.67	
All groups - excl. selected State and local govt. charges (d)	219.3	233.4	233.6	0.1	6.5	12.14	12.15	0.01	
	185.7	198.3	201.9	1.8	8.7	188.53	191.91	3.38	

(a) Base : December quarter 1986 = 100.0. (b) The special series 'All groups, goods component' comprises the Food group (except meals out); Clothing group (except dry cleaning and shoe repairs); Household equipment and operation group (except veterinary services, house contents insurance, repairs to appliances, postal and telephone services and consumer credit charges); Tobacco and alcohol group; materials used in house repairs and maintenance; motor vehicles; automotive fuel; tyres and tubes; parts used in vehicle service and repairs; personal care products; books, newspapers and magazines; and recreational goods. (c) The 'All groups, services component' comprises all items not included in the 'All groups, goods component'. (d) Selected State and local government charges comprise: government-owned dwelling rents; water and sewerage rates; council property rates and charges; electricity prices; gas prices (Melbourne and Perth only); motor vehicle third party insurance premiums (except Canberra and in part only in Sydney and Brisbane); motor vehicle registration fees; drivers licence fees; urban bus fares (government bus fares only in Sydney and Melbourne, council fares only in Brisbane); urban rail and tram fares (not applicable in Hobart, Canberra and Darwin). The derivations and limitations of these figures was described in the Appendix to the December quarter 1982 issue of this publication.

EXPLANATORY NOTES

Brief description of the CPI

1. The CPI measures quarterly changes in the price of a *basket* of goods and services which account for a high proportion of expenditure by the CPI population group (ie metropolitan wage and salary earner households). This *basket* covers a wide range of goods and services, arranged in the following eight groups: food; clothing; housing; household equipment and operation; transportation; tobacco and alcohol; health and personal care; and recreation and education. Pensioners and other social welfare recipients are not included in the CPI population group and the index does not reflect concessional prices paid by these people such as subsidised government dwelling rents, public transport fares and the like.

2. 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 a booklet entitled *A Guide to the Consumer Price Index* (6440.0) which is available from the ABS on request. A more detailed account is contained in *The Australian Consumer Price Index, Concepts, Sources and Methods* (6461.0).

Prices

4. Prices of goods and services included in the CPI are generally collected quarterly. However, some important items are priced monthly or more frequently (e.g. bread, fresh meat and fish, fresh fruit and vegetables, petrol, alcohol and tobacco) and a small number annually (e.g. seasonal clothing, local government rates and charges).

5. In order to facilitate a more even spread of field collection workload the bulk of the items for which prices are collected quarterly are priced in the first two months of each quarter (ie July/August, October/November, January/February, April/May). With a few exceptions items priced in the third month are those subject to price changes at discrete points of time (e.g. electricity and postal charges, milk); in these cases information about any changes in price during the quarter is obtained so that an average price for the whole quarter can be calculated.

Weighting pattern

6. There are 107 expenditure classes (that is, groupings of like items) in the eleventh series 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 now comprises eleven series of price indexes which have been linked to form a continuous series.

Analysis of CPI changes

8. Movements in indexes from one period to another can be expressed either as changes in *index points* or as percentage changes. The following example illustrates the method of calculating index points changes and percentage changes between any two periods:

All Groups CPI: Weighted average of eight capital cities

Index numbers:

Dec quarter 1989:	200.7 (see Table 1)
less: Sept. quarter 1989:	197.0 (see Table 1)
Change in index points:	+3.7

$$\text{Percentage change} = \frac{+3.7}{197.0} \times 100 = +1.9\%$$

9. In this publication, percentage changes are calculated to illustrate 3 different kinds of movements in index numbers:

- movements between consecutive financial years (where the index numbers for financial years are simple averages of the quarterly index numbers),
- movements between corresponding quarters of consecutive years, and
- movements between consecutive quarters.

10. Table 7 provides a detailed analysis, for the weighted average of eight capital cities, of movements in the CPI since the previous quarter, including information on movements for subgroups and for selected expenditure classes. It also shows the contribution which each group and subgroup makes to the total CPI. For instance, the dairy products subgroup contributed 2.91 index points to the total All Groups index number of 197.0 for September quarter 1989. The final column shows contributions to the change in All Groups index points by each group and subgroup.

11. Table 8 provides summary information about a range of Special series in a similar format to that provided in Table 7.

12. Information on the impact of changes in Selected State and local government charges on the CPI is included in Tables 3 and 8. Table 3 shows the contribution made by changes in these charges to the CPI for each capital city, while Table 8 shows index numbers for two special series *Selected State and local government charges* and *All Groups excluding selected State and local government charges*. An explanation of the derivation and limitations of these figures was published in the Appendix to the December quarter 1982 issue of this publication.

Related publications

13. Users may also wish to refer to the following publications which are available on request:

The Australian Consumer Price Index: Concepts Sources and Methods (6461.0)

A Guide to the Consumer Price Index (6440.0)

Information Paper: The Australian Consumer Price Index: Treatment of Mortgage Interest Charges (6442.0)

House Price Indexes: Eight Capital Cities (6416.0)

Average Retail Prices of Selected Items Eight Capital Cities (6403.0)

Next issue

14. The Consumer Price Index - June quarter 1990 (6401.0) is scheduled to be released on Wednesday 1 August 1990.

Symbols and other usages

n.a. not available

r revised

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.

Electronic services

DISCOVERY Key *656# for selected current economic, (VIATEL). social and demographic statistics.

AUSSTATS. Thousands of up-to-date time series are available on this ABS on-line service through PAXUS COMNET. For further information phone the AUSSTATS Help Desk on (06) 252 6017.

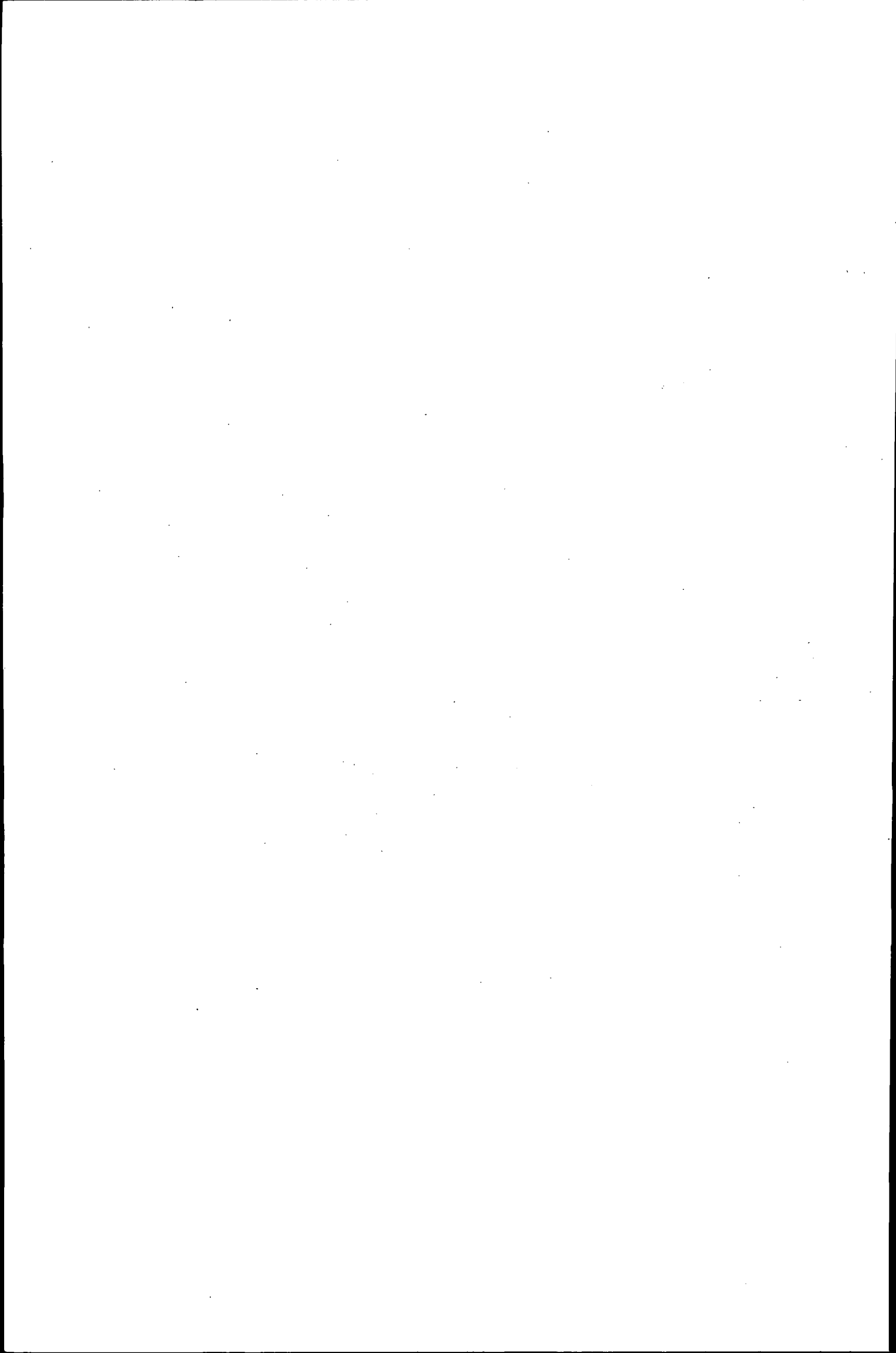
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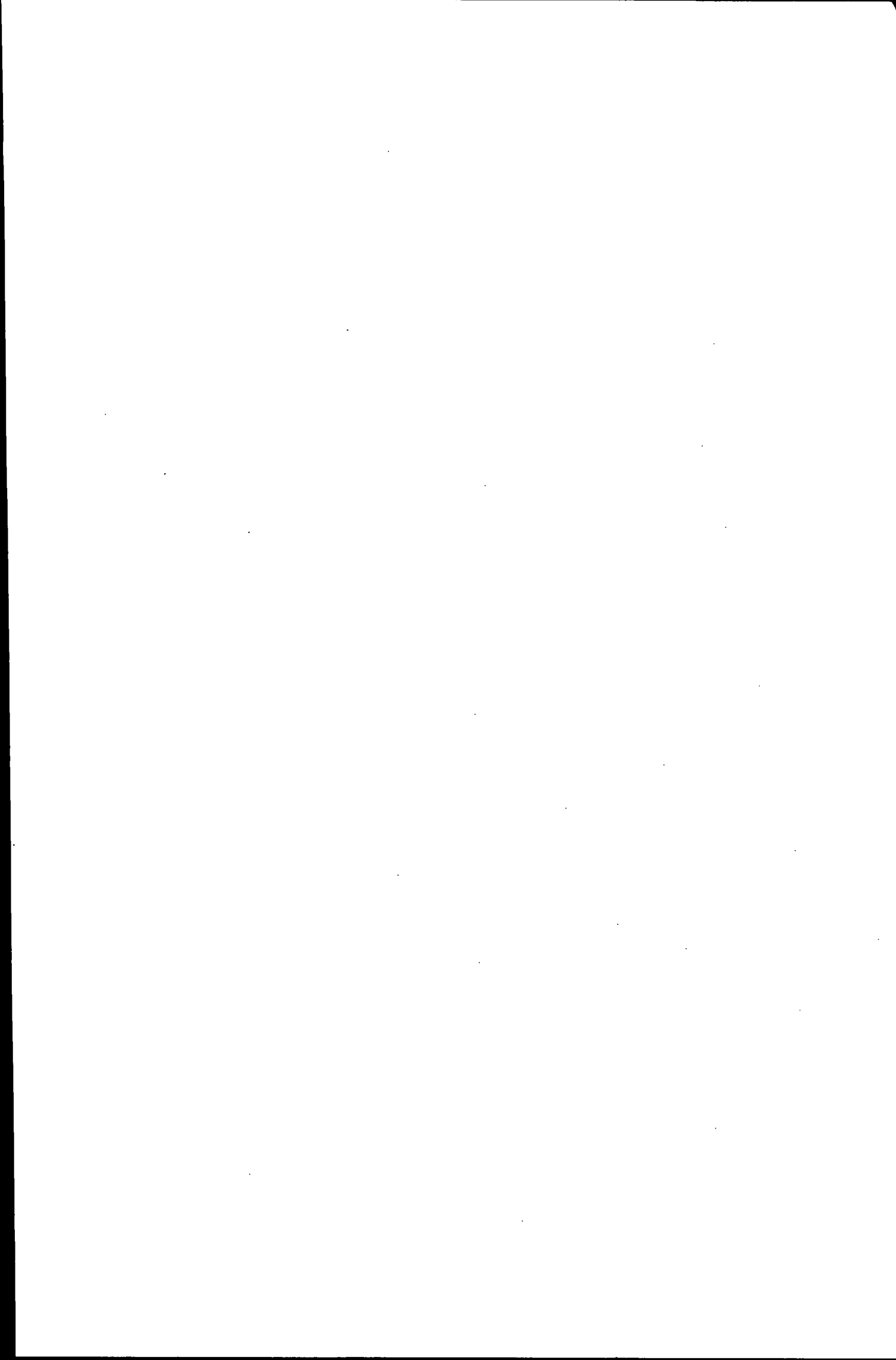
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15. Current publications produced by the ABS are listed in the *Catalogue of Publications and Products, Australia* (1101.0). The ABS also issues, on Tuesdays and Fridays, a *Publications Advice* (1105.0) which lists publications to be released in the next few days. The catalogue and Publications Advice are available from any ABS office.





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