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INTERIM RETAIL PRICE INDEX
MARCH QUARTER, 1957

1. Particulars concerning variations in retail prices as measured by the Interim Retail Price Index for the six State capital cities of Australia are given herein.
2. This Interim Retail Price Index was instituted in March, 1954, with post-war weights and components. It is published quarterly and is described in "Annual Labour Report" No. 43 (1954).
3. During September Quarter, 1956, supplies of potatoes and onions diminished rapidly in most cities and towns and abnormal price increases occurred in all States except Western Australia. As the new crop of these vegetables restored supplies progressively during December Quarter, 1956, their prices receded again very rapidly in most cities, and this fall (particularly in the price of potatoes) continued into March Quarter, 1957, except in Western Australia.
4. These very large seasonal fluctuations, first upward then downward, affected the movement of the Aggregate All Groups Index in most cities from September Quarter, 1956, to March Quarter, 1957, and caused disparate movements in the aggregate indexes for respective cities.
5. In order to provide an indication of the recent trend of the index in respect of items not materially affected by seasonal factors, an All Groups Index which excludes the effects of movements in the prices of potatoes and onions is shown herein in comparison with the Aggregate All Groups Index mentioned in paragraph 4 above.
6. An approximate analysis for each capital city is shown hereunder and a corresponding analysis for the weighted average of the six capital cities is shown on page 4:-

Analysis of Movements in Interim Retail Price Index
Six Capital Cities - (Base : Year 1952-53 = 100)

	Interim Index Points					
	Exclud- ing Potatoes and Onions	Movement due to Potatoes and Onions	Aggre- gate All Groups	Exclud- ing Potatoes and Onions	Movement due to Potatoes and Onions	Aggre- gate All Groups
	SYDNEY			MELBOURNE		
Index points for June Quarter, 1956	107.0	(+1.5a	108.5	111.6	(+1.7a	113.3
Movement during Sept. Quarter	(+4.2	(+1.3	(+5.5	(+0.7	(+1.7	(+2.4
Index points for Sept. Quarter, 1956	111.2	(+2.8a	114.0	112.3	(+3.4a	115.7
Movement during Dec. Quarter	(+1.4	(-1.6	(-0.2	(+0.8	(-1.0	(-0.2
Index points for Dec. Quarter, 1956	112.6	(+1.2a	113.8	113.1	(+2.4a	115.5
Movement during March Quarter	(+1.1	(-1.2	(-0.1	(+0.6	(-2.0	(-1.4
Index points for March Quarter, 1957	113.7	- a	113.7	113.7	(+0.4a	114.1
	BRISBANE			ADELAIDE		
Index points for June Quarter, 1956	107.7	(+1.8a	109.5	108.4	(+1.3a	109.7
Movement during Sept. Quarter	(+1.0	(+1.4	(+2.4	(+0.2	(+1.7	(+1.9
Index points for Sept. Quarter, 1956	108.7	(+3.2a	111.9	108.6	(+3.0a	111.6
Movement during Dec. Quarter	(+0.8	(-1.5	(-0.7	(+0.1	(-0.8	(-0.7
Index points for Dec. Quarter, 1956	109.5	(+1.7a	111.2	108.7	(+2.2a	110.9
Movement during March Quarter	(+1.4	(-1.2	(+0.2	(+1.0	(-2.2	(-1.2
Index points for March Quarter, 1957	110.9	(+0.5a	111.4	109.7	- a	109.7
	PERTH			HOBART		
Index points for June Quarter, 1956	115.0	(+0.2a	115.2	114.1	(+1.0a	115.1
Movement during Sept. Quarter	(+1.1	(+0.3	(+1.4	(+2.3	(+0.9	(+3.2
Index points for Sept. Quarter, 1956	116.1	(+0.5a	116.6	116.4	(+1.9a	118.3
Movement during Dec. Quarter	(+1.1	(-0.1	(+1.0	(+1.3	(-0.2	(+1.1
Index points for Dec. Quarter, 1956	117.2	(+0.4a	117.6	117.7	(+1.7a	119.4
Movement during March Quarter	(+1.2	(-0.1	(+1.1	(+0.8	(-1.3	(-0.5
Index points for March Quarter, 1957	118.4	(+0.3a	118.7	118.5	(+0.4a	118.9

(a) Cumulative from base period. (+) Denotes increase. (-) Denotes decrease.

A corresponding analysis for December Quarter, 1955, and March Quarter, 1956, appears in Bulletin No. S.B.453 containing the index for September Quarter, 1956.

7. Comparative average retail prices of potatoes for the six capital cities are shown hereunder:-

AVERAGE PRICE OF POTATOES

Pence per 7 lbs.

	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Weighted Average of Six Capitals
March Qtr. 1952	42	35	36	35	25	41	37
" " 1953	40	27	31	25	28	37	33
" " 1954	40	31	52	30	29	35	37
" " 1955	38	27	44	29	28	43	34
Sept. " 1955	54	49	59	44	37	51	51
Dec. " 1955	56	56	46	54	33	60	53
March " 1956	66	59	71	46	31	67	60
June " 1956	88	82	80	64	37	67	79
Sept. " 1956	127	129	116	110	37	90	118
Dec. " 1956	81	99	76	88	44	88	85
March " 1957	47	41	45	30	44	52	43
Month of March, 1957	52	45	53	32	44	55	47

8. The observations in these Statistical Bulletins are made, as is customary, to assist public understanding of the trends in retail prices within the definition of the respective indexes.

9. Tribunals and other authorities concerned with wage adjustment and other purposes decide in the light of their own requirements what price index (if any) is relevant to their purposes and how it shall be applied. The Statistician's function is to supply indexes and information thereon as required by those authorities. The Statistician expresses no view as to the merits or demerits of the use of price indexes in this connection.

10. Group and aggregate Interim Retail Price Index Numbers are shown below:-

TABLE 1 : INTERIM RETAIL PRICE INDEX - GROUP INDEXES

Weighted Average of Six Capital Cities
(Base : Year 1952-53 = 100)(a)

Period	Food		Clothing and Drapery	Rent	Other Items	Aggregate All Groups	
	A	B				A	B
Year ended June -							
1953	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1954	102.8	103.7	101.6	105.0	100.9	102.2	102.5
1955	104.8	104.6	102.4	109.6	101.4	103.7	103.6
1956	108.1	110.6	103.3	115.5	106.4	107.0	108.0
Quarter -							
1953 : September	102.4	103.9	101.5	103.3	101.0	101.9	102.4
December	101.4	103.4	101.6	103.9	100.5	101.5	102.2
1954 : March	103.7	104.0	101.8	104.9	101.2	102.6	102.7
June	103.8	103.7	101.5	107.7	100.9	102.7	102.7
September	103.6	103.0	101.6	108.9	101.2	102.9	102.7
December	104.3	103.7	102.3	109.3	101.2	103.4	103.2
1955 : March	105.3	105.3	102.4	109.7	101.2	103.8	103.8
June	106.0	106.4	103.3	110.5	101.9	104.5	104.7
September	106.7	108.2	103.3	111.4	102.8	105.1	105.7
December	107.0	109.0	103.4	112.0	106.2	106.3	107.0
1956 : March	108.2	110.6	103.3	118.8	106.7	107.4	108.3
June	110.7	114.5	103.4	119.7	110.1	109.4	110.8
September	111.9	119.6	103.8	120.6	115.6	111.5	114.4
December	111.6	116.2	105.3	121.5	117.8	112.5	114.2
1957 : March	112.6	113.2	106.3	123.1	118.5	113.5	113.7

(a) Figures appearing after the decimal point in the tables herein possess little significance for general statistical purposes. They are inserted to avoid the minor distortions that would occur in rounding off the figures to the nearest whole number.

The index in Column "A" excludes, and that in Column "B" includes, potatoes and onions. See paragraphs 3 to 6 on page 1 of this Bulletin.

11. The next table shows aggregate Interim Retail Price Index Numbers for each of the six State capital cities individually in comparison with the weighted average index for the six State capitals combined:-

**TABLE 2 : INTERIM RETAIL PRICE INDEX
FOR SIX CAPITAL CITIES, SEPARATELY AND COMBINED**
(Base of Index for Each City and for Six Capital Cities :
Year 1952-53 = 100)(a)

Period	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Six Capital Cities (b)
Aggregate - All Groups							
Year ended June -							
1951	74.6	75.2	76.4	74.7	74.5	73.1	74.9
1952	91.7	91.0	92.7	90.9	90.7	89.9	91.4
1953	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1954	102.2	102.4	103.0	102.0	103.9	106.6	102.5
1955	103.1	102.7	104.0	103.6	109.6	105.6	103.6
1956	106.1	109.5	107.1	107.2	112.7	111.5	108.0
Quarter -							
1954 March	102.6	102.4	103.8	102.0	103.3	106.7	102.7
June	102.2	102.3	103.3	102.0	107.6	105.3	102.7
September	102.2	101.8	102.8	102.5	109.0	105.1	102.7
December	102.9	102.2	103.6	102.8	108.7	104.9	103.2
1955 March	103.4	102.9	104.5	103.5	109.3	105.8	103.8
June	103.8	104.0	105.1	105.4	111.2	106.6	104.7
September (c)	104.6	105.8	105.6	106.0	111.1	108.2	105.7
December (c)	105.4	108.3	106.0	106.4	111.6	109.6	107.0
1956 March (c)	106.2	110.4	107.3	106.8	113.1	113.0	108.3
June (c)	108.5	113.3	109.5	109.7	115.2	115.1	110.8
September (c)	114.0	115.7	111.9	111.6	116.6	118.3	114.4
December (c)	113.8	115.5	111.2	110.9	117.6	119.4	114.2
1957 March (c)	113.7	114.1	111.4	109.7	118.7	118.9	113.7

All Groups EXCLUDING Potatoes and Onions (c)

Period	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Six Capital Cities (b)
Year ended June -							
1956	105.3	108.4	105.9	106.3	112.6	110.6	107.0
Quarter -							
1955 September	104.1	105.1	104.6	105.4	110.8	107.7	105.1
December	104.8	107.3	105.4	105.4	111.5	108.6	106.3
1956 March	105.3	109.4	105.8	106.1	113.1	111.9	107.4
June	107.0	111.6	107.7	108.4	115.0	114.1	109.4
September	111.2	112.3	108.7	108.6	116.1	116.4	111.5
December	112.6	113.1	109.5	108.7	117.2	117.7	112.5
1957 March	113.7	113.7	110.9	109.7	118.4	118.5	113.5

(a) Figures appearing after the decimal point in the tables herein possess little significance for general statistical purposes. They are inserted to avoid the minor distortions that would occur in rounding off the figures to the nearest whole number.
(b) Weighted average. (c) See paragraphs 3 to 6 on page 1 of this Bulletin.

12. The above indexes measure price movements for each city individually and the difference in degree of price movement in respective cities over the periods shown. But they do not provide a comparison of absolute retail price levels in any city with the retail price levels of any other city.

13. The Interim Retail Price Index was first published and described in S.S.265 of 24th March, 1954. It has been compiled for the years 1950-51 to 1955-56 and for each quarter from September quarter, 1952. The list of items covered by the index is representative of a high proportion of expenditure of wage earner households. The group weights and the item weights of the Interim Index relate broadly to the consumption pattern of 1950-1953. Those of the "C" Series Index relate to the pre-war pattern.

14. The list of items in the Interim Index is more comprehensive than that of the "C" Series Index and some of the principal food weights and group weights differ substantially from those used in the "C" Series Index. A comparison of group weights and of the list of items in the respective indexes is shown on pages 10-12 of the annual "Labour Report" No. 43 (1954).

15. Latterly some appreciable disparities have begun to appear in the movement of the respective indexes for individual cities from quarter to quarter. The Interim Index, being based on recent weights and an extended list of items, is the more accurate measure of quarterly retail price variations.

16. In view of the circumstances described briefly on page 1 of this Bulletin the following analysis is provided of the movements in the Interim Retail Price Index for the six capital cities combined (Base year 1952-53 = 100) in comparison with those of the "C" Series Index converted arithmetically to the same base year:-

Approximate Analysis of Movements in the "Interim" and "C" Series Retail Price Indexes
Weighted Average Six Capital Cities

	Index Points (Base : Year 1952-53 = 100)					
	Exclud- ing Potatoes and Onions	Movement due to Potatoes and Onions(a)	Aggre- gate All Groups	Exclud- ing Potatoes and Onions	Movement due to Potatoes and Onions(b)	Aggre- gate All Groups
	<u>"C" Series Index</u>			<u>Interim Index</u>		
Index points for March Quarter, 1956	107.8	(+)1.2a	109.0	107.4	(+)0.9b	108.3
Movement during June Quarter	(+)1.9	(+)0.9	(+)2.8	(+)2.0	(+)0.5	(+)2.5
Index points for June Quarter, 1956	109.7	(+)2.1a	111.8	109.4	(+)1.4b	110.8
Movement during Sept. Quarter	(+)1.4	(+)2.4	(+)3.8	(+)2.1	(+)1.5	(+)3.6
Index points for Sept. Quarter, 1956	111.1	(+)4.5a	115.6	111.5	(+)2.9b	114.4
Movement during Dec. Quarter	(+)0.6	(-)2.0	(-)1.4	(+)1.0	(-)1.2	(-)0.2
Index points for Dec. Quarter, 1956	111.7	(+)2.5a	114.2	112.5	(+)1.7b	114.2
Movement during March Quarter	(+)0.9	(-)2.3	(-)1.4	(+)1.0	(-)1.5	(-)0.5
Index points for March Quarter, 1957	112.6	(+)0.2a	112.8	113.5	(+)0.2a	113.7

(a) Cumulative from and including September Quarter, 1955. (b) Cumulative from base period. (+) Denotes increase. (-) Denotes decrease.

17. The following table shows the Interim Index for the Six Capital Cities combined (with the year 1952-53 as base = 100) in comparison with "C" Series Index numbers converted arithmetically to the same base year.

TABLE 3 : COMPARATIVE MOVEMENTS IN RETAIL PRICES (Base : Year 1952-53 = 100) (a)

Period	Six Capital Cities (Weighted Average)			
	<u>"C" Series Index</u>		<u>Interim Index</u>	
	A	B	A	B
Year ended June - 1953		100.0	100.0	100.0
1954		102.8	102.2	102.5
1955		103.7	103.7	103.6
1956	A	B		
Quarter - 1953 : September	107.5	108.8	107.0	108.0
December		102.7	101.9	102.4
1954 : March		102.9	101.5	102.2
June		102.9	102.6	102.7
September		102.8	102.7	102.7
December		102.6	102.9	102.7
1955 : March		103.2	103.4	103.2
June		103.9	103.8	103.8
		105.0	104.5	104.7
1956 : September	A	B		
December	105.9	106.6	105.1	105.7
1956 : March	106.7	107.7	106.3	107.0
June	107.8	109.0	107.4	108.3
September	109.7	111.8	109.4	110.8
December	111.1	115.6	111.5	114.4
1957 : March	111.7	114.2	112.5	114.2
	112.6	112.8	113.5	113.7

(a) See note to Table 1 herein.

The index in Column A excludes, and that in Column B includes potatoes and onions. See paragraphs 3 to 6 on page 1 of this Bulletin.

18. The rental component used in these retail price indexes has been continued on the basis described on pages 2 and 10 of "Labour Report" No. 41 (1952). Analysis of data of the Census of 1954 and current surveys now being made show that in most cities the numbers of houses privately rented are diminishing very rapidly and that rents of the residual houses (alone) are no longer sufficiently representative as the housing component of the retail price indexes. A new and more comprehensive housing component will be prepared before the end of 1957.

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