

COMMONWEALTH BUREAU OF CENSUS AND STATISTICS

CANBERRA, AUSTRALIA

To be treated as strictly **CONFIDENTIAL** and **NOT** to be published, broadcast or cabled before 6 P.M. on **WEDNESDAY 20 JANUARY 1971**

CONSUMER PRICE INDEX - DECEMBER QUARTER 1970

Variations in retail prices as measured by the Consumer Price Index for the six State capital cities and Canberra are shown herein.

2. Compared with the previous quarter, the All Groups Consumer Price Index for December Quarter 1970 increased by 1.9% for the weighted average of the six State capital cities. Changes in individual cities were : Sydney +2.0%, Melbourne +1.7%, Brisbane +2.0%, Adelaide +1.7%, Perth +1.7%, Hobart +2.0%, Canberra +3.2%.

3. Recent quarterly changes in the All Groups index have been as follows:

Percentage Change from Preceding Quarter

Quarter	State Capital Cities - Combined and Separately							Canberra
	Six Capitals	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	
	(a)							
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
1968-69 -								
December	+1.1	+1.4	+0.9	+0.6	+1.0	+0.6	+0.8	+0.4
March	+0.7	+0.8	+0.6	+0.5	+0.3	+0.7	+0.7	+0.9
June	+0.8	+0.8	+0.6	+0.5	+0.9	+1.3	+0.5	+0.4
1969-70 -								
September	+0.6	+0.7	+0.4	+0.8	+0.5	+0.7	+0.4	+0.8
December	+0.8	+1.1	+0.7	+0.7	+0.4	+0.9	+0.7	+0.7
March	+1.0	+1.6	+0.6	+0.9	+1.0	+1.1	+0.7	+1.2
June	+1.3	+1.4	+1.1	+0.7	+1.5	+1.4	+0.6	+0.9
1970-71 -								
September	+0.6	+0.9	+0.5	+1.3	-0.1	+0.2	+0.5	+0.6
December	+1.9	+2.0	+1.7	+2.0	+1.7	+1.7	+2.0	+3.2

(a) Weighted average of six State capital cities.

4. The All Groups index number for the weighted average of the six State capital cities increased by 4.9% between December Quarter 1969 and December Quarter 1970. Recent quarterly changes in each of the groups of this index have been as follows:

Quarter	Weighted Average of Six State Capital Cities					
	Percentage Change from Preceding Quarter					
	Food	Clothing and Drapery	Housing	Household Supplies and Equipment	Miscellaneous	All Groups
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
1968-69 -						
December	+0.2	+0.8	+1.9	+0.6	+2.1	+1.1
March	+0.2	+0.3	+0.9	+0.3	+1.1	+0.7
June	+0.9	+0.8	+1.4	+0.7	+0.4	+0.8
1969-70 -						
September	..	+0.8	+1.4	..	+1.0	+0.6
December	+0.5	+1.1	+1.7	+0.2	+0.8	+0.8
March	+1.5	+0.7	+1.3	+0.1	+1.0	+1.0
June	+1.3	+0.9	+1.8	+0.7	+1.3	+1.3
1970-71 -						
September	+0.7	+0.3	+1.6	+0.7	+0.2	+0.6
December	+1.0	+1.6	+2.1	+1.1	+3.3	+1.9

Reference No. 9.1

LIBRARY
27 JAN 1971
COMMONWEALTH
BUREAU OF CENSUS & STATS.

5. A detailed description of the Consumer Price Index is contained in Labour Report No. 53, 1967.

6. The Consumer Price Index measures quarterly variations in prices of commodities and services as affecting a high proportion of the expenditure of wage-earner households in the aggregate. Changes in the pattern of this expenditure since 1950 have been such as to render it necessary to construct the index with additional items and changes in weighting patterns at intervals (rather than on the basis of a list of items and set of weights which remained unchanged throughout the period). Six series for short periods, viz., September Quarter 1948 to June Quarter 1952; June Quarter 1952 to June Quarter 1956; June Quarter 1956 to March Quarter 1960; March Quarter 1960 to December Quarter 1963; December Quarter 1963 to December Quarter 1968; and from December Quarter 1968 have therefore been constructed and linked to form a continuous retail price index series published herein as the Consumer Price Index. At times of linking the weighting pattern was altered and, in addition, new items (mainly ones that had become significant in household expenditure) were introduced. In each period between links the items and weighting have remained unchanged.

7. The quarterly prices for food items used in the index are the averages of prices normally collected as at the middle of each of the three months of the quarter. However, for potatoes and for onions from December quarter 1968, weekly prices are averaged to arrive at monthly prices. Prices of all non-food items are collected at regular quarterly intervals (or at annual intervals with items such as local government rates and seasonal clothing) normally as at the middle of the mid-month of each quarter. However, for furniture, major household appliances and motoring items (other than motor car) the collection is made during the first month of each quarter to facilitate field collection arrangements.

8. The indexes measure price movements in each city individually. They do not provide a comparison of the retail price level in any city with the retail price level of any other city.

9. Table 1 on page 5 of this Bulletin shows Consumer Price Index numbers for each fiscal year from 1960-61 to 1969-70 and for each quarter from September Quarter 1966. Table 2 on pages 6 and 7 shows Group Index numbers quarterly from September Quarter 1968 to December Quarter 1970.

10. Movements of the indexes from one date to another are usually expressed as percentage changes rather than changes in the "index points" because "index point" changes are affected by the level of the index in relation to its base period while percentage changes are not. In this bulletin details are given in terms of percentage changes in paragraphs 2, 3 and 4. However, the analysis in paragraph 11 shows movements in terms of All Groups "index points". This analysis shows the contribution of selected items and of the five groups to movements in the total indexes. The following example illustrates the computation of "index point" and percentage changes:

All Groups : Weighted Average of Six State Capital Cities

Index Point Change	Percentage Change
December Quarter 1970 CPI (1966-67 = 100) 114.0	Index points difference divided by the index for the previous period
less September Quarter 1970 CPI 111.9	$\frac{114.0 - 111.9}{111.9} \times 100 = 1.9\%$
Index points difference 2.1	

11. The following table is provided to assist interpretation of movements shown by the Consumer Price Index from September Quarter 1970 to December Quarter 1970. A supplement (Reference No. 9.7) containing more detailed information for the weighted average of the six State capital cities is available on request.

CONSUMER PRICE INDEX

Movements from September Quarter 1970 to December Quarter 1970

Approximate Analysis in Terms of "All Groups" Index Points (a) (b)

Group	State Capital Cities - Combined and Separately							Canberra
	Six Capitals	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	
	(a)							
Index Points (a)								
Food - Meat	..	+0.1	-0.1	+0.6	-0.1	-0.2	-0.1	+0.1
Potatoes	+0.1	+0.1	+0.2	..	+0.2	..	+0.2	+0.1
Other	+0.2	+0.2	+0.1	+0.1	+0.1	+0.2	+0.4	+0.2
Clothing & Drapery	+0.2	+0.3	+0.2	+0.3	+0.2	+0.2	+0.2	+0.2
Housing	+0.4	+0.3	+0.4	+0.1	+0.5	+0.4	+0.3	+1.6
Household Supplies and Equipment	+0.2	+0.2	+0.1	+0.1	+0.1	+0.1	+0.1	..
Miscellaneous - Motoring	+0.3	+0.3	+0.2	+0.3	+0.3	+0.3	+0.3	+0.4
Tobacco and Cigarettes	+0.3	+0.3	+0.3	+0.3	+0.3	+0.3	+0.3	+0.3
Beer	+0.1	+0.2	+0.1	+0.3	+0.3	+0.2
Postal and Telephone Services	+0.2	+0.2	+0.2	+0.2	+0.2	+0.2	+0.2	+0.2
Other	+0.1	+0.1	+0.2	+0.2	+0.1	+0.1	..	+0.2
Total Change (Index Points)	+2.1	+2.3	+1.9	+2.2	+1.9	+1.9	+2.2	+3.5

(a) See explanation in paragraph 10 on page 2. (b) In terms of 1966-67 base.

(c) Weighted average of six State capital cities.

12. A summary of the movements of the various group indexes, together with the main quarterly price changes which affected the index between September Quarter 1970 and December Quarter 1970, is shown below.

Food Group. Changes in meat and potato prices are frequently the major cause of movements in the total index and of disparate movements between cities. The effects of changes in the price of these items in each city for this quarter are shown in the table in paragraph 11 of this bulletin.

The price of milk increased in Sydney and Hobart and the price of ice cream rose in five State capital cities. Egg prices decreased in four cities and increased in two.

The Food Group of the index (weighted average of the six State capital cities) showed an overall quarterly increase of 1.0%.

Clothing and Drapery Group. The index for the weighted average of the six State capital cities showed a quarterly increase of 1.6%, with about half of the increase being due to increases in the prices of summer seasonal items. There were increases in all sections of the group.

Housing Group. Local government rates and charges increased in five State capital cities. There were increases in rents of government owned houses in Melbourne and Canberra. Increases also occurred in all other sections of the group.

The group index number for the weighted average of the six State capital cities showed a quarterly increase of 2.1%.

Household Supplies and Equipment Group. The price of electricity increased in Sydney and decreased in Canberra. There were increases in all sections of the group.

The group index for the weighted average of the six State capital cities showed a quarterly increase of 1.1%.

Miscellaneous Group. The prices of tobacco and cigarettes, petrol, motor repairs and motor cars and charges for postal and telephone services increased in all cities. The price of beer increased in five cities. Hairdressing prices increased in five cities and fares increased in Melbourne and Canberra. The price of hospital services increased in Brisbane.

The group index for the weighted average of the six State capital cities showed a quarterly increase of 3.3%.

J. P. O'NEILL
ACTING COMMONWEALTH STATISTICIAN

COMMONWEALTH BUREAU OF CENSUS AND STATISTICS

CANBERRA, A.C.T. 2600

20 JANUARY 1971

NOTE. Inquiries concerning these statistics may be made in Canberra by telephoning 63 9111 extension 2054 or, in each State capital, by telephoning the office of the Bureau of Census and Statistics.

TABLE 1.
CONSUMER PRICE INDEX
ALL GROUPS - SIX STATE CAPITAL CITIES AND CANBERRA

(Base of Index for Each City and for Six State Capital Cities combined :
Year 1966-67 = 100.0) (a)

Period	State Capital Cities - Combined and Separately							Canberra
	Six Capitals (b)	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	
Year -								
1960-61	89.2	89.6	89.5	87.1	89.8	87.9	90.3	90.3
1961-62	89.6	89.9	89.8	88.4	89.5	88.2	90.7	91.6
1962-63	89.8	90.4	89.7	88.7	89.1	88.7	90.7	91.8
1963-64	90.6	91.4	90.4	89.6	90.2	89.8	91.7	92.5
1964-65	94.0	94.5	94.0	93.0	93.9	92.6	94.6	95.3
1965-66	97.4	97.7	97.5	97.5	97.0	96.1	98.0	98.1
1966-67	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1967-68	103.3	103.2	103.7	103.3	102.9	102.9	104.6	102.6
1968-69	106.0	106.2	106.2	105.5	105.3	105.5	106.1	104.4
1969-70	109.4	110.6	108.7	108.4	108.2	109.4	108.5	107.4
Quarter -								
1966-67 -								
September	98.8	98.8	98.9	99.0	98.6	98.8	98.6	98.9
December	99.7	99.9	99.6	99.7	99.7	99.3	99.2	99.7
March	100.1	100.1	100.0	100.3	100.2	100.3	100.6	100.1
June	101.3	101.1	101.6	101.0	101.5	101.6	101.5	101.3
1967-68 -								
September	102.7	102.5	102.9	102.8	102.6	102.0	104.3	102.2
December	103.0	102.9	103.3	103.0	102.1	102.5	105.0	102.4
March	103.4	103.2	103.8	103.7	102.6	103.1	104.6	102.6
June	104.2	104.0	104.8	103.7	104.2	104.0	104.6	103.2
1968-69 -								
September	104.6	104.4	105.1	104.7	104.2	104.3	105.0	103.5
December	105.7	105.9	106.0	105.3	105.2	104.9	105.8	103.9
March	106.4	106.7	106.6	105.8	105.5	105.6	106.5	104.8
June	107.2	107.6	107.2	106.3	106.4	107.0	107.0	105.2
1969-70 -								
September	107.8	108.4	107.6	107.2	106.9	107.7	107.4	106.0
December	108.7	109.6	108.3	107.9	107.3	108.7	108.1	106.7
March	109.8	111.3	108.9	108.9	108.4	109.9	108.9	108.0
June	111.2	112.9	110.1	109.7	110.0	111.4	109.6	109.0
1970-71 -								
September	111.9	113.9	110.7	111.1	109.9	111.6	110.2	109.7
December	114.0	116.2	112.6	113.3	111.8	113.5	112.4	113.2

(a) Figures appearing after the decimal point possess little significance for general statistical purposes. They are inserted to avoid the distortions that would occur in rounding off the figures to the nearest whole number. (b) Weighted average of six State capital cities.

TABLE 2.
CONSUMER PRICE INDEX
GROUP INDEXES - SIX STATE CAPITAL CITIES AND CANBERRA

(Base of Each Group Index for Each City and for Six State Capital Cities combined :
Year 1966-67 = 100.0) (a)

Quarter	State Capital Cities - Combined and Separately							Canberra
	Six Capitals (b)	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	
FOOD GROUP								
1968-69 -								
September	105.3	104.1	107.0	103.9	106.8	103.7	105.1	105.3
December	105.5	104.4	107.4	104.1	106.3	103.3	105.3	105.0
March	105.7	105.0	107.1	105.1	105.8	104.1	105.1	104.8
June	106.6	105.9	107.8	105.5	106.7	106.9	105.8	105.3
1969-70 -								
September	106.6	105.5	107.9	106.2	106.3	106.9	105.6	105.7
December	107.1	106.7	108.2	106.9	106.3	106.1	106.0	106.3
March	108.7	109.0	109.2	108.6	107.1	108.4	106.9	107.4
June	110.1	110.0	110.9	109.1	108.6	111.0	106.9	108.5
1970-71 -								
September	110.9	110.8	112.2	110.5	108.2	111.2	108.4	109.5
December	112.0	112.2	112.8	112.8	108.8	111.3	110.1	110.7
CLOTHING AND DRAPERY GROUP								
1968-69 -								
September	103.3	103.3	103.3	103.6	103.4	103.4	103.5	103.4
December	104.1	104.0	104.1	104.1	104.3	104.4	104.5	104.0
March	104.4	104.4	104.3	104.4	104.6	104.7	104.7	104.3
June	105.2	105.0	105.1	105.2	105.6	105.5	105.3	105.0
1969-70 -								
September	106.0	106.0	105.9	105.8	106.2	106.4	106.2	105.9
December	107.2	107.1	107.0	107.0	107.8	107.5	107.6	107.0
March	107.9	107.9	107.8	107.7	108.4	108.0	108.2	107.9
June	108.9	108.8	108.8	108.8	109.8	109.1	109.4	109.0
1970-71 -								
September	109.2	109.2	109.0	109.2	110.0	109.4	109.5	109.2
December	110.9	110.9	110.7	110.9	111.6	111.2	111.0	110.7
HOUSING GROUP								
1968-69 -								
September	106.7	107.5	105.8	108.6	102.9	109.7	105.5	101.4
December	108.7	110.0	107.7	109.2	104.2	112.3	108.4	101.5
March	109.7	111.2	108.4	110.0	105.3	113.7	109.4	102.1
June	111.2	113.3	109.7	110.7	106.3	115.1	110.1	102.4
1969-70 -								
September	112.8	115.7	110.5	112.7	107.4	117.0	110.6	102.7
December	114.7	118.3	111.8	113.0	108.9	119.9	112.3	103.2
March	116.2	120.8	112.6	113.6	109.9	121.2	113.2	106.0
June	118.3	124.8	113.7	114.1	111.0	122.1	114.1	106.4
1970-71 -								
September	120.2	128.1	114.4	115.9	111.7	122.7	115.0	106.9
December	122.7	130.1	117.6	116.8	116.0	125.5	117.0	118.8

(a) Figures appearing after the decimal point possess little significance for general statistical purposes. They are inserted to avoid the distortions that would occur in rounding off the figures to the nearest whole number. (b) Weighted average of six State capital cities.

TABLE 2. - continued
CONSUMER PRICE INDEX

GROUP INDEXES - SIX STATE CAPITAL CITIES AND CANBERRA

(Base of Each Group Index for Each City and for Six State Capital Cities combined :
Year 1966-67 = 100.0) (a)

Quarter	State Capital Cities - Combined and Separately							Canberra
	Six Capitals (b)	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	
HOUSEHOLD SUPPLIES AND EQUIPMENT GROUP								
1968-69 -								
September	102.1	102.0	102.2	103.5	100.6	101.5	104.1	100.3
December	102.7	102.3	103.1	104.2	101.0	101.9	104.1	100.5
March	103.0	103.3	102.8	104.7	101.4	102.3	104.7	100.7
June	103.7	104.3	103.6	104.8	101.5	102.6	105.2	101.0
1969-70 -								
September	103.7	104.3	103.5	105.2	101.5	102.7	105.5	101.4
December	103.9	104.5	103.6	105.2	101.6	103.6	105.8	101.7
March	104.0	105.0	103.1	105.5	101.9	103.8	106.3	101.9
June	104.7	105.5	103.8	105.9	102.9	104.8	106.9	102.5
1970-71 -								
September	105.4	106.5	104.4	106.5	103.5	105.8	107.6	104.0
December	106.6	108.6	105.1	107.5	104.3	106.7	108.4	104.2
MISCELLANEOUS GROUP								
1968-69 -								
September	105.1	105.2	105.3	105.0	103.8	104.5	106.3	104.5
December	107.3	108.7	106.6	106.1	107.0	105.4	107.3	105.7
March	108.5	109.8	108.6	106.3	107.9	105.9	109.0	108.7
June	108.9	110.2	108.6	106.6	109.2	106.5	109.4	108.9
1969-70 -								
September	110.0	111.6	109.1	107.9	110.4	107.5	110.0	110.4
December	110.9	112.8	109.9	108.5	110.5	109.8	110.4	111.6
March	112.0	114.3	110.3	109.5	112.4	110.5	111.2	113.1
June	113.5	116.1	111.5	110.7	114.8	111.5	112.5	114.3
1970-71 -								
September	113.7	116.4	111.6	112.9	114.2	110.9	112.2	114.7
December	117.5	120.4	115.0	116.6	117.3	115.2	116.3	119.3
ALL GROUPS								
1968-69 -								
September	104.6	104.4	105.1	104.7	104.2	104.3	105.0	103.5
December	105.7	105.9	106.0	105.3	105.2	104.9	105.8	103.9
March	106.4	106.7	106.6	105.8	105.5	105.6	106.5	104.8
June	107.2	107.6	107.2	106.3	106.4	107.0	107.0	105.2
1969-70 -								
September	107.8	108.4	107.6	107.2	106.9	107.7	107.4	106.0
December	108.7	109.6	108.3	107.9	107.3	108.7	108.1	106.7
March	109.8	111.3	108.9	108.9	108.4	109.9	108.9	108.0
June	111.2	112.9	110.1	109.7	110.0	111.4	109.6	109.0
1970-71 -								
September	111.9	113.9	110.7	111.1	109.9	111.6	110.2	109.7
December	114.0	116.2	112.6	113.3	111.8	113.5	112.4	113.2

(a) Figures appearing after the decimal point possess little significance for general statistical purposes. They are inserted to avoid the distortions that would occur in rounding off the figures to the nearest whole number. (b) Weighted average of six State capital cities.