

SUBMISSION TO CPI REVIEW

I have read and tried to understand what is included in the items used to calculate the CPI and how it works but it defies logic. I doubt that anyone can read about it and understand it.

What I do know is this.

- When bananas reach \$14 a kilo (and cause a spike in the CPI), I do not buy bananas;
- If I cannot afford an overseas holiday, I do not buy one;
- When I receive my annual local council rates notice (and notice a rate rise of 8-10%), I have to pay the bill;
- I also have to pay my water rates, power charges, and other government charges like car registration, no matter how big the annual increase is (and it is usually more than CPI); and
- I choose to pay for private health insurance as I am getting old, and the latest rise is about 8%, much more than CPI.

I ask that you simplify the method of calculating CPI so that the public can better understand what you are doing, and more importantly include in the basket of items used those big-ticket items like council rates and other utility charges like water rates, and health insurance, which in the main are non-discretionary items of the cost of living.

Yours sincerely

Len Broadbridge