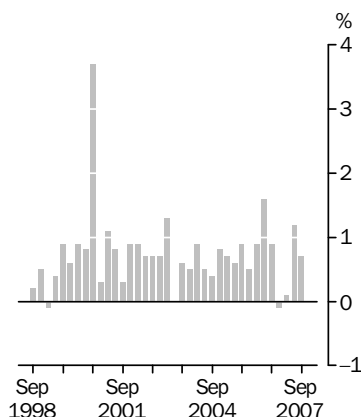


CONSUMER PRICE INDEX

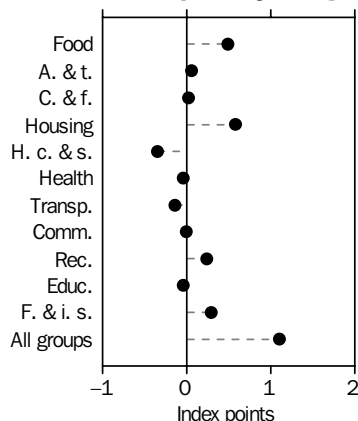
AUSTRALIA

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All Groups Quarterly change



Contribution to quarterly change



INQUIRIES

For further information about these and related statistics, contact Lee Taylor on Canberra (02) 6252 6251 or the National Information and Referral Service on 1300 135 070.

KEY FIGURES

WEIGHTED AVERAGE OF EIGHT CAPITAL CITIES

	<i>Jun Qtr 2007 to Sep Qtr 2007</i>	<i>Sep Qtr 2006 to Sep Qtr 2007</i>
	<i>% change</i>	<i>% change</i>
Food	1.9	1.8
Alcohol and tobacco	0.6	3.1
Clothing and footwear	0.4	1.0
Housing	1.8	4.2
Household contents and services	-2.4	-1.6
Health	-0.5	4.3
Transportation	-0.7	-0.9
Communication	0.0	0.8
Recreation	1.4	1.6
Education	-1.0	4.1
Financial and insurance services	2.0	3.2

All groups

0.7 **1.9**

All groups excluding Housing and Financial and insurance services

0.2 1.1

KEY POINTS

THE ALL GROUPS CPI

- rose 0.7% in the September quarter 2007, compared with a rise of 1.2% in the June quarter.
- rose 1.9% through the year to September quarter 2007.

OVERVIEW OF CPI MOVEMENTS

- Significant contributors to the increase this quarter were fruit (+9.6%), vegetables (+7.9%), deposit and loan facilities (+2.2%), rents (+1.6%), other financial services (+2.3%), house purchase (+1.0%), electricity (+4.3%), overseas holiday travel and accommodation (+4.2%), property rates and charges (+4.5%), water and sewerage (+5.5%), domestic holiday travel and accommodation (+1.8%) and other motoring charges (+2.6%).
- The most significant offsetting price falls this quarter were for child care (-33.4%), automotive fuel (-3.7%), pharmaceuticals (-4.5%), audio, visual and computing equipment (-2.5%) and furniture (-1.5%).
- The large fall in child care this quarter has resulted from a change in the eligibility criteria for the Child Care Tax Rebate (CCTR) that has brought it in-scope of the CPI this quarter and from the additional 10% indexation of the Child Care Benefit (CCB) rates on top of the usual annual CPI indexation. The fall in child care reduced the September quarter CPI increase by -0.2 percentage points (-0.29 index points).

NOTES

FORTHCOMING ISSUES

ISSUE (Quarter)

RELEASE DATE

December 2007

23 January 2008

March 2008

23 April 2008

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ROUNDING

Any discrepancies between totals and sums of components in this publication are due to rounding.

CHANGES IN THIS ISSUE

The Child Care Tax Rebate (CCTR) has been included as a rebate in calculating the “net” change in child care cost for the first time in the September quarter 2007. A description of the treatment of child care services in the Australian Consumer Price Index (CPI) can be found on page 34 of this issue.

Without the inclusion of the CCTR in the CPI this quarter, child care would have fallen 4.9% and contributed 0.0 percentage points (–0.04 index points) to the movement in the All groups CPI.

ABBREVIATIONS

ABS Australian Bureau of Statistics

CPI Consumer Price Index

Brian Pink

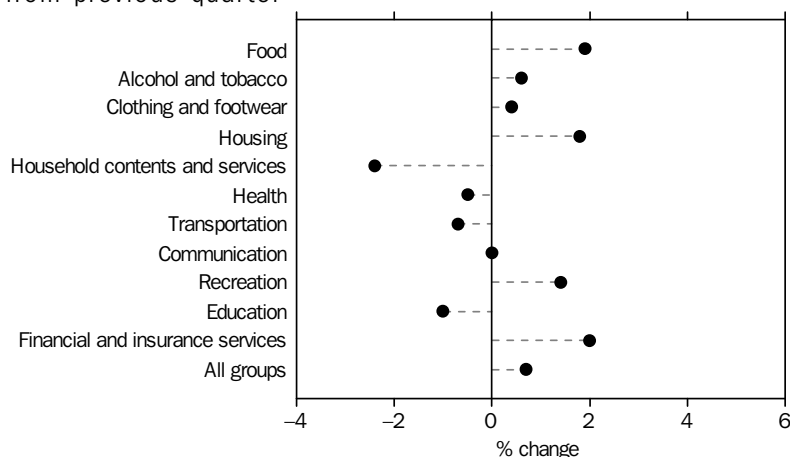
Australian Statistician

ANALYSES AND COMMENTS

MAIN CONTRIBUTORS TO CHANGE

CPI GROUPS

WEIGHTED AVERAGE OF EIGHT CAPITAL CITIES, Percentage change from previous quarter



The discussion of the CPI groups below is ordered in terms of the absolute significance of each expenditure group to the change in All groups index points (see tables 6 and 7).

HOUSING (+1.8%)

All categories of housing recorded price rises this quarter. Main contributors to the increases were increases in rents (+1.6%), house purchase (+1.0%), electricity (+4.3%), property rates and charges (+4.5%) and water and sewerage (+5.5%).

Average rents rose in every capital city, with the highest increases in Brisbane (+2.4%), Perth (+2.0%), Sydney (+1.5%) and Melbourne (+1.4%). Adelaide showed the lowest rent increase of 0.6%.

Increases in house purchase prices were recorded in all capital cities, ranging from 0.6% in Melbourne to 2.8% in Darwin.

Annual reviews of prices by State and local government authorities and utility providers led to a number of price rises. Electricity prices rose in Canberra (+18.2%), Brisbane (+11.6%), Sydney (+7.6%) and Darwin (+5.2%), were unchanged in Adelaide, Perth and Hobart, and fell in Melbourne (-2.3%) due to the Winter Energy Concession. Property rates and charges rose in all capital cities with increases ranging from 3.2% in Canberra to 6.3% in Hobart. Water and sewerage prices also rose in all capital cities, with increases ranging from 3.0% in Sydney to 10.9% in Brisbane.

Through the year to September quarter 2007, the housing group rose 4.2%. This rise was mainly attributable to rents (+5.8%) and house purchase (+3.5%).

FOOD (+1.9%)

The main contributors to the rise in food prices for the quarter were fruit (+9.6%) and vegetables (+7.9%). There were small offsetting falls in a number of items but none were individually significant.

Bananas were the main driver of the rise in fruit prices. Banana prices rose in July, then fell in August and September. Significant offsetting price falls were observed for citrus fruit and berries. The rise in vegetable prices was due mainly to price increases for fresh vegetables, particularly salad vegetables. Unseasonal weather and disease were reported as factors contributing to price rises in both fruit and vegetables.

ANALYSES AND COMMENTS *continued*

FOOD (+1.9%) *continued*

The 1.8% rise in food prices over the twelve months to September quarter 2007 is mainly due to increases in prices of vegetables (+21.5%), take away and fast foods (+4.0%), restaurant meals (+3.7%) and bread (+7.9%). Fruit (–25.5%) provided the major offsetting annual fall, driven by lower through the year prices for bananas.

HOUSEHOLD CONTENTS AND SERVICES (–2.4%)

The major contributor to the fall in household contents and services this quarter was child care (–33.4%), with less significant falls in furniture (–1.5%), towels and linen (–4.6%) and toiletries and personal care products (–0.8%). There were no significant price increases. The fall in child care reduced the September CPI increase by –0.2 percentage points (–0.29 index points).

Child care costs are calculated on a net basis in the CPI. A change in the eligibility criteria for the Child Care Tax Rebate (CCTR) that took effect in the quarter has brought it in-scope of the CPI for the first time. There has also been an additional 10% indexation of the Child Care Benefit (CCB) this quarter, on top of the usual CPI indexation. These changes and their treatment in the CPI are discussed in the Appendix to this issue.

Without the inclusion of the CCTR in the CPI this quarter, child care would have fallen 4.9% and contributed 0.0 percentage points (–0.04 index points) to the movement in the All groups CPI.

Through the year to September quarter 2007, the household contents and services group fell 1.6% due mostly to the fall in the net price of child care.

FINANCIAL AND INSURANCE SERVICES (+2.0%)

There were price rises in all categories of financial and insurance services this quarter. Deposit and loan facilities rose 2.2%, other financial services increased 2.3% and insurance services increased 1.0%.

Over the twelve months to September quarter 2007, financial and insurance services rose 3.2% due mainly to increases in the prices of deposit and loan facilities and other financial services.

RECREATION (+1.4%)

The rise in recreation was due mainly to overseas holiday travel and accommodation (+4.2%), with less significant increases in prices for domestic holiday travel and accommodation (+1.8%), sports participation (+4.0%) and other recreational activities (+1.7%). The only significant offsetting price fall was in audio, visual and computing equipment (–2.5%).

Overseas holiday travel and accommodation rose in line with the normal seasonal pattern, with price rises in fares and accommodation for most destinations. Increases were observed in all cities, ranging from 2.3% in Brisbane and Sydney to 7.0% in Adelaide.

Annually, Recreation rose 1.6% with the strongest rises in overseas holiday travel and accommodation (+5.8%), domestic holiday travel and accommodation (+3.0%), other recreational activities (+4.3%), sports participation (+5.4%) and pets, pet food and supplies (+6.7%). The most significant price fall was in audio, visual and computing equipment (–9.7%).

ANALYSES AND COMMENTS *continued*

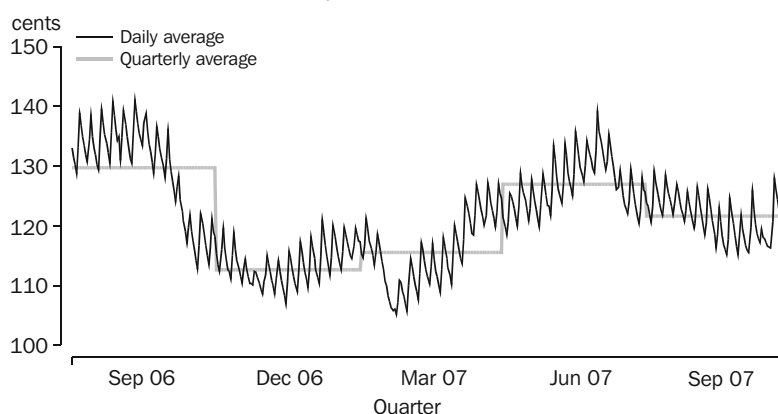
TRANSPORTATION (−0.7%)

The fall in transportation costs this quarter was almost entirely due to the fall in the price of automotive fuel (−3.7%). Most other categories in transportation rose, with other motoring charges (+2.6%) and motor vehicle repair (+1.0%) being the most significant.

Automotive fuel prices rose in April (+1.2%) and May (+3.7%), fell in June (−0.3%), July (−3.4%) and August (−2.2%) then rose in September (+0.7%). The automotive fuel expenditure class contributed −0.25 index points to the overall 1.1 index points change in the All Groups CPI in September quarter 2007 and −0.46 index points to the through the year change. The fall in automotive fuel reduced the September quarter CPI increase by −0.2 percentage points.

The following graph shows the pattern of the average daily prices for unleaded petrol for the eight capital cities over the last fifteen months.

AVERAGE PRICE OF ULP, cents per litre



In the twelve months to September quarter 2007, the transportation group fell (0.9%), entirely due to the fall in automotive fuel (−6.7%). There were rises in the price of motor vehicle repair and servicing (+3.0%), other motoring charges (+4.6%) and motor vehicle parts and accessories (+4.6%).

ALCOHOL AND TOBACCO (+0.6%)

The alcohol and tobacco group rose this quarter with tobacco (+0.9%) and beer (+0.7%) providing the most significant contributions. Wine prices fell slightly (−0.4%).

The rises in tobacco and beer prices are attributed to the excise increase in August along with prices in some cities returning from specials. There were small increases in prices of spirits.

Over the year to September quarter 2007, the alcohol and tobacco group rose 3.1%, with rises in all categories except wine, which showed no change over the year.

HEALTH (−0.5%)

The decrease in health costs was largely due to a fall in the net cost of pharmaceuticals (−4.5%), with some offset from increases in the prices of dental services (+1.5%) and hospital and medical services (+0.5%).

ANALYSES AND COMMENTS *continued*

HEALTH (–0.5%) *continued*

The fall in the net cost of pharmaceuticals was due to the cyclical effect of the Pharmaceutical Benefits Scheme safety net. There were widespread price rises across all cities in most dental services. The net cost of hospital and medical services rose due to the combined effect of gross price increases across all services, a fall in the percentage of services that are Bulk Billed, offset by the cyclical effect of the Medicare Plus Safety Net.

Through the year to September quarter 2007, the health group rose 4.3%, due to increases in all components, with an increase in net hospital and medical services (+5.3%) being the most significant.

EDUCATION (–1.0%)

The fall in education was entirely due to the 4.9% fall in the price of preschool and primary education. This was due to the increase in child care benefits that apply for children in pre-school. The changes to the child care rebate and their impact on the CPI are discussed in further detail in the Appendix to this issue.

CLOTHING AND FOOTWEAR (+0.4%)

The rise in prices of clothing and footwear this quarter was due to small increases in a number of categories, with the end of the mid-year sales and the introduction of new season's lines. The only significant fall was in women's outerwear (–1.1%).

Over the twelve months to September quarter 2007, the cost of clothing and footwear rose 1.0%.

TRADABLES AND NON-TRADABLES

The tradables component (see table 8) of the All groups CPI rose 0.2% in the September quarter 2007. This component includes goods and services whose prices are largely determined on the world market and represents approximately 42% of the weight of the CPI. The main contributors to the increase were fruit, vegetables and overseas holiday travel and accommodation. The most significant offsets were automotive fuel and pharmaceuticals.

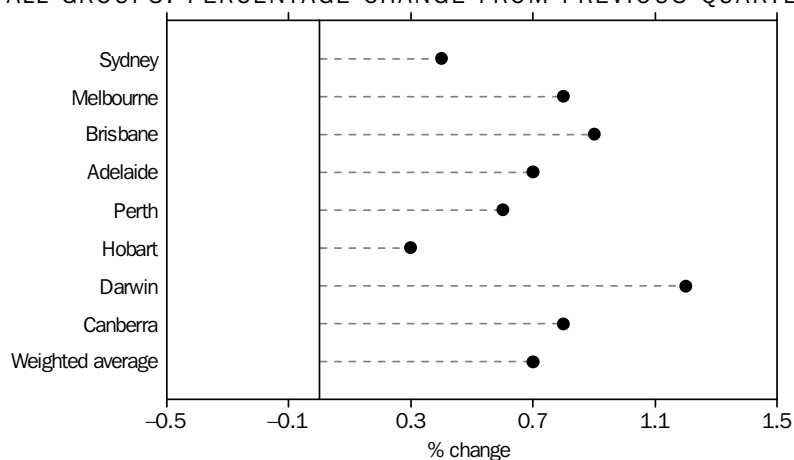
The non-tradables component of the CPI rose 1.1% in the September quarter. This component includes goods and services whose prices are largely determined by domestic market and represents approximately 58% of the CPI. Within non-tradables, the services component rose 0.9%, mainly due to increases in deposit and loan facilities, rents, other financial services, property rates and charges and domestic holiday travel and accommodation. The major offset was provided by the fall in the net price of child care. The non-tradable goods component rose 1.5% mainly due to house purchase, electricity and water and sewerage.

Through the year to September quarter 2007, non-tradables rose 3.5% while tradables fell 0.3%. This compares with rises of 3.5% and 1.0%, respectively, for these components through the year to June quarter 2007.

CAPITAL CITIES COMPARISON

ALL GROUPS

ALL GROUPS: PERCENTAGE CHANGE FROM PREVIOUS QUARTER



At the All groups level, the CPI rose in all capital cities this quarter, with the increases ranging from 0.3% in Hobart to 1.2% in Darwin. Increases in fruit and vegetable prices, rents and house purchase made a significant contribution in most cities

The fall in the net price of child care had a major downward impact on the quarter's movement and was the most significant negative contributor in all cities except Melbourne and Adelaide, where it was second to the falls in the price of automotive fuel. Significant falls in automotive fuel prices were recorded in all cities, although the fall in Darwin was less than in other cities. The fall in the net price of pharmaceuticals was also a prominent feature in all cities.

The higher result for Darwin was mainly due to a combination of larger increases in housing and recreation groups with a smaller fall in transportation. The lower result for Hobart was due to smaller increases in housing, food, recreation and clothing and footwear, combined with larger falls in household contents and services, transportation and education.

In the twelve months to September quarter 2007, the All groups CPI rose in all capital cities with the increases ranging from 1.3% in Sydney to 3.2% in Darwin. The higher result for Darwin was largely due to a 7.0% rise in Housing, substantially higher than the 4.2% increase for the weighted average of eight capital cities.

ANALYSES AND COMMENTS *continued*

ALL GROUPS *continued*

CPI, All groups index numbers and percentage changes

	INDEX NUMBER(a)	PERCENTAGE CHANGE	
	Sep Qtr 2007	Jun Qtr 2007 to Sep Qtr 2007	Sep Qtr 2006 to Sep Qtr 2007
Sydney	158.1	0.4	1.3
Melbourne	156.9	0.8	2.1
Brisbane	161.7	0.9	2.7
Adelaide	161.5	0.7	1.4
Perth	158.9	0.6	2.6
Hobart	157.9	0.3	1.8
Darwin	156.6	1.2	3.2
Canberra	159.2	0.8	2.1
Weighted average of eight capital cities	158.6	0.7	1.9

(a) Base of each index: 1989-90 = 100.0.

ALL GROUPS, Index numbers(a)

<i>Period</i>	<i>Sydney</i>	<i>Melbourne</i>	<i>Brisbane</i>	<i>Adelaide</i>	<i>Perth</i>	<i>Hobart</i>	<i>Darwin</i>	<i>Canberra</i>	<i>Weighted average of eight capital cities</i>
2003–04	144.1	142.8	144.8	147.0	139.6	142.6	138.7	143.4	143.5
2004–05	147.7	145.7	148.5	150.4	144.0	147.1	141.8	146.7	147.0
2005–06	152.1	150.2	153.2	155.2	150.1	151.8	146.5	151.9	151.7
2006–07	156.2	154.2	158.3	159.2	156.1	155.7	152.9	156.4	156.1
2003									
September	142.4	141.8	143.3	145.4	138.6	141.1	137.8	141.9	142.1
December	143.6	142.1	144.2	146.2	139.2	142.0	138.5	142.9	142.8
2004									
March	145.0	143.5	145.4	147.7	139.6	143.0	139.0	143.9	144.1
June	145.5	143.9	146.3	148.6	141.0	144.3	139.6	144.8	144.8
September	146.2	144.2	146.8	149.0	142.0	145.0	140.8	145.5	145.4
December	147.3	145.3	148.0	150.0	143.3	146.7	141.1	146.3	146.5
2005									
March	148.2	146.4	149.2	150.9	144.4	148.0	141.9	147.0	147.5
June	149.0	146.9	150.0	151.8	146.3	148.8	143.2	147.8	148.4
September	150.5	148.6	150.9	153.4	147.8	150.1	144.7	149.7	149.8
December	151.0	149.2	152.1	154.1	149.0	151.0	145.4	150.9	150.6
2006									
March	152.2	150.5	153.5	155.6	150.5	152.2	146.7	152.2	151.9
June	154.7	152.6	156.2	157.6	153.2	154.0	149.2	154.9	154.3
September	156.1	153.7	157.5	159.3	154.9	155.1	151.8	156.0	155.7
December	155.8	153.5	157.3	158.8	155.5	154.7	152.6	155.6	155.5
2007									
March	155.6	153.8	158.0	158.4	155.8	155.4	152.6	155.9	155.6
June	157.4	155.6	160.2	160.3	158.0	157.4	154.7	158.0	157.5
September	158.1	156.9	161.7	161.5	158.9	157.9	156.6	159.2	158.6

(a) Base of each index: 1989–90 = 100.0.

ALL GROUPS, Percentage changes

<i>Period</i>	<i>Sydney</i>	<i>Melbourne</i>	<i>Brisbane</i>	<i>Adelaide</i>	<i>Perth</i>	<i>Hobart</i>	<i>Darwin</i>	<i>Canberra</i>	<i>Weighted average of eight capital cities</i>
PERCENTAGE CHANGE (from previous financial year)									
2003-04	2.1	2.2	2.9	3.0	2.0	2.5	1.4	2.6	2.4
2004-05	2.5	2.0	2.6	2.3	3.2	3.2	2.2	2.3	2.4
2005-06	3.0	3.1	3.2	3.2	4.2	3.2	3.3	3.5	3.2
2006-07	2.7	2.7	3.3	2.6	4.0	2.6	4.4	3.0	2.9
PERCENTAGE CHANGE (from corresponding quarter of previous year)									
2003									
September	2.0	2.9	2.9	3.6	2.1	2.6	1.8	2.8	2.6
December	2.3	2.2	3.1	3.3	2.1	2.9	1.7	2.7	2.4
2004									
March	2.0	1.8	2.5	2.1	1.6	2.1	1.1	2.3	2.0
June	2.3	2.1	3.2	3.0	2.6	2.5	1.2	2.9	2.5
September	2.7	1.7	2.4	2.5	2.5	2.8	2.2	2.5	2.3
December	2.6	2.3	2.6	2.6	2.9	3.3	1.9	2.4	2.6
2005									
March	2.2	2.0	2.6	2.2	3.4	3.5	2.1	2.2	2.4
June	2.4	2.1	2.5	2.2	3.8	3.1	2.6	2.1	2.5
September	2.9	3.1	2.8	3.0	4.1	3.5	2.8	2.9	3.0
December	2.5	2.7	2.8	2.7	4.0	2.9	3.0	3.1	2.8
2006									
March	2.7	2.8	2.9	3.1	4.2	2.8	3.4	3.5	3.0
June	3.8	3.9	4.1	3.8	4.7	3.5	4.2	4.8	4.0
September	3.7	3.4	4.4	3.8	4.8	3.3	4.9	4.2	3.9
December	3.2	2.9	3.4	3.0	4.4	2.5	5.0	3.1	3.3
2007									
March	2.2	2.2	2.9	1.8	3.5	2.1	4.0	2.4	2.4
June	1.7	2.0	2.6	1.7	3.1	2.2	3.7	2.0	2.1
September	1.3	2.1	2.7	1.4	2.6	1.8	3.2	2.1	1.9
PERCENTAGE CHANGE (from previous quarter)									
2003									
September	0.1	0.6	1.1	0.8	0.9	0.2	-0.1	0.9	0.6
December	0.8	0.2	0.6	0.6	0.4	0.6	0.5	0.7	0.5
2004									
March	1.0	1.0	0.8	1.0	0.3	0.7	0.4	0.7	0.9
June	0.3	0.3	0.6	0.6	1.0	0.9	0.4	0.6	0.5
September	0.5	0.2	0.3	0.3	0.7	0.5	0.9	0.5	0.4
December	0.8	0.8	0.8	0.7	0.9	1.2	0.2	0.5	0.8
2005									
March	0.6	0.8	0.8	0.6	0.8	0.9	0.6	0.5	0.7
June	0.5	0.3	0.5	0.6	1.3	0.5	0.9	0.5	0.6
September	1.0	1.2	0.6	1.1	1.0	0.9	1.0	1.3	0.9
December	0.3	0.4	0.8	0.5	0.8	0.6	0.5	0.8	0.5
2006									
March	0.8	0.9	0.9	1.0	1.0	0.8	0.9	0.9	0.9
June	1.6	1.4	1.8	1.3	1.8	1.2	1.7	1.8	1.6
September	0.9	0.7	0.8	1.1	1.1	0.7	1.7	0.7	0.9
December	-0.2	-0.1	-0.1	-0.3	0.4	-0.3	0.5	-0.3	-0.1
2007									
March	-0.1	0.2	0.4	-0.3	0.2	0.5	0.0	0.2	0.1
June	1.2	1.2	1.4	1.2	1.4	1.3	1.4	1.3	1.2
September	0.4	0.8	0.9	0.7	0.6	0.3	1.2	0.8	0.7

CPI GROUPS, Weighted average of eight capital cities—Index numbers(a)

<i>Period</i>	<i>Food</i>	<i>Alcohol and tobacco</i>	<i>Clothing and footwear</i>	<i>Housing</i>	<i>Household contents and services</i>	<i>Health</i>
2003–04	152.3	217.8	112.7	120.2	121.1	193.9
2004–05	154.8	225.4	110.8	124.8	120.7	204.3
2005–06	162.3	233.1	109.2	129.3	122.2	213.5
2006–07	172.4	240.6	108.4	133.7	124.6	223.5
2003						
September	149.3	215.2	113.3	118.9	121.5	189.1
December	152.0	216.5	113.1	119.6	121.4	189.4
2004						
March	154.7	218.8	111.5	120.7	120.7	195.5
June	153.3	220.5	112.7	121.5	120.7	201.6
September	152.4	222.5	112.5	123.2	120.6	200.1
December	154.6	224.0	110.9	124.3	121.3	198.8
2005						
March	156.0	226.9	109.4	125.5	119.7	206.7
June	156.2	228.1	110.3	126.2	121.2	211.6
September	157.4	230.3	110.5	128.0	121.6	209.3
December	160.2	231.4	110.3	128.8	122.4	207.1
2006						
March	162.5	234.3	107.5	129.6	121.9	216.2
June	169.1	236.4	108.4	130.6	122.9	221.4
September	173.0	237.7	108.5	132.2	124.5	219.8
December	173.9	239.5	108.1	132.9	124.7	218.0
2007						
March	169.9	241.6	107.7	134.2	123.6	225.7
June	172.8	243.6	109.2	135.3	125.5	230.5
September	176.1	245.0	109.6	137.8	122.5	229.3

(a) Unless otherwise specified, base of each index: 1989–90 = 100.0.

<i>Period</i>	<i>Transportation</i>	<i>Communication</i>	<i>Recreation</i>	<i>Education</i>	<i>Financial and insurance services(b)</i>	<i>All groups</i>
2003-04	142.0	110.0	130.0	223.3	. .	143.5
2004-05	146.8	111.1	130.7	238.7	. .	147.0
2005-06	155.5	109.5	132.0	253.2	101.2	151.7
2006-07	158.0	110.8	133.8	264.6	103.0	156.1
2003						
September	141.3	109.7	130.0	215.1	. .	142.1
December	140.7	109.9	131.1	215.1	. .	142.8
2004						
March	141.7	110.0	129.7	231.4	. .	144.1
June	144.1	110.4	129.3	231.5	. .	144.8
September	145.2	110.9	129.9	231.5	. .	145.4
December	147.2	111.2	130.9	231.7	. .	146.5
2005						
March	145.8	111.6	131.8	245.7	. .	147.5
June	148.8	110.6	130.1	245.9	100.0	148.4
September	153.7	109.8	131.7	246.0	100.1	149.8
December	153.0	109.0	131.7	246.3	101.6	150.6
2006						
March	155.0	109.5	132.5	260.1	101.0	151.9
June	160.2	109.6	132.0	260.2	102.2	154.3
September	160.8	110.3	133.0	258.0	102.5	155.7
December	154.7	110.8	134.8	258.0	103.0	155.5
2007						
March	155.8	111.0	133.9	270.9	102.8	155.6
June	160.5	111.2	133.3	271.3	103.7	157.5
September	159.4	111.2	135.1	268.6	105.8	158.6

. . not applicable

(b) Base: June quarter 2005 = 100.0.

(a) Unless otherwise specified, base of each index: 1989-90 = 100.0.

CPI GROUPS, Weighted average of eight capital cities—Percentage changes

<i>Period</i>	<i>Food</i>	<i>Alcohol and tobacco</i>	<i>Clothing and footwear</i>	<i>Housing</i>	<i>Household contents and services</i>	<i>Health</i>
PERCENTAGE CHANGE (from previous financial year)						
2003-04	3.0	4.3	-0.5	4.4	0.1	6.8
2004-05	1.6	3.5	-1.7	3.8	-0.3	5.4
2005-06	4.8	3.4	-1.4	3.6	1.2	4.5
2006-07	6.2	3.2	-0.7	3.4	2.0	4.7
PERCENTAGE CHANGE (from corresponding quarter of previous year)						
2003						
September	3.0	3.8	0.3	4.6	0.8	7.2
December	3.4	4.4	-0.8	4.7	-0.2	6.9
2004						
March	3.3	4.2	-0.8	4.3	0.2	6.5
June	2.3	4.4	-0.9	4.0	-0.6	6.6
September	2.1	3.4	-0.7	3.6	-0.7	5.8
December	1.7	3.5	-1.9	3.9	-0.1	5.0
2005						
March	0.8	3.7	-1.9	4.0	-0.8	5.7
June	1.9	3.4	-2.1	3.9	0.4	5.0
September	3.3	3.5	-1.8	3.9	0.8	4.6
December	3.6	3.3	-0.5	3.6	0.9	4.2
2006						
March	4.2	3.3	-1.7	3.3	1.8	4.6
June	8.3	3.6	-1.7	3.5	1.4	4.6
September	9.9	3.2	-1.8	3.3	2.4	5.0
December	8.6	3.5	-2.0	3.2	1.9	5.3
2007						
March	4.6	3.1	0.2	3.5	1.4	4.4
June	2.2	3.0	0.7	3.6	2.1	4.1
September	1.8	3.1	1.0	4.2	-1.6	4.3
PERCENTAGE CHANGE (from previous quarter)						
2003						
September	-0.3	1.9	-0.4	1.8	0.1	0.0
December	1.8	0.6	-0.2	0.6	-0.1	0.2
2004						
March	1.8	1.1	-1.4	0.9	-0.6	3.2
June	-0.9	0.8	1.1	0.7	0.0	3.1
September	-0.6	0.9	-0.2	1.4	-0.1	-0.7
December	1.4	0.7	-1.4	0.9	0.6	-0.6
2005						
March	0.9	1.3	-1.4	1.0	-1.3	4.0
June	0.1	0.5	0.8	0.6	1.3	2.4
September	0.8	1.0	0.2	1.4	0.3	-1.1
December	1.8	0.5	-0.2	0.6	0.7	-1.1
2006						
March	1.4	1.3	-2.5	0.6	-0.4	4.4
June	4.1	0.9	0.8	0.8	0.8	2.4
September	2.3	0.5	0.1	1.2	1.3	-0.7
December	0.5	0.8	-0.4	0.5	0.2	-0.8
2007						
March	-2.3	0.9	-0.4	1.0	-0.9	3.5
June	1.7	0.8	1.4	0.8	1.5	2.1
September	1.9	0.6	0.4	1.8	-2.4	-0.5

<i>Period</i>	<i>Transportation</i>	<i>Communication</i>	<i>Recreation</i>	<i>Education</i>	<i>Financial and insurance services</i>	<i>All groups</i>
PERCENTAGE CHANGE (from previous financial year)						
2003–04	1.0	1.4	–1.4	6.3	..	2.4
2004–05	3.4	1.0	0.5	6.9	..	2.4
2005–06	5.9	–1.4	1.0	6.1	..	3.2
2006–07	1.6	1.2	1.4	4.5	1.8	2.9
PERCENTAGE CHANGE (from corresponding quarter of previous year)						
2003						
September	1.8	1.7	–1.4	4.9	..	2.6
December	0.3	1.4	–0.6	4.8	..	2.4
2004						
March	–1.4	1.1	–2.0	7.8	..	2.0
June	3.4	1.4	–1.7	7.8	..	2.5
September	2.8	1.1	–0.1	7.6	..	2.3
December	4.6	1.2	–0.2	7.7	..	2.6
2005						
March	2.9	1.5	1.6	6.2	..	2.4
June	3.3	0.2	0.6	6.2	..	2.5
September	5.9	–1.0	1.4	6.3	..	3.0
December	3.9	–2.0	0.6	6.3	..	2.8
2006						
March	6.3	–1.9	0.5	5.9	..	3.0
June	7.7	–0.9	1.5	5.8	2.2	4.0
September	4.6	0.5	1.0	4.9	2.4	3.9
December	1.1	1.7	2.4	4.8	1.4	3.3
2007						
March	0.5	1.4	1.1	4.2	1.8	2.4
June	0.2	1.5	1.0	4.3	1.5	2.1
September	–0.9	0.8	1.6	4.1	3.2	1.9
PERCENTAGE CHANGE (from previous quarter)						
2003						
September	1.4	0.7	–1.1	0.1	..	0.6
December	–0.4	0.2	0.8	0.0	..	0.5
2004						
March	0.7	0.1	–1.1	7.6	..	0.9
June	1.7	0.4	–0.3	0.0	..	0.5
September	0.8	0.5	0.5	0.0	..	0.4
December	1.4	0.3	0.8	0.1	..	0.8
2005						
March	–1.0	0.4	0.7	6.0	..	0.7
June	2.1	–0.9	–1.3	0.1	..	0.6
September	3.3	–0.7	1.2	0.0	0.1	0.9
December	–0.5	–0.7	0.0	0.1	1.5	0.5
2006						
March	1.3	0.5	0.6	5.6	–0.6	0.9
June	3.4	0.1	–0.4	0.0	1.2	1.6
September	0.4	0.6	0.8	–0.8	0.3	0.9
December	–3.8	0.5	1.4	0.0	0.5	–0.1
2007						
March	0.7	0.2	–0.7	5.0	–0.2	0.1
June	3.0	0.2	–0.4	0.1	0.9	1.2
September	–0.7	—	1.4	–1.0	2.0	0.7

.. not applicable

— nil or rounded to zero (including null cells)

CPI GROUPS, Index numbers(a)

Quarters	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra	Weighted average of eight capital cities
FOOD									
2005									
September	158.0	156.0	157.2	161.9	157.4	153.4	152.4	159.4	157.4
December	161.0	158.1	160.8	165.5	159.7	156.1	154.4	164.3	160.2
2006									
March	163.1	160.6	164.7	167.7	160.9	157.8	158.4	165.8	162.5
June	170.3	167.0	171.1	174.7	166.4	161.9	162.3	173.0	169.1
September	174.8	170.7	175.1	179.3	169.3	165.1	165.5	174.0	173.0
December	175.5	171.7	176.1	179.3	170.4	167.6	167.3	175.3	173.9
2007									
March	170.5	168.2	171.5	175.6	168.0	165.2	164.1	172.1	169.9
June	172.8	171.8	174.8	177.6	171.3	167.4	167.2	175.7	172.8
September	175.9	175.8	178.3	182.3	173.5	169.4	169.8	176.7	176.1
ALCOHOL AND TOBACCO									
2005									
September	237.7	230.1	225.5	237.7	215.2	217.7	222.7	215.2	230.3
December	238.0	231.5	227.8	238.7	215.9	220.5	224.3	217.3	231.4
2006									
March	240.2	235.3	230.1	241.9	219.1	221.8	226.1	219.9	234.3
June	243.5	237.3	231.1	243.4	220.3	222.6	227.3	221.7	236.4
September	244.2	238.2	232.1	245.7	223.5	224.4	230.7	223.7	237.7
December	245.9	241.2	233.4	245.9	224.3	225.4	231.6	224.8	239.5
2007									
March	247.2	243.4	236.2	250.2	225.7	226.5	233.5	227.7	241.6
June	249.3	244.6	239.6	252.4	228.3	229.7	235.0	228.6	243.6
September	249.1	247.3	240.1	253.6	231.4	231.3	235.4	230.5	245.0
CLOTHING AND FOOTWEAR									
2005									
September	113.2	110.9	105.0	111.0	105.4	105.5	103.6	113.9	110.5
December	112.5	111.8	104.6	110.5	104.5	105.0	104.9	113.3	110.3
2006									
March	110.8	108.8	98.9	109.1	100.5	103.5	102.8	113.0	107.5
June	111.5	109.5	101.0	109.3	101.7	104.3	104.1	113.4	108.4
September	111.5	109.0	103.1	109.3	101.6	104.2	105.1	113.1	108.5
December	111.1	109.0	102.0	108.1	102.8	102.3	104.0	110.2	108.1
2007									
March	110.8	108.4	103.8	105.6	101.7	102.2	103.6	110.4	107.7
June	111.1	112.0	103.6	107.5	102.3	102.6	105.1	113.4	109.2
September	111.5	111.1	106.7	108.0	101.8	102.8	104.4	114.7	109.6
HOUSING									
2005									
September	133.6	115.5	138.3	127.3	126.9	130.9	142.0	133.5	128.0
December	134.4	115.6	139.7	127.9	129.7	131.4	143.7	134.4	128.8
2006									
March	134.7	115.9	140.6	129.4	132.2	133.6	146.5	135.2	129.6
June	135.4	116.1	142.2	129.4	135.2	134.8	149.6	136.7	130.6
September	137.2	116.4	143.9	131.2	138.7	135.8	153.8	140.2	132.2
December	137.5	117.4	144.8	131.4	139.7	135.7	157.4	140.9	132.9
2007									
March	138.3	118.6	147.4	132.5	141.3	137.4	158.9	141.8	134.2
June	139.5	119.2	149.4	132.9	142.9	139.6	160.5	142.5	135.3
September	142.3	120.5	153.8	134.4	145.1	141.9	164.6	147.4	137.8

(a) Unless otherwise specified, base of each index: 1989-90 = 100.0.

Quarters	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra	Weighted average of eight capital cities
HOUSEHOLD CONTENTS AND SERVICES									
2005									
September	120.3	122.3	123.5	121.6	119.0	130.7	113.1	127.8	121.6
December	120.9	123.3	124.8	121.9	119.3	131.5	114.3	129.3	122.4
2006									
March	120.4	122.7	124.5	122.1	118.5	130.9	114.3	129.7	121.9
June	121.2	123.5	126.0	122.7	119.4	131.4	115.0	131.5	122.9
September	122.6	125.6	127.4	124.9	120.9	131.8	115.6	131.7	124.5
December	122.5	125.6	128.0	124.1	122.4	132.0	117.3	132.3	124.7
2007									
March	121.5	124.8	127.3	122.6	120.6	132.2	117.2	130.4	123.6
June	122.9	126.3	129.3	125.2	123.2	133.8	118.6	133.7	125.5
September	119.7	123.9	125.3	123.0	121.0	129.5	116.2	129.0	122.5
HEALTH									
2005									
September	195.3	221.9	211.2	215.5	199.3	230.8	194.8	208.9	209.3
December	193.0	219.8	207.5	214.4	198.7	228.2	193.6	205.7	207.1
2006									
March	201.9	229.2	219.7	221.7	204.8	238.2	199.2	216.2	216.2
June	206.8	233.7	225.9	228.6	210.4	245.0	205.0	219.7	221.4
September	206.1	231.4	223.1	226.4	209.6	241.3	202.9	217.3	219.8
December	203.2	230.9	220.6	225.8	208.7	239.2	204.8	214.5	218.0
2007									
March	209.9	239.0	230.9	231.9	216.0	247.0	213.2	224.3	225.7
June	215.3	242.7	235.3	236.9	221.6	253.9	216.2	227.0	230.5
September	213.8	242.2	233.2	234.4	221.0	251.7	213.6	227.0	229.3
TRANSPORTATION									
2005									
September	154.7	153.9	152.0	157.4	152.1	150.0	144.3	151.6	153.7
December	153.6	153.1	151.4	156.5	152.1	150.1	146.7	152.1	153.0
2006									
March	155.6	155.5	153.3	158.1	154.0	150.2	148.2	153.2	155.0
June	160.9	160.8	158.6	163.2	158.9	155.0	152.2	159.5	160.2
September	161.3	161.3	159.5	163.9	159.8	154.7	153.6	159.3	160.8
December	155.2	154.9	154.0	157.6	154.7	146.9	148.4	152.1	154.7
2007									
March	156.3	155.8	154.9	158.4	156.0	149.4	148.4	152.7	155.8
June	160.7	160.5	159.6	163.8	161.5	154.6	153.5	159.1	160.5
September	159.3	159.7	158.7	162.6	160.4	153.3	153.2	157.3	159.4
COMMUNICATION									
2005									
September	109.3	109.6	113.3	111.2	108.1	110.8	101.6	108.5	109.8
December	108.5	108.8	112.4	110.4	107.3	110.0	100.8	107.7	109.0
2006									
March	109.0	109.3	112.9	110.9	107.8	110.4	101.3	108.2	109.5
June	109.1	109.4	113.0	111.0	107.9	110.5	101.4	108.3	109.6
September	109.8	110.0	113.8	111.7	108.6	111.3	102.0	108.9	110.3
December	110.4	110.3	114.4	112.2	109.2	111.8	102.5	109.5	110.8
2007									
March	110.6	110.5	114.7	112.4	109.4	112.0	102.7	109.7	111.0
June	110.7	110.7	114.8	112.6	109.5	112.2	102.8	109.9	111.2
September	110.7	110.7	114.9	112.6	109.5	112.2	102.8	109.9	111.2

(a) Unless otherwise specified, base of each index: 1989-90 = 100.0.

Quarters	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra	Weighted average of eight capital cities
RECREATION									
2005									
September	134.7	132.0	126.7	132.1	129.0	128.7	111.1	129.5	131.7
December	134.7	132.0	127.6	132.1	129.2	129.1	108.3	128.9	131.7
2006									
March	135.2	133.3	128.7	132.5	130.3	130.2	106.7	129.8	132.5
June	134.8	132.2	128.4	131.7	130.3	129.1	108.6	130.1	132.0
September	135.7	133.3	129.1	133.2	130.6	132.4	112.9	131.4	133.0
December	137.5	134.3	130.1	135.7	134.3	134.0	113.1	133.1	134.8
2007									
March	136.5	134.6	129.2	133.1	132.2	133.6	110.7	132.2	133.9
June	136.8	132.8	128.7	132.9	131.3	131.7	111.7	131.4	133.3
September	137.7	135.5	130.4	135.3	133.3	133.0	116.7	133.7	135.1
EDUCATION									
2005									
September	254.6	234.8	266.6	283.2	227.9	250.0	174.3	227.2	246.0
December	254.7	235.3	266.7	283.4	227.9	250.4	174.3	227.6	246.3
2006									
March	271.8	246.4	279.5	299.9	241.6	259.7	180.8	241.7	260.1
June	272.0	246.4	279.8	300.1	241.6	259.7	180.8	241.8	260.2
September	270.9	245.7	270.9	295.9	241.2	254.0	174.8	234.1	258.0
December	271.0	245.8	271.0	296.0	241.2	254.0	174.8	234.2	258.0
2007									
March	284.2	255.2	288.5	308.8	260.5	263.6	184.8	249.1	270.9
June	284.4	255.8	289.2	308.8	260.5	263.6	184.8	249.1	271.3
September	280.0	253.6	286.9	307.4	260.3	261.0	184.8	246.4	268.6
FINANCIAL AND INSURANCE SERVICES (b)									
2005									
September	100.8	100.2	99.4	99.3	98.7	99.9	98.9	100.1	100.1
December	101.9	102.2	100.9	100.5	100.5	101.4	99.4	102.2	101.6
2006									
March	101.2	101.5	100.4	100.3	100.3	100.3	98.4	101.3	101.0
June	102.4	102.8	101.4	100.8	102.1	100.7	99.3	102.4	102.2
September	102.8	103.5	101.5	101.3	101.8	100.8	99.5	102.8	102.5
December	103.5	103.3	102.0	101.5	102.6	102.2	100.1	103.6	103.0
2007									
March	103.1	103.3	102.0	101.4	102.3	102.4	101.2	103.4	102.8
June	103.8	104.5	102.9	102.1	103.0	103.3	102.4	104.3	103.7
September	105.5	107.2	105.5	104.3	104.5	105.5	103.5	106.1	105.8

(a) Unless otherwise specified, base of each index: 1989-90 = 100.0.

(b) Base: June quarter 2005 = 100.0.

CONTRIBUTION TO CHANGE IN ALL GROUPS INDEXES(a)—Sep Qtr 2007

Group, sub-group and expenditure class									Weighted average of eight capital cities
	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra	
Food	0.46	0.59	0.50	0.70	0.30	0.31	0.38	0.13	0.49
Dairy and related products	0.04	0.04	0.02	0.05	0.04	0.04	0.05	0.05	0.04
Milk	0.02	0.02	0.02	0.02	0.01	0.02	0.02	0.02	0.02
Cheese	0.01	0.02	0.02	0.02	0.02	0.01	0.02	0.02	0.01
Ice cream and other dairy products	0.00	0.00	0.00	0.00	0.01	0.01	0.00	0.01	0.00
Bread and cereal products	0.03	0.01	0.03	0.07	0.01	0.02	0.00	0.04	0.03
Bread	0.01	0.02	0.01	0.01	-0.01	0.02	-0.01	0.02	0.00
Cakes and biscuits	0.01	-0.02	0.01	0.05	0.01	-0.02	0.01	0.02	0.01
Breakfast cereals	0.01	0.01	0.01	0.02	0.01	0.03	0.01	0.01	0.01
Other cereal products	0.01	0.01	-0.01	-0.01	-0.02	0.00	-0.01	-0.01	0.00
Meat and seafoods	0.03	0.01	0.00	0.05	0.01	-0.03	-0.05	0.00	0.01
Beef and veal	-0.01	0.00	-0.01	0.00	0.01	-0.02	-0.03	-0.01	0.00
Lamb and mutton	0.00	0.01	0.00	0.01	0.01	0.01	0.00	0.00	0.00
Pork	0.00	-0.01	0.00	0.00	0.01	0.01	-0.03	-0.01	-0.01
Poultry	0.02	0.02	0.01	0.02	0.00	-0.01	-0.01	0.01	0.01
Bacon and ham	0.00	-0.01	-0.01	0.02	0.00	0.00	0.00	-0.02	-0.01
Other fresh and processed meat	0.00	0.00	0.00	-0.01	0.00	-0.01	0.01	0.00	0.00
Fish and other seafood	0.01	0.02	0.01	0.03	0.00	0.00	0.02	0.03	0.01
Fruit and vegetables	0.33	0.44	0.40	0.39	0.23	0.28	0.25	0.02	0.35
Fruit	0.18	0.18	0.26	0.23	0.17	0.10	0.11	-0.06	0.19
Vegetables	0.15	0.26	0.14	0.16	0.06	0.18	0.14	0.08	0.16
Non-alcoholic drinks and snack food	0.02	-0.03	-0.02	0.04	0.00	-0.02	-0.01	0.00	0.00
Soft drinks, waters and juices	0.00	-0.02	-0.02	0.01	-0.03	-0.03	-0.01	0.00	-0.01
Snacks and confectionery	0.01	-0.01	0.00	0.03	0.03	0.00	0.00	-0.01	0.01
Meals out and take away foods	0.04	0.15	0.10	0.05	0.05	0.03	0.09	0.09	0.08
Restaurant meals	0.02	0.07	0.04	0.02	0.04	0.00	0.04	0.04	0.04
Take away and fast foods	0.01	0.08	0.06	0.03	0.02	0.03	0.05	0.04	0.04
Other food	-0.01	-0.04	-0.03	0.05	-0.04	0.00	0.05	-0.05	-0.02
Eggs	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.00
Jams, honey and sandwich spreads	0.00	0.00	0.00	0.01	0.00	0.01	0.00	0.00	0.00
Tea, coffee and food drinks	-0.01	-0.02	-0.02	0.00	-0.02	0.00	0.01	-0.02	-0.02
Food additives and condiments	0.00	0.00	0.01	0.01	0.00	0.01	0.00	0.00	0.00
Fats and oils	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.00
Food n.e.c.	-0.01	-0.02	-0.02	0.03	-0.02	-0.01	0.03	-0.03	-0.01
Alcohol and tobacco	-0.01	0.12	0.02	0.06	0.16	0.10	0.03	0.07	0.06
Alcoholic drinks	-0.04	0.10	0.00	0.02	0.12	0.03	-0.05	0.07	0.03
Beer	0.00	0.04	0.01	0.01	0.05	0.06	0.02	0.04	0.03
Wine	-0.05	0.03	-0.02	-0.01	0.03	-0.03	-0.07	0.00	-0.01
Spirits	0.01	0.03	0.01	0.02	0.03	0.01	0.00	0.02	0.01
Tobacco	0.04	0.02	0.03	0.05	0.05	0.05	0.08	0.01	0.03
Clothing and footwear	0.02	-0.05	0.18	0.03	-0.02	0.02	-0.03	0.08	0.02
Men's clothing	0.01	-0.01	0.04	0.02	0.00	-0.03	0.01	0.02	0.01
Men's outerwear	0.00	0.00	0.04	0.03	0.01	-0.01	0.01	0.02	0.01
Men's underwear, nightwear and socks	0.00	-0.01	0.00	0.00	-0.01	-0.01	-0.01	0.01	0.00
Women's clothing	-0.03	-0.03	0.05	0.01	-0.02	-0.01	0.01	0.03	-0.01
Women's outerwear	-0.02	-0.05	0.03	0.01	-0.01	-0.03	0.01	0.02	-0.02
Women's underwear, nightwear and hosiery	0.00	0.01	0.02	0.00	-0.01	0.01	0.00	0.01	0.00
Children's and infants' clothing	-0.01	-0.01	0.00	0.00	0.01	-0.01	-0.01	0.02	0.00
Footwear	0.04	-0.02	0.04	0.05	0.04	0.02	-0.01	0.03	0.02
Men's footwear	0.01	0.00	0.01	0.02	0.02	-0.02	0.00	0.01	0.01
Women's footwear	0.02	-0.03	0.03	0.02	0.01	0.03	-0.01	0.02	0.01
Children's footwear	0.01	0.01	0.00	0.00	0.01	-0.01	0.00	0.00	0.00
Accessories and clothing services	0.01	0.02	0.03	-0.06	-0.05	0.05	-0.02	-0.03	0.01
Accessories	0.01	0.03	0.04	-0.05	-0.04	0.05	-0.02	-0.03	0.00
Clothing services and shoe repair	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00

(a) All groups index points.

Group, sub-group and expenditure class									Weighted average of eight capital cities
	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra	
Housing	0.62	0.33	1.02	0.33	0.52	0.50	0.90	1.13	0.58
Rents	0.15	0.08	0.26	0.04	0.14	0.06	0.12	0.10	0.13
Utilities	0.26	0.04	0.49	0.12	0.11	0.09	0.23	0.75	0.21
Electricity	0.21	-0.05	0.29	0.00	0.00	0.00	0.18	0.49	0.11
Gas and other household fuels	0.02	0.01	0.04	0.05	0.02	0.01	0.00	0.13	0.02
Water and sewerage	0.03	0.08	0.15	0.06	0.08	0.09	0.05	0.13	0.07
Other housing	0.21	0.21	0.28	0.18	0.27	0.35	0.55	0.27	0.23
House purchase	0.13	0.07	0.15	0.11	0.13	0.22	0.45	0.19	0.12
Property rates and charges	0.07	0.12	0.08	0.07	0.09	0.11	0.08	0.06	0.08
House repairs and maintenance	0.01	0.02	0.06	-0.01	0.04	0.02	0.02	0.03	0.02
Household contents and services	-0.37	-0.25	-0.51	-0.28	-0.29	-0.51	-0.29	-0.52	-0.35
Furniture and furnishings	-0.11	-0.05	-0.04	-0.05	0.00	-0.08	0.00	-0.11	-0.06
Furniture	-0.09	-0.05	-0.01	-0.05	0.08	0.03	0.00	-0.08	-0.05
Floor and window coverings	0.02	0.01	-0.01	0.01	-0.02	-0.01	-0.01	0.01	0.01
Towels and linen	-0.04	-0.01	-0.02	-0.02	-0.06	-0.10	0.00	-0.04	-0.03
Household appliances, utensils and tools	0.00	0.01	0.03	0.04	-0.02	-0.09	-0.02	0.00	0.01
Major household appliances	0.00	0.00	0.00	0.01	-0.02	-0.02	0.00	0.01	0.00
Small electric household appliances	0.00	-0.01	0.01	0.01	0.01	-0.02	0.00	0.01	0.00
Glassware, tableware and household utensils	-0.01	0.01	0.02	0.03	0.00	-0.05	-0.02	-0.02	0.00
Tools	0.00	-0.01	-0.01	-0.01	0.00	0.00	-0.01	0.00	0.00
Household supplies	0.01	-0.01	-0.05	-0.05	-0.04	-0.10	-0.06	0.00	-0.02
Household cleaning agents	0.00	0.00	0.01	0.00	0.00	0.00	-0.01	-0.01	0.00
Toiletries and personal care products	-0.01	-0.01	-0.01	-0.03	-0.01	-0.04	-0.03	0.02	-0.02
Other household supplies	0.02	0.01	-0.04	-0.02	-0.03	-0.06	-0.03	0.00	0.00
Household services	-0.27	-0.20	-0.46	-0.23	-0.23	-0.23	-0.21	-0.43	-0.27
Child care	-0.27	-0.21	-0.47	-0.24	-0.25	-0.27	-0.29	-0.42	-0.29
Hairdressing and personal care services	0.00	0.01	0.00	0.01	0.01	0.00	0.02	0.02	0.01
Other household services	0.00	0.01	0.00	0.00	0.02	0.03	0.06	-0.02	0.00
Health	-0.06	-0.01	-0.06	-0.08	-0.02	-0.07	-0.07	0.00	-0.04
Health services	0.03	0.07	0.02	0.00	0.05	0.03	0.00	0.09	0.04
Hospital and medical services	0.03	0.05	-0.01	-0.01	0.01	0.01	-0.01	0.05	0.02
Optical services	-0.01	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00
Dental services	0.01	0.02	0.03	0.01	0.02	0.02	0.01	0.03	0.02
Pharmaceuticals	-0.08	-0.08	-0.08	-0.08	-0.07	-0.10	-0.08	-0.08	-0.08
Transportation	-0.18	-0.10	-0.12	-0.15	-0.14	-0.18	-0.02	-0.22	-0.14
Private motoring	-0.21	-0.10	-0.16	-0.20	-0.16	-0.19	-0.02	-0.25	-0.16
Motor vehicles	0.01	0.04	-0.03	-0.05	-0.08	0.01	-0.03	0.00	-0.01
Automotive fuel	-0.26	-0.24	-0.28	-0.26	-0.19	-0.25	-0.07	-0.36	-0.25
Motor vehicle repair and servicing	0.01	0.04	0.05	0.01	0.04	0.01	0.03	0.03	0.03
Motor vehicle parts and accessories	0.01	0.01	0.03	0.04	0.02	0.01	0.04	0.03	0.02
Other motoring charges	0.03	0.04	0.07	0.06	0.04	0.03	0.01	0.04	0.05
Urban transport fares	0.02	0.00	0.03	0.05	0.02	0.01	0.00	0.02	0.02
Communication	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Postal	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00
Telecommunication	0.00	0.00	0.00	0.00	0.00	-0.01	0.00	0.00	0.00

(a) All groups index points.

Group, sub-group and expenditure class									Weighted average of eight capital cities
	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra	
Recreation	0.12	0.35	0.19	0.35	0.26	0.18	0.89	0.34	0.24
Audio, visual and computing	-0.10	-0.05	-0.01	-0.03	-0.02	0.00	-0.03	0.00	-0.05
Audio, visual and computing equipment	-0.07	-0.04	-0.03	-0.05	-0.03	-0.04	-0.07	-0.03	-0.05
Audio, visual and computing media and services	-0.02	-0.01	0.02	0.01	0.01	0.04	0.02	0.04	0.00
Books, newspapers and magazines	0.01	0.01	0.01	0.00	0.01	0.01	0.01	0.02	0.01
Books	0.00	0.00	0.00	-0.01	0.01	0.00	0.01	0.01	0.00
Newspapers and magazines	0.00	0.00	0.01	0.00	0.01	0.00	0.00	0.00	0.01
Sport and other recreation	0.07	0.17	0.05	0.11	0.11	0.09	0.05	0.12	0.10
Sports and recreational equipment	0.01	0.00	0.01	-0.01	0.00	0.00	-0.01	0.01	0.00
Toys, games and hobbies	-0.01	-0.01	0.00	0.01	-0.02	-0.01	0.01	0.02	0.00
Sports participation	0.03	0.09	0.01	0.03	0.04	0.08	0.01	0.06	0.04
Pets, pet foods and supplies	0.01	0.01	0.03	0.04	0.01	0.01	0.01	0.00	0.02
Pet services including veterinary	0.01	0.01	0.01	0.01	0.04	0.00	0.04	0.01	0.01
Other recreational activities	0.02	0.04	0.01	0.04	0.02	0.00	0.00	0.04	0.03
Holiday travel and accommodation	0.13	0.22	0.13	0.26	0.17	0.08	0.86	0.20	0.18
Domestic holiday travel and accommodation	0.06	0.09	0.09	0.00	-0.02	0.00	0.81	0.05	0.07
Overseas holiday travel and accommodation	0.07	0.13	0.05	0.26	0.19	0.07	0.04	0.14	0.11
Education	-0.07	-0.05	-0.03	-0.02	0.00	-0.04	0.00	-0.04	-0.04
Preschool and primary education	-0.07	-0.05	-0.04	-0.02	0.00	-0.04	0.00	-0.05	-0.04
Secondary education	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tertiary education	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial and insurance services	0.25	0.37	0.35	0.27	0.19	0.22	0.11	0.22	0.29
Financial services	0.27	0.29	0.35	0.22	0.15	0.15	0.12	0.22	0.27
Deposit and loan facilities	0.18	0.14	0.14	0.12	0.13	0.09	0.12	0.13	0.15
Other financial services	0.10	0.15	0.20	0.10	0.01	0.05	0.01	0.09	0.12
Insurance services	-0.02	0.07	0.00	0.05	0.04	0.07	-0.02	0.00	0.03
All groups	0.7	1.3	1.5	1.2	0.9	0.5	1.9	1.2	1.1

(a) All groups index points.

Group, sub-group and expenditure class	INDEX NUMBERS(a)			PERCENTAGE CHANGE		CONTRIBUTION TO TOTAL CPI (ALL GROUPS INDEX POINTS)		CHANGE IN POINTS CONTRIBUTION
	Sep Qtr 2006	Jun Qtr 2007	Sep Qtr 2007	Jun Qtr 2007 to Sep Qtr 2007	Sep Qtr 2006 to Sep Qtr 2007	Jun Qtr 2007	Sep Qtr 2007	Jun Qtr 2007 to Sep Qtr 2007
Food	173.0	172.8	176.1	1.9	1.8	25.34	25.83	0.49
Dairy and related products	176.7	182.7	186.5	2.1	5.5	1.91	1.95	0.04
Milk	191.8	197.4	202.2	2.4	5.4	0.88	0.90	0.02
Cheese	155.6	164.3	168.8	2.7	8.5	0.54	0.55	0.01
Ice cream and other dairy products	166.4	169.6	170.7	0.6	2.6	0.49	0.49	0.00
Bread and cereal products	175.1	182.6	184.4	1.0	5.3	2.83	2.86	0.03
Bread	201.5	215.6	217.4	0.8	7.9	1.11	1.11	0.00
Cakes and biscuits	162.3	168.7	169.8	0.7	4.6	1.15	1.16	0.01
Breakfast cereals	151.0	144.9	150.1	3.6	-0.6	0.30	0.31	0.01
Other cereal products	142.0	149.2	149.2	0.0	5.1	0.28	0.28	0.00
Meat and seafoods	147.6	150.0	150.6	0.4	2.0	3.72	3.73	0.01
Beef and veal	165.5	163.9	163.2	-0.4	-1.4	0.75	0.75	0.00
Lamb and mutton	216.2	213.2	213.4	0.1	-1.3	0.41	0.41	0.00
Pork	168.4	170.1	168.8	-0.8	0.2	0.25	0.24	-0.01
Poultry	95.1	97.4	98.9	1.5	4.0	0.69	0.70	0.01
Bacon and ham	137.9	141.9	140.4	-1.1	1.8	0.36	0.35	-0.01
Other fresh and processed meat	157.9	160.8	160.9	0.1	1.9	0.59	0.59	0.00
Fish and other seafood	130.2	137.1	139.6	1.8	7.2	0.67	0.68	0.01
Fruit and vegetables	206.1	176.9	192.4	8.8	-6.6	4.01	4.36	0.35
Fruit	293.4	199.5	218.7	9.6	-25.5	1.90	2.09	0.19
Vegetables	144.5	162.6	175.5	7.9	21.5	2.11	2.27	0.16
Non-alcoholic drinks and snack food	170.7	176.4	176.2	-0.1	3.2	3.19	3.19	0.00
Soft drinks, waters and juices	153.0	160.2	159.2	-0.6	4.1	1.51	1.50	-0.01
Snacks and confectionery	193.4	197.3	198.3	0.5	2.5	1.68	1.69	0.01
Meals out and take away foods	172.4	177.1	179.1	1.1	3.9	7.26	7.34	0.08
Restaurant meals	176.9	181.1	183.4	1.3	3.7	3.18	3.22	0.04
Take away and fast foods	170.8	176.0	177.7	1.0	4.0	4.08	4.12	0.04
Other food	153.9	159.9	158.4	-0.9	2.9	2.43	2.41	-0.02
Eggs	184.7	202.9	202.9	0.0	9.9	0.18	0.18	0.00
Jams, honey and sandwich spreads	189.9	193.7	193.6	-0.1	1.9	0.24	0.24	0.00
Tea, coffee and food drinks	144.1	149.7	144.2	-3.7	0.1	0.40	0.38	-0.02
Food additives and condiments	134.4	140.9	142.1	0.9	5.7	0.44	0.44	0.00
Fats and oils	162.2	172.4	172.0	-0.2	6.0	0.32	0.32	0.00
Food n.e.c.	152.0	154.9	153.1	-1.2	0.7	0.86	0.85	-0.01
Alcohol and tobacco	237.7	243.6	245.0	0.6	3.1	10.76	10.82	0.06
Alcoholic drinks	173.4	177.8	178.6	0.4	3.0	6.89	6.92	0.03
Beer	190.7	197.9	199.3	0.7	4.5	3.14	3.17	0.03
Wine	148.2	148.8	148.2	-0.4	0.0	2.34	2.33	-0.01
Spirits	172.8	179.0	180.9	1.1	4.7	1.41	1.42	0.01
Tobacco	418.0	427.7	431.4	0.9	3.2	3.87	3.90	0.03
Clothing and footwear	108.5	109.2	109.6	0.4	1.0	5.75	5.77	0.02
Men's clothing	106.3	106.1	106.9	0.8	0.6	1.08	1.09	0.01
Men's outerwear	103.5	103.3	104.4	1.1	0.9	0.92	0.93	0.01
Men's underwear, nightwear and socks	121.8	121.7	120.6	-0.9	-1.0	0.16	0.16	0.00
Women's clothing	108.6	110.4	109.6	-0.7	0.9	2.04	2.03	-0.01
Women's outerwear	101.5	102.7	101.6	-1.1	0.1	1.63	1.61	-0.02
Women's underwear, nightwear and hosiery	138.3	142.9	144.0	0.8	4.1	0.42	0.42	0.00
Children's and infants' clothing	115.7	116.5	116.0	-0.4	0.3	0.59	0.59	0.00
Footwear	98.2	95.7	97.8	2.2	-0.4	0.94	0.96	0.02
Men's footwear	91.5	91.7	93.9	2.4	2.6	0.26	0.27	0.01
Women's footwear	103.6	99.5	101.2	1.7	-2.3	0.50	0.51	0.01
Children's footwear	97.6	95.5	98.5	3.1	0.9	0.18	0.18	0.00
Accessories and clothing services(b)	106.5	109.1	109.6	0.5	2.9	1.09	1.10	0.01
Accessories(b)	90.3	92.6	93.1	0.5	3.1	0.84	0.84	0.00
Clothing services and shoe repair	183.8	187.5	188.2	0.4	2.4	0.26	0.26	0.00

(a) Unless otherwise specified, base of each index: 1989-90 = 100.0.

(b) Base: June quarter 1998 = 100.0.

Group, sub-group and expenditure class	INDEX NUMBERS(a)			PERCENTAGE CHANGE		CONTRIBUTION TO TOTAL CPI (ALL GROUPS INDEX POINTS)		CHANGE IN POINTS CONTRIBUTION
	Sep Qtr 2006	Jun Qtr 2007	Sep Qtr 2007	Jun Qtr 2007 to Sep Qtr 2007	Sep Qtr 2006 to Sep Qtr 2007	Jun Qtr 2007	Sep Qtr 2007	Jun Qtr 2007 to Sep Qtr 2007
Housing	132.2	135.3	137.8	1.8	4.2	31.05	31.63	0.58
Rents	149.0	155.1	157.6	1.6	5.8	8.38	8.51	0.13
Utilities	167.4	169.1	176.1	4.1	5.2	4.97	5.18	0.21
Electricity	157.4	159.4	166.2	4.3	5.6	2.57	2.68	0.11
Gas and other household fuels	188.6	190.9	195.6	2.5	3.7	1.13	1.15	0.02
Water and sewerage(b)	139.7	140.2	147.9	5.5	5.9	1.28	1.35	0.07
Other housing	126.3	128.7	130.4	1.3	3.2	17.70	17.93	0.23
House purchase(b)	151.7	155.5	157.0	1.0	3.5	12.42	12.54	0.12
Property rates and charges(b)	156.2	156.2	163.3	4.5	4.5	1.91	1.99	0.08
House repairs and maintenance	163.1	164.5	165.6	0.7	1.5	3.37	3.39	0.02
Household contents and services	124.5	125.5	122.5	-2.4	-1.6	14.76	14.41	-0.35
Furniture and furnishings	129.7	130.8	129.1	-1.3	-0.5	4.72	4.66	-0.06
Furniture	129.9	131.7	129.7	-1.5	-0.2	2.97	2.92	-0.05
Floor and window coverings	144.5	145.4	146.2	0.6	1.2	1.19	1.20	0.01
Towels and linen	107.3	105.9	101.0	-4.6	-5.9	0.57	0.54	-0.03
Household appliances, utensils and tools	103.6	103.1	103.3	0.2	-0.3	2.57	2.58	0.01
Major household appliances	106.8	106.5	106.6	0.1	-0.2	0.97	0.97	0.00
Small electric household appliances	93.5	93.6	93.8	0.2	0.3	0.39	0.39	0.00
Glassware, tableware and household utensils	97.9	96.2	96.9	0.7	-1.0	0.70	0.70	0.00
Tools	110.3	110.4	110.0	-0.4	-0.3	0.52	0.52	0.00
Household supplies	138.5	137.8	137.3	-0.4	-0.9	4.45	4.43	-0.02
Household cleaning agents	130.0	132.3	132.1	-0.2	1.6	0.51	0.51	0.00
Toiletries and personal care products	146.4	145.2	144.0	-0.8	-1.6	1.79	1.77	-0.02
Other household supplies	143.7	142.6	142.6	0.0	-0.8	2.15	2.15	0.00
Household services	225.4	234.1	213.0	-9.0	-5.5	3.01	2.74	-0.27
Child care	233.9	255.6	170.2	-33.4	-27.2	0.85	0.56	-0.29
Hairdressing and personal care services	184.9	187.8	189.2	0.7	2.3	1.19	1.20	0.01
Other household services	221.6	226.3	227.0	0.3	2.4	0.97	0.97	0.00
Health	219.8	230.5	229.3	-0.5	4.3	7.60	7.56	-0.04
Health services	237.9	248.2	249.8	0.6	5.0	5.83	5.87	0.04
Hospital and medical services	249.1	261.1	262.4	0.5	5.3	4.55	4.57	0.02
Optical services	146.5	147.5	148.1	0.4	1.1	0.18	0.18	0.00
Dental services	226.2	232.9	236.3	1.5	4.5	1.10	1.12	0.02
Pharmaceuticals	155.5	166.0	158.5	-4.5	1.9	1.76	1.68	-0.08
Transportation	160.8	160.5	159.4	-0.7	-0.9	20.97	20.83	-0.14
Private motoring	157.5	157.1	155.8	-0.8	-1.1	19.82	19.66	-0.16
Motor vehicles	99.1	99.7	99.6	-0.1	0.5	7.31	7.30	-0.01
Automotive fuel	225.0	218.1	210.0	-3.7	-6.7	6.71	6.46	-0.25
Motor vehicle repair and servicing	149.8	152.8	154.3	1.0	3.0	3.10	3.13	0.03
Motor vehicle parts and accessories	120.8	124.2	126.4	1.8	4.6	1.09	1.11	0.02
Other motoring charges	210.8	214.9	220.4	2.6	4.6	1.62	1.67	0.05
Urban transport fares	217.3	220.0	223.6	1.6	2.9	1.15	1.17	0.02
Communication	110.3	111.2	111.2	0.0	0.8	4.94	4.94	0.00
Postal	137.5	141.9	142.3	0.3	3.5	0.17	0.17	0.00
Telecommunication	108.0	108.7	108.7	0.0	0.6	4.77	4.77	0.00

(a) Unless otherwise specified, base of each index: 1989-90 = 100.0.

(b) Base: June quarter 1998 = 100.0.

Group, sub-group and expenditure class	INDEX NUMBERS(a)			PERCENTAGE CHANGE		CONTRIBUTION TO TOTAL CPI (ALL GROUPS INDEX POINTS)		CHANGE IN POINTS CONTRIBUTION
	Sep Qtr 2006	Jun Qtr 2007	Sep Qtr 2007	Jun Qtr 2007 to Sep Qtr 2007	Sep Qtr 2006 to Sep Qtr 2007	Jun Qtr 2007	Sep Qtr 2007	Jun Qtr 2007 to Sep Qtr 2007
Recreation	133.0	133.3	135.1	1.4	1.6	17.56	17.80	0.24
Audio, visual and computing	50.3	48.1	47.5	-1.2	-5.6	3.90	3.85	-0.05
Audio, visual and computing equipment	25.9	24.0	23.4	-2.5	-9.7	1.90	1.85	-0.05
Audio, visual and computing media and services	97.3	96.0	95.7	-0.3	-1.6	2.00	2.00	0.00
Books, newspapers and magazines	209.9	213.6	215.1	0.7	2.5	1.31	1.32	0.01
Books(b)	125.4	126.4	126.9	0.4	1.2	0.67	0.67	0.00
Newspapers and magazines(b)	141.4	145.5	146.8	0.9	3.8	0.64	0.65	0.01
Sport and other recreation	168.5	171.4	174.5	1.8	3.6	5.85	5.95	0.10
Sports and recreational equipment(b)	86.6	85.9	86.3	0.5	-0.3	0.79	0.79	0.00
Toys, games and hobbies(b)	95.4	95.5	95.1	-0.4	-0.3	0.74	0.74	0.00
Sports participation(b)	153.0	155.1	161.3	4.0	5.4	1.16	1.20	0.04
Pets, pet foods and supplies	152.1	158.2	162.3	2.6	6.7	0.68	0.70	0.02
Pet services including veterinary	207.4	212.5	216.2	1.7	4.2	0.71	0.72	0.01
Other recreational activities(b)	145.6	149.4	151.9	1.7	4.3	1.77	1.80	0.03
Holiday travel and accommodation	139.2	141.1	145.1	2.8	4.2	6.50	6.68	0.18
Domestic holiday travel and accommodation	147.9	149.7	152.4	1.8	3.0	3.69	3.76	0.07
Overseas holiday travel and accommodation	128.5	130.4	135.9	4.2	5.8	2.81	2.92	0.11
Education	258.0	271.3	268.6	-1.0	4.1	4.47	4.43	-0.04
Preschool and primary education(c)	147.7	158.6	150.9	-4.9	2.2	0.90	0.86	-0.04
Secondary education(c)	147.8	158.3	158.3	0.0	7.1	1.61	1.61	0.00
Tertiary education(c)	126.9	130.2	130.2	0.0	2.6	1.96	1.96	0.00
Financial and insurance services(d)	102.5	103.7	105.8	2.0	3.2	14.31	14.60	0.29
Financial services(d)	101.9	103.2	105.5	2.2	3.5	11.95	12.22	0.27
Deposit and loan facilities(d)	100.4	101.6	103.8	2.2	3.4	6.73	6.88	0.15
Other financial services(d)	103.8	105.4	107.8	2.3	3.9	5.22	5.34	0.12
Insurance services	263.4	263.8	266.4	1.0	1.1	2.36	2.39	0.03
All groups	155.7	157.5	158.6	0.7	1.9	157.5	158.6	1.1

(a) Unless otherwise specified, base of each index: 1989-90 = 100.0.

(b) Base: June quarter 1998 = 100.0.

(c) Base: June quarter 2000 = 100.0.

(d) Base: June quarter 2005 = 100.0.

SPECIAL SERIES, Weighted average of eight capital cities(a)

	INDEX NUMBERS(b)			PERCENTAGE CHANGE		CONTRIBUTION TO TOTAL CPI (ALL GROUPS INDEX POINTS)		CHANGE IN POINTS CONTRIBUTION
	Sep Qtr 2006	Jun Qtr 2007	Sep Qtr 2007	Jun Qtr 2007 to Sep Qtr 2007	Sep Qtr 2006 to Sep Qtr 2007	Jun Qtr 2007	Sep Qtr 2007	Jun Qtr 2007 to Sep Qtr 2007
All groups	155.70	157.5	158.6	0.7	1.9	157.5	158.6	1.1
Selected components								
Goods component	155.2	155.8	156.6	0.5	0.9	91.85	92.30	0.45
Services component	157.6	161.3	162.9	1.0	3.4	65.67	66.33	0.66
Tradables component(c)	119.8	119.2	119.4	0.2	-0.3	65.15	65.26	0.11
Non-tradables component(c)	136.9	140.2	141.7	1.1	3.5	92.37	93.36	0.99
All groups excluding								
Food	152.3	154.6	155.3	0.5	2.0	132.18	132.79	0.61
Alcohol and tobacco	149.9	151.5	152.6	0.7	1.8	146.76	147.80	1.04
Clothing and footwear	158.8	160.7	161.9	0.7	2.0	151.77	152.86	1.09
Housing	159.1	160.5	161.2	0.4	1.3	126.47	127.00	0.53
Household contents and services	160.4	162.4	164.0	1.0	2.2	142.77	144.22	1.45
Health	152.6	154.1	155.3	0.8	1.8	149.93	151.07	1.14
Transportation	154.9	157.1	158.6	1.0	2.4	136.55	137.79	1.24
Communication	156.7	158.6	159.7	0.7	1.9	152.58	153.68	1.10
Recreation	158.9	161.0	162.0	0.6	2.0	139.97	140.82	0.85
Education	154.3	156.0	157.2	0.8	1.9	153.05	154.19	1.14
Financial and insurance services	162.6	164.6	165.5	0.5	1.8	143.21	144.02	0.81
Housing and Financial and insurance services	159.7	161.2	161.5	0.2	1.1	112.16	112.39	0.23
Hospital and medical services	153.2	154.9	156.0	0.7	1.8	152.97	154.05	1.08

(a) Refer to paragraph 12 of the Explanatory Notes for a description of these series.

(b) Unless otherwise specified, base of each index: 1989-90 = 100.0.

(c) Base: June quarter 1998 = 100.0.

ANALYTICAL SERIES, Index numbers(a)(b)

Period	All groups	All groups excluding Housing and Financial and insurance services	All groups excluding 'volatile items'	MARKET GOODS AND SERVICES EXCLUDING 'VOLATILE ITEMS'			Tradables(c)	Non-tradables(c)
				Goods	Services	Total		
2003-04	143.5	147.3	150.8	141.6	157.7	146.1	111.5	125.1
2004-05	147.0	150.3	154.0	143.2	161.5	148.4	112.6	129.6
2005-06	151.7	155.2	157.6	145.6	165.2	151.2	116.0	133.9
2006-07	156.1	159.8	161.7	148.2	170.0	154.6	118.5	138.6
2003								
September	142.1	145.9	149.8	141.3	156.2	145.5	111.1	123.3
December	142.8	146.6	150.3	141.4	157.9	146.1	111.1	124.4
2004								
March	144.1	147.9	151.1	141.5	158.0	146.1	111.8	125.8
June	144.8	148.6	151.8	142.0	158.6	146.7	112.0	126.7
September	145.4	148.8	152.5	142.2	159.9	147.2	111.9	127.8
December	146.5	149.9	153.4	143.1	161.2	148.2	112.6	128.8
2005								
March	147.5	150.8	154.7	143.4	162.5	148.8	112.5	130.5
June	148.4	151.7	155.3	144.2	162.4	149.3	113.4	131.1
September	149.8	153.2	156.2	144.9	163.4	150.2	114.8	132.2
December	150.6	153.7	156.9	145.3	164.8	150.9	114.8	133.3
2006								
March	151.9	155.4	158.1	145.7	165.6	151.4	115.7	134.5
June	154.3	158.4	159.1	146.4	166.8	152.3	118.8	135.6
September	155.7	159.7	160.3	147.3	168.2	153.4	119.8	136.9
December	155.5	159.2	161.1	147.8	170.1	154.4	118.1	138.0
2007								
March	155.6	159.0	162.1	148.3	170.3	154.8	116.9	139.2
June	157.5	161.2	163.3	149.5	171.3	155.9	119.2	140.2
September	158.6	161.5	164.4	149.9	174.1	157.2	119.4	141.7

(a) Unless otherwise specified, base of each index: 1989-90 = 100.0.

(c) Base: June quarter 1998 = 100.0.

(b) Refer to paragraph 12 of the Explanatory Notes for a description of these series.

Period	All groups excluding Housing and Financial and insurance services			MARKET GOODS AND SERVICES EXCLUDING 'VOLATILE ITEMS'					RBA CONSUMER PRICE MEASURES	
	All groups		All groups excluding 'volatile items'	Goods	Services	Total	Tradables	Non-tradables	Weighted median	Trimmed mean
PERCENTAGE CHANGE (from previous financial year)										
2003-04	2.4	1.9	2.3	1.4	1.9	1.6	0.2	4.3	2.7	2.5
2004-05	2.4	2.0	2.1	1.1	2.4	1.6	1.0	3.6	2.5	2.6
2005-06	3.2	3.3	2.3	1.7	2.3	1.9	3.0	3.3	r2.6	2.6
2006-07	2.9	3.0	2.6	1.8	2.9	2.2	2.2	3.5	3.0	2.8

PERCENTAGE CHANGE (from corresponding quarter of previous year)										
2003										
September	2.6	2.2	2.6	2.1	1.8	2.0	0.7	4.1	2.8	2.7
December	2.4	1.8	2.4	1.6	2.2	1.8	0.0	4.4	2.7	2.5
2004										
March	2.0	1.4	2.1	1.1	1.8	1.3	-0.5	4.1	2.5	2.4
June	2.5	2.1	1.9	0.9	1.9	1.2	0.5	4.1	r2.6	r2.5
September	2.3	2.0	1.8	0.6	2.4	1.2	0.7	3.6	2.5	2.4
December	2.6	2.3	2.1	1.2	2.1	1.4	1.4	3.5	2.6	2.7
2005										
March	2.4	2.0	2.4	1.3	2.8	1.8	0.6	3.7	2.4	2.6
June	2.5	2.1	2.3	1.5	2.4	1.8	1.3	3.5	2.5	2.6
September	3.0	3.0	2.4	1.9	2.2	2.0	2.6	3.4	2.4	2.6
December	2.8	2.5	2.3	1.5	2.2	1.8	2.0	3.5	r2.4	2.3
2006										
March	3.0	3.1	2.2	1.6	1.9	1.7	2.8	3.1	r2.7	2.6
June	4.0	4.4	2.4	1.5	2.7	2.0	4.8	3.4	r2.9	2.8
September	3.9	4.2	2.6	1.7	2.9	2.1	4.4	3.6	r3.1	2.9
December	3.3	3.6	2.7	1.7	3.2	2.3	2.9	3.5	3.0	2.9
2007										
March	2.4	2.3	2.5	1.8	2.8	2.2	1.0	3.5	r2.9	2.7
June	2.1	1.8	2.6	2.1	2.7	2.4	0.3	3.4	r2.9	2.7
September	1.9	1.1	2.6	1.8	3.5	2.5	-0.3	3.5	3.1	2.9

PERCENTAGE CHANGE (from previous quarter)										
2003										
September	0.6	0.3	0.6	0.4	0.4	0.4	-0.3	1.3	0.7	0.7
December	0.5	0.5	0.3	0.1	1.1	0.4	0.0	0.9	0.6	0.5
2004										
March	0.9	0.9	0.5	0.1	0.1	0.0	0.6	1.1	0.6	0.6
June	0.5	0.5	0.5	0.4	0.4	0.4	0.2	0.7	0.7	0.6
September	0.4	0.1	0.5	0.1	0.8	0.3	-0.1	0.9	0.6	0.6
December	0.8	0.7	0.6	0.6	0.8	0.7	0.6	0.8	0.6	0.7
2005										
March	0.7	0.6	0.8	0.2	0.8	0.4	-0.1	1.3	0.5	0.6
June	0.6	0.6	0.4	0.6	-0.1	0.3	0.8	0.5	0.7	0.7
September	0.9	1.0	0.6	0.5	0.6	0.6	1.2	0.8	0.6	0.6
December	0.5	0.3	0.4	0.3	0.9	0.5	0.0	0.8	r0.6	0.5
2006										
March	0.9	1.1	0.8	0.3	0.5	0.3	0.8	0.9	0.8	0.8
June	1.6	1.9	0.6	0.5	0.7	0.6	2.7	0.8	0.9	0.9
September	0.9	0.8	0.8	0.6	0.8	0.7	0.8	1.0	0.8	0.7
December	-0.1	-0.3	0.5	0.3	1.1	0.7	-1.4	0.8	0.5	0.5
2007										
March	0.1	-0.1	0.6	0.3	0.1	0.3	-1.0	0.9	r0.7	r0.6
June	1.2	1.4	0.7	0.8	0.6	0.7	2.0	0.7	0.9	0.9
September	0.7	0.2	0.7	0.3	1.6	0.8	0.2	1.1	1.0	0.9

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(a) Refer to paragraph 12 of the Explanatory Notes for a description of these series.

<i>Period</i>	<i>Australia</i>	<i>New Zealand</i>	<i>Hong Kong</i>	<i>Indonesia</i>	<i>Japan</i>	<i>Korea, Republic of</i>	<i>Singapore</i>	<i>Taiwan</i>	<i>Canada</i>	<i>United States of America</i>	<i>Germany</i>	<i>United Kingdom</i>
2003-04	147.3	130.5	158.5	524.4	106.1	197.4	124.2	131.1	136.9	141.8	128.9	147.9
2004-05	150.3	132.9	161.2	560.2	106.2	204.9	125.6	134.7	139.3	146.2	131.1	149.7
2005-06	155.2	136.8	162.6	646.6	106.1	210.4	126.9	138.2	142.2	152.6	133.1	152.8
2006-07	159.8	r139.6	164.7	nya	106.4	215.4	r127.8	138.4	143.8	155.6	135.0	r157.6
2003												
September	145.9	129.9	156.9	509.8	106.3	194.0	123.0	129.4	136.2	140.6	128.1	147.1
December	146.6	130.3	158.2	523.2	106.1	195.8	123.3	131.1	136.0	140.6	128.1	147.7
2004												
March	147.9	130.6	159.0	526.4	105.8	199.1	125.1	131.2	136.9	141.8	129.2	147.9
June	148.6	131.3	160.0	538.3	106.2	200.5	125.3	132.6	138.6	144.0	130.2	148.9
September	148.8	131.8	160.0	539.1	106.2	203.2	125.7	134.5	138.5	144.3	130.6	148.6
December	149.9	132.8	161.6	553.0	106.8	203.0	125.6	134.2	138.9	145.7	130.6	149.5
2005												
March	150.8	133.1	161.4	571.4	105.6	206.0	125.4	133.9	139.2	146.2	131.2	149.7
June	151.7	133.9	161.9	577.1	106.1	207.3	125.6	136.2	140.6	148.6	131.8	151.1
September	153.2	135.3	162.1	589.5	105.8	208.7	126.3	139.8	141.9	150.9	132.8	151.4
December	153.7	136.1	162.6	655.1	106.1	208.8	127.1	138.5	141.5	152.0	132.9	152.3
2006												
March	155.4	136.7	162.2	668.6	105.9	211.4	127.2	136.0	141.9	152.4	132.8	152.5
June	158.4	138.9	163.4	673.3	106.5	212.5	127.1	138.6	143.6	155.2	133.7	154.9
September	159.7	139.5	164.0	681.5	106.8	214.3	127.3	138.5	143.3	155.7	134.2	156.0
December	159.2	138.8	164.3	698.8	106.5	213.6	127.9	137.7	142.2	153.4	134.2	157.1
2007												
March	159.0	139.3	164.8	710.7	105.8	215.7	127.7	137.2	143.7	154.8	135.1	157.7
June	161.2	r140.6	165.7	nya	106.4	218.1	128.4	140.3	145.9	158.5	136.5	159.6
September	161.5	140.8	167.4	nya	nya	219.5	nya	143.6	145.4	158.5	137.3	nya

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(a) Base of each index: 1989-90 = 100.0.

Period	Australia	New Zealand	Hong Kong	Indonesia	Japan	Korea, Republic of	Singapore	Taiwan	Canada	United States of America	Germany	United Kingdom
PERCENTAGE CHANGE (from previous financial year)												
2003-04	1.9	0.3	-0.3	5.8	-0.3	3.4	1.5	0.5	1.3	2.1	1.2	1.4
2004-05	2.0	1.8	1.7	6.8	0.1	3.8	1.1	2.7	1.8	3.1	1.7	1.2
2005-06	3.3	2.9	0.9	15.4	-0.1	2.7	1.0	2.6	2.1	4.4	1.5	2.1
2006-07	3.0	2.0	1.3	nya	0.3	2.4	r0.7	0.1	1.1	2.0	1.4	r3.1

PERCENTAGE CHANGE (from corresponding quarter of previous year)												
2003												
September	2.2	0.3	-2.0	6.1	-0.3	3.1	0.7	-0.8	1.6	2.1	0.8	1.8
December	1.8	0.0	-1.0	4.9	-0.4	3.5	0.9	0.0	1.1	1.7	1.0	1.6
2004												
March	1.4	0.0	0.4	5.1	-0.2	3.3	2.0	0.8	0.5	1.5	1.0	1.3
June	2.1	1.0	1.5	7.0	-0.3	3.5	2.4	1.8	2.1	2.8	2.0	1.2
September	2.0	1.5	2.0	5.7	-0.1	4.7	2.2	3.9	1.7	2.6	2.0	1.0
December	2.3	1.9	2.1	5.7	0.7	3.7	1.9	2.4	2.1	3.6	2.0	1.2
2005												
March	2.0	1.9	1.5	8.5	-0.2	3.5	0.2	2.1	1.7	3.1	1.5	1.2
June	2.1	2.0	1.2	7.2	-0.1	3.4	0.2	2.7	1.4	3.2	1.2	1.5
September	3.0	2.6	1.3	9.3	-0.4	2.7	0.5	3.9	2.5	4.6	1.7	1.9
December	2.5	2.5	0.6	18.5	-0.7	2.9	1.2	3.2	1.9	4.3	1.8	1.9
2006												
March	3.1	2.7	0.5	17.0	0.3	2.6	1.4	1.6	1.9	4.2	1.2	1.9
June	4.4	3.7	0.9	16.7	0.4	2.5	1.2	1.8	2.1	4.4	1.4	2.5
September	4.2	3.1	1.2	15.6	1.0	2.7	0.8	-0.9	1.0	3.2	1.1	3.0
December	3.6	1.9	1.0	6.5	0.4	2.3	0.6	-0.6	0.5	0.9	1.0	3.2
2007												
March	2.3	1.9	1.6	6.3	-0.1	2.0	0.4	0.9	1.3	1.6	1.7	3.4
June	1.8	r1.2	1.4	nya	-0.1	2.6	1.0	1.2	1.6	2.1	2.1	3.0
September	1.1	1.0	1.0	nya	nya	2.4	nya	3.7	1.5	1.8	2.3	nya

PERCENTAGE CHANGE (from previous quarter)												
2003												
September	0.3	-0.1	-0.5	1.3	-0.2	0.2	0.5	-0.7	0.3	0.4	0.3	0.0
December	0.5	0.3	0.8	2.6	-0.2	0.9	0.2	1.3	-0.1	0.0	0.0	0.4
2004												
March	0.9	0.2	0.5	0.6	-0.3	1.7	1.5	0.1	0.7	0.9	0.9	0.1
June	0.5	0.5	0.6	2.3	0.4	0.7	0.2	1.1	1.2	1.6	0.8	0.7
September	0.1	0.4	0.0	0.1	0.0	1.3	0.3	1.4	-0.1	0.2	0.3	-0.2
December	0.7	0.7	1.0	2.6	0.6	-0.1	-0.1	-0.2	0.3	1.0	0.0	0.6
2005												
March	0.6	0.2	-0.1	3.3	-1.1	1.5	-0.2	-0.2	0.2	0.3	0.5	0.1
June	0.6	0.6	0.3	1.0	0.5	0.6	0.2	1.7	1.0	1.6	0.5	0.9
September	1.0	1.0	0.1	2.1	-0.3	0.7	0.6	2.6	0.9	1.5	0.8	0.2
December	0.3	0.6	0.3	11.1	0.3	0.0	0.6	-0.9	-0.3	0.7	0.1	0.6
2006												
March	1.1	0.4	-0.2	2.1	-0.2	1.2	0.1	-1.8	0.3	0.3	-0.1	0.1
June	1.9	1.6	0.7	0.7	0.6	0.5	-0.1	1.9	1.2	1.8	0.7	1.6
September	0.8	0.4	0.4	1.2	0.3	0.8	0.2	-0.1	-0.2	0.3	0.4	0.7
December	-0.3	-0.5	0.2	2.4	-0.3	-0.3	0.5	-0.6	-0.8	-1.5	0.0	0.7
2007												
March	-0.1	0.4	0.3	1.9	-0.7	1.0	-0.2	-0.4	1.1	0.9	0.7	0.4
June	1.4	r0.9	0.5	nya	0.6	1.1	0.5	2.3	1.5	2.4	1.0	1.2
September	0.2	0.2	1.0	nya	nya	0.6	nya	2.4	-0.3	0.0	0.6	nya

nya not yet available

r revised

EXPLANATORY NOTES

BRIEF DESCRIPTION OF THE CPI

1 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 expenditure by the CPI population group (i.e. metropolitan households). This 'basket' covers a wide range of goods and services, arranged in the following eleven groups:

food
alcohol and tobacco
clothing and footwear
housing
household contents and services
health
transportation
communication
recreation
education
financial and insurance services.

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 *Australian Consumer Price Index: Concepts, Sources and Methods, 2005* (cat. no. 6461.0) which is available on the ABS web site <<http://www.abs.gov.au>>.

PRICES

4 The frequency of price collection by item varies as necessary to obtain reliable price measures. Prices of some items are volatile (i.e. their prices may vary many times each quarter) and for these items frequent price observations are necessary to obtain a reliable measure of the average price for the quarter. Each month prices are collected at regular intervals for goods such as milk, bread, fresh meat and seafood, fresh fruit and vegetables, alcohol, tobacco, women's outerwear, project homes, motor vehicles, petrol and holiday travel and accommodation. For most other items, price volatility is not a problem and prices are collected once a quarter. There are a few items where prices are changed at infrequent intervals, for example education fees where prices are set once a year. In these cases, the frequency of price collection is modified accordingly.

5 In order to facilitate a more even spread of field collection workload, the number of items for which prices are collected quarterly is distributed roughly equally across each month of each quarter. In all cases, however, individual items are priced in the same month of each quarter. For example, items for which prices are collected in the first month of the September quarter, July, are also priced in the first month of subsequent quarters, namely October, January and April.

WEIGHTING PATTERN

6 There are 90 expenditure classes (that is, groupings of like items) in the fifteenth 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 fifteen series of price indexes which have been linked to form a continuous series. The current weighting pattern for the CPI for the weighted average of the eight capital cities is published in *A Guide to the Consumer Price Index, 15th Series* (cat. no. 6440.0). The 15th series weighting pattern for the weighted average of eight capital cities and for each of the eight capital cities, as well as each city's percentage contribution to the weighted average, are also published in the *Consumer Price Index: 15th Series Weighting Pattern (Reissue)* (cat. no. 6430.0) (electronic publication). Both publications are available on the ABS web site <<http://www.abs.gov.au>>.

EXPLANATORY NOTES *continued*

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 changes in index points and percentage changes between any two periods:

All groups CPI: Weighted average of eight capital cities.

	Index numbers:
Sep Quarter 2007	158.6 (see table 1)
less Jun Quarter 2007	157.5 (see table 1)
Change in index points	1.1
Percentage change	$1.1/157.5 \times 100 = 0.7\%$

9 Percentage changes are calculated to illustrate three 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
- 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 groups, sub-groups and expenditure classes. It also shows the contribution which each makes to the total CPI. For instance, the dairy and related products sub-group contributed 0.04 index points to the total All groups index number of 158.6 for September Quarter 2007. The final column shows contributions to the change in All Groups index points by each group, sub-group and expenditure class.

SPECIAL SERIES

11 Various series are presented in tables 8, 9 and 10 in this publication which are helpful for analytical purposes. These series are compiled by taking subsets of the CPI basket. (A complete list of CPI groups, sub-groups and expenditure classes is contained in tables 6 and 7.)

12 Some of the compiled series are self explanatory, such as 'All groups excluding Food'. Other series and their composition are described below:

- *All groups excluding Financial and insurance services*: Reflecting the changing composition of the CPI, from September quarter 1989 to June quarter 1998, comprises the All groups CPI excluding house insurance, house contents insurance, vehicle insurance and mortgage interest charges and consumer credit charges; from September quarter 1998 to June quarter 2000 comprises the All groups CPI excluding house insurance, house contents insurance and vehicle insurance; from September quarter 2000 to June quarter 2005 comprises the All groups CPI excluding insurance services; from September quarter 2005 comprises the All groups CPI excluding Financial and insurance services.
- *All groups excluding Housing and Financial and insurance services*: Reflecting the changing composition of the CPI, from September quarter 1989 to June quarter 1998, comprises the All groups CPI excluding Housing, house contents insurance, vehicle insurance and consumer credit charges; from September quarter 1998 to June quarter 2000 comprises the All groups CPI excluding Housing, house insurance, house contents insurance and vehicle insurance; from September quarter 2000 to June quarter 2005 comprises the All groups CPI excluding Housing and insurance services; from September quarter 2005 comprises the All groups CPI excluding Housing and Financial and insurance services.

EXPLANATORY NOTES *continued*

SPECIAL SERIES *continued*

- *All groups, goods component*: comprises the Food group (except Restaurant meals expenditure class), Alcohol and tobacco group, Clothing and footwear group (except Clothing services and shoe repair expenditure class) and Household contents and services group (except Household services sub-group); the Utilities, Audio, visual and computing and Books, newspapers and magazines sub-groups; and the House purchase, Pharmaceuticals, Motor vehicles, Automotive fuel, Motor vehicle parts and accessories, Sports and recreational equipment, Toys, games and hobbies and Pets, pet foods and supplies expenditure classes.
- *All groups, services component*: comprises all items not included in the 'All groups, goods component'.
- *All groups, tradables component*: comprises all items whose prices are largely determined on the world market.
- *All groups, non-tradables component*: comprises all items not included in the 'All groups, tradables component'.
- *All groups excluding 'volatile items'*: comprises the All groups CPI excluding Fruit and vegetables and Automotive fuel.
- *RBA measures 'Weighted median' and 'Trimmed mean'*: These measures are calculated following the methodology adopted by the Reserve Bank of Australia. The 'Trimmed mean' is calculated by ordering the CPI expenditure class components by their price change in the quarter and taking the expenditure weighted average of the middle 70 per cent of these price changes. The 'Weighted median' is the price change of the component in the middle of this ordering. For calculating the 'Weighted median' and 'Trimmed mean' series, where CPI components are identified as having a seasonal pattern, quarterly price changes are estimated on a seasonally adjusted basis. Seasonal adjustment factors are calculated using the history of price changes up to the current quarter CPI and are revised each quarter. These revisions to the seasonal adjustment factors lead to revisions in the 'Weighted median' and 'Trimmed mean' series. Movements in the series from one period to another are expressed as percentage changes (see paragraph 9).

13 Market goods and services excluding 'volatile items': in addition to the items excluded from the series 'All groups excluding 'volatile items'', also excludes: Utilities, Property rates and charges, Child care, Health, Other motoring charges, Urban transport fares, Postal, and Education. A detailed description of the special and analytical series was published in Appendix 1 to the September quarter 2005 issue of *Consumer Price Index, Australia* (cat. no. 6401.0).

14 The ABS is grateful for the assistance of the Reserve Bank of Australia for specifying the items included in the 'All groups excluding 'volatile items'' and 'Market goods and services excluding 'volatile items''. The Reserve Bank of Australia does not accord any special policy status to these series.

ROUNDING

15 The CPI uses a hierarchy of rounding procedures to ensure consistency between published index numbers and percentage changes. However, rounding differences can arise in the "points contributions" published in tables 6, 7 and 8 because of the different levels of precision required in those data.

INTERNATIONAL COMPARISONS

16 In analysing price movements in Australia, an important consideration is Australia's performance relative to other countries. However, a simple comparison of All groups (or headline) CPIs is often inappropriate because of the different measurement approaches used by countries for certain products, particularly housing and financial and insurance services. To provide a better basis for international comparisons, the Seventeenth International Conference of Labour Statisticians adopted a resolution which called for countries to 'if possible, compile and provide for dissemination to the international

EXPLANATORY NOTES *continued*

INTERNATIONAL COMPARISONS *continued*

community an index that excludes housing and financial services' in addition to the all-items index.

17 Table 11 aims to present indexes for selected countries on a basis consistent with the above resolution and comparable to the Australian series 'All groups excluding Housing and Financial services' (see paragraph 12). However, other than Australia and New Zealand, the countries represented in this table are yet to develop indexes on this basis, so the indexes presented here are consistent with the series previously published for All groups excluding Housing. To facilitate comparisons all indexes in this table have been converted, where necessary, to a quarterly basis and re-referenced to a base of 1989–90 = 100.0.

18 In producing table 11, the ABS is grateful for the assistance of the relevant national statistical agencies which have either directly supplied indexes for all items excluding housing and financial services or data to enable their derivation.

RELATED PUBLICATIONS

19 Current publications and other products released by the ABS are listed in the *Catalogue of Publications and Products* (cat. no. 1101.0). The Catalogue is available from any ABS office or the ABS web site <<http://www.abs.gov.au>>. The ABS also issues a daily Release Advice on the web site which details products to be released in the week ahead.

20 Users may also wish to refer to the following publications and other data products that are available free of charge from the ABS web site:

- *Average Retail Prices of Selected Items, Eight Capital Cities* (cat. no. 6403.0.55.001)
- *Information Paper: Experimental Price Indexes for Financial Services* (cat. no. 6413.0)
- *House Price Indexes: Eight Capital Cities* (cat. no. 6416.0)
- *Consumer Price Index: 15th Series Weighting Pattern (Reissue)* (cat. no. 6430.0)
- *A Guide to the Consumer Price Index, 15th Series* (cat. no. 6440.0)
- *Consumer Price Index: Concordance with Household Expenditure Classification, Australia* (cat. no. 6446.0.55.001)
- *Consumer Price Index Standard Data Report: Capital Cities Index Numbers by Expenditure Class* (cat. no. 6455.0.55.001)
- *Information Paper: The Introduction of Hedonic Price Indexes for Personal Computers* (cat. no. 6458.0)
- *Australian Consumer Price Index: Concepts, Sources and Methods, 2005* (cat. no. 6461.0)
- *Information Paper: Introduction of the 15th Series Australian Consumer Price Index 2005 (Reissue)* (cat. no. 6462.0)
- *Information Paper: Consumer Price Index with Reserve Bank of Australia Consumer Price Measures, Australia, 2007* (cat. no. 6401.0.55.002).

ABS DATA AVAILABLE ON REQUEST

21 As well as the statistics included in this and related publications, the ABS may have other relevant data available on request. Inquiries should be made to Lee Taylor on (02) 6252 6251 or to the National Information and Referral Service on 1300 135 070.

APPENDIX CHILD CARE SERVICES IN THE CPI

TREATMENT OF CHILD CARE SERVICES IN THE AUSTRALIAN CONSUMER PRICE INDEX (CPI)

INTRODUCTION

1. The purpose of this article is to describe how the costs of child care services are treated in the Australian Consumer Price Index (CPI). It also sets out the change in treatment of the Child Care Tax Rebate (CCTR) that takes effect in the CPI from the September quarter 2007.
2. The simplest way of thinking about the CPI is to imagine a basket of good and services comprising all the types of items bought by Australian households. The composition of the CPI basket is based largely on information on the spending habits of Australian households during 2003-04, obtained from the Household Expenditure Survey (HES) conducted by the ABS. While the HES did not identify the cost of child care as being a large expense overall for the general population (0.45% of the average weekly household expenditure in June quarter 2005), for families with young children it is a much more significant expense. This article outlines the methodology for pricing child care in the CPI.
3. For the purposes of the CPI, expenditure on child care relates to fees charged by registered or Child Care Benefit (CCB) approved child care centres and creches, baby-sitting charges, and playgroup charges. In practice, fees paid to private and community child care centres and to family day-care providers are priced in the CPI.

Methodology

4. There are three alternative conceptual approaches for constructing a CPI. A detailed description of them is set out in Australian Consumer Price Index: Concepts, Sources and Methods 2005 (cat. no. 6461.0). The principal purpose of the Australian CPI is to provide a general measure of price inflation for the household sector as a whole. This is best achieved by constructing what is referred to as an "acquisitions index". The key attribute of such an index is that it measures the average change between two periods in the prices on an out-of-pocket expenses basis for the consumption of goods and services actually acquired by households. Prices measured on this basis include any government taxes and charges and are net of subsidies and rebates that reduce out-of-pocket expenses. In terms of the time of recording, the International Manual on CPIs Consumer Price Index Manual: Theory and Practice (International Labour Organization, 2004), para 3.19 defines the time of acquisition as follows:

"The time at which a good is acquired is the moment at which ownership of the good is transferred to the consumer. In a market situation, it is the moment at which the consumer incurs a liability to pay, either in cash or in kind. The time at which a service is acquired is not so easy to determine precisely as the provision of a service does not involve any exchange of ownership. Instead, it typically leads to some improvement in the condition of the consumer. A service is acquired by the consumer at the same time that the producer provides it and the consumer accepts a liability to pay."

Measuring the Price Changes in Child Care for the CPI

5. Consistent with the acquisition approach, child care in the CPI is measured as child care fees minus any subsidies/rebates that are available to families purchasing child care services. Currently there are two such subsidies/rebates. They are the Child Care Benefit (CCB) and the Child Care Tax Rebate (CCTR). The key features of each and how they affect the measurement of changes in the cost of child care services in the CPI are described below.
6. In summary, benefits available under the CCB have been deducted from the actual child care prices (the gross prices) in measuring the cost recorded in the CPI from the September quarter 2000. The rebate available under the CCTR was not in scope of the CPI prior to the September quarter 2007 because the CCTR was paid through the income tax system and income tax offsets are excluded from the scope of the CPI. In May 2007, the government announced that CCTR would be administered differently. The CCTR

APPENDIX CHILD CARE SERVICES IN THE CPI *continued*

Measuring the Price Changes in Child Care for the CPI continued

ceased to be a tax offset and instead is now be paid directly to families as a rebate by the Family Assistance Office (FAO). This change to the CCTR brings it in scope of the CPI and it is included in the CPI calculation from the September 2007 quarter onwards.

7. The out-of-pocket costs of child care will vary depending on the actual (gross) price paid by a family and the value of the family's CCB and CCTR entitlements. It is impossible to collect such details for every family purchasing child care services. Therefore, the ABS randomly samples confidentialised family profiles that reflect the spread of attributes (such as income, number of children and hours in care for each child) throughout the population of families that receive CCB and CCTR.

8. Gross fees are collected from a sample of the child care centres in each capital city. The sample of family profiles are then used to calculate a "net" fee taking into account gross fees paid, CCB and CCTR entitlements and the profile of child care usage.

9. FaCSIA apply new CCB rates and CCTR limits from 1 July each year and the ABS approach is adjusted annually to reflect any changes.

10. The incomes of the sampled families are indexed quarterly in line with a four-quarter moving average of the wage price index from Labour Price Index, Australia (cat. no. 6345.0). The aim of using a four-quarter moving average of the wage price index is to reflect the impact of changes in wages on the annual incomes underlying the "fixed basket" of child care services.

The Child Care Benefit (CCB)

11. CCB is administered by the Department of Families, Community Services and Indigenous Affairs (FaCSIA) and delivered by the FAO. It is a payment to assist families with children in registered and approved child care, with benefit rates depending on the individual circumstances of each family (number of children in care, number of hours each is in care, family income, and the type of child care). The maximum rate of CCB (currently \$168.50 per week for one child in 50 hours of CCB-approved care) is available to families with incomes up to a threshold of \$35,478 a year. Once a family's income exceeds this threshold, the amount of CCB tapers at a varying rate (as income increases). The CCB tapers down to a minimum rate, currently \$28.20 per child for 50 hours of care per week. All families, regardless of income, are entitled to the minimum rate of CCB. Families with one child in care with an annual income of over \$108,434 and families with two children in care with an annual income of over \$115,900 receive the minimum rate. Children using part time care attract a slightly higher rate of CCB per hour than those using full time care.

The Child Care Tax Rebate (CCTR)

12. The Federal Government announced that it would introduce a 30% Child Care Tax Rebate (CCTR) for out-of-pocket child care costs from 2004/05. Working, studying or training parents with children in approved child care were entitled to a tax offset of 30% of the difference between the child care fees incurred and the CCB, up to a limit that is indexed annually. The limit for 2007-08 is \$4,354.

13. For child care costs incurred in 2004/05 and 2005/06, the CCTR could be claimed in the tax return of the following year and could only reduce a tax liability to nil (any excess could not be refunded).

14. In 2007, the Government removed the CCTR from the tax system. From the 2007/08 financial year, the FAO will pay the CCTR as soon as possible after the end of the financial year in which the child care costs were incurred, regardless of the family's tax liability.

Benefits, Subsidies and Rebates in the CPI

15. The following criteria (taken from the ABS publication Australian Consumer Price Index: Concepts, Sources and Methods (cat. no. 6461.0)) sets out the criteria that are considered by the ABS when determining whether specific benefits, subsidies and

APPENDIX CHILD CARE SERVICES IN THE CPI *continued*

Benefits, Subsidies and Rebates in the CPI continued

rebates should be deducted from the prices collected in calculating the CPI. "Taxpayer", where noted in the table below, refers to households that are paying income tax.

Table A: Criteria for deducting subsidies and rebates (referred to below as "benefits") to determine prices used in the CPI

Include if:

- 1) The benefit is tied to the acquisition of a specific good or service (or the right to acquire a specific good or service) AND
- 2) The benefit is not an integral component of the income tax system and is available to non-taxpayers as well as taxpayers. In practice, this generally means the benefit provided to taxpayers by way of a tax rebate is also available to non-taxpayers via cash or other form of benefit.

16. These two criteria both have to be met for a rebate/subsidy to be included when compiling the CPI. The original CCTR legislation fell under a "Tax Laws Amendment (2005 Measures No. 4) Bill 2005". Under that legislation the CCTR was a non-refundable tax offset and it was available only to taxpayers. As a result, the ABS concluded that the rebate in its original form did not satisfy the second of the above criteria; in effect, it was an integral part of the tax system and was therefore outside the scope of the CPI.

17. The change to the administration of the CCTR payment, for child care costs incurred from 1 July 2006, means it no longer depends on families' tax liability, now satisfies both criteria and is in scope of the CPI. Therefore, from the September quarter 2007 onwards, the CCTR is included in the CPI calculation as a rebate.

Example of how net child care rates are calculated in the CPI

18. The following examples illustrate how the CPI measures the changes in a family's out-of-pocket expenses when either the child care fees increase and/or the family receives a pay rise. The family has a combined annual income of \$65,000. The maximum CCB that can be claimed is \$168.50 per week for one child in full-time care. Families earning \$65,000 per year are entitled to 66.31% of the maximum child care benefit. The CCTR is 30% of the difference between the child care fees incurred and the CCB.

EXAMPLE 1, The family receives a 4% pay rise:

	Period 1	Period 2
Combined household income (% change)	\$65,000 per annum	\$67,600 per annum 4.0
Gross child-care fee (% change)	\$240.00 per week	\$240.00 per week 0.0
Eligible child-care benefit	\$111.73 per week	\$106.73 per week
Eligible CCTR	\$38.48 per week	\$39.98 per week
Net child-care fee (% change)	\$89.79 per week	\$93.29 per week 3.9

APPENDIX CHILD CARE SERVICES IN THE CPI *continued*

Benefits, Subsidies and Rebates in the CPI *continued*

EXAMPLE 2, THE CHILD-CARE FEES INCREASE BY \$10 PER WEEK:

	Period 1	Period 2
Combined household income (% change)	\$65,000 per annum	\$65,000 per annum 0.0
Gross child-care fee (% change)	\$240.00 per week	\$250.00 per week 4.2
Eligible CCB	\$111.73 per week	\$111.73 per week
Eligible CCTR	\$38.48 per week	\$41.48 per week
Net child care (% change)	\$89.79 per week	\$96.79 per week 7.8

EXAMPLE 3, THE FAMILY RECEIVES A 4% PAY RISE AND THE CHILD CARE FEES INCREASE BY \$10 PER WEEK:

	Period 1	Period 2
Combined household income (% change)	\$65,000 per annum	\$67,600 per annum 4.0
Gross child care fee (% change)	\$240.00 per week	\$250.00 per week 4.2
Eligible CCB	\$111.73 per week	\$106.73 per week
Eligible CCTR	\$38.48 per week	\$42.98 per week
Net child care (% change)	\$89.79 per week	\$100.29 per week 11.7

Gross versus Net Prices

19. The following table compares the price indexes for gross and net child care fees over the period from September quarter 2005 to September quarter 2007. It should be noted that the gross index has only been prepared from the September quarter 2005 and has a different reference base from the CPI net child care index.

20. From the table below it can be seen that many components impact on this "net" index. In the September quarter 2007 the "net" index shows a reduction in "out-of-pocket expenses" with the impact of the inclusion of the CCTR as a rebate for the first time and the additional 10% indexation of the CCB rates on top of the usual annual CPI indexation.

21. Over time it can be seen that the "net" index generally rises more rapidly than the gross prices charged by the child care centres. This is because over recent years, the LPI has been rising at a faster rate than the CPI and so family incomes are increasing faster than the income thresholds used in calculating CCB. As a result, the subsidy paid under the CCB becomes a smaller proportion of the overall costs of child care. The CCTR does take up some of this gap as it is calculated as 30% of the difference between child care costs and CCB for approved care up to a limit of \$4,354 per recipient per child in 2007/08.

22. In other words, the out-of-pocket expenses (prices after CCB and CCTR rebates are taken into account) that form the basis of the "net" prices recorded in the CPI generally rise more rapidly than the gross prices charged by the child care centres.

APPENDIX CHILD CARE SERVICES IN THE CPI *continued*

Gross versus Net Prices

continued

NET CHILD CARE				GROSS CHILD CARE (NOT INCLUDED IN CPI)		
	Index Numbers(a)	Percentage Change from previous quarter	Percentage Change from corresponding quarter of previous year	Index Numbers(b)	Percentage Change from previous quarter	Percentage Change from corresponding quarter of previous year
Sep 2003	169.9	7.3	12.4	na	na	na
Dec 2003	169.9	0.0	10.5	na	na	na
Mar 2004	177.4	4.4	12.7	na	na	na
Jun 2004	179.2	1.0	13.1	na	na	na
Sep 2004	187.4	4.6	10.3	na	na	na
Dec 2004	192.2	2.6	13.1	na	na	na
Mar 2005	198.7	3.4	12.0	na	na	na
Jun 2005	201.5	1.4	12.4	100.0	na	na
Sep 2005	204.4	1.4	9.1	103.2	3.2	na
Dec 2005	211.8	3.6	10.2	104.3	1.0	na
Mar 2006	222.5	5.1	12.0	106.3	1.9	na
Jun 2006	226.5	1.8	12.4	106.8	0.5	6.8
Sep 2006	233.9	3.3	14.4	110.8	3.7	7.3
Dec 2006	238.5	2.0	12.6	111.5	0.6	6.9
Mar 2007	251.3	5.4	12.9	113.9	2.2	7.1
Jun 2007	255.6	1.7	12.8	114.3	0.4	7.0
Sep 2007	170.2	-33.4	-27.2	119.4	4.4	7.8

23. The quarterly gross fee index will be made available annually on request after the release of the September quarter CPI.

Further Information

24. For further information, please call Ms Merry Branson on (02) 6252 6006 or email merry.branson@abs.gov.au.

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ISSN 1442 3987

RRP \$26.00