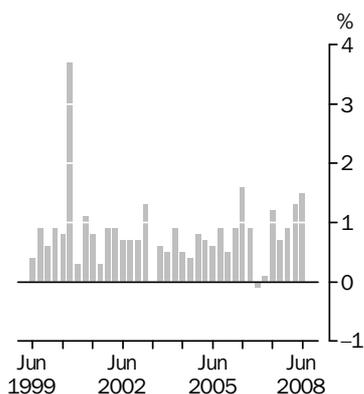


CONSUMER PRICE INDEX

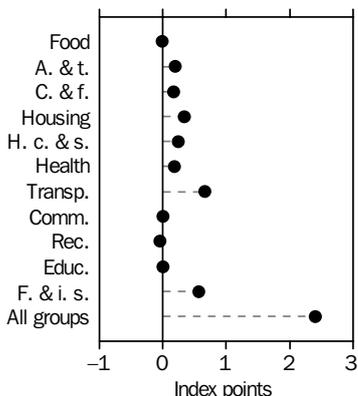
AUSTRALIA

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All Groups
Quarterly change



Contribution to quarterly change
June quarter 2008



KEY FIGURES

WEIGHTED AVERAGE OF EIGHT CAPITAL CITIES	<i>Mar Qtr 2008 to Jun Qtr 2008</i> % change	<i>Jun Qtr 2007 to Jun Qtr 2008</i> % change
Food	-0.1	3.9
Alcohol and tobacco	1.9	4.8
Clothing and footwear	3.0	1.1
Housing	1.1	6.0
Household contents and services	1.6	-0.6
Health	2.4	4.8
Transportation	3.1	6.9
Communication	0.1	0.0
Recreation	-0.2	1.7
Education	0.0	4.2
Financial and insurance services	3.8	9.9
All groups	1.5	4.5
All groups excluding Housing and Financial and insurance services	1.3	3.3

KEY POINTS

THE ALL GROUPS CPI

- rose 1.5% in the June quarter 2008, compared with a rise of 1.3% in the March quarter.
- rose 4.5% through the year to June quarter 2008. Excluding the period associated with the introduction of the GST, this is the largest annual change since December quarter 1995.

OVERVIEW OF CPI MOVEMENTS

- The most significant price rises this quarter were for deposit and loan facilities (+9.5%), automotive fuel (+8.7%), rents (+2.2%), hospital and medical services (+4.0%), house purchase (+1.0%), furniture (+3.1%), and spirits (+6.1%).
- The most significant offsetting price decreases were for other financial services (-2.9%), fruit (-7.4%), vegetables (-6.5%), domestic holiday travel and accommodation (-2.0%) and electricity (-1.4%).

INQUIRIES

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

NOTES

FORTHCOMING ISSUES

<i>ISSUE (Quarter)</i>	<i>RELEASE DATE</i>
September 2008	22 October 2008
December 2008	28 January 2009
March 2009	22 April 2009
June 2009	22 July 2009

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ROUNDING

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

CHANGES IN THIS ISSUE

An article describing the conceptual and methodological issues relevant to the construction of price indexes for deposit and loan facilities in the CPI can be found in the Appendix on page 34 of this issue.

ABBREVIATIONS

ABS Australian Bureau of Statistics
CPI Consumer Price Index

LINKS TO OTHER PARTS OF THIS RELEASE ON THE WEBSITE

To access the 'Main Contributors to Change' data (on the website) use the link 'Main Contributors to Change' as shown below.

To access the 'Capital Cities Comparison' data (on the website) use the link 'Capital Cities Comparison' as shown below.

The standard way to access links to other parts of this or any release on the website is by selecting the required link from the links list in the box at the top left hand side of the 'Summary' page.



Brian Pink
Australian Statistician

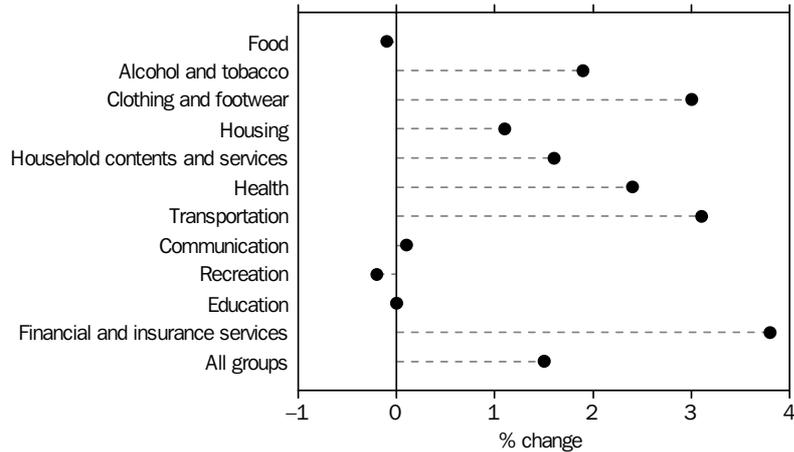
ANALYSES AND COMMENTS

MAIN CONTRIBUTORS TO CHANGE

CPI GROUPS

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

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



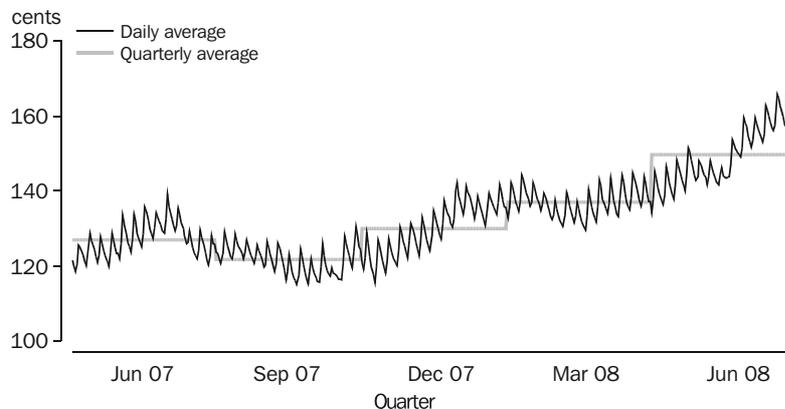
TRANSPORTATION (+3.1%)

The increase in transportation costs this quarter was mainly due to the rise in the price of automotive fuel (+8.7%). There were minor increases in most other categories of transportation, with motor vehicle repair and servicing (+0.8%) and other motoring charges (+0.8%) being the most significant. There was a small offsetting fall in the price of motor vehicles (-0.1%).

Automotive fuel prices rose in January (+1.3%), fell in February (-2.7%), then rose in March (+2.8%), April (+2.7%), May (+3.3%) and June (+7.5%). The automotive fuel expenditure class contributed 0.63 index points to the increase in the All Groups CPI in June quarter 2008 and 1.23 index points to the through the year change.

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



Over the twelve months to June quarter 2008, the transportation group rose 6.9%, with the main contributors being automotive fuel (+18.4%), motor vehicle repair and servicing (+3.4%), other motoring charges (+5.3%), urban transport fares (+4.9%) and

ANALYSES AND COMMENTS *continued*

TRANSPORTATION (+3.1%) *continued*

motor vehicle parts and accessories (+5.0%). There was an offsetting fall in motor vehicles (-1.3%).

FINANCIAL AND INSURANCE SERVICES (+3.8%)

The rise in financial and insurance services this quarter is a result of increases in deposit and loan facilities (+9.5%) and insurance services (+2.5%), offset by a fall in other financial services (-2.9%).

The rise in the price of deposit and loan facilities has occurred at a time when banks are facing increased costs due to the global financial crisis. As foreshadowed in the March quarter 2008 publication, the ABS is continuing to work with data providers, and reviewing and updating where necessary, a range of methods relating to the collection and compilation of financial sector output, income, transactions, positions and prices. As a result of this work, this quarter's results include a correction for under-estimation in the previous quarters' estimates. This work is continuing and further improvements in sources and methods may lead to additional corrections.

The Appendix at page 34 explains the current approach used to construct the deposit and loan facilities index.

There has also been a review of the methodology used to calculate the index for other financial services. This has resulted in a correction to the index that impacts on the quarterly movement but does not impact on the through the year movement.

Over the twelve months to June quarter 2008, financial and insurance services rose 9.9%, with increases in the prices of all components – deposit and loan facilities (+16.2%), insurance services (+7.0%) and other financial services (+3.1%).

HOUSING (+1.1%)

The rise in housing this quarter was mainly due to rents (+2.2%) and house purchase (+1.0%). Electricity (-1.4%) provided a small offsetting fall.

The increase in average rents is the largest quarterly increase since March quarter 1989. Average rents rose in all capital cities, ranging from 1.0% in Hobart to 3.3% in Perth.

Increases in house purchase prices were recorded in all capital cities, ranging from 0.3% in Melbourne to 1.4% in both Brisbane and Adelaide.

Over the twelve months to June quarter 2008, the housing group rose 6.0%, mainly due to rents (+7.7%), house purchase (+5.0%) and electricity (+9.8%). Annually, the strongest increases in housing were in Brisbane (+8.0%), Canberra (+6.7%), Melbourne and Darwin (both +6.0%). Perth recorded the smallest increase (+4.8%).

HOUSEHOLD CONTENTS AND SERVICES (+1.6%)

Most categories of household contents and services rose this quarter with increases in furniture (+3.1%), other household supplies (+2.1%), towels and linen (+3.8%), glassware, tableware and household utensils (+2.6%), major household appliances (+1.8%) and floor and window coverings (+1.6%). There were no significant price falls.

The rises were largely due to the March quarter seeing the end of widespread discounting associated with post-Christmas and summer sales at major retailers in most cities. There were increases in gross child care fees and increases in the number of families exceeding thresholds for the Child Care Benefit as family income levels rose,

ANALYSES AND COMMENTS *continued*

HOUSEHOLD CONTENTS AND SERVICES (+1.6%) *continued*

meaning that the net benefit of the subsidy was reduced. This had the effect of a small increase (+1.2%) in out-of-pocket expenses.

Through the year to June quarter 2008, the household contents and services group fell 0.6%, mainly due to a fall of 28.7% in the net price of child care. This was due to the impact of the inclusion in the September quarter 2007 of the Child Care Tax Rebate (CCTR) as a rebate for the first time and the additional 10% indexation of the Child Care Benefit (CCB) rates on top of the usual annual CPI indexation.

ALCOHOL AND TOBACCO (+1.9%)

All four components in the alcohol and tobacco group rose in all cities this quarter with price increases in spirits (+6.1%), tobacco (+1.5%), wine (+1.7%) and beer (+0.5%).

This is the largest quarterly increase in the price of spirits since the series began in September quarter 1980 and was predominantly due to the introduction of an increased tax on all pre-mixed spirits from 27 April 2008.

The rises in tobacco prices are mainly due to the residual effects of the increase in the Federal excise tax in the March quarter 2008. The index for wine prices rose this quarter mainly due to the discontinuation of specials and some price rises. The increase in beer prices is also due to a combination of the discontinuation of specials and price rises, some of which may be attributable to the flow on effects of the excise increase in the March quarter.

Over the twelve months to June quarter 2008, the alcohol and tobacco group rose 4.8%, with increases for the year ranging from 3.0% for wine to 9.2% for spirits.

HEALTH (+2.4%)

The rise in health costs was largely due to an increase in hospital and medical services (+4.0%), and a less significant increase in dental services (+1.3%). These rises were partially offset by a fall in the net cost of pharmaceuticals (-0.9%), mainly due to the effect of the Pharmaceutical Benefits Scheme safety net.

Hospital and medical services rose mainly as a result of increases in private health fund premiums from 1 April 2008.

Through the year to June quarter 2008, the health group rose 4.8% due to increases in hospital and medical services (6.1%), dental services (+5.4%) and pharmaceuticals (+1.3%).

CLOTHING AND FOOTWEAR (+3.0%)

All categories of clothing and footwear rose this quarter, with the most significant contributions being accessories (+6.8%), men's outerwear (+4.9%), women's underwear, nightwear and hosiery (+4.0%) and children and infants' clothing (+3.8%).

The rises were due in part to prices rebounding from the end-of-summer season sales in the March quarter 2008, as well as the arrival of new winter season clothing.

Over the twelve months to June quarter 2008, prices of clothing and footwear rose 1.1%, with increases in most categories. Women's outerwear (-1.2%) provided an offsetting fall.

ANALYSES AND COMMENTS *continued*

RECREATION (-0.2%)

The fall in recreation was due mainly to domestic holiday travel and accommodation (-2.0%) and audio, visual and computing equipment (-1.9%). The major offsetting price rises were in other recreational activities (+2.2%) and overseas holiday travel and accommodation (+1.0%).

Annually, Recreation rose 1.7% with the strongest rises being in overseas holiday travel and accommodation (+7.1%), other recreational activities (+6.6%), domestic holiday travel and accommodation (+2.1%) and sports participation (+6.3%).

FOOD (-0.1%)

The small fall in food prices was mostly due to falls in fruit (-7.4%) and vegetables (-6.5%) offsetting rises in most other food categories. The most significant rises were for take away and fast foods (+1.7%), ice cream and other dairy products (+6.4%), restaurant meals (+1.2%) and cakes and biscuits (+2.3%), due to price rises combined with some items returning from specials.

Fruit was in plentiful supply due to seasonal factors, including peak seasonal production for some fruits. Price falls were observed across a range of fruit, most significantly apples, bananas, pears and oranges. Some offsetting rises were observed for strawberries and rockmelons.

The fall in vegetable prices was due to plentiful supply and specials. The largest falls were observed for lettuce, broccoli, cauliflower and pumpkin. Small offsetting rises were observed for carrots and cabbages.

Over the year to June quarter 2008, food prices rose 3.9%, with significant contributions from take away and fast foods (+6.5%), restaurant meals (+4.5%), milk (+12.1%), cakes and biscuits (+8.2%), snacks and confectionery (+5.3%), cheese (+14.2%), poultry (+11.0%), bread (+6.8%) and soft drinks, waters and juices (+5.0%). There were offsetting annual falls in fruit (-12.7%), vegetables (-3.3%) and bacon and ham (-0.3%).

TRADABLES AND NON-TRADABLES

The non-tradables component (see table 8) of the CPI rose 1.4% in the June quarter. This component includes goods and services whose prices are largely determined by domestic price pressures and represents approximately 58% of the CPI. Within non-tradables, the services component rose 1.7%, mainly due to deposit and loan facilities, rents, hospital and medical services, insurance services and other recreational activities. The only significant offsets were provided by other financial services and domestic holiday travel and accommodation. The non-tradable goods component rose 0.7% mainly due to price increases for house purchase and take away and fast foods.

The tradables component of the All groups CPI rose 1.5%. 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 tradable goods component rose 1.6%, driven by increases in automotive fuel, with less significant contributions from furniture, spirits, accessories and tobacco. Fruit and vegetables provided the most significant offsetting falls.

Over the twelve months to June quarter 2008, non-tradables rose 5.6% and tradables rose 2.9%. This compares with rises of 5.0% and 3.3%, respectively, for these components through the year to March quarter 2008. The main drivers in non-tradables were deposit and loan facilities, rents, house purchase, hospital and medical services,

ANALYSES AND COMMENTS *continued*

TRADABLES AND
NON-TRADABLES *continued*

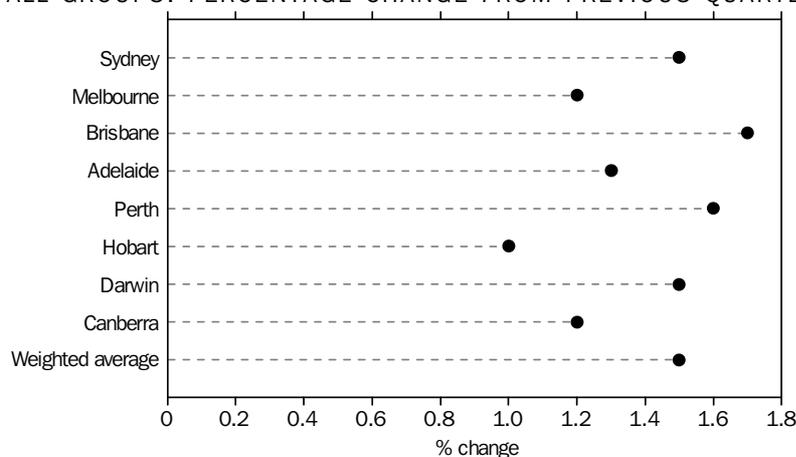
take away and fast foods, and electricity. The net cost of child care provided a significant offset. Automotive fuel was the main contributor to the rise in tradables, with less significant contributions from overseas holiday travel and accommodation, tobacco and spirits. There were significant falls in audio, visual and computing equipment and fruit.

ANALYSES AND COMMENTS *continued*

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. Brisbane rose 1.7%, Perth rose 1.6%, Sydney and Darwin rose 1.5%, Adelaide rose 1.3%, Melbourne and Canberra rose 1.2%, while Hobart rose 1.0%.

Deposit and loan facilities and automotive fuel were the main contributors in all cities. Rents also rose strongly in most cities. Food prices were generally less significant and fell in some cities due to the impact of falls in fruit and vegetable prices.

The relatively lower increase for Hobart was mainly due to smaller than average contributions from financial and insurance services, housing and food, combined with a stronger than average fall in recreation and a fall in household contents and services where other cities showed rises.

Over the twelve months to June quarter 2008, the All groups CPI rose in all capital cities with the increases ranging from 3.5% in Hobart to 5.1% in Brisbane. The higher result in Brisbane is largely due to stronger than average contributions from housing, transportation and clothing and footwear.

CPI, All groups index numbers and percentage changes

	INDEX	PERCENTAGE CHANGE	
	NUMBER(a)		
		Mar Qtr 2008 to Jun Qtr 2008	Jun Qtr 2007 to Jun Qtr 2008
	<i>Jun Qtr</i> <i>2008</i>		
Sydney	164.1	1.5	4.3
Melbourne	162.5	1.2	4.4
Brisbane	168.4	1.7	5.1
Adelaide	167.6	1.3	4.6
Perth	165.1	1.6	4.5
Hobart	162.9	1.0	3.5
Darwin	160.8	1.5	3.9
Canberra	165.0	1.2	4.4
Weighted average of eight capital cities	164.6	1.5	4.5

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

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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>
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
2007-08	160.9	159.6	164.8	164.4	161.7	160.3	158.3	162.0	161.4
2004									
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
December	159.5	158.5	163.4	163.1	160.2	159.2	157.1	160.8	160.1
2008									
March	161.7	160.6	165.6	165.5	162.5	161.3	158.5	163.0	162.2
June	164.1	162.5	168.4	167.6	165.1	162.9	160.8	165.0	164.6

(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)									
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
2007-08	3.0	3.5	4.1	3.3	3.6	3.0	3.5	3.6	3.4
PERCENTAGE CHANGE (from corresponding quarter of previous year)									
2004									
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
December	2.4	3.3	3.9	2.7	3.0	2.9	2.9	3.3	3.0
2008									
March	3.9	4.4	4.8	4.5	4.3	3.8	3.9	4.6	4.2
June	4.3	4.4	5.1	4.6	4.5	3.5	3.9	4.4	4.5
PERCENTAGE CHANGE (from previous quarter)									
2004									
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
December	0.9	1.0	1.1	1.0	0.8	0.8	0.3	1.0	0.9
2008									
March	1.4	1.3	1.3	1.5	1.4	1.3	0.9	1.4	1.3
June	1.5	1.2	1.7	1.3	1.6	1.0	1.5	1.2	1.5

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>
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
2007-08	177.8	249.8	109.3	140.6	123.4	233.5
2004						
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
December	175.9	248.2	109.8	139.3	123.5	226.9
2008						
March	179.6	250.7	107.2	141.9	122.7	236.0
June	179.5	255.4	110.4	143.4	124.7	241.6

(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>
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
2007-08	165.2	111.2	135.7	275.6	109.4	161.4
2004						
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
December	163.3	111.2	136.2	268.6	108.0	160.1
2008						
March	166.4	111.1	135.8	282.5	109.8	162.2
June	171.6	111.2	135.5	282.6	114.0	164.6

.. 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>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)						
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
2007–08	3.1	3.8	0.8	5.2	-1.0	4.5

	<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 corresponding quarter of previous year)						
2004						
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
December	1.2	3.6	1.6	4.8	-1.0	4.1
2008						
March	5.7	3.8	-0.5	5.7	-0.7	4.6
June	3.9	4.8	1.1	6.0	-0.6	4.8

	<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 quarter)						
2004						
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
December	-0.1	1.3	0.2	1.1	0.8	-1.0
2008						
March	2.1	1.0	-2.4	1.9	-0.6	4.0
June	-0.1	1.9	3.0	1.1	1.6	2.4

	<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)						
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
2007–08	4.6	0.4	1.4	4.2	6.2	3.4

	<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 corresponding quarter of previous year)						
2004						
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
December	5.6	0.4	1.0	4.1	4.9	3.0
2008						
March	6.8	0.1	1.4	4.3	6.8	4.2
June	6.9	0.0	1.7	4.2	9.9	4.5

	<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 quarter)						
2004						
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	0.0	1.4	-1.0	2.0	0.7
December	2.4	0.0	0.8	0.0	2.1	0.9
2008						
March	1.9	-0.1	-0.3	5.2	1.7	1.3
June	3.1	0.1	-0.2	0.0	3.8	1.5

.. not applicable

CPI GROUPS, Index numbers(a)

<i>Quarters</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>
FOOD									
2006									
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
December	175.2	175.5	177.2	182.7	174.2	171.0	171.0	178.0	175.9
2008									
March	179.6	177.4	180.5	188.3	179.4	173.6	173.2	183.4	179.6
June	178.8	177.6	181.3	187.5	180.8	174.3	174.4	182.2	179.5
ALCOHOL AND TOBACCO									
2006									
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
December	252.3	251.5	241.4	257.9	232.8	234.3	240.3	234.6	248.2
2008									
March	255.0	254.2	243.7	259.7	235.3	236.5	242.1	239.1	250.7
June	259.3	259.1	249.2	264.2	239.1	241.7	246.4	244.3	255.4
CLOTHING AND FOOTWEAR									
2006									
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
December	111.5	111.3	107.2	108.9	102.2	102.6	104.9	114.5	109.8
2008									
March	110.8	106.7	104.8	105.2	98.9	102.1	103.4	113.4	107.2
June	114.1	110.3	107.2	109.0	102.0	102.8	103.9	115.3	110.4
HOUSING									
2006									
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
December	143.4	122.2	156.7	135.7	146.3	142.8	166.3	148.9	139.3
2008									
March	145.4	125.9	159.0	139.2	147.7	145.9	168.3	150.1	141.9
June	147.6	126.4	161.3	139.5	149.7	147.3	170.1	152.0	143.4

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

<i>Quarters</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>
HOUSEHOLD CONTENTS AND SERVICES									
2006									
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
December	121.0	124.2	127.1	123.8	121.2	132.3	116.7	130.1	123.5
2008									
March	119.4	124.1	126.5	123.2	120.2	131.7	116.7	131.2	122.7
June	121.9	125.6	129.3	125.7	121.4	130.9	117.7	133.0	124.7
HEALTH									
2006									
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
December	211.3	239.8	230.1	232.7	219.9	248.4	211.1	224.2	226.9
2008									
March	220.5	247.8	241.4	239.8	228.8	258.0	219.0	234.8	236.0
June	225.9	253.7	246.9	247.3	232.7	266.6	222.4	239.9	241.6
TRANSPORTATION									
2006									
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
December	163.4	163.9	162.3	166.9	162.9	155.1	156.3	161.2	163.3
2008									
March	166.8	166.5	166.1	169.3	166.7	159.1	158.8	163.6	166.4
June	171.0	171.8	172.1	175.5	172.0	164.4	163.7	169.7	171.6
COMMUNICATION									
2006									
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
December	110.8	110.8	114.9	112.7	109.5	112.2	102.9	109.9	111.2
2008									
March	110.7	110.7	114.8	112.6	109.5	112.1	102.8	109.8	111.1
June	110.8	110.8	114.9	112.7	109.6	112.2	102.9	109.9	111.2

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

<i>Quarters</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>
RECREATION									
2006									
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
December	138.8	136.6	132.0	136.7	135.2	132.5	111.2	134.6	136.2
2008									
March	138.0	136.5	130.6	136.7	135.9	131.9	110.2	132.8	135.8
June	138.3	135.4	131.6	136.2	134.5	128.9	111.6	131.7	135.5
EDUCATION									
2006									
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
December	280.0	253.7	287.0	307.5	260.3	261.0	184.8	246.5	268.6
2008									
March	293.9	265.2	303.0	322.7	280.6	272.7	192.4	261.2	282.5
June	294.0	265.3	303.1	322.7	280.6	272.7	192.6	261.3	282.6
FINANCIAL AND INSURANCE SERVICES (b)									
2006									
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
December	107.7	109.8	107.6	106.3	106.3	108.0	105.7	108.3	108.0
2008									
March	109.5	111.7	109.8	108.0	107.6	109.2	107.4	110.3	109.8
June	114.4	115.1	112.1	111.5	114.2	113.3	111.6	113.5	114.0

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

(b) Base: June quarter 2005 = 100.0.

Group, sub-group and expenditure class	Weighted average of eight capital cities								
	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra	
Food	-0.12	0.02	0.12	-0.13	0.19	0.11	0.16	-0.16	-0.01
Dairy and related products	0.06	0.05	0.07	0.10	0.04	0.10	0.05	0.07	0.06
Milk	0.01	0.01	0.01	0.01	0.02	0.03	0.03	0.01	0.01
Cheese	0.01	0.01	0.03	0.03	0.01	0.01	0.01	0.02	0.02
Ice cream and other dairy products	0.03	0.03	0.03	0.05	0.02	0.06	0.01	0.03	0.04
Bread and cereal products	0.02	-0.01	0.06	0.00	0.05	0.04	0.06	-0.03	0.02
Bread	-0.02	-0.01	-0.01	0.00	0.00	0.03	0.03	-0.01	-0.01
Cakes and biscuits	0.03	0.02	0.05	0.01	0.05	0.01	0.02	-0.02	0.03
Breakfast cereals	0.00	0.00	0.01	-0.01	0.00	0.00	0.01	0.00	0.00
Other cereal products	0.00	-0.01	0.02	0.00	-0.01	0.01	0.00	-0.01	0.00
Meat and seafoods	0.00	-0.01	-0.01	-0.05	-0.01	-0.01	0.01	0.03	-0.01
Beef and veal	0.00	0.00	0.01	-0.01	-0.02	-0.01	0.00	-0.02	0.00
Lamb and mutton	0.01	0.01	-0.01	-0.01	0.00	0.02	-0.01	0.00	0.00
Pork	-0.01	0.01	0.03	0.00	0.00	0.00	0.01	0.00	0.00
Poultry	0.01	-0.01	0.00	0.00	0.00	0.00	-0.01	0.06	0.00
Bacon and ham	-0.01	-0.02	-0.01	0.00	-0.01	-0.01	0.00	-0.01	-0.01
Other fresh and processed meat	-0.01	-0.01	0.00	-0.01	0.03	0.01	0.01	0.01	0.00
Fish and other seafood	0.00	0.00	-0.02	-0.02	0.00	-0.01	0.00	-0.03	-0.01
Fruit and vegetables	-0.36	-0.18	-0.30	-0.41	-0.10	-0.27	-0.18	-0.47	-0.27
Fruit	-0.17	-0.10	-0.14	-0.15	-0.10	-0.15	-0.06	-0.19	-0.14
Vegetables	-0.20	-0.08	-0.16	-0.24	-0.01	-0.13	-0.12	-0.29	-0.14
Non-alcoholic drinks and snack food	0.04	0.02	0.08	0.04	0.05	0.05	0.05	0.06	0.04
Soft drinks, waters and juices	0.01	0.02	0.06	0.04	0.03	0.04	0.03	0.01	0.02
Snacks and confectionery	0.03	0.00	0.03	0.01	0.03	0.00	0.03	0.05	0.02
Meals out and take away foods	0.10	0.08	0.16	0.16	0.09	0.16	0.16	0.17	0.12
Restaurant meals	0.04	0.02	0.05	0.08	0.02	0.07	0.07	0.07	0.04
Take away and fast foods	0.07	0.06	0.11	0.08	0.08	0.08	0.08	0.11	0.07
Other food	0.02	0.05	0.04	0.03	0.08	0.04	0.02	0.00	0.04
Eggs	-0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.01
Jams, honey and sandwich spreads	0.01	0.00	0.01	0.00	0.01	0.01	0.00	0.01	0.00
Tea, coffee and food drinks	-0.01	0.01	0.00	0.01	0.01	0.00	-0.01	0.00	0.00
Food additives and condiments	0.01	0.02	0.01	0.01	0.02	0.02	0.01	0.01	0.01
Fats and oils	0.01	0.03	0.01	0.01	0.02	0.03	0.02	0.02	0.02
Food n.e.c.	0.00	0.01	0.02	0.00	0.01	0.00	0.01	-0.02	0.01
Alcohol and tobacco	0.16	0.23	0.24	0.23	0.19	0.31	0.26	0.22	0.20
Alcoholic drinks	0.10	0.15	0.19	0.19	0.13	0.24	0.23	0.16	0.14
Beer	0.01	0.00	0.06	0.04	0.00	0.13	0.06	0.03	0.02
Wine	0.03	0.06	0.04	0.05	0.03	0.02	0.04	0.06	0.04
Spirits	0.08	0.08	0.11	0.11	0.10	0.08	0.12	0.07	0.09
Tobacco	0.06	0.08	0.04	0.04	0.06	0.07	0.03	0.04	0.06
Clothing and footwear	0.17	0.20	0.14	0.23	0.15	0.05	0.02	0.11	0.17
Men's clothing	0.07	0.04	0.05	0.11	0.04	0.01	-0.02	0.02	0.06
Men's outerwear	0.04	0.05	0.04	0.09	0.03	0.01	-0.02	0.01	0.05
Men's underwear, nightwear and socks	0.03	0.01	0.01	0.01	0.01	0.00	0.01	0.01	0.01
Women's clothing	0.02	0.02	0.02	0.02	0.03	0.00	0.03	0.01	0.02
Women's outerwear	-0.01	0.01	-0.02	0.02	0.02	-0.03	0.00	0.01	0.01
Women's underwear, nightwear and hosiery	0.02	0.01	0.05	-0.01	0.01	0.03	0.02	0.00	0.02
Children's and infants' clothing	0.03	0.02	0.02	0.03	0.01	-0.01	0.03	0.01	0.02
Footwear	-0.02	0.07	0.00	0.00	-0.01	0.01	-0.02	0.02	0.01
Men's footwear	0.00	0.01	0.00	0.01	-0.02	0.02	-0.01	0.01	0.01
Women's footwear	-0.02	0.06	0.00	-0.02	0.01	0.00	-0.01	0.02	0.01
Children's footwear	-0.01	0.00	0.00	0.01	-0.01	0.00	0.00	0.00	0.01
Accessories and clothing services	0.07	0.05	0.04	0.08	0.07	0.04	-0.01	0.04	0.06
Accessories	0.07	0.05	0.04	0.07	0.06	0.04	0.00	0.05	0.06
Clothing services and shoe repair	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	
Housing	0.47	0.12	0.53	0.08	0.45	0.28	0.39	0.42	0.34
Rents	0.25	0.12	0.29	0.08	0.25	0.05	0.23	0.18	0.20
Utilities	0.05	-0.07	0.00	-0.16	0.04	0.03	-0.01	0.06	-0.01
Electricity	0.00	-0.07	0.00	-0.20	0.00	0.00	0.00	0.00	-0.04
Gas and other household fuels	0.05	0.01	0.00	0.04	0.04	0.03	-0.01	0.06	0.03
Water and sewerage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other housing	0.18	0.06	0.24	0.17	0.16	0.20	0.16	0.17	0.15
House purchase	0.15	0.04	0.21	0.15	0.12	0.18	0.14	0.18	0.13
Property rates and charges	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
House repairs and maintenance	0.02	0.02	0.04	0.02	0.04	0.01	0.01	0.00	0.03
Household contents and services	0.28	0.16	0.35	0.34	0.17	-0.10	0.12	0.21	0.24
Furniture and furnishings	0.18	0.06	0.14	0.20	0.10	-0.06	0.05	0.14	0.13
Furniture	0.14	0.03	0.10	0.10	0.11	0.03	0.01	0.12	0.10
Floor and window coverings	0.01	0.03	0.02	0.04	0.00	-0.05	0.01	0.01	0.02
Towels and linen	0.03	0.01	0.02	0.06	-0.02	-0.04	0.03	0.01	0.02
Household appliances, utensils and tools	0.06	0.03	0.05	0.06	0.03	-0.07	0.04	0.05	0.04
Major household appliances	0.03	0.01	0.00	0.03	0.01	-0.01	0.02	0.04	0.02
Small electric household appliances	0.00	0.00	0.01	0.00	0.01	-0.03	0.00	0.00	0.00
Glassware, tableware and household utensils	0.02	0.02	0.03	0.02	-0.01	-0.03	0.01	0.01	0.02
Tools	0.01	0.01	0.01	0.00	0.01	0.00	0.00	0.01	0.01
Household supplies	0.04	0.06	0.06	0.04	0.02	0.02	0.01	-0.05	0.04
Household cleaning agents	-0.01	-0.01	-0.02	-0.01	-0.01	-0.01	-0.02	-0.02	-0.01
Toiletries and personal care products	0.01	0.01	0.00	-0.01	-0.02	0.00	-0.02	-0.03	0.00
Other household supplies	0.04	0.06	0.06	0.06	0.04	0.04	0.05	0.01	0.04
Household services	0.02	0.01	0.11	0.04	0.03	0.02	0.03	0.06	0.03
Child care	0.01	0.00	0.01	0.01	0.01	0.00	0.01	0.01	0.00
Hairdressing and personal care services	0.01	0.01	0.05	-0.01	0.01	0.01	0.01	0.03	0.01
Other household services	0.00	0.00	0.04	0.03	0.01	0.00	0.02	0.02	0.01
Health	0.20	0.18	0.16	0.23	0.14	0.25	0.09	0.18	0.18
Health services	0.21	0.19	0.17	0.25	0.16	0.28	0.10	0.20	0.20
Hospital and medical services	0.20	0.18	0.15	0.25	0.14	0.26	0.09	0.18	0.19
Optical services	0.00	0.00	0.00	-0.01	0.00	0.00	0.00	0.00	0.00
Dental services	0.01	0.01	0.02	0.01	0.01	0.02	0.01	0.02	0.01
Pharmaceuticals	-0.02	-0.01	-0.02	-0.01	-0.02	-0.01	0.00	-0.03	-0.01
Transportation	0.53	0.70	0.84	0.83	0.69	0.72	0.59	0.77	0.67
Private motoring	0.53	0.69	0.84	0.83	0.68	0.72	0.58	0.77	0.67
Motor vehicles	-0.03	0.00	0.04	-0.01	0.03	0.03	-0.03	0.02	0.00
Automotive fuel	0.59	0.58	0.70	0.84	0.64	0.66	0.58	0.71	0.63
Motor vehicle repair and servicing	-0.02	0.10	0.02	-0.01	0.02	0.02	0.01	0.02	0.03
Motor vehicle parts and accessories	-0.02	0.00	0.03	0.01	0.00	0.02	0.03	0.02	0.00
Other motoring charges	0.01	0.01	0.05	0.00	0.00	0.00	0.00	0.00	0.01
Urban transport fares	0.00	0.02	0.00	0.00	0.00	0.00	0.01	0.00	0.00
Communication	0.01	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00
Postal	0.00	0.00	0.00	0.00	0.00	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	0.01

(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	0.04	-0.15	0.12	-0.06	-0.17	-0.42	0.26	-0.17	-0.04
Audio, visual and computing	-0.02	-0.03	-0.02	-0.07	-0.07	-0.10	-0.14	-0.06	-0.04
Audio, visual and computing equipment	-0.01	-0.03	-0.03	-0.04	-0.03	-0.07	-0.08	-0.02	-0.03
Audio, visual and computing media and services	-0.01	0.01	0.02	-0.03	-0.04	-0.03	-0.05	-0.03	-0.01
Books, newspapers and magazines	0.00	0.00	0.00	-0.02	0.01	0.01	0.00	-0.02	0.00
Books	-0.01	0.00	0.00	-0.02	0.00	0.01	0.00	-0.02	0.00
Newspapers and magazines	0.01	0.00	0.01	0.00	0.00	0.01	0.00	0.00	0.01
Sport and other recreation	0.08	-0.01	0.06	0.00	0.04	0.03	0.00	0.05	0.04
Sports and recreational equipment	0.00	0.00	0.01	-0.03	0.00	-0.01	0.00	0.00	0.00
Toys, games and hobbies	-0.01	-0.01	0.00	-0.01	-0.01	0.00	0.00	-0.02	-0.01
Sports participation	0.00	0.00	0.01	0.00	0.01	0.01	0.01	0.04	0.01
Pets, pet foods and supplies	-0.01	-0.01	-0.01	0.00	0.00	0.00	-0.01	-0.01	-0.01
Pet services including veterinary	0.01	0.00	0.01	0.01	0.01	0.00	0.00	0.01	0.00
Other recreational activities	0.09	0.01	0.03	0.01	0.03	0.03	0.02	0.01	0.05
Holiday travel and accommodation	-0.02	-0.11	0.08	0.01	-0.14	-0.37	0.38	-0.15	-0.05
Domestic holiday travel and accommodation	-0.07	-0.14	-0.03	0.01	-0.07	-0.39	0.42	-0.14	-0.07
Overseas holiday travel and accommodation	0.05	0.03	0.10	0.00	-0.07	0.03	-0.04	-0.01	0.03
Education	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.01	0.00
Preschool and primary education	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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	0.73	0.46	0.31	0.42	0.88	0.39	0.43	0.41	0.57
Financial services	0.65	0.39	0.28	0.35	0.86	0.36	0.37	0.35	0.51
Deposit and loan facilities	0.78	0.65	0.63	0.55	0.62	0.45	0.50	0.59	0.67
Other financial services	-0.13	-0.27	-0.35	-0.20	0.25	-0.09	-0.14	-0.25	-0.16
Insurance services	0.08	0.07	0.04	0.07	0.01	0.03	0.06	0.06	0.07
All groups	2.4	1.9	2.8	2.1	2.6	1.6	2.3	2.0	2.4

(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
	Jun Qtr 2007	Mar Qtr 2008	Jun Qtr 2008	Mar Qtr 2008 to Jun Qtr 2008	Jun Qtr 2007 to Jun Qtr 2008	Mar Qtr 2008	Jun Qtr 2008	Mar Qtr 2008 to Jun Qtr 2008
Food	172.8	179.6	179.5	-0.1	3.9	26.34	26.33	-0.01
Dairy and related products	182.7	199.2	204.8	2.8	12.1	2.08	2.14	0.06
Milk	197.4	218.7	221.2	1.1	12.1	0.98	0.99	0.01
Cheese	164.3	183.2	187.6	2.4	14.2	0.60	0.62	0.02
Ice cream and other dairy products	169.6	174.9	186.1	6.4	9.7	0.50	0.54	0.04
Bread and cereal products	182.6	195.7	196.7	0.5	7.7	3.03	3.05	0.02
Bread	215.6	232.2	230.3	-0.8	6.8	1.19	1.18	-0.01
Cakes and biscuits	168.7	178.4	182.5	2.3	8.2	1.21	1.24	0.03
Breakfast cereals	144.9	157.2	157.7	0.3	8.8	0.32	0.32	0.00
Other cereal products	149.2	163.1	162.0	-0.7	8.6	0.30	0.30	0.00
Meat and seafoods	150.0	156.5	156.3	-0.1	4.2	3.88	3.87	-0.01
Beef and veal	163.9	167.5	166.7	-0.5	1.7	0.77	0.77	0.00
Lamb and mutton	213.2	218.1	222.2	1.9	4.2	0.42	0.42	0.00
Pork	170.1	177.6	181.5	2.2	6.7	0.26	0.26	0.00
Poultry	97.4	108.0	108.1	0.1	11.0	0.76	0.76	0.00
Bacon and ham	141.9	144.6	141.5	-2.1	-0.3	0.36	0.35	-0.01
Other fresh and processed meat	160.8	165.7	165.5	-0.1	2.9	0.61	0.61	0.00
Fish and other seafood	137.1	142.2	140.6	-1.1	2.6	0.70	0.69	-0.01
Fruit and vegetables	176.9	175.3	163.2	-6.9	-7.7	3.97	3.70	-0.27
Fruit	199.5	188.1	174.1	-7.4	-12.7	1.80	1.66	-0.14
Vegetables	162.6	168.2	157.3	-6.5	-3.3	2.18	2.04	-0.14
Non-alcoholic drinks and snack food	176.4	183.1	185.4	1.3	5.1	3.31	3.35	0.04
Soft drinks, waters and juices	160.2	165.8	168.2	1.4	5.0	1.56	1.58	0.02
Snacks and confectionery	197.3	205.6	207.8	1.1	5.3	1.75	1.77	0.02
Meals out and take away foods	177.1	184.3	187.1	1.5	5.6	7.55	7.67	0.12
Restaurant meals	181.1	187.0	189.3	1.2	4.5	3.28	3.32	0.04
Take away and fast foods	176.0	184.3	187.5	1.7	6.5	4.27	4.34	0.07
Other food	159.9	164.9	167.5	1.6	4.8	2.51	2.55	0.04
Eggs	202.9	212.4	206.0	-3.0	1.5	0.19	0.18	-0.01
Jams, honey and sandwich spreads	193.7	198.8	203.5	2.4	5.1	0.25	0.25	0.00
Tea, coffee and food drinks	149.7	154.4	156.1	1.1	4.3	0.41	0.41	0.00
Food additives and condiments	140.9	141.3	145.2	2.8	3.1	0.44	0.45	0.01
Fats and oils	172.4	177.3	186.5	5.2	8.2	0.33	0.35	0.02
Food n.e.c.	154.9	162.0	163.0	0.6	5.2	0.90	0.91	0.01
Alcohol and tobacco	243.6	250.7	255.4	1.9	4.8	11.08	11.28	0.20
Alcoholic drinks	177.8	183.3	187.1	2.1	5.2	7.11	7.25	0.14
Beer	197.9	206.7	207.8	0.5	5.0	3.28	3.30	0.02
Wine	148.8	150.8	153.3	1.7	3.0	2.37	2.41	0.04
Spirits	179.0	184.3	195.5	6.1	9.2	1.45	1.54	0.09
Tobacco	427.7	439.0	445.6	1.5	4.2	3.97	4.03	0.06
Clothing and footwear	109.2	107.2	110.4	3.0	1.1	5.64	5.81	0.17
Men's clothing	106.1	102.9	108.3	5.2	2.1	1.05	1.11	0.06
Men's outerwear	103.3	100.4	105.3	4.9	1.9	0.89	0.94	0.05
Men's underwear, nightwear and socks	121.7	116.1	125.2	7.8	2.9	0.16	0.17	0.01
Women's clothing	110.4	108.7	109.8	1.0	-0.5	2.01	2.03	0.02
Women's outerwear	102.7	101.2	101.5	0.3	-1.2	1.60	1.61	0.01
Women's underwear, nightwear and hosiery	142.9	140.4	146.0	4.0	2.2	0.41	0.43	0.02
Children's and infants' clothing	116.5	112.1	116.4	3.8	-0.1	0.57	0.59	0.02
Footwear	95.7	95.8	97.0	1.3	1.4	0.94	0.95	0.01
Men's footwear	91.7	89.1	89.6	0.6	-2.3	0.25	0.26	0.01
Women's footwear	99.5	99.9	102.0	2.1	2.5	0.50	0.51	0.01
Children's footwear	95.5	98.6	98.9	0.3	3.6	0.18	0.19	0.01
Accessories and clothing services(b)	109.1	106.8	112.6	5.4	3.2	1.07	1.13	0.06
Accessories(b)	92.6	89.7	95.8	6.8	3.5	0.81	0.87	0.06
Clothing services and shoe repair	187.5	190.0	192.2	1.2	2.5	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.

continued

Group, sub-group and expenditure class	INDEX NUMBERS(a)			PERCENTAGE CHANGE		CONTRIBUTION TO TOTAL CPI (ALL GROUPS) INDEX POINTS)		CHANGE IN POINTS CONTRIBUTION
	Jun Qtr 2007	Mar Qtr 2008	Jun Qtr 2008	Mar Qtr 2008 to Jun Qtr 2008	Jun Qtr 2007 to Jun Qtr 2008	Mar Qtr 2008	Jun Qtr 2008	Mar Qtr 2008 to Jun Qtr 2008
Housing	135.3	141.9	143.4	1.1	6.0	32.59	32.93	0.34
Rents	155.1	163.4	167.0	2.2	7.7	8.82	9.02	0.20
Utilities	169.1	183.5	183.1	-0.2	8.3	5.40	5.39	-0.01
Electricity	159.4	177.4	175.0	-1.4	9.8	2.86	2.82	-0.04
Gas and other household fuels	190.9	200.5	205.3	2.4	7.5	1.18	1.21	0.03
Water and sewerage(b)	140.2	148.5	148.5	0.0	5.9	1.35	1.35	0.00
Other housing	128.7	133.5	134.6	0.8	4.6	18.37	18.52	0.15
House purchase(b)	155.5	161.7	163.3	1.0	5.0	12.92	13.05	0.13
Property rates and charges(b)	156.2	163.3	163.3	0.0	4.5	1.99	1.99	0.00
House repairs and maintenance	164.5	168.4	169.5	0.7	3.0	3.45	3.48	0.03
Household contents and services	125.5	122.7	124.7	1.6	-0.6	14.43	14.67	0.24
Furniture and furnishings	130.8	126.8	130.4	2.8	-0.3	4.58	4.71	0.13
Furniture	131.7	127.6	131.6	3.1	-0.1	2.87	2.97	0.10
Floor and window coverings	145.4	146.0	148.3	1.6	2.0	1.19	1.21	0.02
Towels and linen	105.9	95.2	98.8	3.8	-6.7	0.51	0.53	0.02
Household appliances, utensils and tools	103.1	101.9	103.5	1.6	0.4	2.54	2.58	0.04
Major household appliances	106.5	105.3	107.2	1.8	0.7	0.96	0.98	0.02
Small electric household appliances	93.6	93.4	93.5	0.1	-0.1	0.38	0.38	0.00
Glassware, tableware and household utensils	96.2	93.8	96.2	2.6	0.0	0.68	0.70	0.02
Tools	110.4	110.5	111.6	1.0	1.1	0.52	0.53	0.01
Household supplies	137.8	138.5	139.7	0.9	1.4	4.47	4.51	0.04
Household cleaning agents	132.3	131.6	128.8	-2.1	-2.6	0.51	0.50	-0.01
Toiletries and personal care products	145.2	144.4	144.8	0.3	-0.3	1.78	1.78	0.00
Other household supplies	142.6	144.9	148.0	2.1	3.8	2.19	2.23	0.04
Household services	234.1	220.3	222.7	1.1	-4.9	2.83	2.86	0.03
Child care	255.6	180.1	182.3	1.2	-28.7	0.60	0.60	0.00
Hairdressing and personal care services	187.8	193.0	195.0	1.0	3.8	1.23	1.24	0.01
Other household services	226.3	235.7	238.1	1.0	5.2	1.01	1.02	0.01
Health	230.5	236.0	241.6	2.4	4.8	7.78	7.96	0.18
Health services	248.2	254.2	262.7	3.3	5.8	5.97	6.17	0.20
Hospital and medical services	261.1	266.4	277.1	4.0	6.1	4.64	4.83	0.19
Optical services	147.5	150.0	149.9	-0.1	1.6	0.18	0.18	0.00
Dental services	232.9	242.3	245.4	1.3	5.4	1.15	1.16	0.01
Pharmaceuticals	166.0	169.7	168.2	-0.9	1.3	1.80	1.79	-0.01
Transportation	160.5	166.4	171.6	3.1	6.9	21.75	22.42	0.67
Private motoring	157.1	162.8	168.1	3.3	7.0	20.54	21.21	0.67
Motor vehicles	99.7	98.5	98.4	-0.1	-1.3	7.22	7.22	0.00
Automotive fuel	218.1	237.6	258.2	8.7	18.4	7.31	7.94	0.63
Motor vehicle repair and servicing	152.8	156.7	158.0	0.8	3.4	3.17	3.20	0.03
Motor vehicle parts and accessories	124.2	130.4	130.4	0.0	5.0	1.14	1.14	0.00
Other motoring charges	214.9	224.6	226.3	0.8	5.3	1.70	1.71	0.01
Urban transport fares	220.0	230.1	230.7	0.3	4.9	1.21	1.21	0.00
Communication	111.2	111.1	111.2	0.1	0.0	4.94	4.94	0.00
Postal	141.9	143.3	143.3	0.0	1.0	0.18	0.18	0.00
Telecommunication	108.7	108.7	108.7	0.0	0.0	4.76	4.77	0.01

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

(b) Base: June quarter 1998 = 100.0.

continued

Group, sub-group and expenditure class	INDEX NUMBERS(a)			PERCENTAGE CHANGE		CONTRIBUTION TO TOTAL CPI (ALL GROUPS) INDEX POINTS)		CHANGE IN POINTS CONTRIBUTION
	Jun Qtr 2007	Mar Qtr 2008	Jun Qtr 2008	Mar Qtr 2008 to Jun Qtr 2008	Jun Qtr 2007 to Jun Qtr 2008	Mar Qtr 2008	Jun Qtr 2008	Mar Qtr 2008 to Jun Qtr 2008
Recreation	133.3	135.8	135.5	-0.2	1.7	17.89	17.85	-0.04
Audio, visual and computing	48.1	45.7	45.2	-1.1	-6.0	3.71	3.67	-0.04
Audio, visual and computing equipment	24.0	21.1	20.7	-1.9	-13.8	1.67	1.64	-0.03
Audio, visual and computing media and services	96.0	97.6	97.2	-0.4	1.3	2.04	2.03	-0.01
Books, newspapers and magazines	213.6	218.2	218.4	0.1	2.2	1.34	1.34	0.00
Books(b)	126.4	129.0	128.4	-0.5	1.6	0.68	0.68	0.00
Newspapers and magazines(b)	145.5	148.6	149.6	0.7	2.8	0.65	0.66	0.01
Sport and other recreation	171.4	176.7	177.9	0.7	3.8	6.03	6.07	0.04
Sports and recreational equipment(b)	85.9	86.3	85.8	-0.6	-0.1	0.79	0.79	0.00
Toys, games and hobbies(b)	95.5	95.1	94.2	-0.9	-1.4	0.74	0.73	-0.01
Sports participation(b)	155.1	163.7	164.8	0.7	6.3	1.22	1.23	0.01
Pets, pet foods and supplies	158.2	162.3	161.1	-0.7	1.8	0.70	0.69	-0.01
Pet services including veterinary	212.5	220.1	221.5	0.6	4.2	0.74	0.74	0.00
Other recreational activities(b)	149.4	155.8	159.3	2.2	6.6	1.84	1.89	0.05
Holiday travel and accommodation	141.1	148.1	147.1	-0.7	4.3	6.82	6.77	-0.05
Domestic holiday travel and accommodation	149.7	155.9	152.8	-2.0	2.1	3.84	3.77	-0.07
Overseas holiday travel and accommodation	130.4	138.2	139.6	1.0	7.1	2.97	3.00	0.03
Education	271.3	282.5	282.6	0.0	4.2	4.66	4.66	0.00
Preschool and primary education(c)	158.6	159.8	160.0	0.1	0.9	0.91	0.91	0.00
Secondary education(c)	158.3	168.7	168.7	0.0	6.6	1.71	1.71	0.00
Tertiary education(c)	130.2	135.1	135.1	0.0	3.8	2.04	2.04	0.00
Financial and insurance services(d)	103.7	109.8	114.0	3.8	9.9	15.17	15.74	0.57
Financial services(d)	103.2	109.7	114.1	4.0	10.6	12.70	13.21	0.51
Deposit and loan facilities(d)	101.6	107.9	118.1	9.5	16.2	7.15	7.82	0.67
Other financial services(d)	105.4	112.0	108.7	-2.9	3.1	5.55	5.39	-0.16
Insurance services	263.8	275.3	282.2	2.5	7.0	2.46	2.53	0.07
All groups	157.5	162.2	164.6	1.5	4.5	162.2	164.6	2.4

(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
	<i>Jun Qtr 2007</i>	<i>Mar Qtr 2008</i>	<i>Jun Qtr 2008</i>	<i>Mar Qtr 2008 to Jun Qtr 2008</i>	<i>Jun Qtr 2007 to Jun Qtr 2008</i>	<i>Mar Qtr 2008</i>	<i>Jun Qtr 2008</i>	<i>Mar Qtr 2008 to Jun Qtr 2008</i>
All groups	157.50	162.2	164.6	1.5	4.5	162.2	164.6	2.4
Selected components								
Goods component	155.8	159.8	161.8	1.3	3.9	94.17	95.38	1.21
Services component	161.3	167.2	170.0	1.7	5.4	68.08	69.20	1.12
Tradables component(c)	119.2	120.8	122.6	1.5	2.9	66.02	67.02	1.00
Non-tradables component(c)	140.2	146.1	148.1	1.4	5.6	96.23	97.56	1.33
All groups excluding								
Food	154.6	158.9	161.7	1.8	4.6	135.91	138.25	2.34
Alcohol and tobacco	151.5	156.1	158.2	1.3	4.4	151.17	153.30	2.13
Clothing and footwear	160.7	165.8	168.1	1.4	4.6	156.61	158.77	2.16
Housing	160.5	164.6	167.1	1.5	4.1	129.66	131.65	1.99
Household contents and services	162.4	168.1	170.5	1.4	5.0	147.82	149.91	2.09
Health	154.1	158.8	161.0	1.4	4.5	154.47	156.62	2.15
Transportation	157.1	161.7	163.6	1.2	4.1	140.50	142.16	1.66
Communication	158.6	163.5	165.9	1.5	4.6	157.31	159.64	2.33
Recreation	161.0	166.1	168.8	1.6	4.8	144.36	146.73	2.37
Education	156.0	160.6	163.0	1.5	4.5	157.59	159.92	2.33
Financial and insurance services	164.6	169.0	171.0	1.2	3.9	147.08	148.84	1.76
Housing and Financial and insurance services	161.2	164.5	166.6	1.3	3.3	114.50	115.92	1.42
Hospital and medical services	154.9	159.6	161.8	1.4	4.5	157.60	159.75	2.15

(a) Refer to paragraphs 11 and 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				
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		
2007-08	161.4	163.8	167.2	151.8	177.8	159.7	120.7	144.9		
2004										
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		
December	160.1	162.7	166.0	151.3	176.7	159.0	119.8	143.6		
2008										
March	162.2	164.5	168.0	152.1	178.6	160.2	120.8	146.1		
June	164.6	166.6	170.2	153.9	181.7	162.4	122.6	148.1		

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

(c) Base: June quarter 1998 = 100.0.

(b) Refer to paragraphs 11-13 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)										
2004-05	2.4	2.0	2.1	1.1	2.4	1.6	1.0	3.6	2.5	2.5
2005-06	3.2	3.3	2.3	1.7	2.3	1.9	3.0	3.3	2.6	2.6
2006-07	2.9	3.0	2.6	1.8	2.9	2.2	2.2	3.5	r3.0	2.8
2007-08	3.4	2.5	3.4	2.4	4.6	3.3	1.9	4.5	4.0	3.7
PERCENTAGE CHANGE (from corresponding quarter of previous year)										
2004										
June	2.5	2.1	1.9	0.9	1.9	1.2	0.5	4.1	2.6	2.5
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	r2.6
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	2.4	2.3
2006										
March	3.0	3.1	2.2	1.6	1.9	1.7	2.8	3.1	2.7	2.6
June	4.0	4.4	2.4	1.5	2.7	2.0	4.8	3.4	2.9	2.8
September	3.9	4.2	2.6	1.7	2.9	2.1	4.4	3.6	3.0	2.9
December	3.3	3.6	2.7	1.7	3.2	2.3	2.9	3.5	2.9	2.9
2007										
March	2.4	2.3	2.5	1.8	2.8	2.2	1.0	3.5	2.9	2.7
June	2.1	1.8	2.6	2.1	2.7	2.4	0.3	3.4	2.9	2.7
September	1.9	1.1	2.6	1.8	3.5	2.5	-0.3	3.5	3.2	2.9
December	3.0	2.2	3.0	2.4	3.9	3.0	1.4	4.1	3.8	3.4
2008										
March	4.2	3.5	3.6	2.6	4.9	3.5	3.3	5.0	4.4	r4.0
June	4.5	3.3	4.2	2.9	6.1	4.2	2.9	5.6	4.5	4.3
PERCENTAGE CHANGE (from previous quarter)										
2004										
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	0.6	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	0.7	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	0.7	0.6
June	1.2	1.4	0.7	0.8	0.6	0.7	2.0	0.7	1.0	0.9
September	0.7	0.2	0.7	0.3	1.6	0.8	0.2	1.1	1.0	0.9
December	0.9	0.7	1.0	0.9	1.5	1.1	0.3	1.3	1.1	1.0
2008										
March	1.3	1.1	1.2	0.5	1.1	0.8	0.8	1.7	1.3	1.2
June	1.5	1.3	1.3	1.2	1.7	1.4	1.5	1.4	1.0	1.2

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(a) Refer to paragraphs 11-13 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>
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	139.6	164.7	nya	106.4	215.4	127.8	138.4	143.8	155.6	135.0	157.6
2007-08	163.8	143.2	nya	nya	nya	223.2	nya	144.4	nya	161.8	138.7	nya
2004												
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	140.6	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	106.6	219.5	131.1	141.3	145.4	158.5	137.3	159.2
December	162.7	142.7	169.4	nya	107.2	220.9	133.2	146.2	144.7	160.1	138.3	161.2
2008												
March	164.5	143.5	172.9	nya	107.1	223.8	135.5	143.9	145.0	161.9	139.1	162.6
June	166.6	145.8	nya	nya	nya	228.7	nya	146.2	nya	166.7	139.9	nya

nya not yet available

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

<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>
PERCENTAGE CHANGE (from previous financial year)												
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	0.7	0.1	1.1	2.0	1.4	3.1
2007-08	2.5	2.6	nya	nya	nya	3.6	nya	4.3	nya	4.0	2.7	nya

PERCENTAGE CHANGE (from corresponding quarter of previous year)

2004												
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	1.2	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	-0.2	2.4	3.0	1.7	1.5	1.8	2.3	2.1
December	2.2	2.8	3.1	nya	0.6	3.4	4.1	5.8	1.8	4.4	3.1	2.6
2008												
March	3.5	3.0	4.9	nya	1.2	3.8	6.1	4.9	0.9	4.6	r3.0	3.1
June	3.3	3.8	nya	nya	nya	4.9	nya	4.2	nya	5.2	2.5	nya

PERCENTAGE CHANGE (from previous quarter)

2004												
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	0.9	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	0.2	0.6	2.1	1.6	-0.3	0.0	0.6	-0.3
December	0.7	1.3	1.2	nya	0.5	0.6	1.6	3.4	-0.5	1.0	0.7	1.3
2008												
March	1.1	0.6	2.1	nya	-0.1	1.3	1.7	-1.6	0.2	1.1	0.6	0.9
June	1.3	1.6	nya	nya	nya	2.2	nya	1.6	nya	3.0	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 website <<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 and historical weighting patterns for the CPI for the weighted average of the eight capital cities is published in *Consumer Price Index: Historical Weighting Patterns (1948 to 2005)* (cat. no. 6431). 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)

EXPLANATORY NOTES *continued*

WEIGHTING PATTERN *continued*

(electronic publication). Both publications are available on the ABS website <<http://www.abs.gov.au>>.

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:
June Quarter 2008	164.6 (see table 1)
less March Quarter 2008	162.2 (see table 1)
Change in index points	2.4
Percentage change	$2.4/162.2 \times 100 = 1.5\%$

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 2.14 index points to the total All groups index number of 164.6 for June Quarter 2008. 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*

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 website <<http://www.abs.gov.au>>. The ABS also issues a daily Release Advice on the website 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 website:

- *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)
- *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)
- *Consumer Price Index: Historical Weighting Patterns (1948 to 2005)* (cat. no. 6431.0).

DATA AVAILABLE

21 As well as the statistics included in this publication, there is more detailed data for each capital city available on the ABS website. Inquiries should be made to the National Information and Referral Service on 1300 135 070 or to Lee Taylor on (02) 6252 6251.

APPENDIX DEPOSIT AND LOAN FACILITIES IN THE CPI

DEPOSIT AND LOAN FACILITIES IN THE CPI

Introduction

This appendix describes the conceptual and methodological issues relevant to the construction of price indexes for deposit and loan facilities.

In order to construct an overall measure of price change for deposit and loan facilities there are two key factors that need to be addressed concerning the ways in which these services are charged for. Banks and other deposit taking institutions earn income by lending funds at a higher rate of interest than they pay on deposits (the difference being referred to as 'interest rate margins') and by charging explicit fees for account keeping services and/or certain transactions.

To the extent that income from interest margins is obtained from households, it is legitimate to regard that amount as representing a payment by households for the services they obtain. The difficulty is that these interest rate margins are not directly observable. While the explicitly charged fees are observable, the impact of these on individual households can vary significantly depending on factors such as the type of account, the frequency of particular transaction types, the account balance and the total volume of business that the customer conducts with the service provider.

The challenge confronting the ABS was to develop a methodology for measuring changes in the amounts payable as explicit fees and charges, and the amounts payable as interest rate margins. The changes in both these elements then need to be combined to obtain the aggregate or net change in the price of deposit and loan facilities.

Calculation of Direct Fees

The schedules used to determine the amounts payable as explicit fees are generally not linear in nature and tend to incorporate some form of step function. In other words, rather than setting a universally applied price per transaction, it is often the case that fees for certain types of transactions are only incurred after some threshold is breached (e.g. after say four transactions in a month or when account balances fall below some level). Furthermore, financial institutions often bundle products together, with the price paid for particular products depending on the bundling arrangements. In these circumstances it is not possible to simply calculate an average price from observable schedules. What would be required would be to price different bundles of each service, for example three, four, five and six over the counter withdrawals, and derive an average across the different bundles and construct a measure of price change from the changes in this average over time.

However, there are several problems with this approach. Obtaining enough detailed information to construct sufficiently representative bundles of the individual services attracting fees would be an expensive process and still subject to error. It would also not be able to account for cases where the fees vary with the value of the transaction or individual account balances or cases where rebates are applied against the total of all fees that would have been charged. For these reasons, the ABS believes that the only way to reliably measure changes in fees is to work with a sample of customers' accounts.

The approach adopted is similar in principle to that used for other components of the CPI. For each sampled institution (service provider) a sample of products is selected to represent each of the major product categories such as current accounts, savings and investment accounts, retirement accounts, housing and home-equity loans, personal loans, and credit cards. The specific product selected from each group (e.g. the sampled home loan product) is assigned a weight to represent all fees plus margins paid in respect of the product group (e.g. housing loans).

For each sampled product the institutions provide a sample of accounts for customers living in each of the eight capital cities. Each sampled account contains information that is similar to that included on the monthly statements received by customers with the exception that any identifying information (such as the customer and who a payment was made to or received from) has been removed. However, the value of any transaction, the type of transaction (cheque, automatic teller machine (ATM) withdrawal etc.) and

Calculation of Direct Fees continued

running balances have been retained along with any other information that influences the determination of charges (such as a customer relationship value or a fee-waiving flag). Each sampled account covers a full twelve months of activity. All up, the ABS has sampled approximately seven thousand individual accounts for the purpose of compiling these indexes. In aggregate these sampled accounts contain approximately three million transactions.

The ABS has built a computer system capable of emulating the charging regimes employed by financial institutions. This enables the ABS to calculate, each month, the total amounts that would be paid in fees over a full year for each sampled account based on the currently prevailing fee schedules. The use of a full year's activity in this way is consistent with the methodology used to measure price change for all items in the CPI, which is based on an annual quantity basket.

Some products, mainly loan products, incur an establishment fee. These are not accounted for by the sample of accounts and therefore require a separate estimation procedure. The price measure for establishment fees is calculated using changes in the average establishment fee charged on new accounts each month (information provided by the sampled institutions). Changes in these average fees reflect any discounting or waiving of fees by institutions.

Calculation of margins

The first issue is how to calculate the amount paid as an interest margin on any single product (or account provided by a financial institution). The 1993 System of National Accounts (SNA 93) recommends [para 6.125 and Annex III] that the value of services provided by means of interest-rate margins be valued as the product of the balance on the account multiplied by the difference between the interest rate payable or receivable and a reference rate of interest. This approach has the effect of valuing the service provided to a borrower as the difference between the amount of interest paid by the borrower and the (lesser) amount that would have been paid had the reference rate been used. The converse applies for depositors. Therefore, the price of the service per dollar borrowed is given by the difference between the interest rate paid by the borrower and the reference rate. For a depositor, it is the difference between the reference rate and the interest rate received by the depositor.

In practice, statisticians experience great difficulty in identifying an exogenous reference rate that does not also result in volatile and sometimes negative measures of interest margins (as would occur if the reference rate lies above the lending rate or below the deposit rate). When valuing these services in the national accounts the ABS has adopted the practical expediency of setting the reference rate at the mid-point of the borrowing and lending rates. A reference rate determined in this way could be regarded as representing a market-clearing rate (i.e. the rate that would have been struck in the absence of financial intermediaries by depositors dealing directly with borrowers).

To minimise problems with potential non-response and changes to the structure of the financial sector, it was decided that a slight variation of the approach used in the national accounts would be adopted in the construction of the price indexes for financial services in the CPI. A separate reference rate is calculated for each sampled service provider for these indexes.

It is important to recognise that this reference rate is not intended to approximate a financial institution's cost of funds. In the simplest case, where an institution's only source of funds is amounts on deposit, its cost of funds would equal the interest rate paid on deposits. Using this as the reference rate would result in the measurement of zero services being provided to depositors.

The sampled institutions provide monthly data on balances and interest flows (yields) by product and in aggregate. These data are used to calculate a current period interest rate margin for each of the sampled products. However, to minimise the effect of any

APPENDIX DEPOSIT AND LOAN FACILITIES IN THE CPI *continued*

Calculation of margins continued

short-term accounting anomalies, such as posting effects and adjustments of various types, the ABS constructs three-month moving averages of the average balances and interest flows and derives the required interest rates, reference rates and margin rates from the smoothed data.

Estimating Base Period Expenditure Weights

Estimating the base period value of expenditure on deposit and loan facilities, as required for weighting purposes, is a complex exercise. What follows is a simplified description of the general procedure.

The starting point was to select a sample of deposit taking institutions each of which was then approached to obtain information on balances, interest flows and fees by product and in aggregate for a full financial year. Interest flows (payments on deposit products and receivables on loan products) and balances were used to compute interest rates (or yields) at the individual product level and for deposits and loans in total. The reference rate was calculated as the mid-point of the rate paid on deposits and the rate earned on loans. The percentage margin on each product was calculated as described above and the dollar value of the margin computed. For all those products identified as being consumer products (as distinct from those used by businesses), the total receipts from households were computed by summing the margins and fees. The aggregate ratio of these receipts to total balances for the sampled institutions was applied to aggregate balances for all deposit taking institutions to derive a national estimate. The capital city level estimates were imputed by reference to aggregate data from the Household Expenditure Survey.

Measuring total price change

Because percentages (such as margin rates) are not prices, the latest period margin rates have to be applied to some monetary amount in order to compute the current period amounts that would be paid as margins. To preserve the quantities underpinning the values of the individual transactions and account balances in the base period, the values in the sampled accounts are updated each period using a four-quarter moving average of the all-groups CPI.

The process for measuring price change for any individual sampled account from one period to the next can be described in the following way. Each quarter the transaction values and the starting balances in the sampled accounts are updated using a four-quarter moving average of the CPI lagged by one quarter. The fee schedules for each sampled product are updated, where necessary, each month as are the current period margin rates.

The ABS calculates the dollar value of the interest margins by applying the current period margin rate to the updated average balances of the sampled accounts. These amounts are added to the amounts calculated for fees and charges (as described above) giving a total price paid for each sampled account.

The price index is constructed by comparing the change over time in these total amounts. In practice this means that if percentage margins remain unchanged over time, margin prices will move in line with the lagged four-term moving average of the CPI.

The aggregate index for deposit and loan facilities is produced by weighting together the indexes for each of the sampled products using the base period expenditure weights described above.

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PHONE 1300 135 070

EMAIL client.services@abs.gov.au

FAX 1300 135 211

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