

# Consumer Price Index (CPI) – September quarter 2018

ABS Cat. No. 6401.0



**ACT**  
Government

Chief Minister, Treasury and  
Economic Development

Publication Release Date: 31 October 2018 | Brief Release Date: 31 October 2018 | Next Brief Release Date: 30 January 2019

## Canberra CPI rose by 0.6 per cent in the September quarter 2018

### Canberra (Headline)<sup>1</sup>

In the September quarter 2018, CPI growth for Canberra was 0.6 per cent. Through the year<sup>2</sup> to the September quarter 2018, CPI in Canberra rose 2.5 per cent.

### Australia<sup>3</sup> (Headline)

In the September quarter 2018, the CPI rose 0.4 per cent. Through the year to the September quarter 2018, the CPI rose 1.9 per cent.

### Consumer Price Index (CPI), Canberra and Australia, September quarter 2018

	Index	Change (%)	
		Quarter	tty <sup>2</sup>
Canberra	112.3	0.6	2.5
Australia	113.5	0.4	1.9

*Index reference period: 2011–12 = 100.0.*

## Commentary

### Canberra

In the **September quarter 2018**, the primary contributor to the CPI in Canberra was *Housing* (up 2.2 per cent), contributing 0.6 percentage points to headline CPI growth. This result was driven primarily by a 7.9 per cent increase in *Property rates and charges*, as well as a 1.0 per cent increase in *New dwelling purchases by owner occupiers*. *Recreation and culture* (up 2.0 per cent) added 0.3 percentage points to headline inflation, while *Transport* (up 0.9 per cent), *Food and non-alcoholic beverages* (up 0.6 per cent) and *Alcohol and tobacco prices* (up 1.3 per cent) were also important contributors in the September quarter 2018, each adding 0.1 percentage points to quarterly headline CPI growth. *Automotive fuel* (up 2.3 per cent) was also a significant individual contributor to growth at the sub-group level, adding 0.1 percentage points to headline inflation. Despite drought conditions in much of Australia, *Food and non-alcoholic beverage prices* had not risen significantly during the September quarter 2018.

*Communication* (down 1.3 per cent) was the only substantial detracting CPI component at the Group level for the ACT in the September quarter 2018, driven by a 1.6 per cent decline in *Telecommunication equipment and services prices*. However, notable falls were seen in the price of *Child care* (down 19.8 per cent) and *Other financial services prices* (down 1.6 per cent), and together detracted 0.5 percentage points from headline CPI growth in the ACT. The reduction in the price of *Other financial services* was driven by a reduction in stamp duty on property sales.

**Through the year** to the September quarter 2018, the primary contributor to price growth in the ACT was *Housing* (up 4.2 per cent) contributing 1.1 percentage points to headline CPI growth. This was driven by

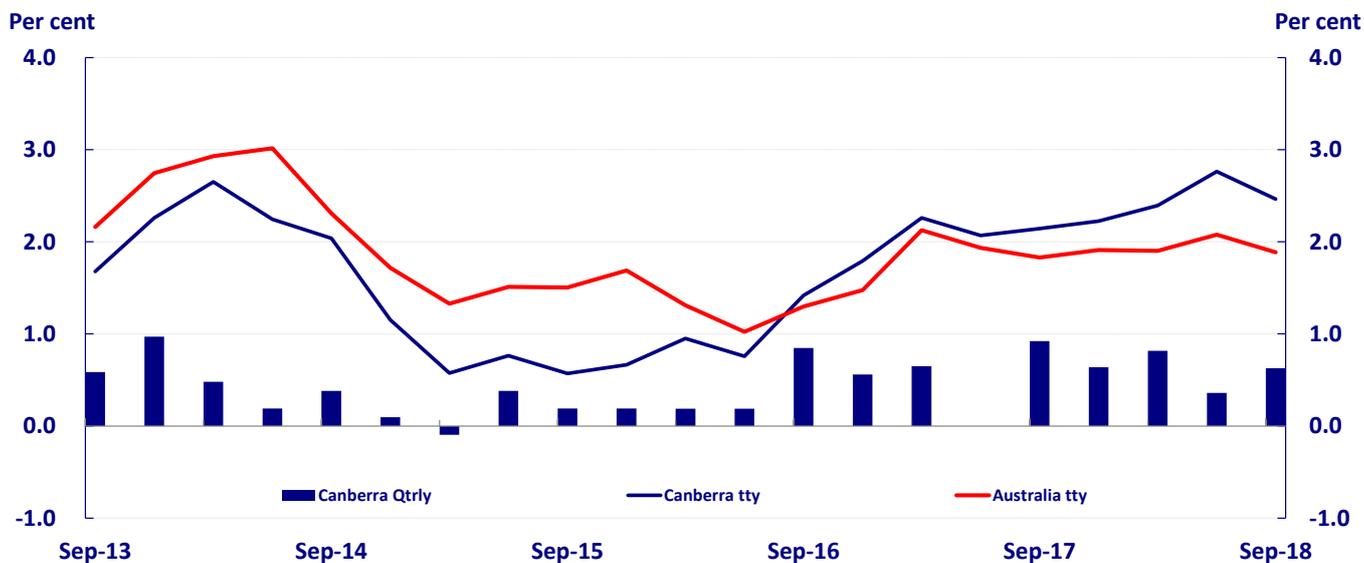
*Rents and Electricity* prices, which rose by 3.0 and 9.4 per cent through the year respectively, and together added 0.4 percentage points to headline CPI growth. *Transport* prices (up 6.0 per cent) also contributed strongly to headline CPI growth through the year to the September quarter 2018, adding 0.7 percentage points, driven almost entirely by *Automotive fuels* prices (up 21.6 per cent).

### Australia

Increased *Recreation and culture* prices (up 1.6 per cent) drove the national result in the September quarter 2018, contributing 0.2 percentage points to headline inflation, primarily through *International holiday travel and accommodation* prices (up 4.3 per cent). *Alcohol and tobacco* (up 1.3 per cent) also contributed 0.1 percentage points to headline CPI growth, driven by increases in tobacco excise taxation.

**Through the year** to the September quarter 2018 the primary contributor to national headline CPI growth was *Transport* prices (up 6.0 per cent), contributing 0.7 percentage points to inflation. As with the ACT, this was driven by increased *Automotive fuels* prices rising by 20.8 per cent through the year to the September quarter 2018. *Alcohol and tobacco* (up 6.8 per cent) also contributed 0.6 percentage points to growth.

**CPI Movements - Canberra and Australia**



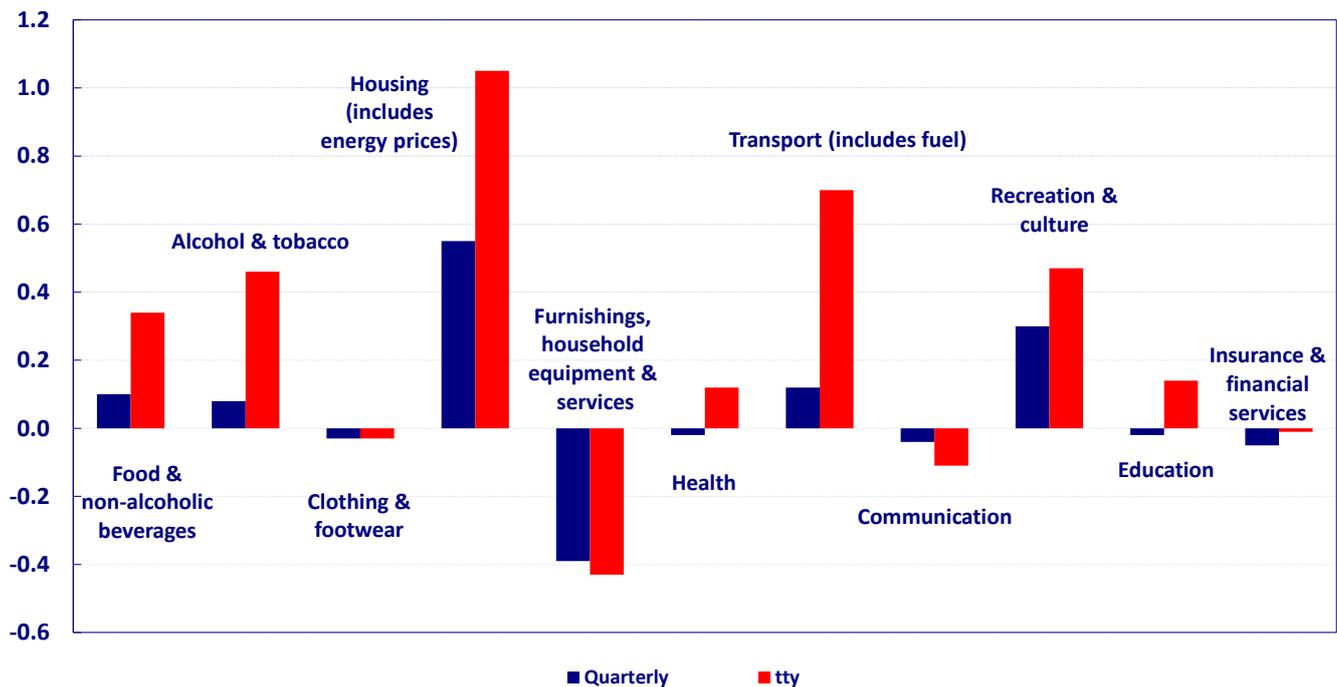
Source: ABS Cat. No. 6401.0; Index reference period: 2011–12 = 100.0.

### Capital city comparisons

Quarterly inflation in the ACT of 0.6 per cent exceeded the national average of 0.4 per cent, and was in line with price growth in Darwin, Hobart and Sydney. In through the year terms, inflation in Canberra (2.5 per cent) was exceeded only by Hobart (2.7 per cent). These outcomes were considerably higher than all other capital cities, with inflation ranging from 2.3 per cent in Melbourne to 1.0 per cent in Perth, through the year to the September quarter 2018.

## Contribution to CPI Growth by Expenditure Group, Canberra

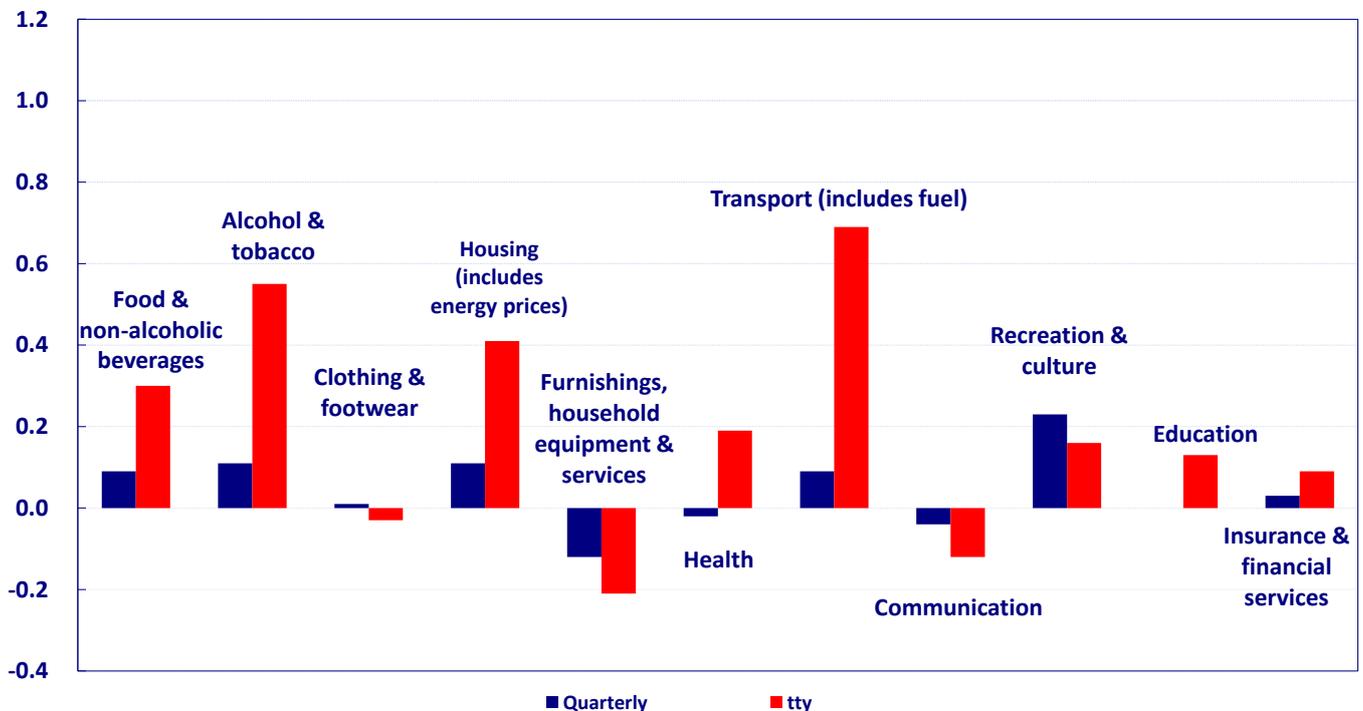
Percentage points



Source: ABS Cat. No. 6401.0; Index reference period: 2011–12 = 100.0.

## Contribution to CPI Growth by Expenditure Group, Australia

Percentage points



Source: ABS Cat. No. 6401.0; Index reference period: 2011–12 = 100.0.

- 1 The Headline CPI, or All goods CPI, measures the price change of a basket of goods and services representative of those acquired by metropolitan private households in the eight capital cities. There are also a number of ways to measure CPI to determine the level of underlying inflation, for such purposes as monetary policy making by the Reserve Bank of Australia.
- 2 Through the year (tty) is the change from the same period in the previous year.
- 3 Weighted average of eight capital cities.