

Cost of Living Snapshot



Consumer Price Index – September Quarter 2023

Nationally the inflation rate, as measured by the Consumer Price Index, was 1.2% in the September Quarter, making an annual rate of 5.4%. In Adelaide the CPI rise was higher at 1.7% for the quarter, and 5.9% for the year – *the largest annual rise of all capital cities*. This is the fourth quarter in a row that the annual rate of inflation in Adelaide has been the highest in the country.

For those on low incomes, the most significant price rises in Adelaide in the September Quarter were electricity (15.3%) and petrol (6.2%), while fruit and vegetable prices dropped (though not as much as elsewhere) and the cost of childcare decreased by 18% in the quarter (13.2% nationally) primarily due to increases in July to the Child Care Subsidy for many families. Rents in Adelaide rose less than the national figure in the September quarter, but the 7.1% annual increase was well above the generic inflation rate and is the largest increase since December 1990.

Essential Commodities	September Quarter CPI Increase		Annual CPI Increase (Sept 2022 – Sept 2023)	
	Adelaide %	Australia %	Adelaide %	Australia %
Food	0.6	0.6	5.4	4.8
Fruit and Vegetables	-2.4	-3.7	-4.5	-6.4
Housing	4.3	2.2	9.1	7.0
Rent	1.7	2.2	7.1	7.6
Utilities	11.8	3.6	12.6	12.6
• Electricity	15.3	4.2	14.7	14.5
• Water	3.9	4.7	3.9	4.5
• Gas	4.2	1.4	11.1	15.4
Health	0.7	0.8	5.0	5.4
Transport	3.0	3.2	6.3	5.6
• Petrol	6.2	7.2	9.4	7.9
CPI All Groups	1.7	0.8	5.9	5.4

Overall, according to the ABS, inflation on non-discretionary spending (that is, where there is little scope to reduce demand in response to price increases) increased nationally by 1.4% in the September Quarter and 5.5% for the year. That is, prices for non-discretionary items rose faster than for discretionary expenditure – a fact which impacts disproportionately on low-income households who spend proportionately more of their budget on non-discretionary items.