

Cost of Living Snapshot



Consumer Price Index – December Quarter 2023

Nationally the inflation rate, as measured by the Consumer Price Index, was 0.6% in the December Quarter, making an annual rate of 4.1%. In Adelaide the CPI rise was slightly higher at 0.7% for the quarter (the second highest capital city behind Perth), and significantly higher for the year at 4.8%. This is the fifth 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 changes in Adelaide in the December Quarter were the drops in CPI electricity and rent – both a direct result of government economic intervention. Average rents in Adelaide fell by 0.1%, largely as a result of the 15% increase in Commonwealth Rent Assistance, while the Energy Bill Relief package accounted for 92% of the 2.4% decrease for the quarter. These outcomes show the importance of direct government intervention, but it is also important to note that both rent and electricity went up significantly more than the general inflation rate over the last year, and the energy bill relief is time-limited so energy price pressures will remain a concern.

Essential Commodities	December Quarter CPI Increase		Annual CPI Increase (Dec 2022 – Dec 2023)	
	Adelaide %	Australia %	Adelaide %	Australia %
Food	0.4	0.5	4.8	4.5
Fruit and Vegetables	-1.8	-1.2	1.4	-0.2
Housing	0.1	1.0	7.7	6.1
Rent	-0.1	0.9	5.8	7.3
Utilities	-1.9	0.6	10.5	8.4
• Electricity	-2.4	1.4	12.0	6.9
• Water	0.0	0.0	3.9	6.7
• Gas	-1.0	-1.0	9.6	13.4
Health	1.5	0.6	5.6	5.1
Transport	0.2	-0.2	4.2	3.7
• Petrol	1.2	-0.2	5.9	5.4
CPI All Groups	0.7	0.6	4.8	4.1

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 0.6% in the December Quarter and 4.8% for the year – i.e. faster than the general inflation rate over the last year. This impacts disproportionately on low-income households who spend proportionately more of their budget on non-discretionary items.