

Cost of Living Snapshot



Consumer Price Index – March Quarter 2024

Nationally the inflation rate, as measured by the Consumer Price Index, was 1% in the March Quarter, making an annual rate of 3.6%. This quarterly result is a jump from 0.6% last quarter, but still sees the annual rate of inflation moderating (as the big price rises of early 2022 are superseded). In Adelaide the CPI rise was lower (0.7%) than the national figure in the March Quarter, but significantly higher for the year at 4.3%. This is the sixth 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 March Quarter were a 2.2% increase in rents, while a 7% increase in insurance prices further excludes people from coverage. Electricity prices also continued to rise in Adelaide, while they dropped across the country, but both rent and electricity price rises have been moderated by government intervention. The September increase in Commonwealth Rent Assistance reduced the annual rent increases by 1.8 percentage points, while the Energy Relief Fund rebates decreased energy price rises since June last year by 13.1 percentage points.

| Essential Commodities | March Quarter CPI Increase | | Annual CPI Increase (March 2023 – Mar 2024) | |
|-----------------------|-------------------------------|----------------|--|----------------|
| | Adelaide % | Australia % | Adelaide % | Australia % |
| Food | 0.8 | 0.9 | 3.6 | 3.8 |
| Fruit and Vegetables | 2.2 | 2.5 | 0.7 | -0.2 |
| Housing | 1.2 | 0.7 | 7.3 | 4.9 |
| Rent | 2.2 | 2.1 | 6.4 | 7.8 |
| Utilities | 0.9 | -1.4 | 10.7 | 1.6 |
| • Electricity | 1.1 | -1.7 | 13.5 | 2.0 |
| • Water | 0.0 | 0.0 | 3.9 | 5.7 |
| • Gas | 0.6 | -1.5 | 4.9 | -2.3 |
| Health | 1.9 | 2.8 | 4.1 | 4.1 |
| Transport | 0.0 | 0.5 | 3.8 | 3.6 |
| • Petrol | -1.9 | -1.0 | 5.2 | 5.2 |
| CPI All Groups | 0.7 | 1.0 | 4.3 | 3.6 |

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 1.3% in the March Quarter and 4.2% for the year – i.e. faster than the general inflation rate over the last year. These increases impact disproportionately on low-income households who spend proportionately more of their budget on non-discretionary items.