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Media Release

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i Source: [Consumer Price Index, Australia, March 2022](#)

The Consumer Price Index (CPI) rose 2.1 per cent in the March 2022 quarter and 5.1 per cent annually, according to the latest data from the Australian Bureau of Statistics (ABS).

Head of Prices Statistics at the ABS, Michelle Marquardt, said "The CPI recorded its largest quarterly and annual rises since the introduction of the goods and services tax (GST)."

The most significant contributors to the rise in the March quarter CPI were new dwellings (+5.7 per cent), automotive fuel (+11.0 per cent) and tertiary education (+6.3 per cent).

"Continued shortages of building supplies and labour, heightened freight costs and ongoing strong demand contributed to price rises for newly built dwellings. Fewer grant payments made this quarter from the Federal Government's HomeBuilder program and similar state-based housing construction programs also contributed to the rise." said Ms Marquardt.

"The CPI's automotive fuel series reached a record level for the third consecutive quarter, with fuel price rises seen across all three months of the March quarter."

The rise in tertiary education reflected the continuing impact of updated student contribution bands and fees, introduced last year.

Notable rises were also recorded across the food group (+2.8 per cent), reflecting high transport, fertiliser, packaging and ingredient costs, as well as COVID-related disruptions and herd restocking due to favourable weather. Main contributors to the rise in food prices included vegetables (+6.6 per cent), waters, soft drinks and juices (+5.6 per cent), fruit (+4.9 per cent) and beef (+7.6 per cent).

"The rise for the food group was softened by voucher programs in Sydney and Melbourne, which reduced out of pocket costs for meals out and takeaway foods. The grocery component of the

group, which excludes meals out and takeaway foods, rose 4.0 per cent in the March quarter." Ms Marquardt said.

Prices for other grocery items, such as non-durable household products (+6.7 per cent), which includes products such as toilet paper and paper towels, also rose in the March quarter.

Annual and underlying inflation

Annually the CPI rose 5.1 per cent, with new dwellings (+13.7 per cent) and automotive fuel (+35.1 per cent) the most significant contributors.

"Strong demand combined with material and labour supply disruptions throughout the year resulted in the highest annual inflation for new dwellings since the introduction of the GST." Ms Marquardt said.

"Annual price inflation for automotive fuel was the highest since the 1990 Iraqi invasion of Kuwait."

The price of goods (+6.6 per cent) rose more strongly through the year than that of services (+3.0 per cent).

[Underlying inflation measures \(https://www.abs.gov.au/statistics/research/underlying-inflation-measures-explaining-trimmed-mean-and-weighted-median\)](https://www.abs.gov.au/statistics/research/underlying-inflation-measures-explaining-trimmed-mean-and-weighted-median) reduce the impact of irregular or temporary price changes in the CPI. Quarterly trimmed mean inflation increased to 1.4 per cent, the strongest movement since the beginning of the series in 2002. Annual trimmed mean inflation increased to 3.7 per cent, up from 2.6 per cent in the December quarter. Ms Marquardt said: "Annual trimmed mean inflation was the highest since 2009. This reflected the broad-based nature of price rises, as the impacts of supply disruptions, rising shipping costs and other global and domestic inflationary factors flowed through the economy."

CPI, Trimmed mean and Weighted median: Annual movement (%)



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