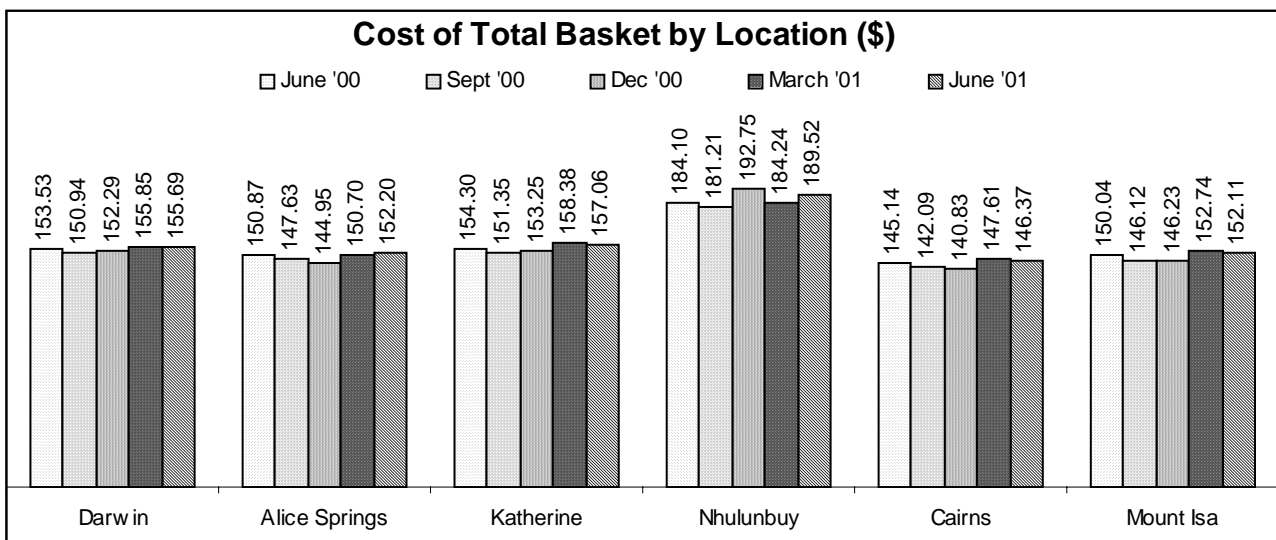


Grocery Price Survey June Quarter 2001

Summary:

- Prices decreased over the June Quarter 2001 in all centres, except for Alice Springs and Nhulunbuy.
- All of these decreases were due to the Fruit & Vegetables category decreasing substantially during the quarter in all centres. The reduction in the Fruit & Vegetables category in the June quarter comes after a large increase in prices in all centres over the March quarter, associated with poorer climatic conditions in southern growing areas over that period.
- Long term movements in the CPI show that fresh fruit and vegetable prices are volatile between quarters and even between years, given the magnitude of supply-side fluctuations caused by changes in agricultural conditions.
- Other categories such as Meat and Seafood and Household Supplies recorded considerable increases over the June quarter.
- The gap between Darwin and Cairns grocery prices widened in the June quarter 2001. Cairns prices continue to be the lowest in the survey.
- Alice Springs prices remain lower than Darwin prices, although the gap narrowed in the June quarter. Alice Springs prices were slightly above prices recorded in Mount Isa, the result of a slight increase in Alice Springs prices and a smaller decline in Mount Isa prices.
- Katherine prices are marginally higher than Darwin prices, although the gap has narrowed.
- Nhulunbuy prices are still the highest in the survey, with the gap between Nhulunbuy and Darwin widening during the June quarter 2001.



The Grocery Price Survey measures the expenditure required to purchase an average basket of goods at each major supermarket in the Northern Territory and for comparative purposes, at selected supermarkets in Cairns and Mount Isa. The basket comprises 132 items including food (except take-away), household supplies and personal care products, with the basket weighted to reflect typical weekly household purchasing patterns. Caution should be taken when comparing results over time.

Results for the June Quarter 2001 are preliminary estimates based on projections of price movements in Darwin during the period. Final results, adjusted for movements in the June Quarter CPI, will be available with the September Quarter 2001 survey results. Please note the inclusion of Woolworths, Humpty Doo in the June Quarter 2001 results.

Grocery Price Survey, June Quarter 2001 (cont'd)

Overall

- June quarter results continue to indicate that, in general, people purchasing an average basket of goods at supermarkets in towns more remote from southern supply centres face higher prices than those closer. This is due to higher freight costs to more remote centres being passed on to consumers, as well as the small market size and lack of competition in these centres.
- Overall, the lowest cost for the basket of goods was recorded at Franklins in Cairns (\$143.27) while the highest was recorded at Woolworths in Nhulunbuy (\$189.52).
- In the Territory, the lowest cost for the basket of goods was recorded at Coles in Alice Springs (\$150.57) while the highest was recorded at Woolworths in Nhulunbuy (\$189.52).

Average Grocery Basket Cost based on Household Expenditure – June Quarter 2001

Expenditure (\$)	Darwin		Alice Springs		Katherine		Nhulunbuy		Cairns		Mount Isa	
	Qtr %	Change	Qtr %	Change	Qtr %	Change	Qtr %	Change	Qtr %	Change	Qtr %	Change
Dairy and Related Products	14.84	1.6	13.91	-1.4	15.16	2.9	19.80	2.0	13.90	-3.2	14.71	3.1
Bread and Cereal Products	16.08	1.9	15.66	1.6	16.76	4.5	20.48	3.8	15.73	3.5	16.21	2.6
Meat & Seafoods	24.16	4.5	23.28	4.5	23.77	4.1	30.02	9.3	22.37	5.8	23.52	10.1
Fruit & Vegetables	20.97	-13.1	21.81	-10.5	22.42	-16.1	29.45	-7.1	18.08	-19.7	19.39	-22.5
Non-Alcoholic Drinks and Snacks	23.08	-1.2	21.57	0.4	23.23	-1.2	25.12	-2.4	21.11	0.2	22.08	2.4
Other Food	15.39	0.9	15.02	2.0	15.60	3.1	18.35	4.5	14.71	1.1	15.13	-0.3
Household Supplies	17.23	5.5	17.07	9.3	16.59	1.8	19.39	12.1	16.81	8.2	16.97	7.9
Pharmaceuticals	8.32	4.7	8.13	9.0	8.21	4.2	8.56	3.8	8.07	2.5	8.24	4.3
Sport and Other Recreation	4.19	2.7	4.26	5.7	4.30	4.8	4.80	2.0	4.24	1.9	4.34	0.6
Personal Care Products	11.42	1.7	11.49	2.5	11.03	-1.2	13.56	9.5	11.35	1.5	11.52	-0.9
Total Basket (\$)	155.69	-0.1	152.20	1.0	157.06	-0.8	189.52	2.9	146.37	-0.8	152.11	-0.4
<i>Previous Qtr (\$) *</i>	155.85		150.70		158.38		184.24		147.61		152.74	
<i>\$ Change</i>	-0.16		1.50		-1.32		5.27		-1.23		-0.63	
			Alice									
Variation from Darwin (\$)			Springs		Katherine		Nhulunbuy		Cairns		Mount Isa	
Dairy and Related Products			-0.93		0.31		4.95		-0.94		-0.13	
Bread and Cereal Products			-0.42		0.68		4.40		-0.35		0.13	
Meat & Seafoods			-0.88		-0.39		5.85		-1.79		-0.64	
Fruit & Vegetables			0.84		1.45		8.48		-2.89		-1.58	
Non-Alcoholic Drinks and Snacks			-1.51		0.15		2.04		-1.97		-1.00	
Other Food			-0.37		0.20		2.95		-0.68		-0.27	
Household Supplies			-0.16		-0.64		2.16		-0.42		-0.26	
Pharmaceuticals			-0.19		-0.11		0.24		-0.25		-0.08	
Sport and Other Recreation			0.06		0.10		0.60		0.04		0.14	
Personal Care Products			0.07		-0.39		2.13		-0.07		0.10	
Total Basket (\$)			-3.49		1.36		33.82		-9.32		-3.59	
<i>Previous Qtr (\$) *</i>			-5.15		2.53		28.39		-8.24		-3.11	
<i>\$ Change</i>			1.66		-1.17		5.43		-1.08		-0.48	

* June Quarter 2001 now includes the new Woolworths store at Humpty Doo.

Darwin

- The total average grocery basket cost in Darwin was \$9.32 higher than in Cairns in the June quarter, compared to \$8.24 higher in the previous quarter. The average cost of the total weighted basket in Darwin was \$155.69 compared to \$146.37 in Cairns (6.4% higher). The gap between Darwin and Cairns has widened slightly, a result of a \$0.16 (0.1%) decrease in Darwin prices over the quarter, while Cairns prices fell \$1.23 (0.8%).
- For the June quarter, the lowest cost recorded for the basket of goods in Darwin was \$152.56 at

Grocery Price Survey, June Quarter 2001 (cont'd)

Bi-Lo Casuarina, while the most expensive was recorded at Woolworths Nightcliff at \$158.59, a range of \$6.03.

Alice Springs

- The total average grocery basket cost in Alice Springs was \$3.49 lower than the cost of equivalent items in Darwin, compared to \$5.15 lower in the previous quarter. The average cost for the total basket of goods in Alice Springs was \$152.20 compared to Darwin's total of \$155.69 (2.3% higher). Alice Springs prices increased by \$1.50 (1.0%) over the quarter from a total of \$150.70 in the March Quarter. Coles was the least expensive store in Alice (\$150.57) while Bi-Lo recorded the highest cost (\$154.72). Alice Springs grocery prices are typically lower than those in Darwin, reflecting its closer proximity to southern supply centres.

Katherine

- The total cost of the grocery basket in Katherine was \$1.36 higher than the equivalent items in Darwin, compared to \$2.53 higher in the previous quarter. The cost of the total basket in Katherine was \$157.06, compared to \$155.69 for Darwin. Katherine prices decreased by \$1.32 (0.8%) over the quarter, from \$158.38 in March. Only one grocery store (Woolworths) is surveyed in Katherine.

Nhulunbuy

- The total cost of the basket in Nhulunbuy was \$33.82 higher than the equivalent items in Darwin in June, compared to \$28.39 higher in the previous quarter. The average cost of the total basket in Nhulunbuy was \$189.52 compared to \$155.69 in Darwin. Nhulunbuy prices increased by \$5.27 (2.9%) over the quarter, from \$184.24 recorded in March.
- Generally, Nhulunbuy prices were considerably higher than Darwin prices in all groups surveyed, reflecting both additional freight costs (especially for perishables) and a lack of economies of scale or competition in Nhulunbuy. As only one grocery store is surveyed in Nhulunbuy (Woolworths), prices tend to fluctuate between quarters.

Cairns

- The total average grocery basket cost in Cairns was \$9.32 lower than Darwin in the June quarter, compared to \$8.24 lower in the previous quarter. The average cost of the total basket in Cairns was \$146.37 compared to \$155.69 in Darwin. Franklins Cairns recorded the lowest cost for the basket of goods at \$143.27, with the most expensive of \$151.06 recorded at the Coles Central outlet. Cairns prices are surveyed to provide a similar size town comparison with Darwin. Cairns prices are, however, typically lower than Darwin because of their closer proximity to east coast supply centres.

Mount Isa

- The average grocery basket cost in Mount Isa was \$0.09 lower than Alice Springs in the June quarter, compared to \$2.04 higher in the previous quarter. The average cost of the total basket in Mount Isa was \$152.11 compared to \$152.20 in Alice Springs. Mount Isa prices decreased by \$0.63 (0.4%) over the quarter from expenditure of \$152.74 in March. Mt Isa prices are surveyed to provide a similar size town comparison with Alice Springs. Prices are usually similar, with Mt Isa about as far from eastern seaboard supply centres as Alice Springs is from southern supply centres.

Grocery Price Survey, June Quarter 2001 (cont'd)

Cost of Total Basket by Outlet														
Outlet - Name			Jun Qtr	Jun Qtr	Mar Qtr*	Mar Qtr	Dec Qtr*	Dec Qtr	Sept Qtr*	Sept Qtr	June Qtr*	June Qtr	5 Quarter	5 Quarter
			01	01	01	01	00	00	00	00	00	00	Average	Average
			(\$)	Rank	(\$)	Rank	(\$)	Rank	(\$)	Rank	(\$)	Rank	(\$)	Rank
Cairns	Franklins	Stocklands	143.27	1	145.12	1	138.47	1	139.99	1	143.48	1	142.07	1
Cairns	Woolworths	Stocklands	145.16	2	148.57	3	141.13	3	141.36	3	143.66	2	143.98	3
Cairns	Bi-Lo	Central	145.99	3	145.85	2	138.87	2	141.33	2	146.16	3	143.64	2
Mount Isa	Woolworths		150.33	4	152.02	7	144.05	5	143.59	5	149.73	6	147.94	5
Alice Springs	Coles		150.57	5	152.19	8	148.61	9	150.83	14	151.26	8	150.69	8
Cairns	Coles	Central	151.06	6	150.88	6	144.85	7	145.66	6	147.25	4	147.94	6
Alice Springs	Woolworths		151.31	7	149.86	4	144.11	6	143.42	4	151.76	11	148.09	4
Darwin	Bi-Lo	Casuarina	152.56	8	153.72	11	149.30	11	151.12	15	154.07	16	152.15	10
Darwin	Coles	Karama	153.02	9	155.03	14	153.34	18	150.61	11	151.87	12	152.78	13
Darwin	Coles	Casuarina	153.30	10	154.84	13	152.56	13	149.91	9	151.66	9	152.45	12
Darwin	Bi-Lo	Northlakes	153.47	11	152.38	9	148.88	10	151.56	19	154.70	19	152.20	11
Mount Isa	Coles		153.89	12	153.46	10	148.42	8	148.65	7	150.35	7	150.96	9
Darwin	Woolworths	Hibiscus	154.51	13	156.24	16	153.48	19	150.73	12	154.01	15	153.79	15
Alice Springs	Bi-Lo		154.72	14	150.05	5	142.14	4	148.65	7	149.60	5	149.03	7
Darwin	Woolworths	Casuarina	155.81	15	157.01	18	152.87	15	150.80	13	154.63	18	154.22	16
Katherine	Woolworths		157.06	16	158.38	19	153.25	17	151.35	17	154.30	17	154.87	19
Darwin	Woolworths	City	157.11	17	161.51	20	154.71	20	151.60	20	154.79	20	155.94	20
Darwin	Woolworths	Humpty Doo	157.87	18	na	na	na	na	na	na	na	na	na	na
Darwin	Coles	Palmerston	157.91	19	154.82	12	153.02	16	151.20	16	151.69	10	153.73	14
Darwin	Woolworths	Palmerston	158.48	20	155.97	15	152.85	14	151.41	18	153.90	13	154.52	18
Darwin	Woolworths	Nightcliff	158.59	21	157.00	17	151.88	12	150.46	10	153.93	14	154.37	17
Nhulunbuy	Woolworths		189.52	22	184.24	21	192.75	21	181.21	21	184.10	21	186.37	21

Cost of Total Basket by Outlet by Town														
Outlet - Name			Jun Qtr	Jun Qtr	Mar Qtr*	Mar Qtr	Dec Qtr*	Dec Qtr	Sept Qtr*	Sept Qtr	June Qtr*	June Qtr	5 Quarter	5 Quarter
			01	01	01	01	00	00	00	00	00	00	Average	Average
			(\$)	Rank	(\$)	Rank	(\$)	Rank	(\$)	Rank	(\$)	Rank	(\$)	Rank
Darwin	Bi-Lo	Casuarina	152.56	1	153.72	2	149.30	2	151.12	6	154.07	7	152.15	1
Darwin	Coles	Karama	153.02	2	155.03	5	153.34	8	150.61	3	151.87	3	152.78	4
Darwin	Coles	Casuarina	153.30	3	154.84	4	152.56	4	149.91	1	151.66	1	152.45	3
Darwin	Bi-Lo	Northlakes	153.47	4	152.38	1	148.88	1	151.56	9	154.70	9	152.20	2
Darwin	Woolworths	Hibiscus	154.51	5	156.24	7	153.48	9	150.73	4	154.01	6	153.79	6
Darwin	Woolworths	Casuarina	155.81	6	157.01	9	152.87	6	150.80	5	154.63	8	154.22	7
Darwin	Woolworths	City	157.11	7	161.51	10	154.71	10	151.60	10	154.79	10	155.94	10
Darwin	Woolworths	Humpty Doo	157.87	8	na	na	na	na	na	na	na	na	na	na
Darwin	Coles	Palmerston	157.91	9	154.82	3	153.02	7	151.20	7	151.69	2	153.73	5
Darwin	Woolworths	Palmerston	158.48	10	155.97	6	152.85	5	151.41	8	153.90	4	154.52	9
Darwin	Woolworths	Nightcliff	158.59	11	157.00	8	151.88	3	150.46	2	153.93	5	154.37	8
Alice Springs	Coles		150.57	1	152.19	3	148.61	3	150.83	3	151.26	2	150.69	3
Alice Springs	Woolworths		151.31	2	149.86	1	144.11	2	143.42	1	151.76	3	148.09	1
Alice Springs	Bi-Lo		154.72	3	150.05	2	142.14	1	148.65	2	149.60	1	149.03	2
Katherine	Woolworths		157.06	1	158.38	1	153.25	1	151.35	1	154.30	1	154.87	1
Nhulunbuy	Woolworths		189.52	1	184.24	1	192.75	1	181.21	1	184.10	1	186.37	1
Cairns	Franklins	Stocklands	143.27	1	145.12	1	138.47	1	139.99	1	143.48	1	142.07	1
Cairns	Woolworths	Stocklands	145.16	2	148.57	3	141.13	3	141.36	3	143.66	2	143.98	3
Cairns	Bi-Lo	Central	145.99	3	145.85	2	138.87	2	141.33	2	146.16	3	143.64	2
Cairns	Coles	Central	151.06	4	150.88	4	144.85	4	145.66	4	147.25	4	147.94	4
Mount Isa	Woolworths		150.33	1	152.02	1	144.05	1	143.59	1	149.73	1	147.94	1
Mount Isa	Coles		153.89	2	153.46	2	148.42	2	148.65	2	150.35	2	150.96	2

* Expenditures figures adjusted to reflect CPI estimates for each quarter.

Methodology: The Grocery Price Survey was carried out in the same week at all major supermarkets in the Territory and selected major supermarkets in Cairns and Mount Isa. A separate technical paper is available from www.nt.gov.au/nt/pdf/technical.pdf

The Grocery Price Survey is conducted by the Economic Analysis program of Northern Territory Treasury. Further details are available from www.nt.gov.au/ntt or phone: 8999 6255.