

Measuring Inflation on Norfolk Island, to February 2022 – Inflation Results

Prepared for the Norfolk Island Regional Council as part of the project to develop a quarterly RPI for Norfolk Island

22 April 2022

Contact







Craig Wilson

Managing Director

M: +61 414 741 791

Craig.Wilson@deltapearlpartners.com

A PROFESSIONAL SERVICES FIRM:

ECONOMICS - POLICY - STRATEGY - CORPORATE ADVISORY

DELTAPEARL PARTNERS HAS TWO MODES OF VALUE GENERATION AND SERVICE DELIVERY:

ANALYSIS: DUE DILIGENCE, ASSESSMENT, RESEARCH, DATA ANALYTICS, MODELLING, EVALUATION

DELIVERY: PROGRAM DELIVERY, PARTNERSHIP, RESEARCH, THOUGHT LEADERSHIP, TRAINING

THIS WORK IS COPYRIGHT. INDIVIDUALS, AGENCIES AND CORPORATIONS WISHING TO REPRODUCE THIS MATERIAL SHOULD CONTACT DELTAPEARL PARTNERS ON THE DETAILS BELOW.

WWW.DELTAPEARLPARTNERS.COM

ACN: 621042537

Services

- ✓ Project economics due diligence
- √ Feasibility studies
- ✓ Business cases
- ✓ Gateway and peer review
- ✓ Commercial advisory
- √ Country economic analyses
- ✓ Economic impact assessment
- ✓ Cost-benefit analysis
- ✓ Local economic development strategy
- ✓ Policy development and analysis
- ✓ Regulatory impact assessment
- √ Financial and economic modelling
- ✓ Demand analysis and forecasting
- ✓ Data analytics
- ✓ Private company big data analysis
- ✓ Property market and urban economics
- ✓ Transport oriented development
- ✓ Value capture options analysis
- √ Financial markets analysis

- √ Financial services analysis
- ✓ Sectoral analysis
- ✓ Short-course training
- √ Thought leadership
- ✓ Market entry due diligence
- ✓ Stakeholder engagement and analysis
- ✓ Survey design
- ✓ In-house chief economist
- ✓ Economic briefing papers
- ✓ Impact investment advisory
- ✓ Regulated pricing and regulatory proposals
- ✓ Program monitoring and evaluation
- ✓ Political economy assessments
- ✓ Public affairs advisory
- ✓ Economic social media programs
- ✓ Government approvals processes
- ✓ Supply chain analysis
- ✓ Infrastructure policy and planning
- ✓ Competition policy advice

Table of Contents

EXECUTIVE SUMMARY	5
1. INTRODUCTION	6
2. EARLIER MEASUREMENTS OF INFLATION	6
2.1. 1991-2011	6
2.2. 2011-2017	8
3. DETERMINING INFLATION FOR 2017-2022	9
3.1. RPI, 2012-2017	10
APPENDIX: PRICING - DATA COLLATION PROCESS	, ASSUMPTIONS AND CAVEATS14
Tables	
Table 1: Inflation - Official RPI for Norfolk, 1990-2011	7
Table 2: Inflation -Acil Allen Draft RPI"2011-2017	
Table 3: Updated RPI for Norfolk, 2011-2022	
Table 4: Price changes and inflation 2017-2022	13

Executive Summary

This Report is prepared as part of a project to assist the Norfolk Island Regional Council (NIRC) recommence price inflation monitoring on Norfolk Island. The purpose of this report is to outline current price inflation on Norfolk Island.

We have estimated inflation on Norfolk Island over the last five years to February 2022 running at an annualised rate of 3.76%. There will have been higher and lower rates of inflation during this five-year period. This average was calculated after having monitored prices in early March 2022 and comparing these prices to the last estimates taken in February 2017. The overall price increase over the five years, weighted using the existing weighted basket of goods and services, was 18.79%.

In brief, and as noted in earlier reports:

- Between 1990 and 2011, Norfolk Island had its own RPI. After 2011, the measurement of the RPI metric ceased for various reasons, particularly data issues, as we have detailed elsewhere.¹
- In 2012, consulting firm Acil Allen investigated reasons for the collapse and for the Norfolk Government and, up to 2018-19, undertook research into reinstating an RPI, including developing a basket of goods and expenditure weights.
- Building on this work, we have previously provided an estimate of inflation between 2012-2017, but an updated estimate of inflation for 2017 to the present day has been lacking.

To estimate an interim inflation measure for 2017-2022, we completed a price collection on Norfolk Island during 10-15 March 2022², and updated the same preliminary basket of goods as the 'Draft RPI' prepared by Acil Allen, in the absence of an updated household expenditure survey to provide a new basket of goods and expenditure weights. We have recommended to NIRC that a new updated household expenditure survey is required for the future.

Results - Prices and inflation

The table below provides a summary of the expenditure weights for the 10 groups that make up the consumption basket, as well as the group weights, which are taken from the 2017 work, which utilised the 2014 household expenditure data to calculate expenditure weights.

Executive Summary Table 1

Group	Group no.	Weight	Change Feb 2017 to Feb 2022
Food and non-alcoholic beverages	1	23.9%	19.23%
Tobacco and alcohol	2	6.8%	31.93%
Clothing and footwear	3	3.6%	9.76%
Housing	4	18.0%	27.14%
Household contents and services	5	8.9%	50.08%
Health	6	4.3%	15.13%
Transportation	7	12.1%	26.37%
Communication	8	3.1%	-4.51%
Recreation	9	10.7%	-13.42%
Insurance services	10	8.6%	0.18%
All groups			18.79%
Annual Average			3.76%

¹ DeltaPearl Partners, 2021, "Measuring inflation on Norfolk Island: A general recap - Updated."

² For convenience and consistency, we have referred to the March 2022 data as February 2022 data.

1. Introduction

This report is prepared as part of a project to assist the Norfolk Island Regional Council (NIRC) recommence price inflation monitoring on Norfolk Island.

The Norfolk Island version of the Australian consumer price index (CPI) is known as the retail price index (RPI).

In brief, and as noted in earlier reports:

- Between 1990 and 2011, Norfolk Island had its own RPI. After 2011, the measurement of the RPI metric ceased for various reasons, particularly data issues, as we have detailed elsewhere.³
- In 2012, consulting firm Acil Allen investigated reasons for the collapse and for the Norfolk Government and, up to 2018-19, undertook research into reinstating an RPI, including developing a basket of goods and expenditure weights; for simplicity, we refer to this work as the 'Draft RPI' report. Building on this work, we have previously provided an estimate of inflation between 2012-2017, but an updated estimate of inflation for 2017 to the present day has been lacking.
- To estimate an interim inflation measure for 2017-2022, we completed price collection on Norfolk Island during 10-15 March 2022, and updated the same preliminary basket of goods as the 'Draft RPI' which measured inflation up to 2017. We know that this approach aligns with the practice of other small island economies (see Case Study Report on Small Island Economies).
- The data collection was aimed at updating the same list from the Draft RPI in 2017 for continuity, subject to reviewing whether any items are no longer appropriate or require updating. Therefore, we have aimed to collect prices on the 10 categories of goods and services: food, alcohol and tobacco, clothing, transport, communications, housing (including household utilities), household contents, health, recreation and insurances. A detailed list of the 250+ goods and services is provided in the appendix.

This report and the process that we followed to measure inflation are designed to enable development of an interim inflation measure without (and prior to) the possible development of a new household expenditure survey (HIES) to update the basket and associated expenditure weightings. We have suggested to NIRC that a new updated HIES is required for the future.

2. Earlier Measurements of inflation

2.1. 1991-2011

Inflation for the period 2011 to 2017 is shown below for all goods and services. This is based on the official RPI completed by the Norfolk Island government for the period 1990-2011, and then the Draft RPI work by Acil Allen for 2011-2017.

Values for 1990-2011: Between 1990 and 2011, the Norfolk Island Government maintained an RPI. A summary of the values over this time period is provided above, which were reported by the Norfolk Island Government as part of the 2006 Census. After 2011, the measurement of the RPI metric ceased, as we have discussed elsewhere.

³ DeltaPearl Partners, 2021, "Measuring inflation on Norfolk Island: A general recap - Updated."

Table 1: Inflation - Official RPI for Norfolk, 1990-2011

Quarter Ended	Index No.	Qtrly % Movement	Annual Movement	Quarter Ended	Index No.	Qtrly Movement	Annual % Movement
31-Dec-90	100.0			30-Jun-03	147.3	1.0%	3.7%
31-Mar-91	101.2	1.2%		30-Sep-03	145.3	-1.4%	1.5%
30-Jun-91	101.8	0.6%		31-Dec-03	149.5	2.9%	3.6%
30-Sep-91	102.3	0.5%		31-Mar-04	154.8	3.5%	6.2%
31-Dec-91	102.5	0.2%	2.5%	30-Jun-04	158.5	2.4%	7.6%
31-Mar-92	103.0	0.5%	1.8%	30-Sep-04	161.0	1.6%	10.8%
30-Jun-92	104.6	1.6%	2.8%	31-Dec-04	164.4	2.1%	10.0%
30-Sep-92	104.6	0.0%	2.2%	31-Mar-05	165.7	0.8%	7.0%
31-Dec-92	104.9	0.3%	2.3%	30-Jun-05	167.5	1.1%	5.7%
31-Mar-93	105.5	0.6%	2.4%	30-Sep-05	169.1	1.0%	5.0%
30-Jun-93	105.5	0.0%	0.9%	31-Dec-05	172.0	1.7%	4.6%
30-Sep-93	110.1	4.4%	5.3%	31-Mar-06	176.0	2.3%	6.2%
31-Dec-93	111.0	0.8%	5.8%	30-Jun-06	179.7	2.1%	7.3%
31-Mar-94	110.5	-0.5%	4.7%	30-Sep-06	183.2	1.9%	8.3%
30-Jun-94	111.3	0.7%	5.5%	31-Dec-06	185.3	1.1%	7.7%
30-Sep-94	112.1	0.7%	1.8%	31-Mar-07	184.6	-0.4%	4.9%
31-Dec-94	112.9	0.7%	1.7%	30-Jun-07	189.6	2.7%	5.5%
31-Mar-95	113.1	0.2%	2.4%	30-Sep-07	190.6	0.5%	4.0%
30-Jun-95	115.1	1.8%	3.4%	31-Dec-07	194.1	1.8%	4.7%
30-Sep-95	115.7	0.5%	3.2%	31-Mar-08	196.8	1.4%	6.6%
31-Dec-95	117.4	1.5%	4.0%	30-Jun-08	196.5	-0.2%	3.6%
31-Mar-96	118.6	1.0%	4.9%	30-Sep-08	201.9	2.7%	5.9%
30-Jun-96	118.8	0.2%	3.2%	31-Dec-08	202.3	0.2%	4.2%
30-Sep-96	119.8	0.8%	3.5%	31-Mar-09	201.7	-0.3%	2.5%
31-Dec-96	119.8	0.0%	2.0%	30-Jun-09	202.3	0.3%	3.0%
31-Mar-97	120.4	0.5%	1.5%	30-Sep-09	206.4	2.0%	2.2%
30-Jun-97	120.8	0.3%	1.7%	31-Dec-09	210.0	1.7%	3.8%
30-Sep-97	121.2	0.3%	1.2%	31-Mar-10	211.2	0.6%	4.7%
31-Dec-97	122.7	1.2%	2.4%	30-Jun-10	210.2	-0.5%	3.9%
31-Mar-98	125.2	2.0%	4.0%	30-Sep-10	210.2	0.0%	1.8%
30-Jne-98	126.0	0.6%	4.3%	31-Dec-10	210.9	0.3%	0.4%
30-Sep-98	126.2	0.2%	4.1%	31-Mar-11	212.7	0.9%	0.7%
31-Dec-98	126.3	0.1%	2.9%	30-Jun-11	212.5	-0.1%	1.1%
31-Mar-99	126.4	0.1%	1.0%	30-Sep-11	214.4	0.9%	2.0%
30-Jun-99	129.5	2.5%	2.8%			1	l .
30-Sep-99	131.2	1.3%	4.0%				
31-Dec-99	132.4	0.9%	4.8%	1			
31-Mar-00	132.6	0.2%	4.9%	1			
30-Jun-00	134.3	1.3%	3.7%	=			
30-Sep-00	135.2	0.7%	3.0%				
31-Dec-00	136.5	1.0%	3.1%				
31-Mar-01	137.0	0.4%	3.3%	1			
30-Jun-01	138.3	0.9%	3.0%	-			

30-Sep-01

139.9

1.2%

3.5%

31-Dec-01	140.4	0.4%	2.9%
31-Mar-02	141.0	0.4%	2.9%
30-Jun-02	142.0	0.7%	2.7%
30-Sep-02	143.1	0.8%	2.3%
31-Dec-02	144.3	0.8%	2.8%
31-Mar-03	145.8	1.0%	3.4%

2.2. 2011-2017

Between 2011 and 2017, Acil Allen collected quarterly price data for Norfolk Island for the same basket of goods with 10 groups (instead of nine) of consumption goods and services used for its update. The price collation combined with the expenditure weights developed at that time yielded the following estimates of inflation for the period from 2012 (after the official RPI ceased) to February 2017.

Table 2: Inflation -Acil Allen Draft RPI"2011-2017

Date (Quarter)	Inflation rate
Aug-12	0.55%
Nov-12	0.09%
Feb-13	7.58%
May-13	-0.18%
Aug-13	2.58%
Nov-13	-0.26%
Feb-14	1.91%
May-14	3.78%
Aug-14	1.04%
Nov-14	0.04%
Feb-15	0.77%
May-15	0.59%
Aug-15	-0.13%
Nov-15	0.51%
Feb-16	2.77%
May-16	-0.30%
Aug-16	-4.18%
Nov-16	2.51%
Feb-17	0.63%

The 'Draft RPI' measurements during this time index used expenditure weights based on the household expenditure survey data being collected during this period (and later released in 2014). The Draft RPI collate quarterly prices for February to November; it differs slightly from the earlier data (1991-2011), which were collected quarterly for March to December, and for which the expenditure weights and consumption basket were slightly different, as outlined in an earlier document on the history of inflation measurements on Norfolk Island. Thus, although we can present a picture of historical data, it should be noted that it blends several data sources involving differences in terms of collection periods and the basket of goods collated.

3. Determining inflation for 2017-2022

To measure inflation from 2017 to the present day, we completed a price collection on Norfolk Island during 10-15 March 2022, and updated the same preliminary basket of goods as the 'Draft RPI' which measured inflation up to 2017. The is the most straightforward approach to developing an interim inflation measure, and we know that this basket and the goods align with the practice of other small island economies (see Case Study Report on Small Island Economies), and that the weights used align roughly in terms of the importance given to food, transport and housing in those other economies. A spreadsheet containing the prices has been separately developed and will be provided to NIRC, including quantities to allow for future updates.

The data collection was aimed at updating the same basket from 2017 for continuity, subject to reviewing whether any items are no longer appropriate or require updating. Therefore, we collected prices on the following 10 categories of goods and services: food, alcohol and tobacco, clothing, transport, communications, housing (including household utilities), household contents, health, recreation and insurances.

Based on the earlier work by Acil Allen, we have price data for the first half of 2017. As noted above, we collated data during March 2022; we have used the February 2017 data from the Acil Allen Draft RPI as it is from the same quarter of the year for comparable seasonality, and refer to it as February 2022 data for simplicity in the spreadsheet to maintain the same system for quarterly collection.

A detailed spreadsheet containing prices for February 2017 (collected for the Draft RPI by Acil Allen) and prices for the same goods and services in 2022 has been provided to NIRC for the 250+ prices collected that make up the 10 groups of goods. A spreadsheet developing the inflation index based on the prices and allocated expenditure weights will also be separately provided.

A summary of the index for the 10 groups of goods in the basket is shown below. The index shows how prices have changed relative to a value of 1.00 in the index reference period. An index of 1.10, for example, would mean that there has been a 10% increase in price since the index reference period.

The index from May 17 to February 2022 is backfilled based on the price data collated in March 2022, smoothed and annualised over the period 2017-2022.

3.1. RPI, 2012-2017

Below we present the retail price index for the period from 2011 (when the official RPI ceased) to 2022. The index for the period up to February 2017 is based on the data collated by Acil Allen on prices and price adjustments on a quarterly basis, using May 2012 as the base year. The index from February 2017 to February 2022 is based on the price data collated in March 2022, smoothed and annualised over the period from 2017-2022.

Table 3: Updated RPI for Norfolk, 2011-2022

Group	Group	Group	May-	Aug-	Nov-	Feb-	May-	Aug-	Nov-	Feb-	May-	Aug-	Nov-	Feb-	May-	Aug-	Nov-
	number	Weight	12	12	12	13	13	13	13	14	14	14	14	15	15	15	15
Food and non- alcoholic beverages	1	23.9%	1.00	1.00	1.00	1.02	1.02	1.02	1.00	1.01	1.00	1.01	1.00	1.02	1.01	1.00	1.00
Tobacco and alcohol	2	6.8%	1.00	1.00	1.00	1.00	0.96	1.00	1.00	1.01	1.00	1.01	1.00	1.00	1.01	1.03	1.02
Clothing and footwear	3	3.6%	1.00	1.00	1.00	1.03	1.00	1.05	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.01	1.00
Housing	4	18.0%	1.00	1.01	1.00	1.02	0.98	1.00	0.99	1.01	0.99	1.02	1.00	1.00	1.00	1.00	1.03
Household contents and services	5	8.9%	1.00	1.00	1.00	1.01	1.01	1.07	1.00	1.01	1.00	1.01	1.00	1.00	1.04	1.00	1.00
Health	6	4.3%	1.00	1.00	1.00	1.10	1.00	1.01	0.99	1.02	1.00	0.97	1.00	1.01	1.00	1.00	1.00
Transportation	7	12.1%	1.00	1.03	1.00	0.99	1.00	1.00	1.00	1.03	1.00	1.00	1.00	1.00	1.00	0.98	0.98
Communication	8	3.1%	1.00	1.00	1.00	1.01	1.00	1.48	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Recreation	9	10.7%	1.00	1.00	1.00	1.09	1.00	1.01	1.00	1.11	1.00	1.04	1.00	1.00	1.00	0.99	1.01
Insurance services	10	8.6%	1.00	1.00	1.00	1.60	1.00	1.00	1.00	1.00	1.32	1.00	1.00	1.02	1.00	1.00	1.00
All Groups			1.00	1.01	1.00	1.08	1.00	1.03	1.00	1.02	1.03	1.01	1.00	1.01	1.01	1.00	1.01

Group	Group	Group	Feb-	May-16	Aug-	Nov-	Feb-	May-17	Aug-	Nov-	Feb-	May-18	Aug-	Nov-
	n o.	Weight	16		16	16	17		17	17	18		18	18
Food and non- alcoholic beverages	1	23.9%	0.99	1.00	1.08	1.00	1.02	0.99	1.02	1.03	1.04	1.05	1.07	1.08
Tobacco and alcohol	2	6.8%	0.98	1.00	1.00	0.99	1.00	1.03	1.05	1.06	1.08	1.09	1.11	1.12
Clothing and footwear	3	3.6%	1.03	1.00	1.01	1.18	1.00	1.01	1.01	1.01	1.02	1.02	1.03	1.03
Housing	4	18.0%	1.31	1.00	0.81	1.12	1.00	1.00	1.05	1.07	1.08	1.09	1.10	1.11
Household contents and services	5	8.9%	0.99	1.00	1.02	1.00	1.01	1.00	1.06	1.08	1.11	1.13	1.16	1.18
Health	6	4.3%	1.09	1.00	0.40	1.01	1.01	0.99	1.02	1.02	1.03	1.04	1.05	1.06
Transportation	7	12.1%	0.92	1.00	1.00	1.01	1.00	0.98	1.01	1.02	1.04	1.05	1.07	1.08
Communication	8	3.1%	1.00	1.00	1.13	1.00	1.00	1.00	1.00	0.99	0.99	0.99	0.99	0.98
Recreation	9	10.7%	0.97	1.00	1.03	0.98	1.00	0.78	0.80	0.80	0.81	0.81	0.81	0.82
Insurance services	10	8.6%	0.98	0.98	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
All Groups			1.04	1.00	0.97	1.03	1.01	0.98	1.00	1.01	1.03	1.04	1.05	1.06

Group	Group	Group Weight	Feb-	May- 19	Aug- 19	Nov- 19	Feb- 20	May- 20	Aug- 20	Nov- 20	Feb- 21	May- 21	Aug- 21	Nov- 21	Feb- 22
	n o.	weight	19	19	13	19	20	20	20	20	21	21	21	21	22
Food and non- alcoholic beverages	1	23.9%	1.09	1.10	1.11	1.12	1.13	1.14	1.15	1.16	1.17	1.18	1.19	1.21	1.22
Tobacco and alcohol	2	6.8%	1.14	1.15	1.17	1.18	1.20	1.21	1.23	1.24	1.26	1.27	1.29	1.30	1.32
Clothing and footwear	3	3.6%	1.04	1.04	1.05	1.05	1.06	1.06	1.07	1.07	1.08	1.08	1.09	1.09	1.09
Housing	4	18.0%	1.13	1.14	1.15	1.16	1.17	1.19	1.20	1.21	1.22	1.24	1.25	1.26	1.27
Household contents and services	5	8.9%	1.21	1.24	1.26	1.29	1.31	1.34	1.36	1.39	1.42	1.44	1.47	1.49	1.52
Health	6	4.3%	1.07	1.07	1.08	1.09	1.10	1.11	1.12	1.12	1.13	1.14	1.15	1.16	1.17
Transportation	7	12.1%	1.09	1.11	1.12	1.14	1.15	1.17	1.18	1.19	1.21	1.22	1.24	1.25	1.26
Communication	8	3.1%	0.98	0.98	0.98	0.98	0.97	0.97	0.97	0.97	0.96	0.96	0.96	0.96	0.95
Recreation	9	10.7%	0.82	0.82	0.83	0.83	0.84	0.84	0.84	0.85	0.85	0.86	0.86	0.86	0.87
Insurance services	10	8.6%	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
All Groups			1.07	1.08	1.09	1.10	1.11	1.12	1.13	1.14	1.15	1.16	1.17	1.18	1.20

Table 4: Price changes and inflation 2017-2022

Group	Group no.	Weight	Change Feb 2017 to Feb 2022
Food and non-alcoholic beverages	1	23.9%	19.23%
Tobacco and alcohol	2	6.8%	31.93%
Clothing and footwear	3	3.6%	9.76%
Housing	4	18.0%	27.14%
Household contents and services	5	8.9%	50.08%
Health	6	4.3%	15.13%
Transportation	7	12.1%	26.37%
Communication	8	3.1%	-4.51%
Recreation	9	10.7%	-13.42%
Insurance services	10	8.6%	0.18%
All groups			18.79%
Annual Average			3.76%

In terms of the groups of goods, the highest price increases were experienced in the housing-related groups (household contents and services, and housing), as well as transportation, and tobacco and alcohol (which may also be a function of transport costs).

Although the most significant price rises (50% increase) were in housing contents and services, these goods and services accounted for only 8.9% of total expenditure. The categories that contributed most to expenditure were food, housing and transportation. Food experienced price increases of just under 20%, part of which is likely to be due to the increasing cost of shipping over this period. Housing costs rose around 27% between the 2017 prices collected and the 2022 prices, based on rent for a three-bedroom house. Offsetting the increases were reductions in communications costs (including cheaper overseas calls) and reductions in recreation costs.

As we only have price data for 2017 and 2022, we have smoothed the price increase on an annualised basis for this five-year period. It is possible that most of the increase has been experienced in the last few years (particularly post-COVID) but we cannot measure this precisely to confirm.

Appendix: Pricing - data collation process, assumptions and caveats

Below we list the individual goods and services that were used in the last basket of goods, developed in the Draft RPI in 2018. Each of these goods was priced and expenditure weights were developed.

The locations from which prices were collected include:

- Liquor Bond
- Foodland
- P&R Groceries
- Trading Post Newsagent
- Burnt Pine Pharmacy
- Slick and Sons (butcher and deli)
- Clothing stores Focus Fashions, Max's, Ross's, and Norfolk Emporium (school uniforms)
- Petrol and service stations Cascade Motor Repairs, Paw Paws Garage, Central Station
- Building and home goods suppliers Norfolk Island Building Supplies (NIBS), Christian Bailey's, Pete's Place (smaller appliances)
- Bakery in Foodland mall
- Norfolk Telecom
- Customer Care, NIRC
- Nadine Murray, Norfolk hospital
- Dentist
- Vet (Candice Knobbs)
- Banyan childcare
- Norfolk Island school (principal, school canteen menu)
- Hairdresser (Wilde Rose)
- Electrician, Plumber
- Home support services for the elderly
- Optometrist (John Kelly)
- Sport and recreation clubs bowls club, golf club, rugby and netball club members

It should be noted that in some cases, we have made assumptions to determine prices that were not available, or to make prices comparable when goods were available in different quantities between 2017 and 2022.

For instance, some products were not available - black and gold rice was priced in 2017 but was not available on the island in 2022. Therefore, we imputed the difference in prices based on n the percentage change for a similar substitute product, in this case, Sun Rice. Another example was Saos biscuits not being available in 2022, and we substituted a different brand of savoury crackers. There were other examples of products not being available in the same quantity priced in 2017. For instance, the 2017 toilet paper price was based on 4 rolls; in 2022, the smallest size available was 16 rolls. We

therefore imputed the price rise based on the percentage change in paper towel prices, given that simply quartering the 2022 price (16 rolls / 4 rolls) would not have given an accurate price due to buying in bulk leading to lower prices per roll.

Where prices involved subsidies, e.g. childcare and home support, we have adopted the subsidised price (i.e. after the subsidy) as recommended by the ABS, and made reasonable assumptions regarding the proportion of people subsidised. For instance, in the case of child-care, we were informed that the majority of parents received 50% to 95% of the cost of childcare (\$78 per day pre-subsidy) back in subsidies. however, the child-minding centre could not give us more than a rough estimate due to privacy issues. Therefore, in the absence of other information, we assumed that 50% of people received a 50% subsidy and the other 50% received a 95% subsidy. Child-care costs remained well above those in 2017 (\$220/per term) even after this generous allowance of the subsidy. We assumed also that the 2017 price was subsidised and determined a price per day for comparability based on a child attending 5 days per week for a 10 week term. For medical costs, as we were informed by the hospital that all patients with Medicare cards were bulk billed, we have assumed no gaps in payments, which appears to be the same assumption made in 2017.

In some cases, Norfolk Islanders may have been able to purchase certain products more cheaply online - e.g. electrical appliances, TVs, and even groceries (via Amazon and catch.com). We have not taken this into account in this exercise because of uncertainty concerning how many consumers were accessing lower prices in this way and what the prices were in this situation. The majority of prices are on-island prices - the only exception is Triumph ladies underwear, which was not available on the island and we were informed would be purchased online. Children's clothing is also not available on the island - we priced school uniforms for children in line with the Acil Allen report.

Moreover, we only collected prices in one month, March 2022. For simplicity, we have assumed that these prices would also apply in February 2022, as the quarterly data collation is for the February quarter, then May, then August, and November from 2011 onwards. We have also disregarded the May and August 2017 data collected by Acil Allen for the earlier Draft RPI due to what appear to be data measurement issues influencing the results.

It should also be noted that for the long-term historical data series, four data sources are utilised: 1) official RPI 1991-2011; (2) Acil Allen data 2011-2017; (3) 2017-2021 - backfilled data, based on the prices collated in March 2022, smoothed and annualized over the five-year period by DPP; and March 2022 - price collation on Norfolk by DPP.

Group 1: Food and non-alcoholic drinks

Bread - white sliced

Bread - wholemeal sliced

Bread - 8 grain slice

Cake - lamington/sponge

Chelsea fruit bun

Mudcake

Scotch fingers - Arnott's

Saos - Arnott's

Cornflakes - Kellogg's

Nutri Grain

Weetbix - Sanitarium

Muesli - Cerola

Oats - uncle toby's quick pack

Noodles - Maggi 2 minute range

Pasta - san remo

Rice long grain - sun

Rice long grain - black & gold

Pork chops - loin

Topside roast

Beef mince

Corned beef

lamb chops - loin

Cockerill frozen skinless chicken pieces - thigh

Cockerill frozen skinless chicken pieces - breast

Ham - Hans leg ham

Bacon - deli

Sausages - fresh

Devon - deli sliced

Trumpeter

Canned salmon - Ally, pink tin

Canned tuna - black and gold tin

Canned smoked oysters - John West

Milk - anchor full cream packet

Milk UHT - anchor full cream

Milk - condensed sweetened - Nestle

Meadow fresh milk

Butter - Anchor

Camembert cheese - Kraft

Cheese - Mainland range

Thickened cream - Anchor

Yoghurt - ski range

Potatoes

Onions

Lettuce

Tomatoes

Carrots

Cucumber

Kumera

Bananas

Dried peas - Birds eye packet

Frozen chips - Wattie's

Frozen peas - Wattie's

Canned sliced beetroot - Wattie's

Canned corn - Wattie's

Canned sliced mushroom - Edgell

Canned fruit salad - Wattie's

Canned pineapple - golden circle

Dried sultanas - sanitarium

Prunes - Angus Park

Dried apricots - sanitarium

Just juice carton

Fresh Up juice

Raro drink powder

Coca Cola can

Cordial - Cottee range

Ice Cream - Tip Top

Liquorice allsorts - Pascalls range

Marshmallows - Pascalls range

Barley sugar - Pascall range

Cherry ripe

Crunchie

Cadbury chocolate

Eggs

Margarine - meadow Lea

Cooking oil - Meadow Lea

Sugar - Chelsea polypak

Marmalade - sweet orange Cottee

Honey - Sanitarium

Veaemite

Mayonnaise - Praise

Peanut butter - Kraft

Soy Sauce - Kikkoman

Tomato sauce - Wattie's tin

Tea - Lanchoo bag

instant coffee - Nescafe

Milo

Cooking stock - continental range

Plain flour - white wings

Plain flour - black & gold

Self-raising flour - white wings

Self-raising flour - black & gold

Norfolk Blue - Rib fillet

Norfolk Blue - Soup du Jour

Barney Duffy's - Rib fillet

Barney Duffy's - Soup du Jour

Wood fire - Pizza - Medium Australian

Chook shop - Barbequed pizza

The Olive - BLT

The Olive - regular flat white

meat pie

sausage roll

roll chicken with salad filling

School canteen - hotdog

School canteen - toastie - two fillings

Group 2: Alcohol and tobacco

Toohey's Draught cans

Victoria Bitter cans

Hahn Premium Light bottles

Houghton's White Burgundy

Cask wine - Stanley Mozelle/Riesling

Black Douglas Whiskey

Bundaberg Rum
Jim Beam white label
St Agnes Brandy

Cigarettes - Benson and hedges 200/25's

Group 3:Clothing

Bisley dress slacks

Bisley long sleeve business shirt

Bisley cotton work trousers

Bisley cotton work shorts

Bisley canvas work shorts

Bisley short sleeve cotton work shirt

Bisley long sleeve cotton work shirt

Label One polo shirt

Huski shorts range

Hole proof casual socks

Bonds athletic singlet

Hole proof hero hipster underwear

Woolmark classic cardigan

New cover pants

Gerry Webber t shirt

Gerry Webber jeans

Triumph support bra

Triumph Hikini

Norfolk Island Central School - navy blue polo

Norfolk Island Central School - Sports polo

Norfolk Island Central School - Boys grey shorts

Norfolk Island Central School - Girls navy shorts

Norfolk Island Central School - Blacks sports shorts

Norfolk Island Central School - Track pants

Norfolk Island Central School - Fleecy Jacket

Nike air Pegasus men's senior

Redback steel cap bobcat boots

Reiker black leather lace-up

Nike air Pegasus women's senior

Reiker ladies court

Nike air Pegasus juniors

Group 4: Transport

Petrol

Petrol

Servicing of Vehicle - Labour

Vehicle Repair - Labour

Lubricating Oil, Castrol XL

Tubeless Tyre, Dunlop - 175/70R13

Battery, NS40Z

Driver's License

Registration of Motor Car

Group 5: Communications

Stamps Local

Stamps Australia

Stamps New Zealand

Telephone Rental

Norfolk internet service

Overseas calls to Australia

Group 6: Housing and household utilities

Rent

Electricity

Group 7: Household maintenance and contents

Double Bed Mattress

Bath Towel

Washing Machine 750 - EV004

Chest Freezer, Westinghouse EV 301, 150 lt.

Refrigerator, EV087

Electronic Iron, Sunbeam Pro-Steam

Paint - Wattyl Solargard, Gloss White

Paint Brush, Craftsman, bristle 75mm

Bolts, 100mm x 10mm, #ZI 037

Pliers, Stanley 250mm, Multi-Grip #SW 207A

Mineral turps

Araldite

Knobs Spartan passage set

Chux superwipes, J&J regular

Laundry powder - Drive

Laundry powder - Cold power

Softener - Cuddly Ultra

Dishwashing liquid - Palmolive

Disinfectant - Pine-O-Clean

Toilet cleaner - Harpic heavy duty

Shampoo - Sunsilk, bottle

Annie's: Lipstick, Innoxa, Extra Moisture

Mascara, Innoxa

Razor Blades, Gillette

Moisturiser - Nivea

Palmolive Soap - 125gm

Tampon, Carefree Regular

Tooth Paste, Colgate's Regular, tube

Toilet Paper - Sorbent

Baby Powder, Johnson & Johnson, Bottle

Bandaid Plastic Strips, J & J. packet

Facial Tissues- Kleenex

Batteries AA - Ever ready

Fire starters - little lucifers

Insecticides- Mortein

Gladwrap

Light Bulb - black & gold 14W

Paper Towel - Handee

Child Minding, Banyan Park

Hair cut - men

Hair cut - women

Shampoo and Set

Permanent Wave, short hair

Plumbing- Norfolk Plumbing & Gas

Electrical - Middlegate

Household Help (Care Norfolk)

Lawn Mowing

Group 8: Health

General Practitioner - basic consultation

Specialist visit (Ophthalmologist)

Public Ward Charges

Optometrist - John Kelly Optometrist, Initial Consultation

Dental Charges - basic consultation

Panadol Tablets

Preventative (Becotide) Inhaler, 100 microgram

Cough Mixture - Benadryl

Vitamin Tablets - Pluravit Multi

Contraceptive Pills

Bandaids - Elastoplast

Amoxil Capsules, 250mg

Amoxil Suspension, 125 mg

Lasix Tabs

Tenormin Tabs

Ventolin Inhaler, 100 microgram

Group 9: Recreation and education

Television - 46 inch Samsung LED

Blue-ray player - LG

Apple iPod shuffle

TV repair

Exercise book - GNS 64 page

Exercise book - GNS 48 page

Kindergarten - Year 2 workbook

Year 3 - Year 4 workbook

Year 5 - Year 6 workbook

New Idea magazine

Women's Day magazine

Newspaper - local

Sydney Morning Herald

Golf ball - top flight XL

Junior rugby league registration fee

Junior netball registration fee

Bowls club annual subscription

Cheryl Tennis club annual subscription

Golf Club annual subscription

Golf club green fees

Dog food - chum

Cat food - Whiskas

Veterinary service - basic consult

Annual show admission

Air New Zealand - Sydney resident return airfare weighted average for quarter

Air New Zealand - Auckland resident return airfare weighted average for quarter

Group 10: Insurances

Household insurance

Content insurance

Compulsory third party insurance

Comprehensive insurance

Norfolk Island healthcare insurance

