



Central Statistics Office

An Phríomh-Oifig Staidrimh

20 January 2000

Consumer Price Index - all items November 1996 = 100



Consumer Price Index December 1999

All Items CPI

	Index (Nov '96 = 100)	% monthly change	% annual change
Aug 1999	105.2	+ 0.6	+ 1.4
Sept 1999	105.6	+ 0.4	+ 1.5
Oct 1999	105.7	+ 0.1	+ 1.5
Nov 1999	105.9	+ 0.2	+ 2.1
Dec 1999	107.1	+ 1.1	+ 3.4

Sharp rise in Annual Inflation to 3.4% in December

Consumer Prices increased by 1.1% in December to bring the overall CPI to 107.1. This compares with a decrease of 0.1% in December 1998. As a result annual inflation in the twelve months to December 1999 was 3.4%, compared with 2.1% in November 1999. The increase of over 15% in Tobacco prices following the budget was the main contributor to the sharp rise in the index in December. (See Tables 2 and 3).

Over the whole of 1999 prices increased on average by 1.6% as compared to an average increase of 2.4% in 1998.

The most significant monthly price changes were increases in Tobacco (+15.2%), Housing (+2.3%), Fuel & Light (+1.8%), Transport (+0.6%) and a decrease in Clothing & Footwear (-0.4%).

The most notable changes in the year were increases in Tobacco (+17.7%), Fuel & Light (+7.3%), Transport (+6.1%), Services & Related Expenditure (+5.8%), Alcoholic Drink (+3.8%) and decreases in Housing (-7.8%) and Clothing & Footwear (-7.6%).

The main factors contributing to the monthly change were as follows:

- ◆ Tobacco prices rose as a result of the increased rate of excise duty introduced in the budget in December and accounted for over 70% of the overall monthly increase.
- ◆ Housing increased following a rise in mortgage interest rates and an increase in local authority rents.
- ◆ Fuel and Light and Transport prices rose due to increases in the cost of crude oil.
- ◆ Food prices rose with increases in the cost of mutton/lamb, fresh fruit, fresh vegetables and meals out while the price of potatoes and poultry decreased.
- ◆ Clothing & footwear prices decreased with reductions in the cost of ladies fashions.

The EU Harmonised Index of Consumer Prices (HICP), which excludes approximately 13% of the basket of goods and services in the all items CPI was 108.5 (EU base year 1996=100), up by 1.2% in the month, 1.5% in the three months since September and 3.9% in the 12 months since December 1998.

For more information contact Kevin McCormack on 021-535603 or Paul J Crowley on 021-535501.

Published by the Central Statistics Office, Ireland.

Ardee Road
Dublin 6
Ireland

Skehard Road
Cork
Ireland

LoCall: 1890 313 414

Tel: +353-1 497 7144
Fax: +353-1 497 2360

Tel: +353-21 535000
Fax: +353-21 535555

Both offices may be contacted through any of these telephone numbers.

CSO on the Web: <http://www.cso.ie>

Director General: Donal Murphy

Enquiries:

CPI Statistics (021) 535445, 535427
cpi@cso.ie
Queries and Sales Information Section, ext 5032
information@cso.ie
Diskette Service Databank, ext 5301/5499
databank@cso.ie

© Central Statistics Office

The contents of this release may be quoted provided the source is given clearly and accurately. Reproduction for own or internal use is permitted.

Ref 8/2000

ISSN 0791-3303

Table 1 Consumer Price Index (All Items)

Period		Consumer Price Index		Percentage changes		
		Current base Nov. 1996=100	Former base Nov. 1989=100 ¹	One month	Three months	12 months
				%	%	%
1995	Year	..	115.2			+ 2.5
1996	Year	..	117.1			+ 1.6
1997	Year	100.7	118.8			+ 1.5
1998	Year	103.1	121.7			+ 2.4
1999	Year	104.8	123.7			+ 1.6
1997	January	99.5	117.4
	February	100.1	118.1	+ 0.6	+ 0.1	+ 1.5
	March	100.2	118.2	+ 0.1
	April	100.3	118.4	+ 0.1	+ 0.8	..
	May	100.5	118.6	+ 0.2	+ 0.4	+ 1.5
	June	100.8	118.9	+ 0.3	+ 0.6	..
	July	100.7	118.8	- 0.1	+ 0.4	..
	August	100.5	118.6	- 0.2	-	+ 1.0
	September	101.0	119.2	+ 0.5	+ 0.2	..
	October	101.2	119.4	+ 0.2	+ 0.5	..
	November	101.6	119.9	+ 0.4	+ 1.1	+ 1.6
	December	101.9	120.2	+ 0.3	+ 0.9	..
1998	January	101.3	119.5	- 0.6	+ 0.1	+ 1.8
	February	101.8	120.1	+ 0.5	+ 0.2	+ 1.7
	March	102.3	120.7	+ 0.5	+ 0.4	+ 2.1
	April	102.8	121.3	+ 0.5	+ 1.5	+ 2.5
	May	103.2	121.8	+ 0.4	+ 1.4	+ 2.7
	June	103.7	122.4	+ 0.5	+ 1.4	+ 2.9
	July	103.4	122.0	- 0.3	+ 0.6	+ 2.7
	August	103.7	122.4	+ 0.3	+ 0.5	+ 3.2
	September	104.0	122.7	+ 0.3	+ 0.3	+ 3.0
	October	104.1	122.8	+ 0.1	+ 0.7	+ 2.9
	November	103.7	122.4	- 0.4	-	+ 2.1
	December	103.6	122.2	- 0.1	- 0.4	+ 1.7
1999	January	102.8	121.3	- 0.8	- 1.2	+ 1.5
	February	103.4	122.0	+ 0.6	- 0.3	+ 1.6
	March	103.7	122.4	+ 0.3	+ 0.1	+ 1.4
	April	104.2	123.0	+ 0.5	+ 1.4	+ 1.4
	May	104.7	123.5	+ 0.5	+ 1.3	+ 1.5
	June	105.0	123.9	+ 0.3	+ 1.3	+ 1.3
	July	104.6	123.4	- 0.4	+ 0.4	+ 1.2
	August	105.2	124.1	+ 0.6	+ 0.5	+ 1.4
	September	105.6	124.6	+ 0.4	+ 0.6	+ 1.5
	October	105.7	124.7	+ 0.1	+ 1.1	+ 1.5
	November	105.9	125.0	+ 0.2	+ 0.7	+ 2.1
	December	107.1	126.4	+ 1.1	+ 1.4	+ 3.4

¹ Linked to current Consumer Price Index at mid-November 1996

.. Not available

Table 2 Consumer Price Commodity Group Indices, December 1999

Commodity Group	Nov. 1996 base expenditure weights	Consumer Price Index (CPI)		Percentage changes		
		Current base Nov. 1996	Former base Nov. 1989	One month	Three months	12 months
				%	%	%
Food	22.850	110.6	124.8	+ 0.3	+ 0.5	+ 2.9
Alcoholic Drink	12.630	110.3	141.4	+ 0.2	+ 0.4	+ 3.8
Tobacco	4.824	128.8	183.9	+ 15.2	+ 15.2	+ 17.7
Clothing and Footwear	6.131	81.2	83.8	- 0.4	+ 0.2	- 7.6
Fuel and Light	4.904	105.2	114.4	+ 1.8	+ 3.1	+ 7.3
Housing	8.038	88.7	106.4	+ 2.3	- 1.6	- 7.8
Durable Household Goods	3.579	100.2	112.0	+ 0.2	+ 0.2	- 0.7
Other Goods	6.381	107.0	127.3	+ 0.2	+ 0.7	+ 1.9
Transport	13.940	108.6	127.7	+ 0.6	+ 0.8	+ 6.1
Services and Related Expenditure	16.723	112.8	140.9	—	+ 1.3	+ 5.8
ALL ITEMS	100.000	107.1	126.4	+ 1.1	+ 1.4	+ 3.4
Of which:						
EU HICP ¹	87.311	107.6	126.2	+ 1.2	+ 1.5	+ 3.9
Energy Products ²	9.126	106.8	116.3	+ 1.6	+ 2.5	+ 9.4
<i>CPI excluding:</i>						
- Mortgage Interest	96.369	108.5	128.4	+ 1.0	+ 1.6	+ 4.2
- Housing	91.962	108.7	128.2	+ 1.1	+ 1.6	+ 4.2
- Tobacco ³	95.176	106.0	124.2	+ 0.5	+ 0.7	+ 2.6

¹ EU Harmonised Index of Consumer Prices (HICP) to be used for intra-EU comparisons

² Fuel, light, petrol, diesel, motor gas (LPG) and motor oil

³ CPI less tobacco. The purpose of the index is to enable users to assess more directly the impact on the CPI of budgetary and other policies aimed at discouraging the use of tobacco products for public health reasons.

Table 3 Contributions to changes in the All Items CPI, December 1999

Commodity Group	Contributions to overall CPI % change		
	One month	3 months	12 months
Food	+ 0.05	+ 0.12	+ 0.67
Alcoholic Drink	+ 0.03	+ 0.06	+ 0.50
Tobacco	+ 0.78	+ 0.78	+ 0.90
Clothing & Footwear	- 0.02	+ 0.01	- 0.40
Fuel & Light	+ 0.09	+ 0.15	+ 0.34
Housing	+ 0.15	- 0.11	- 0.59
Durable Household Goods	+ 0.01	+ 0.01	- 0.02
Other Goods	+ 0.02	+ 0.05	+ 0.12
Transport	+ 0.07	+ 0.11	+ 0.84
Services & Related Expenditure	+ 0.01	+ 0.24	+ 1.00
ALL ITEMS % change	+ 1.1	+ 1.4	+ 3.4

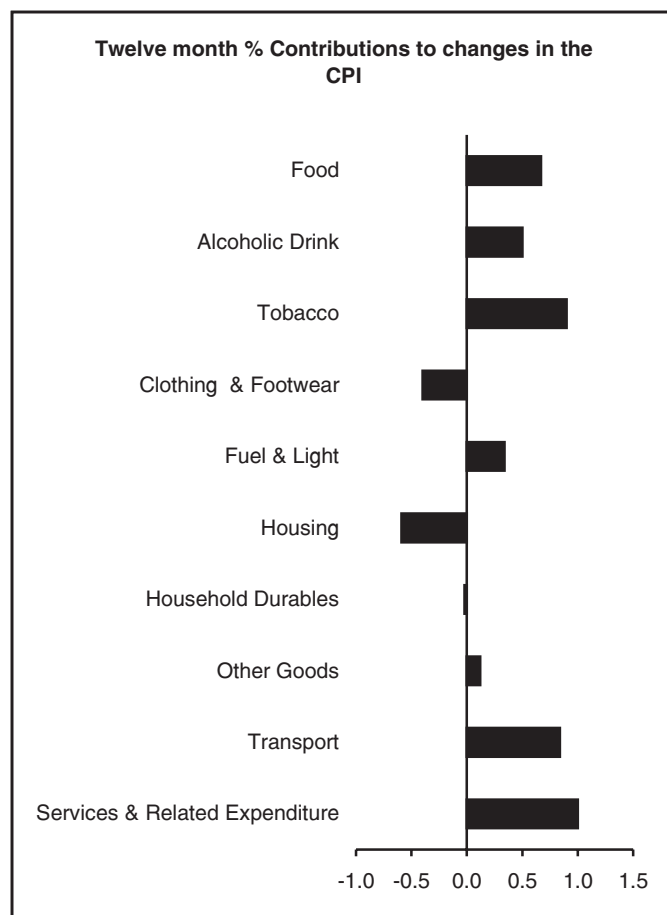
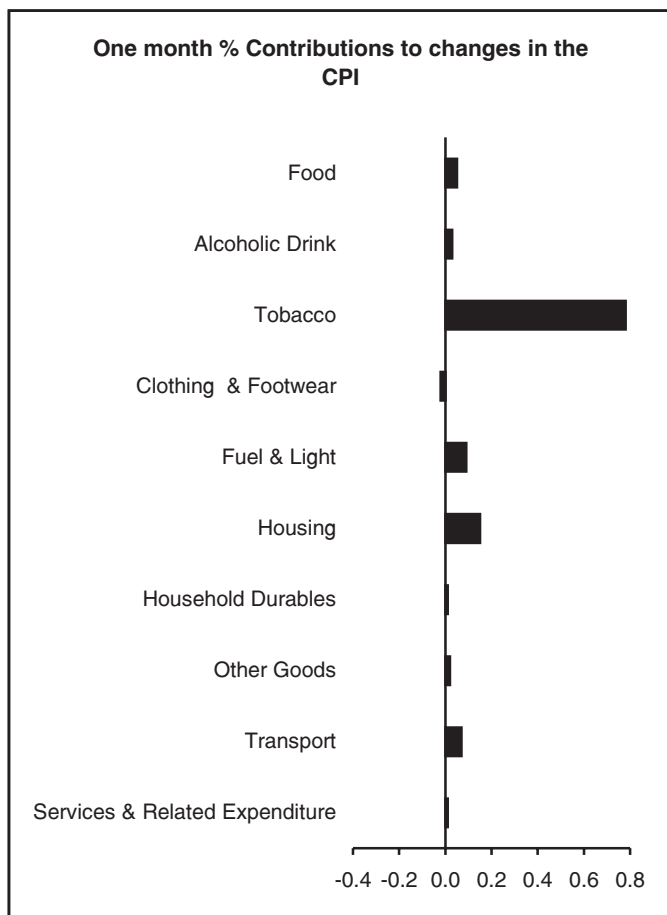


Table 4 Constant Tax Price Index

Period		Constant Tax Price Index		Annual percentage CPI Change	
		Current Base Nov. 1996 = 100	Former base Nov. 1989 = 100	Total	Due to indirect tax
				%	%
1998	January	100.8	116.1	+1.8	+ 0.6
	February	101.2	116.5	+1.7	+ 0.3
	March	101.7	117.1	+2.1	+ 0.3
	April	102.1	117.6	+2.5	+ 0.3
	May	102.6	118.1	+2.7	+ 0.5
	June	103.0	118.6	+2.9	+ 0.5
	July	102.8	118.4	+2.7	+ 0.4
	August	103.0	118.6	+3.2	+ 0.4
	September	103.3	118.9	+3.0	+ 0.5
	October	103.3	119.0	+2.9	+ 0.5
	November	103.0	118.6	+2.1	+ 0.4
	December	102.8	118.4	+1.7	+ 0.2
1999	January	102.1	117.5	+1.5	+ 0.2
	February	102.6	118.2	+1.6	+ 0.2
	March	102.8	118.4	+1.4	+ 0.3
	April	103.3	119.0	+1.4	+ 0.2
	May	103.7	119.4	+1.5	+ 0.4
	June	103.9	119.7	+1.3	+ 0.4
	July	103.6	119.4	+1.2	+ 0.4
	August	104.2	120.0	+1.4	+ 0.4
	September	104.4	120.3	+1.5	+ 0.4
	October	104.5	120.4	+1.5	+ 0.5
	November	104.6	120.6	+2.1	+ 0.5
	December	105.0	121.1	+3.4	+ 1.2

Table 5 EU Harmonised Consumer Price Commodity Group Indices, December 1999

Commodity Group COICOP*	Year 1996 base expenditure weights	HICP Current base Year 1996	Percentage Changes			Percentage Contribution	
			One month	Three months	12 months	One month	12 months
			%	%	%	%	%
01 Food and Non Alcoholic Beverages	21.107	109.5	+ 0.3	+ 0.5	+ 2.3	+ 0.05	+ 0.49
02 Alcoholic Beverages and Tobacco	8.667	122.7	+10.2	+ 10.3	+ 13.4	+ 0.88	+ 1.10
03 Clothing and Footwear	7.385	83.0	- 0.4	+ 0.4	- 7.1	- 0.02	- 0.42
04 Housing, Water, Electricity, Gas and Other Fuels	7.942	106.2	+ 1.7	+ 2.9	+ 7.3	+ 0.13	+ 0.54
05 Furnishings, Household Equipment and Routine Household Maintenance	5.456	110.0	+ 0.3	+ 0.5	+ 3.3	+ 0.01	+ 0.17
06 Health	0.647	117.0	+ 0.1	+ 1.0	+ 5.0	-	+ 0.03
07 Transport	12.625	109.7	+ 0.7	+ 0.8	+ 5.9	+ 0.09	+ 0.71
08 Communications	2.287	84.0	-	-	- 4.2	-	- 0.08
09 Recreation and Culture	12.218	107.9	+ 0.1	+ 0.5	+ 3.3	+ 0.02	+ 0.39
10 Education	0.646	120.2	-	+ 5.4	+ 6.4	-	+ 0.04
11 Hotels, Cafes and Restaurants	16.926	113.0	+ 0.2	+ 0.5	+ 4.1	+ 0.04	+ 0.71
12 Miscellaneous Goods & Services	4.094	113.4	+ 0.2	+ 0.5	+ 4.1	+ 0.01	+ 0.18
HICP	100.000	108.5	+ 1.2	+ 1.5	+ 3.9	+ 1.2	+ 3.9

*See Background Notes - HICP

Table 6 EU Harmonised Index of Consumer Prices (HICP) – annual % changes, November 1999

Country	November 1999 November 1998	October 1999 October 1998	September 1999 September 1998	August 1999 August 1998	July 1999 July 1998	June 1999 June 1998
Austria	1.0 ¹	0.8	0.6	0.5	0.3	0.2
Belgium	1.6	1.4	1.3	0.9	0.7	0.7
Finland	1.9	1.6	1.4	1.3	1.4	1.2
France	1.0 ¹	0.8	0.6	0.5	0.4	0.4
Germany	1.1	0.9	0.8	0.7	0.6	0.4
Ireland	3.0	2.8	2.6	2.4	1.9	2.1
Italy	2.0	1.9	1.9	1.6	1.7	1.4
Luxembourg	1.9	1.9	1.6	1.4	-0.3	1.2
Netherlands	2.0 ¹	1.8	2.0	2.5	1.8	2.1
Portugal	1.9	1.8	1.9	1.8	1.9	2.1
Spain	2.7	2.4	2.5	2.3	2.1	2.1
EMU (MUICP)³	1.6 ¹	1.4	1.2	1.2	1.1	0.9
Denmark	2.7	2.6	2.4	2.4	2.0	1.9
Greece	2.2	1.9	1.5	1.6	1.8	1.8
Sweden	0.8	1.0	1.1	0.8	0.2	0.4
United Kingdom	1.3	1.2	1.2	1.3	1.3	1.4
EU-15 (EICP)	1.5 ¹	1.3	1.2	1.2	1.1	1.0

¹ Provisional² Revised³ MUICP (see Background Notes)

Source: Eurostat

Table 7 Main Categories of Harmonised Indices of Consumer Prices – annual % changes, November 1999

COICOP/HICP Group	EUR-11 (MUICP)	EU-15 (EICP)	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK
Annual Percentage Rate of Change																	
01 Food and Non-Alcoholic Beverages	-0.1 ¹	-0.1 ¹	-0.6	0.7	-1.9	2.6	2.0	0.6 ¹	3.1	0.5	0.6	0.4 ¹	-0.4 ¹	1.2	-0.5	1.1	-1.0
02 Alcoholic Beverages and Tobacco	2.5 ¹	3.5 ¹	2.3	1.4	1.6	5.3	5.8	3.3 ¹	3.4	2.1	2.0	2.1 ¹	0.4 ¹	4.0	2.2	1.5	7.3
03 Clothing and Footwear	0.9 ¹	-0.1 ¹	0.6	-4.1	0.2	1.8	2.0	0.3 ¹	-6.4	2.1	1.2	-0.1 ¹	0.2 ¹	1.0	0.9	0.8	-6.0
04 Housing, Water, Electricity Gas and Other Fuels	2.1 ¹	2.2 ¹	3.0	4.9	2.3	3.6	2.5	0.2 ¹	5.1	3.4	4.1	2.9 ¹	1.5 ¹	1.2	3.2	-0.7	2.2
05 Furnishings, Household Equipment and Routine Household Maintenance	0.8 ¹	0.5 ¹	1.2	1.5	0.0	1.4	1.8	0.2 ¹	3.2	1.2	2.5	2.3 ¹	0.5 ¹	1.9	1.1	0.4	-0.6
06 Health	2.0 ¹	2.0 ¹	0.7	1.8	0.7	0.7	2.7	1.9 ¹	4.9	2.5	1.1	1.9 ¹	1.8 ¹	2.0	1.6	3.2	2.3
07 Transport	3.8 ¹	3.6 ¹	5.2	5.1	4.2	-0.1	4.9	2.8 ¹	4.8	3.7	3.7	4.9 ¹	3.2 ¹	3.0	4.7	2.1	2.7
08 Communications	-5.2 ¹	-5.0 ¹	-0.3	-1.5	-9.4	-9.5	-3.1	-0.4 ¹	-4.7	-3.7	-6.8	-8.8 ¹	-4.7 ¹	-3.1	-1.0	-3.1	-3.8
09 Recreation and Culture	0.3 ¹	0.5 ¹	0.2	2.7	0.6	1.8	0.8	-0.8 ¹	3.2	0.5	-0.1	1.4 ¹	0.7 ¹	-1.0	0.3	0.9	0.7
10 Education	2.7 ¹	3.8 ¹		1.4	5.0	3.6	3.6	1.5 ¹	6.4	1.9	1.7	3.0 ¹	1.5 ¹	1.6	0.4	4.2	5.8
11 Hotels, Cafes and Restaurants	2.5 ¹	2.7 ¹	1.9	3.1	2.2	6.1	3.9	1.6 ¹	4.2	2.8	1.1	3.6 ¹	1.3 ¹	3.1	2.3	1.8	2.9
12 Miscellaneous Goods & Services	1.8 ¹	2.0 ¹	1.3	2.7	1.8	1.4	2.4	0.5 ¹	4.1	3.3	1.8	3.1 ¹	0.7 ¹	3.8	2.5	2.6	2.7
HICP	1.6 ¹	1.5 ¹	1.6	2.7	1.1	2.2	2.7	1.0 ¹	3.0	2.0	1.9	2.0 ¹	1.0 ¹	1.9	1.9	0.8	1.3

¹ Provisional
² Revised
NA Not available

Source: Eurostat

Background Notes – Consumer Price Index

Definition	The Consumer Price Index is designed to measure the change in the average level of prices paid for consumer goods and services by all private households in the country.
Consumer Price Index (CPI)	A monthly CPI series was introduced in January 1997 to base November 1996 as 100 using updated weights derived from the 1994-95 National Household Budget Survey. As 1997 was the first year with monthly indices, 12-month comparisons are only available for February, May, August and November of that year. Over 45,000 prices are collected for a representative basket of 985 varieties in a fixed panel of retail and service outlets throughout the country on the second Tuesday of each month. The date to which the November index relates is Tuesday, 14th December 1999.
Scope of the Data	<ul style="list-style-type: none"> (i) Population Coverage: All private households covering approximately 97% of the total population. At present, it does not include the expenditure of persons resident in institutions and other non private households or visitors from abroad. In statistical terms, the coverage is referred to as the resident concept. (ii) Geographic Coverage: Covers the whole of the Republic of Ireland. Pricing takes place in 82 locations (cities and towns) throughout the country. (iii) Item Coverage: All goods and services bought by the reference population for the purposes of consumption are included in the index. Expenditure on capital assets and investments, gambling and illegal activities are excluded. There are 10 groups and 985 varieties priced based on the Irish National Classification System for Consumer Prices.
Price Collection	Personal visits are made to retail outlets by some 200 part-time pricers on a monthly basis. Approximately 43,000 price quotations are gathered in this way. Special inquiries covering items such as utility charges, services and some other items are collected through postal and telephone inquiries. Most prices are collected monthly, some quarterly and others annually. The CSO supplies general specifications to price collectors and collectors are free initially to select a brand and in certain cases, size. This allows for a wide variety of different brands of the same item to be priced throughout the country. Once selected, the same item/brand is priced on a monthly basis in order to ensure matched price quotations. If an item disappears, substitution can occur but that price is excluded until matched prices are available for the same comparable item for two consecutive months.
Constant Tax Price Index	<p>This index excludes price movements due to changes since the base period in indirect taxation. Even where an existing tax rate (e.g. VAT) remains fixed, a change in the pre-tax price of an item involves a proportionate change in the tax excluded in the final retail price. The effect of such changes are excluded from the Constant-Tax Price Index which keeps the total indirect tax content of prices constant at their base period level.</p> <p>This index can be used in conjunction with the CPI to determine how much of the overall price change in any period is due to indirect taxation (including ad-valorem effect) and how much is due to all other factors. For this purpose, absolute changes (i.e. index points) in both series, expressed to the same base must be compared.</p>
Methodological Details	A full methodological description of the new series is included in the June 1997 issue of the Statistical Bulletin.

Background Notes – Harmonised Index of Consumer Prices

EU Harmonised Index of Consumer Prices (HICP)

The HICP was introduced on a harmonised basis by all EU member states for January 1997. It covers a range of consumer goods and services for which the measurement of price change is harmonised. Discussions at EU level are continuing to increase the coverage. At present it excludes approximately 13% of the basket in the All-Items CPI. The items excluded are:

- mortgage interest repayments
- house insurance on dwellings
- house insurance on content (claim element)
- motor insurance (claim element)
- owner occupier repairs/decorations (element not normally paid by tenants)
- toll charges
- driving test fee
- motor tax
- education (with the exception of vocational education and training)
- medical fees
- hospital charges
- medicines on prescriptions
- therapeutic equipment
- health insurance
- union subscriptions
- licences (excluding TV and driving)

The HICP for the EU Member States is published to base year 1996 as 100 by the Statistical Office of the EU (Eurostat).

Scope of Data

- (i) Population Coverage: All private households covering approximately 97% of the total population. At present, it does not include the expenditure of persons resident in institutions and other non private households or visitors from abroad. In statistical terms, the coverage is referred to as the resident concept.
- (ii) Geographic Coverage: Covers the whole of the Republic of Ireland. Pricing takes place in 82 locations (cities and towns) throughout the country.
- (iii) Item coverage: All goods and services: consumers, excluding the items mentioned above, are included in the index.

Monetary Union Index of Consumer Prices (MUICP)

The MUICP is calculated as a weighted average of HICPs of the 11 countries participating in Stage III of Economic and Monetary Union (EMU). Country weights are computed every year reflecting the country's share of private final domestic consumption expenditure in the EMU total.

Classification System

The coverage of the indices is based on the international classification system, COICOP (classification of individual consumption by purpose). The National Consumer Price Index is based on the National Classification System of Consumer Prices.

Further Developments

Work is ongoing in developing the HICP at National and European level. Future plans include the change from a resident to a domestic concept with the inclusion of tourism expenditure, improving the coverage of items and moving to a geometric mean rather than an arithmetic mean in calculating the index.