



## PRIME MINISTER

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### SEPTEMBER QUARTER CONSUMER PRICE INDEX

The Consumer Price Index released today shows that Australia's rate of inflation has moderated further in the September quarter.

This is a pleasing result. It indicates that the Government's economic strategy is beginning to show clear results.

The increase in the September quarter was 2.2 percent compared with the 2.5 percent in the June quarter and 3.0 percent in the March quarter.

Leaving aside the effects of Medibank on the index for the September quarter 1975 (without which the increase of 0.8 percent would have been 2.9 percent), the September quarter this year recorded the lowest increase since the March quarter of 1973.

It is a particularly encouraging sign that the rise in non-food prices should have moderated sharply from 3.3 percent in the June quarter to 1.9 percent in the September quarter. This was clear evidence of the benefits of the moderation in wage increases to which the Government's policies have been directed.

The foundations for a sound, sustainable recovery in economic conditions and employment are now clearly emerging.

Although the task ahead remains great, the CPI result indicates a welcome move in the right direction.

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