

## Comparison of consumer prices in Jersey and the UK: June 2006

### Introduction

The rate of inflation as measured by the Retail Prices Index (RPI) has been increasing at a faster rate in Jersey than in the UK over the past few years, although more recently the gap has narrowed.

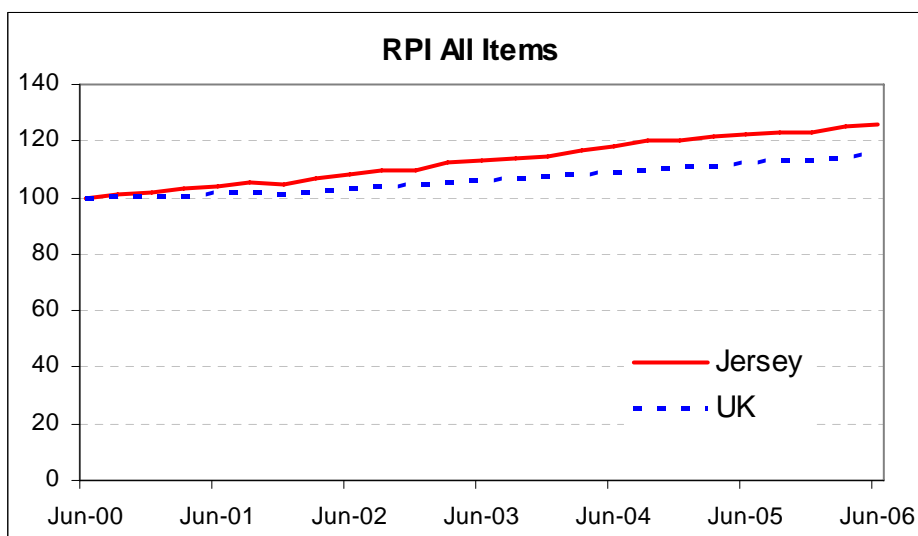
The Jersey RPI has increased by 26% between June 2000 and June 2006, whilst the UK RPI increased by 16% (chart 1). Corresponding changes in underlying inflation as measured by RPI(X) were 24% and 15% in Jersey and the UK respectively. However, the annual change from June 2005-2006 shows a much closer rate of change. The UK RPI increased at a slightly higher rate than Jersey in the twelve months to 2006 (3.3% and 2.9% respectively), whereas in the previous year the opposite was true with Jersey having a greater rate of increase (3.6%) than the UK (2.9%).

This report looks at the factors behind these differences. It does this in two ways:

1. by looking at the component indices which make up the overall RPI and
2. where possible, by looking at direct comparisons of prices.

In doing so, an attempt is made to explain reasons behind differences in price changes or levels where there is hard factual information to be drawn on (for example if a duty rise in Jersey was higher than in the UK for the same product). However, for many products and services the underlying reasons for the reported difference can only be understood by a detailed investigation of the factors pertinent to both markets, such as supplier cost pressures, the level and nature of competition, manufacturing processes or scale, business costs, transport costs etc. As such a detailed investigation for each product is beyond the scope of this report.

Chart 1: Jersey and UK RPI (all items) June 2000 to June 2006



## Basis of the analysis

### Data used

Throughout this report the charts show component series of the RPI whilst the tables show actual price comparisons of individual items and taxes. The RPI<sup>1</sup> data are informative of the *rate of change* in prices, but cannot lead to any conclusions on price level.

Direct comparisons of prices are based on information published by the Office for National Statistics (ONS) each month which shows the average price of around 60 non brand items (such as types of meat, fruit and vegetables, alcohol and tobacco) which are included in the UK RPI. These data are supplemented by energy data published by the Department of Trade and Industry which are compared against equivalent Jersey data taken from the RPI or calculated for this exercise. A wider comparison of actual prices across a wider range of products (specifically, branded products) would require a separate price collection exercise within the UK.

### Interpretation

In considering the analysis it is important to remember that the data relate to average prices both in the UK and in Jersey. Whilst averages are the correct way to present such an analysis, there will of course be differences in the prices of items in shops throughout both jurisdictions; some prices will be lower than the average and others higher. In addition for the UK there will also be differences across regions and even within regions. For example, a study by the Office for National Statistics<sup>2</sup> showed that in 2004 average prices in London were 9.7% higher than for the UK as a whole whilst those in Wales were 6.9% lower. The South West and Eastern England were close to the national average, at about 1% higher.

Another source of difference that can affect price comparisons is quality, and the fact that higher quality goods or services generally cost more than lower quality ones. This fact is accounted for in the RPI by ensuring the index is representative of the range of products available for a specific item. However, in using the comparisons it is important to remember that a higher quality product is likely to be priced above average.

In the UK, an Expenditure and Food Survey (EFS) is carried out annually by the ONS to highlight changes in spending patterns so that items in the RPI can be adjusted accordingly. The States of Jersey Statistics Unit runs a similar survey, the Household Expenditure Survey (HES), but only every five years. The most recent HES survey was completed in July this year and work is now underway to review the “basket” of goods and services used to compile the Jersey RPI. However, a consequence of the different timing is that newer brands, specifically lower cost alternatives to named brands, may be included in the UK analysis sooner. Such differences will not affect rates of change, but may, depending on take up, affect price level comparisons.

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<sup>1</sup> The UK RPI has been rebased to June 2000 = 100 to match the most recent Jersey base period.

<sup>2</sup> Relative Regional Consumer Price Levels in 2004: Wingfield, Fenwick & Smith.

Many factors will influence the rate of change in the price of a product or service and its absolute level at any one point in time. For example a product could be rising in price at a faster rate in one jurisdiction than another but may be starting from a lower price base so a greater rise in price does not necessarily mean it is more expensive. Equally, whilst data for 6 years is shown throughout the report, June 2000 may represent a high or low point in the cost of a product or service and therefore the focus should be on more recent trends.

For some items the analysis shows that prices are rising faster in the UK than in Jersey as measured by the RPI, but that price levels in Jersey are higher than those in the UK. This can be explained by a number of factors: firstly, the RPI component series at group or section level<sup>3</sup> cover a wide range of products and hence the index change represents an average for all the items covered, which will differ from prices changes for a single item; and secondly, for a variety of reasons, prices in Jersey have been higher for a number of years and it is only the most recent price changes that the RPI series show.

A major difference between Jersey and the UK is the fact that many goods and services are subject to VAT in the UK at the rate of 17.5%, whilst no equivalent tax exists in Jersey. However, as the level of VAT has remained unchanged throughout the period covered by this report, the absence or presence of VAT will have had only a very small impact on price *changes* (only the marginal impact of the tax on the amount that is increased or decreased will feed into the price comparison). However, VAT (where applicable) will be present in price *level* comparisons.

Despite all the points to note on interpreting the data given above, this type of exercise has real value. It highlights the product or services groups where price changes are causing the greatest upward pressure on inflation, and where there are differences in the rate of change of prices these can be considered further and better understood. In addition this exercise can show how actual prices differ between Jersey and the UK. However, what this exercise cannot show is that across all goods and services prices in Jersey differ from those in the UK by a single percentage or monetary figure.

## Key findings

- The annual change in Jersey's RPI is lower in June 2006 than in June 2005. In addition, the difference in the annual rate of growth in prices between Jersey and the UK has narrowed and reversed, from 3.6% and 2.9% respectively in June 2005 to 2.9% and 3.3% in June 2006. However, over the past six years prices in Jersey have still risen faster (26%) than in the UK (16%).
- Of the latest annual increase seen in Jersey, Housing accounted for 17% of the total increase, Fuel & light 16%, and fares and other travel costs 14%. The sectors causing most of the rise in the UK were Housing (29%), Fuel & light (27%) and Motoring (14%).
- In the most recent 12 months, the Housing and Fuel & light groups saw larger changes in the UK than Jersey (Housing 4.2% in UK, 2.3% in Jersey; Fuel & light 28% in UK, 14% in Jersey), Motoring saw similar changes (3.7% in Jersey, 3.3%

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<sup>3</sup> A group is the highest level of aggregation used in the RPI. Groups are made up of a number of sections and sections consist of individual items. For example, within the group of food, bread will be a section, consisting of a number of items such as sliced white loaves.

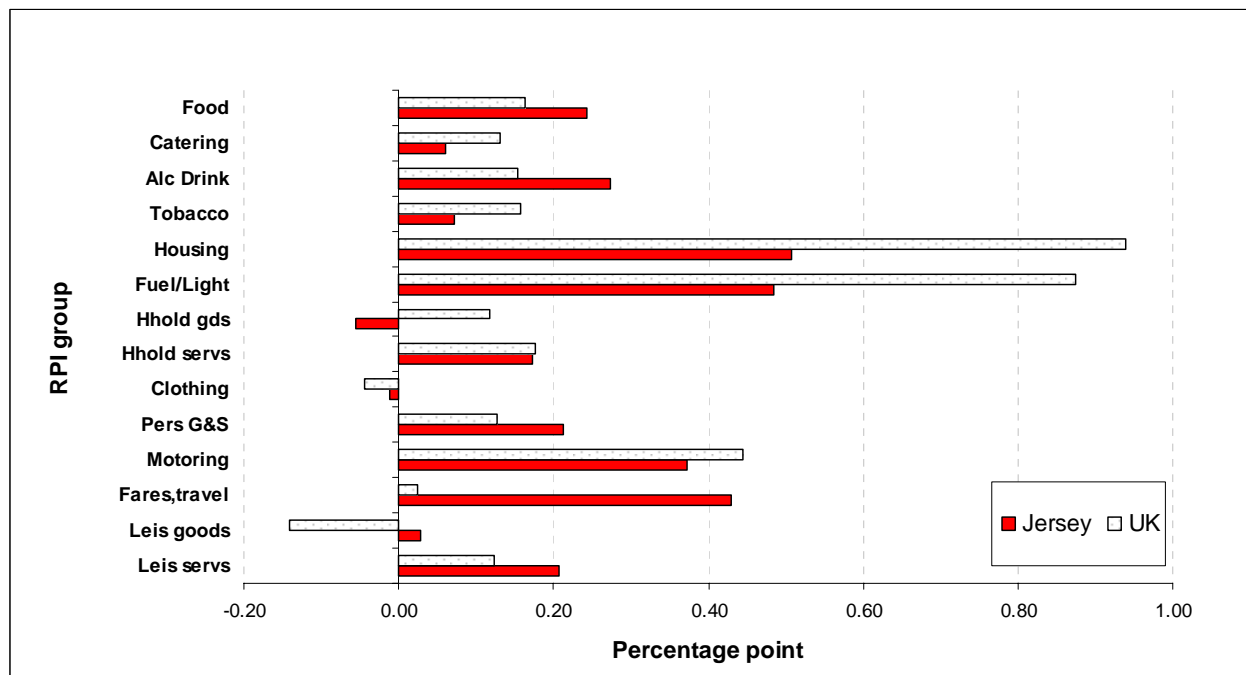
in the UK) whereas Fares and other travel costs increased at a higher rate in Jersey (14%) than the UK (1.3%).

- Food prices increased at similar rates over the 12 months to 2006 in Jersey and the UK (2.3% and 1.5% respectively). However, direct food comparisons show that average meat prices are about a sixth higher in Jersey than in the UK, fresh fish are about a quarter higher in Jersey and fruit and vegetables are around a third higher locally.
- Alcohol prices increased slightly faster in Jersey than the UK over the past 12 months whereas the reverse was true for Tobacco.
- A factor in the faster price growth seen in Jersey in Alcohol and Motoring over the six year period is the greater increases in impôts than the UK's equivalent (excise duties). However, prices excluding tax remain higher in Jersey.
- The annual change in the underlying rate of inflation in June 2006, measured by changes in RPI(X), was the same for both jurisdictions (3.1%).

### **Group analysis of growth in RPI**

The remainder of this report looks individually at the 14 top-level groups which make up the RPI. Considering the groups together shows whether different price pressures are evident in Jersey and the UK. Chart 2 shows the contribution in *percentage points* that each group made to the most recent overall annual change in the RPI (this means the total of all the group changes equals the annual change). This chart shows that in both the UK and Jersey the biggest upward pressure occurred in the Housing and Fuel & light groups, each contributing almost 1 percentage point to the overall index in the UK and 0.5 in Jersey.

Chart 2: Percentage point contribution to overall annual change in RPI June 2005 to June 2006

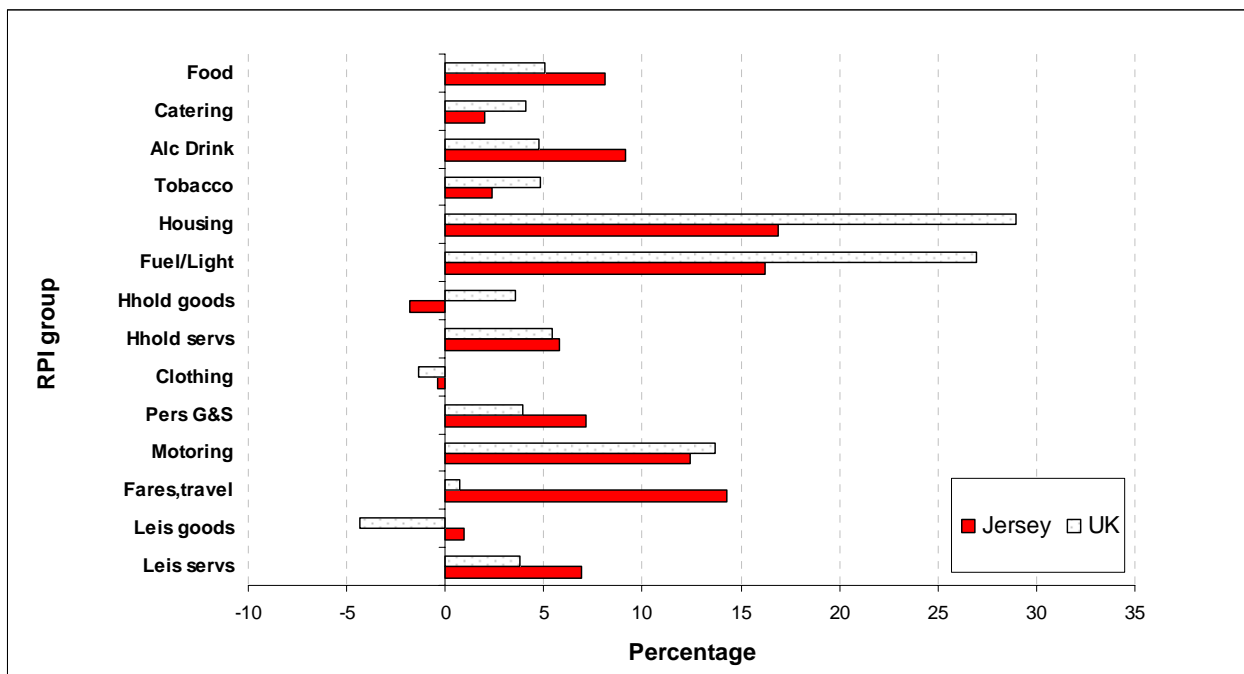


However, because in 2006 the UK rate of inflation is higher than that of Jersey, it is difficult to make a direct comparison based solely on percentage point movements,

although where the direction is different (e.g. Leisure goods falling in the UK and rising in Jersey, and vice-versa for Household goods), the interpretation is clear. Therefore Chart 3 shows the *percentage* contribution that each group is making to the total increase in RPI in each jurisdiction. This chart shows that whilst Housing is the largest contributor to the total change in both jurisdictions, there is a relative difference in its contribution (17% in Jersey and 29% in the UK), reflecting its weight, relative house price movements, other price movements and thus the overall change in the index.

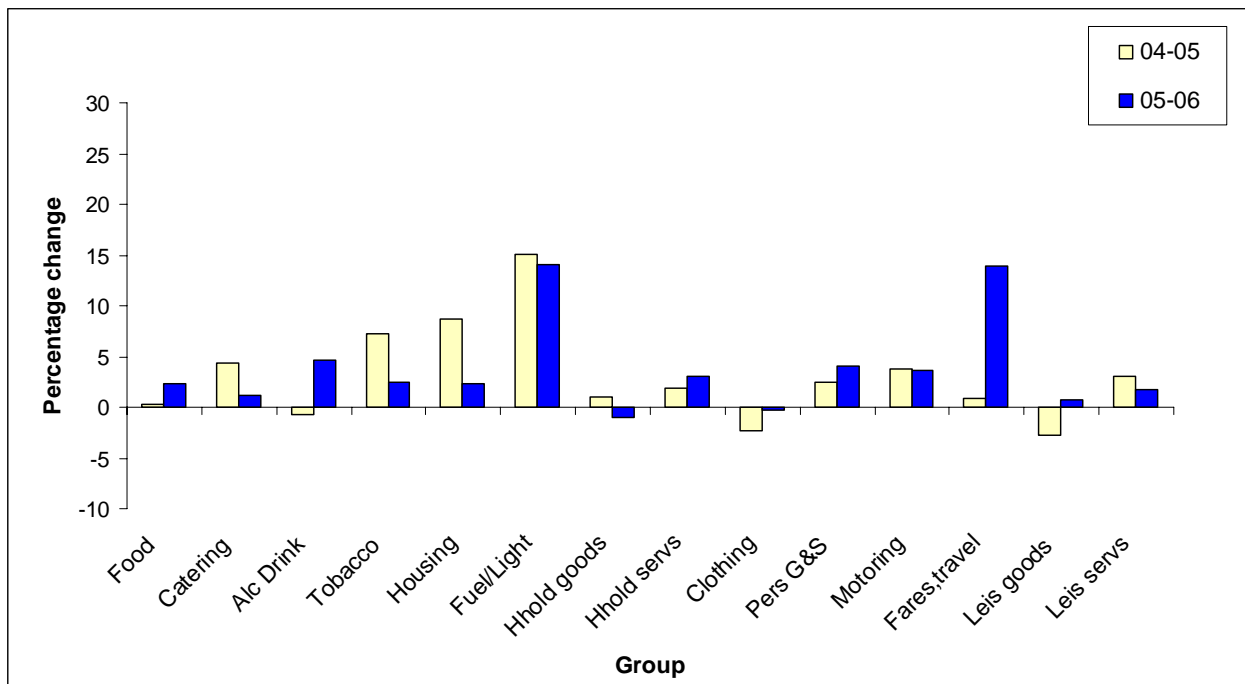
Such analysis could be susceptible to different weights being used in the Jersey and UK RPIs; for example, if a group had a larger weight in Jersey than in the UK then the same price rise for that group would result in a larger impact on the Jersey RPI. However, broadly speaking, the weights are similar in both indices with the only real differences being Motoring (10.27 of 100 in Jersey compared to 14.00 in the UK) and Leisure services (11.56 compared to 6.70).

**Chart 3: *Percentage* contribution to overall annual change in RPI June 2005 to June 2006**

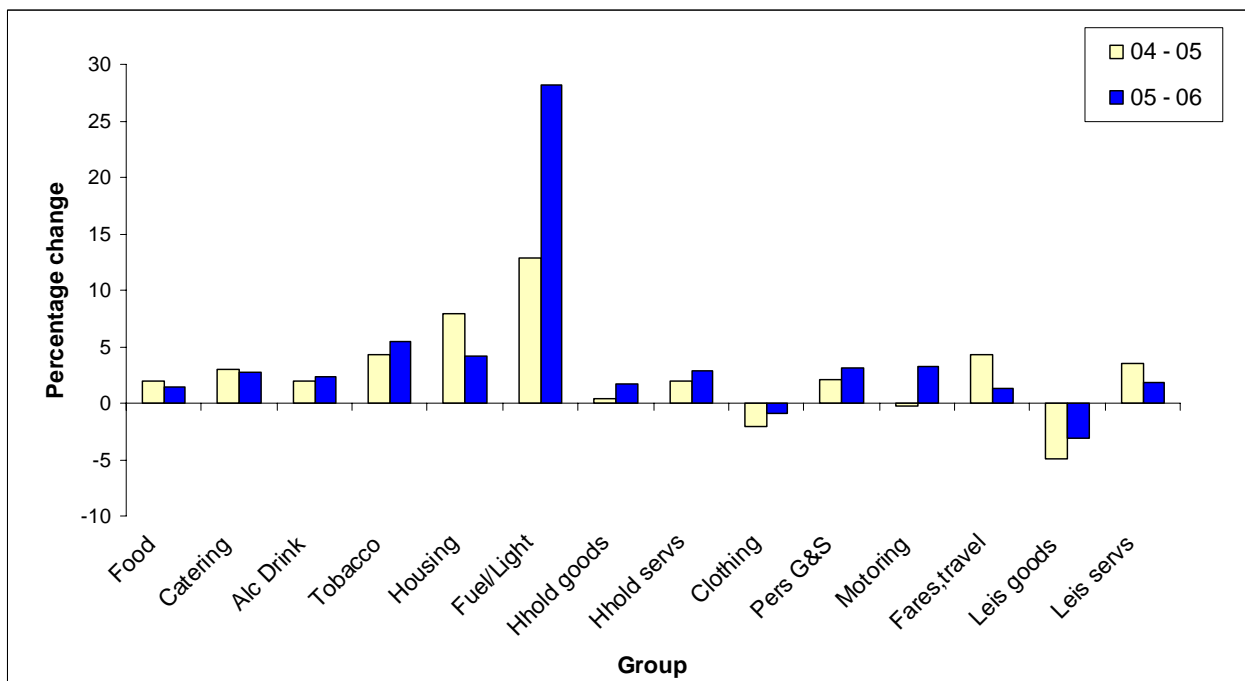


Charts 3a and 3b show an overall view of how the annual percentage changes of the RPI groups have differed between the year to June 2005 and the year to June 2006 for each jurisdiction. For example, in the UK food prices rose faster in 2005 than in 2006; in contrast, food prices in Jersey increased more in 2006. Energy prices have seen the largest increases in both jurisdictions in both 2005 and 2006. However, whilst increases in Jersey have been around 14% in both years, the UK increase in 2006 has been more than double that of 2005 (28% compared to 13%). Housing increased at a lower rate in 2006 in both jurisdictions, reflecting stable interest rates in late 2005 and early 2006 compared to the previous year. In Jersey Fares and other travel increased by 0.9% in the year to June 2005 but increased by 14% in the year to June 2006, reflecting special offers in summer 2005 and higher fuel costs.

**Chart 3a: Jersey 2005 and 2006 RPI group percentage changes**



**Chart 3b: UK 2005 and 2006 RPI group percentage changes**

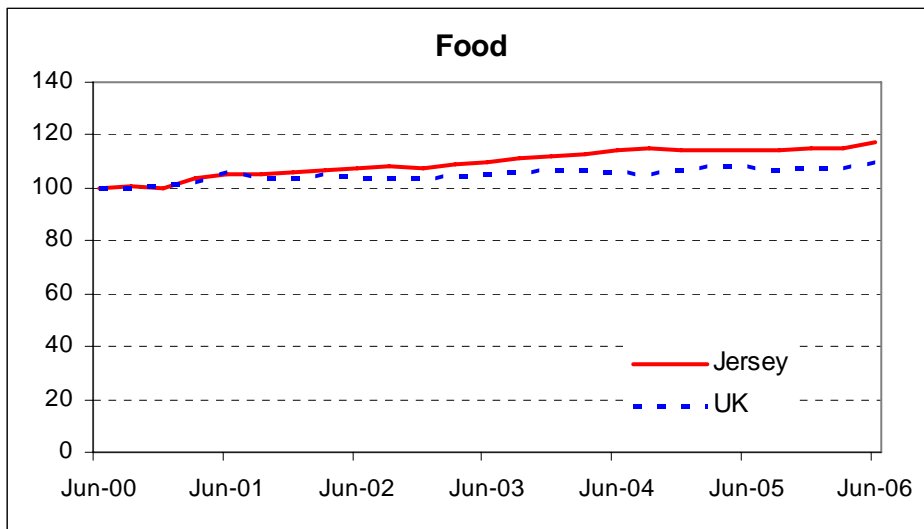


The remainder of this report examines the 14 groups of the RPI separately, comparing<sup>4</sup> Jersey and the UK in each case.

<sup>4</sup> Percentage changes in a particular jurisdiction are shown to two significant figures. Percentage differences between jurisdictions, shown in tables and annexes, are rounded to the nearest integer.

## Section 1: Food (weight in Jersey RPI 11.47 out of 100)

Chart 4: Food group of the RPI in Jersey and the UK June 2000 to June 2006



Over the past year, food prices have on average been rising slightly faster in Jersey than the UK, with price increases of 2.3% in Jersey and 1.5% in the UK between June 2005 and June 2006 (Chart 4). The 2006 changes contrast with those seen in 2005 when food prices increased by just 0.4% in Jersey and increased by 2.0% in the UK.

Longer term analysis shows that food prices increased by 17% in Jersey and by 10% in the UK between June 2000 and June 2006, although the majority of this divergence occurred up to 2004, with increases of 14% and 5.9% respectively.

There are of course many items in the overall food index, and sub-indices for 6 of the 29 major categories (sections) of food are presented in charts 4a to 4f below. When viewing these trends it is important to understand that special offers and seasonality can impact upon the prices of some foods. However, these charts show that for most of the sections within the Food group, prices in Jersey have generally been rising at a faster rate than in the UK over a six year period. But, over the past two years there has been a greater degree of convergence in price changes.

For example average bread prices (chart 4a) increased by 29% and 13% in Jersey and the UK, respectively, between 2000 and 2004. However, 2005 changes coupled with a decrease in Jersey of 3.7% compared to a 5.9% increase in the UK over the last 12 months has meant that over the period 2000-2006 the overall price changes are similar (19% in Jersey and 18% in the UK).

Jersey saw a greater increase in meat prices (chart 4b) over the past year, up by 2.8% on average compared to an increase of 0.4% in the UK. Within the meat sections, poultry prices have on average fallen over the period 2000 to 2006 in Jersey whilst remaining essentially stable in the in the UK, with other meats generally seeing greater increases in Jersey. For example, over the six-year period poultry prices decreased by 8.6% in Jersey but rose marginally (0.3%) in the UK, whilst beef increased by 7.9% in Jersey and by only 3.9% in the UK.

Since June 2000 fresh fruit prices (chart 4c) have risen twice as fast in Jersey as they have in the UK. Over the past year, fresh fruit prices have increased by 5.5% in Jersey and decreased by 6.4% in the UK. In contrast, on average fresh vegetable prices (chart 4d) have increased more in the UK over the longer term (29% since 2000 compared to 20% in Jersey) whilst vegetable prices have risen slightly more in Jersey in the latest year (5.4% compared to 3.9% in the UK). Fresh (non-processed) potato prices have moved with some volatility in the UK, but over the whole period by a similar amount (around 25%) to Jersey. In the latest year, average prices rose by 7.1% in Jersey and by 4.1% in the UK.

Milk prices (chart 4e) fell for the second year running in Jersey in 2006, although by less (0.2% compared to 2.2%) than in 2005. On average milk fell by more in the UK in 2006 (3.5%) but since 2000 UK prices have increased more (19%) than in Jersey (6.2%). The price of milk, however, remains substantially higher in Jersey.

Other milk products (yoghurt, cream etc) have seen price increases in both Jersey and the UK lately (1.4% and 2.2% respectively), contrasting with the twelve months to 2005 when both jurisdictions saw price decreases (2.3% in Jersey and 0.4% in the UK). Over the last six years, prices of other milk products in Jersey have risen about 5 times faster than in the UK.

Other food groups have seen larger rates of increase in Jersey. For example, fresh fish prices rose by about a third in Jersey (32%) compared to 7.9% in the UK between June 2000 and June 2006. In the 12 months to 2006 prices have risen in Jersey (8.2%) and the UK (6.5%). The price of tea has decreased by 2.1% in Jersey but increased by 13.6% in the UK over the last year. Over the last six years, tea prices have risen by about 8% in Jersey and decreased by around 5% in the UK. Oils and fats have seen a similar trend, decreasing in Jersey by 4.6% and increasing by 11% in the UK over the past 12 months, but increasing by slightly more in Jersey over the longer term.

Over the last six years, prices of cereals (chart 4f) have risen almost five times faster in Jersey. During the 12 months to June 2006 prices rose by 3.4% in Jersey but decreased slightly (by 0.9%) in the UK. In contrast, sweets and chocolates have increased very uniformly, by 22% since 2000 in both jurisdictions.

Chart 4a: Bread section of RPI

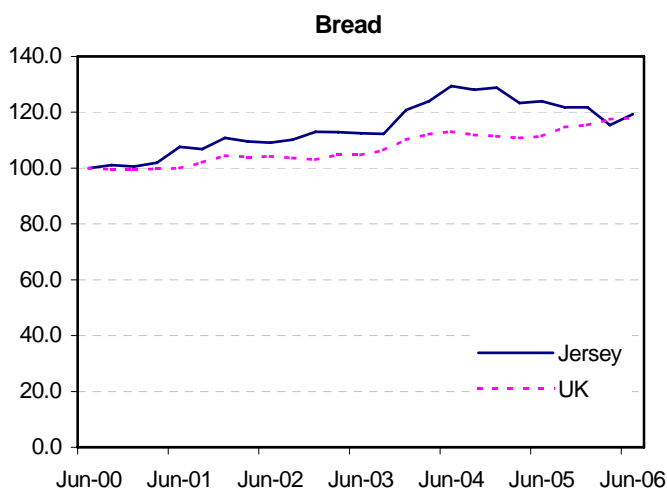


Chart 4b: Meat section of RPI

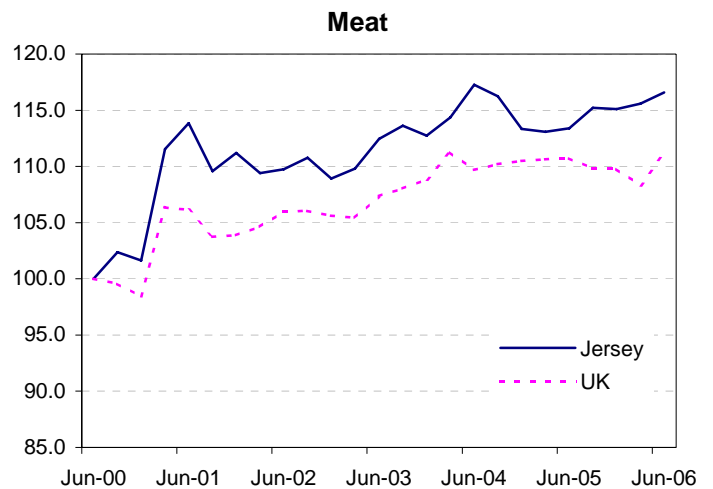




Chart 4c: Fresh Fruit section of RPI

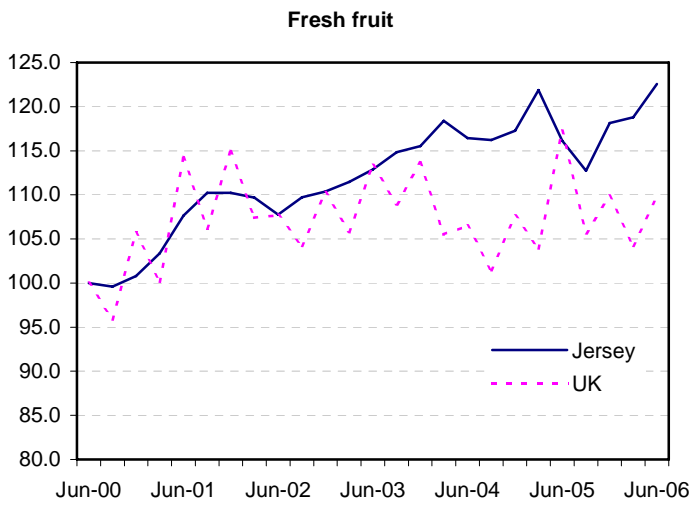


Chart 4d: Fresh Vegetables section of RPI

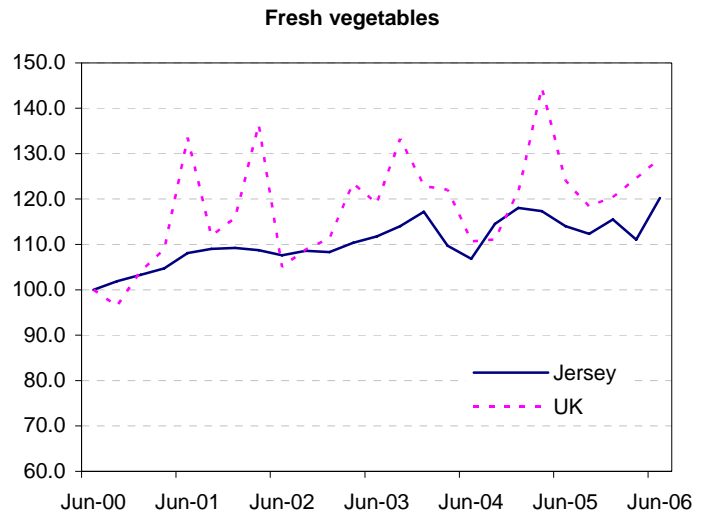


Chart 4e: Fresh Milk section of RPI

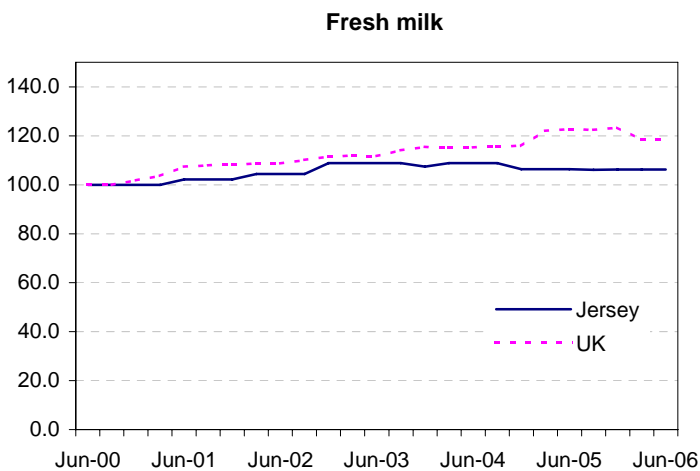
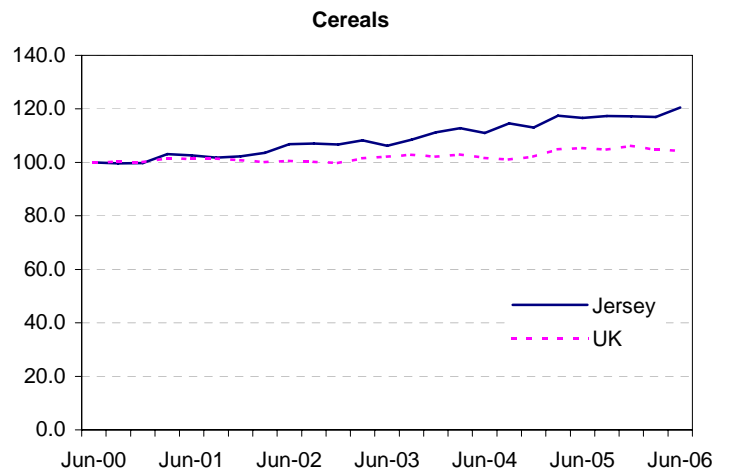


Chart 4f: Cereals section of RPI



The charts above show how aggregated average prices have changed for a fairly wide collection of food products; for example bread consists of 7 different forms of bread with the price of each one determined by around 6 or 7 different price quotes. As such, where data are available it is also informative to look at a direct comparison of prices. These are presented for various foods in tables 1 to 4 below. A longer run of data is shown in Annex A. Whilst the tables show elements of the RPI the fact that the index at section level consists of many items explains why it can move differently from the changes in the price of any one item.

## Meat and fish

Table 1: Average prices of matched meat & fish items in Jersey and the UK: June 2006

Item	Average price (in pence)		Percentage difference
	Jersey	UK	
<b>Beef: fresh per kg</b>			
Best beef mince	484	439	10
Topside	800	731	9
Rump Steak	1087	942	15
Braising steak	741	634	17
<b>Lamb: fresh per kg</b>			
Loin (with bone)	1214	1102	10
Shoulder (with bone)	602	444	36
<b>Pork: fresh per kg</b>			
Loin (with bone)	663	521	27
Shoulder (with bone)	403	335	20
<b>Chicken: roasting, oven-ready, per kg</b>			
Fresh or chilled	270	222	22
<b>Other Meat</b>			
Gammon, per kg	751	625	20
Bacon, back, per kg	899	748	20
Ham (not shoulder) 113g	105	111	-5
Pork sausages, per kg	443	351	26
<b>Weighted average – all Meat</b>			<b>17</b>
<b>Fresh fish: per kg</b>			
White fish fillets	1183	937	26
Salmon fillets	1132	924	23
<b>Weighted average –Fish</b>			<b>25</b>

Whilst there have been some fluctuations in prices, on average meat prices (for items for which prices are available) were about a sixth higher in Jersey than in the UK in June 2006, roughly the same difference as was seen in 2005. The only meat product (for which price quotes are available) cheaper in Jersey is ham, about 5% below the UK.

Fresh fish was on average 25% more expensive in Jersey (compared to 18% in 2005), with both white fish (such as cod) and salmon being about a quarter more expensive in Jersey.

## Fruit and vegetables

No fresh vegetable (for which compatible price quotes were available) was found to be cheaper in Jersey than in the UK in June 2006. New potatoes saw a significant change and are now 30% more expensive in Jersey (despite being about 5% cheaper in Jersey last year). Similarly, the price of onions is now 47% higher in Jersey despite having cost the same amount on average in both jurisdictions last year.

Table 2: Average prices of matched Fruit and vegetables items in Jersey and the UK: June 2006.

Item	Average price (in pence)		Percentage difference
	Jersey	UK	
<b>Fresh vegetables</b>			
Potatoes: old whites, loose, per kg	65	49	33
Potatoes: new, loose, per kg	113	87	30
Tomatoes, per kg	159	137	16
Cauliflower, each	110	89	24
Carrots, per kg	101	71	42
Onions, per kg	81	55	47
Mushrooms, per kg	362	252	44
Cucumber, each	77	72	7
Lettuce: iceberg, each	90	69	30
<b>Weighted average – Fresh vegetables</b>			<b>33</b>

Average fruit prices are also a third more expensive in Jersey. Specifically, the price differences of oranges and bananas appear to be widening, leaving bananas 45p/kg more expensive in Jersey than in the UK.

The only fruit that was more expensive on average in the UK is avocados which were 5p cheaper in Jersey.

Item	Average price (in pence)		Percentage difference
	Jersey	UK	
<b>Fresh fruit</b>			
Apples: cooking, per kg	146	143	2
Apples: dessert, per kg	141	124	14
Pears: dessert, per kg	172	144	19
Oranges: all sizes, each	30	21	43
Bananas, per kg	125	80	56
Grapes, per kg	509	365	39
Grapefruit, each	54	36	50
Avocado, each	70	75	-7
<b>Weighted average – Fresh fruit</b>			<b>34</b>

## **Dairy produce**

Most dairy products continue to be significantly more expensive in Jersey than in the UK. A pint of milk is on average 21 pence more (62%), with butter around 17% and medium sized eggs about 8% more costly in Jersey. Margarine is now slightly cheaper in Jersey by 1p/500g having been 18% more expensive last year, whilst cheese is about 6% cheaper in Jersey.

Table 3: Average prices of matched dairy items in Jersey and the UK: June 2006.

Item	Average price (in pence)		% difference
	Jersey	UK	
<b>Dairy produce</b>			
Butter, home produced, per 250g	93	78	19
Butter, imported, per 250g	101	88	15
Margarine/low fat spread, per 500g	103	104	-1
Cheddar cheese, per kg	530	565	-6
Eggs, size 4, per dozen	175	162	8
Milk, pasteurised, per pint	55	34	62

## **Bread, other foods and soft drinks**

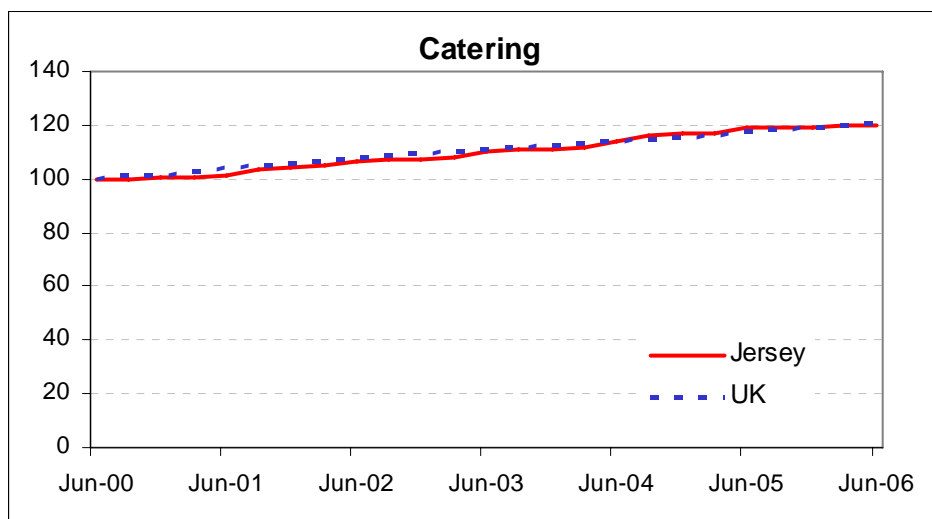
On average, the other foods for which compatible prices are available are all more expensive to purchase in Jersey. However, for most items, the price differences in 2006 are not as large as they were in the previous year. For example, although tea is still more expensive in Jersey, this item is only 18% higher than the UK this year compared with being 50% higher than the UK in 2005. Similarly, all types of bread continue to be more expensive in Jersey than in the UK but exhibited smaller price differences this year. For example white sliced loaves were 58% more expensive in Jersey last year compared to 33% this year. Ground coffee remained about a third more expensive in Jersey. Instant coffee is the only item that has widened the price gap, being 15% more expensive in Jersey on average in June 2006, compared with 10% more last year.

Table 4: Average prices of matched other food items in Jersey and the UK: June 2006.

Item	Average price (in pence)		% difference
	Jersey	UK	
<b>Other foods &amp; soft drinks</b>			
Bread: white loaf, sliced, 800g	106	80	33
Bread: white loaf, unsliced, 800g	99	88	13
Bread: wholemeal loaf, sliced, 800g	125	89	40
Flour, self-raising, per 1.5kg	87	66	32
Sugar, granulated, per kg	82	74	11
Tea bags, per 250g	181	153	18
Coffee, pure, instant, per 100g	210	183	15
Coffee, ground (filter fine), 227g	258	191	35

## Section 2: Catering (weight in Jersey RPI 5.40 out of 100)

Chart 5: Catering group of the RPI in Jersey and the UK June 2000 to June 2006



Despite differences in the rate of change of food items, overall the rate of price change for catering has been very similar in Jersey and the UK (chart 5). In the six years to June 2006 catering prices have risen by 20% in Jersey and 21% in the UK. In the most recent 12 month period the price increases were slightly higher in the UK at 2.7% compared to 1.2% in Jersey, reversing last year's difference of 4.3% in Jersey and 2.9% in the UK.

## Section 3: Alcoholic drinks (weight in Jersey RPI 5.97 out of 100)

The impact of increases in impôts is clearly visible in the alcoholic drink component of the Jersey RPI as plotted in chart 6 below. The stepped change each March shows the impact of the impôt increases which come into effect in the January of each year<sup>5</sup>. Excise duties (as they are known in the UK) have also been increasing in the UK since 2000 but typically at a lower rate. For example, impôts on beer have increased from 12p/pint in 2000 to 25p/pint in 2006, whilst over the same period UK duties increased from 27p/pint to 30p/pint.

Reflecting the tax changes over the last 12 months, prices in Jersey have risen by 4.6% and by 2.3% in the UK. Over the last six years, overall the average price of alcoholic drinks has increased twice as fast in Jersey as in the UK (28% and 14%, respectively).

<sup>5</sup> Impôts on alcohol were not changed in January 2005 and as such the impôt component of the cost of alcohol was the same in March 2005 as March 2004. As a result, there was no step change and in the absence of price movements for other reasons the index would have seen no change.

Chart 6: Alcoholic drinks group of the RPI in Jersey and the UK June 2000 to June 2006

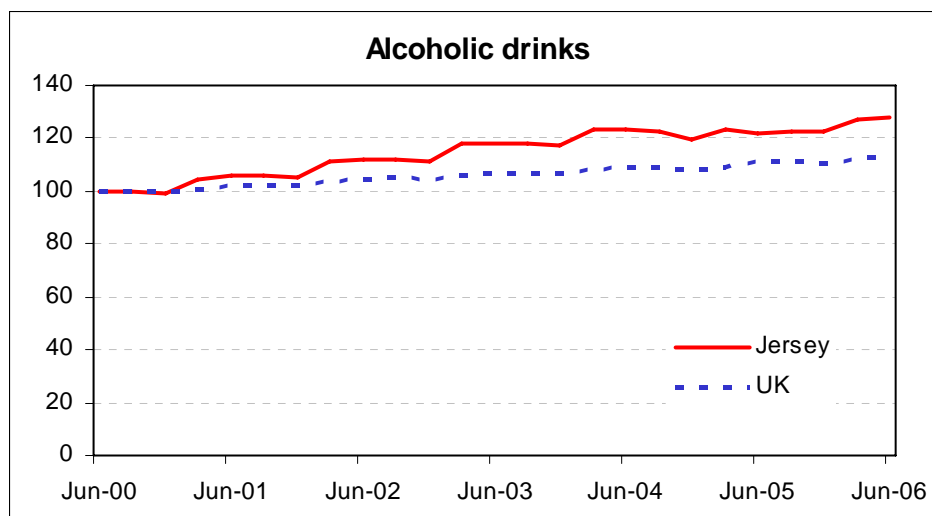


Table 5: Impôts and Excise duties on alcohol in pence

Item	Jersey				UK			
	2000	2004	2005	2006	2000	2004	2005	2006
Draught beer (4% ABV), pint	12	22	22	25	27	29	29	30
Draught lager (5% ABV), pint	16	32	32	37	34	36	37	38
Whisky: litre	609	796	796	825	782	782	782	782
Whisky: 25 ml	15	20	20	21	20	20	20	20

1. In the UK VAT is applied to these items at 17.5%
2. ABV (alcohol by volume) is the alcoholic strength.

Broadly speaking, impôt changes have accounted for just over 20% of the price increase seen in Jersey for beer between 2000 and 2006, with excise duty increases (excluding VAT) accounting for about 7% of the UK increase. As table 5 shows, impôts on lager increased by 5p/pint between 2005 and 2006 in Jersey whilst whisky increased by 29p/litre over the same period. In the UK both beer and lager duties increased by just 1p/pint, whilst duty on whisky remained unchanged from 2000 levels.

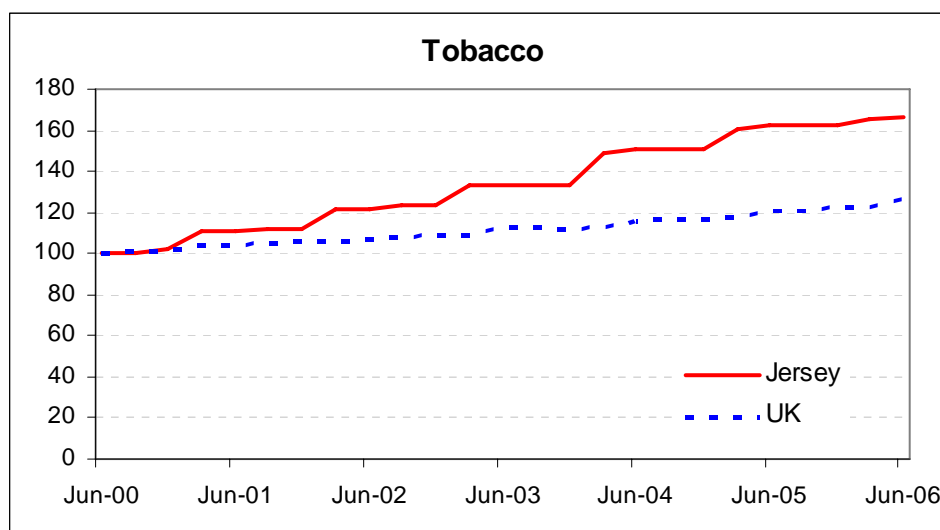
Excluding taxes, beer has increased by 31% a pint in Jersey compared to 27% in the UK in the past six years and by about 4% in both jurisdictions over the past 12 months. In 2006, actual prices in Jersey remained below the UK average for bitter but were above the UK for whisky, as shown in table 6.

Table 6: Average prices of matched alcoholic drinks in Jersey and the UK: June 2006.

Item	Average price (in pence)		Percentage difference
	Jersey	UK	
<b>Alcoholic drinks</b>			
Draught bitter, per pint	214	220	-2.7
Draught lager, per pint	251	252	-0.4
Whisky, per 25ml nip	191	180	6.1

#### Section 4: Tobacco (weight in Jersey RPI 2.12 out of 100)

Chart 7: Tobacco group of the RPI in Jersey and the UK June 2000 to June 2006



The impact of increases in impôts is also clearly visible in chart 7 which shows the tobacco element of the Jersey and UK RPIs. In the six years from June 2000 tobacco prices in Jersey have increased by 66%, compared with an increase of around 27% in the UK. However, in the past 12 months, Jersey prices increased by 2.5% and the UK by 5.4%. Impôts on cigarettes have doubled in Jersey between 2000 and 2006, from £1.40 to £2.91 per packet, whilst over the same period UK excise duties have increased by 48 pence per packet (Table 7). As a result the price differential between Jersey and the UK on a pack of 20 cigarettes has narrowed from £1.15 in June 2000 to 17 pence in June 2006 (Table 8). Overall, impôts account for around 60% of the total price in Jersey, whilst duty and VAT make up about 80% of the total UK price.

Table 7: Impôts and Excise duties on tobacco products in pence

Item	Jersey				UK			
	2000	2004	2005	2006	2000	2004	2005	2006
20 Cigarettes	140	255	280	291	268	296	305	316

Note: VAT is applied at 17.5% in the UK.

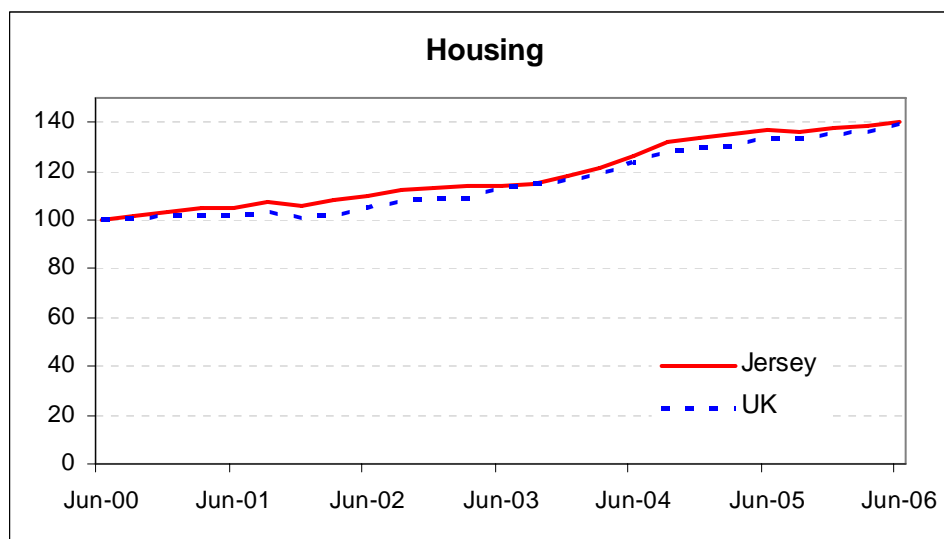
Prices excluding taxes have increased by around 23% in Jersey over the past six years and by about 35% in the UK over the same period.

Table 8: Average prices of matched tobacco products in Jersey and the UK: June 2006.

Item	Average price (in pence)		Percentage difference
	Jersey	UK	
20 king size filter	464	481	-3.5

## Section 5: Housing (weight in Jersey RPI 20.06 out of 100)

Chart 8: Housing group of the RPI in Jersey and the UK June 2000 to June 2006



The housing group has the largest group weight in the Jersey RPI, accounting for a fifth of the overall index. The group itself consists not only of house purchase costs (the interest paid on mortgages and States loans) but also rents, parish rates, water rates, repairs and maintenance and DIY materials.

Overall the rate of price increase in the housing group (chart 8) has been very similar in Jersey and the UK over the past six years (increases of around 40% and 39%, respectively). This reflects the fact that home purchase costs (which is the largest element in the group) has increased by a very similar amount in both jurisdictions; 50% in Jersey and 54% in the UK over the past six years. More recently in the year to June 2006, Jersey saw an increase of 2.3% in the overall Housing group and the UK an increase of 4.2%.

The price movements of individual elements within the Housing group are shown in charts 8a to 8e).

One key difference is rental costs, which have risen almost twice as fast in Jersey than in the UK over the past six years, (29% compared to 17% in the UK), reflecting the higher overall rate of increase in the respective RPIs that is often used to increase rental



costs each year. However, reinforcing the concept, over the last 12 months the increase in rental costs has been higher in the UK, rising by 2.9% compared to 1.8% in Jersey.

Between June 2005-2006 Jersey rates increased by 4.6% in contrast to 2005 when they dropped by 2.6%. The UK saw increases of 4.0% and 4.7% in 2005 and 2006, respectively. Overall, rates have risen faster in the UK than in Jersey since June 2000 (48% and 35%, respectively). Rates increases typically occur in September in Jersey and March in the UK; such timing differences emphasise the importance of using annual rather than quarterly comparisons when looking at prices.

Water rates have risen nearly three times faster in the UK (5.5%) than Jersey (2.0%) in the last 12 months. Over the last six years, UK water rates have increased by about 37% and Jersey by around 23%.

Another element of the housing group for which price increases have differed significantly is DIY materials, which have risen about four times faster in Jersey than in the UK since June 2000 (increases of 11% and 2.8% respectively) and around twice as fast in the year to June 2006 (1.1% and 0.6% respectively).

Chart 8a: Rent section of RPI

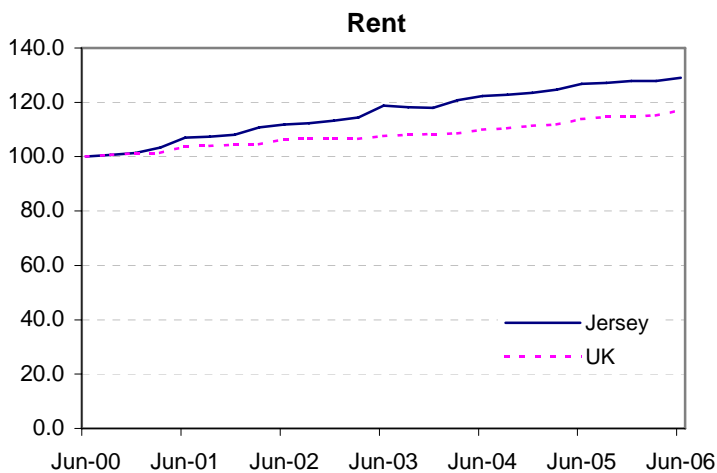


Chart 8b: Housing purchase section of RPI

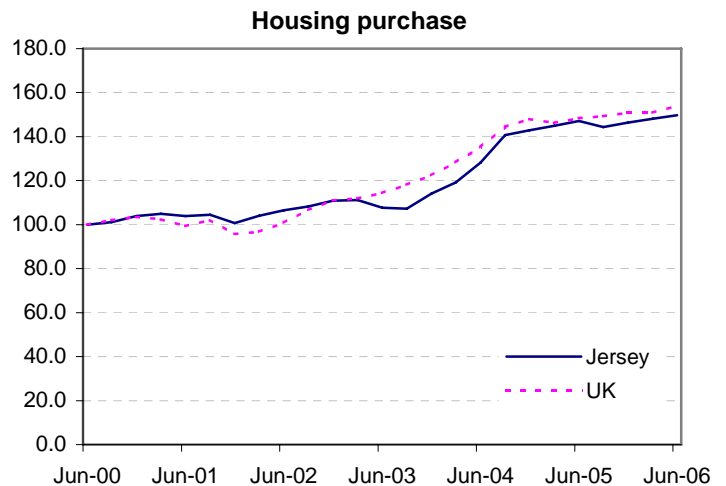


Chart 8c: Rates section of RPI

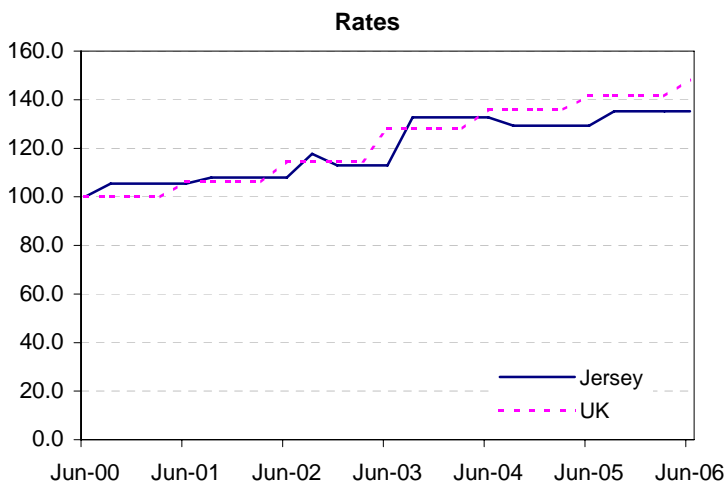


Chart 8d: Water Rates section of RPI

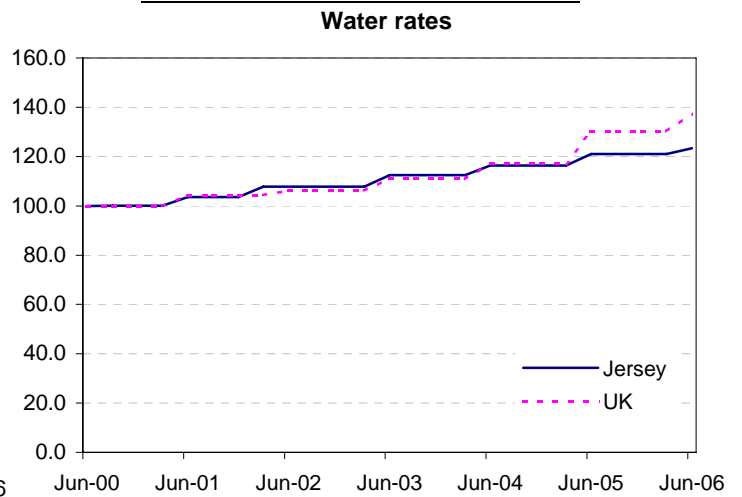
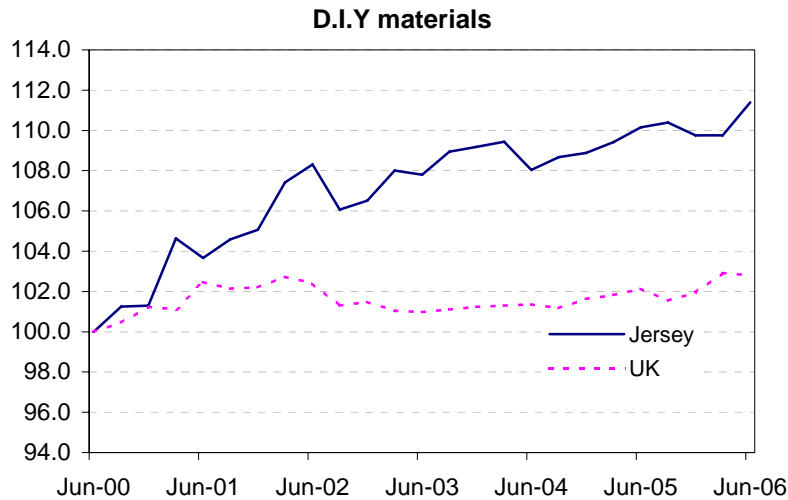


Chart 8e: DIY section of RPI



## Section 6: Fuel and light (weight in Jersey RPI 3.40 out of 100)

The Fuel and light group covers fuels used at home i.e. coal, oil, gas and electricity. Motor fuels (petrol) are included within the Motoring group. Overall price changes in Jersey and the UK have moved broadly in phase over the past six years, summarised as relatively stable until late 2001 and then a gentle increase until 2004 and sharper increases since. However, there are some important differences which reflect the different fuel mix used in Jersey and the UK. In the Jersey RPI, heating oil accounts for about one-third of the Fuel and light group and gas less than one tenth. In the UK these proportions are reversed. Electricity is about the same in both jurisdictions accounting for about half the group. This means that the Jersey RPI is more susceptible to short term changes in the price of oil, which is amongst the most volatile of all prices. Such changes are evident in chart 9 with the sharp fall in December 2001 and the rise and fall in mid 2003, all the result of large changes in global oil prices. Since 2004 oil prices have risen steadily, and since oil and gas prices are linked over the longer term, increases in oil prices have led to increases in gas prices.

Over the six years to June 2006, energy prices rose by 42% in Jersey and 65% in the UK. The main driver behind UK price rises has been increases in gas prices and, more recently, increases in electricity prices (which in the UK is generated from gas and other fuels), whilst it is oil prices that are driving up energy costs in Jersey.

With the decrease in oil fired electricity generation seen recently in Jersey, electricity prices became more insulated from increases in oil prices for a period but more recently, as the price of electricity increased throughout Europe, prices are rising in Jersey as well. As a result electricity prices remained unchanged between October 2000 and January 2005. In January 2006 JEC increased prices for all consumers by 9.7% meaning that the bill for a standard credit consumer using 6,500kWh increased from £549 to £602, whilst that for a Comfort heat consumer on 9,000 kWh increased from £460 to £504.

In the last 12 months the overall change in energy prices has been higher in the UK (28%) than in Jersey (14%). This is a change from the situation seen in the 12 months to June 2005, when Jersey saw an increase of 15% and the UK an increase of 13%

Chart 9: Fuel and light group of the RPI in Jersey and the UK June 2000 to June 2006

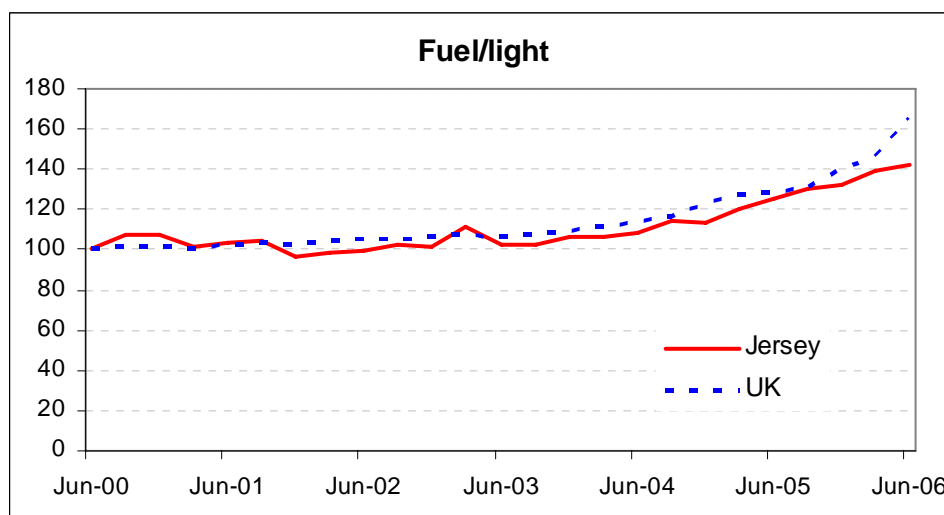


Table 9 shows average bills for electricity consumers as well as typical prices for oil, coal and smokeless fuel. These show that the cost of energy is greater in Jersey than in the UK.

Table 9: Average energy bills and prices in Jersey and the UK: June 2006.

Item	Average price (in pence)		Percentage difference
	Jersey	UK	
Electricity bill (£ per year) <sup>1</sup>	328.9	285	15
Domestic heating oil (p/litre) <sup>2</sup>	38.95	33.75	15
Coal (per 50kg)	1760	989	78
Smokeless fuel (per 50kg)	2200	1237	78

1. Electricity bills shown are for a standard UK consumption of 3,300kWh per year for a standard credit consumer. UK bill is an estimate based on the national average for 2004 updated by latest change in domestic electricity fuel price index. On average, electricity consumption in Jersey is about twice as large as the UK. (see Statistics Unit report 'Jersey Energy Trends 2005')
2. The prices of heating oil shown above are the unit charges for deliveries of 900 litres in Jersey and the UK average price for standard grade burning oil of deliveries up to 1,000 litres.
3. All UK data except coal and solid fuel are sourced from the Department of Trade and Industry. Coal and solid fuel are provided by ONS. Jersey data are based on tariffs and prices provided by fuel suppliers.

To fully understand the electricity data it is necessary to remember that the UK liberalised its electricity (and gas) markets during the late 1990's, meaning that consumers could choose their supplier regardless of where in the country they lived. This policy was introduced with the aim of improving choice and reducing costs; electricity prices did fall until about 2000/2001, since when other factors such as the global cost of energy, which Jersey also faces, have increased prices. However, for a variety of reasons (many of which may apply to Jersey) competition was not introduced

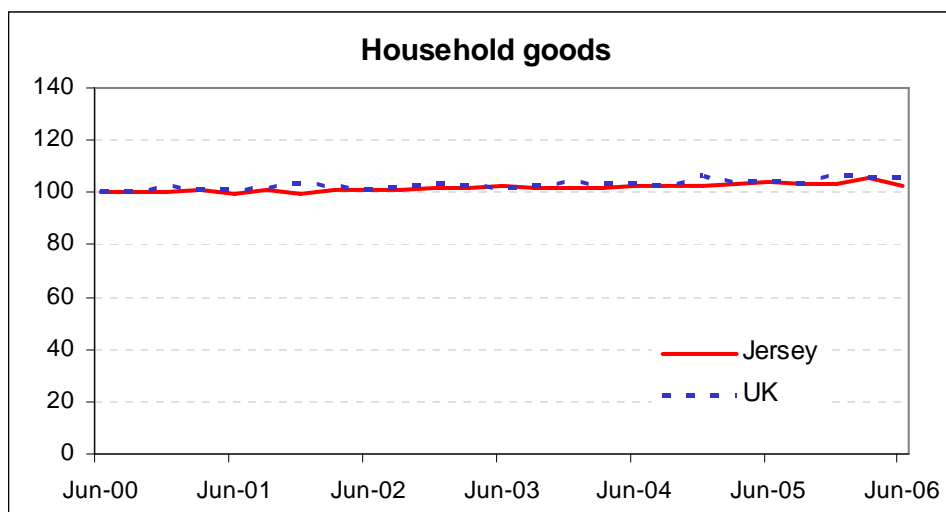
to Northern Ireland's electricity market and as a result it may be more informative to compare Jersey bills with those in Northern Ireland. Doing so shows that in 2005 electricity bills were £39 lower for a standard credit consumer in Jersey than in Northern Ireland.

Although gas is available in Jersey, in bottled and mains form, it is a very different product from that used in the UK. Gas in the UK is natural gas, meaning that gas extracted from underground or imported via pipeline can more or less be used without further processing. However, gas used in Jersey is either Liquefied Petroleum Gas (LPG), in bottles or larger bulk storage, or manufactured gas which is LPG turned into a gaseous form. As such not only are there importation costs, as with other fuels, but also the gas used in Jersey is a different and more expensive product which needs more processing than gas used in the UK. Thus although annual gas bills for June 2006 prices can be estimated (which show a typical UK consumer using 18,000kWh per year would pay around £386 a year on standard credit terms compared to around £1,214 for a Jersey consumer, on credit super economy) this is not a true comparison of the same product.

### Section 7: Household goods (weight in Jersey RPI 6.22 out of 100)

Household goods is quite a wide ranging group covering furniture, soft furnishings (duvets, carpets etc), electrical appliances, kitchen equipment, everyday household items (e.g. washing-up liquid, pens, etc) and pet food. However, despite the wide nature of the goods involved (or possibly because price rises for one type of product may be cancelled out by price falls for another product) prices in this group have been substantially flat (chart 10) both in Jersey and the UK over the past six years, increasing by just 2.6% in Jersey and 5.6% in the UK. The year to June 2006 saw a marginal fall of 1.1% in Jersey and an increase of 1.6% in the UK. In the previous year both jurisdictions showed increases (1.0% and 0.4% in Jersey and the UK respectively).

Chart 10: Household goods group of the RPI in Jersey and the UK June 2000 to June 2006



## Section 8: Household services (weight in Jersey RPI 5.38 out of 100)

The household services group includes postage, telephone charges, domestic services (such as dry cleaning and child minding) and fees and subscriptions. In the year to June 2006, both the UK and Jersey have seen increases of around 3%. However, overall prices in this group have been increasing slightly faster in Jersey than the UK over the last six years (29% and 21%, respectively). This difference is partly a result of postal charges rising faster in Jersey since mid-2000. Over the last six years Jersey saw postal costs increase by 43% whereas the UK rose by 20% over the same period. Both jurisdictions have seen similar decreases in telephone charges over a six year period (7.2% decrease in Jersey and 7.7% decrease in the UK), although as chart 11b shows the profiles of each jurisdiction are quite different. Until December 2002 prices in Jersey were increasing, but then started to fall. In the UK, prices initially fell from 2000 and then levelled. Most recently Jersey has seen a larger decrease (1.6%) than the UK (0.9%) in the 12 months to June 2006.

Domestic services (which include childcare, home help etc) have seen similar price increases of 35% in Jersey and 38% in the UK over the last six years. More recently the UK has seen an annual increase of 5.0% whilst Jersey has seen an increase of 2.5%.

Chart 11: Household services group of the RPI in Jersey and the UK June 2000 to June 2006

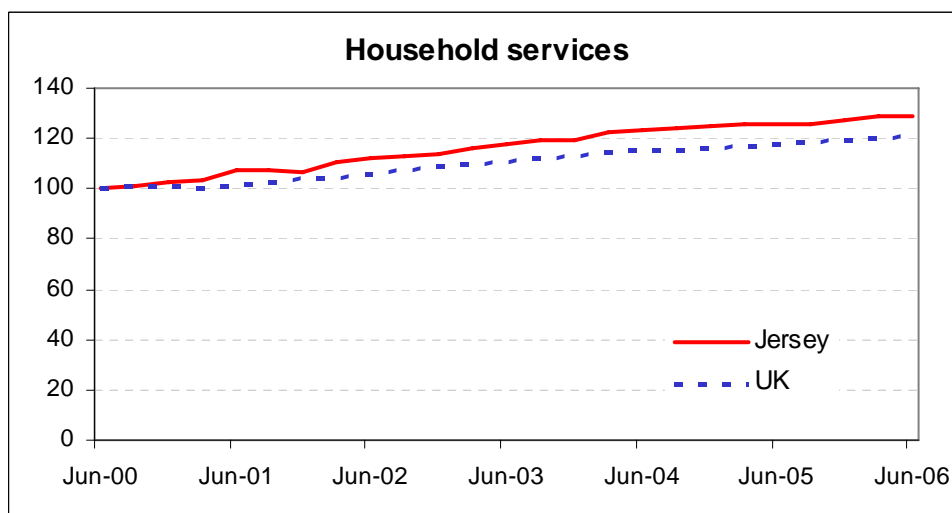


Chart 11a: Postal charges section of the RPI

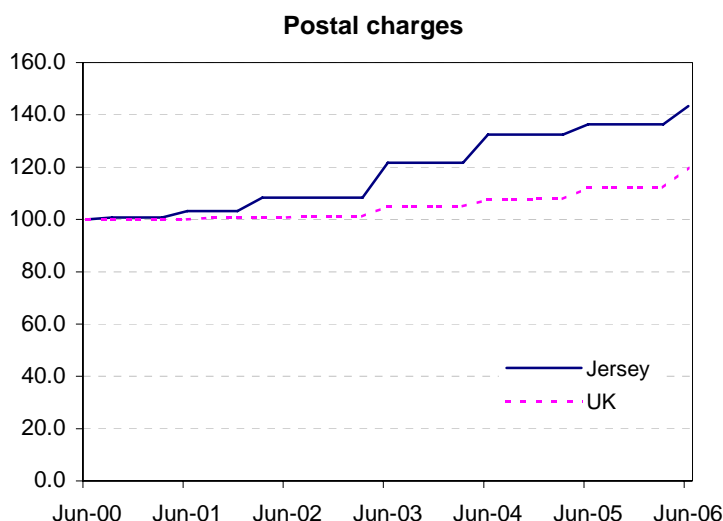
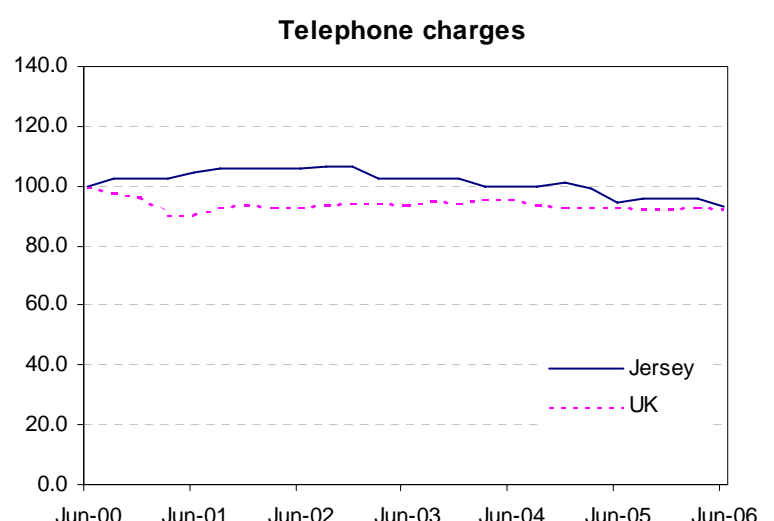


Chart 11b: Telephone charges section of the RPI

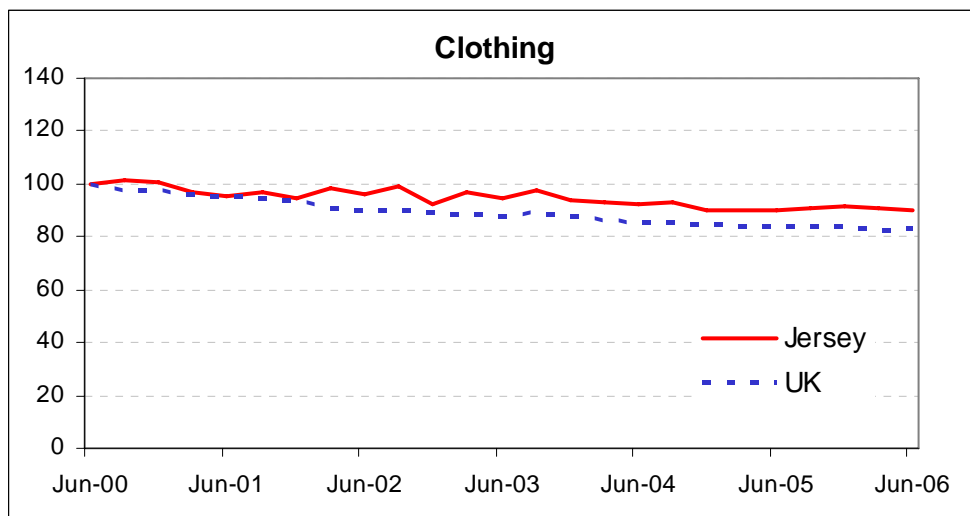


### Section 9: Clothing (weight in Jersey RPI 5.47 out of 100)

The average price of clothes and shoes has been on a downward trend in both Jersey and the UK over the past six years, with Jersey prices decreasing by 10% and the UK by 17%.

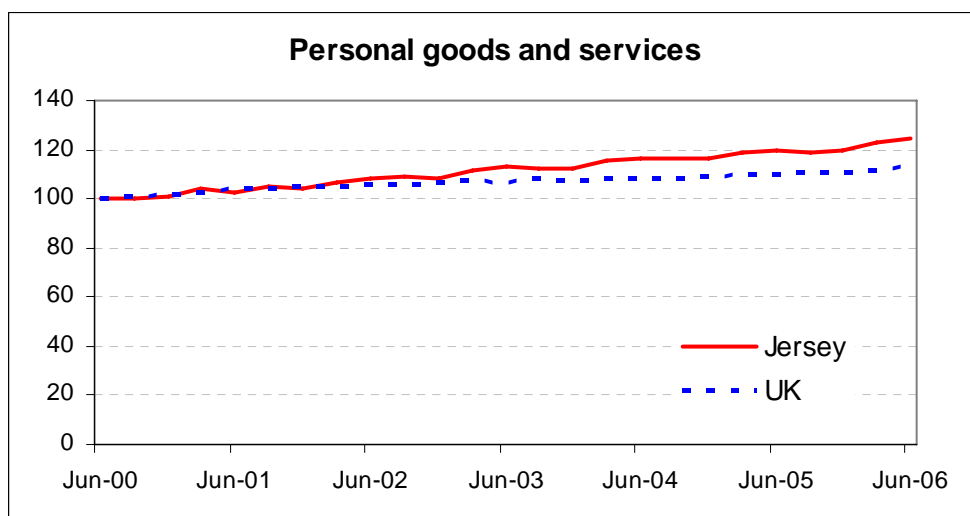
In the most recent 12 month period, average prices in Jersey and the UK have both fallen by less than 1% (around 0.3% and 0.9%, respectively).

Chart 12: Clothing group of the RPI in Jersey and the UK June 2000 to June 2006



### Section 10: Personal goods & services (weight in Jersey RPI 5.35 out of 100)

Chart 13: Personal goods & services group of the RPI in Jersey and UK June 2000 to June 2006



The personal goods and services group comprises goods such as bags, jewellery and watches, chemist goods (ranging from painkillers to shampoo and nappies) and services (such as hairdressing as well as medical consultations and eye tests). Overall, prices for these items in Jersey have risen by 25% over the past six years compared to 14% in the UK. In the 12 months to June 2006 Jersey prices have risen by 4.1% compared to 3.1% in the UK (chart 12).

The UK has seen a slight increase of 0.9% in chemist goods over the six years from June 2000 whereas Jersey prices have increased by 11% over the same period. Within the last year, the average prices for chemist goods shows an annual rise of 1.4% in the UK and 3.4% in Jersey.

Personal services have experienced similar price increases in both Jersey and the UK at a rate of 42% in Jersey and 34% in the UK between 2000 and 2006. In the twelve months to 2006 costs rose by around 5% in each jurisdiction.

Chart 13a: Personal services section of the RPI

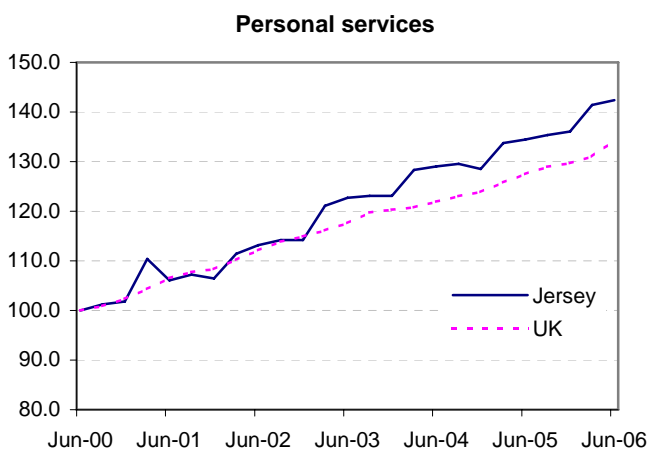
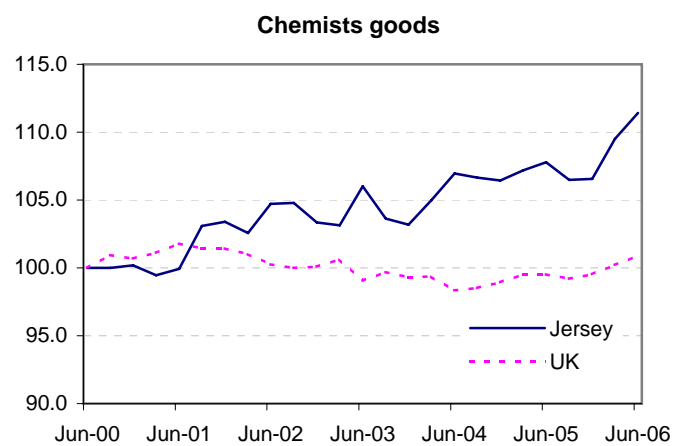


Chart 13b: Chemists goods section of the RPI



## Section 11: Motoring expenditure (weight in Jersey RPI 10.27 out of 100)

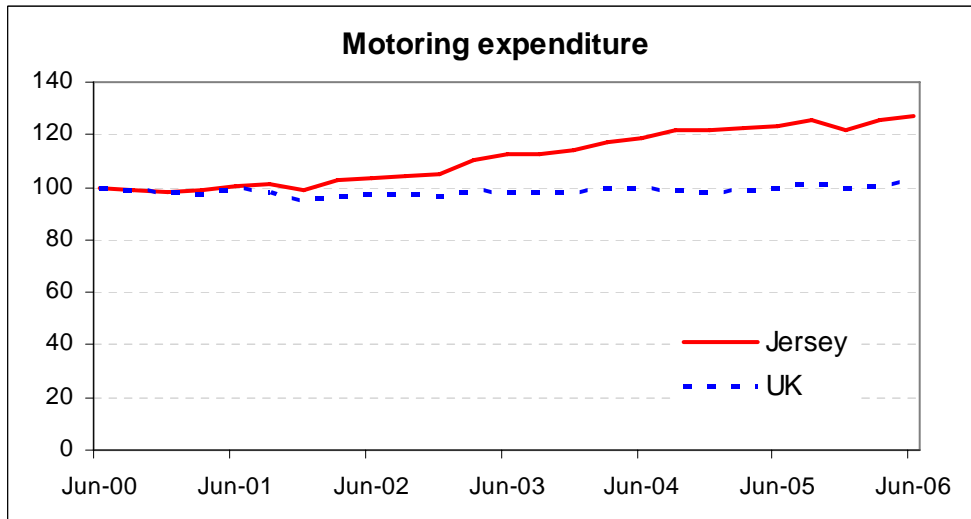
The Motoring expenditure group (Chart 14) has the second largest weight in the Jersey RPI after Housing and therefore can have a major influence on the RPI. As such the fact that motoring costs have increased by 27% in Jersey but by only 2.6% in the UK between 2000 and 2006 (and by 3.7% and 3.3%, respectively, in the latest year) will be an important factor in the difference in growth between the respective aggregate RPIs.

To understand the difference it is necessary to look at the section level, two elements of which are shown in charts 14a and b below.

The largest weight within the group is given to the costs of purchasing vehicles. Throughout the period 2000 to 2002 the element of the RPI covering the cost of vehicles moved by very similar amounts in Jersey and the UK. In January 2003 VRD was introduced in Jersey adding to the cost of new vehicles. However, as chart 14a shows,

even when the VRD is removed from the Jersey cost of purchase, Jersey prices increased considerably more than those in the UK. Overall vehicle costs have fallen in the UK by 17% but have risen in Jersey by 7.6% over the last six years. Between June 2005 and June 2006 the cost of vehicles fell by 2.9% in the UK but increased by 1.9% in Jersey.

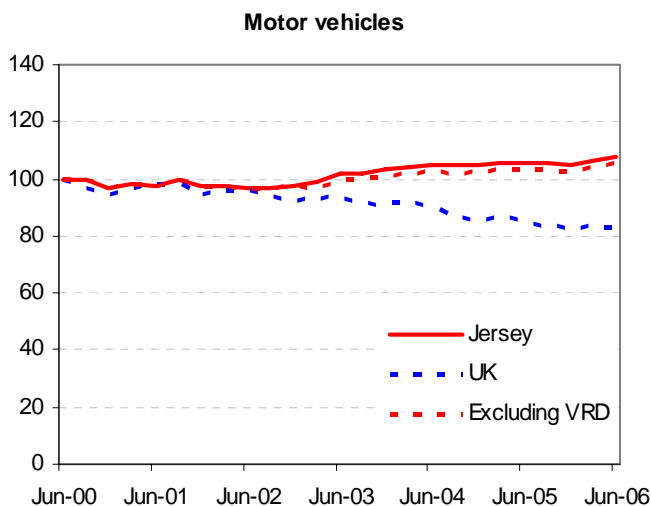
**Chart 14: Motoring group of the RPI in Jersey and the UK June 2000 to June 2006**



Another major element of motoring costs is fuel costs (i.e. petrol and oil). However, some care is needed in analysing these costs in the period 2000 to 2006. In 2000 petrol prices in the UK had reached what was then an all time peak, as global oil prices rose and successive governments had increased the excise duty on motor fuels. Since then duty has remained basically unchanged in the UK whilst impôts have continued to rise in Jersey. As a result, the petrol and oil component of the Jersey RPI has increased about two and a half times faster than in the UK (40% and 15% respectively) since June 2000.

This year, there have been no duty increases in the UK but Jersey increased impôts on both unleaded petrol and diesel fuel to 38p/litre. Despite this UK motor fuel prices rose at a higher rate (12%) than Jersey prices (7.0%) in the 12 months to June 2006, partly as a result of VAT being paid on the higher pre-tax plus duty price.

**Chart 14a: Motor vehicles section of the RPI**



**Chart 14b: Petrol and oil section of the RPI**

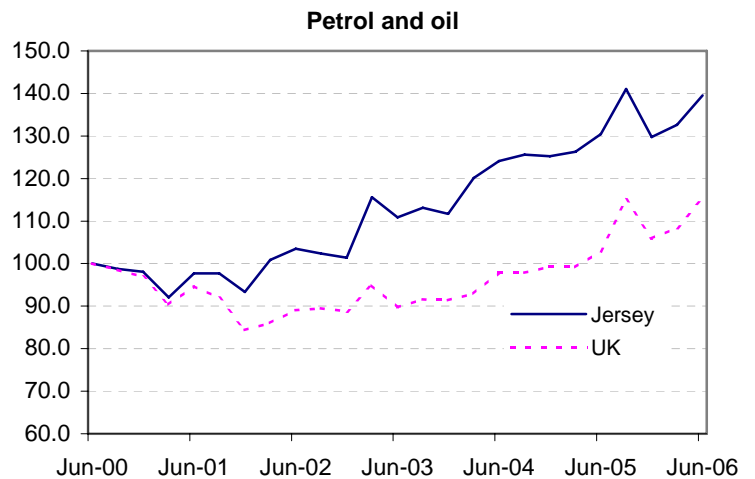




Table 10: Taxes levied on motor fuels (*pence per litre*)

Fuel	ULSP/premium unleaded				ULSD/diesel			
	2000	2004	2005	2006	2000	2004	2005	2006
Jersey impôts	21.7	36.7	36.7	38.0	21.7	36.7	36.7	38.0
UK duty	49	47	47	47	49	47	47	47
UK duty + VAT	61	59	60	61	62	59	60	61

The UK duty on petrol shown for 2000 is that on unleaded petrol; subsequent years are for ULSP.

The price advantage Jersey consumers enjoyed in June 2000 of 24p/litre has reduced to around 6p/litre for premium unleaded fuel and about 4p/litre for diesel in June 2006 (Table 11). However, this is a larger difference than that seen in 2005 when both fuel types were only about 2p/litre cheaper in Jersey.

Underlying prices (retail less tax) of unleaded petrol have risen by 11% in Jersey but by 36% in the UK between June 2005 and June 2006. Similarly, underlying prices of diesel have risen by 10% in Jersey but by 24% in the UK. Despite this average pre-tax prices remain higher in Jersey (53p/litre) than the UK (35p/litre).

Table 11: Average prices of motor fuels in Jersey and the UK: June 2006.

Fuel	Average price (in pence)		Percentage difference
	Jersey	UK	
ULSP/premium unleaded	89	95	-6
ULSD/diesel	93	97	-4

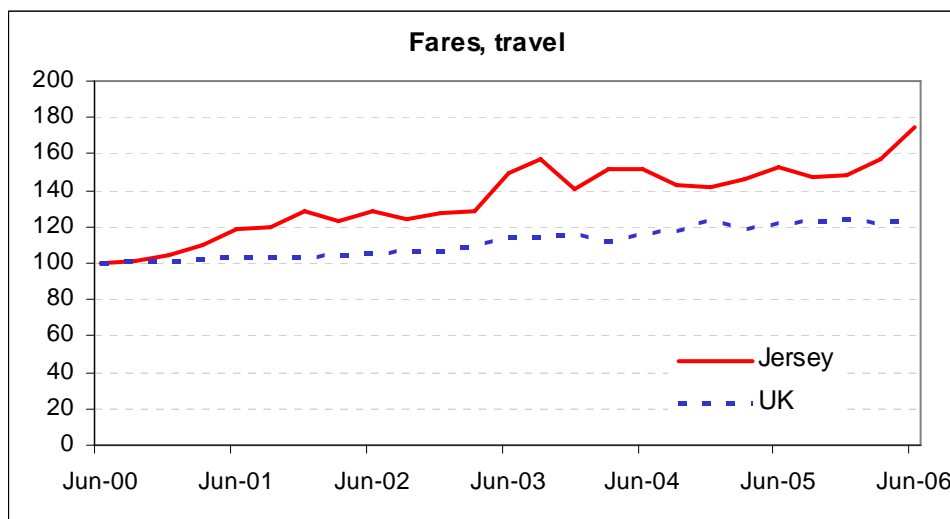
Another element that makes up the Motoring group of the RPI, other motoring costs (which includes parking, servicing etc), has risen faster in Jersey (49%) than in the UK (39%) over the last six years but the UK has seen a larger rate of increase than Jersey during the past 12 months (5.9% in the UK and 2.4% in Jersey).

## Section 12: Fares and other travel costs (weight in Jersey RPI 2.48 out of 100)

The vast majority of this group is travel fares (i.e. bus, ferry, taxi and air). Whilst bus, ferry and taxi fares are relatively simple to measure, airlines fares have seen considerable change over the past four years as the number of operators has increased with the growth of “no-frills” airlines and the increase in use of the internet to book air fares. As a result the UK and Jersey RPIs have changed to adapt to the new world of airline travel, but will have done so over different periods such that direct comparisons over the whole period can be misleading. Internet airfares were introduced into the Jersey RPI in March 2003 and over the past few years the number of fare quotes used within the index has been significantly increased. As a result it is perhaps more meaningful to look at movements in more recent years only.

Doing so shows that for the Fares and other travel group, prices have increased faster in Jersey (14%) than the UK (1.3%) between June 2005 and June 2006. This is in contrast to last year when UK prices were increasing faster (4.3%) than Jersey prices (0.9%). Increases in Jersey prices occurred particularly in air and ferry fares, where special offers in 2005 and fuel surcharges are a factor.

Chart 15: Fares and travel group of the RPI in Jersey and the UK June 2000 to June 2006



### Section 13: Leisure goods (weight in Jersey RPI 4.86 out of 100)

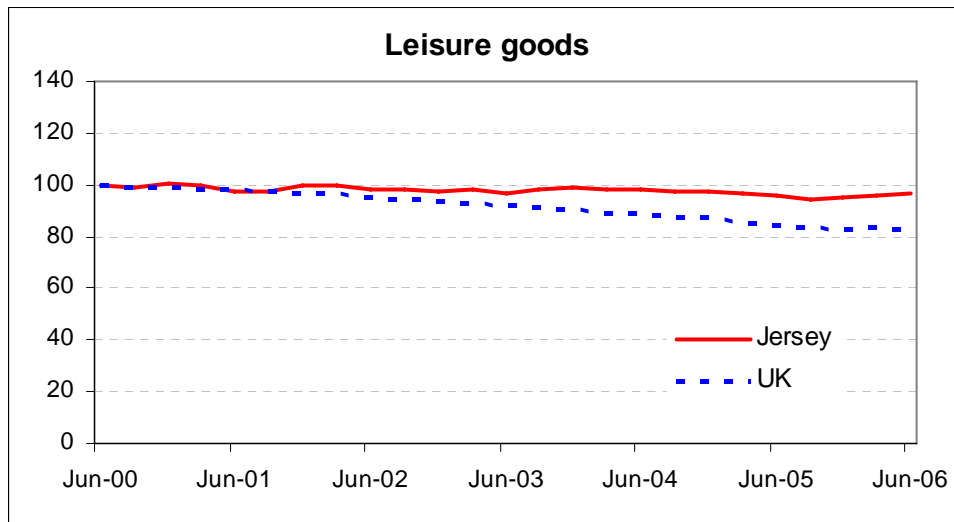
Leisure goods cover a wide range of items that people buy for leisure time activities such as audio-visual and photography equipment, CDs, toys, sports equipment, newspapers and books. The common nature of items within this group perhaps makes it easier to draw anecdotal inferences of price differences, but care is needed in doing so as single observations can be misleading. However, in general the prices of newspapers and most magazines are priced the same in both jurisdictions, whilst items such as CDs are often cheaper in Jersey, largely due to the absence of VAT.

Aggregating the various section levels into the group index for Leisure goods (chart 16) shows that UK prices have fallen by 18% in the six years to June 2006, compared to a 3.6% fall in Jersey, and have also fallen by 3.1% in the last 12 months compared to a rise of 0.7% in Jersey. However, within individual series some interesting results can be observed. For example, prices for gardening products show a rise in Jersey of 14% but a decrease of 2.2% in the UK over the last six years. Focusing on just the last 12 months to June 2006 shows that Jersey's prices for gardening products rose by 4.4% while the UK's rose slightly, by 0.4%

Another factor to note is the large decrease of 19% in the prices of toys, photographic and sporting goods in the UK over the last six years in comparison with the smaller decrease of 7.0% in Jersey. However, within the most recent 12 months to June 2006 both jurisdictions have seen similar rates of decrease of around 5%.

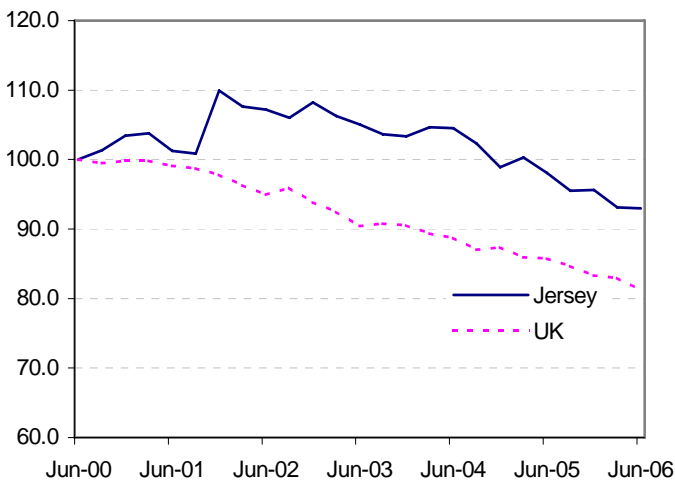
As a result of the wide nature of this group, the price movements in individual sections can differ a lot. For example, the average cost of audio-visual equipment has fallen by over 50% in both Jersey and the UK between June 2000 and June 2006, reflecting the fact that as technology advances the cost of established products falls. However, over the past six years the cost of books, papers and magazines has continued to rise (chart 16a) in both Jersey (21%) and the UK (24%). Within the last 12 months from June 2005 to June 2006 there has been a larger rise in Jersey's prices (7.8%) than those of the UK (5.4%).

**Chart 16: Leisure goods group of the RPI in Jersey and the UK June 2000 to June 2006**



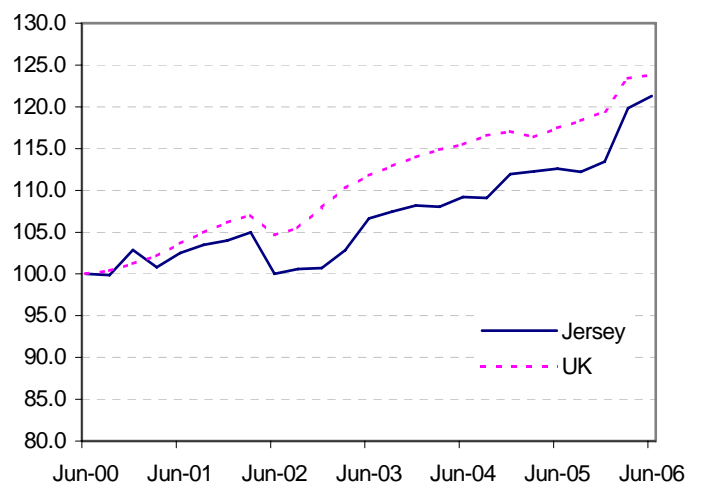
**Chart 16a: Toys, photographic and sporting goods section of the RPI**

**Toys, photographic and sporting goods**



**Chart 16b: Books, papers and magazines section of the RPI**

**Books, papers and magazines**

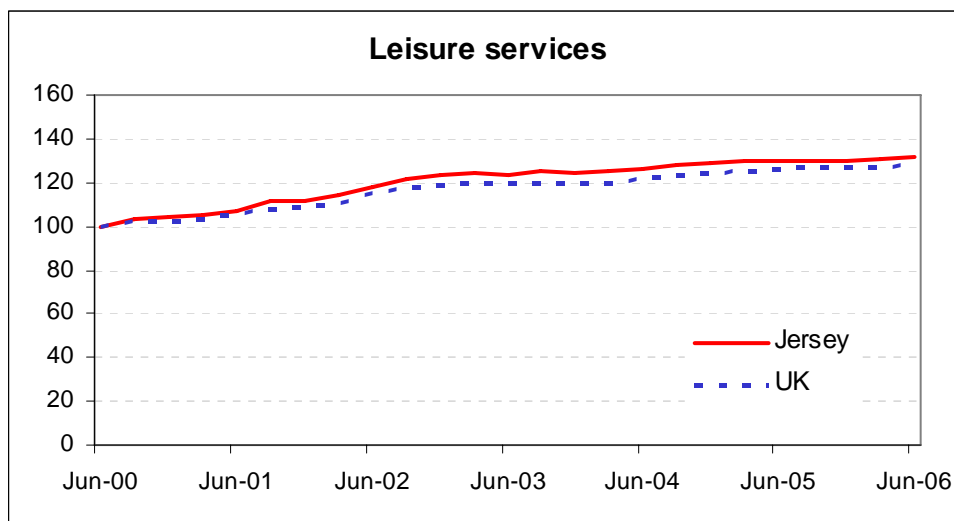


## Section 14: Leisure services (weight in Jersey RPI 11.56 out of 100)

The RPI Leisure services group (chart 17) covers items such as TV licences (which cost the same in Jersey and the UK), cinema costs, sport and fitness club membership, evening classes and out-of-Index holidays.

Overall price movements have been fairly similar in Jersey and in the UK, both seeing increases of around 2% in the 12 months to June 2006, but prices have risen marginally faster in Jersey (32%) than in the UK (28%) over the past six years.

Chart 17: Leisure services group of the RPI in Jersey and the UK June 2000 to June 2006



**Average prices of matched items in Jersey and the UK**  
**June 2000 – June 2006**

**Table A1: Meat and fish**

Item	Average prices (in pence)											
	2006			2005			2004			2000		
	Jsy	UK	% diff	Jsy	UK	% diff	Jsy	UK	% diff	Jsy	UK	% diff
<b>Beef: fresh per kg</b>												
Best beef mince	484	439	10	522	428	22	457	425	8	463	411	13
Topside	800	731	9	681	670	2	783	679	15	728	615	18
Rump Steak	1087	942	15	1077	902	19	1058	904	17	970	858	13
Braising steak	741	634	17	667	608	10	722	627	15			
<b>Lamb: fresh per kg</b>												
Loin (with bone)	1214	1102	10	1213	1033	17	1120	1050	7	932	882	6
Shoulder (with bone)	602	444	36	565	424	33	575	433	33	372	363	2
<b>Pork: fresh per kg</b>												
Loin (with bone)	663	521	27	624	500	25	632	502	26	568	441	29
Shoulder (without bone)	403	335	20	344	333	3	508	335	52	349	296	18
<b>Chicken: roasting, oven-ready, per kg</b>												
Fresh or chilled	270	222	22	272	231	17	262	232	13	247	222	11
<b>Other Meat</b>												
Gammon, per kg	751	625	20	669	582	15	710	584	22	521	525	-1
Bacon, back, per kg	899	748	20	837	706	19	769	711	8	837	597	40
Ham (not shoulder) 113g	105	111	-5	104	115	-11	96	89	8	96	87	10
Pork sausages, per kg	443	351	26	490	343	43	421	311	35	394	304	30
<b>Fresh fish: per kg</b>												
White fish fillets	1183	937	26	1012	874	16	951	867	10			
Salmon fillets	1132	924	23	998	796	25	913	912	0			

**Table A2: Fruit and vegetables**

<u>Item</u>	Average prices (in pence)											
	2006			2005			2004			2000		
	Jsy	UK	% diff	Jsy	UK	% diff	Jsy	UK	% diff	Jsy	UK	% diff
<b>Fresh vegetables</b>												
Potatoes: old whites, loose, per kg	65	49	33	62	44	41	60	64	-6	35	57	-39
Potatoes: new, loose, per kg	113	87	30	87	92	-6	97	111	-13	136	75	81
Tomatoes, per kg	159	137	16	155	147	5	129	116	11	123	133	-8
Cauliflower, each	110	89	24	89	74	20	79	70	13	70	75	-7
Carrots, per kg	101	71	42	89	73	22	74	61	21	88	54	63
Onions, per kg	81	55	47	71	71	0	76	59	29	64	66	-3
Mushrooms, per kg	362	252	44	397	257	54	339	263	29	371	266	39
Cucumber, each	77	72	7	75	57	32	67	59	14	61	55	11
Lettuce: iceberg, each	90	69	30	83	62	34	79	59	34	69	53	30
<b>Fresh fruit</b>												
Apples: cooking, per kg	146	143	2	138	145	-5	169	156	8	98	105	-7
Apples: dessert, per kg	141	124	14	137	120	14	132	127	4	126	112	13
Pears: dessert, per kg	172	144	19	153	132	16	168	145	16	140	133	5
Oranges: all sizes, each	30	21	43	29	22	32	30	23	30	22	21	5
Bananas, per kg	125	80	56	136	96	42	117	86	36	111	100	11
Grapes, per kg	509	365	39	500	398	26	455	370	23	392	356	10
Grapefruit, each	54	36	50	51	37	38	48	36	33	37	32	16
Avocado, each	70	75	-7	65	66	-2	77	69	12	69	72	-4

**Table A3: Dairy produce, other foods and soft drinks**

<u>Item</u>	Average prices (in pence)											
	2006			2005			2004			2000		
	Jsy	UK	% diff	Jsy	UK	% diff	Jsy	UK	% diff	Jsy	UK	% diff
<b>Dairy produce</b>												
Butter, home produced, per 250g	93	78	19	109	76	43	105	81	30	82	81	1
Butter, imported, per 250g	101	88	15	103	92	12	104	91	14	88	88	0
Margarine/low fat spread, per 500g	103	104	-1	106	90	18	86	81	6	91	79	15
Cheddar cheese, per kg	530	565	-6	569	541	5	591	568	4	506	508	0
Eggs, size 4, per dozen	175	162	8	162	153	6	151	156	-3	141	135	4
Milk, pasteurised, per pint	55	34	62	55	35	57	56	35	60	51	34	50
<b>Other foods &amp; soft drinks</b>												
Bread: white loaf, sliced, 800g	106	80	33	109	69	58	114	66	73	86	52	65
Bread: white loaf, unsliced, 800g	99	88	13	98	84	17	125	91	37	91	71	28
Bread: wholemeal loaf, sliced, 800g	125	89	40	120	82	46	131	81	62			
Flour, self-raising, per 1.5kg	87	66	32	87	65	34	85	68	25	76	60	27
Sugar, granulated, per kg	82	74	11	84	74	14	85	74	15	71	55	29
Tea bags, per 250g	181	153	18	181	121	50	176	138	28	166	138	20
Coffee, pure, instant, per 100g	210	183	15	200	182	10	189	176	7	200	186	8
Coffee, ground (filter fine), 227g	258	191	35	253	193	31	236	187	26	202	180	12

**Table A4: Alcohol and tobacco**

<u>Item</u>	Average prices (in pence)											
	2006			2005			2004			2000		
	Jsy	UK	% diff	Jsy	UK	% diff	Jsy	UK	% diff	Jsy	UK	% diff
<b>Alcoholic drinks</b>												
Draught bitter, per pint	214	220	-3	204	212	-4	198	203	-2	157	178	-12
Draught lager, per pint	251	252	-0	242	242	0	234	234	0	178	200	-11
Whisky, per 25ml nip	191	180	6	184	174	6	179	171	5	135	142	-5
<b>Cigarettes</b>												
20 King size filter	464	481	-4	455	457	-0.4	423	440	-4	281	396	-29

**Table A5: Petrol and oil**

<u>Item</u>	Average prices (in pence)											
	2006			2005			2004			2000		
	Jsy	UK	% diff	Jsy	UK	% diff	Jsy	UK	% diff	Jsy	UK	% diff
<b>Petrol</b>												
ULS unleaded petrol, per litre	89	95	-6	83	85	-2	80	82	-2	60	84	-29
ULS diesel, per litre	93	97	-4	87	89	-2	78	82	-5	60	83	-28