

## Comparison of consumer prices in Jersey and the UK: June 2007

### Introduction

The rate of inflation as measured by the Retail Prices Index (RPI) has increased at a greater rate, overall, in Jersey than in the UK since 2000. There have been two distinct periods: from 2000 to 2005 prices increased at a considerably faster rate in Jersey; whereas from 2005 to date the rate of increase has been similar for both jurisdictions. Indeed, most recently, the underlying rate of inflation has been lower in Jersey.

The Jersey RPI increased by about a third (32%) between June 2000 and June 2007, whilst the UK RPI increased by about a fifth (21%) (chart 1). More recently the RPI rose by 7.9% between 2005 and 2007 in the UK and by 7.3% in Jersey over the same period.

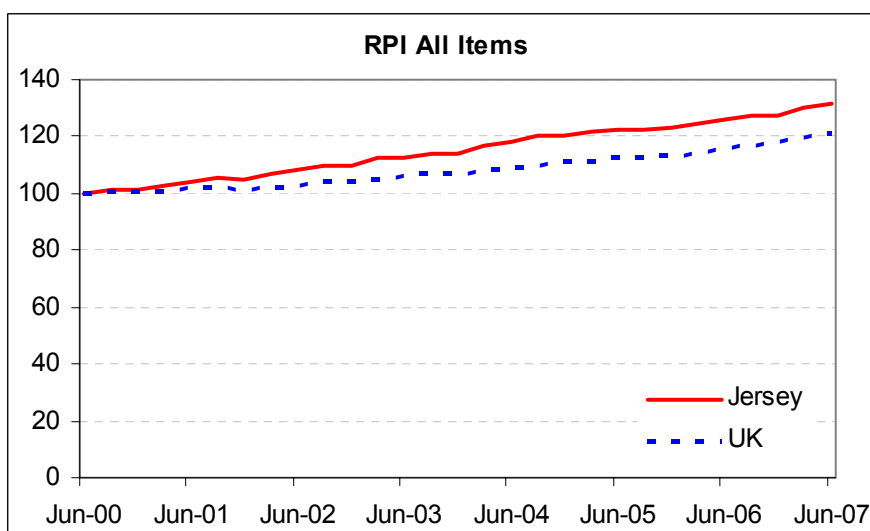
The annual change from June 2006-2007 also shows a similar rate of change in both jurisdictions, with the UK RPI increasing by 4.4% and Jersey by 4.3% in the twelve months to June 2007. The underlying rate of inflation, measured by RPI(X) was 2.3% in Jersey in June 2007 compared with 3.3% in the UK.

This report looks at the factors behind this behaviour in two ways:

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

In doing so, an attempt is made to explain reasons behind differences in price changes or levels where there is 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 of production, 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 2007



## 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 do not lead to any conclusions on relative price levels.

Direct comparisons of prices are based on information published monthly by the Office for National Statistics (ONS) which shows the average price of around 60 non-brand items which are included in the UK RPI (e.g. meat, fruit and vegetables, alcohol and tobacco).

### 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.

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), every five years. The most recent HES survey was completed in July 2006 and subsequently the “basket” of goods and services used to compile the Jersey RPI was reviewed. 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.

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 seven years is shown throughout this 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 behaviour.

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.

---

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

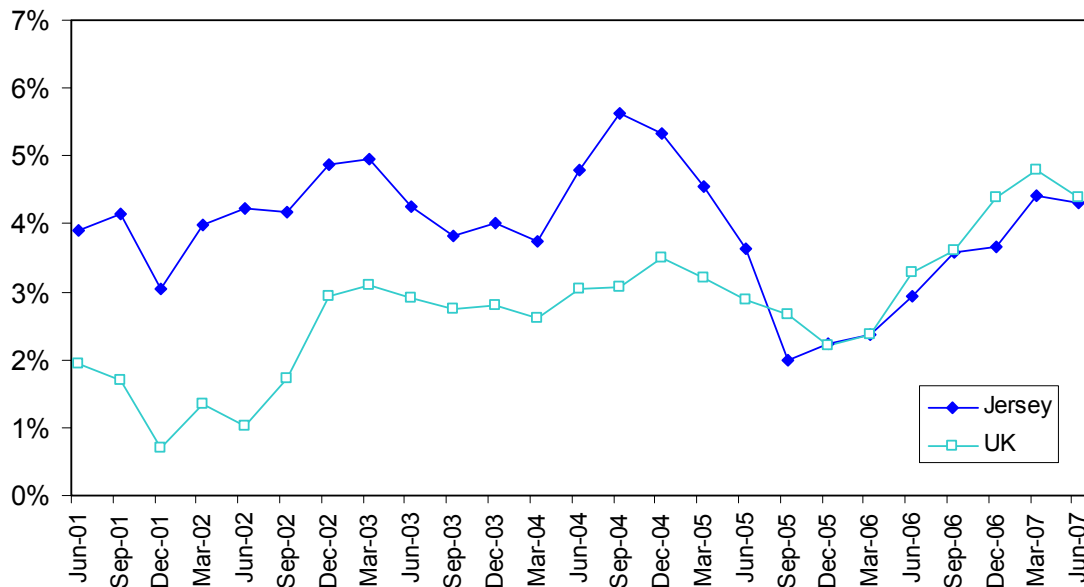
This can be explained by two main factors: firstly, the RPI component series at group or section level<sup>2</sup> cover a wide range of products and hence the index change represents an average for all the items covered, which will differ from price changes for a single item; and secondly, for a variety 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 currently exists in Jersey.<sup>3</sup> 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.

The annual percentage changes in the headline and underlying rates of inflation for Jersey and the UK, as measured by RPI and RPI(X) respectively, are shown in charts 1b and 1c

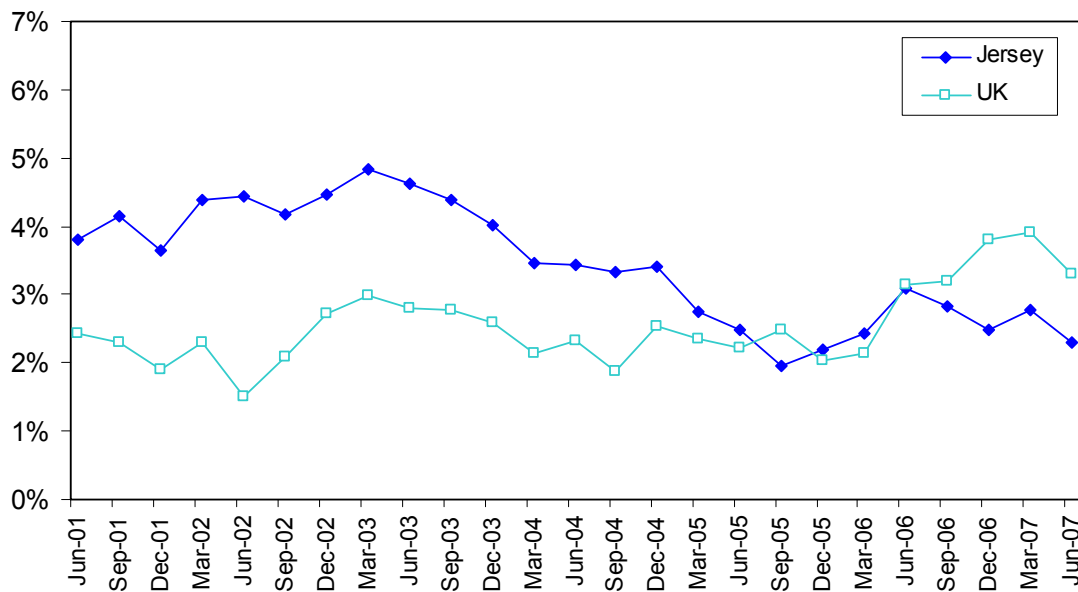
Chart 1b: Annual percentage change in RPI: Jersey and UK 2001-2007



<sup>2</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 loafs, bread rolls, french sticks etc.

<sup>3</sup> A Goods and Services Tax (GST) is due to be introduced in May 2008 at a rate of 3%.

Chart 1c: Annual percentage change in RPI(X): Jersey and UK 2001-2007



### Key findings

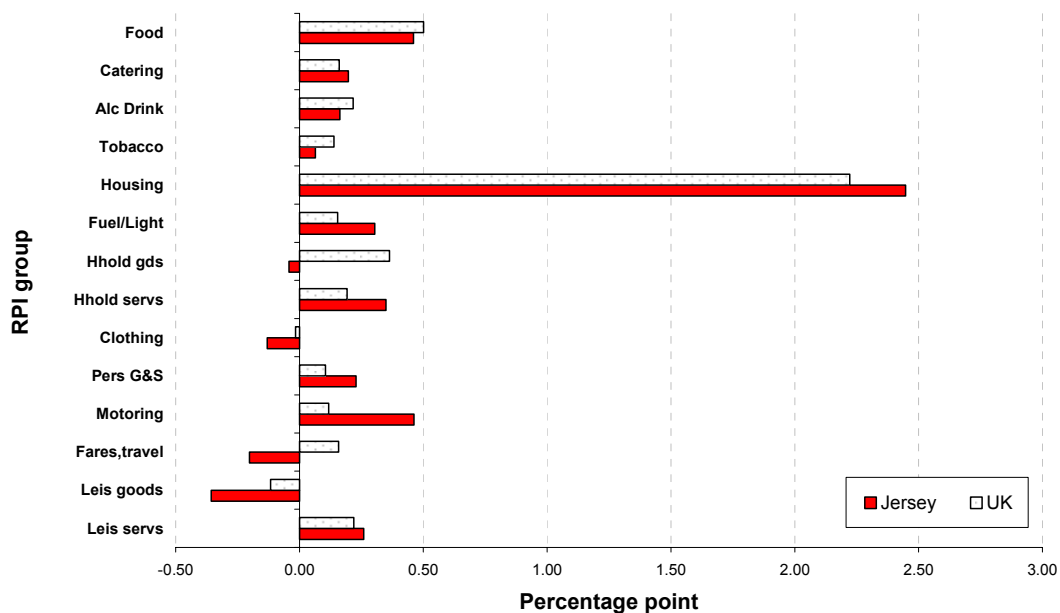
- Since 2000 the Jersey RPI has increased by 32%, whilst the UK RPI increased by 21%. The last two years have seen similar rates of increase in both jurisdictions (7.9% in the UK and 7.3% in Jersey).
- The annual change in both the UK and Jersey RPIs is higher in June 2007 than in June 2006, due to a series of increases in the Bank of England base rate feeding into increased house purchase costs.
- In the twelve months to June 2007 in Jersey, Housing costs rose by 11%, Fuel & light by 10%, and Motoring and Food by 4%. Housing was also the key driver in the UK rising by 10% whilst UK food prices also rose at a similar rate of increase to Jersey (about 5%). In contrast, Fares and other travel costs decreased in the year to June 2007 in Jersey (down 5%) but rose in the UK (up 8%) over the same period.
- Food prices increased at similar rates over the 12 months to 2007 in Jersey and the UK (4.4% and 4.8% respectively). However, direct food comparisons show that average meat prices are about a seventh higher in Jersey than in the UK and the cost of fruit and vegetables in Jersey are about a fifth and a third higher respectively.
- Over the last seven years, overall the average price of alcoholic drinks has increased almost twice as fast in Jersey as in the UK (31% and 17%, respectively); over the last 12 months, prices in Jersey and the UK have risen by similar rates, 2.7% in Jersey and 3.2% in the UK

- In the seven years from June 2000 tobacco prices in Jersey have increased by 73%, compared with an increase of around 33% in the UK. However, in the past 12 months, Jersey prices increased by 4.0% and the UK by 4.8%.
- A factor in the faster price growth seen in Jersey in Alcohol and Motoring over the seven year period is the greater increases in impôts than the UK's equivalent (excise duties).
- Pre-tax prices for alcohol, tobacco and motor fuels are higher in Jersey than in the UK: alcohol by between a quarter and a third; cigarettes by about three-quarters; and petrol and diesel by about 40%.
- The annual change in the RPI(X) has been lower in Jersey than the UK for the last four quarters; in June 2007 the annual change in the RPI(X) in Jersey was 2.3%, whilst for the UK it was 3.3%.
- Key areas accounting for the lower underlying rate in Jersey most recently were greater reductions seen in Clothing and footwear and Leisure goods in Jersey, as well as reductions in the cost of Fares and other travel and in furniture in Jersey but increases seen in the UK.
- The lower underlying rate of inflation in Jersey over the last four quarters means that the gap in consumer retail prices between Jersey and the UK will have narrowed overall, on average, during this period. This is also reflected in the average price difference seen for staples such as meat and fruit and vegetables, for which Jersey is still more expensive but less so than in previous years.

## 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 from the Housing group, which contributed between 2 and 2½ percentage points to the overall index in both the UK and Jersey.

Chart 2: Percentage point contribution to overall annual change in RPI June 2006 to June 2007

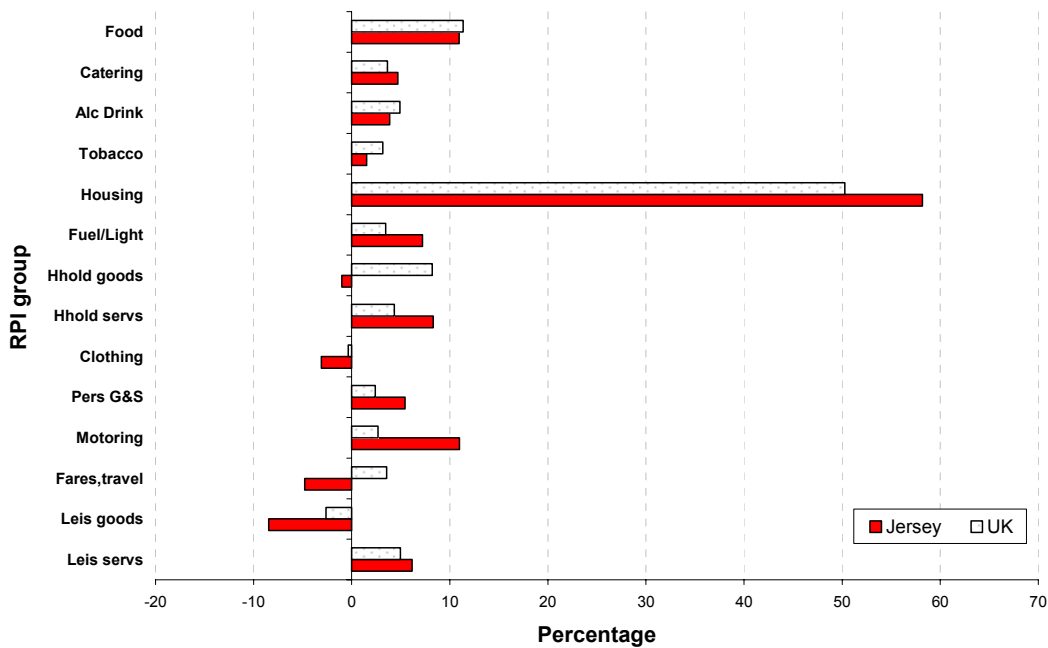


Since the annual rate of inflation for the UK and Jersey is often different for each jurisdiction, it can make direct comparisons based solely on percentage point movements difficult, although where the direction is different (e.g. Fares and travel costs falling in Jersey and rising in UK), the interpretation is clear. Therefore Chart 3 shows the *percentage* contribution that each group is making to the total increase in RPI in each jurisdiction.

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 Personal goods and services (6.5 of 100 in Jersey compared to 3.9 in the UK) and Household services (9.0 compared to 6.5 respectively).

Personal goods and services has a larger weight in the Jersey RPI because the proportion of average expenditure on health and personal care is higher in Jersey than the UK. Similarly, Household services, which includes school fees, has a larger weight in the Jersey RPI because the proportion of average expenditure on private education is higher in Jersey than in the UK.

**Chart 3: *Percentage contribution to overall annual change in RPI June 2006 to June 2007***



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 2006 and the year to June 2007 for each jurisdiction. For example, Housing costs increased at a greater rate in 2007 in both jurisdictions reflecting increases in the Bank of England base rate and corresponding higher mortgage interest rates. Energy prices were higher in 2006 in both jurisdictions, with the UK particularly seeing a lower rate of increase in energy costs in 2007. In Jersey, Fares and other travel costs increased by about 14% in the year to June 2006 but fell by about 5% in the year to June 2007. Additionally, Leisure goods in Jersey saw an increase of almost 1% in the year to June 2006 but decreased by 7% in the year to June 2007.

**Chart 3a: Jersey 2006 and 2007 RPI group percentage changes**

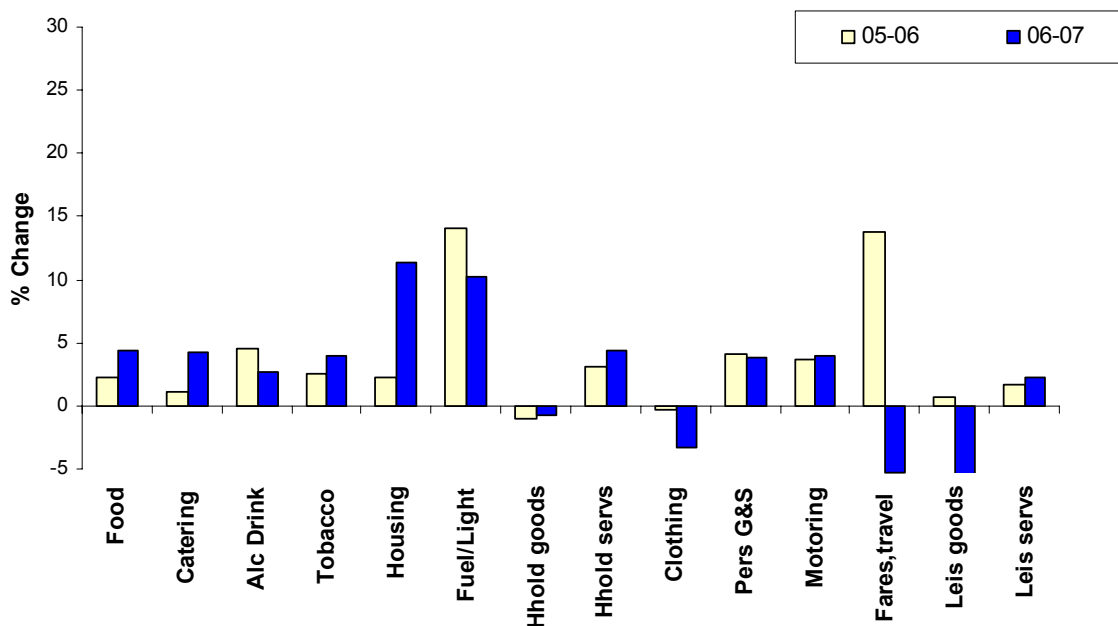
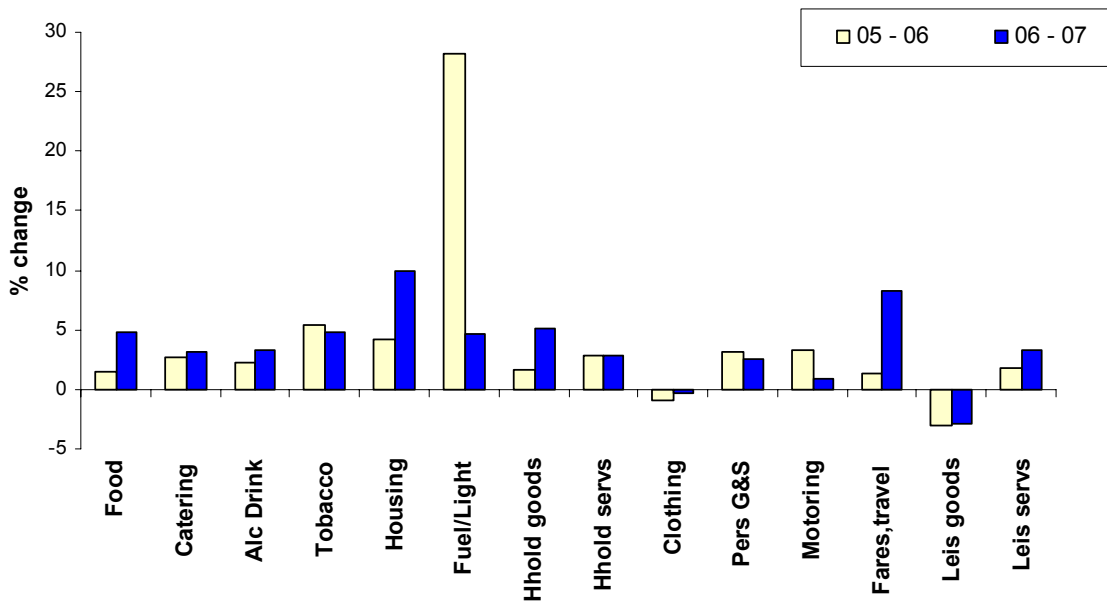


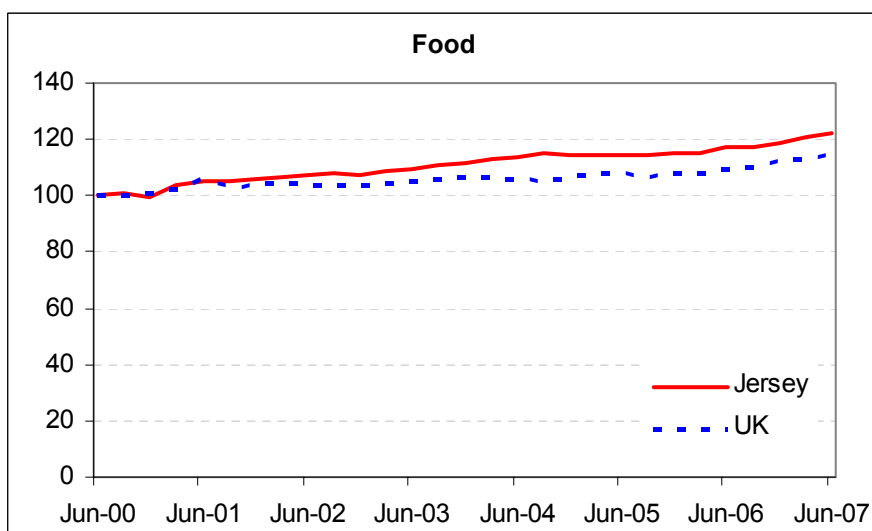
Chart 3b: UK 2006 and 2007 RPI group percentage changes



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

Section 1: Food (weight in Jersey RPI 10.4 out of 100)

Chart 4: Food group of the RPI in Jersey and the UK June 2000 to June 2007



<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.



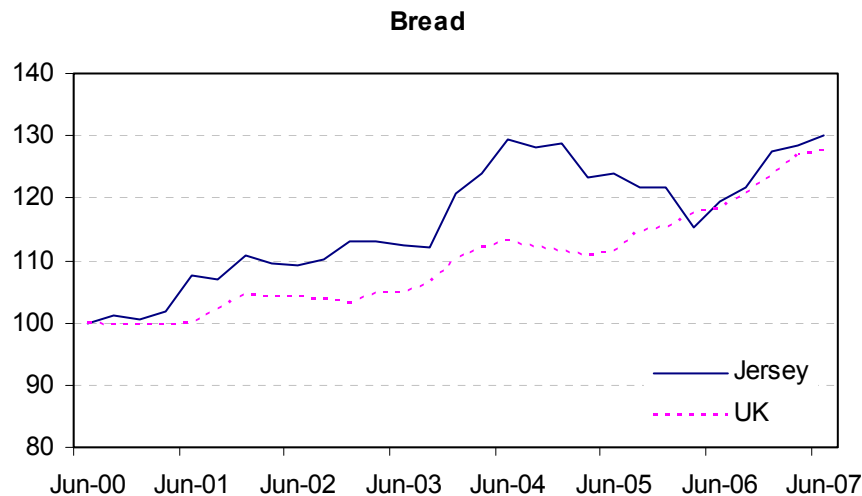
Over the past year, Food prices have on average been rising slightly faster in the UK than in Jersey, with price increases of 4.4% in Jersey and 4.8% in the UK between June 2006 and June 2007 (Chart 4). This contrasts with the situation during the year to 2006 when food prices increased at a slightly higher rate in Jersey (2.3%) than in the UK (1.5%).

Longer term analysis shows that Food prices increased by 22% in Jersey and by 15% in the UK between June 2000 and June 2007, 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 8 of the 29 major categories (sections) of Food are presented in charts 4a to 4h 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 the seven-year period. Over the most recent two years, however, there has been a degree of convergence in the rates of price change.

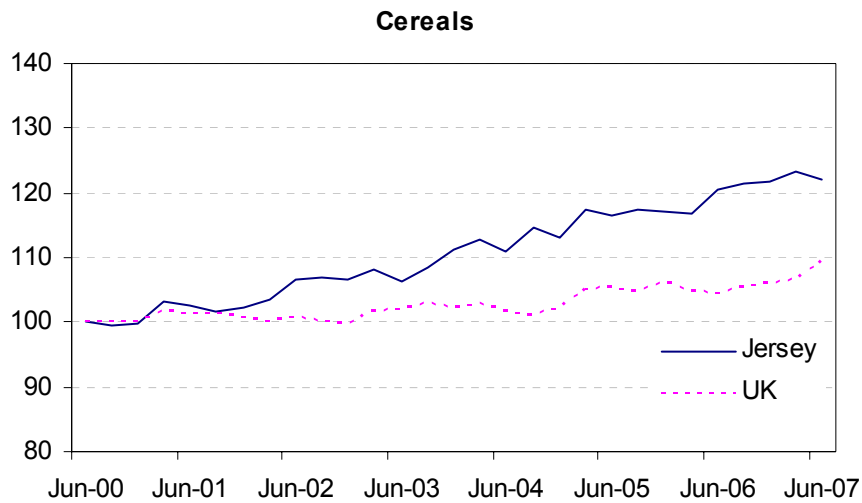
During the year to June 2007 the average price of bread rose slightly by 9% in Jersey and by 8% in the UK. Over the longer-term prices in both jurisdictions increased by almost 30% between 2000 and 2007.

Chart 4a: Bread section of RPI



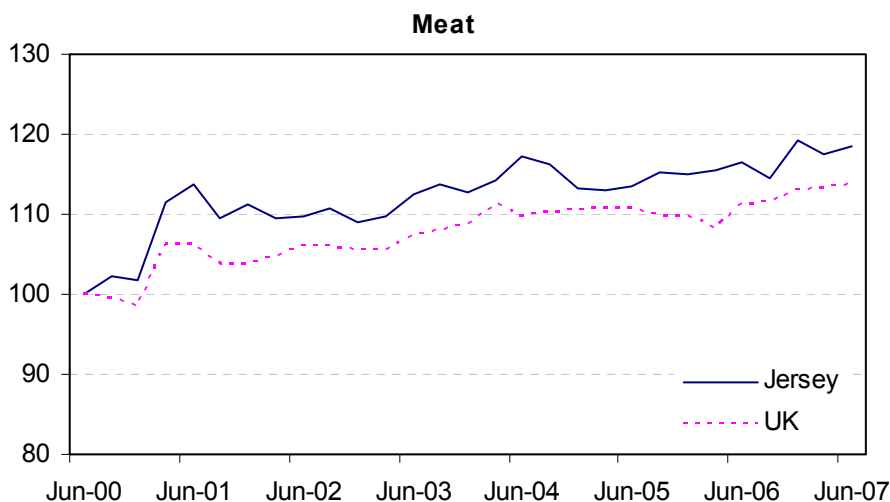
Over the last seven years, prices of cereals (chart 4b) and biscuits and cakes have risen about twice as fast in Jersey compared with the UK. During the 12 months to June 2007 cereal prices rose by 1.4% in Jersey and by 4.9% in the UK, whereas the price of biscuits and cakes increased in both jurisdictions over the same period, by 4.3% and 3.2% respectively.

Chart 4b: Cereals section of RPI



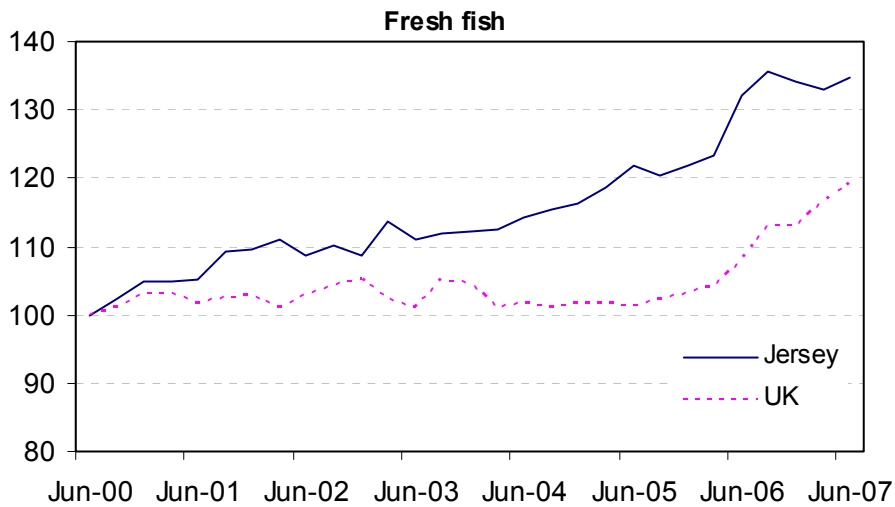
Jersey saw a slightly lower rate of increase in meat prices (chart 4c) over the past year, up by 1.6% on average compared to an increase of 2.3% in the UK. Within the meat sections, average poultry prices have fallen by 4.5% over the period 2000 to 2007 in Jersey, whilst prices in the UK have increased at about the same rate. Other meats have generally seen greater increases in Jersey over the same period, for example, the average price of beef rose by about 18% in Jersey compared to a rise of about 8% in the UK and the average price of pork rose by about 30% in Jersey compared to a rise of about 20% in the UK.

Chart 4c: Meat section of RPI



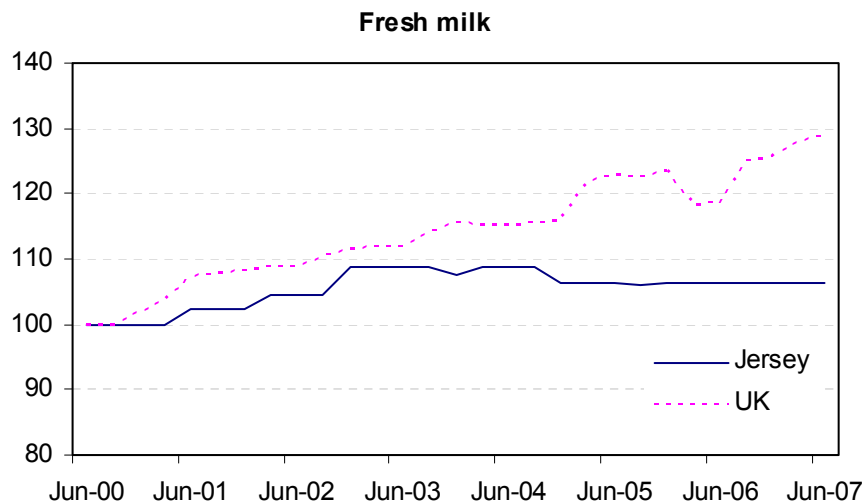
Fresh fish prices rose by over a third in Jersey (35%) compared to 19% in the UK between June 2000 and June 2007 (chart 4d). In the 12 months to 2007 prices have risen faster in the UK (up 11%) than in Jersey (up 2.2%) which contrasts with the 12 months to June 2006 when fresh fish prices rose faster in Jersey (8.2%) than in the UK (6.5%).

Chart 4d: Fresh fish section of RPI



Within the dairy products, milk prices (chart 4e) were essentially unchanged over the year to June 2007 in Jersey, whereas they rose by 9% in the UK. This continues the longer term trend, with prices rising by 29% since 2000 in the UK and by 6.4% in Jersey. The price of milk, however, remains substantially higher in Jersey.

Chart 4e: Fresh milk section of RPI

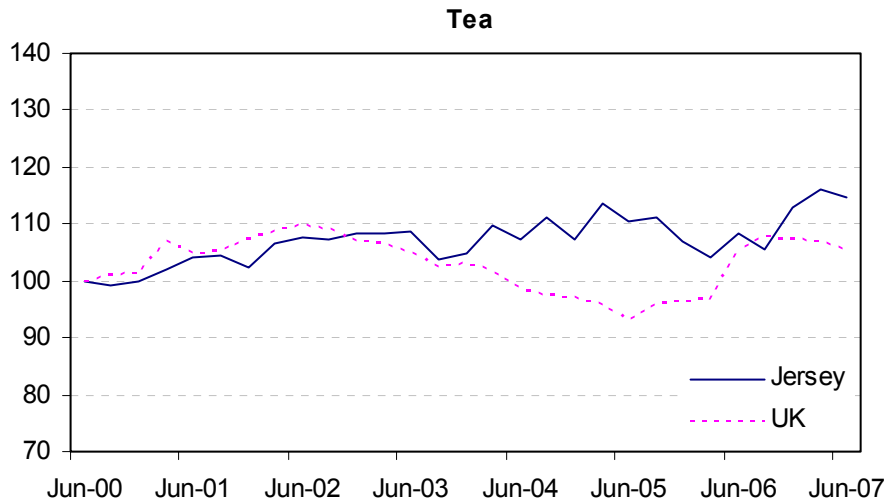


Other milk products (yoghurt, cream etc) have seen price increases in both Jersey and the UK lately (6.2% and 3.8% respectively) and over the last seven years, prices of other milk products in Jersey have risen about 3½ times faster than in the UK.

The price of oils and fats has risen almost three times as fast in Jersey since 2000 and in the twelve months to June 2007 prices in Jersey rose by 8.3% but fell in the UK by 0.7%. Similarly, the price of butter has increased by 17% in Jersey over the last seven years whereas prices in the UK increased by 3.8% over the same period. The rate of increase over 2006 to 2007 remains higher in Jersey (5.1%) than in the UK (2.2%).

The price of tea has increased by 5.8% in Jersey but decreased marginally (by 0.1%) in the UK over the last year. Over the last seven years, tea prices have risen by about 15% in Jersey and by around 5% in the UK (chart 4f). The price of coffee has seen a similar long term trend with prices in Jersey increasing by 11% between 2000 and 2007 whereas the price of coffee in the UK rose by 7.6%.

Chart 4f: Tea section of RPI



Since June 2000 fresh fruit prices (chart 4g) have risen more than twice as fast in Jersey as in the UK. Over the past year, fresh fruit prices have increased by 4.8% in Jersey and by 2.6% in the UK. In contrast, on average fresh vegetable prices (chart 4h) have increased more in the UK over the longer term (44% since 2000 compared to 23% in Jersey). However, vegetable prices have risen more in the UK in the latest year (11% compared to 2.0% in Jersey). Fresh (non-processed) potato prices have moved with some volatility in the UK, but over the whole period by a similar amount to Jersey (40% and 46% respectively). In the latest year, average prices rose by about 18% in Jersey and by about 12% in the UK.

Chart 4g: Fresh fruit section of RPI

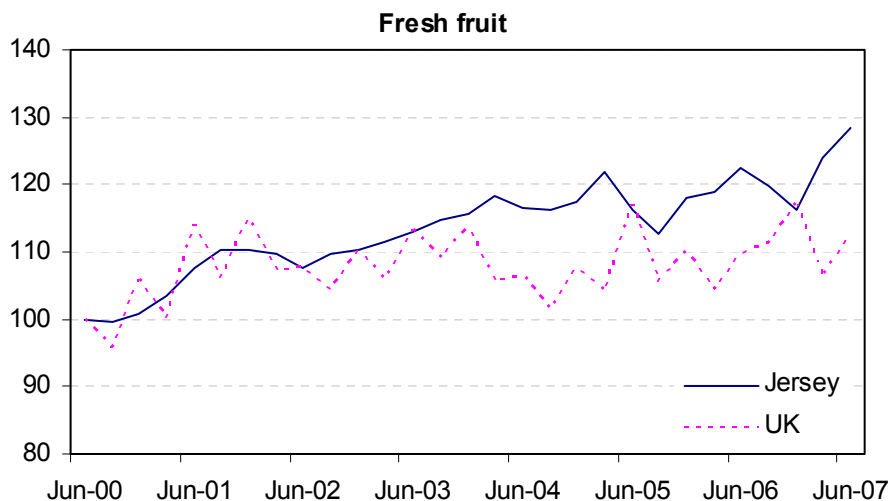
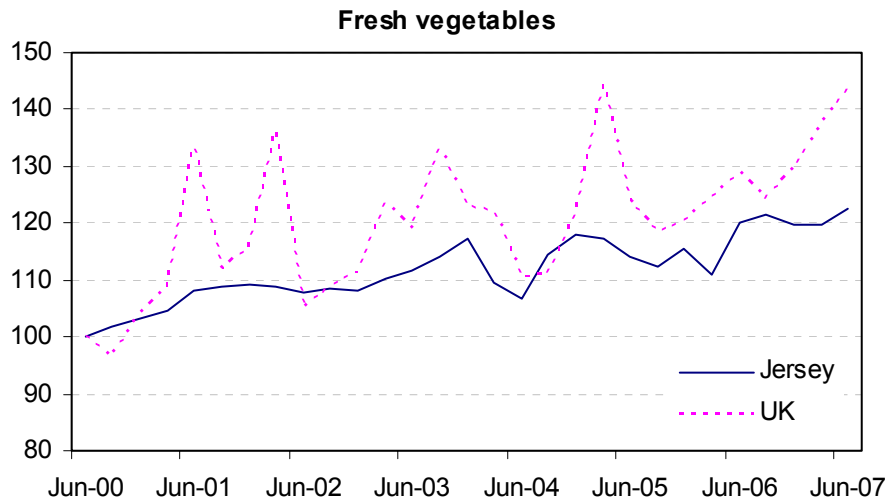


Chart 4h: Fresh vegetables section of RPI



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 types of bread with the price of each type determined by 6 or 7 different price quotes. As such, where data are available it is also informative to look at a direct comparison of average 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 2007

Item	Average price (in pence)		Percentage difference
	Jersey	UK	
<b>Beef: fresh per kg</b>			
Best beef mince	508	481	6
Topside	734	732	0
Rump Steak	1193	983	21
<b>Lamb: fresh per kg</b>			
Loin (with bone)	1109	1132	-2
Shoulder (with bone)	558	442	26
<b>Pork: fresh per kg</b>			
Loin (with bone)	558	518	8
<b>Chicken: roasting, oven-ready, per kg</b>			
Fresh or chilled	283	226	25
<b>Other Meat</b>			
Gammon, per kg	641	662	-3
Bacon, back, per kg	878	761	15
Ham (not shoulder) 113g	138	120	15
Pork sausages, per kg	392	362	8
<b>Weighted average – all Meat</b>			<b>14</b>
<b>Fresh fish: per kg</b>			
White fish fillets	1835	1040	76
Salmon fillets	817	1038	-21
<b>Weighted average –Fish</b>			<b>40</b>

Whilst there have been some fluctuations in prices, on average meat prices (for items for which prices are available) were around a seventh higher in Jersey than in the UK in June 2007, a smaller difference than seen in both 2005 and 2006. The only meat products (for which price quotes are available) cheaper in Jersey are fresh loin of lamb and gammon, about 2% and 3% below the UK, respectively.

Fresh fish was on average 40% more expensive in Jersey (compared to 25% in 2006), with white fish (such as plaice) being about three-quarters more expensive in Jersey but salmon being around a fifth cheaper locally.

## 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 2007. Overall, of items prices, fresh vegetables were about a third more expensive (30%) than in the UK, again a slightly smaller overall difference than that seen in 2006. The majority of priced items saw the price gap narrow

slightly between June 2006 and 2007; for example the price of carrots was 42% higher in Jersey than the UK in 2006 but was 24% higher in 2007.

Table 2: Average prices of matched Fruit and vegetables items in Jersey and the UK: June 2007

Item	Average price (in pence)		Percentage difference
	Jersey	UK	
<b>Fresh vegetables</b>			
Potatoes: old whites, loose, per kg	88	56	57
Potatoes: new, loose, per kg	134	95	41
Tomatoes, per kg	167	158	6
Cauliflower, each	107	89	20
Carrots, per kg	94	76	24
Onions, per kg	107	81	32
Mushrooms, per kg	373	262	42
Cucumber, each	79	67	18
Lettuce: iceberg, each	87	70	24
<b>Weighted average – Fresh vegetables</b>			<b>30</b>

Average fruit prices are about a fifth more expensive in Jersey. Again, the price gap has narrowed slightly for the priced items, with cooking apples, pears and avocados all cheaper in Jersey than the UK in June 2007.

Item	Average price (in pence)		Percentage difference
	Jersey	UK	
<b>Fresh fruit</b>			
Apples: cooking, per kg	142	148	-4
Apples: dessert, per kg	145	131	11
Pears: dessert, per kg	139	141	-1
Oranges: all sizes, each	33	26	27
Bananas, per kg	121	83	46
Grapes, per kg	466	374	25
Avocado, each	66	74	-11
<b>Weighted average – Fresh fruit</b>			<b>22</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 19 pence more (54%), with butter around a quarter (25%) and medium sized eggs about a fifth (22%) more costly in Jersey. Margarine is now slightly cheaper in Jersey, by 3p / 500g.

Table 3: Average prices of matched dairy items in Jersey and the UK: June 2007

Item	Average price (in pence)		% difference
	Jersey	UK	
<b>Dairy produce</b>			
Butter, home produced, per 250g	104	76	37
Butter, imported, per 250g	103	92	12
Margarine/low fat spread, per 500g	102	105	-3
Cheddar cheese, per kg	656	564	16
Eggs, size 4, per dozen	220	181	22
Milk, pasteurised, per pint	54	35	54

### **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. The price differences in 2007 are not as large as they were in the previous year for some items. For example, although tea is still more expensive in Jersey, this item is only 9% higher than the UK this year compared with being 18% higher than the UK in 2006. However, other items have seen price differences increase compared to last year; for example the price of instant coffee was 37% higher in Jersey in 2007 having been 15% higher last year.

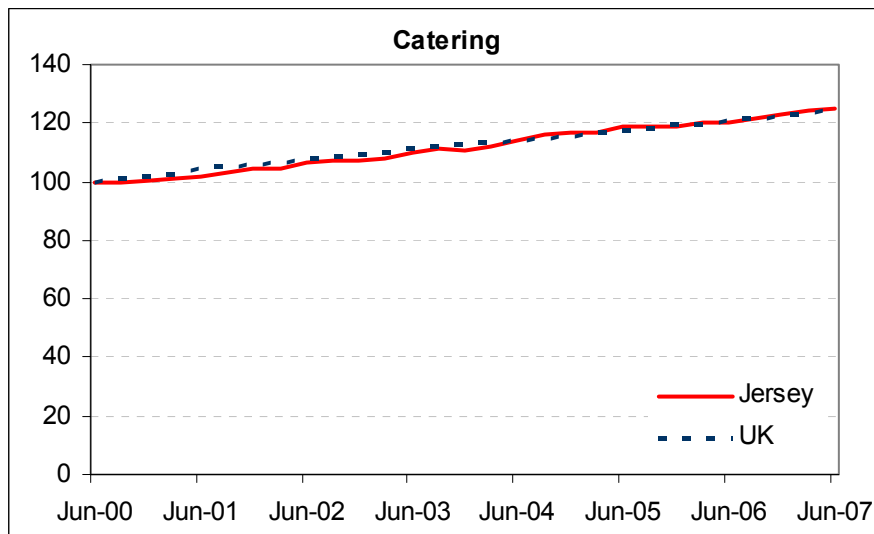
Table 4: Average prices of matched other food items in Jersey and the UK: June 2007

Item	Average price (in pence)		% difference
	Jersey	UK	
<b>Other foods &amp; soft drinks</b>			
Bread: white loaf, sliced, 800g	103	89	16
Bread: wholemeal loaf, sliced, 800g	137	97	41
Flour, self-raising, per 1.5kg	102	75	36
Sugar, granulated, per kg	83	79	5
Tea bags, per 250g	171	157	9
Coffee, pure, instant, per 100g	272	198	37



## Section 2: Catering (weight in Jersey RPI 4.3 out of 100)

Chart 5: Catering group of the RPI in Jersey and the UK June 2000 to June 2007



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 seven years to June 2007 catering prices have risen by about a quarter (25%) in both Jersey and the UK. In the most recent 12 month period the price increases were slightly higher in Jersey at 4.2% compared to 3.2% in the UK, reversing last year's difference of 1.2% in Jersey and 2.7% in the UK.

## Section 3: Alcoholic drinks (weight in Jersey RPI 5.8 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 26p/pint in 2007, whilst over the same period UK duties increased from 27p/pint to 31p/pint.

Over the last 12 months, prices in Jersey have risen by 2.7% and by 3.2% in the UK. Over the last seven years, overall the average price of alcoholic drinks has increased almost twice as fast in Jersey as in the UK (31% and 17%, 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 2007

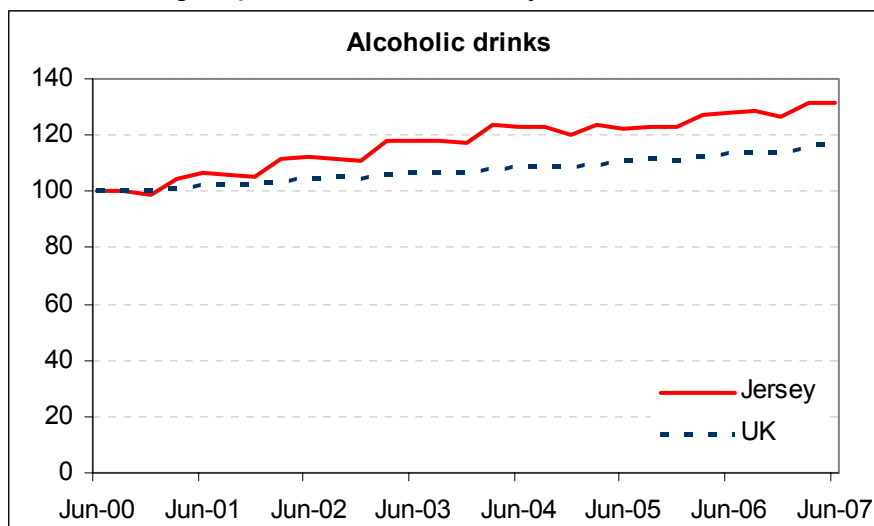


Table 5: Impôts and Excise duties on alcohol in pence

Item	Jersey				UK			
	2000	2005	2006	2007	2000	2005	2006	2007
Draught beer (4% ABV), pint	12	22	25	26	27	29	30	31
Draught lager (5% ABV), pint	16	32	37	39	34	37	38	39
Whisky: litre	609	796	825	854	782	782	782	782
Whisky: 25 ml	15	20	21	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 about a fifth (20%) of the price increase seen in Jersey for beer between 2000 and 2007, with excise duty increases (excluding VAT) accounting for about 7½% of the UK increase. As table 5 shows, impôts on lager increased by 2p/pint between 2006 and 2007 in Jersey whilst those on whisky increased by 29p/litre over the same period. In the UK both beer and lager duties increased by 1p/pint, whilst duty on whisky remained unchanged from 2000 levels.

In 2007, actual prices in Jersey remained below the UK average for bitter but were above the UK for whisky, as shown in table 6.

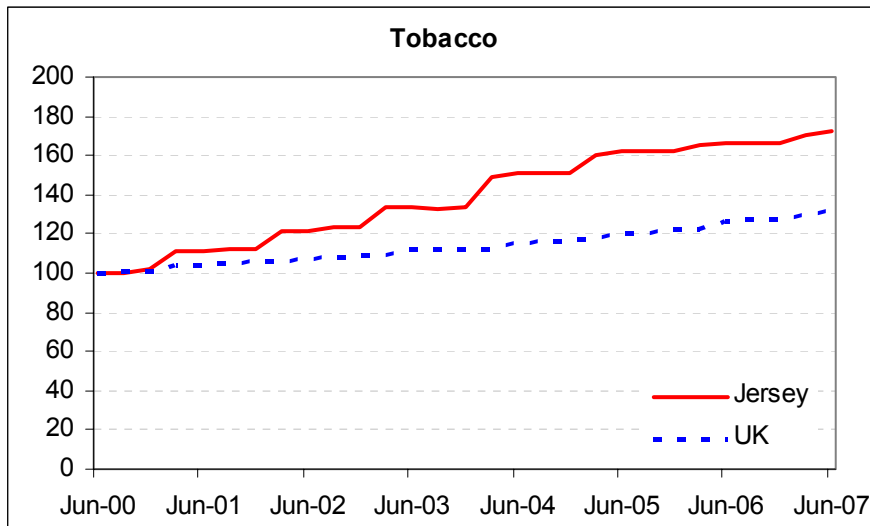
Table 6: Average prices of matched alcoholic drinks in Jersey and the UK: June 2007

Item	Average price (in pence)		Percentage difference
	Jersey	UK	
<b>Alcoholic drinks</b>			
Draught bitter, per pint	229	231	-1
Draught lager, per pint	263	263	0
Whisky, per 25ml nip	209	188	11

The pre-tax prices of both beer and lager are about a quarter higher in Jersey whilst that of whisky is about a third higher in Jersey.

#### Section 4: Tobacco (weight in Jersey RPI 1.6 out of 100)

Chart 7: Tobacco group of the RPI in Jersey and the UK June 2000 to June 2007



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 seven years from June 2000 tobacco prices in Jersey have increased by 73%, compared with an increase of around 33% in the UK. However, in the past 12 months, Jersey prices increased by 4.0% and the UK by 4.8%. Impôts on cigarettes have more than doubled in Jersey between 2000 and 2007, from £1.40 to £3.04 per packet, whilst over the same period UK excise duties have increased by 59 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 20 pence in June 2007 (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	2005	2006	2007	2000	2005	2006	2007
20 Cigarettes	140	280	291	304	268	305	316	327

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

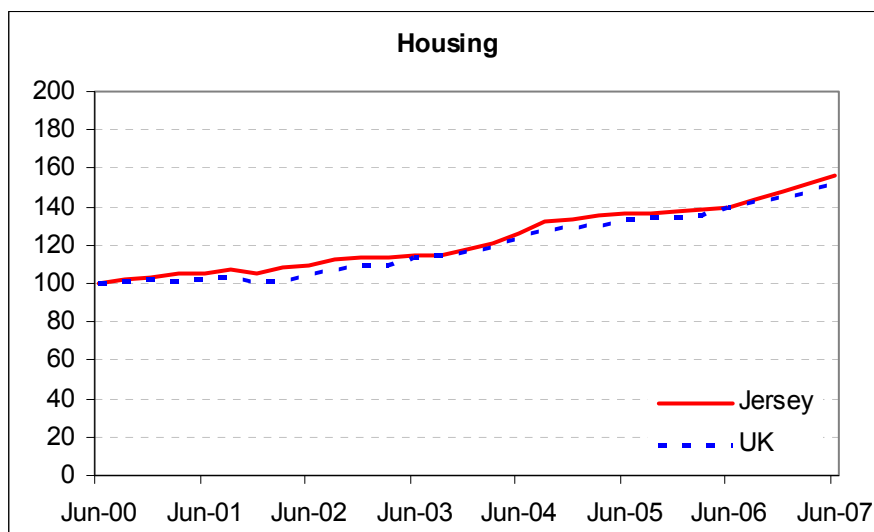
Table 8: Average prices of matched tobacco products in Jersey and the UK: June 2007

Item	Average price (in pence)		Percentage difference
	Jersey	UK	
20 king size filter	484	504	-4

In June 2007, the pre-tax price of cigarettes in Jersey was about three-quarters more expensive than that in the UK, £1.80 compared with £1.02, respectively.

## Section 5: Housing (weight in Jersey RPI 21.6 out of 100)

Chart 8: Housing group of the RPI in Jersey and the UK June 2000 to June 2007



The Housing group has the largest group weight in the Jersey RPI, accounting for about a fifth of the overall index. The group itself consists not only of house purchase costs (the interest paid on mortgages) 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 seven years (increases of around 56% and 53%, respectively). This reflects the fact that home purchase costs (which is the largest element in the group) has increased by a similar amount in both jurisdictions; 85% in Jersey and 80% in the UK over the past seven years. More recently in the year to June 2007, Jersey saw an increase of 11% in the overall Housing group and the UK an increase of 10%.

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

Rental costs have risen about 1½ times faster in Jersey than in the UK over the past seven years, (34% compared to 21% in the UK). This behaviour reflects the higher overall rate of increase in the Jersey RPI compared to the UK over the same period (32% compared to 21%) since that index is often used to increase rental costs each year. Over the last 12 months the increase in rental costs has been higher in Jersey, rising by 3.9% compared to 3.3% in the UK.

Between June 2006-2007 Jersey rates decreased by 4.2% in contrast to the twelve months to 2006 when they rose by 4.5%. The UK saw increases of 4.7% and 4.0% in the year to 2006 and the year to 2007 respectively. Overall, rates have risen faster in the UK than in Jersey since June 2000 (54% and 30%, 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 over three times faster in the UK (6.5%) than Jersey (2.0%) over the last 12 months. Over the last seven years, UK water rates have increased by about 46% and Jersey water rates have risen by around 26%.

Another element of the housing group for which price increases have differed significantly is DIY materials. Prices have risen nearly twice as fast in Jersey than in the UK since June 2000 (increases of 14% and 8% respectively) but over the year to June 2007 prices rose by 2.1% in Jersey and by 4.6% in the UK.

Chart 8a: Rent section of RPI

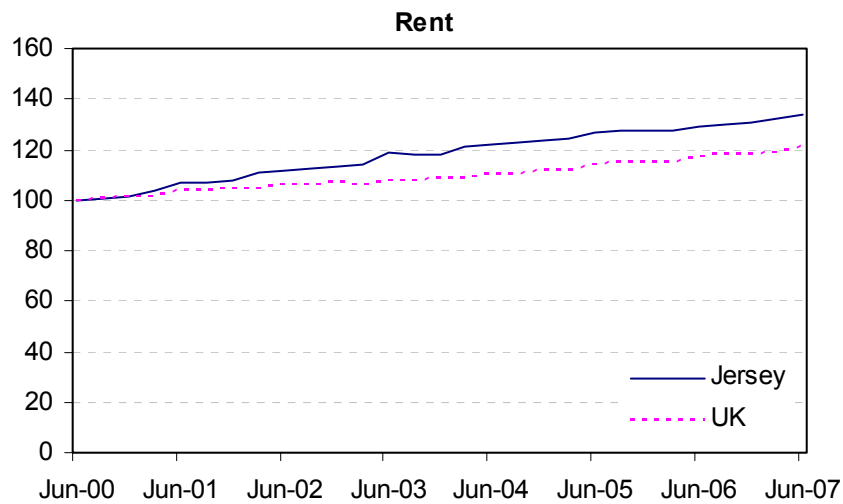


Chart 8b: Housing purchase section of RPI

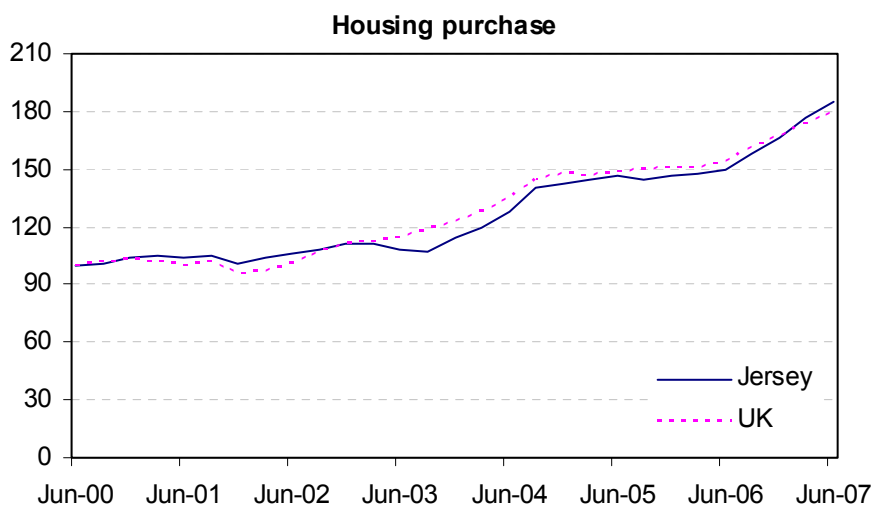


Chart 8c: Water rates section of RPI

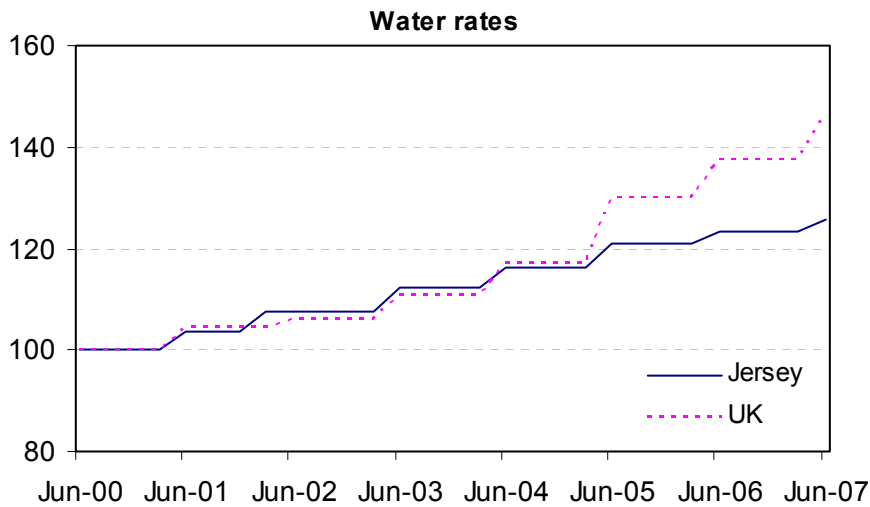
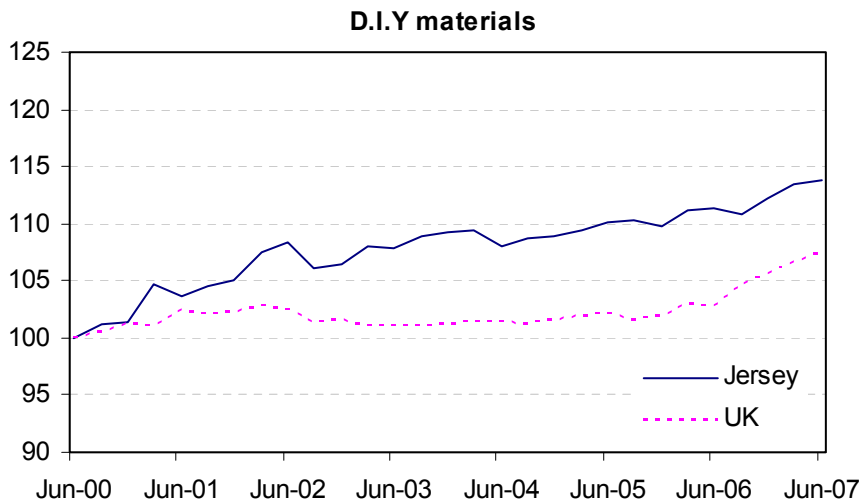


Chart 8d: DIY section of RPI



## Section 6: Fuel and light (weight in Jersey RPI 3.0 out of 100)

The Fuel and light group covers fuels used at home i.e. coal, oil, gas and electricity. Motor fuels are included within the Motoring group. Overall price changes in Jersey and the UK have moved broadly in phase over the past seven years; however, there are some important differences which reflect the different proportions of fuels used in Jersey and the UK.

In the Jersey RPI, heating oil accounts for about a third of the Fuel and light group and gas about a twentieth; in the UK gas accounts for about half of the group and oil about a twentieth. Electricity accounts for about three-fifths of the group in Jersey and about half in the UK. These proportions mean that the Jersey RPI is more susceptible to short term changes in the price of oil, which tends to be quite volatile. Such changes are evident in

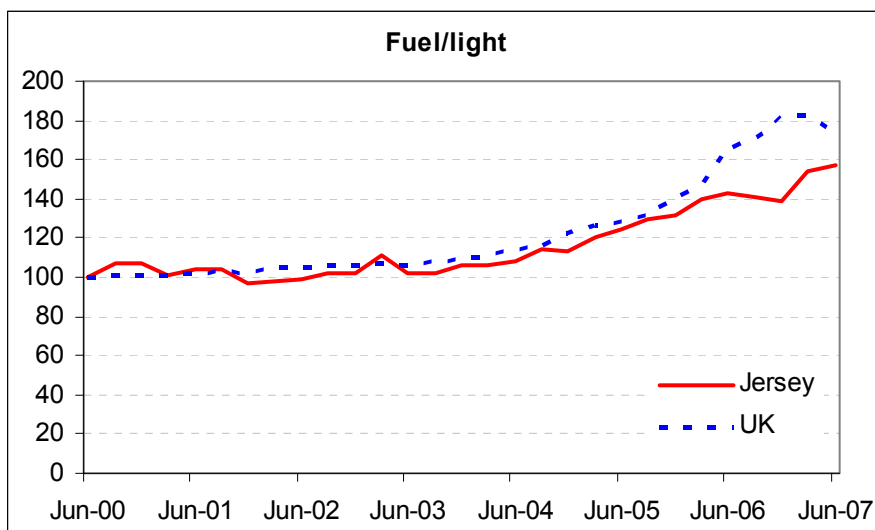
chart 9, with the sharp fall in December 2001 and the rise and fall in mid-2003, the results of large changes in global oil prices. Oil prices have risen since 2004, and since oil and gas prices are linked over the longer term, increases in oil prices have led to increases in gas prices, which has been particularly pertinent for the UK.

Over the seven years to June 2007, energy prices rose by about three-fifths (57%) in Jersey and by about three-quarters (73%) in the UK.

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 have risen in Jersey as well. As a result electricity prices remained unchanged between October 2000 and January 2005; however from January 2005 to January 2006, prices for all consumers rose by about 10%, followed by a 19% increase from January 2006 to January 2007, meaning that the bill for a standard credit consumer using 6,500 kWh increased from £602 in 2006 to £713 in 2007, whilst that for a Comfort heat consumer on 9,000 kWh increased from £504 to £600.

In the last 12 months the overall change in energy prices has been higher in Jersey (10%) than in the UK (5%), contrasting with the 12 months to June 2006, when Jersey saw an increase of 14% and the UK an increase of 28%

Chart 9: Fuel and light group of the RPI in Jersey and the UK June 2000 to June 2007

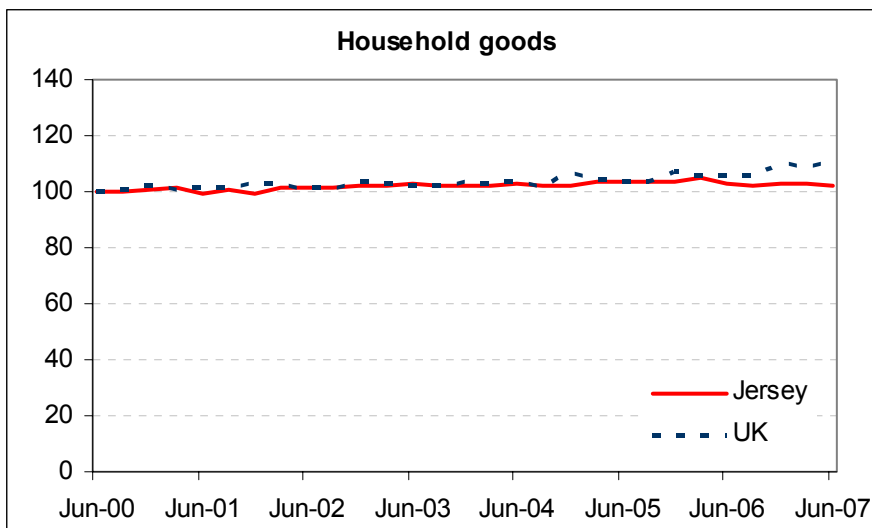


## Section 7: Household goods (weight in Jersey RPI 5.9 out of 100)

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) in Jersey over the past seven years, increasing by just 2%. Prices in the UK however, rose by 11% over the same period.

The year to June 2007 saw a marginal fall of 0.7% in Jersey and an increase of 5.1% in the UK. The majority of the difference between the two jurisdictions can be attributed to differences in the price of furniture. In the year to June 2007 furniture prices increased by 13% in the UK but decreased by 5.2% in Jersey over the same period.

Chart 10: Household goods group of the RPI in Jersey and the UK June 2000 to June 2007



## Section 8: Household services (weight in Jersey RPI 9.0 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 2007, Jersey saw an increase of 4.4% whereas the UK saw an increase of 2.9%. Overall prices in this group have been increasing faster in Jersey than the UK over the last seven years (35% and 25%, respectively).

This difference is partly a result of postal charges rising faster in Jersey since mid-2000. Over the last seven years Jersey saw postal costs increase by 48% whereas the UK rose by 35% over the same period (chart 11a). Both jurisdictions have seen decreases in telephone charges over the seven-year period (6% decrease in Jersey and 12% 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 slight increase of 1.2% whereas prices have fallen by 4.2% in the UK.



Domestic services (which include childcare, home-help etc) have seen similar price increases of 42% in Jersey and 45% in the UK over the last seven years. More recently Jersey has seen an annual increase of 5.6% whilst the UK has seen an increase of 4.7%.

Chart 11: Household services group of the RPI in Jersey and the UK June 2000 to June 2007

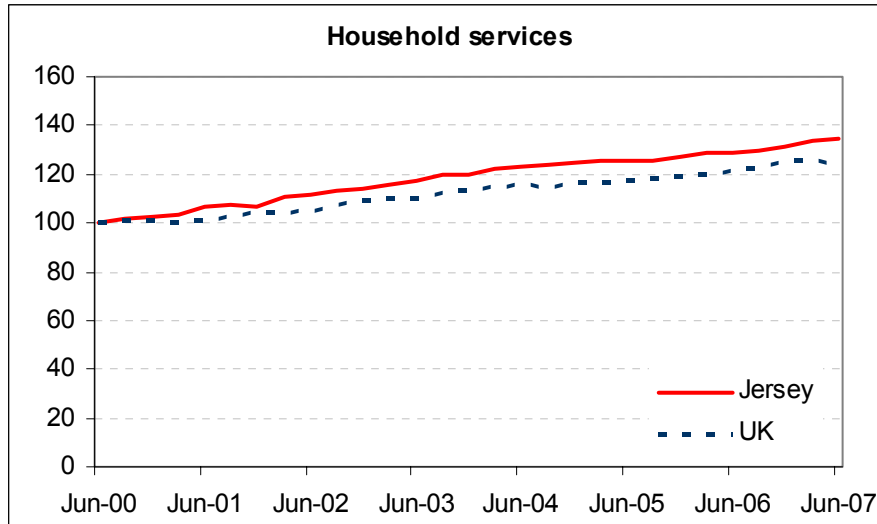


Chart 11a: Postal charges section of the RPI

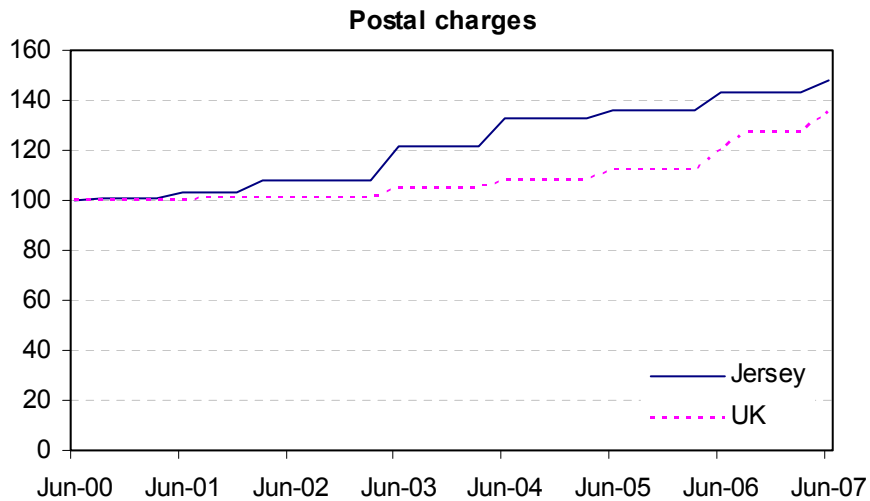
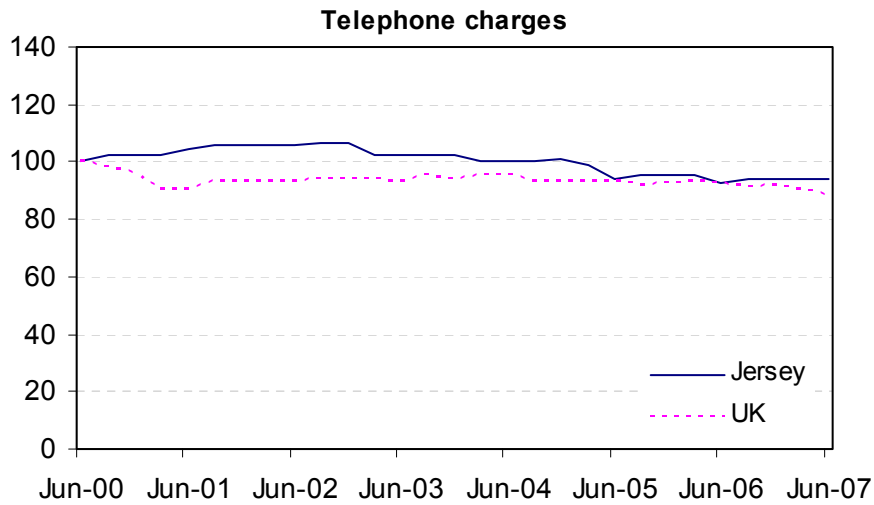


Chart 11b: Telephone charges section of the RPI

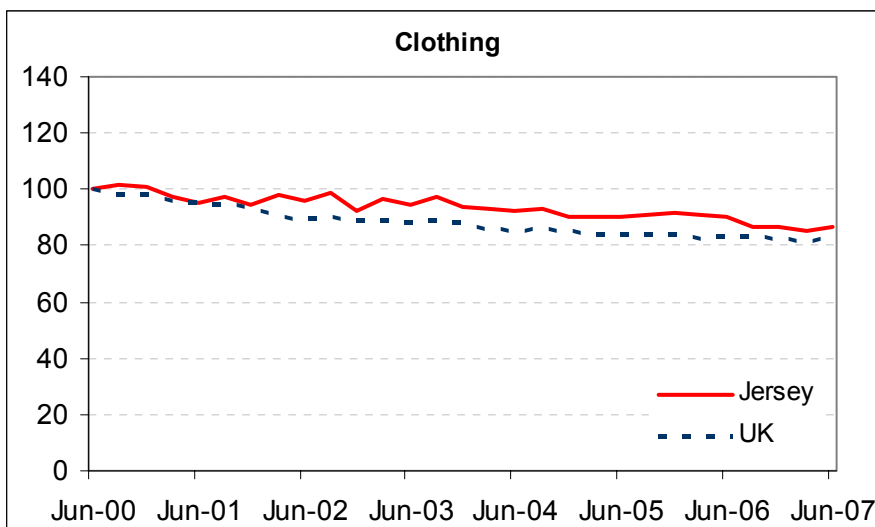


Section 9: Clothing (weight in Jersey RPI 4.5 out of 100)

The average price of clothes and shoes has been on a downward trend in both Jersey and the UK over the past seven years, with Jersey prices decreasing by 13% and the UK by 17%.

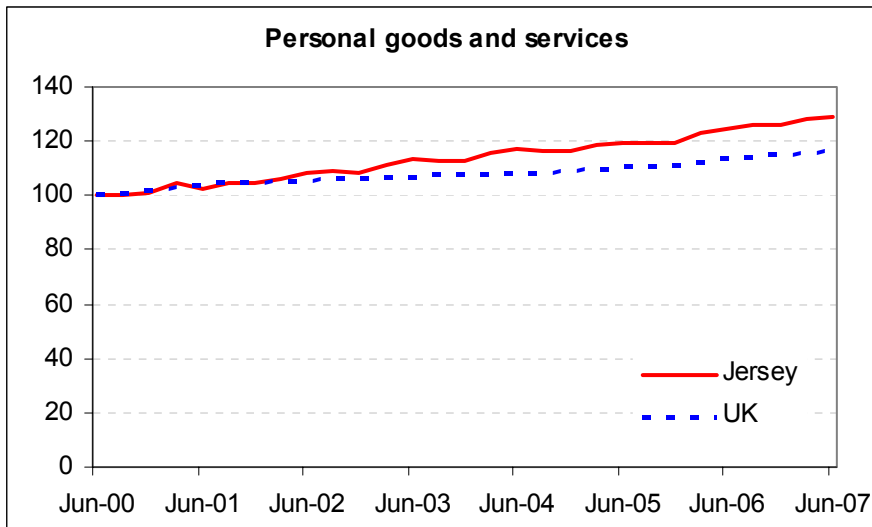
In the most recent 12-month period, average prices in Jersey and the UK have both fallen, by 3.3% and 0.3% respectively.

Chart 12: Clothing group of the RPI in Jersey and the UK June 2000 to June 2007



## **Section 10: Personal goods & services (weight in Jersey RPI 6.5 out of 100)**

**Chart 13: Personal goods & services group of the RPI in Jersey and UK June 2000 to June 2007**



The Personal goods and services group comprises goods such as chemist goods (ranging from painkillers to shampoo and nappies) bags, jewellery and watches, and services (such as hairdressing, medical consultations and eye tests). Overall, prices for these items in Jersey have risen by 29% over the past seven years compared to 17% in the UK. In the 12 months to June 2007 Jersey prices have risen by 3.8% compared to 2.6% in the UK (chart 13).

Personal services (chart 13a) have experienced similar price increases in both Jersey and the UK at a rate of 47% in Jersey and 39% in the UK between 2000 and 2007. In the twelve months to 2007 costs rose by around 3.5% in each jurisdiction.

The UK has seen an increase of 2.3% in chemist goods over the seven years from June 2000 whereas Jersey prices have increased by 16½% 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 4.5% in Jersey (chart 13b).

**Chart 13a: Personal services section of the RPI**

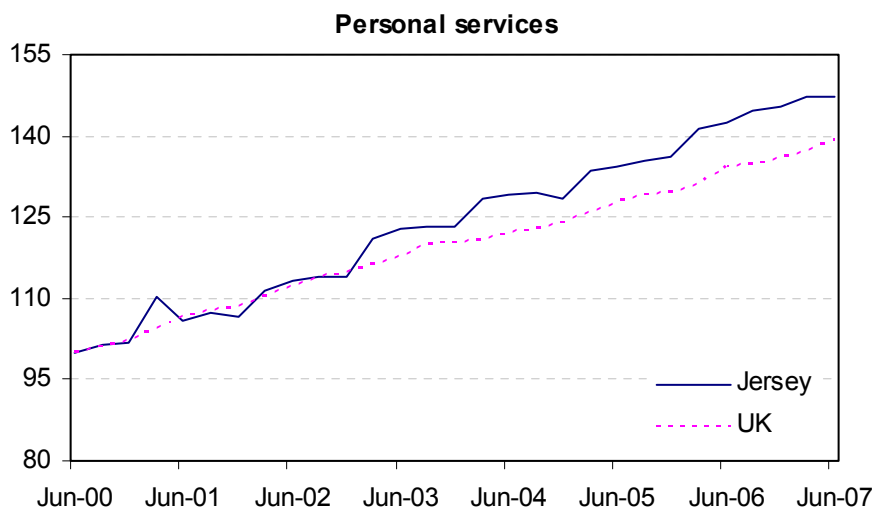
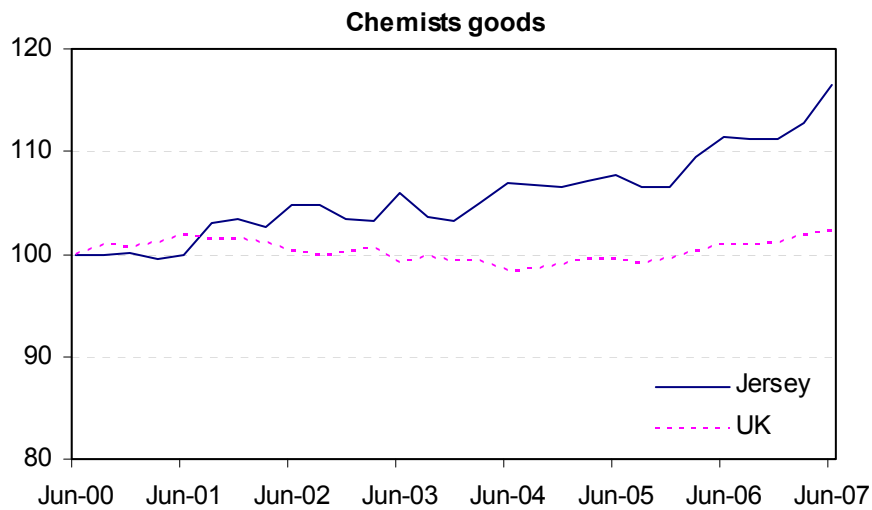


Chart 13b: Chemist goods section of the RPI



Section 11: Motoring expenditure (weight in Jersey RPI 11.1 out of 100)<sup>6</sup>

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 33% in Jersey but by only 3.5% in the UK between 2000 and 2007 (and by 4.0% and 0.8%, respectively, in the latest year) will be an important factor in the difference in growth between the respective aggregate RPIs up to 2005.

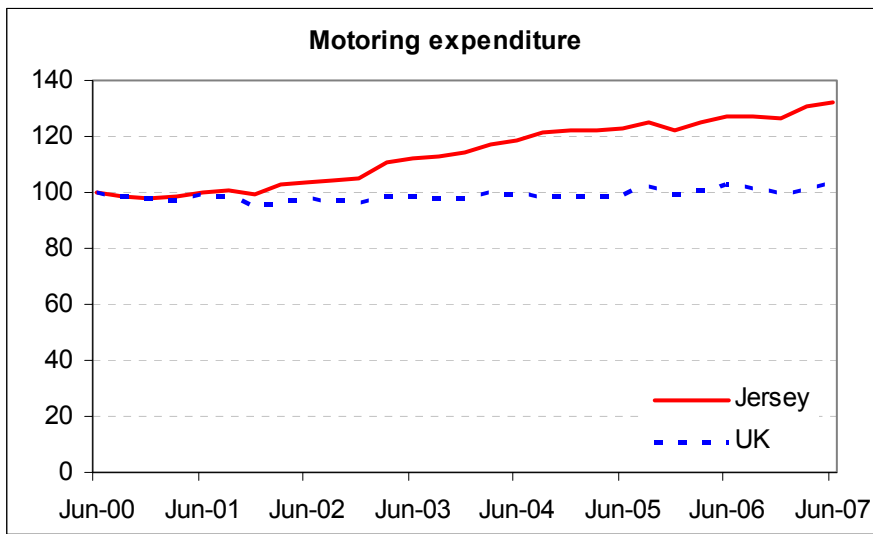
To understand the difference it is necessary to look at the section level, two elements of which are shown in charts 14a and b below.

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<sup>7</sup> 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 19% but have risen in Jersey by 11% over the last seven years. Between June 2006 and June 2007 the cost of vehicles fell by 2.2% in the UK but increased by 3.5% in Jersey.

<sup>6</sup> Following the latest review of the RPI, parking fees were moved from the Motoring group and are now included in Fares and other travel - see Statistics Unit report Retail Prices Index : Review of the basket of goods and services 2007.

<sup>7</sup> Vehicle Registration Duty.

**Chart 14: Motoring group of the RPI in Jersey and the UK June 2000 to June 2007**



Another major element of Motoring costs is fuel (i.e. petrol and oil). However, some care is needed in analysing these costs in the period 2000 to 2007. 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 essentially unchanged in the UK whilst impôts have risen in Jersey. As a result, the petrol and oil component of the Jersey RPI has increased almost three times faster than in the UK (44% and 16%, 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 39.4p/litre. This is reflected in the 12 months to June 2007, with Jersey motor fuel prices rising at a higher rate (3.3%) than UK prices (0.8%).

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

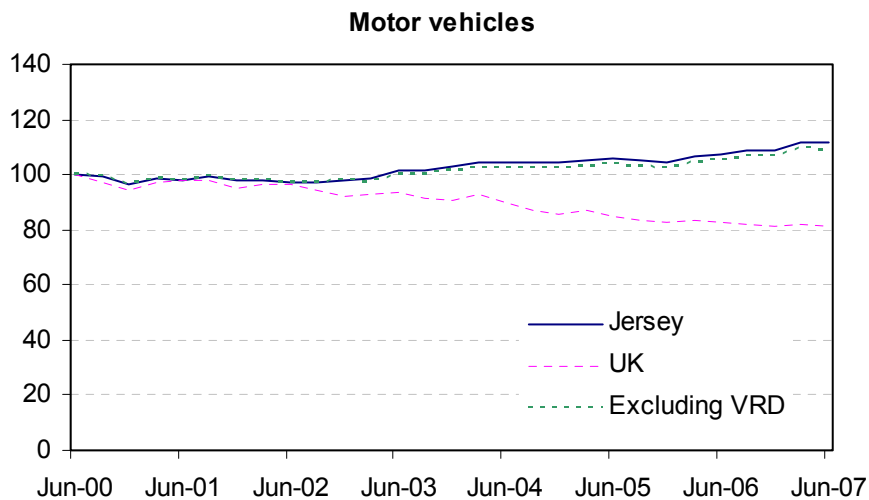


Chart 14b: Petrol and oil section of the RPI

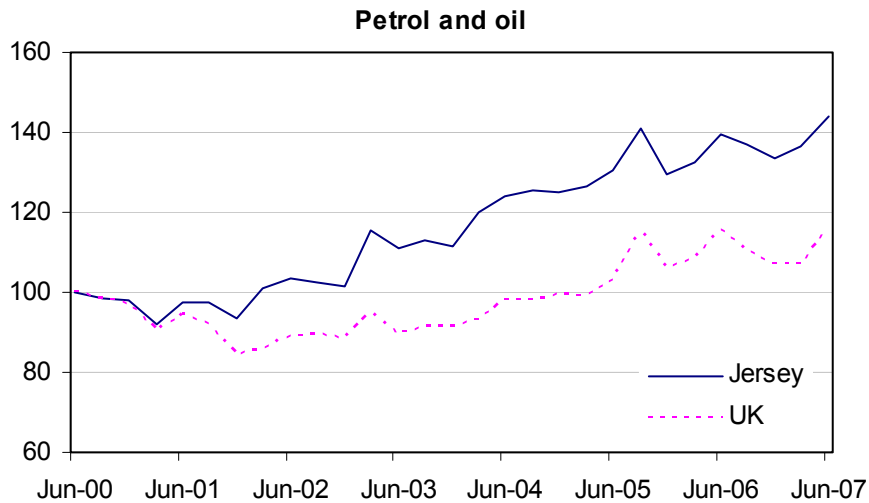


Table 10: Taxes levied on motor fuels (pence per litre)

Fuel	ULSP/premium unleaded				ULSD/diesel			
	2000	2005	2006	2007	2000	2005	2006	2007
<b>Jersey impôts</b>	21.7	36.7	38.0	39.4	21.7	36.7	38.0	39.4
<b>UK duty</b>	49	47	47	47	49	47	47	47
<b>UK duty + VAT</b>	61	60	61	61	62	60	61	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 8p/litre for premium unleaded fuel and about 7p/litre for diesel in June 2007 (Table 11). However, this is a slightly larger difference than that seen in 2006 when fuel costs were 6p/litre and 4p/litre cheaper in Jersey for unleaded fuel and diesel respectively.

Average pre-tax prices in Jersey (50p/litre) are about 40% higher than in the UK (35.5p/litre).

Table 11: Average prices of motor fuels in Jersey and the UK: June 2007

Fuel	Average price (in pence)		Percentage difference
	Jersey	UK	
ULSP/premium unleaded	89	97	-8
ULSD/diesel	90	97	-7

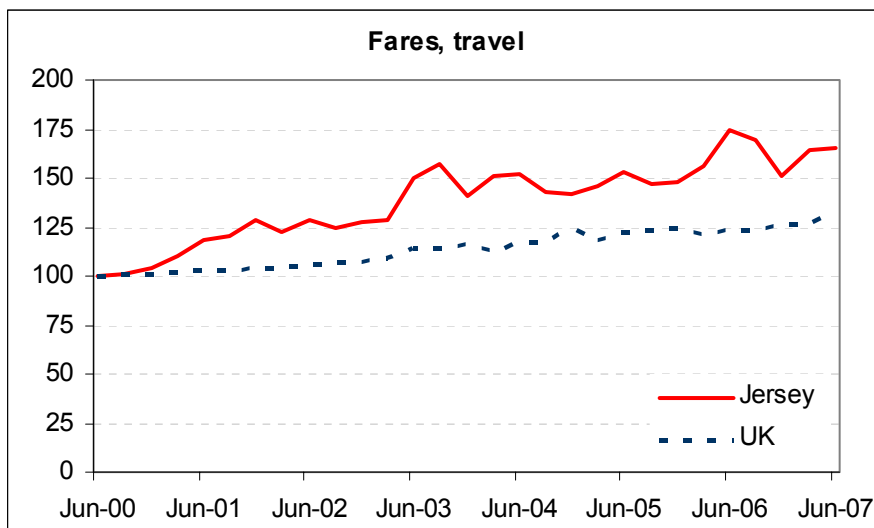
## **Section 12: Fares and other travel costs (weight in Jersey RPI 2.7 out of 100)**

The 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, airline 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 increased in the UK by 8.3% but fell in Jersey by 5.3% between June 2006 and June 2007. This is in contrast to the previous year when Jersey prices were increasing faster (14%) than UK prices (1.3%).

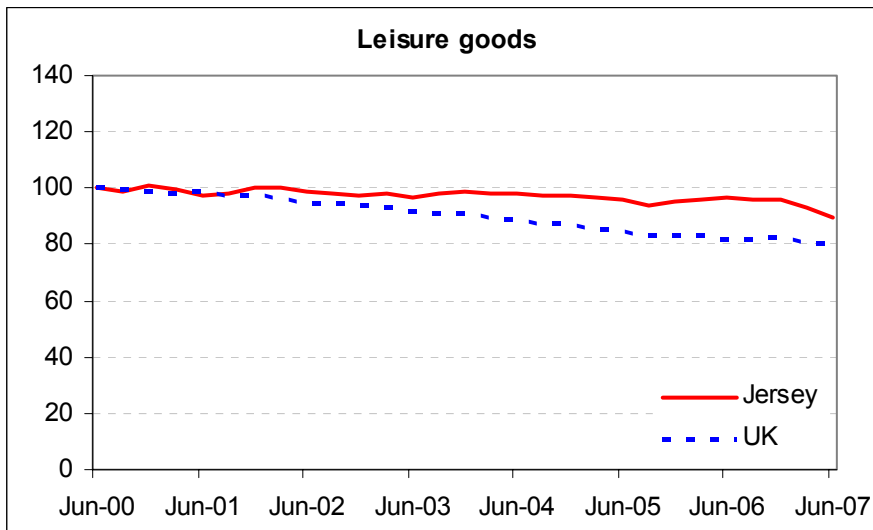
**Chart 15: Fares and travel group of the RPI in Jersey and the UK June 2000 to June 2007**



## **Section 13: Leisure goods (weight in Jersey RPI 5.2 out of 100)**

Leisure goods cover a wide range of items which 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.

Chart 16: Leisure goods group of the RPI in Jersey and the UK June 2000 to June 2007

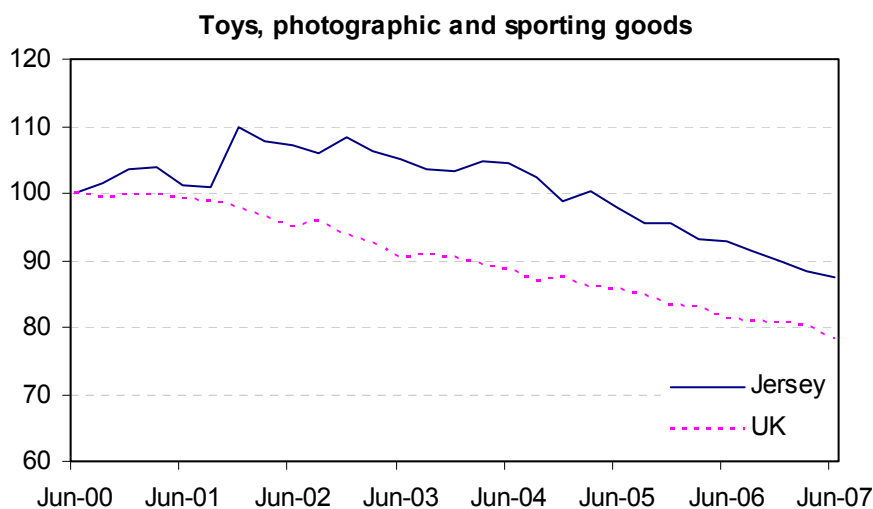


Aggregating the various section levels into the group index for Leisure goods (chart 16) shows that UK prices have fallen by 20% in the seven years to June 2007, compared to a 10% fall in Jersey, and have fallen by 2.8% in the UK in the last 12 months compared to a fall of 7% in Jersey. However, within individual series some interesting results can be observed.

For example, prices for gardening products show a rise in Jersey of 8% but a decrease of 2.8% in the UK over the last seven years. Focusing on just the last 12 months to June 2007 shows that Jersey's prices for gardening products fell by 5.5% while the UK's fell slightly, by 0.6%

Another factor to note is the large decrease of 22% in the prices of toys, photographic and sporting goods in the UK over the last seven years in comparison with the smaller decrease of 13% in Jersey. However, within the most recent 12 months to June 2007 both jurisdictions have seen similar rates of decrease, with prices falling by 3.7% and 5.9% in the UK and Jersey, respectively.

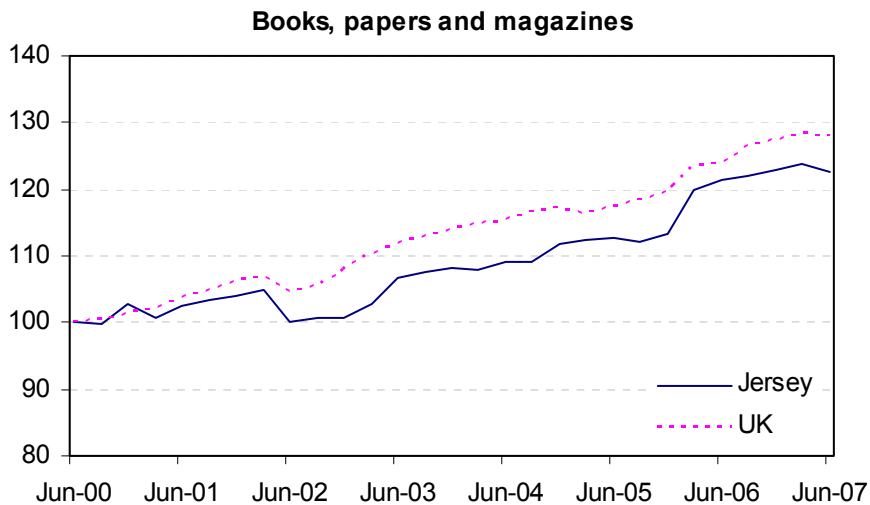
Chart 16a: Toys, photographic and sporting goods section of the RPI





As a result of the broad nature of this group, the price movements in individual sections can differ greatly. For example, the average cost of audio-visual equipment has fallen by more than 60% in both Jersey and the UK between June 2000 and June 2007, reflecting the fact that as technology advances the cost of established products falls. However, over the past seven years the cost of books, papers and magazines has continued to rise (chart 16a) in both Jersey (23%) and the UK (28%). Within the last 12 months from June 2006 to June 2007 there has been a larger rise in UK prices (3.5%) than those in Jersey (1.0%).

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



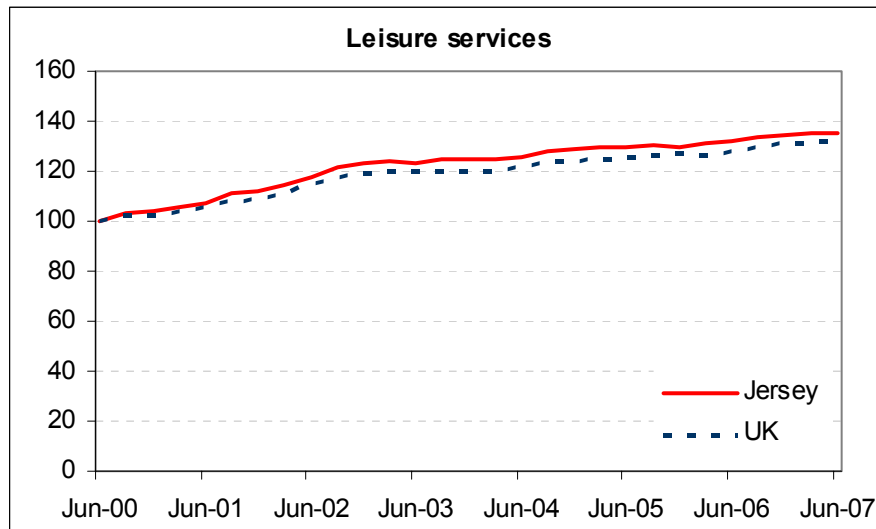
Section 14: Leisure services (weight in Jersey RPI 8.4 out of 100)<sup>8</sup>

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-Island holidays.

Overall price movements have been fairly similar with prices increasing by 2.3% in Jersey and by 3.3% in the UK in the 12 months to June 2007, but prices have risen marginally faster in Jersey (35%) than in the UK (32%) over the past seven years.

<sup>8</sup> Following the latest review of the RPI, school fees were moved from the Leisure services group and are now included in Household services - see Statistics Unit report Retail Prices Index : Review of the basket of goods and services 2007.

Chart 17: Leisure services group of the RPI in Jersey and the UK June 2000 to June 2007



### Comparison with Guernsey and the Isle of Man<sup>9</sup>

A direct comparison of prices between Jersey, Guernsey and the Isle of Man for selected items is shown in Annex B. The price of meat is generally cheaper in Jersey than Guernsey, as are fresh vegetables and fresh fruit, with lettuce being the only item more expensive to purchase in Jersey. In contrast, dairy products are generally cheaper in Guernsey, with a pint of milk costing 40p compared to 54p in Jersey. Cheddar cheese was the only dairy product cheaper to buy in Jersey (for which prices are published).

Both lager and whisky cost more in Jersey than Guernsey although a pint of beer is slightly cheaper in Jersey (£2.29 compared to £2.33 in Guernsey). The price of cigarettes is also higher in Jersey (£4.85 compared to £4.18). Petrol and diesel cost 89p and 90p per litre, respectively in Jersey, whereas the price of petrol and diesel in Guernsey is 65p and 51p per litre, respectively. These variations are largely explained by differences in the respective impôt and excise rates. In particular, in the case motor fuel prices there is no explicit car tax in Jersey; instead duty is put onto the price of petrol, whereas in Guernsey there is car tax.

Compared to the Isle of Man, lamb, pork and chicken are all less expensive to purchase in Jersey; however the cost of mince beef is higher in Jersey. Almost all items of fresh vegetables and fruit (for which prices are published) are cheaper to buy in the Isle of Man. Similarly, all priced dairy products are also cheaper in the Isle of Man.

In contrast, beer and lager are cheaper in Jersey than in the Isle of Man, although the price of whisky is more expensive locally. Cigarettes are also less expensive in Jersey, at £4.85 compared to £5.32 in the Isle of Man. Both petrol and diesel have a higher cost in the Isle of Man being £1.02 and £1.04 per litre, respectively, compared with 89p per litre and 90p per litre, respectively, in Jersey.

<sup>9</sup> Source: The Guernsey Policy and Research Unit and the Isle of Man Economic Affairs Division.

**Average prices of matched items in Jersey and the UK**  
**June 2000 – June 2007**

**Table A1: Meat and fish**

<u>Item</u>	Average prices (in pence)											
	2007			2006			2005			2000		
	Jsy	UK	% diff	Jsy	UK	% diff	Jsy	UK	% diff	Jsy	UK	% diff
<b>Beef: fresh per kg</b>												
Best beef mince	508	481	6	484	439	10	522	428	22	463	411	13
Topside	734	732	0	800	731	9	681	670	2	728	615	18
Rump Steak	1193	983	21	1087	942	15	1077	902	19	970	858	13
<b>Lamb: fresh per kg</b>												
Loin (with bone)	1109	1132	-2	1214	1102	10	1213	1033	17	932	882	6
Shoulder (with bone)	558	442	26	602	444	36	565	424	33	372	363	2
<b>Pork: fresh per kg</b>												
Loin (with bone)	558	518	8	663	521	27	624	500	25	568	441	29
<b>Chicken: roasting, oven-ready, per kg</b>												
Fresh or chilled	283	226	25	270	222	22	272	231	17	247	222	11
<b>Other Meat</b>												
Gammon, per kg	641	662	-3	751	625	20	669	582	15	521	525	-1
Bacon, back, per kg	878	761	15	899	748	20	837	706	19	837	597	40
Ham (not shoulder) 113g	138	120	15	105	111	-5	104	115	-11	96	87	10
Pork sausages, per kg	392	362	8	443	351	26	490	343	43	394	304	30
<b>Fresh fish: per kg</b>												
White fish fillets	1835	1040	76	1183	937	26	1012	874	16	n/a	n/a	n/a
Salmon fillets	817	1038	-21	1132	924	23	998	796	25	n/a	n/a	n/a

**Table A2: Fruit and vegetables**

<u>Item</u>	Average prices (in pence)											
	2007			2006			2005			2000		
	Jsy	UK	% Diff	Jsy	UK	% diff	Jsy	UK	% diff	Jsy	UK	% diff
<b>Fresh vegetables</b>												
Potatoes: old whites, loose, per kg	88	56	57	65	49	33	62	44	41	35	57	-39
Potatoes: new, loose, per kg	134	95	41	113	87	30	87	92	-6	136	75	81
Tomatoes, per kg	167	158	6	159	137	16	155	147	5	123	133	-8
Cauliflower, each	107	89	20	110	89	24	89	74	20	70	75	-7
Carrots, per kg	94	76	24	101	71	42	89	73	22	88	54	63
Onions, per kg	107	81	32	81	55	47	71	71	0	64	66	-3
Mushrooms, per kg	373	262	42	362	252	44	397	257	54	371	266	39
Cucumber, each	79	67	18	77	72	7	75	57	32	61	55	11
Lettuce: iceberg, each	87	70	24	90	69	30	83	62	34	69	53	30
<b>Fresh fruit</b>												
Apples: cooking, per kg	142	148	-4	146	143	2	138	145	-5	98	105	-7
Apples: dessert, per kg	145	131	11	141	124	14	137	120	14	126	112	13
Pears: dessert, per kg	139	141	-1	172	144	19	153	132	16	140	133	5
Oranges: all sizes, each	33	26	27	30	21	43	29	22	32	22	21	5
Bananas, per kg	121	83	46	125	80	56	136	96	42	111	100	11
Grapes, per kg	466	374	25	509	365	39	500	398	26	392	356	10
Avocado, each	66	74	-11	70	75	-7	65	66	-2	69	72	-4

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

Item	Average prices (in pence)											
	2007			2006			2005			2000		
	Jsy	UK	% diff	Jsy	UK	% diff	Jsy	UK	% diff	Jsy	UK	% diff
<b>Dairy produce</b>												
Butter, home produced, per 250g	104	76	37	93	78	19	109	76	43	82	81	1
Butter, imported, per 250g	103	92	12	101	88	15	103	92	12	88	88	0
Margarine/low fat spread, per 500g	102	105	-3	103	104	-1	106	90	18	91	79	15
Cheddar cheese, per kg	656	564	16	530	565	-6	569	541	5	506	508	0
Eggs, size 4, per dozen	220	181	22	175	162	8	162	153	6	141	135	4
Milk, pasteurised, per pint	54	35	54	55	34	62	55	35	57	51	34	50
<b>Other foods &amp; soft drinks</b>												
Bread: white loaf, sliced, 800g	103	89	16	106	80	33	109	69	58	86	52	65
Bread: wholemeal loaf, sliced, 800g	137	97	41	125	89	40	120	82	46			
Flour, self-raising, per 1.5kg	102	75	36	87	66	32	87	65	34	76	60	27
Sugar, granulated, per kg	83	79	5	82	74	11	84	74	14	71	55	29
Tea bags, per 250g	171	157	9	181	153	18	181	121	50	166	138	20
Coffee, pure, instant, per 100g	272	198	37	210	183	15	200	182	10	200	186	8

**Table A4: Alcohol and tobacco**

<u>Item</u>	Average prices (in pence)											
	2007			2006			2005			2000		
	Jsy	UK	% diff	Jsy	UK	% diff	Jsy	UK	% diff	Jsy	UK	% diff
<b>Alcoholic drinks</b>												
Draught bitter, per pint	229	231	-1	214	220	-3	204	212	-4	157	178	-12
Draught lager, per pint	263	263	0	251	252	-0	242	242	0	178	200	-11
Whisky, per 25ml nip	209	188	11	191	180	6	184	174	6	135	142	-5
<b>Cigarettes</b>												
20 King size filter	485	504	-4	464	481	-4	455	457	-0.4	281	396	-29

**Table A5: Petrol and oil**

<u>Item</u>	Average prices (in pence)											
	2007			2006			2005			2000		
	Jsy	UK	% diff	Jsy	UK	% diff	Jsy	UK	% diff	Jsy	UK	% diff
<b>Petrol</b>												
ULS unleaded petrol, per litre	89	97	-8	89	95	-6	83	85	-2	60	84	-29
ULS diesel, per litre	90	97	-7	93	97	-4	87	89	-2	60	83	-28

**Average prices of matched items in Jersey, Guernsey and the  
Isle of Man June 2000 – June 2007**

**Table B1: Meat and fish**

<u>Item</u>	Average prices (in pence ) 2007				
	Jersey	Guernsey	% <i>diff</i>	Isle of Man	% <i>diff</i>
<b>Beef: fresh per Kg</b>					
Best beef mince	508	487	4	253	101
Topside	734	891	-18	709	4
Rump Steak	1193	1249	-4	1221	-2
<b>Lamb: fresh per Kg</b>					
Loin (with bone)	1109	1208	-8	1168	-5
Shoulder (with bone)	558	568	-2	744	-25
<b>Pork: fresh per Kg</b>					
Loin (with bone)	558	666	-16	590	-5
<b>Chicken: roasting, oven-ready, per Kg</b>					
Fresh or chilled	283	303	-7	287	-1
<b>Other Meat</b>					
Gammon, per kg	641	637	1	704	-9
Bacon, back, per kg	878	912	-4	764	15
Ham (not shoulder) 113g	138	n/a	n/a	n/a	n/a
Pork sausages, per kg	392	497	-21	351	12
<b>Fresh fish: per Kg<sup>10</sup></b>					
Salmon fillets	817	1023	-20	n/a	n/a

<sup>10</sup> As different species of white fish are priced in each jurisdiction, average prices of white fish fillets are not comparable.

**Table B2: Fruit and vegetables**

<u>Item</u>	Average prices (in pence ) 2007				
	Jersey	Guernsey	% <i>diff</i>	Isle of Man	% <i>diff</i>
<b>Fresh vegetables</b>					
Potatoes: old whites, loose, per kg	88	123	-28	78	13
Potatoes: new, loose, per kg	134	n/a	n/a	n/a	n/a
Tomatoes, per kg	167	187	-11	119	40
Cauliflower, each	107	110	-3	112	4
Carrots, per kg	94	97	-3	55	71
Onions, per kg	107	126	-15	96	11
Mushrooms, per kg	373	397	-6	219	70
Cucumber, each	79	n/a	n/a	87	-9
Lettuce: iceberg, each	87	85	2	86	1
<b>Fresh fruit</b>					
Apples: cooking, per kg	142	n/a	n/a	141	1
Apples: dessert, per kg	145	198	-27	109	33
Pears: dessert, per kg	139	152	-9	88	58
Oranges: all sizes, each	33	34	-3	29	14
Bananas, per kg	121	123	-2	102	19
Grapes, per kg	466	520	-10	206	126
Avocado, each	66	n/a	n/a	134	-51



**Table B3: Dairy produce, other foods and soft drinks**

<u>Item</u>	Average prices (in pence ) 2007				
	Jersey	Guernsey	% <i>diff</i>	Isle of Man	% <i>diff</i>
<b>Dairy produce</b>					
Butter, home produced, per 250g	104	96	8	76	37
Butter, imported, per 250g	103	94	10	97	6
Margarine/low fat spread, per 500g	102	90	13	89	15
Cheddar cheese, per kg	656	888	-26	562	17
Eggs, size 4, per dozen	220	n/a	n/a	212	4
Milk, pasteurised, per pint	54	40	35	50	8
<b>Other foods &amp; soft drinks</b>					
Bread: white loaf, sliced, 800g	103	123	-16	118	-13
Bread: wholemeal loaf, sliced, 800g	137	137	0	124	10
Flour, self-raising, per 1.5kg	102	90	13	103	-1
Sugar, granulated, per kg	83	81	2	93	-11
Tea bags, per 250g	171	186	-8	162	6
Coffee, pure, instant, per 100g	272	252	8	229	19

**Table B4: Alcohol and tobacco**

<u>Item</u>	Average prices (in pence ) 2007				
	Jersey	Guernsey	% <i>diff</i>	Isle of Man	% <i>diff</i>
Draught bitter, per pint	229	233	-2	230	-0
Draught lager, per pint	263	251	5	276	-5
Whisky, per 25ml nip	209	187	12	146	43
20 King size filter	485	418	16	532	-9

**Table B5: Petrol and oil**

<u>Item</u>	Average prices (in pence ) 2007				
	Jersey	Guernsey	% <i>diff</i>	Isle of Man	% <i>diff</i>
ULS unleaded petrol, per litre	89	65	37	102	-13
ULS diesel, per litre	90	51	76	104	-13