

Rising utility prices and grocery bills consume Australian wages

02 November 2022

New data shows the daily cost of living for the average Australian in October 2022 increased by **1.6%** over the month to **\$59.78**. This represents an increase from \$58.81 in September and \$58.57 in October 2021.

The figures are drawn from the Beforepay Cost of Living Index, which summarises the spending of more than 300,000 Australians across several household expense categories including utilities, groceries, food and drink, shopping, petrol and fitness and health.

The biggest increase month on month was the **9.2%** jump in utilities to **\$5.81** in October 2022, up from **\$5.32** in September. With rising inflation and global pressures driving prices up, daily utility spend increased from \$5.09 during the same period last year to \$5.81 in October 2022. Beforepay's definition of utilities includes electricity, household gas and mobile and internet.

The Government has forecast increases in electricity prices by 50% over the next 2 years from \$2 per day for electricity to \$3, due to inflation, cost of importing raw material for energy generation and competitive overseas gas pricing.

Daily spending on groceries increased by **2.2%** from **\$15.20** in September 2022 to **\$15.54** in October 2022, due to continued sustained inflationary pressures and seasonality.

An increase of 2.4% was seen in daily spending on petrol and auto, possibly due to the end of the fuel excise cut which ended on 29th September 2022.

The growth in these non-discretionary categories has caused consumers to slow their spending in food and drink (which declined month-on-month), entertainment, and shopping (which saw only modest increases).



Beforepay CEO Jamie Twiss, said: "The October release of the Beforepay Cost of Living Index shows the impact of rising inflation, higher interest rates and global pressures on working hard-working Australians"

"Our data shows that over the past month spending has increased by 1.6% across all the categories we measure, driven by groceries, petrol, and utilities. These non-discretionary purchases are crowding out spend in categories like food and drink."

Beforepay													Cost of Living Index	
													October 2022 Update	
	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Jul 2022	Aug 2022	Sep 2022	Oct 2022	
Cost Of Living Index	\$58.57	\$60.23	\$61.21	\$55.95	\$58.68	\$61.68	\$59.35	\$57.36	\$56.24	\$66.46	\$83.27	\$58.81	\$59.78	
Sub Categories														
Groceries	\$15.37	\$15.28	\$15.05	\$14.88	\$14.95	\$15.38	\$14.82	\$14.74	\$14.41	\$15.96	\$18.89	\$15.20	\$15.54	
Food & Drink	\$10.44	\$10.91	\$10.64	\$10.13	\$10.46	\$11.49	\$11.27	\$10.67	\$10.55	\$12.58	\$14.55	\$11.15	\$10.87	
Petrol And Auto	\$8.11	\$8.31	\$8.24	\$7.77	\$8.41	\$8.76	\$8.14	\$8.10	\$8.08	\$8.71	\$10.63	\$7.91	\$8.10	
Shopping	\$7.07	\$7.93	\$9.50	\$6.43	\$7.04	\$7.78	\$7.49	\$7.17	\$7.06	\$9.39	\$10.55	\$7.13	\$7.24	
Utilities	\$5.09	\$4.98	\$4.83	\$5.00	\$5.31	\$5.33	\$5.02	\$5.15	\$5.15	\$5.83	\$8.02	\$5.32	\$5.81	
Entertainment & Leisure	\$3.29	\$3.68	\$3.74	\$3.33	\$3.61	\$3.68	\$3.52	\$3.10	\$2.57	\$3.17	\$4.25	\$3.13	\$3.25	
Durable Shopping	\$7.05	\$6.99	\$6.87	\$6.28	\$6.66	\$7.08	\$6.88	\$6.26	\$6.25	\$8.28	\$12.53	\$6.62	\$6.55	
Fitness & Health	\$2.15	\$2.15	\$2.34	\$2.13	\$2.24	\$2.18	\$2.21	\$2.17	\$2.17	\$2.54	\$3.85	\$2.35	\$2.42	

Note: Data is derived from Beforepay data, not adjusted for seasonality. It is provided for general info only and shouldn't be relied on. See full disclaimer at blog.beforepay.com.au/the-beforepay-cost-of-living-index-october-2022

About the Beforepay Cost of Living Index

The Beforepay Cost of Living Index shows the average daily spend of Beforepay registered users across multiple household expense categories. The average income of customers in the sample is approximately \$56,000 and the average age is 33, with a broadly representative geographic and gender breakdown. The data may vary depending on the main bank account linked with Beforepay. To the maximum extent permitted by law, Beforepay and its related bodies corporate, make no representation or warranty, express or implied, as to the accuracy, completeness, timeliness or reliability of the contents of this article and do not accept any liability for any loss whatsoever arising from the use of this article or its contents or otherwise arising in connection with it.

For more information about the Cost of Living Index visit:

<https://blog.beforepay.com.au/the-beforepay-cost-of-living-index-october-2022>

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About Beforepay:

- Beforepay was founded in 2019 to support working Australians who have not been well-served by the traditional financial-services industry.
- Beforepay is an ethical, customer-friendly way to help people manage temporary cash- flow challenges.
- We've created a simple, transparent and inexpensive fee model that gives our customers total control. Importantly, unlike traditional products like credit cards, we charge only a small transaction fee, zero interest and no late fees.
- We take our commitment to providing funds responsibly very seriously, and that includes only providing funds to people who meet our strict safeguards.
- Our app also includes free budgeting tools and spending insights. For more information visit: www.beforepay.com.au