

# Consumer price inflation, 1947–2004

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This article looks at trends in inflation since the Second World War, as measured by the retail prices index (RPI). It starts by considering trends in the composition of households' expenditure, as shown by the weights used to construct the RPI, and examines how this is reflected in the range of representative items used to construct the RPI. It then looks at trends in inflation, and finishes with a comparison of how average prices of selected products have changed over the years.

Although much of the data that underpins this new analysis has previously been published, it has not been pulled together in one document, and this is the first time it has been available electronically. The information being made available includes detailed weights, indices, lists of representative items included in the RPI basket, and average prices of selected products.

## Introduction

An earlier article<sup>1</sup> examined long term trends in consumer price inflation back to 1750. This article looks in more detail at trends in inflation since the Second World War, as measured by the retail prices index (RPI). It starts by considering trends in the composition of households' expenditure, as shown by the weights used to construct the RPI, and examines how this is reflected in the range of representative items used to construct the RPI. It then looks at trends in inflation, and finishes with a comparison of how average prices of selected products have changed over the years.

Much of the data that underpins this new analysis has previously been published<sup>2,3</sup> but it has not, until now, been available electronically. It can be found at [www.statistics.gov.uk/StatBase/Product.asp?vlnk=14207](http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=14207).

## Trends in household expenditure

The RPI covers expenditure on the full range of consumption goods and services purchased by the majority of households in the UK, from the basics such as food, clothing and housing, through to leisure goods and services. Excluded is expenditure made by the top 4 per cent of households by income, and pensioner households mainly reliant on state benefits for their income.

Households spend different amounts on different types of goods and services. In order to reflect their relative importance properly in the RPI, changes in the price of these different types of goods and services are weighted according to their overall share of households' expenditure. Table 1 presents these expenditure weights for the main RPI groups of expenditure. More detail is available in spreadsheets accompanying the web version of this article (at address above). Between 1947 and 1961, the weights were held constant for between four and six years at a time; since 1962 they have been updated annually (Box 1).

Comparisons of trends in expenditure weights are not always straightforward because of changes in the way in which the goods and services have been classified over the years, particularly when comparing the pre-1987 period with the period since then. It is also important to be aware of changes in the coverage of goods and services included in the RPI over the years (Box 2). Nonetheless, it is possible to discern some clear trends.

At the start of the period, food (and catering) represented the largest single category of expenditure, accounting for 35–40 per cent of the overall total. By 2004, food's share of the overall total had fallen to 11 per cent. This does not mean that less is spent on food; rather the relative share of weekly expenditure has fallen. Other groups showing falls in their share of overall expenditure were:

- *tobacco* down from 12 per cent to 3 per cent, reflecting health concerns and increased taxation

### Box 1: Reference periods, chain-linking and weights

The RPI measures price changes, not price levels. It is therefore expressed in terms of prices relative to a reference point, when the index is given a value of 100. The reference point is currently January 1987=100, but it has been changed several times. The earliest RPI data are based on June 1947=100. Subsequent reference points have been the Januarys of 1952, 1956, 1962, 1974 and 1987. The reference dates are arbitrary, providing simply a convenient benchmark for comparison.

Long-term comparisons are obtained by *chain linking* the indices in successive periods. It is possible to do this because indices are calculated up to and including the base month of the following reference period. For instance, the all items RPI for 1980 based on January 1974=100 is 263.7, while the index level in the overlap month, Jan 1987, is 394.5. The 1980 index level can be linked onto the January 1987=100 based index as in the following example:

$$\text{Index}_{1980, \text{ based on } 1987=100} = \frac{100 \times \text{Index}_{1980, \text{ based on } 1974=100}}{\text{Index}_{\text{Jan } 87, \text{ based on } 1974=100}}$$

$$= 100 \times 263.7 / 394.5 = 66.8$$

Similar calculations can be done to link over more periods; for instance:

$$\text{Index}_{1970, \text{ based on } 1987=100} = 100 \times 100 \times \frac{\text{Index}_{1970, \text{ based on } 1962=100}}{\text{Index}_{\text{Jan } 74, \text{ based on } 1962=100} \times \text{Index}_{\text{Jan } 87, \text{ based on } 1974=100}}$$

In the early years of the RPI, until 1962, changes in the reference period (*rebasings*) took place when the expenditure weights were updated, with the weights being held constant until the next rebasing. Since 1962, weights have been updated annually. Rebasings is also an opportunity to review and refine the groupings of goods and services for which information is published, and there have been a number of changes to the RPI groups, sub-groups and sections over the years, particularly at the last rebasing in 1987.

The RPI weights for the period 1947–51 were based on a 1937–38 survey of household expenditure. These were updated for the period 1952–55 from estimates of the pattern of expenditure in 1950. The weights for 1956–61 were based on a survey of household expenditure conducted in 1953. Since 1962, the weights have been updated annually using information collected in the ONS's Expenditure and Food Survey, and its forerunner the Family Expenditure Survey which started in 1957.

- *clothing and footwear* which has been declining steadily since 1956–61; from around 11 per cent to 5 per cent today
- *fuel and light* down from 6.5 per cent to 3 per cent, with most of the decline taking place since 1985. Within this group, there has been a switch towards electricity and gas and away from coal and coke. The decline in coal and coke reflects the increasing trend towards central heating which was present in 93 per cent of households in 2003, compared with 37 per cent in 1972
- *alcoholic drink* which has fallen from 10 per cent in 1947–51 to 7 per cent in 2004

Housing was the largest category of expenditure in 2004, and this group has seen the largest increase in expenditure share since 1947–51 – up from around 9 per cent of the total to 22 per cent in 2004. This increase is, in part, due to changes in the way in which owner occupiers housing costs have been measured in the index: for instance, the inclusion in 1995 of house depreciation costs, as a measure of the amount home owners need to spend to maintain their property, added 3 per cent to the housing weight.

The weight of the housing group has tended to fluctuate, in part reflecting movements in interest rates and house prices. These feed through into the weight for mortgage interest payments with house prices also feeding into the calculation of the house depreciation element. Expenditure on Council

Tax (and its predecessors, the Community Charge and rates) has also tended to vary, peaking at 4.7 per cent in 1991, before falling to 2.9 per cent four years later, and subsequently rising to 3.8 per cent in 2004.

Expenditure on transport has also grown since the Second World War, from around 3 per cent of total expenditure to 16 per cent in 2004. This increase has been largely in motoring costs, reflecting increasing car ownership, and has been partially at the expense of travel by bus which has fallen from around 3 per cent of total expenditure in 1956–61 to 0.4 per cent in 2004. Rail's share of total expenditure has declined more slowly from 0.8 per cent to 0.5 per cent over the full period.

Other groups to show increases in expenditure share are:

- *miscellaneous goods*, up by nearly 4 per cent between 1947–51 and 1986, with most categories of expenditure in this group showing increases
- *household services*, up by nearly 2 per cent since 1987, mainly due to increases in fees and subscriptions, and telephone charges, the latter reflecting the growth in mobile phone usage
- *leisure services*, up by around 4 per cent since 1987, reflecting in large part the introduction into the index of foreign and UK holidays in 1993 and 1994 respectively

### Box 2: Changes in coverage of the RPI

- 1956: Coverage expanded to include all wage-earning households, not just the ‘working classes’. First serious attempt to measure owner-occupier housing costs was made with the introduction of ‘equivalent rents’, whereby owner-occupier costs were represented by estimates of the rent they would pay if their dwelling was rented, rather than owned. Inclusion of motor vehicle purchase costs for the first time, adding 0.8 per cent to the weight of the transport and vehicles group.
- 1968: A new group, Meals out (later known as Catering), was introduced to the index. Previously, its weight had been split between the Food group and the rest of the basket, although the expenditure had not been explicitly represented in the items used to compile the index.
- 1975: Introduction of mortgage interest payments to represent owner-occupiers’ housing costs.
- 1987: The structure of the RPI was overhauled with the durable household goods, miscellaneous goods, and services groups being restructured into five new groups as follows:

Groups up to 1987	Groups from 1987
Durable household goods	Household goods (part) Leisure goods (part)
Miscellaneous goods	Household goods (part) Personal goods and services (part) Leisure goods (part)
Services	Household services Personal goods and services (part) Leisure services

- 1993: Inclusion of foreign holidays, which added 3.0 per cent to leisure services’ weight that year.
- 1994: Inclusion of UK holidays, adding 0.8 per cent to leisure services’ weight that year.
- 1995: Inclusion of housing depreciation, adding 3.0 per cent to housing costs’ weight that year (4.7 per cent in 2004).

### Representative items

The RPI measures the full range of household expenditure but it is clearly not practical or cost-effective to price everything that households spend their money on. Instead, a representative set of items is chosen for which prices are tracked on a month by month basis. In 1947, there were around 200 of these *representative items* in the RPI basket of goods and services. Nowadays, there are over 650; the increased number reflects the growing complexity of the retail market and range of goods and services available, and improvements in the representativity of the items included in the basket.

The representative items provide a snapshot of typical purchases made by households and it can be interesting to look at how they have changed over the years.

Until 1962, the content of the RPI basket was generally held constant between rebasings but since then it has been updated in most years to reflect changing tastes in expenditure and to ensure adequate representation of each expenditure category. Appendix 1 lists the full RPI basket in 1947 and 2005, based on the current structure of the RPI. It also shows additions to, and deletions from, the basket at, and between, each rebasing, together with the changes between 1987 and 1995. The full contents of the basket at each rebasing year, and for 1990, 1995 and each year since 2000 are available on the National Statistics website at [www.statistics.gov.uk/StatBase/Product.asp?vlnk=14207](http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=14207).

In 1947, the basket included many items which are not present in today’s basket like wild rabbits, mangles, corsets, candles and wireless licences. However, it also included many items which can still be found in today’s basket, particularly among the food items. Examples include a large loaf of bread, pint of milk, lamb chops, many types of fruit and vegetables, hair cuts, postal charges, woman’s dress, public transport fares and football admissions. The changes that have occurred reflect increasing affluence, evolving technology and changing tastes.

Among food items, there has been a noticeable trend towards convenience shopping and prepared food. For instance, the 1950s saw the introduction of fish fingers, the 1960s sliced bread, and the 1970s cod-in-sauce. This trend continues today, and additions to the index in the last ten years or so have included frozen pizzas, chilled ready meals and chicken nuggets. Food items removed from the basket include rabbit, mutton, several types of fish and various cuts of beef and lamb.

The trend away from the preparation of goods can also be seen in clothing where the basket included sewing machines, clothing and curtain materials until they were dropped in the 1980s and early 1990s.

Technological change is particularly noticeable in areas such as electrical appliances, audio-visual goods and CDs and tapes. The 1947 basket included just four items in these sections – vacuum cleaner, iron, radio set and gramophone record. Black and white televisions were added in the 1950s, along with the electric fire and washing machine, while the 1960s saw the inclusion of fridges, and the 1970s the record player and cassette recorder. Since then, technological innovations have continued apace, and this has been reflected in the introduction of items such as dishwashers, personal computers, mobile phones, widescreen TVs, DVDs and digital cameras and the introduction and subsequent dropping of items such as the music centre, personal cassette player and analogue camcorders.

Increasing prosperity and leisure time is also apparent with the increasing number of items in the household services, leisure goods and leisure services groups. Items introduced in these categories include computer games, internet subscriptions, leisure centre exercise classes, and health club/gym annual membership.

The index also reflects changing fashions and this can be seen with the introduction of, for instance, laminate flooring in place of vinyl floor covering, duvets in place of blankets, and the inclusion of alcopops and a much broader range of alcohol products.

## Trends in prices

### Overview

Table 1 presents the annual average index levels for the RPI and its major groups back to 1947. The RPI's classification system changed in January 1987 (Box 2) so some of the groups only exist up to this date, while others start from that date. For ease of analysis, the indices have been chain linked where possible (Box 1), and referenced on January 1987=100. Corresponding 12-month rates of change for each decade are also shown in the table.

The table shows that between 1947 and 2004 prices rose by around 25 times. Figure 1 shows that the most rapid increase in prices occurred in the 1970s. During this decade, prices rose by over 3½ times, with inflation reaching 26.9 per cent in August 1975, and exceeding 10 per cent in several other years.

The expenditure group with the greatest increase in prices over the entire period was housing where costs rose by over 50 times. Figures 2 and 3 show that the growth in housing costs was particularly strong during the 1970s and 1980s, exceeding 200 per cent in both decades. There has also been strong growth in tobacco prices, particularly since 1970, in part driven by increased excise duties.

The expenditure group with the smallest increase in prices was clothing and footwear, where prices increased up to the mid-90s but fell back subsequently so that by 2004 prices were

Table 1:  
Retail Prices Index: Group Indices: 1947–2004

	Food <sup>1</sup>	Catering <sup>2</sup>	Alcoholic drink	Tobacco	Housing <sup>3</sup>	Fuel & Light Goods <sup>4</sup>	Durable House hold Goods <sup>4</sup>	Clothing & Foot wear	Motoring, fares & other travel <sup>5</sup>	Miscellaneous Goods <sup>6</sup>	Services <sup>7</sup>	Household goods	Household services	Personal goods & Leisure services	Leisure goods	Leisure services	All items
<b>Weight (parts per thousand)</b>																	
1947–51	348		101	116	88	65	71	97	25	35	54						1,000
1952–55	399		78	90	72	66	62	98	31	44	60						1,000
1956–61	350		71	80	87	55	66	106	68	59	58						1,000
1970	255	43	66	64	119	61	60	86	126	65	55						1,000
1980	214	41	82	40	124	59	69	84	151	74	62						1,000
1990	158	47	77	34	185	50		69	152			71	40	39	48	30	1,000
2000	118	52	65	30	195	32		58	167			72	56	43	46	66	1,000
2004	110	49	67	29	224	31		48	155			71	61	41	46	68	1,000
<b>Index (Jan 1987=100)</b>																	
1947 June	6.3		11.1	8.6	5.1	4.5	16.6	16.8	6.8	7.1	6.3						7.3
1960	12.7		12.4	10.6	8.3	9.4	22.9	25.4	13.3	11.9	10.6						12.5
1970	18.3	13.9	19.7	15.9	14.0	15.3	30.0	32.2	18.9	19.0	17.7						18.5
1980	72.3	63.8	59.4	48.1	53.6	61.9	85.2	89.0	72.2	67.0	64.3						66.8
1990	119.4	126.4	123.8	113.6	163.7	115.9	100.0 <sup>8</sup>	115.0	121.3	100.0 <sup>8</sup>	100.0 <sup>8</sup>	115.4	119.6	122.7	112.4	124.5	126.1
2000	143.4	203.6	187.4	270.5	214.5	123.9		181.9	181.9			140.2	157.1	185.5	112.1	207.9	170.3
2004	152.0	232.3	203.7	315.0	267.9	140.7		187.3	187.3			144.2	180.1	199.8	99.1	253.0	186.7
<b>Percentage change</b>																	
1947–1960	102		12	23	62	110	38	51	95	68	67						70
1960–1970	44		59	51	69	62	31	27	42	59	67						49
1970–1980	296	357	202	203	284	305	184	177	283	253	263						261
1980–1990	65	98	108	136	205	87	17 <sup>9</sup>	29	68	49 <sup>9</sup>	56 <sup>9</sup>						89
1990–2004	27	84	64	177	64	21		-15	54			25	51	63	-12	103	48
1947–2004	2,320		1,730	3,580	5,130	3,040		480	2,640								2,450

1 Includes pet food from 1956 to 1986.

2 Prior to 1968, the weight for catering was split equally between Food and the other groups.

3 Coverage was extended to include owner-occupiers' housing costs in 1956; housing depreciation was introduced in 1995.

4 Part of household goods and leisure goods since 1987.

5 Coverage was extended to include motor vehicle purchase costs in 1956.

6 Part of household goods, personal goods & services and leisure goods since 1987.

7 Part of household services, personal goods & services and leisure services since 1987.

8 Index level at Jan 1987.

9 Percentage change 1980 to Jan 1987.

Source: Office for National Statistics

15 per cent below their level in 1990, and around six times greater than in 1947. Leisure goods have also fallen in price since the mid-90s, and in 2004 they were close to their level in 1987. This is mainly due to audio-visual equipment where prices in 2004 were less than a quarter of their level in 1987, reflecting rapid technological improvements. Prior to 1987, audio-visual equipment was included in durable household goods whose prices increased six-fold between 1947 and 1987.

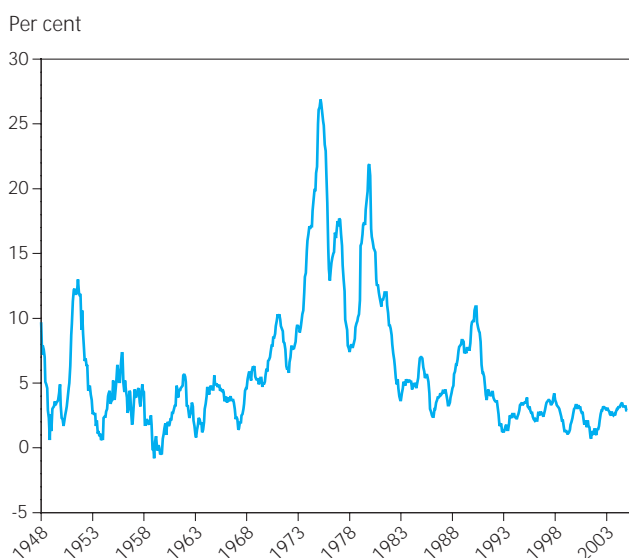
It should be noted that trends at group level may hide trends in component groupings. For instance, transport costs have risen by about the same amount as the overall RPI. However, there is a marked difference in the evolution of prices in the two main components of this group, with motoring costs increasing by 12 times since 1956 compared with 33 times for fares and other travel costs, and an overall average of 16 times.

Trends in inflation during each decade are examined in more detail below. Appendix 2 presents a calendar of selected events

that have had a bearing on inflation over the years. Detailed tables, containing index levels consistent with those originally published monthly in *Employment Gazette*, are available in Excel spreadsheets on the National Statistics website: [www.statistics.gov.uk/StatBase/Product.asp?vlnk=14207](http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=14207) as follows:

- monthly group level indices, 12 month rates and 1-month rates for each time period from June 1947–Jan 1952 to Jan 1987–Dec 2004
- monthly group and sub-group indices for each time period from June 1947–Jan 1952 to Jan 1962–Jan 1974
- monthly group, sub-group and section indices for Jan 1974–Jan 1987: it should be noted that some of the data in this table is previously unpublished and has been provided for completeness. For instance, the housing group as originally published showed all the component section indices except for dwelling insurance. The latter section is now being made available directly for the first time.

Figure 1  
All items Retail Price index: percentage change over 12 months

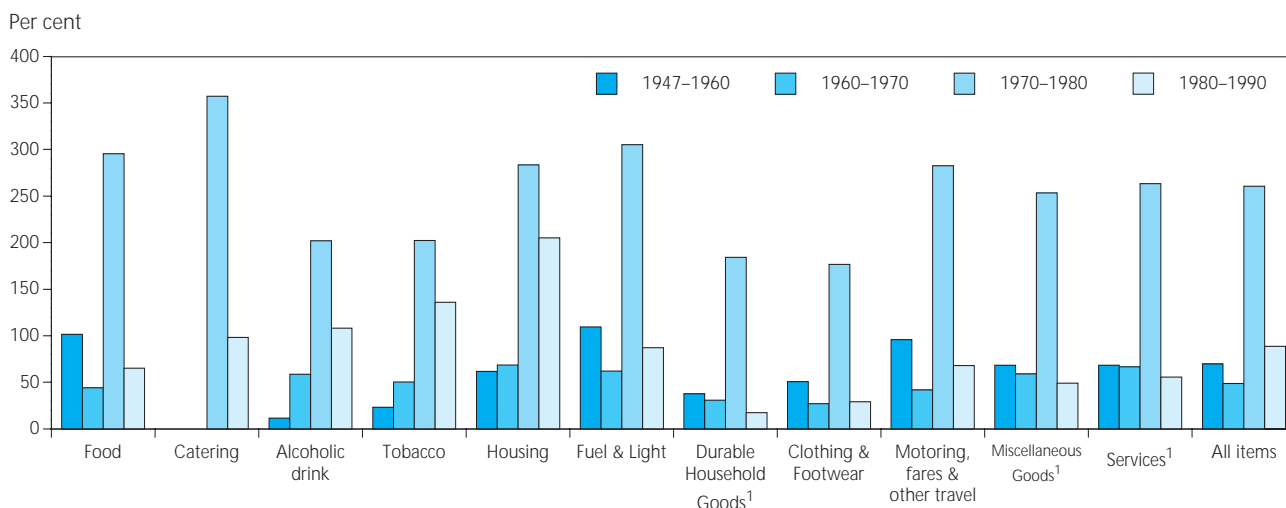


The period up to 1960

The period from 1947 up to 1960 was one of relatively low inflation, with prices in most years rising by less than 5 per cent. The exception was 1951 and 1952 when inflation in both years was just over 9 per cent, reflecting rises in world prices of many raw materials, and increasing shortages of many consumer goods associated with war in Korea. Over the period as a whole, prices rose by 70 per cent, with the greatest increases being recorded for fuel and light and food, where prices more than doubled, reflecting the gradual removal of rationing and lifting of price controls imposed during the war. By 1956, all price controls on food had been removed, with the exception of milk.

The groups with the smallest increases in prices were alcohol and tobacco prices, which rose by 12 and 23 per cent respectively over the period. Changes in duty on these goods were relatively infrequent during this period, sometimes remaining unchanged for several years at a time, and including reductions (in 1959) as well as increases.

Figure 2  
RPI groups: percentages change in index level by decade



<sup>1</sup> Final bar shows percentage change for 1980 to Jan 1987.

The turn of the decade saw several months of deflation during April 1959 to March 1960, with the inflation rate reaching a low of minus 0.8 per cent in June 1959. This was mainly due to a combination of lower prices for alcohol, food and durable household goods.

### The 1960s

The 1960s, like the 1950s, was generally a period of low inflation, although by the end of the decade inflation was on an upward path rising to 6.4 per cent per annum by 1970. Over the decade as a whole, prices increased by 49 per cent, with the greatest increase being recorded for housing and services, at just under 70 per cent. The smallest increases were recorded for clothing and footwear and durable household goods, both around 30 per cent.

### The 1970s

As Figure 2 shows, the 1970s was a period of high inflation for all groups of items, with prices for most groups increasing by 200 per cent or more, and overall prices rising by 261 per cent. Annual inflation exceeded 10 per cent in each year from 1974 to 1981, with the exception of 1978. The situation in Britain reflected the experience of the industrial world which was struck by a series of supply shocks during the 1970s, including a quadrupling in the world price of crude oil in 1973.

During the decade, prices rose fastest in 1975, peaking at 26.9 per cent in August 1975, and increasing by 24.2 per cent over the year as a whole. All groups except clothing and footwear and housing experienced their highest recorded annual increase during this year, with inflation for each exceeding 20 per cent. The Budget that year raised indirect taxes substantially, and extended the then 25 per cent rate of VAT to cover a wide range of luxury goods. That led to what was, at the time, the highest month-on-month increase ever recorded in the RPI of 4.2 per cent in May. The monthly rates for alcohol, tobacco and durable household goods in that month are the highest on record.

That monthly increase in the overall RPI has only been exceeded once, when it reached 4.3 per cent in July 1979, following the incoming Conservative government's decision to raise VAT rates while cutting direct taxes on earned income. It should be noted, however, that the Tax and Prices index – which shows by how much households' gross income needs to change to maintain their purchasing power – was unchanged over the month.

### The 1980s

The 1980s started with the overall annual inflation rate in excess of 20 per cent during April–June 1980; this dipped to 2.4 per cent in the summer of 1986 before rising again to 10.9 per cent in September and October 1990. During the decade as a whole, the overall increase in the RPI was 89 per cent, with the housing group experiencing the fastest growth in prices, increasing by 205 per cent, reflecting in particular increased costs in the mortgage interest payments component (MIPs) and the local taxation component (rates, Community Charge and council tax). Tobacco prices also grew strongly

during the decade (136 per cent) reflecting, to a large extent, the effect of increases in excise duties. The smallest increase was recorded for clothing and footwear (29 per cent).

The period around the end of this decade was strongly influenced by movements in the housing index, which increased by over 20 per cent in both 1989 and 1990. The increase in 1989 reflected a near 50 per cent increase over the year in the mortgage interest payments component (MIPs) due to a combination of rising interest rates and soaring house prices. MIPs also had a significant impact in the following year, as did local taxation which, in April 1990, saw the introduction of the Community Charge in England and Wales in place of rates (a year after it was introduced in Scotland) and a 34 per cent increase in the local taxation index. The following year Community Charge bills were reduced by 30 per cent, funded by an increase in the VAT rate from 15 per cent to 17.5 per cent.

### The 1990s to the present day

The period from 1990 to 2004 can generally be characterised as one of low inflation, with annual inflation of less than one per cent in each year except 1990 and 1991. Overall, prices rose by 48 per cent during this period but there were considerable differences between groups, with tobacco prices rising by 177 per cent, and the cost of leisure services by over 100 per cent, while prices for clothing and footwear, and leisure goods fell, by 15 per cent and 12 per cent respectively (see Figure 3).

The increase in tobacco prices reflects, in part, increases in excise duties which in 1990 represented around 60 per cent of the total cost of a packet of cigarettes, rising to 80 per cent in 2004. The increase in leisure service costs has been driven by rising costs for entertainment and other recreation, while the reduction in leisure goods prices reflects the falling cost of audio-visual equipment, influenced by technological change.

### Average prices

As noted above, the RPI is primarily a measure of price change. However, it can also be used as a source of information on average prices, and each month the Office for National Statistics (ONS) publishes average prices for a selection of food products and other items. The selected items are defined in such a way as to be reasonably homogenous across outlets and over time, so that an average price is meaningful. An example is an 800g white sliced loaf.

Table 2 shows average prices for a selection of items back to 1914. It compares the growth in these prices against the rise in overall prices, average earnings and the Office of the Deputy Prime Minister's house price index. The average price data for 1914–1946 are based on the Cost of Living Index, the forerunner of the RPI. More detailed information, covering more years and more items, is available in a spreadsheet accompanying the electronic version of this article: [www.statistics.gov.uk/StatBase/Product.asp?vlnk=14207](http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=14207).

The table shows that over the third of a century since 1970, prices overall rose ten times, with food prices rising more slowly, by a little over eight times. This compares with an

Figure 3  
RPI groups: percentages change in index level: 1990–2004

Per cent

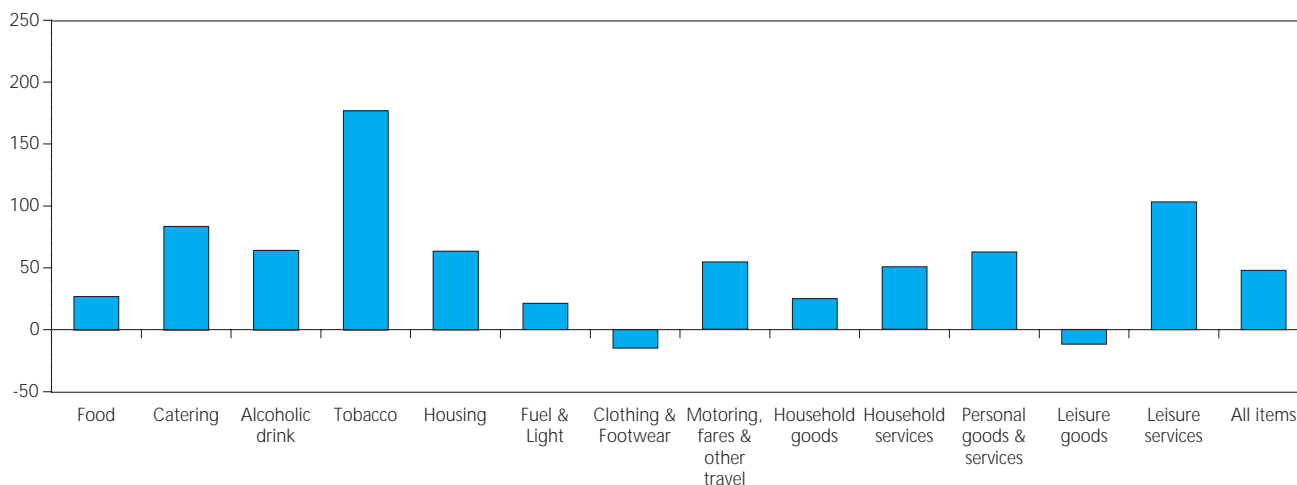


Table 2:  
Average price of selected products: 1914–2004

Pence per kg (except where stated)

	1914	1947	1960	1970	1980	1990	2000	2004	Proportionate change	
									1970–2004	1990–2004
<b>Average prices</b>										
Rump steak, British				125	507	813	866	897	7.2	1.10
Lamb Loin imported				57	238	414	537	731	12.8	1.77
Ham, cooked and sliced			89.4	111	361	668	770	793	7.1	1.19
Back bacon				72	262	462	603	711	9.9	1.54
Pork sausages				41	134	225	307	316	7.7	1.40
Cod fillets				47	238	574	840	864	18.4	1.51
Flour, per 1.5 kg	2.3	3.4	9.8	10.8	39	55	60	68	6.3	1.24
White loaf, unsliced (800g)	1.2	1.9	4.8	8.8	37	65	70	91	10.3	1.40
Sugar, granulated	3.0	3.4	7.4	8.3	36	62	55	74	8.9	1.19
Milk (pasteurised) per pint	0.7	1.9	3.3	4.7	17	31	34	35	7.4	1.13
Imported butter (per 250g)				10.1	44	65	88	92	9.1	1.42
Cheese (Cheddar)	8.4	10.6	31.0	40.8	209	330	505	567	13.9	1.72
Eggs size 2 (65–70g) per dozen		8.8	29.5	23.2	72	121	168	169	7.3	1.40
Carrots				7.3	29	59	45	57	7.8	0.97
Onions			5.2	12.6	33	63	56	62	4.9	0.98
Tomatoes				30.9	99	143	150	129	4.2	0.90
Apples, eating			10.5	18.5	53	103	108	125	6.8	1.21
Bananas				16.8	59	114	99	86	5.1	0.75
Coffee, pure, instant (per 100g)				22.7	101	131	188	175	7.7	1.34
Average price of purchased petrol (per litre)						44	81	80		1.82
Draught bitter, per pint						109	178	202		1.85
Cigarettes (20) King size filter						164	391	439		2.68
<b>Indices</b>										
All food (Jan 1987=100)		6.3	12.7	18.3	72.3	119.4	143.4	152.0	8.3	1.27
All prices (Jan 1987=100)	2.5	7.3	12.5	18.5	66.8	126.1	170.3	186.7	10.1	1.48
Average earnings (Q1 1987=100)				13.7	57.8	134.8	211.0	246.2	18.0	1.83
ODPM house price index (Q1 1987=100)				11.3	56.4	161.8	249.3	405.1	35.8	2.50

Source: Office for National Statistics

18-fold increase in average earnings and a 36-fold increase in house prices. Looking at individual commodities, of those listed, only cod has exceeded the growth in average earnings. At the other end of the scale, the smallest price increases were recorded for tomatoes and onions, each of which rose by less than five times.

Over a more recent period, 1990 to 2004, it is a similar story, with overall inflation outstripping the change in food prices, and average earnings and average house prices rising faster still.

Of the commodities listed, petrol and a pint of bitter rose roughly in line with the growth in average earnings, while only cigarettes exceeded the growth in average house prices. At the other end of the scale, some fruit and vegetables fell in price, most notably bananas.

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## Appendix 1

	1947 basket	Additions to / <i>deletions from</i> the basket since the previous date					2005 basket
		1952/56	1962	1974	1987	1995	
Bread	Large and small white loaves, rolls	Small brown loaf	Sliced white bread		Large whole-meal loaf, rolls	<i>Small white loaf</i>	Large white loaves – sliced and unsliced, small brown loaf, large wholemeal loaf; bread rolls, pitta bread
Cereals	Plain and self-raising flour, rolled oats, breakfast foods	Rice			Spaghetti, rice pudding	<i>Rice pudding</i>	Flour, rice, pasta, breakfast cereals, muesli, corn snacks
Biscuit & Cakes	Biscuits, cakes	Chocolate covered biscuits	Cream crackers, crispbread		<i>Crispbread</i>		Biscuits, cakes, pies, crackers
Beef	Imported and home killed cuts: sirloin, topside, rib, flank	Brisket, silverside, rump steak, chuck <i>Flank, topside</i>			Mince, beef-burgers	Topside <i>Sirloin, rib</i>	Rump steak, braising steak, mince, topside, frozen beef-burgers
Mutton and lamb	Imported and home killed mutton and lamb. Leg, loin, breast, shoulder	Mutton neck & shoulder, lamb leg & neck			<i>Mutton, lamb breast</i>		Loin chops, shoulder, minced lamb, leg
Pork	Leg, belly	Loin			Fillet		Loin chops, shoulder
Bacon	Back, streaky		Gammon, collar and middle		<i>Middle</i>	<i>Collar</i>	Gammon, back
Poultry		Chicken			Turkey	Fresh chilled chicken, Frozen chicken and chicken pieces	Fresh / chilled chicken, Frozen chicken, Fresh & frozen chicken pieces, Fresh turkey steaks
Other meat	Corned beef, sausages, liver, wild rabbits	Cooked ham, Luncheon meat <i>Rabbits</i>	Tinned stewed steak		Pies, garlic sausage	Liver pate <i>Luncheon meat</i>	Sausages, cooked meats – e.g. ham, Meat pies, Canned meats, Frozen chicken nuggets
Fresh fish	Cod, haddock, hake, plaice, herrings, frozen cod fillets	Halibut <i>Frozen cod fillets</i>		<i>Hake</i>	Trout, mackerel, Salmon <i>Halibut, plaice, herrings</i>	<i>Haddock, Mackerel</i>	White fish fillets, Salmon fillets, Frozen prawns
Processed fish	Canned salmon, kippers, smoked haddock	Canned sardines, fish fingers		Cod in sauce	<i>Smoked haddock</i>	Canned tuna, Frozen plaice in crumbs <i>Canned sardines, kippers</i>	Canned tuna, Fish fingers
Butter	Butter						Butter
Oils and fats	Margarine, compound cooking fat	Lard	Blended butter		Cooking oil <i>Cooking fat, lard, blended butter</i>		Margarine / low fat spread, Cooking oil
Cheese	Cheddar	Cheese spread			Regional cheese <i>Cheese spread</i>		Cheddar, regional cheeses, Selected speciality cheeses, cheese spread
Eggs	Eggs						Eggs
Fresh milk	Fresh Milk						Full-fat, semi-skimmed and skimmed milk
Milk products	Condensed milk, dried milk		Yoghurt, fresh cream		<i>Condensed milk</i>	Fromage frais	Fresh cream, flavoured milk, yoghurt, fromage frais, chilled pot dessert
Tea	Tea						Tea
Soft drinks	Fruit squashes, carbonated drinks				Pure orange juice		Pure fruit juices, Squashes, Mineral water, Various fizzy drinks – cans and bottles, Energy drinks
Sweets and chocolate	Selection of sugar and chocolate confectionery						Various popular brands of sweets, chocolates and mints

	1947 basket	Additions to / <i>deletions from</i> the basket since the previous date					2005 basket
		1952/56	1962	1974	1987	1995	
Potatoes	Potatoes						Potatoes
Potato products		Crisps		Dried mashed potato	Frozen chips <i>Dried mashed potato</i>		Crisps, Other potato-based snacks, Frozen chips
Other fresh vegetables	Tomatoes, cabbage, cauliflower, brussel sprouts, peas, carrots, turnips, onions, broccoli, swede	Beetroot <i>Turnips, swede</i>	Mushrooms	<i>Beetroot</i>	Lettuce, cucumber		Tomatoes, cabbages, cauliflowers, carrots, sprouts, onions, mushrooms, cucumbers, lettuce, organic vegetable, pre-packed salads and vegetables
Processed vegetables	Canned beans	Frozen peas, canned peas		Frozen sliced beans, canned tomatoes	Canned sweet corn	<i>Canned peas, frozen beans</i>	Canned tomatoes, canned baked beans, canned sweet corn, frozen peas
Fresh fruit	Cooking apples, oranges, bananas	Pears, dessert apples	<i>Pears</i>			Avocado, nectarines, kiwi fruit, grapefruit, peaches	Apples, pears, bananas, strawberries, grapes, oranges, grapefruit, avocado pears, peaches, kiwi fruit, organic fruit
Processed fruit	Currants, sultanas, prunes, canned plums	Canned pears, peaches, pineapple <i>Canned plums</i>		<i>Prunes</i>	Peanuts		Various canned fruits, salted peanuts
Other foods	Custard powder, jelly, sauces and pickles, salt	Ice cream, canned soup, meat and vegetable extracts			Frozen sponge, frozen curry & rice, frozen pizza, tinned ravioli, packet soup <i>Jelly, sauces and pickles, salt</i>	Ready cooked meals, cook-in sauces <i>Frozen sponge, frozen curry &amp; rice</i>	Soup, various sauces, ready cooked meals, other convenience foods – e.g. frozen pizza, potted snacks, ice cream, baby food
Coffee and other hot drinks	Proprietary food drink, cocoa	Coffee essence, coffee ground, coffee extract		Coffee essence	Cocoa		Ground coffee, instant coffee, hot milk drink
Catering			From 1968: school meals, canteen meals and teas; restaurant meals, sandwiches and snacks		Fish & chips takeaway, beefburger takeaway; tea and coffee takeaway; dry roasted peanuts	Ethnic takeaway	Restaurant and canteen meals and drinks, pub hot meal, cold snack; school meals. Fish and chips, savoury pies, burgers in bun, kebabs, sandwiches, takeaway coffee & tea, coffee latte, ethnic take-away, pizza delivery / takeaway, soft drinks, crisps, cinema popcorn
<b>Alcohol</b>							
Off sales		Bottled bitter, stout, whisky	Sherry	Beer in party containers	Cider, vodka, brandy, vermouth, white wine, red wine <i>Beer in party containers</i>	Low alcohol lager	Canned lager, draught flow bitter; bottled cider & lager, whisky, vodka, brandy, white wine, red wine, sparkling wine, fortified wine, spirit based drink
On sales	Draught bitter, mild, stout, whisky	Gin, soda water	Keg beer		Cider, vodka, wine	Low alcohol lager	Draught bitter, lager, stout, cider; bottled lager, cider; whisky, vodka, wine, champagne, liqueurs, spirit based drink, mixer
Tobacco	Cigarettes, tobacco						Cigarettes, tobacco, cigars

	1947 basket	Additions to / <i>deletions from</i> the basket since the previous date					2005 basket
		1952/56	1962	1974	1987	1995	
<b>Housing</b>							
Rent	Local authority and privately owned rented unfurnished properties	Property rentals					Private furnished & unfurnished, Local authority rent, registered social landlord rent
Local taxation		Rates					Council Tax, Northern Ireland rates
Water & other charges		Water charges					Water and sewerage charges
Owner occupier housing costs		Imputed rents (from 1956)		Mortgage interest payments (from 1975) <i>Imputed rents</i>		Housing depreciation	Mortgage interest payments, housing depreciation
Repairs and maintenance charges		Charges for representative jobs			Local authority repairs and maintenance charges, plumber, electrician, decorator	Gas service charges, DIY equipment hire,	Fees charged by plumbers, electricians, carpenters and decorators, gas service charges
DIY materials	Paint brush, distemper	Emulsion paint <i>Distemper</i>	Gloss paint, ceiling paper	Lining paper, hard-board	Wall paper, paint stripper, wallpaper paste, ready mixed filler, softwood, power point, door handle, chisel, power drill <i>Lining paper</i>		Ready mixed filler, wallpaper, wallpaper paste, paint varnish, paint brush, various tools – e.g. hammer drill, screwdriver, aluminium ladder, door handle, taps, power point, ceramic tiles, pieces of timber, hire of domestic steam wallpaper stripper
Dwelling insurance & ground rent				Dwelling insurance & ground rent (from 1975)			Dwelling insurance & ground rent
Fuel & light	Coal & coke, electricity, gas, candles, lamp oil	Paraffin <i>Candles, lamp oil</i>		Fuel oil	Butane gas <i>Paraffin</i>		Coal, smokeless fuel, electricity, gas, butane gas, kerosene
<b>Household goods</b>							
Furniture	Bedroom furniture – e.g. bedstead, wardrobe, cot; Living room furniture e.g. armchair, Windsor chair, upholstered settee; dining-room table, kitchen cabinet	Kitchen table, Kitchen chair			Kitchen base unit, divan bed, sink unit, self-assembly wardrobe, sofa bed, dining room chair, bedside cabinet <i>Kitchen cabinet</i>		Dining room furniture – e.g. table, chairs; Bedroom furniture – e.g. wardrobe, beds, wall hanging mirror; Living room furniture – e.g. armchair, sofa bed, leather settee, bookcase, table lamp; Kitchen furniture – various kitchen units; Outdoor furniture – e.g. wooden patio set
Furnishings	Linoleum, felt-base floor covering, Axminster rug, carpet, sheets, blankets, hair mattress, curtain material – filet and plain net, hand and tea towel	Sprung mattress, table cloth <i>Curtain material - filet and plain net</i>	Latex backed carpet <i>Axminster rug</i>		Carpet tiles, vinyl floor covering, net curtain material, ready made curtains, duvets, quilt cover <i>Hair mattress, felt-base floor covering, latex backed carpet</i>	<i>Carpet tiles, net curtain material</i>	Selected carpets, other floor coverings, rug, curtains, fabric roller blind, duvet, duvet cover, bed sheet, towels

	1947 basket	Additions to / <i>deletions from</i> the basket since the previous date					2005 basket
		1952/56	1962	1974	1987	1995	
Electrical appliances	Vacuum cleaner, electric iron	Electric fire, washing machine	Refrigerator, cooker	Night storage heater	Fan heater, kettle, hair dryer, toaster, microwave, phone	Tumble dryer, dishwasher	Cooker, washing machine, fridge / freezer, microwave, dishwasher, vacuum cleaner, cordless phone, mobile phone handsets, electric shower; Selected small appliances – e.g. iron, kettle, fan heater; Personal appliances – e.g. hair dryer, electric razor
Other household equipment	Sewing machine, table mangle, gas fire and cooker, saucepan, tin kettle, wash bowl, broom, earthenware teapot, galvanised bucket, cup, tumbler, lamp	Knives, scissors, half tea service, roasting tin, glass ovenware <i>Cup, tin kettle</i>	Oil heater, plastic bucket <i>Mangle, teapot, galvanised bucket</i>		Tableware, kitchenware, carpet sweeper  <i>Oil heater</i>	<i>Roasting tin</i>	Cooker - gas, gas fire; Kitchen equipment – e.g. ovenware, pans, scissors, plastic food container Tableware – e.g. crockery set, cutlery set Glassware – e.g. tumbler
Household consumables	Soap, soap powder, soap flakes, soda, polishes, matches, writing paper, cleaning powder	Soapless detergent, ink, toilet paper  <i>Soap flakes</i>		Dry cell batteries, electric plug	Ball point pen, kitchen roll, aluminium roll, washing up liquid, household cleaner, electric plug, light bulb, disposable nappies  <i>Soda, polishes, matches, cleaning powder</i>	Dishwasher liquid, washing machine liquid, bin liners  <i>Soap powder</i>	Washing powder, washing-up liquid, dishwasher tablets, Light bulbs, aluminium foil, toilet rolls, kitchen roll, fabric conditioner, bin liners, household cream cleaner, cleaning cloths, bleach, ball point pen, wrapping paper, envelopes, greeting card, printer paper, inkjet cartridge, clear sticky tape, batteries
Pet care		Dog biscuit, cat food			Cat litter, flea collar, dog kennel fees	Vets fees  <i>Flea collar</i>	Cat and dog food – moist and dry; Small pet – e.g. hamster, Animal cage, Vets' fees, Annual booster injection, Pet flea drops, Dog kennel boarding fees
<b>Household services</b>							
Postage	Inland letter, PO poundage	Money order poundage, parcel postage					Charges for letters, parcels, postal orders
Telecommunications		Telephone line rental and call charges, call-box charges					British Telecom charges; cable supplier charges; mobile phone charges; cost of directory enquiries; Subscription to the Internet
Domestic services	Boot and shoe repair, laundry, dry cleaning, watch repair, domestic help	Replacement of TV tube			Playgroup fees  <i>Replacement of TV tube</i>	Childminder, electrical service charge, window cleaning	Domestic help, In home care assistant, childminder, gardeners, window cleaning, dry cleaning charges, driving lesson, Home delivery charges, charge for home removals, Self-storage fees, charge various electrical equipment repairs – e.g. washing machine, TV, PC; electrical service charges, charge for watch repairs, cost of catering for a function

	1947 basket	Additions to / <i>deletions from</i> the basket since the previous date					2005 basket
		1952/56	1962	1974	1987	1995	
Fees and subscriptions				Driving licence	Solicitors, estate agent fees, trade union subs, newspaper adverts, various bank fees	House conveyancing, surveyors fees, private education fees	Trade unions and professional organisations subscriptions, Estate agents & house conveyancing fees, Surveyors' fee, home buyers' survey, Home contents' insurance, Fee for birth & death certificates, Marriage licences, Passport; Various bank fees, Foreign exchange commission, Driving test fees, Private school fees, Evening classes, Solicitors' fees, UK University tuition fees, Cost of basic funeral / cremation, Pet insurance, Newspaper adverts
<b>Clothing &amp; footwear</b>							
Men's outerwear	Suits; coats; trousers; overall; work shirt, collar attached; shirt with loose collars		Slacks, jeans, sweater	Collar attached nylon shirt <i>Shirt with loose collars</i>	Casual jacket/fleece, T-shirt <i>Slacks, nylon shirt, overall</i>	Casual short-sleeve shirt, tracksuit bottoms	Suit, coat, trousers – formal, casual, casual jacket, fleece, jeans, jumper, various shirts, t-shirts, shorts, replica football team shirt, branded sports sweatshirt
Women's outerwear	Suit; skirt; coats; blouse, dresses; overall	Jumper/ cardigan		Slacks <i>Overall</i>	Short sleeve blouse, T-shirt, jeans, tracksuit, jacket <i>Slacks</i>	Leggings	Blouses, skirts, dresses, trousers, jeans, t-shirt, tops, shorts, cardigan, jackets, coats, jumper, rainwear, swimwear
Children's outerwear	Boys' 2-piece suit, jersey, raincoat, shirt; Girls' woollen gym tunic, dress, overcoat; Infant's smocked frock, infant's pram set, gown	<i>Gown</i>	Boy's blazer <i>Boys' 2-piece suit, infant's pram set</i>		Jeans, shorts, babygro, dungarees <i>Girl's woollen gym tunic; boy's blazer, infant's smocked frock</i>	Boy's short sleeve shirt	Schoolwear – trousers, skirts, tops – sports and fashion, dresses, jeans, jumpers/ sweatshirts, jackets, babygro/ sleepsuit, infants' trousers – e.g. jeans
Other clothing	Hats, cap, vest, pants and trunks, socks; gloves; slip (rayon), knickers; corset, hose, nursery squares Clothing materials: Rayon, woollen, winceyette, flannelette, knitting wool	Tie <i>Cap</i>	Girdle		Women's night-dress, bra, swimwear Wool and cotton dress material <i>Hose, nursery squares, corset, girdle, rayon, woollen, winceyette, flannelette</i>		Underwear – e.g. pants and bra, socks, tights, nightwear – e.g. nightdress/pyjamas, tie, scarf, baseball caps, knitting wool
Footwear	Men's: boots; shoes Women's: Shoes, slippers; fashion shoes Children's: boots, shoes, plimsolls, Wellingtons, sandals	<i>Children's boots</i>			Trainers <i>Men's boot</i>		Shoes – formal, school, casual and fashion; boots – formal, fashion and outdoor/adventure; training shoes – sportswear and casual; sandals, slippers, wellingtons

	1947 basket	Additions to / <i>deletions from</i> the basket since the previous date					2005 basket
		1952/56	1962	1974	1987	1995	
<b>Personal goods &amp; services</b>							
Personal articles	Alarm clock, spectacles	Suitcase	Wrist watch		Umbrella, wallet, gold chain, silver jewellery	Contact lens	Umbrella, handbag, watch, spectacle frames, prescription lenses, contact lenses, luggage – trolley case, flower vase, picture / photo frame, wall hanging mirror, Sunglasses, various items of personal jewellery
Chemists goods	Aspirin, tooth paste, sanitary towels, razor blades, cod liver oil, cold cream	NHS prescription charges, surgical lint, shaving cream, hair cream, cosmetics, antiseptic ointment		Facial tissue and paper handkerchief	Indigestion tablets, anti-septic cream, moisturising cream, deodorant spray, disposable nappies, shaving foam, after shave, tampons <i>Surgical lint, shaving cream, hair cream</i>	Condoms, disposable razors, contact lens solution <i>Razor blades</i>	NHS prescription charges, multi-vitamins tablets, condoms, tampons, disposable nappies, tissues, contact lens solution, indigestion tablets, pain killer tablets, plasters, toilet soap, toothpaste, deodorant, shower gel, shampoo, hair gel; permanent hair colourant, razor cartridge blades, sunscreen cream / lotion, Various cosmetics – e.g. lipstick, face cream, perfume, mascara
Personal services	Hairdressing					Dental charges, eyesight test charges, private health insurance, delivered flowers	Hairdressing charges, full leg wax, basic manicure, dental charges, eye tests charges, dental insurance, private health insurance, private surgery fees, Non NHS medical services – e.g. physiotherapy, chiropractic medicine, residential and nursing home fees, slimming club fees, delivered flowers
Motoring expenditure	Petrol, motor cycle licence	Second hand cars purchase, specified maintenance jobs, car and motorcycle tyres, battery, engine oil, car licence, motor insurance	Motor scooter purchase	MOT test, subscriptions to motoring organisations	Spare parts, diesel, unleaded petrol	<i>2 star petrol</i>	Purchase of motor vehicles: Second-hand cars, Proxy for new cars, new and second-hand motorcycles, caravans; car service, MOT test fee, roadside recovery services, car steering lock, automatic car wash, hourly labour charge for car mechanical repairs, selected spare parts and accessories – e.g. wiper blade, battery, tyres; Ultra low sulphur petrol, Ultra low sulphur diesel, Motor oil, vehicle excise duty, car insurance
Fares and other travel costs	Pedal cycle, pram, rail fares, bus and tram fares	Coach fares, bicycle tyres		<i>Bicycle tyres</i>	Self-drive van hire, taxi fares	Self drive car hire, minicab fares, sea fares	Rail fares, EuroTunnel fares, bus and coach fares Taxi fares, minicab fares, self-drive car and van hire charges, sea fares, air fares, road tolls, bicycles, boats, car park charges

	1947 basket	Additions to / <i>deletions from</i> the basket since the previous date					2005 basket
		1952/56	1962	1974	1987	1995	
<b>Leisure goods</b>							
Audio-visual equipment	Radio set	TV mono		Record player, cassette recorder (both 1977)	Music centre, personal cassette player, colour TV, VHS recorder, clock radio, CD player <i>Radio set, record player, cassette recorder</i>	Personal stereo radio cassette, portable radio cassette, midi Hi-Fi <i>Music centre, stacked stereo, personal cassette player, TV mono, clock radio</i>	Colour televisions, Video recorder, Portable CD/radio cassette player, Personal CD player, Audio systems, DVD player, Car CD/radio, PCs – desktop and laptop, PC peripherals
CDs and tapes	Gramophone record				Pre recorded cassette, blank audio and video cassettes <i>Vinyl records</i>	CD, blank and pre-recorded video, computer diskettes	Pre-recorded and blank video cassettes, Pre-recorded DVDs, CDs, Recordable CDs, Selected CD-ROMs
Toys, photographic & sports goods	Tennis racket	Football boots, camera film, develop & print black & white film, various toys	Diecast metal toy, colour films and processing		Camera, golf balls, darts, squash racket, sleeping bag, board game, child's cycle, cine film <i>Black &amp; white films and processing</i>	Computer games and consoles, camcorder <i>Cine film</i>	Various toys – e.g. soft toys, construction toys, activity toys, dolls, board games, computer games consoles, computer games, digital camera, disposable camera, film, film processing, acoustic guitar, sleeping bag, barbecue (gas), sports equipment – e.g. golf balls, squash racquet, football, fishing rod, football boots
Books and newspapers	Newspapers, books, adult periodicals	Children's periodicals					Newspapers, books and periodicals
Gardening products	Digging fork			Plants, flowers and horticultural goods			Compost, selected plants – bushes, cut flowers, seeds; garden sundries – e.g. garden spade, gloves, pot; lawnmowers, grass/edge, strimmer
<b>Leisure services</b>							
TV licences and rentals	Radio licence	TV licence, TV set rental			VCR and film rental, colour TV rental <i>Radio licence</i>	Satellite and digital TV monthly subscription fees & installation fees	TV licence fees; Rental of TVs, DVD, video cassette recorder, video / DVD films; Digital TV monthly subscription fees & installation fees; Cable TV subscriptions
Entertainment & other recreation	Cinema admissions; football admissions	Dance hall admission, youth club subscription		Admission to historical monuments, swimming pools <i>Dance hall admission, youth club subscription</i>	Nightclub, theatre, bingo admissions. Evening classes.	Squash court hire, Admission to: attractions, leisure centres	Squash court hire, evening class fees; Play-groups, Private health club / gym membership; Charges for exercise classes, Ten-pin bowling session, golf green fees, Horse racing admissions; Admission to: cinemas, theatres, dancing, live music, football matches, historic monuments, museums, leisure parks and other attractions, swimming pools, leisure centres;
Holidays						Foreign holidays and insurance; UK holidays	Foreign holidays and insurance; UK Holidays

## Appendix 2: Calendar of selected events

- 1947 November: Increase in duty on alcohol
- 1948 April: Increase in duty on alcohol and tobacco
- 1949 April: Cut in alcohol duty
- 1950 April: Fish and rabbits freed from price control  
April: Fall in alcohol index due to strength of beer being raised without any increase in price
- 1951 May: Increase in alcohol duty  
October: Increase in tobacco duty
- 1952 March: price controls on clothing lifted, and clothing becomes subject to purchase tax
- 1953 Price controls removed from flour, sausages, eggs, sugar, syrup, etc  
Reduction in purchase tax, affecting household durable goods
- 1954 Price controls removed from meat, butter, margarine, cooking fat and some fish products
- 1955 October: Increase in purchase tax, affecting household durable goods  
First increase in tobacco duty since 1951
- 1956 May: Increase in tobacco duty  
September: Price controls removed from bread, leaving only milk prices subject to control
- 1957 April: Reduction in purchase tax, affecting durable household goods
- 1958 Retail price of coal and coke decontrolled
- 1959 April: Cut in alcohol duty – first change in alcohol duty since 1951
- 1960 April: Increase in tobacco duty – first change in tobacco duty since 1956
- 1961 August: Budget increases in alcohol and tobacco duties
- 1964 May: First change in alcohol and tobacco duties since 1961
- 1965 April: Increase in alcohol duty
- 1967 Implementation of ‘period of severe restraint’ on prices and incomes holds down prices for first nine months of the year
- 1968 December: Increase in alcohol, tobacco and petrol duties and motor vehicle licences
- 1969 June: Wool and clothing materials become subject to purchase tax
- 1972 November: Introduction of counter-inflation measures in November to restrict increases on most goods other than fresh foods: in the following two months there were only small increases in the non-food sector
- 1973 April: VAT introduced at a standard rate of 10 per cent, accompanied by the scrapping of purchase tax and the reduction of excise duties on alcohol and tobacco. Scrapping of purchase tax leads to price reductions on electrical appliances and certain miscellaneous goods which were subject to higher rate purchase tax. For many other products, the introduction of VAT leads to price increases
- 1973 October: Outbreak of Middle East War followed by cut in oil supplies and quadrupling of oil prices
- 1974 April: VAT extended to petrol  
July: General reduction in the rate of VAT to 8 per cent  
December: VAT rate for petrol raised to 25 per cent
- 1974 Introduction of subsidies on bread, flour, tea and cheese, in addition to those already in place on milk and butter; these were gradually removed over the course of the next few years
- 1975 April: Substantial increases in duty on alcohol, tobacco and in the road fund licence. Extension of the 25 per cent rate of VAT to cover a wide range of luxury goods
- 1976 April: Highest rate of VAT cut from 25 per cent to 12.5 per cent, but offsetting increases in duty on petrol, alcohol and tobacco
- 1976 ‘Price check’, a voluntary agreement between manufacturers, distributors and government limited price increases to 5 per cent on a wide range of consumer goods from February to August
- 1976 November: Bank of England ‘base rate’ reaches 14.75 per cent
- 1977 March budget increases duties on petrol, alcohol and tobacco and road fund licence
- 1977 October: Bank of England base rate falls to 5.0 per cent
- 1979 June: Incoming Conservative government raises VAT rates to 15 per cent while cutting direct taxes on earned income
- 1979 November: Bank of England base rate reaches 17 per cent  
1981, 1984, 1986 Budgets: substantial increases in tobacco duty
- 1988 May: Bank of England base rates falls to below 7.5 per cent before rising to a little under 13 per cent by the year-end  
3rd quarter: house price inflation peaks at 33 per cent
- 1989 April: Community Charge replaces rates in Scotland  
October: Bank of England base rate rises to just under 15 per cent
- 1990 April: Community Charge replaces rates in England and Wales
- 1991 April: VAT rate raised by 2.5 per cent to 17.5 per cent ; proceeds used to reduce Community Charge bills by 30 per cent
- 1992 4th quarter: Annual fall in house prices reaches –7 per cent
- 1993 March: VAT imposed on domestic fuel  
Fuel Price Escalator introduced to annually raise petrol prices above the rate of inflation. Initially set at 3 per cent but later increases to 5 per cent
- 1993 April: Council Tax replaces the Community Charge
- 1997 May: Chancellor announces operational independence for the Bank of England with decisions on interest rates to be taken by a new Monetary Policy Committee
- 1997 July: Government sets inflation target of 2.5 per cent, based on RPI excluding mortgage interest payments (RPIX)
- 2000 Budget: Government scraps the fuel price escalator
- 2001 February: Outbreak of foot and mouth disease
- 2002 October: House price inflation peaks at 30 per cent
- 2003 July: Bank of England base rate falls to 3.5 per cent  
December: Government announces change in inflation measure to one based on the Consumer Prices Index (CPI). Target set at 2 per cent

