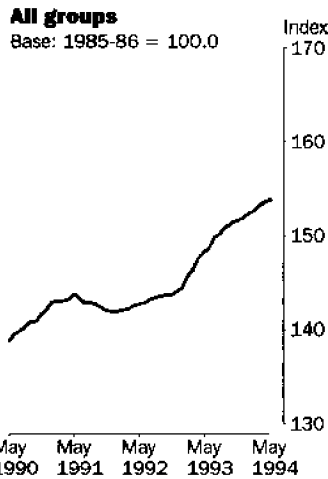


**PRICE INDEX OF MATERIALS
USED IN HOUSE BUILDING**

SIX STATE
CAPITAL
CITIES AND
CANBERRA

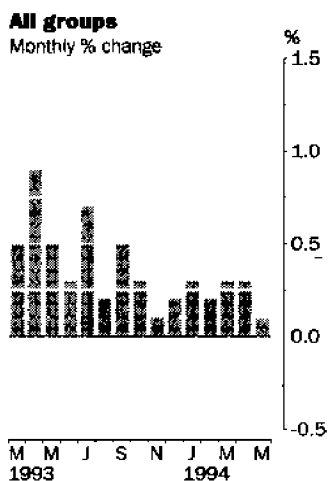
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MAY KEY FIGURES



	% change Apr 1994 to May 1994	% change May 1993 to May 1994
Weighted average of six State capital cities	0.1	3.7
Sydney	0.1	2.8
Melbourne	0.1	4.8
Brisbane	-0.1	2.7
Adelaide	0.4	7.3
Perth	0.4	2.2
Hobart	0.3	3.3
Canberra	0.1	4.2

MAY KEY POINTS



ALL GROUPS INDEX

- The All groups index (weighted average of the six State capital cities) increased by 0.1 per cent in May 1994 (+0.2 index points).
- The All groups index (weighted average of the six State capital cities) increased by 3.7 percent from May 1993 to May 1994.

MAJOR MOVEMENTS

- Other metal products, +5.3 per cent.
- Concrete mix, cement and sand, +6.1 per cent.
- Timber, board and joinery, +1.3 per cent.

INQUIRIES

- For further information about these and related statistics, contact Robert Adams on 06 252 6198, or any ABS Office.

PRICE INDEX NOTES

FORTHCOMING ISSUES

ISSUE

RELEASE DATE

June 1994

12 August 1994

July 1994

12 September 1994

August 1994

12 October 1994

CHANGES IN THIS ISSUE

There are no changes in this issue.

IAN CASTLES
AUSTRALIAN STATISTICIAN

HOUSE BUILDING MATERIALS PRICE INDEX¹

Period	Weighted average of six State capital cities							
	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Canberra ²	
1990-91	142.1	145.7	138.1	141.9	136.2	148.7	134.2	136.4
1991-92	142.4	146.1	137.3	144.7	135.5	149.3	138.3	140.3
1992-93	145.2	148.5	141.1	147.8	137.8	150.5	140.7	143.2
1993								
March	146.3	149.1	143.0	148.4	139.4	151.1	140.8	143.2
April	147.6	151.1	144.5	149.0	140.0	151.4	141.2	144.0
May	148.3	152.3	144.7	149.0	143.4	151.8	141.4	145.5
June	148.8	152.5	145.5	149.2	144.9	151.7	141.6	146.3
July	149.9	153.5	146.7	150.4	147.0	152.5	142.8	148.5
August	150.2	153.3	147.1	150.8	147.8	152.7	143.1	149.3
September	150.9	153.5	147.8	152.0	150.2	152.7	143.1	149.3
October	151.4	153.8	148.4	152.4	151.9	152.9	143.4	149.8
November	151.6	153.9	149.2	151.8	152.0	152.6	143.5	150.2
December	151.9	154.3	149.5	152.0	152.2	152.9	143.6	150.4
1994								
January	152.3	154.7	149.9	152.2	152.9	153.2	144.5	150.7
February	152.6	155.1	150.1	152.8	153.7	153.0	144.2	151.5
March	153.1	155.3	151.3	152.4	153.2	154.4	145.1	151.3
April	153.6	156.3	151.4	153.2	153.3	154.5	145.5	151.4
May	153.8	156.5	151.6	153.0	153.9	155.1	146.0	151.6

¹ Base of each index: 1985-86 = 100.0² Base of index: 1986-87 = 100.0

HOUSE BUILDING MATERIALS PRICE INDEX, Percentage Changes

Period	Weighted average of six State capital cities	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Canberra
		PERCENTAGE CHANGE (from previous year)						
1990-91	4.6	4.7	3.4	5.8	5.0	5.6	4.8	4.5
1991-92	0.2	0.3	-0.6	2.0	-0.5	0.4	3.1	2.9
1992-93	2.0	1.6	2.8	2.1	1.7	0.8	1.7	2.1

Period	Weighted average of six State capital cities	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Canberra
		PERCENTAGE CHANGE (from corresponding month of previous year)						
1993								
March	2.9	2.1	4.6	2.3	3.9	1.1	1.4	2.1
April	3.6	3.2	5.4	2.4	4.4	0.9	0.9	2.1
May	3.9	3.8	5.4	2.1	7.1	1.3	0.9	3.0
June	4.2	4.1	5.9	2.0	8.1	0.9	1.0	3.2
July	4.7	4.4	6.3	2.8	9.4	1.5	1.8	4.7
August	4.7	4.1	6.2	2.9	9.7	1.8	2.1	5.1
September	5.2	4.3	6.6	3.5	10.9	1.9	2.0	4.8
October	5.4	4.5	6.7	3.7	12.4	2.1	2.1	5.1
November	5.5	4.7	7.2	3.1	12.3	1.9	2.5	5.6
December	5.4	5.1	6.8	3.1	12.1	1.8	2.3	5.7
1994								
January	5.5	5.3	6.8	2.9	12.1	1.9	2.7	5.8
February	4.9	4.9	5.7	3.1	10.9	1.7	2.4	5.9
March	4.6	4.2	5.8	2.7	9.9	2.2	3.1	5.7
April	4.1	3.4	4.8	2.8	9.5	2.0	3.0	5.1
May	3.7	2.8	4.8	2.7	7.3	2.2	3.3	4.2

Period	Weighted average of six State capital cities	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Canberra
		PERCENTAGE CHANGE (from previous month)						
1993								
March	0.5	0.8	0.7	0.1	0.6	0.4	0.0	0.1
April	0.9	1.3	1.0	0.4	0.4	0.2	0.3	0.6
May	0.5	0.8	0.1	0.0	2.4	0.3	0.1	1.0
June	0.3	0.1	0.6	0.1	1.0	-0.1	0.1	0.5
July	0.7	0.7	0.8	0.8	1.4	0.5	0.8	1.5
August	0.2	-0.1	0.3	0.3	0.5	0.1	0.2	0.5
September	0.5	0.1	0.5	0.8	1.6	0.0	0.0	0.0
October	0.3	0.2	0.4	0.3	1.1	0.1	0.2	0.3
November	0.1	0.1	0.5	-0.4	0.1	-0.2	0.1	0.3
December	0.2	0.3	0.2	0.1	0.1	0.2	0.1	0.1
1994								
January	0.3	0.3	0.3	0.1	0.5	0.2	0.6	0.2
February	0.2	0.3	0.1	0.4	0.5	-0.1	-0.2	0.5
March	0.3	0.1	0.8	-0.3	-0.3	0.9	0.6	-0.1
April	0.3	0.6	0.1	0.5	0.1	0.1	0.3	0.1
May	0.1	0.1	0.1	-0.1	0.4	0.4	0.3	0.1

HOUSE BUILDING MATERIALS PRICE INDEX, Contribution to All Groups Index¹

Category	April 1994	May 1994	Change
Weighted average of six State Capital Cities	153.6	153.8	0.2

GROUPS: Contribution to Weighted average of six State capital cities index (index points)

Concrete mix, cement and sand	13.37	13.45	0.08
Cement products	9.28	9.33	0.05
Clay bricks, tiles, etc	14.55	14.58	0.03
Timber, board and joinery	52.63	52.70	0.07
Steel Products	5.63	5.61	-0.02
Other metal products	20.87	20.98	0.11
Plumbing fixtures, etc	7.60	7.57	-0.03
Electrical installation materials	3.46	3.45	-0.01
Installed appliances	7.16	7.16	0.00
Other materials	19.05	18.96	-0.09

¹ For an explanation of this table see paragraph 15 of the Explanatory Notes

HOUSE BUILDING MATERIALS PRICE INDEX, By Materials Group¹

<i>Period</i>	<i>Concrete mix, cement and sand</i>	<i>Cement products</i>	<i>Clay bricks, tiles, etc.</i>	<i>Timber, board and joinery</i>	<i>Steel products</i>	<i>Other metal products</i>	<i>Plumbing fixtures, etc.</i>	<i>Electrical installation materials</i>	<i>Installed appliances</i>	<i>Other materials</i>
WEIGHTED AVERAGE OF SIX STATE CAPITAL CITIES										
1990-91	143.0	136.7	143.5	134.7	150.7	147.6	176.5	191.3	137.9	138.2
1991-92	139.4	140.9	147.1	132.3	151.3	147.9	177.3	186.7	144.8	142.4
1992-93	140.4	142.1	149.0	137.2	155.4	149.4	177.8	183.0	149.1	144.6
1993										
March	142.0	141.9	149.3	139.1	156.0	150.7	178.0	181.9	152.0	144.4
April	142.8	141.9	149.3	141.9	156.0	150.9	178.3	179.5	152.3	146.0
May	143.1	142.4	149.4	144.3	156.4	150.5	177.5	178.8	152.6	145.9
June	143.6	142.4	149.6	146.4	156.9	149.8	177.1	178.1	152.6	144.4
July	144.4	142.4	150.2	148.8	157.1	149.5	177.3	179.4	152.7	145.8
August	144.4	142.6	150.2	148.8	156.9	150.2	180.7	180.0	152.8	146.1
September	144.4	143.2	150.3	149.7	157.2	150.3	183.0	180.0	156.8	146.4
October	144.3	143.6	150.1	150.9	156.9	150.3	183.6	178.8	157.1	147.0
November	143.3	143.5	149.9	151.9	157.2	150.3	183.2	174.5	157.1	147.4
December	143.8	143.6	150.0	152.6	157.8	150.3	183.0	174.1	157.1	147.3
1994										
January	143.8	144.1	150.3	153.3	159.9	150.2	182.8	175.3	157.1	147.8
February	144.6	144.3	150.3	154.1	160.2	149.9	182.3	175.4	157.1	147.6
March	145.6	144.4	150.3	155.5	160.0	149.6	182.8	175.1	157.2	147.7
April	147.7	144.2	150.2	155.8	160.1	150.1	182.9	175.7	157.3	148.4
May	148.6	145.0	150.5	156.0	159.6	150.9	182.2	175.5	157.3	147.7

¹ Base of each index: 1985-86 = 100.0

PLEASE NOTE

CHANGE IN FORMAT OF THIS PUBLICATION

PRICE INDEX OF MATERIALS USED IN HOUSE BUILDING SIX STATE CAPITAL CITIES AND CANBERRA

Introduction

Several changes have been made to the presentation and style of this publication.

2. The new design and layout follows an extensive review of the format and content of a number of ABS main economic indicator publications. As part of the review, the opinions of a variety of publication recipients were sought. Their views have, wherever possible, been incorporated into the new design.

3. The most notable changes are:

- an improved layout for commentary;
- inclusion of scheduled release dates of forthcoming issues;
- simplified table titles; and
- simplified and improved presentation of the Explanatory Notes.

4. A table showing links between the 'old' and 'new' table titles appears on page 2 of this insert.

Details of changes

5. Front page: this page provides main movements in the index. The key points are presented in a more structured manner under the headings of *All groups index* and *Major movements*.

6. Page 2: this page displays the scheduled release dates of forthcoming issues and highlights any changes made to the data in the current issue.

7. Page 3: table 1 shows index numbers for the *All groups index* for each State capital city and Canberra.

8. Page 4: table 2 shows percentage changes in the *All groups indexes* for each State capital city and Canberra.

9. Page 5: table 3 shows the points contribution of material groups to the *All groups index* (weighted average of six State capital cities).

10. Page 6: table 4 shows index numbers for material groups.

11. Pages 7 to 9: Explanatory Notes.

INQUIRIES • for further information on the changes to this publication, please contact Robert Adams on Canberra (06) 252 6198.

• for information about other ABS statistics and services, please refer to the back page of this publication.

CHANGES TO TABLE TITLES

Old title	Page	New title	Page
Table 1. Price Index of Materials Used in House Building (index numbers)	3	1 House building materials price index	3
Table 1. Price Index of Materials Used in House Building - continued (percentage changes)	4	2 House building materials price index, percentage change	4
Table 2. Price Index of Materials Used in House Building Contribution of groups to All groups index	5	3 House building materials price index, contribution to All groups index	5
Table 3. Price Index of Materials Used in House Building Group index numbers - weighted average of six state capital cities	6	4 House building materials price index, group index numbers	6

EXPLANATORY NOTES

INTRODUCTION

1 This publication presents index numbers measuring changes in the prices of selected materials used in the construction of houses in the Statistical Division for each State capital city and Canberra — the Price Index of Materials Used in House Building. It is calculated on a reference base of 1985–86 = 100.0 for the six State capital cities and 1986–87 = 100.0 for Canberra.

2 Index numbers for the current month and the previous three months are preliminary and subject to revision.

SCOPE

3 A house is defined as a detached building predominantly used for long-term residential purposes and consisting of only one dwelling unit. The index does not represent buildings of any kind other than detached houses.

ITEMS AND WEIGHTS

4 The index is a fixed weights index. The items and weights were derived from reported values of each material used in selected representative houses constructed in or about 1985-86. Each capital city has an individual weighting pattern which reflects the differences in the relative usage of different materials in the various cities and differences in price levels between the cities.

5 The weighting pattern for the six State capital cities was shown in the Appendix to the October 1986 issue of this publication. The weighting pattern for Canberra was shown in the Appendix to the February 1988 issue.

PRICE MEASUREMENT

6 Prices used relate to precise standards for each material. The aim of the index is to measure price changes for materials of constant quality.

7 In general, the point of pricing is 'delivered on site'. However, in some cases it is necessary to use the nearest realistic price available, e.g. that for materials supplied and fixed. Prices are obtained in each capital city from representative suppliers of materials used in house building. In the main, the prices are collected at the mid point of the month to which the index relates.

8 As far as possible, actual transaction prices are used in this index — that is, prices actually paid by building contractors or sub-contractors to material suppliers for materials delivered on building sites. The actual price paid for anything can be described in various ways. Instead of being described as a single price (as usually happens in retail shops) a price for a building material may be described in terms of the components that make up the price — for instance 'list price plus sales tax', 'suppliers price plus freight', 'basic price less (particular types of) discount' and so on. It is these net prices that the ABS aims to use in compiling this price index.

9 The ABS asks respondent businesses to report details of the discounts they offer so that actual transaction prices can be calculated. However, as building material suppliers offer many different types of discounts to buyers (e.g. trade discounts, settlement discounts, quantity discounts, competitive discounts), the identification of discounts and the way in which they are applied by sellers pose considerable problems for the ABS. To the extent that discounts are identified and measured, their effects are taken into account in calculating the index. Sometimes new discounts, or changes in the way discounts are applied by sellers, are identified only after index numbers for a period have been published. In such cases, or in any other case where it has been discovered that incorrect prices have been used in compiling the indexes, revisions to index numbers will occur in subsequent issues of this publication.

.....



PRICE MEASUREMENT (continued)

10 Sales taxes levied on building materials are included in the prices used to compile this index. Materials used in the construction of Commonwealth, State and Local Government owned houses are exempt from sales tax. At any particular time, when there is a change in the rate of sales tax on building materials, the index is calculated to take into account the proportions of materials sold subject to sales tax at that time and the proportion of materials exempt from sales tax.

INDEX NUMBERS

11 Index numbers for financial years are simple averages of the monthly index numbers.

12 The separate city indexes measure price movements within each capital city individually. They enable comparisons to be drawn between cities as to *differences in degree of price movement* from period to period. They do not measure differences in price levels between cities.

ANALYSIS OF INDEX CHANGES

13 Care should be exercised when interpreting month-to-month movements in the indexes as short-term movements do not necessarily indicate changes in trend.

14 Movements in indexes from one period to another can be expressed either as changes in 'index points' or as percentage changes. The following example illustrates the method of calculating index points changes and percentage changes between any two periods:

Weighted average of six State capital cities index numbers —

May 1994	153.8	(see Table 1)
less May 1993	148.3	(see Table 1)
Change in index points	5.5	
Percentage change	$\frac{5.5}{148.3} \times 100 = 3.7$	

15 Table 3 provides an analysis of the contribution which selected categories of materials make to the total Weighted average of six State capital cities index. For example, Timber, board and joinery contributed 52.70 index points to the total Weighted average of the six State capital cities index number of 153.8 for May 1994 and +0.07 index points to the net change of +0.2 index points.

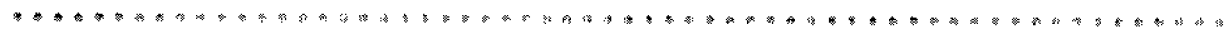
FURTHER INFORMATION

16 The Appendix to the October 1986 issue of this publication contains a more detailed description of the index and its relationship with previous indexes. A copy of the description can be obtained by calling Robert Adams on 06 252 6198.

RELATED PUBLICATIONS

17 Users may also wish to refer to the following price index publications which are available from ABS Bookshops:

- *Price Index of Materials Used in Building Other Than House Building, Eight Capital Cities (6407.0)*
- *Price Indexes of Materials Used in Manufacturing Industries, Australia (6411.0).*
- *Price Indexes of Articles Produced by Manufacturing Industry, Australia (6412.0)*



RELATED PUBLICATIONS (continued)

18 Other ABS publications that may be of interest include:

- *Award rates of Pay Indexes, Australia* (6312.0)
- *Average Weekly Earnings, States and Australia* (6302.0)

19 Current publications produced by the ABS are listed in the *Catalogue of Publications and Products, Australia* (1101.0). The ABS also issues, on Tuesdays and Fridays, a *Publications Advice* (1105.0) which lists publications to be released in the next few days. The Catalogue and Publications Advice are available from any ABS office.

UNPUBLISHED STATISTICS

20 As well as the statistics included in this and related publications, the ABS may have other relevant unpublished data available. Inquiries should be made to Robert Adams on 06 252 6198 or to any ABS office.

SYMBOLS AND OTHER USAGES

r figure or series revised since previous issue





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A growing range of our data are available on electronic media. Selections of the most frequently requested data are available, updated daily, on DISCOVERY (Key *656#). The PC TELESTATS service delivers major economic indicator publications ready to download into your computer on the day of release. The PC AUSSTATS service enables on-line access to a database of thousands of up-to-date time series. Selected datasets are also available on diskette or CD-ROM. For more details on our electronic data services, contact Information Services in any of our offices (see below).

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