

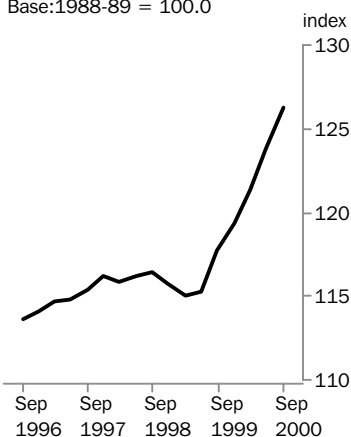


PRICE INDEXES OF ARTICLES PRODUCED BY MANUFACTURING INDUSTRY AUSTRALIA

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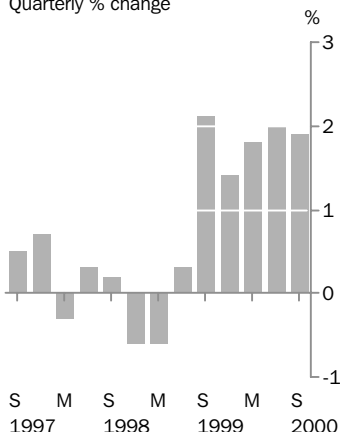
Manufacturing division

Base:1988-89 = 100.0



Manufacturing division

Quarterly % change



SEPTEMBER QTR KEY FIGURES

| | % change Jun Qtr 2000 to Sep Qtr 2000 | % change Sep Qtr 1999 to Sep Qtr 2000 |
|--|---|---|
| Manufacturing division | 1.9 | 7.2 |
| Food, beverage and tobacco | -0.2 | 3.7 |
| Textiles and textile products | -0.3 | 4.0 |
| Knitting mills, clothing, footwear and leather | -0.4 | -0.2 |
| Log sawmilling and other wood products | 0.6 | 7.4 |
| Paper and paper products | 1.4 | 1.0 |
| Printing, publishing and recorded media | 1.1 | 2.2 |
| Petroleum and coal products | 18.9 | 59.7 |
| Chemicals | -0.4 | 3.8 |
| Rubber and plastics | 0.3 | 1.9 |
| Non-metallic mineral products | -0.1 | 0.5 |
| Basic metal products | 0.8 | 14.5 |
| Fabricated metal products | -0.2 | 2.7 |
| Transport equipment and parts | 0.2 | 2.9 |
| Electronic equipment and other machinery | 0.1 | 1.2 |
| Other manufacturing | 1.2 | 3.0 |

SEPTEMBER QTR KEY POINTS

MANUFACTURING DIVISION INDEX

- Price increases for refined petroleum products were the predominant contributors to the increase in the index.

MAJOR MOVEMENTS

- Continuing increases in world oil prices resulted in substantially higher prices for refined petroleum products.
- The price of most basic metal products increased in line with world prices.
- Price increases for newspaper publishing resulted from higher input costs.
- Small price falls for a range of items partly offset the overall increase.

- For further information about these and related statistics, contact Phillip Dunne on Canberra 02 6252 6655, or the National Information Service on 1300 135 070.

NOTE:
See 'Changes in this issue' on page 2.

NOTES

FORTHCOMING ISSUES

| <i>ISSUE (Quarter)</i> | <i>RELEASE DATE</i> |
|------------------------|---------------------|
| December 2000 | 19 January 2001 |
| March 2001 | 19 April 2001 |



CHANGES IN THIS ISSUE

The content and format of this publication has changed to reflect an updated weighting pattern and the adoption of a new industrial classification. In addition, the reference base has been updated to 1989–90=100.0, in line with most of the other price indexes.

A consequence of re-referencing price indexes can be that period to period percentage changes calculated using the re-referenced index number series may differ slightly from those calculated using the original series. These differences do not constitute a revision of the index but simply reflect the effect of rounding.

Refer to Appendices A and B for further details.



IMPACT OF THE NEW TAX SYSTEM

The Goods and Services Tax (GST) is excluded from all prices used in compiling the *Price Indexes of Articles Produced by Manufacturing Industry* and therefore the introduction of the GST has not had any direct impact on the indexes.

For more details see *Information Paper: Price Indexes and The New Tax System* (Cat. no. 6425.0), released on 3 May 2000.



Dennis Trewin
Australian Statistician



MANUFACTURING DIVISION INDEX

| <i>Period</i> | <i>Index Number(a)</i> | <i>% change from corresponding quarter of previous year</i> | <i>% Change from previous period</i> |
|------------------|----------------------------|---|--|
| 1996-1997 | 114.3 | | 0.5 |
| 1997-1998 | 115.9 | | 1.4 |
| 1998-1999 | 115.6 | | -0.3 |
| 1999-2000 | 120.6 | | 4.3 |
| 1996 | | | |
| September | 113.6 | 0.1 | -0.1 |
| December | 114.1 | 0.5 | 0.4 |
| 1997 | | | |
| March | 114.7 | 0.5 | 0.5 |
| June | 114.8 | 1.0 | 0.1 |
| September | 115.4 | 1.6 | 0.5 |
| December | 116.2 | 1.8 | 0.7 |
| 1998 | | | |
| March | 115.8 | 1.0 | -0.3 |
| June | 116.2 | 1.2 | 0.3 |
| September | 116.4 | 0.9 | 0.2 |
| December | 115.7 | -0.4 | -0.6 |
| 1999 | | | |
| March | 115.0 | -0.7 | -0.6 |
| June | 115.3 | -0.8 | 0.3 |
| September | 117.7 | 1.1 | 2.1 |
| December | 119.3 | 3.1 | 1.4 |
| 2000 | | | |
| March | 121.4 | 5.6 | 1.8 |
| June | 123.8 | 7.4 | 2.0 |
| September | 126.2 | 7.2 | 1.9 |

(a) Base of each index: 1989-90 = 100.0.

MANUFACTURING DIVISION INDEX(a), Contribution of Subdivisions and Groups

| Category | June Qtr 2000 | September Qtr 2000 | Change | |
|--|--|-----------------------|--------|-------|
| Manufacturing division | 123.8 | 126.2 | 2.4 | |
| ASIC SUBDIVISION OR GROUP: Contribution to Manufacturing Division Index (index points) | | | | |
| 21 | Food, beverage and tobacco | 31.65 | 31.59 | -0.06 |
| 221-222 | Textiles and textile products | 2.64 | 2.64 | 0.00 |
| 223-226 | Knitting mills, clothing, footwear and leather | 4.26 | 4.24 | -0.02 |
| 231-232 | Log sawmilling and other wood products | 3.26 | 3.28 | 0.02 |
| 233 | Paper and paper products | 1.40 | 1.42 | 0.02 |
| 24 | Printing, publishing and recorded media | 6.44 | 6.52 | 0.08 |
| 251-252 | Petroleum and coal products | 11.50 | 13.72 | 2.22 |
| 253-254 | Chemicals | 7.65 | 7.62 | -0.03 |
| 255-256 | Rubber and plastics | 2.92 | 2.95 | 0.03 |
| 26 | Non-metallic mineral products | 5.21 | 5.21 | 0.00 |
| 271-273 | Basic metal products | 9.93 | 10.03 | 0.10 |
| 274-276 | Fabricated metal products | 6.33 | 6.32 | -0.01 |
| 281-282 | Transport equipment and parts | 13.14 | 13.17 | 0.03 |
| 283-286 | Electronic equipment and other machinery | 12.44 | 12.46 | 0.02 |
| 29 | Other manufacturing | 5.00 | 5.06 | 0.06 |

(a) For an explanation of this table see paragraph 19 of the Explanatory Notes

MANUFACTURING SUBDIVISION INDEXES(a)

| <i>Period</i> | <i>Food, beverages and tobacco (21)</i> | <i>Textiles and textile products (221-222)</i> | <i>Knitting mills, clothing, footwear and leather (223-226)</i> | <i>Log sawmilling and other wood products (231-232)</i> | <i>Paper and paper products (233)</i> |
|------------------|---|--|---|---|---|
| 1996-1997 | 119.0 | 103.4 | 114.5 | 116.8 | 111.5 |
| 1997-1998 | 122.0 | 104.7 | 116.5 | 118.9 | 110.2 |
| 1998-1999 | 122.6 | 102.9 | 117.9 | 121.0 | 110.4 |
| 1999-2000 | 125.1 | 103.8 | 119.5 | 126.0 | 111.3 |
| 1996 | | | | | |
| September | 118.2 | 103.3 | 114.0 | 116.1 | 111.9 |
| December | 118.9 | 103.1 | 114.1 | 116.3 | 111.6 |
| 1997 | | | | | |
| March | 119.1 | 103.3 | 114.4 | 117.2 | 111.6 |
| June | 119.9 | 103.9 | 115.4 | 117.7 | 110.9 |
| September | 120.7 | 105.0 | 116.4 | 117.6 | 110.7 |
| December | 122.1 | 105.2 | 116.3 | 118.5 | 110.0 |
| 1998 | | | | | |
| March | 122.5 | 104.7 | 116.6 | 119.6 | 109.9 |
| June | 122.7 | 103.9 | 116.8 | 119.9 | 110.2 |
| September | 123.4 | 103.6 | 117.0 | 120.9 | 109.9 |
| December | 122.8 | 102.9 | 117.4 | 121.2 | 110.3 |
| 1999 | | | | | |
| March | 122.7 | 102.8 | 118.2 | 121.3 | 110.6 |
| June | 121.4 | 102.4 | 119.0 | 120.7 | 110.6 |
| September | 122.7 | 102.3 | 119.3 | 122.2 | 112.0 |
| December | 124.9 | 102.1 | 119.4 | 123.5 | 110.8 |
| 2000 | | | | | |
| March | 125.2 | 103.9 | 119.8 | 127.9 | 110.9 |
| June | 127.4 | 106.7 | 119.6 | 130.5 | 111.5 |
| September | 127.2 | 106.4 | 119.1 | 131.3 | 113.1 |

(a) Base of each index: 1989-90 = 100.0.

MANUFACTURING SUBDIVISION INDEXES(a) *continued*

| <i>Period</i> | <i>Printing, publishing and recorded media (24)</i> | <i>Petroleum and coal products (252-252)</i> | <i>Chemicals (253-254)</i> | <i>Rubber and plastics (255-256)</i> | <i>Non-metallic mineral products (26)</i> |
|------------------|---|--|--------------------------------|--|---|
| 1996-1997 | 136.3 | 109.9 | 111.3 | 113.9 | 115.3 |
| 1997-1998 | 139.2 | 101.7 | 110.7 | 113.8 | 116.7 |
| 1998-1999 | 143.6 | 86.8 | 110.8 | 114.0 | 117.1 |
| 1999-2000 | 148.9 | 137.5 | 111.7 | 114.9 | 117.5 |
| 1996 | | | | | |
| September | 135.6 | 102.8 | 111.7 | 113.8 | 114.6 |
| December | 136.2 | 113.9 | 111.0 | 114.1 | 115.1 |
| 1997 | | | | | |
| March | 136.4 | 116.8 | 111.1 | 114.0 | 115.6 |
| June | 137.0 | 106.2 | 111.3 | 114.0 | 116.1 |
| September | 138.3 | 102.4 | 111.2 | 113.8 | 116.4 |
| December | 138.2 | 110.2 | 110.4 | 113.5 | 116.4 |
| 1998 | | | | | |
| March | 140.0 | 96.5 | 110.7 | 114.2 | 116.8 |
| June | 140.2 | 97.6 | 110.6 | 113.8 | 117.2 |
| September | 143.2 | 90.3 | 111.0 | 114.1 | 117.2 |
| December | 144.0 | 85.1 | 111.8 | 113.9 | 117.2 |
| 1999 | | | | | |
| March | 143.6 | 79.7 | 111.0 | 114.0 | 117.1 |
| June | 143.7 | 92.2 | 109.3 | 114.1 | 116.8 |
| September | 148.3 | 119.3 | 109.8 | 114.0 | 117.2 |
| December | 148.7 | 125.6 | 110.5 | 114.1 | 117.3 |
| 2000 | | | | | |
| March | 148.8 | 145.0 | 112.2 | 115.7 | 117.6 |
| June | 149.8 | 160.2 | 114.5 | 115.9 | 117.9 |
| September | 151.5 | 190.5 | 114.0 | 116.2 | 117.8 |

(a) Base of each index: 1989-90 = 100.0.

MANUFACTURING SUBDIVISION INDEXES(a) *continued*

| <i>Period</i> | <i>Base metal products (271-273)</i> | <i>Fabricated metal products (274-276)</i> | <i>Transport equipment and parts (281-282)</i> | <i>Electronic equipment and other machinery (283-286)</i> | <i>Other manufacturing (29)</i> |
|------------------|--|--|--|---|-------------------------------------|
| 1996-1997 | 98.2 | 111.8 | 115.4 | 109.0 | 118.7 |
| 1997-1998 | 102.1 | 113.0 | 116.6 | 109.7 | 119.6 |
| 1998-1999 | 98.7 | 113.6 | 117.8 | 109.1 | 121.4 |
| 1999-2000 | 104.8 | 115.2 | 119.6 | 109.9 | 123.8 |
| 1996 | | | | | |
| September | 98.3 | 111.1 | 115.9 | 108.8 | 117.9 |
| December | 96.2 | 111.7 | 115.3 | 108.8 | 118.9 |
| 1997 | | | | | |
| March | 98.0 | 112.1 | 115.4 | 109.1 | 119.0 |
| June | 100.1 | 112.4 | 115.2 | 109.3 | 118.9 |
| September | 102.5 | 112.5 | 115.7 | 109.6 | 119.3 |
| December | 102.4 | 112.9 | 116.2 | 109.9 | 119.4 |
| 1998 | | | | | |
| March | 101.5 | 113.1 | 116.8 | 109.7 | 119.5 |
| June | 102.2 | 113.7 | 117.8 | 109.7 | 120.3 |
| September | 102.8 | 113.9 | 118.7 | 109.5 | 121.2 |
| December | 99.6 | 113.2 | 117.4 | 109.2 | 121.1 |
| 1999 | | | | | |
| March | 96.5 | 113.5 | 117.7 | 108.6 | 121.1 |
| June | 95.7 | 113.8 | 117.5 | 109.1 | 122.1 |
| September | 97.8 | 113.5 | 118.1 | 109.3 | 123.1 |
| December | 102.4 | 114.7 | 119.3 | 109.7 | 123.5 |
| 2000 | | | | | |
| March | 107.9 | 115.7 | 119.9 | 110.1 | 123.6 |
| June | 111.1 | 116.8 | 121.2 | 110.5 | 125.3 |
| September | 112.0 | 116.6 | 121.5 | 110.6 | 126.8 |

(a) Base of each index: 1989-90 = 100.0.

EXPLANATORY NOTES

INTRODUCTION

1 This publication presents index numbers for articles produced by establishments classified to designated 'sectors' of Australian manufacturing industry—the *Price Indexes of Articles Produced by Manufacturing Industry*. They are calculated on the reference base 1989–90 = 100.0.

SCOPE

2 The indexes are on a 'net sector' basis; that is, each relates only to those articles which are produced by the defined 'sector' of Australian manufacturing industry and which are sold or transferred to establishments outside that 'sector' or used as capital equipment. These establishments are either Australian manufacturing establishments classified to other manufacturing 'sectors' or to other divisions of Australian industry (e.g. 'Wholesale and retail trade') or are overseas consumers (including overseas manufacturing establishments).

CLASSIFICATION

3 The Manufacturing Division index measures changes in prices of articles which are produced by establishments classified to Australian and New Zealand Standard Industrial Classification (ANZSIC) Division C, Manufacturing, which have been sold or transferred to establishments outside the Manufacturing Division, are for export or are for use as capital equipment. It excludes semi-processed articles which have been produced by establishments within the Manufacturing Division and sold or transferred to other establishments within the Manufacturing Division for further processing. The index reflects sales and transfers of articles at the point of exit from the Manufacturing Division.

4 The indexes for ANZSIC Subdivisions and Groups measure changes in prices of articles produced by establishments classified to each defined ANZSIC manufacturing 'sector' which are sold or transferred to establishments outside that 'sector'. These exclude semi-processed articles which have been produced by establishments within the specific 'sector' and sold or transferred to establishments in the same 'sector' for further processing. The pricing and weights for these net 'sector' indexes therefore reflect sales and transfers out at the point of exit from the respective ANZSIC Subdivision or ANZSIC Groups.

5 For ANZSIC Subdivisions and groupings 21, 224–6, 231, 26, 274–6, 281–2 and 283–6, only a minor proportion of sales and transfers is to other manufacturing subdivisions. Therefore the relevant components of the Manufacturing Division index are regarded as providing valid indicators of price movement for these subdivisions. For ANZSIC Subdivisions and groupings 221–2, 233, 271–3 and 29 there is a significant proportion of sales to other subdivisions of manufacturing. To compile net indexes for these subdivisions, it has therefore been necessary to price additional items to represent transactions between these and other subdivisions, and also to establish weights appropriate to each subdivision (i.e. weights based on all articles produced by the subdivision for sale or transfer outside the subdivision)

ITEMS AND WEIGHTS

6 The indexes are fixed weights indexes. The items included in the index were selected on the basis of values of articles produced in 1993–94. The selected items were allocated weights in accordance with the estimated value of manufacturing production in 1993–94 valued at the relevant prices applying in the June quarter 2000.

7 Many of the selected items carry not only the weight of directly priced articles but also the weight of unpriced articles whose prices are considered to move similarly to those of directly priced articles.

EXPLANATORY NOTES

ITEMS AND WEIGHTS *continued*

8 The selected items have been grouped in accordance with the classification rules of ANZSIC. The items have been combined according to the ANZSIC classes and groups in which they are primarily produced.

9 Percentage contributions, in June quarter 2000, of each article to the Manufacturing Division index and each sub-division index are shown in Appendix A of this publication.

PRICE MEASUREMENT

10 Prices are generally obtained from principal manufacturers of the articles concerned, but in some cases prices collected for other indexes are used (adjusted to the correct pricing basis as far as possible). Prices are manufacturers' selling prices, exclusive of excise and GST, and reflect the effects of subsidies and bounties paid to manufacturers.

11 The prices reflect industry selling practices. For example, if costs such as handling and distribution are included in the manufacturers' selling price this is the price used in the index. Where handling and distribution charges are paid separately by the purchaser the prices used exclude such charges.

12 As far as possible, actual transactions prices are used in these indexes—that is, the prices actually paid by buyers of manufacturers' products. 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 manufacturer's product may be described in terms of the components that make up the price—for instance 'list price less (particular types of) discount'. It is these net prices that buyers pay to sellers that the ABS aims to use in compiling these price indexes.

13 The ABS asks respondent businesses to report details of the discounts they offer so that actual transactions prices can be calculated. However, as manufacturers offer many different types of discounts to buyers (e.g. trade discounts, settlement discounts, quantity discounts, competitive discounts), the identification of the discounts and the way in which they are applied by manufacturers pose considerable problems for the ABS. To the extent that discounts are identified and measured, their effects are taken into account in calculating the indexes. However, because of the difficulties involved in obtaining full details of discounts, the effect of the discounts may sometimes be on a partly estimated basis. Sometimes new discounts, or changes in the way discounts are applied by manufacturers, are identified only after index numbers for a particular period have been published. In such cases, or in any other case where it is discovered that incorrect prices have been used in compiling the indexes, revisions to index numbers will occur in subsequent issues of this publication.

14 Price series relate to goods of fixed specifications with the aim of incorporating in the index price changes for representative articles of constant quality. Consistent with this approach, prices in general relate to a standard representative set of transactions (in terms of quantity, delivery arrangements, destination, etc.) in order to avoid variations in price that are attributable solely to a changing mix of transactions over time.

EXPLANATORY NOTES

- INDEX NUMBERS** **15** Index numbers for financial years are simple averages of the relevant quarterly index numbers.
- REVISIONS** **16** In cases where more complete information is obtained after index numbers for a period have been published, or it is discovered that incorrect prices have been used in compiling the indexes, revisions to index numbers may occur in subsequent issues of this publication.
- ANALYSIS OF INDEX CHANGES** **17** Care should be exercised when interpreting quarter-to-quarter movements in the indexes as short-term movements do not necessarily indicate changes in trend.
- 18** 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:
- Manufacturing Division index numbers —
- | | | |
|-----------------------------|---------------------|---------------|
| September Quarter 2000 | 126.2 | (see Table 1) |
| less September Quarter 1999 | 117.7 | (see Table 1) |
| Change in index points | 8.5 | |
| Percentage change = | $\frac{8.5}{117.7}$ | x 100 = 7.2 |
- 19** Table 2 provides an analysis of the contribution which ASIC subdivisions and groups make to the Manufacturing Division index. For example, Petroleum and coal products contributed 13.72 index points to the total Manufacturing Division index number of 126.2 for September Quarter 2000 and 2.22 index points to the net change of 2.4 index points.
- FURTHER INFORMATION** Further information on recent price index developments in the ABS is presented in the following publications:
- *An Analytical Framework for Price Indexes in Australia* (Cat. no. 6421.0)
 - *Producer Price Index Developments* (Cat. no. 6422.0) (Comprises detailed discussion of Stage of Production concept and detail of selected Service Industries indexes.)
 - *Review of the Import Price Index and Export Price Index, Australia* (Cat. no. 6424.0)
 - *Price Indexes and The New Tax System* (Cat. no. 6425.0)
- RELATED PUBLICATIONS** **21** Users may also wish to refer to the following Producer Price Index publications, which are available from ABS bookshops:
- *Export Price Index, Australia* (Cat. no. 6405.0)
 - *Import Price Index, Australia* (Cat. no. 6414.0)
 - *Price Index of Materials Used in Building Other than House Building, Six State Capital Cities* (Cat. no. 6407.0)
 - *Price Index of Materials Used in House Building, Six State Capital Cities* (Cat. no. 6408.0)
 - *Price Indexes of Copper Materials, Australia* (Cat. no. 6410.0)
 - *Price Indexes of Materials Used in Manufacturing Industries, Australia* (Cat. no. 6411.0)
 - *Price Indexes of Materials Used in Coal Mining, Australia* (Cat. no. 6415.0)
 - *Producer Price Indexes for Selected Service Industries, Australia* (Cat. no. 6423.0)
 - *Stage of Production Producer Price Indexes, Australia* (Cat. no. 6426.0)

EXPLANATORY NOTES

22 Other ABS publications which may be of interest include:

- *Balance of Payments and International Investment Position, Australia* (Cat no. 5302.0)
- *Consumer Price Index, Australia* (Cat. no. 6401.0)
- *Wage Cost Index, Australia* (Cat. no. 6345.0)
- *Average Weekly Earnings, States and Australia* (Cat. no. 6302.0)
- *Australian National Accounts: Input-Output Tables* (Cat. no. 5209.0)

23 Current publications produced by the ABS are listed in the *Catalogue of Publications and Products, Australia* (Cat. no. 1101.0). The ABS also issues, on Tuesdays and Fridays, a *Release Advice* (Cat. no. 1105.0) which lists publications to be released in the next few days. The Catalogue and Release Advice are available from any ABS office.

UNPUBLISHED STATISTICS

24 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 Phillip Dunne on Canberra 02 6252 6655 or to any ABS office.

SYMBOLS AND OTHER USAGES

ASIC Australian Standard Industrial Classification
r revised

APPENDIX A: REVIEW AND REWEIGHTING

INTRODUCTION

As noted in the previous issue of this publication, from this quarter the content and format of the publication has changed to reflect updated weighting patterns and the adoption of a new industrial classification—ANZSIC (Australian and New Zealand Standard Industrial Classification—1993). In addition, the reference base has been updated to 1989–90 = 100.0, in line with most of the other price indexes.

This Appendix outlines these changes. Appendix B sets out the new composition and weighting patterns.

COMPOSITION AND WEIGHTING

The underlying weighting patterns have been updated using 1993–94 Input Output data. The new weighting patterns for the Manufacturing Division index and for the associated ANZSIC subdivision and group price indexes are shown in Appendix B.

CLASSIFICATION

Up until June quarter 2000, the Price Indexes of Articles Produced by Manufacturing Industry (APMI) were classified by the Australian Standard Industrial Classification—1983 (ASIC). From this quarter, the classification has been replaced by ANZSIC.

Although the reclassification from ASIC to ANZSIC has introduced some minor changes to almost all groupings, comparability between most of the existing price index series and the new price index series has been maintained. However, it will not be possible to provide linked series for the following old ASIC Subdivision indexes in the new structure, either because they no longer exist or because they differ substantially in composition from any of the ANZIC series:-

- ASIC Subdivision 25, Wood, wood products and furniture;
- ASIC Subdivision 26, Paper, paper products, printing and publishing;
- ASIC Subdivision 34, Miscellaneous manufacturing.

LINKING SERIES

The rebased index number series have been be linked (where possible) to the relevant existing index number series at June quarter 2000. Set out below are factors which enable users to convert previously published index numbers to the new reference base or to convert index numbers on the new reference base to the previous reference base.

CONVERSION FACTORS TO LINK INDEXES

Following the review of the Prices Indexes of Articles Produced by Manufacturing Industry (APMI), the reference base for the indexes has been updated to 1989–90 = 100.0. All index numbers in this issue are published on the new reference base.

The following demonstrates the method used by the ABS to calculate the conversion factors to convert from the old to the new reference base (and vice versa). The factors are shown on page 12.

- Manufacturing Division index number (on 1988–90 = 100.0 base) for 1989–90 = 106.5.
- Factor to be used to convert the Manufacturing Division index number on the old reference base 1988–89 = 100.0, to the new reference base 1989–90 = 100.0.

$$= \frac{100.0}{106.5} = 0.93897$$

- Factor to be used to convert the Manufacturing Division index number on the new reference base 1989–90 = 100.0, to the old reference base of 1988–89 = 100.0.

$$= \frac{106.5}{100.0} = 1.06500$$

APPENDIX A: REVIEW AND REWEIGHTING

CONVERSION FACTORS TO LINK INDEXES *(continued)*

To convert index numbers on the new reference base to the previously published reference base (1988–89 = 100.0), the conversion factors shown in the first column of the following table should be used.

Similarly, to convert index numbers on the previously published reference base to the new reference base (1989–90 = 100.0), the conversion factors shown in the second column of the following table should be used.

| <i>Index Series</i> | FACTOR TO CONVERT..... | |
|--|--|--|
| | <i>Index number on new reference base to previous base (1988–89 = 100)</i> | <i>Previously published index number to new reference base (1989–90 = 100.0)</i> |
| All Groups | 1.06500 | 0.93897 |
| 21 Food, beverage and tobacco | 1.06900 | 0.93545 |
| 221-222 Textiles and textile products | 1.03200 | 0.96899 |
| 223-226 Knitting mills, clothing, footwear and leather | 1.07300 | 0.93197 |
| 251-252 Petroleum and coal products | 1.18400 | 0.84459 |
| 253-254 Chemicals | 1.04400 | 0.95785 |
| 26 Non-metallic mineral products | 1.08700 | 0.91996 |
| 271-273 Basic metal products | 1.05600 | 0.94697 |
| 274-276 Fabricated metal products | 1.07900 | 0.92678 |
| 281-282 Transport, equipment and other machinery | 1.05600 | 0.94697 |
| 283-286 Electronic equipment and other machinery | 1.04200 | 0.95969 |

INQUIRIES

If you have any comments on any of the matters discussed above, or require any further information, please contact Phillip Dunne by telephone on Canberra 02 6252 6655, by e-mail at phillip.dunne@abs.gov.au, or write to him at the following address:

Phillip Dunne
 Assistant Director
 Producer Price Indexes Section
 PO Box 10
 Belconnen ACT 2616

APPENDIX B: COMPOSITION AND WEIGHTING

MANUFACTURING DIVISION INDEX

| <i>Subdivision and groups</i> | <i>% contribution</i> |
|--|-----------------------|
| Food, beverage and tobacco | 25.61 |
| Meat and meat product manufacturing | 6.36 |
| Dairy product manufacturing | 3.86 |
| Fruit and vegetable processing | 1.65 |
| Oil and fat manufacturing | 0.36 |
| Flour mill and cereal food manufacturing | 1.26 |
| Bakery product manufacturing | 2.09 |
| Other food manufacturing | 5.03 |
| Beverage and malt manufacturing | 4.18 |
| Tobacco product manufacturing | 0.82 |
| Textile and textile products | 2.13 |
| Textile fibre, yarn and woven fabric manufacturing | 1.11 |
| Textile product manufacturing | 1.02 |
| Knitting mills, clothing, footwear and leather | 3.44 |
| Knitting mills | 0.41 |
| Clothing manufacturing | 2.37 |
| Footwear manufacturing | 0.37 |
| Leather and leather product manufacturing | 0.29 |
| Log sawmilling and other wood products | 2.63 |
| Log sawmilling and timber dressing | 0.80 |
| Other wood product manufacturing | 1.83 |
| Paper and paper products | 1.13 |
| Printing, publishing and recorded media | 5.20 |
| Printing and services printing | 0.75 |
| Publishing | 4.15 |
| Recorded media manufacturing and publishing | 0.30 |
| Petroleum and coal products | 9.30 |
| Petroleum refining | 9.28 |
| Petroleum and coal product manufacturing | 0.02 |
| Chemicals | 6.18 |
| Basic chemical manufacturing | 1.90 |
| Other chemical manufacturing | 4.28 |
| Rubber and plastics | 2.36 |
| Rubber product manufacturing | 0.66 |
| Plastic product manufacturing | 1.70 |
| Non-metallic mineral products | 4.22 |
| Glass and glass product manufacturing | 0.31 |
| Ceramic product manufacturing | 0.85 |
| Cement and concrete product manufacturing | 2.69 |
| Other non-metallic mineral products manufacturing | 0.37 |

APPENDIX B: COMPOSITION AND WEIGHTING

MANUFACTURING DIVISION INDEX *(continued)*

| <i>Subdivision and groups</i> | <i>% contribution</i> |
|---|-----------------------|
| Basic metal products | 8.03 |
| Iron and steel manufacturing | 1.74 |
| Basic non-ferrous metal manufacturing | 5.27 |
| Non-ferrous basic metals manufacturing | 1.02 |
| Fabricated metal products | 5.12 |
| Structural metal product manufacturing | 2.24 |
| Sheet metal product manufacturing | 0.93 |
| Fabricated metal product manufacturing n.e.c. | 1.95 |
| Transport equipment and parts | 10.61 |
| Motor vehicle and part manufacturing | 7.59 |
| Other transport equipment manufacturing | 3.02 |
| Electronic equipment and other machinery | 10.02 |
| Photographic and scientific equipment manufacturing | 0.91 |
| Electronic equipment manufacturing | 1.61 |
| Electrical equipment and appliance manufacturing | 3.40 |
| Industrial machinery and equipment manufacturing | 4.10 |
| Other manufacturing | 4.02 |
| Prefabricated building manufacturing | 0.31 |
| Furniture manufacturing | 2.72 |
| Other manufacturing | 0.99 |

APPENDIX B: COMPOSITION AND WEIGHTING

SUBDIVISION AND GROUP INDEXES

| <i>Subdivision and groups</i> | <i>% contribution</i> |
|--|-----------------------|
| Food, beverage and tobacco | |
| Meat and meat product manufacturing | 25.21 |
| Meat processing | 17.12 |
| Poultry processing | 4.46 |
| Bacon, ham & smallgoods manufacturing | 3.63 |
| Dairy product manufacturing | 14.11 |
| Milk and cream processing | 4.95 |
| Ice cream manufacturing | 1.98 |
| Dairy product mfg n.e.c. | 7.18 |
| Fruit and vegetable processing | 6.45 |
| Fruit and vegetable processing | 6.45 |
| Oil and fat manufacturing | 1.67 |
| Oil and fat manufacturing | 1.67 |
| Flour mill and cereal food manufacturing | 5.03 |
| Flour mill product manufacturing | 1.60 |
| Cereal food and baking mix manufacturing | 3.43 |
| Bakery product manufacturing | 8.18 |
| Bread manufacturing | 3.27 |
| Cake and pastry manufacturing | 2.28 |
| Biscuit manufacturing | 2.63 |
| Other food manufacturing | 19.82 |
| Sugar manufacturing | 3.14 |
| Confectionery manufacturing | 3.35 |
| Seafood processing | 2.54 |
| Prepared animal and bird feed manufacturing | 4.91 |
| Food manufacturing n.e.c. | 5.88 |
| Beverage and malt manufacturing | 16.48 |
| Softdrink, cordial and syrup manufacturing | 5.58 |
| Beer and malt manufacturing | 6.62 |
| Wine manufacturing | 3.94 |
| Spirit manufacturing | 0.34 |
| Tobacco product manufacturing | 3.05 |
| Tobacco product manufacturing | 3.05 |
| Textile and textile products | |
| Textile fibre, yarn and woven fabric manufacturing | 60.25 |
| Wool scouring | 25.76 |
| Synthetic fibre textile manufacturing | 13.56 |
| Cotton textile manufacturing | 7.15 |
| Wool textile manufacturing | 4.42 |
| Textile finishing | 9.36 |
| Textile product manufacturing | 39.75 |
| Made-up textile product manufacturing | 15.04 |
| Textile floor covering manufacturing | 14.20 |
| Rope, cordage & twine manufacturing | 1.40 |
| Textile product manufacturing n.e.c. | 9.11 |

APPENDIX B: COMPOSITION AND WEIGHTING

SUBDIVISION AND GROUP INDEXES *(continued)*

| <i>Subdivision and groups</i> | <i>% contribution</i> |
|--|-----------------------|
| Knitting mills, clothing, footwear and leather | |
| Knitting mills | 12.54 |
| Hosiery manufacturing | 5.53 |
| Cardigan and pullover manufacturing | 4.98 |
| Knitting mill product manufacturing n.e.c. | 2.03 |
| Clothing manufacturing | 68.42 |
| Men's and boy's wear manufacturing | 16.43 |
| Women's and girl's wear manufacturing | 26.42 |
| Sleepwear, underwear and infant clothing manufacturing | 13.52 |
| Clothing manufacturing n.e.c. | 12.05 |
| Footwear manufacturing | 10.66 |
| Footwear manufacturing | 10.66 |
| Leather and leather product manufacturing | 8.38 |
| Leather tanning and fur dressing | 6.53 |
| Leather and leather substitute product manufacturing | 1.85 |
| Log sawmilling and other wood products | |
| Log sawmilling and timber dressing | 32.13 |
| Log sawmilling | 9.61 |
| Wood chipping | 8.29 |
| Timber resawing and dressing | 14.23 |
| Other wood product manufacturing | 67.87 |
| Plywood and veneer manufacturing | 3.64 |
| Fabricated wood manufacturing | 10.21 |
| Wooden structural component manufacturing | 40.61 |
| Wood product manufacturing n.e.c. | 13.41 |
| Paper and paper products | |
| Pulp, paper and paperboard manufacturing | 32.47 |
| Solid paperboard container manufacturing | 10.68 |
| Corrugated paperboard container manufacturing | 33.00 |
| Paper bag and sack manufacturing | 4.36 |
| Paper product manufacturing n.e.c. | 19.49 |
| Printing, publishing and recorded media | |
| Printing and services to printing | 42.53 |
| Paper stationery manufacturing | 8.87 |
| Printing and services to printing | 33.66 |
| Publishing | 52.32 |
| Newspaper printing or publishing | 32.35 |
| Other periodical publishing | 7.90 |
| Book and other publishing | 12.07 |
| Recorded media manufacturing and publishing | 5.15 |
| Recorded media manufacturing and publishing | 5.15 |

APPENDIX B: COMPOSITION AND WEIGHTING

SUBDIVISION AND GROUP INDEXES *(continued)*

| <i>Subdivision and groups</i> | <i>% contribution</i> |
|--|-----------------------|
| Petroleum and coal products | |
| Petroleum refining | 99.47 |
| Petroleum refining | 99.47 |
| Petroleum and coal product manufacturing n.e.c. | 0.53 |
| Petroleum and coal product manufacturing n.e.c. | 0.53 |
| Chemicals | |
| Basic chemical manufacturing | 39.00 |
| Fertilizer manufacturing | 7.58 |
| Industrial gas manufacturing | 1.36 |
| Synthetic resin manufacturing | 11.00 |
| Organic industrial chemical manufacturing n.e.c. | 9.76 |
| Inorganic industrial chemical manufacturing n.e.c. | 9.30 |
| Other chemical product manufacturing | 61.00 |
| Explosive manufacturing | 2.82 |
| Paint manufacturing | 14.10 |
| Medicinal and pharmaceutical product manufacturing | 18.67 |
| Pesticide manufacturing | 4.08 |
| Soap and other detergent manufacturing | 8.08 |
| Cosmetic and toiletry preparation manufacturing | 5.77 |
| Ink manufacturing | 1.70 |
| Chemical product manufacturing n.e.c. | 5.78 |
| Rubber and plastics | |
| Rubber product manufacturing | 18.00 |
| Rubber tyre manufacturing | 11.36 |
| Rubber product manufacturing n.e.c. | 6.64 |
| Plastic product manufacturing | 82.00 |
| Plastic blow moulded product manufacturing | 7.04 |
| Plastic extruded product manufacturing | 12.58 |
| Plastic bag and film manufacturing | 28.27 |
| Plastic product rigid fibre reinforced manufacturing | 6.85 |
| Plastic foam product manufacturing | 4.06 |
| Plastic injection moulded product manufacturing | 23.20 |
| Non-metallic mineral products | |
| Glass and glass product manufacturing | 12.94 |
| Glass and glass product manufacturing | 12.94 |
| Ceramic manufacturing | 19.91 |
| Clay Brick manufacturing | 11.57 |
| Ceramic product manufacturing | 2.86 |
| Ceramic tile and pipe manufacturing | 2.20 |
| Ceramic product manufacturing n.e.c. | 3.28 |
| Cement , lime plaster and concrete product manufacturing | 58.04 |
| Cement and lime manufacturing | 6.15 |
| Plaster product manufacturing | 9.12 |
| Concrete slurry manufacturing | 21.09 |
| Concrete pipe and box culvert manufacturing | 4.02 |
| Concrete product manufacturing n.e.c | 17.66 |
| Non-metallic mineral product manufacturing n.e.c. | 9.11 |
| Non-metallic mineral product manufacturing n.e.c. | 9.11 |

APPENDIX B: COMPOSITION AND WEIGHTING

SUBDIVISION AND GROUP INDEXES *(continued)*

| <i>Subdivision and groups</i> | <i>% contribution</i> |
|--|-----------------------|
| Basic metal products | |
| Iron and steel manufacturing | 38.13 |
| Basic iron and steel manufacturing | 30.36 |
| Iron and steel castings and forgings | 4.19 |
| Steel pipe and tube manufacturing | 3.58 |
| Basic non-ferrous metal manufacturing | 49.03 |
| Alumina production | 14.61 |
| Aluminium smelting | 16.88 |
| Copper, silver, lead and zinc smelting , refining | 10.13 |
| Basic non-ferrous metal manufacturing n.e.c. | 7.41 |
| Non-ferrous basic metal product manufacturing | 12.84 |
| Aluminium rolling, drawing, extruding | 5.77 |
| Non-ferrous metal rolling, drawing, extruding n.e.c. | 5.99 |
| Non-ferrous metals casting | 1.08 |
| Fabricated metal products | |
| Structural metal product manufacturing | 36.70 |
| Structural steel fabricating | 20.84 |
| Architectural aluminium product manufacturing | 11.76 |
| Structural metal product manufacturing n.e.c. | 4.10 |
| Sheet metal product manufacturing | 26.10 |
| Metal container manufacturing | 11.18 |
| Sheet metal product manufacturing n.e.c. | 14.92 |
| Fabricated metal product manufacturing | 37.20 |
| Hand tool and general hardware manufacturing | 1.55 |
| Spring and wire product manufacturing | 7.48 |
| Nut, bolt, screw, and rivet manufacturing | 2.19 |
| Metal coating and finishing | 3.25 |
| Non-ferrous pipe fitting manufacturing | 2.68 |
| Fabricated metal product manufacturing n.e.c. | 20.05 |
| Transport equipment and parts | |
| Motor vehicle and part manufacturing | 71.58 |
| Motor vehicle manufacturing | 51.44 |
| Motor vehicle body manufacturing | 3.27 |
| Automotive electrical and instrument manufacturing | 3.28 |
| Automotive component manufacturing n.e.c. | 13.59 |
| Other transport equipment manufacturing | 28.42 |
| Shipbuilding | 10.40 |
| Boatbuilding | 2.06 |
| Railway equipment manufacturing | 4.23 |
| Aircraft manufacturing | 11.73 |

APPENDIX B: COMPOSITION AND WEIGHTING

SUBDIVISION AND GROUP INDEXES *(continued)*

| <i>Subdivision and groups</i> | <i>% contribution</i> |
|--|-----------------------|
| Electronic equipment and other machinery | |
| Photographic and scientific equipment manufacturing | 9.32 |
| Photographic and optical good manufacturing | 4.09 |
| Medical and surgical equipment manufacturing | 1.30 |
| Professional and scientific equipment manufacturing | 3.93 |
| Electronic equipment manufacturing | 15.71 |
| Computer and business machine manufacturing | 2.85 |
| Telecommunication, broadcasting and transceiving equipment manufacturing | 9.46 |
| Electronic equipment manufacturing n.e.c. | 3.40 |
| Electrical equipment and appliance manufacturing | 34.25 |
| Household appliance manufacturing | 13.85 |
| Electric cable and wire manufacturing | 5.49 |
| Battery manufacturing | 1.47 |
| Electric light and sign manufacturing | 3.66 |
| Electrical equipment manufacturing n.e.c. | 9.78 |
| Industrial machinery and equipment manufacturing | 40.72 |
| Agriculture machinery manufacturing | 3.99 |
| Mining and construction machinery manufacturing | 4.76 |
| Food processing machinery manufacturing | 2.26 |
| Machine tool and part manufacturing | 4.14 |
| Lifting and material handling equipment manufacturing | 6.16 |
| Pumps and compressor manufacturing | 3.04 |
| Commercial space heating and cooling equipment manufacturing | 1.14 |
| Industrial machinery and equipment manufacturing n.e.c. | 15.23 |
| Other manufacturing | |
| Prefabricated metal building manufacturing | 8.08 |
| Furniture manufacturing | 65.79 |
| Shop fittings | 6.61 |
| Wooden furniture | 26.98 |
| Sheet Metal Furniture | 6.17 |
| Mattresses (except rubber) | 5.57 |
| Furniture manufacturing n.e.c. | 20.46 |
| Other manufacturing | 26.13 |
| Jewellery and silverware manufacturing | 10.79 |
| Toy and sporting goods manufacturing | 5.56 |
| Manufacturing n.e.c. | 9.78 |

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