

## PRICES

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### INTRODUCTION

Since the first decade of this century wage tribunals have been attempting to find a satisfactory method of awarding wage adjustments to compensate for changes in the "cost of living". It was always recognised that movements in some prices were more significant than movements in others and that some method of measurement needed to be devised in order to assess the impact of price movements on the economy. Prices indexes came to be seen as the most satisfactory way of measuring movements in prices and in 1912 the Commonwealth Bureau of Census and Statistics (later renamed the Australian Bureau of Statistics [ABS]) published the first series of price indexes for Australia. Technical discussion of the theory determining price indexes, reports of investigations, and index series have appeared in issues of the *Labour Report* (published annually from 1912 to 1973) in submissions to investigating economic committees and wage fixation tribunals, especially the Australian Conciliation and Arbitration Commission. Since governments became involved in managing the national economy, economic and social planners, businesses, private individuals, and government and its agencies have used price indexes as an integral part of their activities.

The range of indexes, the items included, and the groupings of these items at different times can be seen as a response to the diverse demands of users, reflecting developments in a changing economy. The precise relevance of an index for a particular purpose is necessarily a matter for judgement and decision by users. For this purpose the Statistician has always sought to convey a clear statement of the nature and content of indexes and to provide assistance where needed. Retail price indexes have commonly been used as a yardstick for revising wages, salaries and other income payments to keep step with changing prices or as an indicator of the rate of inflation. The Australian Conciliation and Arbitration Commission as a major user has taken account of retail price index movements. Parties to National Wage Cases in submissions to the Commission on principles of wage fixation have presented their views as to the appropriateness or otherwise of using the Consumer Price Index for particular purposes in the Commission's deliberations. Similarly, the use of a retail or wholesale price index for any purpose, for example, in contract adjustment, deflation of current values, revaluation of stocks and assets, assessment of changes in purchasing power, etc., must necessarily be undertaken with due regard to the nature of the index itself.

### RETAIL PRICE INDEXES

The first retail price indexes were in separate series for the capitals of each State from 1901 to 1912 using as a base data relating to food and groceries and the rent of all types of houses in each capital city in 1911. From 1912 data were collected from twenty-four of the more important towns as well as for the six capital cities. An index number series (later termed the "A" Series) was compiled showing index numbers for each of the thirty towns relating to food, groceries, and rents of all houses, using the weighted average expenditure on the specified items in the six capital cities in June 1911 as base (=100). The Victorian towns other than Melbourne for which index numbers were prepared in this series were Ballarat, Bendigo, Geelong, and Warrnambool.

Index numbers on this base were completed retrospectively for Melbourne and the index numbers over the life of the index series from December 1901 to 1938 are shown in the following table:

RETAIL PRICE INDEX NUMBERS: MELBOURNE, "A" SERIES, 1901 TO 1938  
(Base: year 1911 = 100)

| Year | Index number | Year | Index number | Year | Index number | Year | Index number | Year | Index number |
|------|--------------|------|--------------|------|--------------|------|--------------|------|--------------|
| 1901 | 87.0         | 1909 | 90.5         | 1917 | 129.4        | 1925 | 174.5        | 1933 | 131.9        |
| 1902 | 90.3         | 1910 | 94.2         | 1918 | 134.9        | 1926 | 180.1        | 1934 | 136.7        |
| 1903 | 88.1         | 1911 | 95.0         | 1919 | 148.1        | 1927 | 178.1        | 1935 | 142.0        |
| 1904 | 85.4         | 1912 | 105.5        | 1920 | 178.8        | 1928 | 174.6        | 1936 | 147.2        |
| 1905 | 87.8         | 1913 | 105.1        | 1921 | 173.7        | 1929 | 181.2        | 1937 | 151.5        |
| 1906 | 87.8         | 1914 | 110.5        | 1922 | 162.5        | 1930 | 167.2        | 1938 | 154.5        |
| 1907 | 87.5         | 1915 | 127.7        | 1923 | 174.9        | 1931 | 144.8        |      |              |
| 1908 | 92.6         | 1916 | 130.9        | 1924 | 170.3        | 1932 | 137.8        |      |              |

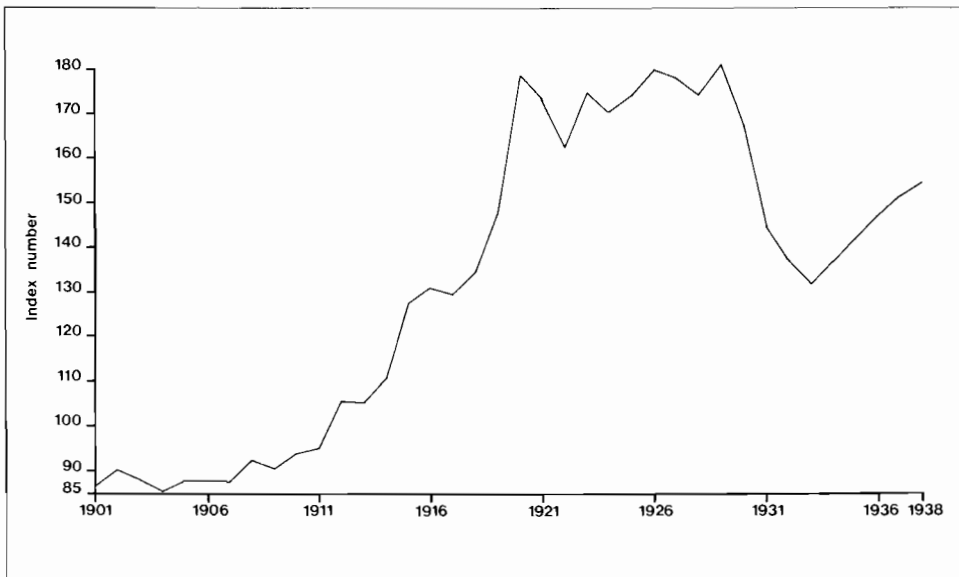


FIGURE 28. Melbourne—"A" Series Retail Price Index, year ended 31 December 1901 to 1938.

In two separate years percentage rises in double figures were recorded for Melbourne, 11.1 per cent in 1912 and 20.7 per cent in 1920, the latter largely due to pent up demand at the end of the First World War. The return of many returned soldiers to civilian life and the formation of new households were contributing factors. The highest index figure for Melbourne was 181.2 in 1929, followed by falls in four successive years to 131.9 in 1933, a decrease of 27.2 per cent over the four years. A fall of 13.4 per cent in 1931 was the largest in any individual year. By 1938 the index showed an increase of 77.6 per cent as compared with 1901. These patterns of rises and falls were an interesting reflection of economic conditions. After 1929 the effects of the Depression became apparent, especially with the decline in agricultural prices, growing unemployment, wage and salary cuts, and declines in interest rates. It was only after 1934 that economic conditions again began to improve, a trend which had strengthened by the late 1930s.

The Commonwealth Court of Conciliation and Arbitration adopted the index in 1913 to determine the relative basic wage for towns throughout Australia.

A "B" series index was compiled from 1925 to 1953 and covered food, groceries, and

rent items of four- and five-roomed houses. It was actually the food and rent component of the "C" series index described below. It was designed to replace the "A" series index but was never used in connection with the adjustment of wages by industrial tribunals.

The "C" series covered the principal items of household expenditure, namely, food and groceries; rent of four- and five-roomed houses; clothing (man, wife, and three children); household drapery; household utensils; fuels; lighting; fares; tobacco; and some other miscellaneous items. The series originated in the findings of the Royal Commission appointed by the Commonwealth Government in 1919 which investigated the cost of living in each capital city of Australia for a family consisting of a man, wife, and three children under 14 years of age in November of each year from 1914 to 1920 at a standard which it determined. Following the recommendations of the Commission, the Australian Statistician extended the size of the collection of retail prices to cover all the main groups of household expenditure on the basis of a regimen similar to that adopted to compile the "B" series index numbers.

The "C" series was first published in 1921 but was not used in connection with the assessment of wages until its partial adoption by the Commonwealth Conciliation and

RETAIL PRICE INDEX NUMBERS: MELBOURNE, "C" SERIES, 1921 TO 1960  
(Base: weighted average of six capital cities 1923 to 1927 = 100)

| Year     | Index number | Year | Index number | Year | Index number | Year | Index number |
|----------|--------------|------|--------------|------|--------------|------|--------------|
| 1921 (a) | 100.3        | 1931 | 84.6         | 1941 | 100.8        | 1951 | 188.0        |
| 1922 (a) | 96.3         | 1932 | 81.3         | 1942 | 110.0        | 1952 | 217.0        |
| 1923     | 100.4        | 1933 | 78.9         | 1943 | 112.7        | 1953 | 228.5        |
| 1924     | 97.6         | 1934 | 80.1         | 1944 | 113.5        | 1954 | 228.8        |
| 1925     | 98.4         | 1935 | 82.4         | 1945 | 113.5        | 1955 | 236.5        |
| 1926     | 99.8         | 1936 | 84.4         | 1946 | 114.9        | 1956 | 256.7        |
| 1927     | 99.0         | 1937 | 86.8         | 1947 | 118.8        | 1957 | 256.2        |
| 1928     | 99.2         | 1938 | 89.6         | 1948 | 129.4        | 1958 | 259.0        |
| 1929     | 101.7        | 1939 | 92.4         | 1949 | 141.5        | 1959 | 269.8        |
| 1930     | 95.6         | 1940 | 96.4         | 1950 | 156.5        | 1960 | 294.9        |

(a) November.

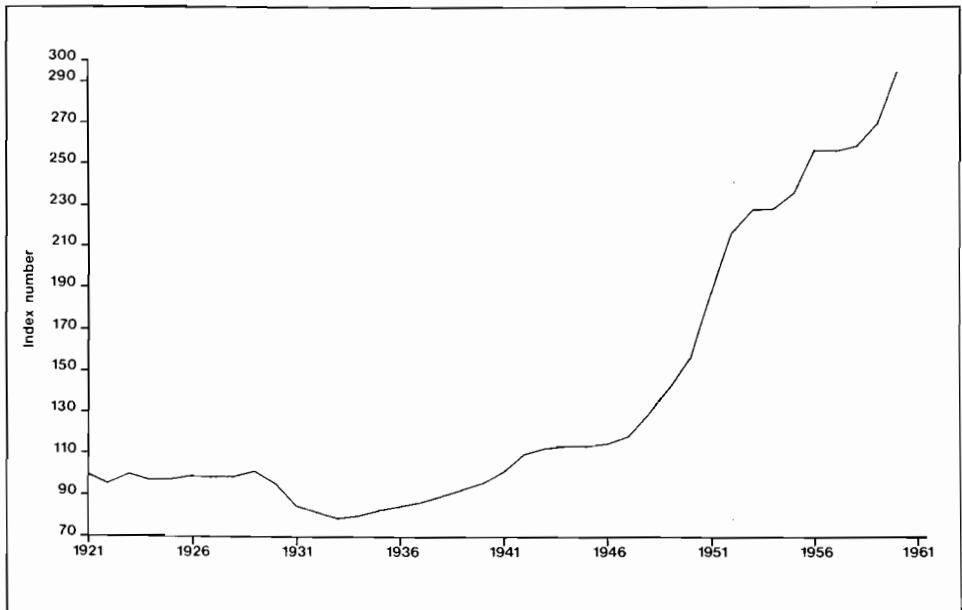


FIGURE 29. Melbourne—"C" Series Retail Price Index, year ended 31 December 1921 to 1961.

Arbitration Court in May 1933, when that Court introduced the "D" series of Indexes. However, in its Judgement of 17 April 1934 the Court adopted the "C" series as the sole basis of the wages declared in the Judgement and for the future adjustment of such wages. In its Judgement of 23 June 1937, the Commonwealth Court adopted this index as the basis of the "Court" series for the adjustment of the "needs" position of the Court's new basic wage. The Court did not use it after August 1953.

The investigations into the basic wage by the Court were still very much influenced by the concepts behind the determination of the Harvester Judgement of 1907. The basic idea was the economic need of a family unit, not of the ability of the economy to pay such a wage, as became the practice in the 1960s. For this reason the determination of the pattern of items of household expenditure ("the regimen") became of basic importance as it would eventually determine the standard of living of workers on the basic wage.

Use of the index by the Commonwealth Court stimulated a statistical examination leading to some important revisions of procedures. In 1936 the Australian Statistician, in consultation with the State Statist, overhauled the regimen and reviewed the methods of calculation. The influence of these revisions upon the current index numbers was small, but the changes reflected more accurately a wider range of retail items. The complete regimen then comprised 170 standardised items (apart from housing).

The list of component items and the weighting pattern of the "C" series Retail Price Index, first adopted in 1921, were only slightly revised by the Conference of Statisticians in 1936, but otherwise continued almost unchanged.

The sudden rise in index numbers between 1941 and 1942 illustrates the problems raised for the economic management of Australia's wartime economy. Although the level of demand evident for most of the 1930s had been slowly increasing, with the advent of war the level of demand increased dramatically. The requirements of manpower and materials had to be met from a limited base and prices needed control. Likewise controls were needed on wage rates, the raising of capital, interest rates, bank lending, international trade, and the use of overseas currencies.

From the outbreak of war in 1939 until late in 1948, periodic policy changes in regard to wartime controls such as price control, price stabilisation, price subsidies, and rationing caused recurrent changes in consumption and in the pattern of expenditure. This rendered changes desirable but made it impracticable either to produce a new index, or to revise the old one, on any basis that would render the index more representative than it already was of the changing pattern in those years.

#### PRICE CONTROLS, 1939 TO 1954

Immediately after the outbreak of war the Commonwealth Government fixed the maximum prices of certain goods at the level prevailing on 31 August 1939. On 28 September the National Security (Prices) Regulations were proclaimed by the Commonwealth Government. Extensive powers were conferred upon a Commonwealth Prices Commission to control the prices of goods declared for that purpose by the Minister for Trade and Customs. The Deputy Commissioners appointed in each State by the Commonwealth, on the nomination of the State Government, administered the regulations under the supervision of the Commonwealth Prices Commissioner.

The regulations provided for the automatic adjustment of prices to increases in costs. Selling prices were to be calculated by traders themselves on principles laid down in an Order, subject to official check. The basis of such prices was the cost of the goods being sold, plus a gross profit margin. The cost was defined as the actual into-store cost of goods being sold or, in certain circumstances, as the average cost of all goods held in stock at a given date. The Prices Commissioner could increase margins where they were shown to be inadequate, or reduce them where they were deemed to be too high. Many commodities were excluded from the operation of the general orders and for these commodities specific prices were fixed.

In April 1942 Prices Regulation Order No. 666 limited the trader's profit margin to the actual money margins obtaining on 15 April 1942. From that date the trader was allowed to increase his prices only by the actual amount of increased cost. The next phase of price control was designed to secure price stability. On 12 April 1943 Prices Regulation Order

No. 1015 fixed, as ceiling prices, the prices actually being charged by individual traders on that date. There were certain exceptions.

The price ceilings could not, however, eliminate all rising costs. When increased costs could not be absorbed within the process of production or distribution they were met generally at the source by payment of subsidies and thus were prevented from disturbing the whole price structure.

So long as the ceiling consisted of prices determined for each trader by the price charged on 12 April 1943, ample room existed for uncertainty among purchasers as to what was the legal ceiling price, and even for evasion. To meet this difficulty the Prices Commissioner extended his policy of fixing specific maximum prices which no trader could exceed, whatever may have been his price on 12 April 1943. Under these Orders the consumer knew the highest price he could be charged.

With the changeover from wartime controls to a peacetime economy the rigidity of price ceilings had to give way to a more elastic control to permit the expeditious pricing of thousands of new or restored lines. Late in 1946 important steps were taken by the Commonwealth Government to modify the operation of the Price Stabilization Plan so that relief from increased costs would be extended by price increase more frequently rather than by the payment of subsidy. Over this period the Prices Commissioner constantly watched the supply position of commodities and services in relation to the demand. When the danger of "black marketing" in any commodity or service was eliminated by supply overtaking demand and the interests of the consuming public were adequately safeguarded, steps were taken to remove the items from price control.

In February 1947 payment of a subsidy to cover basic wage adjustments was cancelled and steps were taken either to adjust prices or to require traders to absorb the increased costs.

The National Security Act expired on 31 December 1946 but control over prices was continued under the Defence (Transitional Provisions) Act for a further two years. The Commonwealth Government then decided to hold a referendum seeking authority for permanent powers over rents and prices. The referendum was held on 29 May 1948 and resulted in the rejection of the Government's proposal. Subsequently arrangements were made with the State Governments to take over control of prices. On 20 September 1948 each State Government issued declarations covering uniform lists of goods and services which were brought under price control.

In the operation of State price control, the State Prices Commissioners collaborated closely. Conferences of Commissioners were held at intervals of approximately two months. Thus a large degree of uniformity was attained in controlling and decontrolling items and in the fixation of margins and prices of major items. In each State the number of commodities and services subject to control was progressively reduced and price control in Victoria was terminated on 31 December 1954.

Altogether the Commonwealth Government spent approximately \$290m on its price stabilisation subsidies which reached a peak in 1947-48 when subsidies totalling \$70m were given.

#### PRICES AFTER THE SECOND WORLD WAR

When commodity rationing had virtually ceased in the latter part of 1948, action was taken by the Australian Statistician to collect price data of about 100 additional items and to gather information as to current consumption and expenditure patterns. This was done to facilitate review of the component items and weighting system of the "C" Series Retail Price Index, in the light of the new patterns of wage earner expenditure and consumption that appeared to be then emerging.

In the next few years, conditions arose which caused wide price dispersion together with a very rapid rise in prices and a new sequence of changes in consumption and the pattern of wage earner expenditure. Under these conditions it was not appropriate to devise any new weighting pattern likely to be more continuously representative of conditions then current than was the existing "C" Series Index.

These post-war conditions were the result of pent-up demand and immigration. With the demobilisation of servicemen and the consequent formation of new households, a great demand developed for consumer goods, building materials, and motor cars. This demand

could not be met until the 1950s, and caused a general pressure on prices. Furthermore, the beginning of the war in Korea in 1950 suddenly gave Australia a very large balance of payments surplus mainly as a result of high wool prices. This again had an impact on prices and the large leap in the basic wage in 1950-51 caused great concern about "inflation". The Korean War wool "boom" came to an end in 1952.

By 1953 it was apparent that only the aggregate "C" Series Index was still reasonably reliable for current use. The "C" Series Index was continued on its pre-war basis without significant change in procedures, but an Interim Retail Price Index (1952-53 base year) was introduced in 1954 and continued until the March quarter, 1960, using putative weights and components, representative, as nearly as was possible, of the post-war pattern of consumer usage and expenditure.

The Interim Retail Price Index was a transitional index designed to measure retail price variations on the "C" Series model in terms of post-war consumption weights as emerging in the early 1950s. It embraced a wider range of commodities and services than did the "C" Series Index, but it did not take into account successive major changes in the pattern of expenditure and modes of living that began to occur early in 1950 and through to 1960. When these changes eventually came to be detected and measured, they signified a substantial change in lifestyle. Hire purchase came into its own in the early 1950s and matched the great manufacturing and consumer expansion of the motor car.

In this period home owning largely replaced house renting; the numbers of government-owned rented houses rose appreciably; the use of the motor car greatly increased and partly replaced the use of public transport; various items of electrical household equipment and black and white television came into widespread use; household consumption of electricity greatly increased; and technological developments such as the introduction of new synthetic materials produced a number of changes in clothing and other groups of items. Through the impact of these continuing changes in usage, combined with disparate movements in prices, the Interim Retail Price Index itself became outmoded. In consequence, the situation was met by compiling the Consumer Price Index, constructed as a chain of linked indexes with significant changes in composition and weighting effected at relatively short intervals (generally of four or five years duration).

Both the "C" Series Retail Price Index and the Interim Retail Price Index ceased in 1960 when they were replaced by the Consumer Price Index, compiled retrospectively to the September Quarter 1948.

Substantial changes in the pattern of expenditure of wage-earner households make it necessary to construct indexes with additional items and changes in the weighting patterns at intervals. These indexes are "linked" to form a "chain" of fixed weight aggregative indexes. Under this method, average percentage price movements are assessed on one pattern up to the time of the link and on another pattern thereafter. Linking ensures that the series reflects only price variations and not differences in the cost of old and new combinations and lists of items. The introduction of new items and weights by linking does not of itself affect the level of the Consumer Price Index.

The following table shows the Consumer Price Index for Melbourne, All Groups from 1948-49 to 1981-82:

CONSUMER PRICE INDEX: MELBOURNE, ALL GROUPS, 1948-49 TO 1981-82  
(Base: year 1980-81 = 100)

| Year    | Index number | Year    | Index number | Year    | Index number |
|---------|--------------|---------|--------------|---------|--------------|
| 1948-49 | 14.0         | 1960-61 | 29.0         | 1972-73 | 41.1         |
| 1949-50 | 15.2         | 1961-62 | 29.1         | 1973-74 | 46.6         |
| 1950-51 | 17.2         | 1962-63 | 29.0         | 1974-75 | 54.3         |
| 1951-52 | 21.0         | 1963-64 | 29.2         | 1975-76 | 61.3         |
| 1952-53 | 23.0         | 1964-65 | 30.4         | 1976-77 | 70.1         |
| 1953-54 | 23.5         | 1965-66 | 31.5         | 1977-78 | 77.0         |
| 1954-55 | 23.5         | 1966-67 | 32.4         | 1978-79 | 83.1         |
| 1955-56 | 24.9         | 1967-68 | 33.6         | 1979-80 | 91.4         |
| 1956-57 | 26.2         | 1968-69 | 34.4         | 1980-81 | 100.0        |
| 1957-58 | 26.3         | 1969-70 | 35.2         | 1981-82 | 110.4        |
| 1958-59 | 26.8         | 1970-71 | 36.6         |         |              |
| 1959-60 | 27.6         | 1971-72 | 38.7         |         |              |

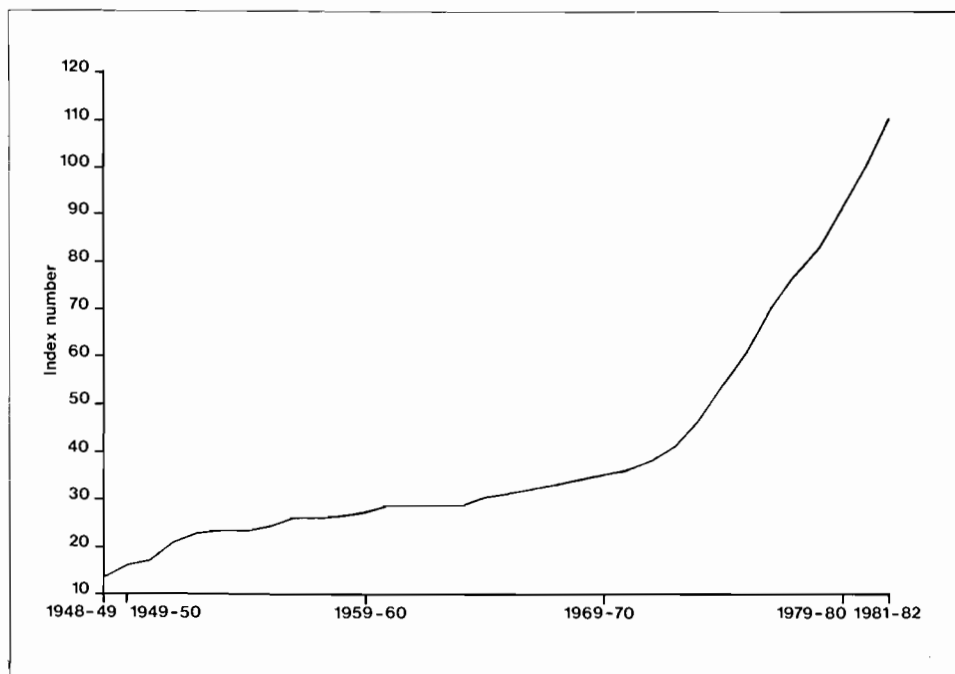


FIGURE 30. Melbourne—Consumer Price Index, All Groups, year ended 30 June 1949 to 1982.

In contrast to index series covering years up to the 1930s which recorded periodic falls in price aggregates, the Consumer Price Index has not indicated a specific fall in its aggregated price in any of the thirty years since the Second World War. Automatic adjustment of the basic wage had ceased in 1953, was resumed in 1975, but was soon followed by a system of partial indexation which ceased in 1981. Indexation was re-introduced in 1983.

The 1970s saw a worsening in the rate of inflation as measured by the Consumer Price Index. The Australian "mining boom" which began in the mid-1960s, as well as the economic impact of the Vietnam war, exhibited their full effects by the early 1970s when the Australian dollar became significantly undervalued and large amounts of capital were attracted into the country. In 1973 an effort was made to counter these trends by revaluing the dollar and reducing tariffs across the board by 25 per cent. Nevertheless the rapid rise of wages after 1973-74, even in the midst of growing unemployment, helped to accelerate inflation in a way not experienced previously. The situation was not helped by the dramatic rise in the price of oil after 1973. During the 1970s several government initiatives were taken in an attempt to influence prices and consumer awareness of value for money. In 1973 the Prices Justification Tribunal was established to conduct inquiries into prices for the supply of goods and services and to report to the Commonwealth Minister the results of every such inquiry. The Act which governed the Tribunal's operations provided that the Tribunal should have due regard to the need for the company or companies under review to achieve a level of profitability that is sufficient to enable the company or companies to maintain an adequate level of investment and employment. The Tribunal was abolished in 1981, the same year as the Petroleum Products Pricing Authority was established. This Authority took over the responsibility for price surveillance of the petroleum products industry. The following graph indicates movements in the price of petroleum since 1972:

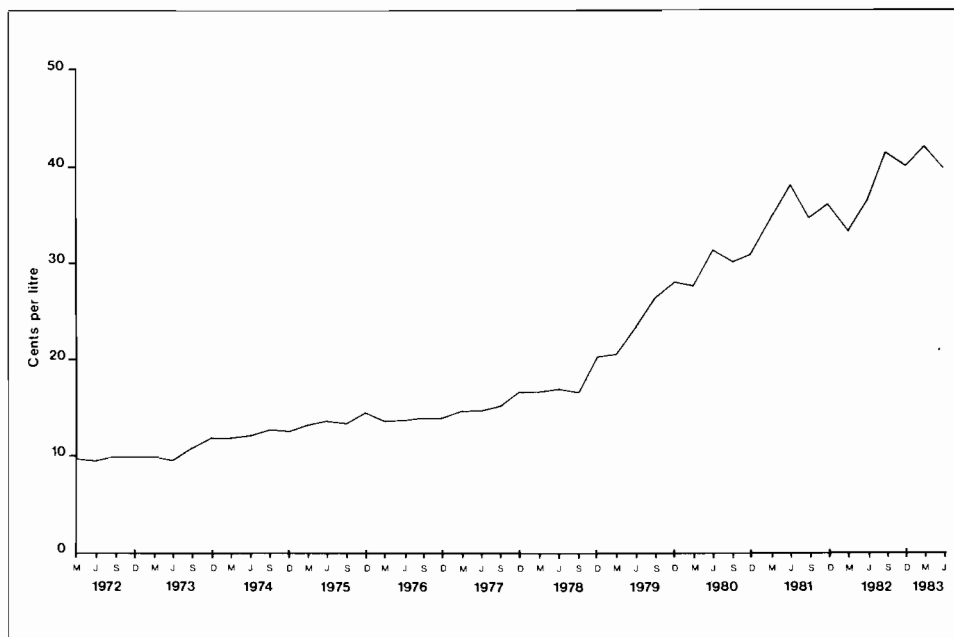


FIGURE 31. Melbourne—Average retail price of premium grade petrol, 1972 to 1983.

As well as the Prices Justification Tribunal, both State and Commonwealth Government sponsored Consumer Affairs Bureaux were established in the 1970s. Although these Bureaux do not have a direct influence on prices, they were responsible for making consumers aware of their rights and assisting them, where necessary, to obtain those rights.

For all but one of the ten series of the Consumer Price Index the items and weights for the different periods covered have been derived from the analysis of statistics of production and consumption, censuses of population and retail establishments, the Survey of Motor Vehicle Usage, the continuing Survey of Retail Establishments, and information supplied by manufacturing, commercial, and other relevant sources. For the ninth series household expenditure statistics were used to establish the weighting pattern.

During 1974-75 and 1975-76, the ABS conducted two surveys in order to obtain information about the expenditure patterns of private households. The 1974-75 survey was confined to a sample of households in the six State capital cities and Canberra (collection in Darwin being suspended in December 1974 due to cyclone Tracy), while the coverage of the 1975-76 survey was extended to include other urban and rural regions. Apart from limited attempts in 1910-11 and 1913 to assess the spending patterns of Australian households, these surveys were the first official collections of household expenditure statistics conducted in this country.

Perhaps the most important reason for the collection of data relating to expenditure at the household level is to provide information for use in improving the representativeness of the items and the weighting pattern used to compile the Consumer Price Index. Household expenditure statistics also provide a rich source of data needed for a wide range of policy and research purposes. These included the planning of welfare services; assessing the need for, and effect of, programmes in fields such as housing, education, and health; assessing the impact of taxation and government benefits; and improving estimates of private final consumption expenditure in the National Accounts. Further information on the surveys can be found on pages 505-10 of the *Victorian Year Book* 1979.



## HOUSEHOLD EXPENDITURE BY REGIONS: VICTORIA, 1974-75 and 1975-76

| Particulars   | 1974-75   |           | 1975-76              |                      |          |
|---|-----------|-----------|----------------------|----------------------|----------|
|   | Melbourne | Melbourne | Urban regions<br>(a) | Rural regions<br>(b) | Victoria |
| Number of households in sample                            | 2,544     | 653       | 498                  | 176                  | 1,327    |
| Estimated total number of households in population ('000) | 822.0     | 837.4     | 239.9                | 85.7                 | 1,163.0  |
| Average number of persons per household                   | 3.15      | 3.08      | 3.09                 | 3.38                 | 3.10     |
| Average age of household head (years)                     | 45.03     | 45.92     | 45.02                | 48.83                | 45.95    |
| Average weekly household income (\$)                      | 212.22    | 241.97    | 207.54               | 204.41               | 232.10   |
| AVERAGE WEEKLY HOUSEHOLD EXPENDITURE (\$)                 |           |           |                      |                      |          |
| Commodity or service —                                    |           |           |                      |                      |          |
| Current housing costs (c)                                 | 22.95     | 26.41     | 21.06                | 11.03                | 24.18    |
| Fuel and power  | 4.38      | 4.90      | 4.53                 | 3.92                 | 4.75     |
| Food —  |           |           |                      |                      |          |
| Bread, cakes, and cereals                                 | 3.66      | 4.00      | 3.63                 | 3.83                 | 3.91     |
| Meat and fish   | 8.30      | 9.09      | 7.62                 | 7.12                 | 8.64     |
| Dairy products, oils, and fats                            | 4.81      | 5.39      | 4.78                 | 5.55                 | 5.27     |
| Fruit and vegetables                                      | 4.77      | 5.26      | 3.94                 | 4.32                 | 4.92     |
| Other food  | 11.69     | 12.91     | 11.59                | 8.76                 | 12.34    |
| Alcohol and tobacco                                       | 9.04      | 11.73     | 8.49                 | 7.40                 | 10.75    |
| Clothing and footwear                                     | 15.65     | 17.98     | 14.22                | 9.27                 | 16.56    |
| Household equipment and operation                         | 14.87     | 18.82     | 16.51                | 13.05                | 17.92    |
| Medical care and health expenses                          | 6.21      | 5.59      | 5.27                 | 5.82                 | 5.54     |
| Transport and communication                               | 25.90     | 35.35     | 31.03                | 31.06                | 34.14    |
| Recreation and education                                  | 14.67     | 17.11     | 18.77                | 11.25                | 17.02    |
| Miscellaneous goods and services                          | 14.88     | 15.13     | 13.64                | 11.64                | 14.56    |
| Total expenditure   | 161.83    | 189.66    | 165.08               | 134.02               | 180.49   |
| Selected other payments (d)                               | 43.47     | 48.19     | 43.45                | 37.62                | 46.43    |

(a) All towns and urban centres with a population of more than 500 persons (excluding the capital cities) as defined for purposes of the 1971 Census of Population and Housing.

(b) Localities with a population of less than 500 persons and rural areas.

(c) Included in current housing costs are both principal and interest components of any housing loan repayments. Excluded are outright purchase of, or deposit on, dwellings or land, and other payments of a capital nature.

(d) The main components of this item are income tax, superannuation contributions, life insurance premiums, purchases of and deposits on dwellings and land, and gambling payments. Receipts from sales of dwellings and land, and gambling winnings are offset against payments. These figures are subject to large sampling errors and should be treated with caution.

The following tables show the Consumer Price Index for the years 1949-50 to 1981-82 for all groups for the six State capital cities and Canberra and for each group for Melbourne for the years 1949-50 to 1981-82:

## CONSUMER PRICE INDEX : ALL GROUPS, SIX STATE CAPITAL CITIES AND CANBERRA, 1949-50 TO 1981-82

(Base of index for each city and for six State capital cities combined:  
year 1980-81 = 100.0)

| Year    | Six capitals (a) | Sydney | Melbourne | Brisbane | Adelaide | Perth | Hobart | Canberra |
|---------|------------------|--------|-----------|----------|----------|-------|--------|----------|
| 1949-50 | 15.1             | 15.0   | 15.2      | 15.1     | 15.5     | 15.3  | 14.8   | 15.9     |
| 1954-55 | 23.6             | 23.4   | 23.5      | 23.1     | 24.3     | 24.4  | 24.0   | 25.4     |
| 1959-60 | 27.3             | 27.0   | 27.6      | 27.2     | 27.6     | 27.1  | 27.6   | 28.7     |
| 1964-65 | 29.9             | 29.5   | 30.4      | 30.1     | 30.1     | 29.6  | 30.5   | 31.3     |
| 1968-69 | 34.8             | 34.5   | 35.2      | 35.1     | 34.7     | 35.0  | 35.0   | 35.2     |
| 1974-75 | 54.5             | 54.9   | 54.3      | 54.6     | 54.4     | 53.1  | 53.8   | 54.1     |
| 1979-80 | 91.4             | 91.1   | 91.4      | 91.5     | 91.6     | 91.9  | 91.6   | 91.1     |
| 1980-81 | 100.0            | 100.0  | 100.0     | 100.0    | 100.0    | 100.0 | 100.0  | 100.0    |
| 1981-82 | 110.4            | 110.2  | 110.4     | 110.7    | 110.5    | 111.2 | 110.0  | 110.7    |

(a) Weighted average of six State capital cities.

CONSUMER PRICE INDEX: MELBOURNE, 1949-50 TO 1981-82  
(Base of each index : year 1980-81 = 100.0) (a)

| Year    | Food  | Clothing | Housing | Household<br>equipment and<br>operation | Transport-<br>ation | Tobacco and<br>alcohol | Health and<br>personal care | Recreation<br>and<br>education<br>(a) |
|---------|-------|----------|---------|---|---------------------|------------------------|-----------------------------|---------------------------------------|
| 1949-50 | 13.7  | 17.7     | 13.7    | n.a                                     | n.a                 | n.a                    | n.a                         | n.a                                   |
| 1954-55 | 24.0  | 26.6     | 18.0    | n.a                                     | n.a                 | n.a                    | n.a                         | n.a                                   |
| 1959-60 | 27.9  | 29.1     | 23.2    | n.a                                     | n.a                 | n.a                    | n.a                         | n.a                                   |
| 1964-65 | 30.9  | 30.7     | 28.9    | n.a                                     | n.a                 | n.a                    | n.a                         | n.a                                   |
| 1969-70 | 35.5  | 34.0     | 35.2    | 39.3                                    | 34.4                | 34.1                   | 28.4                        | n.a                                   |
| 1974-75 | 52.6  | 54.5     | 56.7    | 55.4                                    | 51.1                | 54.5                   | 52.2                        | n.a                                   |
| 1979-80 | 90.6  | 93.4     | 91.6    | 89.7                                    | 91.0                | 94.7                   | 90.8                        | n.a                                   |
| 1980-81 | 100.0 | 100.0    | 100.0   | 100.0                                   | 100.0               | 100.0                  | 100.0                       | n.a                                   |
| 1981-82 | 108.6 | 106.9    | 111.2   | 110.9                                   | 108.6               | 108.3                  | 128.7                       | n.a                                   |

(a) As a result of the introduction of the revised Consumer Price Index in June 1982 there are significant differences between the Recreation and education group and the old Recreation group, and the two series had not been linked at March quarter 1982. Instead, the new Recreation and education group index, and its component sub-group indexes for holiday travel and accommodation and education and child care commenced at March quarter 1982.

## LONG-TERM PRICE MOVEMENTS

The index numbers shown in the following table are presented as a continuous series, but they give only a broad indication of long-term trends in retail price levels. They are derived by linking a number of indexes that differ markedly in scope.

The successive indexes used are: from 1901 to 1914, the "A" Series Retail Price Index; from 1914 to 1946-47, the "C" Series Retail Price Index; from 1946-47 to 1948-49, a composite of the Consumer Price Index Housing Group (partly estimated) and the "C" Series Retail Price Index, excluding rent; and from 1948-49 onwards, the Consumer Price Index.

RETAIL PRICE INDEX NUMBERS: AUSTRALIA,  
SIX STATE CAPITAL CITIES COMBINED, 1901 TO 1982  
(Base : year 1911 = 100)

| Year    | Index<br>number | Year    | Index<br>number | Year | Index<br>number | Year | Index<br>number | Year | Index<br>number |
|---------|-----------------|---------|-----------------|------|-----------------|------|-----------------|------|-----------------|
| 1901    | 88              | 1918(a) | 150             | 1935 | 138             | 1952 | 367             | 1969 | 564             |
| 1902    | 93              | 1919(a) | 170             | 1936 | 141             | 1953 | 383             | 1970 | 586             |
| 1903    | 91              | 1920(a) | 193             | 1937 | 145             | 1954 | 386             | 1971 | 621             |
| 1904    | 86              | 1921(a) | 168             | 1938 | 149             | 1955 | 394             | 1972 | 658             |
| 1905    | 90              | 1922(a) | 162             | 1939 | 153             | 1956 | 419             | 1973 | 720             |
| 1906    | 90              | 1923    | 166             | 1940 | 159             | 1957 | 429             | 1974 | 829             |
| 1907    | 90              | 1924    | 164             | 1941 | 167             | 1958 | 435             | 1975 | 954             |
| 1908    | 95              | 1925    | 165             | 1942 | 181             | 1959 | 443             | 1976 | 1,083           |
| 1909    | 95              | 1926    | 168             | 1943 | 188             | 1960 | 459             | 1977 | 1,216           |
| 1910    | 97              | 1927    | 166             | 1944 | 187             | 1961 | 471             | 1978 | 1,313           |
| 1911    | 100             | 1928    | 167             | 1945 | 187             | 1962 | 469             | 1979 | 1,432           |
| 1912    | 110             | 1929    | 171             | 1946 | 190             | 1963 | 472             | 1980 | 1,578           |
| 1913    | 110             | 1930    | 162             | 1947 | 198             | 1964 | 483             | 1981 | 1,731           |
| 1914(a) | 114             | 1931    | 145             | 1948 | 218             | 1965 | 502             | 1982 | 1,923           |
| 1915(a) | 130             | 1932    | 138             | 1949 | 240             | 1966 | 517             |      |                 |
| 1916(a) | 132             | 1933    | 133             | 1950 | 262             | 1967 | 534             |      |                 |
| 1917(a) | 141             | 1934    | 136             | 1951 | 313             | 1968 | 548             |      |                 |

(a) November.

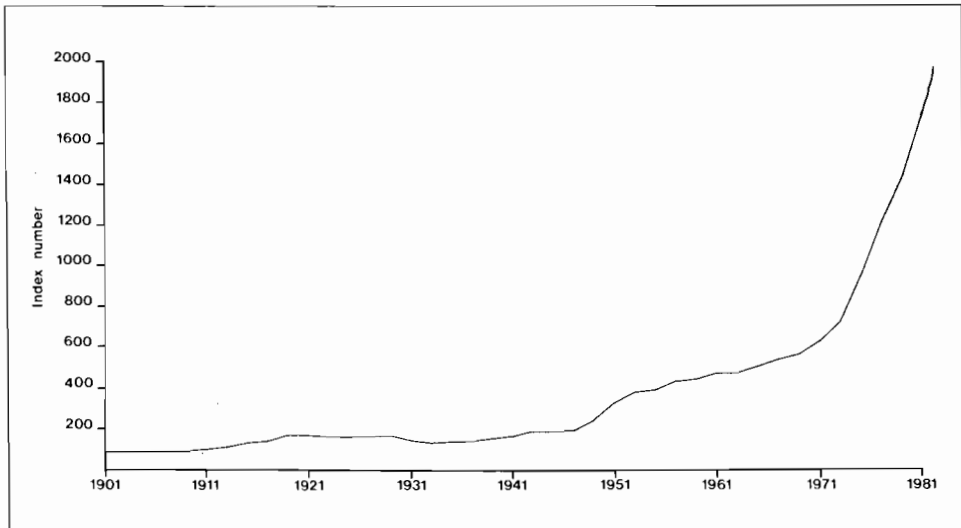


FIGURE 32. Australia—Retail Price Index Numbers, year ended 31 December 1901 to 1982.

### WHOLESALE PRICE INDEXES

The understanding of wholesale price indexes is closely linked to that of the retail series. Both are reflections of basic economic trends and conditions, although the object of wholesale price indexes is largely related to understanding the input costs of the manufacturing and retail distribution sectors.

An index of Melbourne wholesale prices was first compiled from 1912 with the year 1911 as base. It was compiled retrospectively to 1861 and related chiefly to basic materials and foods weighted in accordance with consumption in the years immediately preceding 1912. The index was compiled from 1912 to 1961, but the component items and weighting remained unchanged although as early as 1930 the Conference of Statisticians resolved to revise and extend the items included in order to bring the index into line with changed conditions. A new Wholesale Price (Basic Materials and Foodstuffs) Index was introduced with the year 1928 as base and with a weighting system based on average annual consumption during the years 1928-29 to 1934-35 inclusive. Several special purpose indexes also became available.

Apart from a few important exceptions price quotations for the Basic Materials and Foodstuffs Index were mainly from Melbourne sources. Earlier price movements for both indexes were seen as representative of fluctuations in wholesale prices of basic materials in most Australian markets.

By 1960 consideration was being given to the enlargement of the Basic Materials and Foodstuffs Index to cover additional groups and to the revision of the weighting pattern of the index. A comprehensive study was undertaken by the ABS to ascertain index number requirements, having in mind wider aspects of the national economy and its sectoring in terms of industries producing goods, final consumers, and the rest of the world. From 1970 new indexes were constructed sequentially which reflected price movements for inputs and outputs of industries, together with some special purpose indexes.

The Wholesale Price Index of Materials Used in Building Other than House Building measures changes in the prices of selected materials used in the construction of buildings other than houses and "low rise" flats (in general those up to three storeys). The index was revised and rebased as from 1979-80 and the material composition in the revised index differs significantly from the material composition of the previous groups. The following two tables show the index numbers for materials used in building other than house building for the period 1966-67 to 1981-82:

WHOLESALE PRICE INDEX OF MATERIALS USED IN BUILDING  
OTHER THAN HOUSE BUILDING: MELBOURNE, 1966-67 TO 1979-80  
(Base of each index : year 1966-67 = 100.0)

| Year    | Concrete mix,<br>cement, sand,<br>etc. | Cement<br>products | Bricks stone,<br>etc. | Timber board<br>and joinery | Steel and iron<br>products | Aluminium<br>products | Other metal<br>products |
|---------|--|--------------------|-----------------------|-----------------------------|----------------------------|-----------------------|-------------------------|
| 1966-67 | 100.0                                  | 100.0              | 100.0                 | 100.0                       | 100.0                      | 100.0                 | 100.0                   |
| 1967-68 | 99.9                                   | 101.0              | 102.4                 | 100.8                       | 102.4                      | 100.9                 | 105.8                   |
| 1968-69 | 101.1                                  | 103.1              | 107.3                 | 104.0                       | 106.2                      | 104.0                 | 106.7                   |
| 1969-70 | 104.4                                  | 108.5              | 110.5                 | 107.8                       | 110.4                      | 108.7                 | 124.1                   |
| 1970-71 | 111.9                                  | 115.1              | 115.8                 | 113.4                       | 116.0                      | 117.1                 | 120.8                   |
| 1971-72 | 124.9                                  | 122.6              | 123.0                 | 118.7                       | 128.4                      | 125.0                 | 118.6                   |
| 1972-73 | 129.6                                  | 133.4              | 130.8                 | 127.7                       | 136.4                      | 134.5                 | 123.1                   |
| 1973-74 | 135.6                                  | 145.0              | 146.0                 | 156.7                       | 155.5                      | 149.6                 | 153.2                   |
| 1974-75 | 162.6                                  | 176.7              | 169.3                 | 189.9                       | 197.8                      | 174.2                 | 152.7                   |
| 1975-76 | 191.8                                  | 215.3              | 189.8                 | 212.0                       | 239.6                      | 194.1                 | 164.3                   |
| 1976-77 | 216.2                                  | 237.3              | 205.4                 | 238.1                       | 272.3                      | 217.1                 | 183.5                   |
| 1977-78 | 235.9                                  | 261.0              | 221.2                 | 256.7                       | 296.3                      | 235.5                 | 185.3                   |
| 1978-79 | 248.5                                  | 280.9              | 237.0                 | 268.5                       | 314.1                      | 250.6                 | 217.4                   |
| 1979-80 | 300.5                                  | 314.8              | 262.9                 | 302.8                       | 347.9                      | 280.8                 | 273.4                   |

|         | Plumbing<br>fixtures | Miscellaneous<br>materials | Electrical<br>installation<br>materials | Mechanical<br>services<br>components | Special<br>purpose<br>index | All groups |
|---------|----------------------|----------------------------|---|--------------------------------------|-----------------------------|------------|
| 1966-67 | 100.0                | 100.0                      | 100.0                                   | 100.0                                | 100.0                       | 100.0      |
| 1967-68 | 102.4                | 102.8                      | 100.9                                   | 101.4                                | n.a                         | 101.7      |
| 1968-69 | 103.4                | 104.3                      | 102.1                                   | 108.0                                | n.a                         | 105.0      |
| 1969-70 | 111.8                | 106.4                      | 112.2                                   | 112.1                                | n.a                         | 109.8      |
| 1970-71 | 121.6                | 110.2                      | 110.9                                   | 119.4                                | 114.8                       | 115.1      |
| 1971-72 | 136.4                | 115.5                      | 114.7                                   | 128.0                                | 124.2                       | 123.9      |
| 1972-73 | 149.8                | 123.6                      | 120.5                                   | 132.8                                | 132.1                       | 131.2      |
| 1973-74 | 167.7                | 133.6                      | 138.3                                   | 144.3                                | 149.6                       | 148.0      |
| 1974-75 | 210.2                | 164.8                      | 157.4                                   | 181.4                                | 182.9                       | 180.6      |
| 1975-76 | 249.9                | 187.6                      | 177.4                                   | 201.6                                | 214.1                       | 209.4      |
| 1976-77 | 267.5                | 203.0                      | 199.6                                   | 225.6                                | 240.1                       | 234.8      |
| 1977-78 | 270.0                | 216.4                      | 215.3                                   | 247.3                                | 259.8                       | 254.4      |
| 1978-79 | 275.5                | 225.0                      | 242.6                                   | 268.1                                | 275.1                       | 271.4      |
| 1979-80 | 318.5                | 245.8                      | 285.4                                   | 298.1                                | 310.3                       | 306.6      |

WHOLESALE PRICE INDEX OF MATERIALS USED IN BUILDING  
OTHER THAN HOUSE BUILDING: MELBOURNE, 1979-80 TO 1981-82  
(Base of each index : year 1979-80 = 100.0)

| Year    | Structural<br>timber | Clay<br>bricks | Ready<br>mixed<br>concrete | Precast<br>concrete<br>products | Galvanised<br>steel decking,<br>cladding etc. | Structural<br>steel | Reinforcing<br>steel bar<br>fabric and mesh | Aluminium<br>windows |
|---------|----------------------|----------------|----------------------------|---------------------------------|---|---------------------|---|----------------------|
| 1979-80 | 100.0                | 100.0          | 100.0                      | 100.0                           | 100.0   | 100.0               | 100.0                                       | 100.0                |
| 1980-81 | 116.0                | 115.8          | 115.2                      | 110.6                           | 112.7   | 113.5               | 115.9                                       | 108.0                |
| 1981-82 | 122.2                | 133.1          | 116.7                      | 121.3                           | 126.8   | 125.8               | 127.8                                       | 119.7                |

|         | Steel<br>windows doors,<br>louvres etc. | Builders'<br>hardware | Sand<br>aggregate<br>and filling | Carpet | Paint | Non-ferrous<br>pipes | All groups |
|---------|---|-----------------------|----------------------------------|--------|-------|----------------------|------------|
| 1979-80 | 100.0                                   | 100.0                 | 100.0                            | 100.0  | 100.0 | 100.0                | 100.0      |
| 1980-81 | 113.5                                   | 113.5                 | 110.1                            | 109.6  | 118.4 | 95.2                 | 112.7      |
| 1981-82 | 124.2                                   | 128.1                 | 122.3                            | 118.1  | 131.2 | 96.2                 | 123.6      |

The Price Index of Materials Used in House Building measures changes in prices of selected materials used in the construction of houses. Buildings of any kind other than houses are not represented in the index. The following table shows the index numbers for materials used in house building for the period 1966-67 to 1981-82:

WHOLESALE PRICE INDEX OF MATERIALS USED IN HOUSE BUILDING:  
MELBOURNE, 1966-67 TO 1981-82  
(Base of each index : year 1966-67 = 100.0)

| Year                          | Concrete mix,<br>cement, sand | Cement<br>products | Clay bricks,<br>etc. | Timber board<br>and joinery | Steel<br>products | Other metal<br>products |
|-------------------------------|-------------------------------|--------------------|----------------------|-----------------------------|-------------------|-------------------------|
| Value weight<br>(per cent)(a) | 4.63                          | 8.55               | 10.48                | 37.78                       | 5.58              | 6.47                    |
| 1966-67                       | 100.0                         | 100.0              | 100.0                | 100.0                       | 100.0             | 100.0                   |
| 1967-68                       | 100.0                         | 104.0              | 102.4                | 99.6                        | 101.5             | 104.1                   |
| 1968-69                       | 101.1                         | 108.2              | 107.7                | 101.5                       | 104.8             | 107.1                   |
| 1969-70                       | 103.3                         | 118.8              | 110.9                | 103.8                       | 110.3             | 112.0                   |
| 1970-71                       | 110.4                         | 129.9              | 115.7                | 109.2                       | 113.9             | 114.0                   |
| 1971-72                       | 122.0                         | 138.2              | 123.5                | 114.5                       | 126.4             | 119.4                   |
| 1972-73                       | 127.2                         | 141.5              | 132.0                | 125.3                       | 135.3             | 124.8                   |
| 1973-74                       | 132.8                         | 160.6              | 148.7                | 158.7                       | 154.5             | 147.1                   |
| 1974-75                       | 159.7                         | 205.2              | 172.4                | 190.5                       | 196.5             | 168.5                   |
| 1975-76                       | 189.4                         | 241.1              | 192.3                | 207.3                       | 231.9             | 185.4                   |
| 1976-77                       | 213.1                         | 279.1              | 209.4                | 233.5                       | 269.4             | 206.2                   |
| 1977-78                       | 232.0                         | 303.4              | 233.7                | 247.2                       | 295.8             | 219.9                   |
| 1978-79                       | 244.8                         | 325.9              | 239.4                | 255.8                       | 316.2             | 242.6                   |
| 1979-80                       | 292.9                         | 357.8              | 266.9                | 291.9                       | 347.9             | 285.1                   |
| 1980-81                       | 325.6                         | 410.8              | 312.2                | 337.1                       | 399.4             | 321.3                   |
| 1981-82                       | 338.9                         | 476.4              | 357.5                | 358.2                       | 443.3             | 352.4                   |

|         | Plumbing<br>fixtures etc. | Electrical<br>installation<br>materials | Installed<br>appliances | Plaster and<br>plaster<br>products | Miscellaneous<br>materials | All groups |
|---------|---------------------------|---|-------------------------|------------------------------------|----------------------------|------------|
|         | 3.34                      | 1.66                                    | 6.87                    | 7.19                               | 7.45                       | 100.0      |
| 1966-67 | 100.0                     | 100.0                                   | 100.0                   | 100.0                              | 100.0                      | 100.0      |
| 1967-68 | 100.9                     | 103.4                                   | 100.0                   | 102.0                              | 103.2                      | 101.3      |
| 1968-69 | 101.6                     | 105.3                                   | 99.9                    | 103.8                              | 104.7                      | 103.6      |
| 1969-70 | 103.1                     | 116.6                                   | 101.8                   | 106.0                              | 107.5                      | 107.2      |
| 1970-71 | 110.9                     | 114.7                                   | 102.7                   | 111.6                              | 111.4                      | 112.3      |
| 1971-72 | 120.5                     | 119.6                                   | 104.3                   | 119.2                              | 116.5                      | 118.9      |
| 1972-73 | 131.2                     | 125.3                                   | 106.8                   | 120.4                              | 124.7                      | 126.5      |
| 1973-74 | 146.4                     | 145.3                                   | 115.1                   | 124.2                              | 135.8                      | 147.8      |
| 1974-75 | 177.4                     | 165.9                                   | 145.3                   | 151.4                              | 161.6                      | 178.4      |
| 1975-76 | 204.6                     | 181.0                                   | 166.8                   | 168.1                              | 186.7                      | 200.1      |
| 1976-77 | 218.7                     | 200.3                                   | 181.9                   | 175.8                              | 208.2                      | 223.6      |
| 1977-78 | 221.7                     | 213.8                                   | 195.4                   | 187.7                              | 221.4                      | 238.6      |
| 1978-79 | 228.4                     | 238.1                                   | 203.8                   | 199.5                              | 230.7                      | 251.4      |
| 1979-80 | 261.1                     | 281.2                                   | 220.7                   | 217.3                              | 255.0                      | 283.4      |
| 1980-81 | 304.0                     | 313.6                                   | 246.1                   | 236.4                              | 296.1                      | 324.7      |
| 1981-82 | 339.9                     | 348.3                                   | 272.4                   | 257.2                              | 322.5                      | 355.1      |

(a) Composition and weighting pattern as at reference base year.

The Price Index of Materials Used in Manufacturing Industry is a net sector index which measures changes in prices of materials used in establishments classified to the Manufacturing Division (Division C) of the Australian Standard Industrial Classification (ASIC), and which enter that Division from other Divisions in the Australian economy or from overseas. The following table shows the index numbers for materials used in manufacturing industry based on the Australian Standard Industrial Classification for the period 1968-69 to 1981-82:

PRICE INDEX OF MATERIALS USED IN MANUFACTURING INDUSTRY:  
AUSTRALIA, GROUP INDEX NUMBERS BASED ON AUSTRALIAN STANDARD  
INDUSTRIAL CLASSIFICATION, 1968-69 TO 1981-82  
(Base of each index : year 1968-69 = 100.0)

| Year                          | Imported materials |        |                    |                                | Home produced materials |                         |        |             | All groups |                                     |
|-------------------------------|--------------------|--------|--------------------|--------------------------------|-------------------------|-------------------------|--------|-------------|------------|-------------------------------------|
|                               | Agriculture        | Mining | Manufac-<br>turing | Total<br>imported<br>materials | Agriculture             | Forestry<br>and fishing | Mining | Electricity |            | Total home<br>produced<br>materials |
| Value weight<br>(per cent)(a) | 1.92               | 4.17   | 21.07              | 27.16                          | 47.04                   | 1.12                    | 18.92  | 5.76        | 72.84      | 100.0                               |
| 1968-69                       | 100.0              | 100.0  | 100.0              | 100.0                          | 100.0                   | 100.0                   | 100.0  | 100.0       | 100.0      | 100.0                               |
| 1969-70                       | 104.5              | 96.2   | 101.0              | 100.5                          | 101.6                   | 103.5                   | 108.8  | 99.7        | 103.4      | 102.6                               |
| 1970-71                       | 101.8              | 105.3  | 102.0              | 102.5                          | 99.3                    | 110.1                   | 98.7   | 99.4        | 99.3       | 100.1                               |

PRICE INDEX OF MATERIALS USED IN MANUFACTURING INDUSTRY: AUSTRALIA, GROUP INDEX NUMBERS BASED ON AUSTRALIAN STANDARD INDUSTRIAL CLASSIFICATION, 1968-69 TO 1981-82  
(Base of each index : year 1968-69 = 100.0)—*continued*

| Year                              | Imported materials |         |               |                          | Home produced materials |                      |        |             |                               | All groups |
|-----------------------------------|--------------------|---------|---------------|--------------------------|-------------------------|----------------------|--------|-------------|-------------------------------|------------|
|                                   | Agriculture        | Mining  | Manufacturing | Total imported materials | Agriculture             | Forestry and fishing | Mining | Electricity | Total home produced materials |            |
| <i>Value weight (per cent)(a)</i> | 1.92               | 4.17    | 21.07         | 27.16                    | 47.04                   | 1.12                 | 18.92  | 5.76        | 72.84                         | 100.0      |
| 1971-72                           | 95.5               | 112.0   | 103.4         | 104.1                    | 103.5                   | 120.9                | 97.1   | 101.7       | 102.0                         | 102.6      |
| 1972-73                           | 105.2              | 109.1   | 104.4         | 105.2                    | 125.3                   | 131.0                | 100.4  | 103.7       | 117.2                         | 113.9      |
| 1973-74                           | 130.6              | 196.3   | 113.1         | 127.1                    | 147.9                   | 157.3                | 119.0  | 109.9       | 137.6                         | 134.7      |
| 1974-75                           | 149.3              | 357.8   | 149.5         | 181.5                    | 132.2                   | 187.8                | 129.0  | 124.6       | 131.6                         | 145.1      |
| 1975-76                           | 166.5              | 423.6   | 162.6         | 202.9                    | 132.3                   | 213.7                | 163.3  | 137.9       | 142.0                         | 158.6      |
| 1976-77                           | 258.6              | 479.5   | 182.1         | 233.2                    | 152.5                   | 245.2                | 189.2  | 148.8       | 163.2                         | 182.2      |
| 1977-78                           | 303.4              | 515.3   | 201.6         | 257.0                    | 162.4                   | 273.5                | 211.4  | 160.9       | 176.7                         | 198.5      |
| 1978-79                           | 285.3              | 542.6   | 222.1         | 275.7                    | 228.8                   | 263.5                | 280.4  | 173.8       | 238.4                         | 248.5      |
| 1979-80                           | 329.2              | 911.8   | 261.8         | 366.4                    | 280.3                   | 300.3                | 403.5  | 186.7       | 305.2                         | 321.8      |
| 1980-81                           | 293.6              | 1,146.3 | 278.7         | 413.0                    | 295.9                   | 344.4                | 454.1  | 210.2       | 330.9                         | 353.2      |
| 1981-82                           | 264.5              | 1,247.8 | 290.6         | 435.7                    | 281.9                   | 363.0                | 471.3  | 253.3       | 330.1                         | 358.8      |

(a) Composition and weighting pattern as at reference base year.

Price indexes of articles produced by manufacturing industry are a set of *net* sector indexes which measure changes in the prices of articles produced by establishments classified to the Manufacturing Division (Division C) of ASIC and the twelve Manufacturing Subdivisions of ASIC. The following table shows the index numbers for Articles Produced by Manufacturing Industry for the period 1968-69 to 1981-82:

PRICE INDEX OF ARTICLES PRODUCED BY MANUFACTURING INDUSTRY (a):  
AUSTRALIA, INDEX NUMBERS, 1968-69 TO 1981-82  
(Base of each index : year 1968-69 = 100.0)

| Year    | Net ASIC subdivision indexes     |   |                  |                               |  |   |  |
|---------|----------------------------------|---|------------------|-------------------------------|--|---|--|
|         | All manufacturing industry index | Food, beverages, and tobacco<br>(21-22) | Textiles<br>(23) | Clothing and footwear<br>(24) | Wood, wood products, and furniture<br>(25) | Paper, paper products, and printing<br>(26) | Chemical, petroleum, and coal products<br>(27) |
| 1968-69 | 100.0                            | 100.0                                   | 100.0            | 100.0                         | 100.0                                      | 100.0                                       | 100.0  |
| 1969-70 | 103.9                            | 105.1                                   | 98.8             | 102.5                         | 104.5                                      | 103.9                                       | 99.2   |
| 1970-71 | 108.5                            | 111.4                                   | 100.0            | 107.2                         | 112.1                                      | 111.2                                       | 101.3  |
| 1971-72 | 113.9                            | 117.3                                   | 104.1            | 112.8                         | 118.4                                      | 117.5                                       | 104.1  |
| 1972-73 | 120.7                            | 127.7                                   | 113.9            | 119.9                         | 125.1                                      | 122.9                                       | 106.0  |
| 1973-74 | 134.6                            | 142.8                                   | 129.6            | 136.7                         | 148.8                                      | 134.6                                       | 111.6  |
| 1974-75 | 158.1                            | 153.0                                   | 142.4            | 161.3                         | 190.0                                      | 168.5                                       | 142.4  |
| 1975-76 | 177.8                            | 163.5                                   | 159.7            | 185.2                         | 219.9                                      | 196.3                                       | 168.2  |
| 1976-77 | 196.9                            | 180.0                                   | 178.6            | 208.1                         | 246.8                                      | 212.8                                       | 182.4  |
| 1977-78 | 213.8                            | 195.6                                   | 193.3            | 225.2                         | 264.0                                      | 231.7                                       | 200.7  |
| 1978-79 | 237.4                            | 226.4                                   | 205.1            | 238.4                         | 280.4                                      | 245.0                                       | 233.1  |
| 1979-80 | 274.9                            | 266.5                                   | 228.8            | 255.3                         | 315.5                                      | 269.6                                       | 307.4  |
| 1980-81 | 305.2                            | 290.9                                   | 252.7            | 276.5                         | 357.3                                      | 304.2                                       | 366.9  |
| 1981-82 | 329.0                            | 301.9                                   | 270.6            | 298.1                         | 388.4                                      | 346.0                                       | 401.1  |

| Year    | Glass, clay, and other non-metallic mineral products<br>(28) | Basic metal products<br>(29) | Fabricated metal<br>(31) | Transport equipment<br>(32) | Other industrial machinery equipment and household appliances<br>(33) | Miscellaneous manufacturing products<br>(34) |
|---------|--|------------------------------|--------------------------|-----------------------------|---|--|
|         | 1968-69  | 100.0                        | 100.0                    | 100.0                       | 100.0   | 100.0  |
| 1969-70 | 102.9  | 108.8                        | 102.7                    | 102.4                       | 103.2   | 101.8  |
| 1970-71 | 108.1  | 105.9                        | 107.5                    | 105.5                       | 106.7   | 103.8  |
| 1971-72 | 114.7  | 109.3                        | 116.5                    | 111.3                       | 114.0   | 107.5  |
| 1972-73 | 119.6  | 113.2                        | 125.1                    | 116.0                       | 119.8   | 112.2  |

PRICE INDEX OF ARTICLES PRODUCED BY MANUFACTURING INDUSTRY (a): AUSTRALIA, INDEX NUMBERS, 1968-69 TO 1981-82  
(Base of each index : year 1968-69 = 100.0)—continued

| Year    | Glass, clay, and other non-metallic mineral products<br>(28) | Basic metal products<br>(29) | Fabricated metal<br>(31) | Transport equipment<br>(32) | Other industrial machinery equipment and household appliances<br>(33) | Miscellaneous manufacturing products<br>(34) |
|---------|--|------------------------------|--------------------------|-----------------------------|---|--|
| 1973-74 | 129.6  | 129.4                        | 142.3                    | 124.9                       | 132.4   | 120.6  |
| 1974-75 | 158.3  | 151.9                        | 183.2                    | 151.2                       | 158.9   | 143.7  |
| 1975-76 | 183.2  | 174.0                        | 217.1                    | 175.8                       | 179.2   | 159.0  |
| 1976-77 | 202.5  | 200.6                        | 244.9                    | 195.0                       | 199.4   | 176.0  |
| 1977-78 | 219.8  | 214.0                        | 268.7                    | 211.6                       | 215.3   | 192.4  |
| 1978-79 | 236.8  | 237.2                        | 287.7                    | 230.2                       | 232.2   | 209.8  |
| 1979-80 | 265.2  | 282.7                        | 323.9                    | 252.2                       | 261.3   | 252.5  |
| 1980-81 | 300.2  | 297.8                        | 371.6                    | 275.7                       | 289.7   | 273.9  |
| 1981-82 | 337.5  | 315.3                        | 414.2                    | 303.2                       | 320.7   | 289.5  |

(a) ASIC subdivision codes are shown in brackets.

The Price Index of Metallic Materials measures changes in prices of materials used in the ASIC Subdivision 31—Fabricated Metal Products. This special purpose index was supplemented by the Wholesale Price Index of Copper Materials Used in Manufacture of Electrical Equipment and provided a replacement for the metals component of the Wholesale Price (Basic Materials and Foodstuffs) Index. The following table shows the index numbers for Materials Used in the Manufacture of Fabricated Metal Products for the period 1968-69 to 1981-82:

PRICE INDEX OF METALLIC MATERIALS USED IN THE MANUFACTURE OF FABRICATED METAL PRODUCTS (a): AUSTRALIA, GROUP AND ALL GROUPS INDEX NUMBERS, 1968-69 TO 1981-82  
(Base of each index : year 1968-69 = 100.0)

| Year        | Group                         |                        |                  |                         |             | All groups<br>100.0 |
|-------------|-------------------------------|------------------------|------------------|-------------------------|-------------|---------------------|
|             | Value weight<br>(per cent)(a) | Iron and steel<br>83.2 | Aluminium<br>8.9 | Copper and brass<br>5.7 | Zinc<br>0.5 |                     |
| 1968-69     |                               | 100.0                  | 100.0            | 100.0                   |             | 100.0               |
| 1969-70     |                               | 104.2                  | 102.2            | 122.5                   |             | 93.8                |
| 1970-71     |                               | 106.7                  | 104.5            | 106.5                   |             | 90.9                |
| 1971-72     |                               | 116.2                  | 106.8            | 106.2                   |             | 83.6                |
| 1972-73     |                               | 122.6                  | 109.2            | 106.6                   |             | 98.7                |
| 1973-74     |                               | 131.7                  | 118.2            | 138.1                   |             | 151.3               |
| 1974-75     |                               | 161.1                  | 141.9            | 131.1                   |             | 192.4               |
| 1975-76     |                               | 200.2                  | 158.0            | 137.5                   |             | 207.8               |
| 1976-77 (b) |                               | 227.8                  | 176.9            | 158.1                   | 259.8       | 222.5               |
| 1977-78     |                               | 248.9                  | 193.7            | 153.9                   | 237.9       | 246.8               |
| 1978-79     |                               | 264.9                  | 208.9            | 179.2                   | 291.3       | 327.4               |
| 1979-80     |                               | 294.4                  | 251.5            | 216.6                   | 329.5       | 957.3               |
| 1980-81     |                               | 336.0                  | 281.5            | 209.9                   | 332.4       | 719.7               |
| 1981-82     |                               | 370.2                  | 291.2            | 210.0                   | 373.8       | 406.3               |

(a) Composition and weighting pattern as at reference year.

(b) From 1976-77 Silver and Zinc were published separately.