



PRICE INDEX OF MATERIALS USED IN HOUSE BUILDING

SIX STATE CAPITAL CITIES

EMBARGO: 11:30AM (CANBERRA TIME) FRI 20 OCT 2000

All groups



All groups



SEPTEMBER K E Y FIGURES QTR % change % change Jun Qtr 2000 to Sep Qtr 1999 to Sep Qtr 2000 Sep Qtr 2000 Weighted average of six State capital cities -0.8 3.3 Sydney -0.9 5.1 Melbourne -0.8 3.4 Brisbane -1.4 2.5 Adelaide 0.1 3.4 Perth -0.3 1.2 Hobart -0.6 2.5

SEPTEMBER QTR KEY POINTS

WEIGHTED AVERAGE INDEX

• The fall in the index was due to the removal of the Wholesale Sales Tax (WST) from 1 July 2000.

CAPITAL CITIES INDEXES

- The removal of the WST resulted in price falls for a wide range of materials across all cities.
- Apart from these WST related price changes the only other changes of significance were for structural timber prices (which increased in all cities except Brisbane), clay bricks prices (which rose in Sydney and Perth) and aluminium windows and doors prices (which increased in Brisbane, Adelaide, Perth and Hobart).

 For further information about these and related statistics, contact Robert Adams on Canberra
 02 6252 6198, or the National Information Service on
 1300 135 070.

N O T E S

FORTHCOMING ISSUES	ISSUE (Quarter)	RELEASE DATE		
	December 2000	19 January 2001		
	March 2001	23 April 2001		
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CHANGES IN THIS ISSUE	There are no changes in this issue.			
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IMPACT OF THE NEW	The Goods and Services Tax (GST) is exclude	ed from all prices used in compiling the		
TAX SYSTEM	Price Indexes of Materials Used in House Burremoval of wholesale sales taxes from 1 July 2 quarter's indexes.	<i>wilding.</i> As noted in the Main Features the 2000 has had a downward influence on this		
	For more details see Information Paper: Price Indexes and The New Tax System			
	(Cat. no. 6425.0), released on 3 May 2000 or 02 6252 6198.	contact Mr Robert Adams on Canberra		
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RELATED STATISTICS	For more information about the statistics in t related unpublished statistics, contact Robert email robert.adams@abs.gov.au.	his publication and the availability of t Adams on fax Canberra 02 6252 7060, or		

Dennis Trewin Australian Statistician



HOUSE BUILDING MATERIALS PRICE INDEX(a)

	Weighted average of six State capital						
Period	cities	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart
•••••	•••••	•••••	• • • • • • • • • • • • • • •	•••••	• • • • • • • • • • • • •	•••••	•••••
1996-1997	116.1	116.3	115.3	115.3	120.6	115.3	120.1
1997-1998	118.2	119.7	117.1	117.1	123.3	115.9	121.0
1998-1999	119.5	121.6	118.0	118.2	125.0	116.1	122.2
1999-2000	122.8	126.8	121.7	120.8	127.2	117.7	123.8
1996							
September	115.6	115.9	114.9	114.4	119.6	115.0	120.5
December	115.8	115.8	115.2	114.8	120.4	115.0	119.8
1997							
March	116.1	116.0	115.1	115.4	120.8	115.3	120.1
June	117.0	117.3	115.8	116.5	121.5	115.8	120.1
September	117.3	117.8	116.1	116.8	122.4	116.0	120.3
December	117.9	119.4	116.6	116.7	122.9	115.8	120.6
1998							
March	118.7	120.8	117.6	117.0	123.7	115.7	121.2
June	119.0	120.7	118.0	117.9	124.1	115.9	122.0
September	119.4	120.8	118.6	118.4	124.4	116.1	122.5
December	119.7	121.8	118.1	118.6	125.2	116.3	122.3
1999							
March	119.5	122.0	117.7	118.4	125.1	116.0	122.1
June	119.2	121.8	117.4	117.5	125.2	115.9	121.9
September	120.5	123.7	119.2	118.3	125.5	116.9	122.1
December	121.5	124.4	120.5	119.9	126.0	117.1	122.6
2000							
March	123.8	128.0	122.9	122.1	127.5	118.1	124.6
June	125.5	131.2	124.2	122.9	129.7	118.7	126.0
September	124.5	130.0	123.2	121.2	129.8	118.3	125.2
	(a) Base of each	h index: 1989-90 =	100.0				



HOUSE BUILDING MATERIALS PRICE INDEX, Percentage Changes

	Weighted average of six State capital						
Period	cities	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart
• • • • • • • • • • • • • •	• • • • • • • • • • • • • • •	DEDCENT	AGE CHANGE (fro	m previous vea	r)		•••••
		TERCENT	Ade chande (inc		1)		
1996-1997	0.3	0.3	-0.1	0.2	2.0	0.4	-0.5
1997-1998	1.8	2.9	1.6	1.6	2.2	0.5	0.7
1998-1999	1.1	1.6	0.8	0.9	1.4	0.2	1.0
1999-2000	2.8	4.3	3.1	2.2	1.8	1.4	1.3
•••••		•••••	•••••		•••••	• • • • • • • • • • • •	•••••
1996	PERCE	NIAGE CHANGE	(from correspon	ding quarter of	previous year)		
September	-0.5	-0.4	-0.9	-1.6	1.0	0.0	-0.2
December	0.1	0.2	-0.1	-0.6	2.0	0.1	-0.8
1997							
March	0.7	0.4	0.0	0.9	2.4	0.6	-0.5
June	1.3	0.9	0.6	2.2	2.7	1.0	-0.4
September	1.5	1.6	1.0	2.1	2.3	0.9	-0.2
December	1.8	3.1	1.2	1.7	2.1	0.7	0.7
1998							
March	2.2	4.1	2.2	1.4	2.4	0.3	0.9
June	1.7	2.9	1.9	1.2	2.1	0.1	1.6
September	1.8	2.5	2.2	1.4	1.6	0.1	1.8
December	1.5	2.0	1.3	1.6	1.9	0.4	1.4
1999 Marah	0.7	1.0	0.1	1.0			0.7
luno	0.7	1.0	0.1	1.2	1.1	0.3	0.7
Julie Sontombor	0.2	0.9	-0.5	-0.3	0.9	0.0	-0.1
December	0.9	2.4	0.5	-0.1	0.9	0.7	-0.3
2000	1.5	2.1	2.0	1.1	0.0	0.7	0.2
March	3.6	49	АА	3.1	19	1.8	2.0
June	5.3	7.7	5.8	4.6	3.6	2.4	3.4
September	3.3	5.1	3.4	2.5	3.4	1.2	2.5
		PERCENTA	GE CHANGE (from	n previous quar	ter)		
1996				1 1			
September	0.1	-0.3	-0.2	0.4	1.1	0.3	-0.1
December	0.2	-0.1	0.3	0.3	0.7	0.0	-0.6
1997							
March	0.3	0.2	-0.1	0.5	0.3	0.3	0.3
June	0.8	1.1	0.6	1.0	0.6	0.4	0.0
September	0.3	0.4	0.3	0.3	0.7	0.2	0.2
December	0.5	1.4	0.4	-0.1	0.4	-0.2	0.2
1998 Marah	0.7	1.0	0.0	0.2	0.7	0.1	0.5
luno	0.7	1.2	0.9	0.3	0.7	-0.1	0.5
Sentember	0.3	-0.1	0.5	0.8	0.3	0.2	0.7
December	0.3	0.1	-0.4	0.4	0.2	0.2	-0.2
1999	0.0	0.0	0.4	0.2	0.0	0.2	0.2
March	-0.2	0.2	-0.3	-0.2	-0.1	-0.3	-0.2
June	-0.3	-0.2	-0.3	-0.8	0.1	-0.1	-0.2
September	1.1	1.6	1.5	0.7	0.2	0.9	0.2
December	0.8	0.6	1.1	1.4	0.4	0.2	0.4
2000							
March	1.9	2.9	2.0	1.8	1.2	0.9	1.6
June	1.4	2.5	1.1	0.7	1.7	0.5	1.1
September	-0.8	-0.9	-0.8	-1.4	0.1	-0.3	-0.6



Category	June Qtr 2000(b)	September Qtr 2000(b)	Change
Weighted average of six State capital cities	125.5	124.5	-1.0
GROUPS: Contribution to Weighted ave	rage of s	ix State capital cit	ies index (index points)
Concrete mix, cement and sand	8.40	8.30	-0.10
Cement products	7.30	7.29	-0.01
Ceramic products	16.76	16.83	0.07
Timber, board and joinery	36.26	36.56	0.30
Steel products	5.55	5.52	-0.03
Other metal products	20.12	20.20	0.08
Plumbing products	9.08	8.50	-0.58
Electrical equipment	4.52	4.42	-0.10
Installed appliances	4.84	4.41	-0.43
Other materials	12.64	12.46	-0.18

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(a) For an explanation of this table see paragraph 14 of the Explanatory Notes

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



HOUSE BUILDING MATERIALS PRICE INDEX(a), By Materials Group

WEIGHTED AVERAGE OF SIX STATE CAPITAL CITIES.....

Period	Concrete mix, cement and sand	Cement products	Ceramic products	Timber, board and joinery	Steel products	Other metal products	Plumbing products	Electrical equipment	Installed appliances	Other materials
•••••	•••••	• • • • • • • •	• • • • • • • • •	• • • • • • • • • •	•••••	• • • • • • • • •	•••••	• • • • • • • • • •	• • • • • • • • •	•••••
1996-1997	112.8	116.6	113.1	116.2	118.3	113.6	114.4	115.1	128.7	119.5
1997-1998	114.0	117.2	115.2	118.8	120.1	115.3	118.3	115.1	130.4	122.4
1998-1999	112.8	117.5	116.9	120.6	119.5	117.3	116.7	116.3	130.6	125.4
1999-2000	111.5	120.9	118.0	127.1	116.6	121.4	123.1	118.9	131.5	127.7
1996										
September	112.1	116.4	112.9	116.1	117.2	112.4	114.3	115.5	127.5	118.6
December	112.3	116.5	112.9	116.0	118.0	113.4	113.4	114.7	128.4	119.1
1997										
March	113.0	116.9	113.0	115.8	118.7	114.1	113.6	114.8	129.5	119.2
June	113.9	116.5	113.7	116.9	119.1	114.3	116.3	115.5	129.3	121.1
September	114.2	116.2	114.3	117.3	119.1	114.6	117.9	115.0	130.0	121.3
December	114.2	117.1	114.4	118.3	120.1	115.1	118.2	114.9	130.8	122.1
1998										
March	113.9	117.9	115.8	119.9	120.6	115.0	119.0	114.6	130.0	122.5
June	113.8	117.7	116.1	119.8	120.5	116.5	118.2	115.7	130.6	123.5
September	113.4	117.6	117.0	121.0	119.0	116.8	117.7	115.6	130.7	124.0
December	113.1	117.5	116.9	121.3	120.4	117.3	115.8	116.3	130.9	125.5
1999										
March	112.4	117.0	117.0	120.7	119.8	117.5	116.5	116.5	130.6	125.5
June	112.4	117.7	116.5	119.4	118.9	117.7	116.6	116.6	130.3	126.6
September	112.3	119.4	116.6	121.2	117.9	119.7	120.2	118.2	131.7	127.1
December	111.9	120.2	116.9	123.9	116.2	120.6	120.6	119.6	131.5	127.5
2000										
March	110.8	121.4	118.2	130.2	116.4	121.6	124.7	119.0	131.2	128.0
June	110.8	122.4	120.3	133.2	115.8	123.6	126.8	118.9	131.6	128.2
September	109.5	122.2	120.8	134.3	115.3	124.1	118.7	116.2	119.8	126.3
	(a) Base of ea	ach index: 198	89-90 = 100.0)						

EXPLANATORY NOTES

INTRODUCTION	1 This publication presents index numbers measuring changes in the prices of selected materials used in the construction of houses in the Statistical Division for each State capital city—the <i>Price Index of Materials Used in House Building</i> . It is calculated on a reference base of 1989–90 = 100.0 for the six State capital cities.
SCOPE	2 A house is defined as a detached building predominantly used for long–term residential purposes and consisting of only one dwelling unit. The index does not represent buildings of any kind other than detached houses.
ITEMS AND WEIGHTS	3 The index is a fixed weights index. The items and weights were derived from reported values of each material used in selected representative houses constructed in the 3 years ending 1992–93. Each capital city has an individual weighting pattern which reflects the differences in the relative usage of different materials in the various cities and differences in price levels between the cities.
	4 The weighting pattern for the six State capital cities is set out in Appendix A of the December 1995 issue of this publication.
PRICE MEASUREMENT	5 Prices used relate to precise standards for each material. The aim of the index is to measure price changes for materials of constant quality.
	6 In general, the point of pricing is 'delivered on site'. However, in some cases it is necessary to use the nearest realistic price available, e.g. that for materials supplied and fixed. Prices are obtained in each capital city from representative suppliers of materials used in house building.
	7 As far as possible, actual transaction prices are used in this index—that is, prices actually paid by building contractors or sub–contractors to material suppliers for materials delivered on building sites. The actual price paid for anything can be described in various ways. Instead of being described as a single price (as usually happens in retail shops) a price for a building material may be described in terms of the components that make up the price—for instance 'suppliers' price plus freight', 'basic price less (particular types of) discount' and so on. It is these net prices that the ABS aims to use in compiling this price index. Rebateable indirect taxes such as the GST are excluded from the prices used to compile the index.
	8 The ABS asks respondent businesses to report details of the discounts they offer so that actual transaction prices can be calculated. However, as building material suppliers offer many different types of discounts to buyers (e.g. trade discounts, settlement discounts, quantity discounts, competitive discounts), the identification of discounts and the way in which they are applied by sellers pose considerable problems for the ABS. To the extent that discounts are identified and measured, their effects are taken into account in calculating the index. Sometimes new discounts, or changes in the way discounts are applied by sellers, are identified only after index numbers for a period have been published. In such cases, or in any other case where it has been discovered that incorrect prices have been used in compiling the indexes, revisions to index numbers may occur in subsequent issues of this publication.
INDEX NUMBERS	 9 Index numbers for financial years are simple averages of the quarterly index numbers. 10 The separate city indexes measure price movements within each capital city individually. They enable comparisons to be drawn between cities as to <i>differences</i> in domain of the particular theory particular. They do not average of the particular theory particular theory particular.
	differences in price levels between cities.

ABS \cdot materials used in house building \cdot 6408.0 \cdot september quarter 2000 7

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EXPLANATORY NOTES

REVISIONS	11 In cases where more complete period have been published, or it is in compiling the indexes, revisions of this publication.	information is obtained after index numbers for a s discovered that incorrect prices have been used to index numbers may occur in subsequent issues			
ANALYSIS OF INDEX CHANGES	 12 Care should be exercised when the indexes as short-term movement 13 Movements in indexes from on changes in 'index points' or as percethe method of calculating index points any two periods: Weighted average of six State capital cities index numbers – 	n interpreting quarter-to-quarter movements in nts do not necessarily indicate changes in trend. ne period to another can be expressed either as rentage changes. The following example illustrates ints changes and percentage changes between			
	September Quarter 2000	124.5 (See Table 1)			
	less September Quarter 1999	120.5 (See Table 1)			
	Change in index points	4.0			
	Percentage change	$\frac{4.0}{120.5} \times 100 = 3.3$			
	14 Table 3 provides an analysis of materials make to the total Weighte example, Timber, board and joiner. Weighted average of the six State case September Quarter 2000 and 0.30 points.	the contribution which selected categories of ed average of six State capital cities index. For y contributed 36.56 index points to the total apital cities index number of 124.5 for the index points to the net change of -1.0 index			
FURTHER INFORMATION	15 The Appendix to the December detailed description of the index ar	er 1995 issue of this publication contains a more nd its relationship with previous indexes.			
	16 Further information on the index is presented in the publications:				
	 Producer and Foreign Trade (Cat. no. 6419.0) Price Indexes and The New Tag 	Price Indexes: Concepts, Sources and Methods ax System 2000 (Cat. no. 6425.0).			
RELATED PUBLICATIONS	17 Users may also wish to refer to available from ABS Bookshops:	the following price index publications which are			
	 Price Index of Materials Used in Building Other than House Building, Six State Capital Cities (Cat. no. 6407.0) Price Indexes of Materials Used in Manufacturing Industries, Australia (Cat. no. 6411.0) Price Indexes of Articles Produced by Manufacturing Industry, Australia (Cat. no. 6412.0) Producer Price Indexes for Selected Service Industries, Australia (6423.0). 				
	18 Other ABS publications that may be of interest include:				
	 Average Weekly Earnings, States and Australia (Cat. no. 6302.0). 				
	19 Current publications produced <i>Publications and Products, Austra</i> Tuesdays and Fridays, a <i>Release Ad</i> be released in the next few days. Th from any ABS office.	by the ABS are listed in the <i>Catalogue of dia</i> (Cat. no. 1101.0). The ABS also issues, on <i>vice</i> (Cat. no. 1105.0) which lists publications to the Catalogue and Release Advice are available			

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EXPLANATORY NOTES

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UNPUBLISHED STATISTICS

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20 As well as the statistics included in this and related publications, the ABS may have other relevant unpublished data available. Inquiries should be made to Robert Adams on 02 6252 6198 or to any ABS office.

SYMBOLS AND OTHER USAGES

FOR MORE INFORMATION...

INTERNET	www.abs.gov.au the ABS web site is the best place to start for access to summary data from our latest publications, information about the ABS, advice about upcoming releases, our catalogue, and Australia Now—a statistical profile.
LIBRARY	A range of ABS publications is available from public and tertiary libraries Australia-wide. Contact your nearest library to determine whether it has the ABS statistics you require, or visit our web site for a list of libraries.
CPI INFOLINE	For current and historical Consumer Price Index data, call 1902 981 074 (call cost 77c per minute).

DIAL-A-STATISTIC For the latest figures for National Accounts, Balance of Payments, Labour Force, Average Weekly Earnings, Estimated Resident Population and the Consumer Price Index call 1900 986 400 (call cost 77c per minute).

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