

**EXPORT PRICE INDEX,
AUSTRALIA
Catalogue No. 6405.0**

AUGUST 1979

AUSTRALIAN BUREAU OF STATISTICS Canberra

CATALOGUE NO. 8405.0

NOON 8 NOVEMBER 1979

EXPORT PRICE INDEX, AUSTRALIA AUGUST 1979

INQUIRIES

If you want to know more about these statistics ring Mr Dan Aherne on Canberra 526689 or our State office, or write to Information Services, ABS, P.O. Box 10, Belconnen, A.C.T. 2616. For copies of this publication contact Information Services, Canberra 526627 or State offices.

MAIN FEATURES

- The All Groups index increased by 0.6% in August 1979 mainly because of higher prices for wheat, casein and plastic products.
- The All Groups index increased by 21.8% for the year ended August 1979.

EXPLANATORY NOTES

Introduction

The Export Price Index contained in this publication replaces the previous index which had a reference base of 1959-60 = 100. A detailed description of previous Export Price Indexes is contained in *Year Book Australia No. 55, 1969*, pages 256-7 and in *Year Book Australia No. 58, 1972*, pages 240-2.

2. The current Export Price Index has been compiled for each month from July 1974 and for the financial years from 1974-75 to 1978-79 on the reference base 1974-75 = 100.

3. A technical note showing a method of linking the current 'All groups' index to the previous 'All groups' index, so that series from the current index can be converted to the reference base of the previous index, is available on request. The technical note also shows a method of linking series for the current groups to series for corresponding groups in the previous index.

4. For any given period, price movements shown in the current index will not necessarily be the same as price movements in the previous Export Price Index for a variety of reasons. In particular, it should be noted that:

- The current 'All groups' index differs in scope from the previous 'All groups' index.
- The groups included in the current index (e.g. cereals and cereal preparations) can differ from corresponding groups in the previous index because they may be composed of different

exported commodities, or because more up-to-date weightings have been used when combining items to form the new groups.

Scope of the index

5. The Export Price Index measures changes in prices of *all exports of merchandise* from Australia. It includes re-exports of merchandise (that is, goods which are imported into Australia and exported at a later date without physical transformation). The index numbers for each month relate to prices of those exports of merchandise that are physically shipped from Australia during that month.

Items and weights

6. The Export Price Index is a *fixed weights index* on reference base 1974-75 = 100. The index items, i.e. the commodities directly represented in the index, were selected on the basis of their export values in the period 1974-75 to 1976-77. They constituted 89 per cent of the total value of exports of merchandise from Australia in the same period. The selected items were allocated weights in accordance with the average value of exports for each item over the period 1974-75 to 1976-77. Many of the items carry not only their own weight but also the weight of unpriced commodities whose prices are considered to move in a similar manner. Similarly, for the purpose of calculating the 'All groups' index, the export values of some categories of exports which are not directly represented in the index, have been allocated to particular Sections of the Australian Export Commodity Classification (A.E.C.C.). Export values for A.E.C.C. Section 1, 'Beverages and tobacco' have been added to the value of exports for A.E.C.C. Section 0 'Food and live animals'. With the exception of non-monetary gold, the export values for certain components of A.E.C.C. Section 9A 'Commodities and transactions of merchandise trade, not elsewhere classified' have been allocated amongst four A.E.C.C. Sections: Section 0; Section 6 'Manufactured goods classified chiefly by material'; Section 7 'Machinery and transport equipment'; Section 8 'Miscellaneous manufactured articles'. These allocations are made for the purpose of compiling the 'All groups' index only and do not affect calculations of index series for individual sections or other groups.

7. Full details of the weighting pattern of the new Export Price Index, i.e. the percentage contributions for index items and groups were contained in the July 1979 issue of this publication, are available from the ABS on request.

Classification

8. The selected items have been combined into broad index groups in two ways. Tables 1 and 2 contain index numbers for groups based on the Section (1 digit) and selected Divisions (2 digit) of the *Australian Export Commodity Classification (A.E.C.C.) 1978-79* (ABS Catalogue No. 1203.0). Tables 1 and 3 contain index numbers on an *industry of origin* basis for groups based on the Divisions (1 digit) and selected Subdivisions (2 digit) of the 1978 edition of the *Australian Standard Industrial Classification (A.S.I.C.)* (ABS Catalogue No. 1201.0). These groups have been formed by allocating each of the index items to its industry of origin (e.g. Agriculture, forestry and fishing; Mining; and Manufacturing).

9. The 'industry of origin' is the industry in which the exported commodity is *primarily produced*, determined in accordance with the classification rules of the *Australian Standard Industrial Classification (A.S.I.C.)*. It is therefore not necessarily identical with the industry from which the export transactions are actually made. For instance, many exports are made by traders or by marketing authorities, but these exports are classified to the appropriate producing industries, rather than to the wholesale trading industries from which they are actually exported.

Prices

10. In general, prices are obtained from major exporters of the selected items included in the index. The point of pricing for the Export Price Index is the point at which the goods physically leave Australia, i.e. prices are on the basis F.O.B. at main Australian ports of export.

11. As the prices used in the index are expressed in Australian currency, changes in the relative values of the Australian dollar and overseas currencies can have a direct impact on price movements for the many commodities that are sold in currencies other than Australian dollars. Where exports are sold at prices expressed in terms of a foreign currency and forward exchange cover is used, the prices used in the index EXCLUDE forward exchange cover.

12. The price series used relate to specified standards, grades, types, etc. of each commodity with the aim of incorporating in the index price changes for exports of representative goods of constant quality. Wherever possible, prices to predominant export markets are used for each of the specified goods priced,

in order to lessen the impact of price variations attributable solely to changes, over time, in market destinations. In most cases prices are combined using fixed weights between markets. Weights between markets are reviewed from time to time and revised where necessary.

13. The July 1979 issue of this publication contained explanations of:

- Pricing of wool exports
- Pricing goods shipped at unknown prices
- Treatment of seasonal exports.

14. Index numbers for financial years are simple averages of monthly index numbers. All index numbers for the current month and the previous month are preliminary and subject to revision.

Percentage changes

15. Table 1 shows percentage changes for the 'All groups' index and for A.E.C.C. Sections and A.S.I.C. Divisions. The following example illustrates the method of calculating percentage changes.

<i>All groups</i>		
August 1979	162	(see Table 1)
less July 1979	161	(see Table 1)
Change in index points	+1	

$$\text{Percentage change} = \frac{1}{161} \times 100 = +0.6$$

Related publications

16. Users may also wish to refer to the following publications which are available on request:

Price Index of Articles Produced by Manufacturing Industry (6412.0)

Price Index of Materials Used in Manufacturing Industry (6411.0)

Exports and Imports of Merchandise at Constant Prices (5421.0)

Export by Commodity Divisions (Preliminary) (5402.0)

17. All current publications produced by the ABS are listed in *Catalogue of Publications* (1101.0) which is available free of charge from any ABS office.

Symbols and other usages

- p preliminary, series subject to revision
- r figure revised since previous issue
- nil or less than half the final digit shown

R.J. CAMERON
Australian Statistician

TABLE 1. EXPORT PRICE INDEX - BROAD GROUPS

	All groups	AECC SECTIONS					ASIC DIVISIONS		
		Food and live animals (0)	Crude materials inedible (except fuels) (2)	Mineral fuels and lubricants (e)	Animal and vegetable oils and fats (4)	Chemicals and other manufactured exports (5,6,7 & 8)	Agriculture, forestry, fishing and hunting (A)	Mining (B)	Manufacturing (c)
INDEX NUMBERS									
(Base of each index : Year 1974-75 = 100)									
1976-77	122	98	141	156	117	118	106	148	119
1977-78	128	100	149	167	136	125	105	159	127
1978-79	144	119	162	170	157	146	114	163	150
1978-79									
July	132	108	151	166	144	129	109	158	133
August	133	109	151	168	145	130	110	158	135
September	135	111	153	166	146	132	110	161	136
October	137	113	154	167	148	135	110	160	140
November	137	113	154	167	151	138	110	158	142
December	140	117	155	166	150	142	111	161	145
January	142	119	155	171	157	145	111	161	149
February	146	122	162	171	158	150	111	163	155
March	149	125	165	172	164	154	114	165	160
April	156	129	177	176	173	161	120	170	167
May	159	132	182	174	176	164	125	172	170
June	161	133	181	175	177	169	125	172	173
1979-80									
July p	r161	r133	181	179	181	171	126	r173	r173
August p	162	133	182	180	181	172	128	172	175
PERCENTAGE CHANGES									
	%	%	%	%	%	%	%	%	%
Change from previous year -									
1976-77	+11.9	+1.0	+22.6	+8.3	+19.4	+16.8	+8.2	+13.8	+13.3
1977-78	+4.9	+2.0	+5.7	+7.1	+16.2	+5.9	-0.9	+7.4	+6.7
1978-79	+12.5	+19.0	+8.7	+1.8	+15.4	+16.8	+8.6	+2.5	+18.1
Change from corresponding month of previous year									
1978-79									
July	+3.9	+9.1	+2.0	-0.6	-7.7	+4.0	+2.8	-0.6	+6.4
August	+4.7	+11.2	+1.3	+0.6	-5.8	+4.8	+5.8	-1.9	+8.0
September	+6.3	+13.3	+2.0	-0.6	+0.7	+7.3	+5.8	-	+8.8
October	+7.0	+15.3	+3.4	-	+6.5	+8.0	+4.8	-0.6	+12.0
November	+7.9	+16.5	+3.4	+0.6	+17.1	+11.3	+4.8	-0.6	+14.5
December	+11.1	+20.6	+5.4	-0.6	+21.0	+12.7	+6.7	+1.9	+16.0
January	+11.8	+22.7	+4.0	+3.0	+25.6	+14.2	+7.8	+0.6	+18.3
February	+14.1	+23.2	+8.0	+2.4	+27.4	+20.0	+5.7	+2.5	+22.0
March	+16.4	+22.5	+11.5	+3.0	+26.2	+23.2	+9.6	+5.8	+25.0
April	+21.9	+24.0	+21.2	+5.4	+30.1	+28.8	+15.4	+9.7	+29.5
May	+22.3	+23.4	+23.0	+4.8	+29.4	+30.2	+17.9	+9.6	+29.8
June	+22.9	+24.3	+20.7	+5.4	+27.3	+34.1	+16.8	+8.9	+31.1
1979-80									
July p	r+22.0	r+23.1	+19.9	+7.8	+25.7	+32.6	+15.6	r+9.5	r+30.1
August p	+21.8	+22.0	+20.5	+7.1	+24.8	+32.3	+16.4	+8.9	+29.6
Change from previous month									
1978-79									
July	+0.8	+0.9	+0.7	-	+3.6	+2.4	+1.9	-	+0.8
August	+0.8	+0.9	-	+1.2	+0.7	+0.8	+0.9	-	+1.5
September	+1.5	+1.8	+1.3	-1.2	+0.7	+1.5	-	+1.9	+0.7
October	+1.5	+1.8	+0.7	+0.6	+1.4	+2.3	-	-0.6	+2.9
November	-	-	-	-	+2.0	+2.2	-	-1.3	+1.4
December	+2.2	+3.5	+0.6	-0.6	-0.7	+2.9	+0.9	+1.9	+2.1
January	+1.4	+1.7	-	+3.0	+4.7	+2.1	-	-	+2.8
February	+2.8	+2.5	+4.5	-	+0.6	+3.4	-	+1.2	+4.0
March	+2.1	+2.5	+1.9	+0.6	+3.8	+2.7	+2.7	+1.2	+3.2
April	+4.7	+3.2	+7.3	+2.3	+5.5	+4.5	+5.3	+3.0	+4.4
May	+1.9	+2.3	+2.8	-1.1	+1.7	+1.9	+4.2	+1.2	+1.8
June	+1.3	+0.8	-0.5	+0.6	+0.6	+3.0	-	-	+1.8
1979-80									
July p	r-	r-	-	+2.3	+2.3	+1.2	+0.8	r+0.6	r-
August p	+0.6	-	+0.6	+0.6	-	+0.6	+1.6	-0.6	+1.2

TABLE 2. INDEX NUMBERS FOR SELECTED DIVISIONS OF AUSTRALIAN EXPORT COMMODITY CLASSIFICATION (AECCL)
(Base of each index : Year 1974-75 = 100)

	<i>Meat and preparations (01)</i>	<i>Dairy products and eggs (02)</i>	<i>Fish and fish preparations (03)</i>	<i>Cereals and cereal preparations (04)</i>	<i>Fruit and vegetables (05)</i>	<i>Sugar and sugar preparations (06)</i>	<i>Hides, skins and furskins raw (21)</i>	<i>Textile fibres and their wastes (26)</i>	<i>Metalliferous ores and metal scrap (28)</i>
1976-77	125	94	185	89	108	83	188	135	140
1977-78	154	107	200	81	160	72	198	139	151
1978-79	234	113	229	86	167	74	308	153	157
1978-79									
July	179	109	207	84	154	76	218	145	150
August	191	110	211	84	157	71	221	146	150
September	203	110	215	85	158	70	229	146	152
October	211	111	215	85	161	73	237	147	152
November	216	111	229	84	163	70	247	148	150
December	226	113	228	86	165	73	257	147	152
January	239	114	230	85	169	73	292	148	149
February	250	114	232	85	171	73	343	149	156
March	259	115	242	87	176	77	383	151	159
April	270	115	249	88	174	79	431	166	166
May	276	115	251	93	176	77	427	172	172
June	283	116	244	93	177	77	408	170	173
1979-80									
July p	269	118	235	96	180	78	383	169	175
August p	267	120	239	98	179	79	389	169	175

TABLE 2. INDEX NUMBERS FOR SELECTED DIVISIONS OF AUSTRALIAN EXPORT COMMODITY CLASSIFICATION (AECC) - *continued*
(Base of each index : Year 1974-75 = 100)

	Coal, coke and briquettes (32)	Petroleum, petroleum products and related materials (33)	Animal oils and fats (41)	Manufactures of -		Power generating machinery and equipment (71)	Specialised machinery for particular industries (72)	Road vehicles (78)	Gold (97)
				Iron and steel (67)	Non-ferrous metals (68)				
1976-77	164	137	117	91	123	119	147	130	95
1977-78	176	141	136	96	125	139	166	145	120
1978-79	178	157	157	118	161	154	178	154	165
1978-79									
July	176	143	144	101	123	145	176	151	134
August	178	142	145	102	127	145	177	151	145
September	176	139	146	105	130	145	175	152	151
October	177	142	148	106	139	145	175	153	160
November	177	144	151	114	143	153	176	153	146
December	176	145	150	119	148	154	175	153	150
January	180	148	157	121	159	154	176	154	164
February	178	158	158	120	171	161	178	155	177
March	178	165	164	124	183	161	179	154	179
April	181	179	173	132	196	161	181	154	178
May	177	182	176	134	202	161	181	156	187
June	176	192	177	141	211	161	181	156	209
1979-80									
July p	179	194	181	142	215	162	190	158	212
August p	175	200	181	144	212	166	189	161	227

TABLE 3. INDEX NUMBERS FOR SELECTED SUBDIVISIONS OF AUSTRALIAN STANDARD INDUSTRIAL CLASSIFICATION (ASIC)
(Base of each index : Year 1974-75 = 100)

	<i>Metallic minerals (11)</i>	<i>Coal (12)</i>	<i>Food, beverages and tobacco (21)</i>	<i>Textiles (23)</i>	<i>Chemical, petroleum and coal products (27)</i>	<i>Basic metal products (29)</i>	<i>Transport equipment (32)</i>
1976-77	137	164	109	135	130	122	130
1977-78	147	176	118	140	137	128	145
1978-79	155	178	151	156	144	149	152
1978-79							
July	147	176	129	148	136	129	149
August	146	178	130	149	137	131	149
September	151	176	134	149	135	132	149
October	149	177	138	150	136	136	149
November	146	177	140	151	137	140	151
December	152	176	145	151	137	141	151
January	149	180	151	151	140	145	151
February	154	178	157	152	145	153	153
March	157	178	165	154	148	159	153
April	164	181	172	168	156	168	156
May	169	177	174	174	160	173	158
June	171	176	174	173	166	179	158
1979-80							
July p	170	179	170	172	173	184	159
August p	170	175	171	172	186	183	163