







## 2. Local Government Cost Index – structure

### LGCI cost items and the price indexes that measure their changes

Recurrent cost items	Component price (inflater) indices <sup>a</sup>
Employee benefits and on-costs	WPI - Public sector, NSW
Plant & equipment leasing (excluding waste management)	PPI - 663 Other goods & equipment rental and hiring
Operating contracts (excluding waste management)	PPI - 729 Other administrative services
Legal & accounting services	PPI - 693 Legal & accounting services
Office & building cleaning services	PPI - 7311 Building & other industrial cleaning services
Other business services	PPI - 7299 Other administrative services not elsewhere classified
Insurance	CPI - Insurance Services, Sydney
Telecommunications, telephone & internet services	CPI - Telecommunications, Sydney
Printing publishing & advertising	PPI - 16 Printing (including reproduction of recorded media)
Motor vehicle parts	CPI - Spare parts and accessories for motor vehicles, Sydney
Motor vehicle repairs & servicing	CPI - Maintenance and repair of motor vehicles, Sydney
Automotive fuel	CPI - Automotive fuel, Sydney
Electricity	CPI - Electricity, Sydney
Gas	CPI - Gas & other household fuels, Sydney
Water & Sewerage	CPI - Water & sewerage - Sydney
Road, footpath, kerbing, bridge & drain building materials	PPI - 3101 Road & bridge construction, NSW
Other building & construction mats	PPI - 3020 Non-residential building construction, NSW
Office supplies	CPI - Audio, visual & computer media & services, Sydney
Emergency services levies	IPART index of council ESL per rateable property
Other expenses	CPI - All groups, Sydney
Capital cost items	
Buildings – non-dwelling	PPI - 3020 Non-residential building construction, NSW
Construction works - road, drains, footpaths, kerbing, bridges	PPI - 3101 Road & bridge construction, NSW
Construction works - other	PPI - 3101 Road & bridge construction, NSW
Plant & equipment – machinery	PPI - 231 Motor vehicle & motor vehicle part manufacturing, Australia
Plant & equipment – furniture, etc	PPI 24 Machinery & equipment manufacturing, Australia
Information technology & software	CPI - Audio, visual & computer equipment & services, Sydney

<sup>a</sup> Detailed data sources are set out in IPART, *Local Government Cost Index – Information Paper*, December 2010. 'WPI' = ABS Wage Price Index, 'PPI' = Producer Price Index and 'CPI' = Consumer Price Index.

The price inflater for each cost category is published quarterly by the Australian Bureau of Statistics, with the exception of the inflater for emergency services levies, which is produced by IPART based on data provided from NSW Treasury and the Office of Local Government.<sup>4</sup>

<sup>4</sup> The 'Emergency Services Levy' (ESL) provides funding towards Fire and Rescue NSW (FRNSW), NSW Rural Fire Service (RFS) and the NSW State Emergency Service (SES).