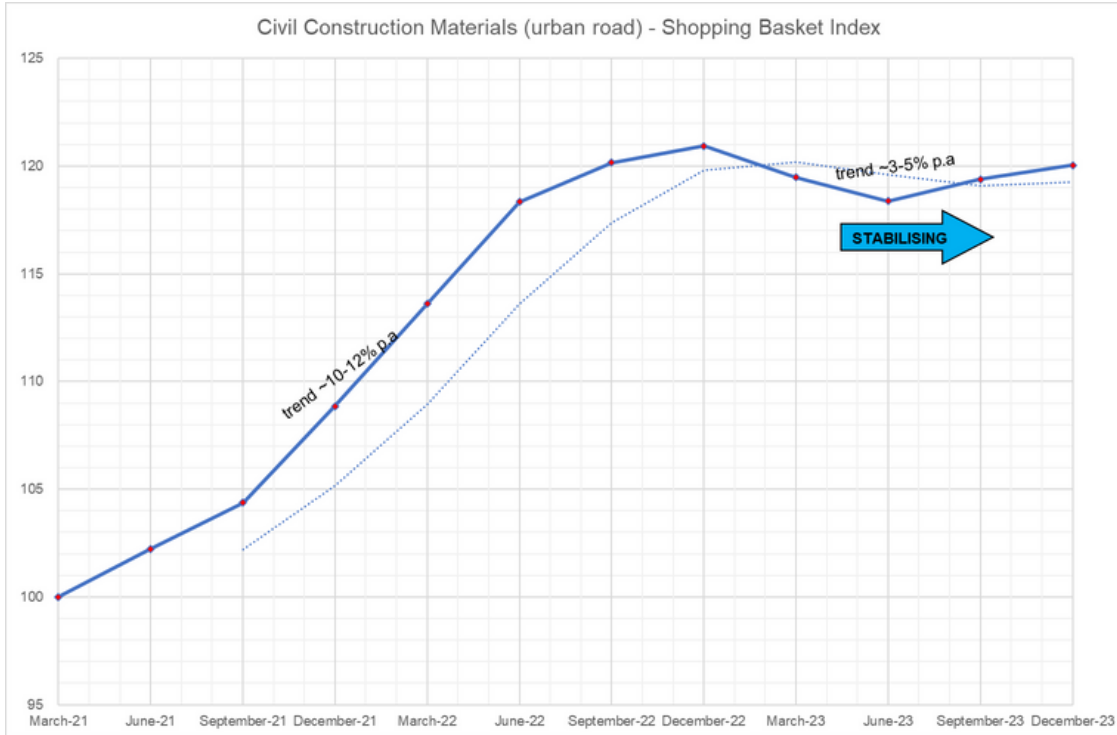


DECEMBER 2023

# CONSTRUCTION MATERIALS SHOPPING BASKET GUIDE



## Methodology

The Civil Project Partners Construction Materials Shopping Basket Guide is calculated by analysing the price of the industry's most common materials weighted by proportion for a typical road project.

The base point for the Guide is set at 100 in March 2021, with values above and below the 100 base level showing percentage growth or fall in pricing.

The index is updated quarterly in partnership with leading material supply organisations.

- The materials included are:
- Concrete
  - Steel reinforcement
  - Asphalt
  - Quarry Material
  - Fuel

**STABLE**  
IN CONCRETE COSTS

The final quarter of the 2023/24 financial year has witnessed a slight upward shift in prices for civil construction materials (Urban Road), with materials remaining relatively stable, increasing total costs by less than 1% across the quarter.

**STABLE**  
IN STEEL COSTS

The most significant impact stems from the ongoing fluctuation in fuel prices as ongoing tensions in the Middle East challenge supply and pricing. As a consequence, the outlook for fuel prices remains unpredictable.

**2-3% INCREASE**  
IN ASPHALT COSTS

Concrete pricing has remained stable. Despite predetermined annual price increases hitting the market, there hasn't been a noticeable uptick in quoted prices from suppliers compared to 2022. However, we anticipate localised price increases in regions such as the Gold Coast area as increased demand from major projects such as the Coomera Connector gains momentum in 2024.

**STABLE**  
IN QUARRY MATERIAL COSTS

In line with concrete comments, reinforcement materials (deformed bar) have also experienced stable pricing, hovering between \$2100-2200/tonne for deformed bar. Similarly, predetermined increases have been applied, and there hasn't been an increase in price notifications from suppliers like those experienced in 2022. Localised price fluctuations are expected to continue as demand grows to meet project needs as major projects move from early works to fully operational delivery.

**10-12% DECREASE**  
IN FUEL COSTS

Quarry materials pricing has also remained stable. However, prices are still being adjusted with additional charges for being levied to cover fuel-related price shocks. Although there hasn't been a significant increase in the number of quarries, the balance between supply and demand remains stable. Challenges mainly revolve around suppliers' access to trucks and drivers.

Civil Project Partners provide the construction and infrastructure industry with technical expertise and know-how to minimise risk, accurately plan and forecast major works. To assess the impacts of critical material costs, we have developed a shopping basket that tracks four of the most common resources utilised in major projects across Australia.