

COLOUR COST DIFFERENCES – BLACK AND WHITE

Often for new flush stopped wall linings the specification requires the painter to:

“Apply acrylic sealer, sand and (2) two coats Low Sheen Acrylic in colour(s) to approval”.

This is pretty typical of a painting instruction to price against, and the selection of colour obviously has an influence on the outcome.

Competitive price levels support white and white base colour cost inputs and the various cost inputs are put into the rates per square meter to accommodate colour instruction. Consideration must also be given to the volumes actually used by the trade – white and white colours account for 73.5% by volume, Pastels and Deep for 9.1% and Ultra Deep and High Opacity 17.4%. (The latter somewhat distorted by HiGlo Roof volumes).

Trade account Matrixes show whites averaging \$74.00 - \$84.00 per 10 litres, colours up to \$100.00 per 10 litres and UDB up to \$127.50 per 10 litres and of course somewhere around 50% variation in materials costs! Also inclusive of GST, and by using the matrix and appropriate spreading rates can calculate the costs.

<u>White =</u> White colours	1 st Coat Acrylic Sealer Undercoat SR 12m ² per litre @ \$8.00 per litre	\$0.67/ m ²
	2 nd and 3 rd Coats Acrylic Low Sheen SR 12m ² per litre @ \$8.50 per litre	\$1.42/m ²
	Total for 3 Coats	\$2.09/m²
Mid Range Colours	1 st Coat Acrylic Sealer Undercoat SR 12m ² per litre @ \$8.00 per litre	\$0.67/ m ²
	2 nd and 3 rd Coats Acrylic Low Sheen SR 12m ² per litre @ \$10.00 per litre	\$1.67/m ²
	Total for 3 Coats	\$2.34/m²
Ultra Colours	1 st Coat Acrylic Sealer Undercoat SR 12m ² per litre @ \$8.00 per litre	\$0.67/ m ²
	2 nd and 3 rd Coats Acrylic Low Sheen SR 12m ² per litre @ \$12.75 per litre	\$2.12/m ²
	Total for 3 Coats	\$2.79/m²

The material cost difference between basic whites and our strongest (and dearest) colours are somewhat further diluted when labour, establishment and profit rates are incorporated into the price build up.

Painter’s Costs

$$\text{Time} \div \text{Output} = \text{Labour Factor}$$

$$\text{Prime Cost} =$$

The labour or painters costs based on earning \$15.00 per hour / 9 hours a day. Using our labour calculations we know this costs \$18.90

He will paint around 100 metres of wall every day on average, and this can be factored as:

$$\frac{9 \text{ hours}}{100 \text{ metres}} = 0.09$$

**.12 =
Painting Walls**

Overhead

Expenses ÷ Hours

**= Costs per hour worked that go
all the time**

on

Sanding and filling probably 1/3 again:

$$\frac{9 \div 3}{100} = 0.03$$

$$100 = 0.03$$

therefore giving a task factor for labour per coat of
.12 for painting walls.

The cost therefore:

$$.12 \times 3 \text{ (coats)} = .36$$

$$.36 \times \$18.90 = \$6.804 / \text{m}^2$$

And reasonably this won't change until the task
changes, so there is no additional labour costs in
respect of colour selection.

The fixed overhead costs of the business, i.e:
telephones, plant, rent, banking charges, insurance
safety are all part of our costs and are added to our
cost after adding all expenses and dividing by the
productive hours used during the same period.

Activity

The total specific to each is then entered into the rate per metre. A range between 10-20% is typical for painting businesses.

On \$6.804 per metre adds between \$0.68 on \$1.36.

White m²	Material	\$2.09	
	Labour	\$6.804	
	Overhead (10%)		\$0.68
	Costs of the work / m²	\$9.574	(\$9.60)
	*Plus Establishment		
	*Plus Profit		
Colours m²	Material	\$2.34	
	Labour	\$6.804	
	Overhead		\$0.68
	Costs of the work / m²	\$9.824	(\$9.80)
UD Colours m²	Material	\$2.79	
	Labour	\$6.804	
	Overhead		\$0.68
	Costs of the work / m²	\$10.274	(\$10.30)

***Establishment** costs are specific to the task – travelling, accommodation, scaffolding, working weekends and nights etc.

***Profit** is what you want after paying all the costs of the task.