

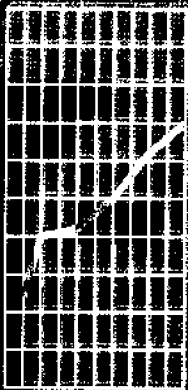


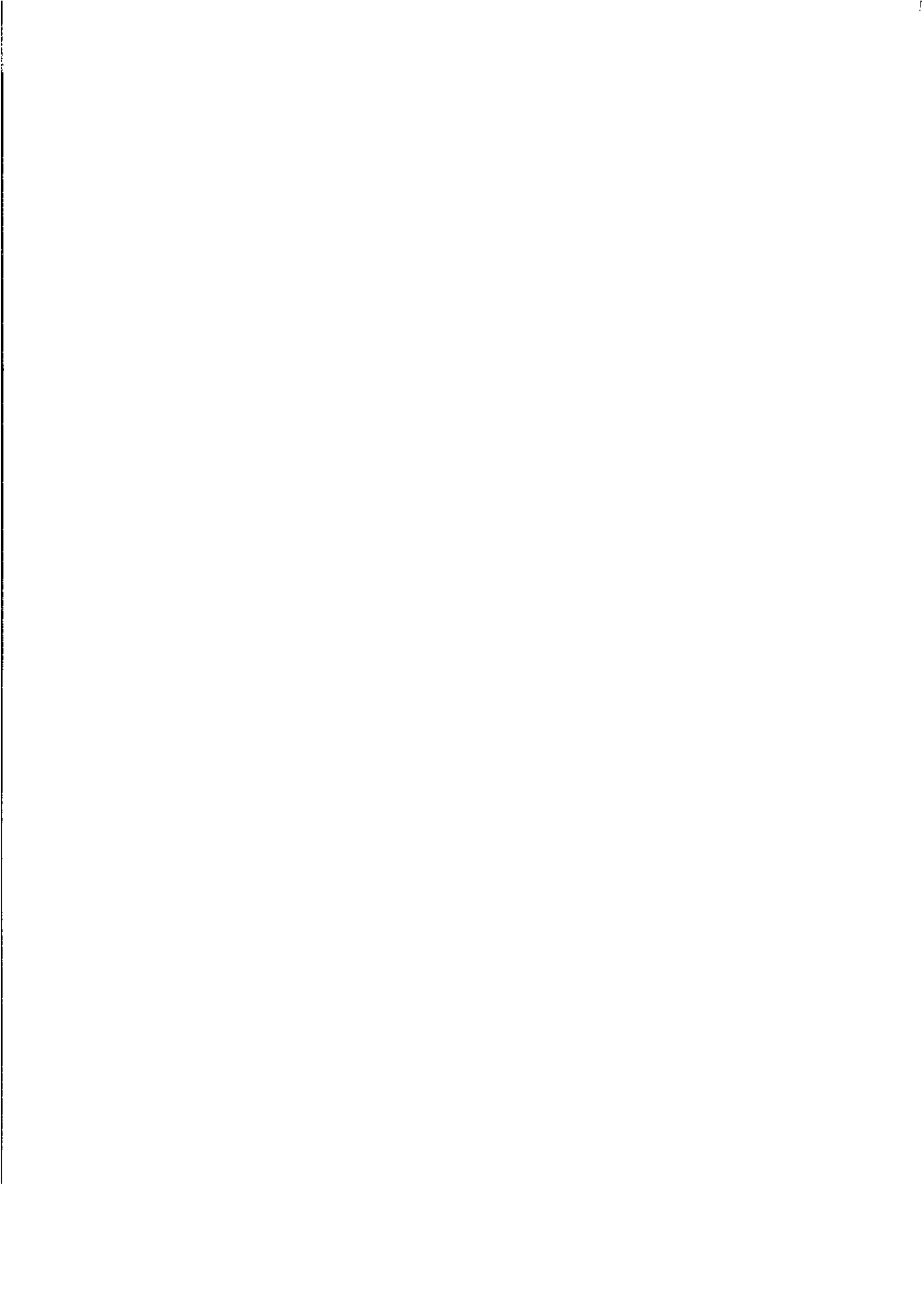
1993-94

Motion Picture Exhibition

Australia

2000





EMBARGOED UNTIL 11.30 AM 22 APRIL 1996

**MOTION PICTURE EXHIBITION, AUSTRALIA
1993-94**

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Acting Australian Statistician**

AUSTRALIAN BUREAU OF STATISTICS

CATALOGUE NO. 8654.0

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INQUIRIES

- *for further information about statistics in this publication and the availability of related unpublished statistics, contact Dennis Robson, on Melbourne (03)9615 7634.*
- *for information about other ABS statistics and services, please refer to the back page of this publication.*

INTRODUCTION

In respect of the 1993–94 financial year, the ABS conducted collections on the film and video production, film and video distribution, motion picture exhibition, and radio and television services industries. The motion picture exhibition industry has been surveyed before, whereas this is the first time the ABS has collected detailed data for the other industries.

Information in this publication was collected in a census of businesses classified to Class 9113, Motion Picture Exhibition of the Australian and New Zealand Standard Industrial Classification (ANZSIC). Class 9113 includes all units mainly engaged in screening motion pictures on film or video tape.

This is the third time statistics have been collected for the motion picture exhibition industry. The industry was first included in the 1979–80 round of integrated economic censuses and surveys. It was again surveyed in respect of the 1986–87 financial year. This publication contains comparable data from those earlier collections.

In addition to this publication, data from the other collections for the 1993–94 reference year will be released in the following publications:

- *Film and Video Production and Distribution, Australia 1993–94* (8679.0); and
- *Radio and Television Services, Australia 1993–94* (8680.0).

These publications contain only a portion of the information available from the surveys. More detailed information is available from the ABS on request. This includes in-depth statistical analysis in formats tailored to meet the needs of individual clients.

The ABS is committed to providing more information on the service industries sector of the economy. However, the breadth of activities encompassed in the sector poses the problem of selecting which industries to include. To this end the ABS welcomes comments and suggestions from users recommending industries, and data items for inclusion in future surveys. These comments should be addressed to: The Director, Service Industries Surveys, PO Box 10, Belconnen, ACT, 2616.

AN OVERVIEW

INTRODUCTION

The motion picture exhibition industry comprises businesses mainly engaged in screening motion pictures on film or video tape. It also includes businesses mainly engaged in drive-in theatre operation, cinema operation and film or video festival operation.

SIZE OF THE INDUSTRY

At the end of June 1994, there were 224 businesses (management units) in the motion picture exhibition industry employing 5,729 people. These businesses generated \$627.0 million from sales of goods and services.

PROFITABILITY

The motion picture exhibition industry had an operating profit before tax of \$75.1 million for 1993-94. This represented a relatively high operating profit margin of 12%, compared with the average 8.9% achieved by all industries in the Australian economy.

BUSINESS SIZE

There were nine businesses in the motion picture exhibition industry with gross income of more than \$8 million. These businesses accounted for 56% of the industry's employment and 72% of its gross income.

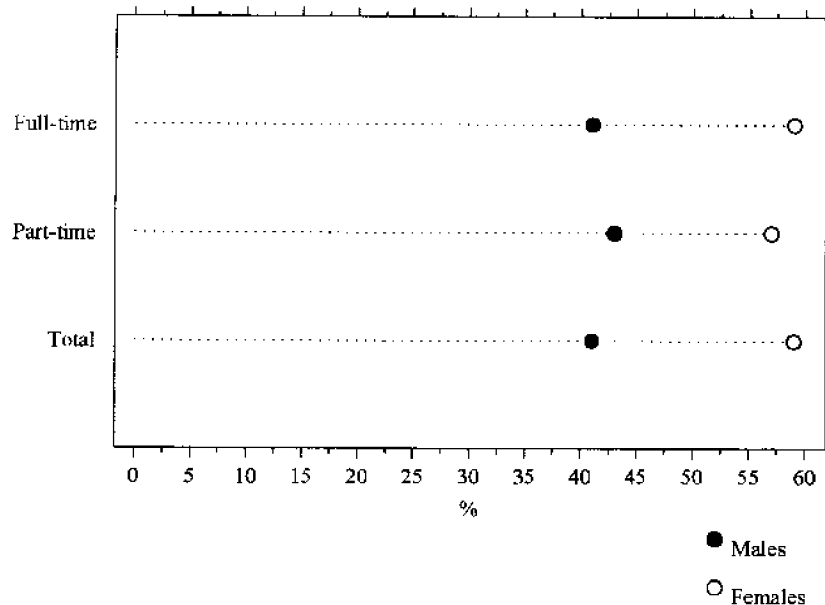
CINEMA AND DRIVE-IN SITES

At the end of June 1994 there were 329 cinema sites and 41 drive-in sites in Australia. For 1993-94, the total number of paid admissions for cinemas and drive-ins was 61.6 million.

EMPLOYMENT

Of the 5,729 persons working in the motion picture exhibition industry, 1,205 (21%) worked full time and 4,523 (79%) worked part time.

TYPE OF EMPLOYMENT AT END JUNE 1994



1

SUMMARY OF OPERATIONS, 1993-94

<i>Item</i>	<i>Unit</i>	<i>Value</i>
Businesses at end June	no.	224
Number of paid admissions		
Cinemas	'000	60 047
Drive-ins	'000	1 557
Employment		
Males	no.	2 505
Females	no.	3 224
<i>Total</i>	<i>no.</i>	<i>5 729</i>
Income statement		
Sales of goods and services	\$m	627.0
<i>Less</i>		
Purchases and selected expenses	\$m	388.8
Trading profit	\$m	238.2
<i>Plus</i>		
Interest income	\$m	2.8
Other income	\$m	5.4
<i>Less</i>		
Labour costs	\$m	99.0
Depreciation and amortisation	\$m	27.5
Other expenses	\$m	3.7
Earnings before interest and tax	\$m	116.2
<i>Less</i>		
Interest expenses	\$m	41.0
Operating profit before tax	\$m	75.1
Operating profit margin	%	12.0
Industry gross product	\$m	238.5

HISTORICAL PERSPECTIVE

Between 1979–80 and 1986–87, the motion picture exhibition industry experienced a major decline in number of businesses and persons employed. The number of businesses fell from 460 to 202 and persons employed from 6,881 to 4,472.

A marked turnaround was experienced by the motion picture exhibition industry between 1986–87 and 1993–94. During this period, the number of businesses increased by 22 to 224. Employment increased by 1,257 to 5,729, the major component of which was a 36% increase in female employment.

2 HISTORICAL DATA

<i>Item</i>	<i>Unit</i>	<i>1979–80</i>	<i>1986–87</i>	<i>1993–94</i>
Number of businesses	no.	460	202	224
Employment				
Males	no.	3 495	2 099	2 505
Females	no.	3 386	2 373	3 224
<i>Total</i>	<i>no.</i>	6 881	4 472	5 729
Total expenses	\$m	n.a.	241.1	560.1
Gross income¹	\$m	174.6	259.6	635.3

¹ For 1993–94, gross income included relatively small amounts of non-operating income such as receipts from interest, royalties, dividends and franchise income. These items of non-operating income were not included in gross income for 1979–80 and 1986–87.

INCOME AND EXPENDITURE

INCOME

Gross box office receipts (70%) and sales of food and beverages (17%) were the major components of income. It should be noted that takings from refreshment bars not owned by businesses in the motion picture exhibition industry are excluded from these figures. Only 13% of businesses did not report any income from owner-operated refreshment bars, i.e. they did not have a refreshment bar, or the refreshment bar was operated by another business.

Income from screen advertising (\$13.6 million) represented only 2% of gross income. Average income from screen advertising for these 149 businesses was \$91,275.

SALES PER HEAD OF POPULATION

Sales (i.e. gross box office receipts plus sales of food and beverages from owner-operated refreshment bars) for 1993-94 were \$31 per head of population in Australia.

3 SOURCES OF INCOME, 1993-94

<i>Source of income</i>	<i>Value</i>	<i>Percentage contribution</i>
	\$m	%
Sales of goods and services		
Gross box office receipts	447.5	70.4
Sales of food and beverages from owner-operated refreshment bars	105	16.5
Screen advertising	13.6	2.1
Other operating income	60.9	9.6
<i>Total sales of goods and services</i>	<i>627.0</i>	<i>98.7</i>
Government subsidies	0.2	-
Interest income	2.8	0.4
Dividends and royalties	1.3	-
Other non-operating income	5.3	0.8
Gross income	635.1	100.0

EXPENSES

Total expenses in the motion picture exhibition industry in 1993-94 were \$560.1 million.

Film hire/rental was the major expense item (\$168.1 million), contributing 30% to total expenses. The cost of film hire/rental per admission was \$2.70 in 1993-94.

LABOUR COSTS

Unlike most other service industries, labour costs were not the major component of expenditure. Labour costs were \$99 million in 1993-94.

Between 1986-87 and 1993-94, employment increased by 28%, but the contribution of labour costs to total expenses dropped from 24% to 18% during the same period.

LABOUR COSTS PER PERSON EMPLOYED

During 1993-94 labour costs per employee in the motion picture exhibition industry were \$17,281. This was much lower than the \$26,576 average reported by all industries in the Australian economy, and marginally lower than the \$19,678 per employee reported by the cultural and recreational industries. It should be noted that 21% of employees in the motion picture exhibition industry worked on a part-time basis.

4 ITEMS OF EXPENDITURE, 1993-94

	<i>Value</i>	<i>Percentage contribution</i>
<i>Type of expense</i>	<i>\$m</i>	<i>%</i>
Labour costs		
Wages and salaries	92.1	16.4
Employer contribution to superannuation funds	6.2	1.1
Workers' compensation costs	0.8	0.1
<i>Total labour costs</i>	<i>99.0</i>	<i>17.7</i>
Selected expenses		
Film hire/rental	168.1	30.0
Advertising expenses	30.6	5.5
Rent, leasing and hiring expenses	43.5	7.8
Motor vehicle running expenses	0.9	0.2
Electricity charges	11.5	2.0
Other business expenses	105.4	18.8
<i>Total selected expenses</i>	<i>360.0</i>	<i>64.3</i>
Other costs		
Depreciation and amortisation	27.5	4.9
Purchases of goods for resale at owner-operated refreshment bars	28.8	5.1
Royalties	0.6	0.1
Insurance premiums	3.1	0.5
Interest	41.0	7.3
<i>Total other costs</i>	<i>101.1</i>	<i>18.0</i>
Total expenses	560.1	100.0

EMPLOYMENT

INTRODUCTION

At the end of June 1994, there were 5,729 people working in the motion picture exhibition industry. Females represented 56% of persons working in the industry, of whom 86% worked part time.

Between June 1987 and June 1994, total employment increased by 28%. This increase was due to a 72% increase in part-time employment, which more than offset the 35% decline in full-time employment. Female employment increased by 36% during this period, while male employment increased by only 19%.

5

CHARACTERISTICS OF EMPLOYMENT, END JUNE 1987 AND END JUNE 1994

Type of employment	Unit	Males			Females			Total		
		Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total
Working proprietors and partners	no.	49	39	88	26	24	50	75	62	138
Employees										
Working directors	no.	92	17	109	49	16	65	141	33	174
Other employees	no.	588	1 721	2 309	402	2 707	3 109	990	4 428	5 417
Total employees	no.	680	1 738	2 418	250	2 723	3 174	1 130	4 461	5 591
Total employment end June 1994	no.	729	1 776	2 505	477	2 747	3 224	1 205	4 523	5 729
Percentage contribution to total	%	12.7	31.0	43.7	8.3	47.9	56.3	21.0	78.9	100.0
Total employment end June 1987	no.	1 104	995	2 099	738	1 635	2 373	1 842	2 630	4 472
Percentage contribution to total	%	24.7	22.2	46.9	16.5	36.6	53.1	41.2	58.8	100.0

DECREASE IN FULL-TIME EMPLOYMENT

Like a number of other service industries, the motion picture exhibition industry experienced a large reduction in the number of full-time employees between June 1987 and June 1994. The number of both males and females employed full time decreased by about 35%.

PROPORTION OF MALE AND FEMALE EMPLOYMENT

The proportion of males in the industry varied with the different types of employment. For example, 64% of working proprietors and partners were males, 63% of working directors were males, but only 43% of other employees were males.

BUSINESS SIZE ANALYSIS

CLASSIFICATION BY SIZE

This publication presents statistics broken down into three size categories, defined on the basis of the following gross income ranges:

- small businesses \$1–\$999,999
- medium businesses \$1,000,000–\$7,999,999
- large businesses \$8,000,000 or more

INDUSTRY DOMINATED BY LARGE BUSINESSES

The motion picture exhibition industry was dominated by nine very large businesses. These nine businesses, each with a gross income of \$8 million dollars or more, represented only 4% of businesses in the industry, but accounted for 56% of employment and 72% of gross income. Average employment for the large businesses was 359 persons.

MEDIUM-SIZED BUSINESSES

There were 53 businesses earning between \$1 million and \$8 million in gross income during 1993–94. Gross income per person employed was \$89,197 compared with \$45,576 for small businesses and \$141,806 for large businesses. Average employment per business was 27 persons.

SMALL BUSINESS

During 1993–94, 73% of businesses earned less than \$1 million. These businesses, however, accounted for only 18% of employment and 10% of total wages and salaries. Average employment per business was six persons.

6 SELECTED STATISTICS BY BUSINESS SIZE, 1993–94

Gross income size category	Businesses at end June		Employment at end June		Wages and salaries		Gross income		Operating profit before tax
	no.	%	no.	%	\$m	%	\$m	%	\$m
Small businesses									
\$1–\$99 999	55	24.6	151	2.6	0.2	0.2	2.2	0.3	0.1
\$100 000–\$499 999	67	29.9	429	7.5	3.3	3.6	16.4	2.6	0.4
\$500 000–\$999 999	41	18.3	471	8.2	5.9	6.4	29.2	4.6	2.2
<i>Total small businesses</i>	162	72.3	1 051	18.3	9.4	10.2	47.9	7.5	2.7
Medium businesses									
\$1 000 000–\$7 999 999	53	23.7	1 444	25.2	23.0	25.0	128.8	20.3	16.5
Large businesses									
\$8 000 000 or more	9	4.0	3 234	56.4	59.7	64.8	458.6	72.2	55.9
Total	224	100.0	5 729	100.0	92.1	100.0	635.3	100.0	75.1

STATE DATA

STATE RELATIVITIES

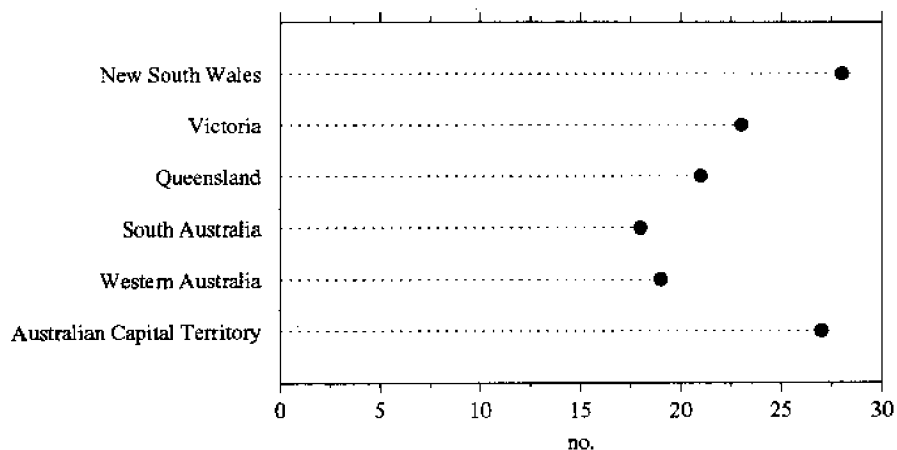
During 1993–94, 54% of businesses in the motion picture exhibition industry operated in New South Wales and Victoria. These two States accounted for 60% of employment in the industry, and 58% of gross income.

7 KEY CHARACTERISTICS BY STATE, 1993–94

State	Businesses at end June ¹		Employment at end June		Wages and salaries		Gross income	
	no.		no.	%	\$m	%	\$m	%
New South Wales	71		1 953	34.1	33.3	36.1	221.8	34.9
Victoria	64		1 493	26.1	20.0	21.7	148.9	23.4
Queensland	46		958	16.7	16.8	18.3	129.5	20.4
South Australia	25		455	8.0	7.6	8.2	36.8	5.8
Western Australia	30		561	9.8	10.1	10.9	66.1	10.4
Tasmania	3		n.p.	n.p.	n.p.	n.p.	n.p.	n.p.
Northern Territory	4		n.p.	n.p.	n.p.	n.p.	n.p.	n.p.
Australian Capital Territory	5		134	2.3	1.9	2.1	14.4	2.3
Australia	224		5 729	100.0	92.1	100.0	635.3	100.0

¹ Multi-State businesses are counted in each State in which they operated. Hence States do not sum to the total for Australia.

EMPLOYMENT PER BUSINESS, BY STATE, AT END JUNE 1994



ASSETS, LIABILITIES AND CAPITAL EXPENDITURE

ASSETS

At the end of June 1994, the net worth of businesses in the motion picture exhibition industry was \$220.4 million. The total value of assets was \$833.2 million.

8

ASSETS, LIABILITIES AND NET WORTH, END JUNE 1994

<i>Item</i>	<i>Value</i>	
	<i>\$m</i>	
Assets		
Current assets, including trading stocks	89.6	
Non-current assets	743.6	
<i>Total value of assets</i>	833.2	
Liabilities		
Current liabilities	100.8	
Non-current liabilities	512.0	
<i>Total value of liabilities</i>	612.8	
Net worth	220.4	

CAPITAL EXPENDITURE

During 1993-94, capital expenditure on selected assets in the motion picture industry was \$32.1 million. Only 39% of businesses in the industry reported capital expenditure during this period.

During the 1993-94 financial year, just over half of the industry's capital expenditure was on plant, machinery and equipment. More businesses reported expenditure on this item than on any other.

9

CAPITAL EXPENDITURE, 1993-94

<i>Item</i>	<i>Businesses at end June</i>		<i>Value</i>
	<i>no.</i>	<i>\$m</i>	
Capital expenditure on selected assets			
Land, dwellings and intangible assets	18		7.5
Other buildings and structures			
New	15		7.0
Second-hand	5		1.2
Plant, machinery and equipment	78		16.4
Total capital expenditure on selected assets	87		32.1

PERFORMANCE MEASURES

DEFINITION OF BUSINESS SIZES	<p>In this publication business sizes are defined on the basis of the following gross income ranges:</p> <ul style="list-style-type: none">▪ small businesses \$1-\$999,999▪ medium businesses \$1,000,000-\$7,999,999▪ large businesses \$8,000,000 or more
GROSS INCOME PER PERSON EMPLOYED	<p>Gross income per person employed was 211% higher for large businesses (\$141,800) than for small businesses (\$45,600), and 59% higher than for medium-sized businesses (\$89,200). This income translates into a higher level of profit for larger businesses when operating profit before tax is calculated.</p>
LABOUR COSTS PER EMPLOYEE	<p>Labour costs per employee were \$17,700 for all businesses. These costs were 62% lower for small businesses (\$10,900).</p>
OPERATING PROFIT MARGIN	<p>The operating profit margin for motion picture exhibition businesses (12%) was higher than the average for all industries (10%) in the Australian economy but marginally lower than for all cultural and recreational service industries. There was little difference between medium and large-sized business with respect to operating profit margin. Small businesses had a much smaller operating profit margin (5.8%) than medium (13.0%) and large (12.3%) businesses.</p>
INTEREST COVERAGE	<p>Interest coverage measures the ability of an industry to meet periodic interest payments from current profits. The higher the ratio, the lower the risk of businesses not being able to meet their interest obligations.</p> <p>Interest coverage was highest for medium-sized businesses (7.0), while large businesses had the lowest (2.5). By way of comparison, all industries had an interest coverage of 2.7 during this period.</p>
RETURN ON ASSETS	<p>This ratio provides a measure of the efficiency with which assets are employed to generate profits. The return on assets for the motion picture exhibition industry was high (9.0%), indicating a high level of asset usage.</p> <p>Medium-sized businesses had the highest return on assets (17.7%). Return on assets was considerably lower for small (7.6%) and large (7.9%) businesses. By way of comparison, all industries had a return on assets of only 4.5%.</p>

	Unit	Small businesses	Medium businesses	Large businesses	All businesses
Employment ratios					
Gross income per person employed	\$'000	45.6	89.2	141.8	110.9
Total expenses per person employed	\$'000	43.0	77.7	124.5	97.8
Operating profit before tax per person employed	\$'000	2.6	11.5	17.3	13.1
Labour costs per employee	\$'000	10.9	17.3	19.8	17.7
Labour costs to total expenses	%	22.2	22.1	15.9	17.7
Total assets per person employed	\$'000	34.0	64.7	217.7	145.4
Industry gross product per person employed	\$'000	13.5	33.2	54.6	41.6
Industry gross product to labour costs	\$	1.4	1.9	2.8	2.4
Profitability ratios					
Operating profit margin	%	5.8	13.0	12.3	12.0
Return on assets	%	7.6	17.7	7.9	9.0
Return on funds	%	11.5	32.0	14.5	15.9
Admissions ratios					
Box office takings per admission	\$	5.9	7.2	7.5	7.3
Film hire per admission	\$	2.2	2.7	2.8	2.7
Number of admissions per person employed	no.	6 047	9 544	12 824	10 753
Leverage ratios					
Interest coverage	times	5.7	7.0	2.5	2.8
Short-term debt to equity	%	31.2	76.5	39.3	45.7
Long-term debt to equity	%	27.1	39.6	316.2	232.3
Capital expenditure ratio					
Capital expenditure to profit	%	81.9	57.8	36.3	42.7
Liquidity ratio					
Current ratio	times	1.4	0.9	0.8	0.9
Turnover ratio					
Asset turnover	times	1.3	1.4	0.6	0.8

ACTIVITY DATA

CINEMAS

At the end of June 1994 there were 329 cinema sites in Australia. On average there were just over two screens per site and 300 seats per screen.

During 1993-94 there were 60 million paid admissions to cinemas in Australia. The average price of a cinema and drive-in admission was \$7.20.

The average daily attendance to cinemas was 164,500 persons in 1993-94. This represented an average of 264 admissions per seat during 1993-94.

DRIVE-IN THEATRES

There were 41 drive-in sites operating 52 screens in Australia at the end of June 1994.

During 1993-94 there were 1.6 million paid admissions to drive-in theatres in Australia. This represented an average of 94 admissions per parking space during 1993-94.

11 CINEMAS AND DRIVE-IN THEATRES, 1993-94

	<i>Unit</i>	<i>Value</i>
Cinemas		
Cinema sites	no.	329
Cinema screens	no.	754
Number of seats	'000	227.3
Number of paid admissions	'000	60 047
Drive-in theatres		
Drive-in sites	no.	41
Drive-in screens	no.	52
Number of parking spaces	'000	16.6
Number of paid admissions	'000	1 557

The average number of admissions per cinema screen was 79,600. The average number of admissions per drive-in site was 37,968.

EXPLANATORY NOTES

SURVEY SCOPE, CLASSIFICATION AND METHODOLOGY

1 This publication contains data for the motion picture exhibition industry for 1993-94.

2 The collection was of businesses classified to Class 9113, motion picture exhibition, of the 1993 edition of the Australian and New Zealand Standard Industrial Classification (ANZSIC). This class includes all units mainly engaged in screening motion pictures on film or video tape.

3 The scope of the census included all businesses both employing and non-employing.

STATISTICAL UNIT

4 The unit for which statistics were reported in the survey was the management unit. The management unit is the highest-level accounting unit within a business, having regard for industry homogeneity, for which accounts are maintained. In nearly all cases it coincides with the legal entity owning the business (i.e. company, partnership trust, sole operator, etc). In the case of large diversified businesses, however, there may be more than one management unit, each coinciding with a 'division' or 'line of business'. A division or line of business is recognised where separate and comprehensive accounts are compiled for it.

ACTIVITIES NOT CLASSIFIED TO THE INDUSTRY

5 Where businesses are also engaged in activities not classified to the motion picture exhibition industry (e.g. sales of takeaway food), the data for those activities are included as income for those businesses.

6 Businesses whose primary source of income is from activities other than motion picture exhibition (e.g. income from sales of food), are excluded from this survey.

STATE DATA

7 Data were collected from the Australia-wide operations of each business. Businesses which operated in more than one State were asked to provide a dissection of total income, employment, and wages and salaries to enable State statistics to be compiled and comparisons undertaken.

REFERENCE PERIOD

8 Data contained in the tables of this publication relate to all businesses which operated in Australia at any time during the year ended 30 June 1994. Counts of businesses include only those businesses that were operating at 30 June 1994.

BUSINESSES CEASED DURING THE YEAR

9 A very small number of businesses ceased business during the 1993-94 reference period. It is normal ABS procedure to include the contributions of these businesses in the survey output.

EMPLOYMENT

10 Employment comprises working proprietors and partners, working directors of incorporated businesses and other employees.

COLLECTION METHODOLOGY

11 The 1979-80 and 1993-94 statistics were derived from a census, while the 1986-87 were derived from a full enumeration of the larger units and a sample of the smaller units.

DATA ITEM DEFINITIONS	12 Small changes to data item definitions occurred between the 1979–80, 1986–87 and 1993–94 collections. This was the result of different questions (often at a finer level of detail) being asked on the questionnaire for each survey.
NON-SAMPLING ERROR	13 Errors may occur because of deficiencies in the register of units from which the sample was selected, non-response, and imperfections in reporting by respondents. Inaccuracies of this kind are referred to as non-sampling error and they may occur in any collection, whether it be a census or a sample. Every effort has been made to reduce non-sampling error to a minimum by careful design and testing of questionnaires, efficient operating procedures and systems used to compile the statistics.
AVAILABILITY OF UNPUBLISHED STATISTICS	<p>14 As well as statistics included in this publication, the ABS has a large range of more detailed data on the motion picture exhibition industry. For example, more detailed income and expense data may be made available on request.</p> <p>15 Inquiries on motion picture exhibition statistics should be made by telephoning Dennis Robson on (03) 9615 7634.</p>
OTHER PUBLICATIONS IN THIS SERIES	<p>16 The 1993–94 series of surveys included three other industries. Statistics will be released in two separate publications:</p> <ul style="list-style-type: none"> ▪ <i>Radio and Television Services, Australia, 1993–94</i> (8680.0); and ▪ <i>Film and Video Production and Distribution, Australia, 1993–94</i> (8679.0).
ROUNDING	17 Where figures have been rounded, discrepancies may occur between the sum of component items and the total.
SYMBOLS AND OTHER ABBREVIATIONS	<p>– nil or rounded to zero</p> <p>n.p. not available for separate publication, but included in totals where applicable.</p> <p>ABS Australian Bureau of Statistics</p> <p>ANZSIC Australian and New Zealand Standard Industrial Classification</p>

GLOSSARY

Advertising expenses	Include payments to advertising agencies, commissions to accredited advertising agencies, and the cost of advertising in the press. Advertising expenses do not include the wages and salaries paid to employees of the exhibitor that are engaged in advertising activities.
Asset turnover	Is the number of times the value of sales exceeds the value of assets, i.e. sales of goods and services divided by total value of assets.
Box office takings per admission	Gross box office receipts divided by number of paid admissions.
Businesses at end June	Count of management units operating at the end of June. A management unit is the highest-level accounting unit within a business, having regard for industry homogeneity, for which accounts are maintained. (Refer to paragraph four of Explanatory Notes for further information regarding management units.)
Capital expenditure on selected assets	Includes all costs capitalised in the books (including legal fees, real estate transfer costs and assets acquired under finance leases), and progress payments made to contractors for capital work done by them.
Capital expenditure to profit	Capital expenditure times 100 divided by operating profit before tax.
Cinema sites	Is the number of locations operated as distinct from the number of businesses. Some businesses operate multiple cinema sites.
Current assets, including trading stocks	The book value of current assets at the end of the financial year. This includes cash on hand, stocks, trade debts, and other accounts receivable.
Current liabilities	The book value of current liabilities as at the end of the financial year. This includes provisions for taxation, leave, claims, trade creditors and other accounts payable, and bank overdraft.
Current ratio	The number of times current assets exceed current liabilities, i.e. current assets divided by current liabilities. This liquidity measure indicates ability to meet immediate financial obligations from current assets.
Depreciation and amortisation	Includes depreciation/amortisation expenses in respect of assets acquired under finance leases, and depreciation allowed on buildings and other fixed tangible assets.
Earnings before interest and tax (EBIT)	A measure of profit prior to the deduction of interest expense and income tax.
Employees	Includes working directors, and other employees working for a business during the last pay period in June each year. Employees absent on paid or prepaid leave are included. Excludes working proprietors and partners of unincorporated businesses.
Employer contribution to superannuation funds	Are the costs of the employer's superannuation contributions during the reference period (including contributions made by the employer on behalf of employees).

Employment at end June	Includes working proprietors and partners, working directors, and other employees working for a business during the last pay period in June each year. Employees absent on paid or prepaid leave are included.
Film hire/rental	Film hire/rental is the fee (a percentage commission) paid by an exhibitor to a distributor for the right to exhibit a film. It is generally a percentage of the gross box office taken for a particular film by an exhibitor.
Film hire/rental per admission	Expenditure on film hire/rental divided by number of paid admissions.
Full-time employees	Employees who work 35 hours per week or more.
Government subsidies	Includes bounties, subsidies and export grants, and payments for the Jobstart and apprenticeship schemes.
Gross box office receipts	Is the industry term for the money actually paid by the public for admission to cinemas and drive-in theatres. The gross box office is usually divided between the exhibitor and distributor on an agreed basis. Excludes revenue from refreshment bars.
Gross income	Sum of all income items. Includes income from gross box office receipts, sales of food and beverages from owner-operated refreshment bars, screen advertising, income from rent, leasing and hiring, government subsidies, interest income, dividends received, royalties income, and other non-operating income.
Gross income per person employed	Sum of all income items divided by total number of persons employed.
Industry gross product	Is sales of goods and services plus government subsidies plus capital work done by own employees for own use or for rental or lease minus purchases of goods for resale at owner-operated refreshment bars minus selected expenses.
Industry gross product to labour costs	Industry gross product divided by labour costs.
Industry gross product per person employed	Industry gross product divided by number of persons employed.
Interest coverage	The number of times over that businesses can meet their interest expenses from their earnings before interest, i.e. EBIT divided by interest expenses.
Interest expenses	Includes interest on bank loans, loans from partners, and loans from government funding bodies, interest in respect of finance leases, interest equivalents, such as hedging costs, and expenses associated with discounted bills.
Labour costs	Includes wages and salaries, employer contributions to superannuation funds, and workers' compensation costs.
Labour costs per employee	Labour costs divided by total number of employees.

Labour costs to total expenses	Labour costs divided by total expenses.
Large businesses	For the purposes of this publication large businesses are defined as those management units whose gross income was \$8 million or more for the 1993-94 financial year.
Long term debt to equity	Non-current liabilities times 100 divided by net worth.
Medium businesses	For the purposes of this publication medium businesses are defined as those management units whose gross income was between \$1,000,000 and \$7,999,999 for the 1993-94 financial year.
Net worth	Total assets minus total liabilities and is equal to the interests of shareholders or other owners in the assets of the business.
Non-current assets	Is the book value of non-current assets at the end of the financial year. These are assets of a long term (longer than 12 months) nature and include property, plant and machinery needed for normal operations, capitalised interest, and goodwill.
Non-current liabilities	Is the book value of all stocks owned by the business as at the beginning of the financial year.
Number of admissions per person employed	Number of paid admissions divided by number of persons employed.
Operating profit before tax (OPBT)	A measure of profit before extraordinary items are brought to account and prior to the deduction of income tax and appropriations to owners (e.g. dividends paid).
Operating profit before tax per person employed	OPBT divided by number of persons employed. Persons employed includes working proprietors and working partners of unincorporated businesses, working directors of incorporated companies, and other employees (including freelancers paid directly from the payroll).
Operating profit margin	The percentage of sales of goods and services available as operating profit, i.e. (operating profit before tax times 100) divided by sales of goods and services.
Other business expenses	Includes expenses such as management fees/charges paid to related and unrelated businesses, repairs and maintenance expenses, office supplies and printing costs, travelling and entertainment expenses, telephone and postal charges, and contract, sub-contract and commission expenses.
Other employees	Includes permanent, part-time, and casual employees, working directors, managerial and executive employees working for a business during the last pay period in June. Excludes working proprietors and partners of unincorporated businesses.
Other expenses	Includes insurance, bad debts and royalties expenses.

Other non-operating income	Includes income from net profit (loss) on sale of fixed tangible assets, net profit (loss) on share trading, and net profit (loss) on foreign loans as a result of variations in foreign exchange rates/transactions, dividends and royalties. Does not include extraordinary profit (loss).
Other operating income	Includes income from gaming and vending machines, and merchandising fees. Excludes extraordinary profit (loss).
Other income	Includes royalties, government subsidies, dividends and other non-operating income.
Part-time employees	Employees who work less than 35 hours per week.
Per head of population	Is the value of an item divided by the (average) mean resident population for that period. The mean resident population for the 1993-94 financial year was 17,752,700 persons; and for 1986-87 it was 16,139,700 persons.
Persons employed at end June	Includes working proprietors and partners of unincorporated businesses, working directors of incorporated companies and trusts, and other employees working for a business during the last pay period ending June.
Purchases of goods for resale at owner-operated refreshment bars	Includes purchases of foodstuffs for use in preparing meals and purchases of alcoholic beverages, where such services are operated by the exhibitor.
Purchases and selected expenses	Total selected expenses plus purchases of goods for resale at owner-operated refreshment bars.
Rent, leasing and hiring expenses	Includes operating lease expenses (e.g. fleet leasing) and rent, leasing and hiring of vehicles, land, buildings, machinery, and equipment.
Return on assets	Operating profit before tax as a percentage of the total book value of assets, i.e. OPBT times 100 divided by total assets.
Return on funds	Earnings before interest and tax as a percentage of long-term investment funds, i.e. EBIT times 100 divided by (net worth plus non-current liabilities).
Royalties expenses	Includes revenue under licensing arrangements, and payments received under franchise arrangements.
Sales of food and beverages from owner-operated refreshment bars	Includes income derived from the provision of bistro/restaurant services, licensed bars, and snack bars owned and operated by the motion picture exhibition business. Sales of food and beverages from bars not owned by the motion picture exhibition business, e.g. concessions, are not included although rent, leasing and hiring income obtained from these businesses are included in the rent, leasing and hiring income data item.
Sales of goods and services	Includes gross box office receipts, sales of food and beverages from owner-operated refreshment bars, screen advertising, income from rent, leasing and hiring, and other operating income.

Selected expenses	Includes rent, leasing and hiring expenses, motor vehicle running expenses, other business expenses, film hire/rental, advertising expenses, and electricity charges.
Short-term debt to equity	Current liabilities times 100 divided by net worth.
Small businesses	For the purposes of this publication small businesses are defined as those management units whose gross income was between \$1 and \$999,999 for the 1993-94 financial year.
Total assets	Sum of asset items. Includes current assets, trading stocks and non-current assets.
Total assets per person employed	Total assets divided by total number of persons employed.
Total expenses	Sum of expense items. Includes wages and salaries, employer contributions to superannuation funds, workers' compensation costs, depreciation and amortisation, film hire/rental, purchases of goods for resale, advertising, bad debt written off, royalties, insurance premiums, interest, rent, leasing and hiring expenses, and other business expenses.
Total expenses per person employed	Total expenses divided by total number of persons employed.
Trading profit	A measure of profit directly attributable to trading goods and services. It is derived by subtracting selected expenses from the sum of sales of goods and services.
Wages and salaries	Are gross earnings of all employees before taxation and other deductions. Drawings of working proprietors and working partners of unincorporated businesses are excluded.

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