

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Final consumption expenditure									
General government									
National—defence	15 399	16 055	15 765	16 594	17 958	17 903	18 893	20 226	23 428
National—Non-defence	54 354	56 699	60 972	60 730	65 250	67 803	69 001	66 301	68 517
Total national	69 812	72 814	76 706	77 334	83 223	85 693	87 893	86 527	91 946
State and local	112 424	117 110	119 213	123 409	125 029	129 202	132 975	138 163	142 084
Total general government	182 242	189 933	195 940	200 753	208 246	214 891	220 868	224 690	234 030
Households	540 996	571 220	596 681	613 661	640 240	670 466	672 036	686 319	708 945
Total final consumption expenditure	722 741	760 868	792 537	814 380	848 520	885 529	892 904	911 009	942 975
Private gross fixed capital formation									
Dwellings									
New and used dwellings	39 946	40 428	39 818	37 660	41 147	41 382	41 160	41 408	43 358
Alterations and additions	31 602	33 349	33 366	32 406	30 247	30 905	29 746	30 983	30 895
Total dwellings	71 530	73 769	73 180	70 061	71 393	72 284	70 906	72 391	74 253
Ownership transfer costs	20 689	20 549	17 136	17 538	17 384	17 412	14 696	16 272	13 704
Non-dwelling construction									
New building	27 741	29 937	31 285	35 165	37 843	42 255	40 031	32 417	30 920
New engineering construction	18 308	19 221	22 249	29 204	34 448	37 424	46 475	46 991	57 433
Net purchases of second hand assets	884	-707	-1 065	-881	-1 481	-528	-1 151	-528	-933
Total non-dwelling construction	47 019	48 580	52 641	63 619	70 934	79 231	85 355	78 879	87 419
Machinery and equipment									
New	49 216	57 195	65 778	75 824	78 145	93 005	89 916	85 636	87 324
Net purchases of second hand assets	-2 814	-3 080	-2 855	-3 725	-4 028	-4 105	-4 250	-4 490	-3 972
Total machinery and equipment	46 396	54 112	62 927	72 099	74 116	88 896	85 666	81 146	83 352
Cultivated biological resources	1 827	3 409	3 539	3 581	2 849	2 721	3 104	3 166	3 361
Intellectual property products									
Research and development	8 545	9 525	10 080	11 115	12 597	13 939	13 376	13 712	13 777
Mineral and petroleum exploration	2 153	2 110	2 563	2 899	4 325	5 577	6 034	5 744	5 978
Computer software	6 636	7 054	7 487	7 890	8 672	10 019	9 920	10 811	11 592
Artistic originals	794	830	923	987	1 063	1 143	1 237	1 352	1 491
Total intellectual property products	18 369	19 727	21 232	22 995	26 639	30 674	30 567	31 620	32 837
Total private gross fixed capital formation	199 893	216 889	229 437	249 592	262 806	291 405	290 295	283 474	294 926
Public gross fixed capital formation									
Public corporations									
Commonwealth	2 709	3 326	4 099	5 088	2 640	1 156	1 229	1 861	1 930
State and local	10 840	11 599	12 662	14 837	17 570	20 296	21 570	23 672	22 416
Total public corporations	13 481	14 913	16 804	19 996	20 181	21 451	22 798	25 532	24 346
General government									
National—defence	4 140	4 117	4 938	5 159	5 848	6 718	7 268	8 328	9 507
National—non-defence	5 044	5 602	5 857	6 459	6 247	6 941	7 224	8 330	10 030
Total national	9 179	9 657	10 795	11 592	12 094	13 666	14 492	16 659	19 537
State and local	19 554	19 978	21 584	21 684	24 206	25 821	27 730	38 150	40 828
Total general government	28 589	29 540	32 319	33 290	36 263	39 486	42 223	54 809	60 365
Total public gross fixed capital formation	42 000	44 384	49 052	53 283	56 461	60 939	65 021	80 341	84 712
Total gross fixed capital formation	242 002	261 458	278 520	302 914	319 291	352 445	355 315	363 815	379 638
Domestic final demand	964 226	1 021 842	1 070 618	1 116 981	1 167 532	1 237 975	1 248 219	1 274 824	1 322 613
Changes in inventories									
Private non-farm	2 357	3 384	4 263	423	3 724	3 787	214	1 379	2 662
Farm	-150	220	164	717	608	1 634	167	1 350	3 038
Public authorities	-227	-685	-124	582	47	-1 469	-983	266	155
Total changes in inventories	2 176	3 318	4 389	1 482	4 317	4 337	-602	2 995	5 855
Gross national expenditure	965 588	1 027 887	1 075 508	1 119 521	1 174 533	1 245 094	1 247 617	1 277 819	1 328 468
Exports of goods and services	242 876	245 599	254 300	259 847	266 361	277 124	284 441	299 627	300 098
Imports of goods and services	168 812	190 146	213 470	229 127	249 951	286 329	276 819	290 836	322 085
Statistical discrepancy (E)	—	—	—	—	—	—	—	-3 039	810
Gross domestic product	1 040 908	1 084 166	1 116 248	1 150 644	1 191 655	1 237 320	1 255 241	1 283 571	1 307 290

— nil or rounded to zero (including null cells)

(a) Reference year for chain volume measures is 2008-09.

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Final consumption expenditure									
General government									
National—defence	13 015	13 498	13 604	14 761	16 613	16 897	18 893	20 135	23 840
National—Non-defence	41 307	43 987	49 690	51 042	57 513	62 461	69 001	70 833	74 043
Total national	54 322	57 485	63 294	65 803	74 125	79 358	87 893	90 967	97 883
State and local	85 526	91 674	97 443	105 595	112 757	122 260	132 975	142 919	152 497
Total general government	139 848	149 159	160 737	171 398	186 882	201 617	220 868	233 886	250 380
Households	473 780	505 371	537 441	566 234	608 600	656 187	672 036	698 206	736 700
Total final consumption expenditure	613 628	654 530	698 178	737 632	795 482	857 804	892 904	932 092	987 080
Private gross fixed capital formation									
Dwellings									
New and used dwellings	28 567	31 459	32 727	32 529	37 284	39 703	41 160	41 892	45 069
Alterations and additions	22 928	26 199	27 423	27 957	27 290	29 501	29 746	31 794	32 546
Total dwellings	51 495	57 658	60 150	60 486	64 574	69 204	70 906	73 686	77 615
Ownership transfer costs	14 006	16 278	14 558	15 972	17 973	19 396	14 696	18 010	17 010
Non-dwelling construction									
New building	19 406	22 975	26 271	31 238	36 106	42 658	40 031	31 243	30 476
New engineering construction	13 650	14 979	18 213	25 359	32 796	37 092	46 475	46 304	57 749
Net purchases of second hand assets	610	-526	-854	-750	-1 337	-510	-1 151	-512	-924
Total non-dwelling construction	33 666	37 428	43 630	55 847	67 565	79 240	85 355	77 035	87 302
Machinery and equipment									
New	58 828	62 438	69 428	78 656	80 355	91 242	89 916	83 288	80 312
Net purchases of second hand assets	-3 437	-3 399	-3 045	-3 884	-4 125	-3 971	-4 250	-4 356	-3 637
Total machinery and equipment	55 391	59 039	66 383	74 772	76 230	87 271	85 666	78 932	76 675
Cultivated biological resources	1 908	3 449	3 029	3 352	2 548	2 828	3 104	3 076	3 343
Intellectual property products									
Research and development	6 742	7 646	8 422	9 669	11 217	13 522	13 376	13 776	14 221
Mineral and petroleum exploration	1 728	1 731	2 074	2 503	3 940	5 496	6 034	5 727	6 210
Computer software	8 524	8 575	8 695	8 793	9 247	10 080	9 920	10 200	10 490
Artistic originals	648	701	778	870	980	1 098	1 237	1 400	1 579
Total intellectual property products	17 642	18 653	19 969	21 835	25 385	30 195	30 567	31 103	32 500
Total private gross fixed capital formation	174 108	192 505	207 719	232 264	254 275	288 135	290 295	281 841	294 446
Public gross fixed capital formation									
Public corporations									
Commonwealth	2 499	3 018	3 745	4 592	2 445	1 121	1 229	1 770	1 865
State and local	8 441	9 097	10 504	12 856	16 543	19 746	21 570	23 192	22 754
Total public corporations	10 940	12 115	14 250	17 449	18 988	20 867	22 799	24 962	24 618
General government									
National—defence	4 450	4 074	4 804	5 027	5 659	6 196	7 268	7 397	7 899
National—non-defence	4 367	4 600	4 826	5 942	5 683	6 734	7 224	8 130	9 836
Total national	8 817	8 675	9 630	10 969	11 343	12 930	14 492	15 527	17 734
State and local	14 215	14 916	16 657	18 674	21 117	24 736	27 730	37 394	40 319
Total general government	23 032	23 591	26 287	29 643	32 460	37 666	42 222	52 922	58 053
Total public gross fixed capital formation	33 972	35 706	40 537	47 092	51 448	58 533	65 021	77 884	82 671
Total gross fixed capital formation	208 080	228 211	248 256	279 356	305 723	346 668	355 315	359 725	377 118
Domestic final demand	821 708	882 741	946 434	1 016 988	1 101 205	1 204 472	1 248 219	1 291 817	1 364 198
Changes in inventories									
Private non-farm	-583	4 988	3 141	-1 009	3 592	6 368	214	-1 467	2 657
Farm	-430	-114	228	469	297	643	167	1 319	2 727
Public authorities	-111	-306	-64	348	56	-891	-983	263	149
Total changes in inventories	-1 124	4 568	3 305	-192	3 945	6 120	-602	115	5 533
Gross national expenditure	820 584	887 309	949 739	1 016 796	1 105 150	1 210 592	1 247 617	1 291 931	1 369 731
Exports of goods and services	151 616	146 729	167 101	195 676	214 962	233 061	284 441	254 132	298 169
Imports of goods and services	167 936	168 767	190 392	211 030	228 473	257 913	276 819	258 109	277 328
Statistical discrepancy (E)	—	—	—	—	—	—	—	-3 178	758
Gross domestic product	804 261	865 271	926 447	1 001 440	1 091 633	1 185 740	1 255 241	1 284 777	1 391 330

— nil or rounded to zero (including null cells)

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Compensation of employees									
Wages and salaries	350 896	373 030	401 614	432 934	477 441	518 839	537 441	548 774	591 234
Employers' social contributions(a)	41 083	45 105	49 463	54 223	59 796	64 726	67 022	68 607	73 903
<i>Total compensation of employees</i>	<i>391 979</i>	<i>418 135</i>	<i>451 077</i>	<i>487 157</i>	<i>537 237</i>	<i>583 565</i>	<i>604 463</i>	<i>617 382</i>	<i>665 137</i>
Gross operating surplus									
Private non-financial corporations	129 940	143 384	156 136	180 245	197 060	216 515	246 979	246 429	273 968
Public non-financial corporations	19 382	21 030	21 578	20 810	16 663	13 177	13 597	14 405	12 098
<i>Total non-financial corporations</i>	<i>149 322</i>	<i>164 413</i>	<i>177 714</i>	<i>201 055</i>	<i>213 723</i>	<i>229 693</i>	<i>260 575</i>	<i>260 834</i>	<i>286 066</i>
Financial corporations	26 134	31 296	36 187	39 799	47 852	60 782	62 911	61 428	67 632
Total corporations	175 456	195 709	213 901	240 854	261 575	290 475	323 486	322 262	353 698
General government	18 130	18 733	20 044	21 422	22 848	24 023	26 314	26 925	28 359
Dwellings owned by persons	54 163	55 861	58 294	60 851	64 123	71 918	83 083	91 363	99 467
<i>Total gross operating surplus</i>	<i>247 750</i>	<i>270 303</i>	<i>292 240</i>	<i>323 127</i>	<i>348 546</i>	<i>386 416</i>	<i>432 883</i>	<i>440 550</i>	<i>481 524</i>
Gross mixed income	71 975	78 427	81 919	84 484	90 584	92 714	98 592	102 543	109 933
<i>Total factor income</i>	<i>711 704</i>	<i>766 865</i>	<i>825 235</i>	<i>894 768</i>	<i>976 367</i>	<i>1 062 695</i>	<i>1 135 938</i>	<i>1 160 474</i>	<i>1 256 594</i>
Taxes less subsidies on production and imports	92 557	98 406	101 212	106 672	115 266	123 045	119 303	123 807	132 467
Statistical discrepancy (I)	—	—	—	—	—	—	—	495	2 269
Gross domestic product	804 261	865 271	926 447	1 001 440	1 091 633	1 185 740	1 255 241	1 284 777	1 391 330

— nil or rounded to zero (including null cells)

(a) Includes contributions to superannuation made by employers and payments of workers' compensation premiums.

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Agriculture, forestry and fishing									
Agriculture	15 733	20 387	21 294	21 937	17 960	19 454	23 295	23 615	28 927
Forestry and fishing	3 719	4 012	4 077	4 138	4 077	4 118	4 426	4 815	5 113
Total	19 391	24 344	25 321	26 019	22 042	23 573	27 721	28 430	34 040
Mining									
Mining	91 962	89 448	93 668	95 395	103 414	104 702	107 695	114 597	110 457
Exploration and mining support services	5 223	4 990	5 431	5 568	6 085	6 749	6 767	6 498	7 262
Total	96 812	93 985	98 887	100 780	109 323	111 541	114 462	121 095	117 719
Manufacturing									
Food, beverage and tobacco products	22 734	22 730	22 952	22 743	22 973	22 945	22 228	23 687	23 394
Textile, clothing and other manufacturing	7 716	7 699	6 709	6 153	6 096	6 381	5 720	4 642	4 325
Wood and paper products	8 558	8 548	8 612	8 309	8 080	7 768	7 176	7 444	7 273
Printing and recorded media	5 796	6 113	5 734	5 484	5 536	5 676	4 683	4 453	4 463
Petroleum, coal, chemical and rubber products	22 462	21 660	21 682	20 979	20 608	21 113	18 995	19 651	19 917
Non-metallic mineral products	4 496	4 651	4 852	5 424	5 551	5 801	5 764	5 663	5 490
Metal products	20 466	20 557	20 021	20 048	22 024	24 521	23 738	22 990	25 213
Machinery and equipment	19 697	20 878	20 867	21 671	21 659	22 375	21 099	22 339	21 873
Total	110 101	111 359	110 090	109 798	111 869	116 306	109 403	110 869	111 947
Electricity, gas, water and waste services									
Electricity	12 369	12 614	12 754	13 217	13 272	13 629	14 248	14 396	14 484
Gas	1 653	1 685	1 668	1 676	1 775	1 833	1 848	1 904	1 968
Water supply and waste services	9 696	9 405	9 383	9 245	9 335	8 909	9 190	9 624	9 937
Total	23 496	23 562	23 680	24 076	24 316	24 366	25 286	25 924	26 390
Construction									
Wholesale trade	64 193	68 574	71 679	77 526	81 794	87 484	90 087	89 871	95 075
Retail trade	46 211	48 378	50 199	51 855	52 935	54 537	55 273	57 280	56 994
Accommodation and food services	43 110	45 395	48 018	48 677	51 276	53 745	53 766	54 795	55 539
Transport, postal and warehousing	24 192	25 113	26 328	27 070	27 498	27 453	26 574	26 025	26 596
Road transport	15 202	16 253	17 226	18 081	19 958	21 200	19 754	20 493	20 135
Air and space transport	3 726	3 949	4 365	4 613	5 014	5 177	4 947	4 882	5 192
Rail, pipeline and other transport(c)	7 801	7 943	8 122	8 214	8 198	8 793	8 953	8 996	9 355
Transport, postal and storage services	21 515	21 682	22 901	23 331	24 282	25 506	26 222	26 916	28 663
Total	48 196	49 761	52 671	54 318	57 457	60 608	59 876	61 288	63 345
Information media and telecommunications									
Financial and insurance services	30 320	31 683	32 457	33 797	35 908	38 127	38 528	38 986	39 592
Rental, hiring and real estate services(d)	91 071	97 309	101 051	107 141	118 317	127 972	128 151	131 879	134 858
Professional, scientific and technical services	32 784	33 147	33 246	34 794	32 991	31 902	33 370	33 894	33 168
Administrative and support services	63 411	65 919	67 862	69 525	70 017	72 295	75 097	78 053	83 409
Public administration and safety	24 369	26 260	26 534	27 185	28 547	30 232	28 964	29 398	31 413
Education and training	51 523	52 360	54 109	55 345	57 887	58 149	61 437	61 437	62 575
Health care and social assistance	45 486	46 101	46 755	47 457	48 309	49 314	50 797	52 136	53 512
Arts and recreation services	53 776	56 056	58 263	61 185	63 698	66 876	70 548	72 788	74 378
Other services	7 276	7 767	8 186	8 359	8 902	9 108	9 798	9 821	10 020
Ownership of dwellings	19 534	20 322	19 883	19 807	20 214	20 600	20 968	20 746	20 076
Gross value added at basic prices	966 021	1 006 828	1 036 952	1 069 903	1 108 745	1 152 964	1 171 901	1 199 210	1 227 929
Taxes less subsidies on products	74 120	76 672	78 676	80 244	82 482	84 112	83 340	83 126	84 220
Statistical discrepancy (P)	—	—	—	—	—	—	—	1 236	-4 859
Gross domestic product	1 040 908	1 084 166	1 116 248	1 150 644	1 191 655	1 237 320	1 255 241	1 283 571	1 307 290

— nil or rounded to zero (including null cells)

(a) At basic prices.

(b) Reference year for chain volume measures is 2008-09.

(c) Includes water transport.

(d) Excludes ownership of dwellings.

EXPENDITURE ON GDP, Chain volume measures(a)—Revisions to percentage changes(b):
Seasonally adjusted

	2008-09	2009-10				2010-11		
	<i>Jun</i>	<i>Sep</i>	<i>Dec</i>	<i>Mar</i>	<i>Jun</i>	<i>Sep</i>	<i>Dec</i>	<i>Mar</i>
Final consumption expenditure								
General government	-0.1	0.1	0.1	—	—	0.5	-0.4	-0.6
Households	-0.2	0.2	—	—	0.1	0.2	-0.1	—
<i>Total final consumption expenditure</i>	-0.2	0.1	-0.1	—	—	0.2	-0.2	-0.1
Private gross fixed capital formation								
Dwellings	0.2	-0.3	0.4	-0.3	0.2	0.3	0.2	-1.9
Ownership transfer costs	0.5	0.1	-0.4	—	0.5	—	-0.5	—
Non-dwelling construction	-1.3	0.7	-0.1	-0.5	1.6	1.3	-1.8	5.0
Machinery and equipment	2.2	-1.5	0.6	-0.5	1.0	0.7	-0.5	-1.1
Cultivated biological resources	—	-0.4	—	0.4	0.8	1.9	0.5	1.0
Intellectual property products	-0.1	-0.2	0.1	0.2	0.1	0.5	0.3	0.3
<i>Total private gross fixed capital formation</i>	0.3	-0.3	0.2	-0.4	0.9	0.7	-0.6	0.7
Public gross fixed capital formation								
Public corporations	1.2	-0.6	-1.4	1.1	0.3	-4.6	-0.2	2.5
General government	1.3	0.4	-1.1	-1.9	1.8	1.0	1.8	0.3
<i>Total public gross fixed capital formation</i>	1.2	—	-1.2	-0.9	1.4	-0.7	1.2	1.0
<i>Total gross fixed capital formation</i>	0.5	-0.2	-0.1	-0.5	1.0	0.4	-0.2	0.8
<i>Domestic final demand</i>	—	—	—	-0.1	0.3	0.3	-0.1	0.1
<i>Gross national expenditure</i>	-0.2	0.1	—	—	—	0.5	-0.2	0.3
Exports of goods and services	-2.2	0.1	—	3.6	-4.3	0.5	0.2	2.1
less Imports of goods and services	-0.5	0.9	-0.9	0.8	-0.4	1.0	-1.3	1.1
Gross domestic product	-0.2	-0.1	0.1	0.2	-0.6	0.3	—	0.3

— nil or rounded to zero (including null cells)

(b) Change on preceding quarter.

(a) Reference year for chain volume measures is 2008-09.

	2008-09		2009-10				2010-11		
	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	
EXPENDITURE ON GDP									
Final consumption expenditure									
General government	58	-148	-38	7	149	774	377	-9	
Households	-222	23	-59	52	-37	226	241	444	
<i>Total final consumption expenditure</i>	-164	-124	-97	59	111	1 000	618	435	
Private gross fixed capital formation									
Dwellings	9	-24	41	-24	12	77	114	-255	
Ownership transfer costs	7	10	-11	-12	11	13	-11	-10	
Non-dwelling construction	-140	21	23	-61	243	516	106	1 251	
Machinery and equipment	223	-81	40	-66	144	287	222	-62	
Cultivated biological resources	—	-3	-3	—	7	41	44	34	
Intellectual property products	-6	-14	-10	6	18	69	101	134	
<i>Total private gross fixed capital formation</i>	93	-91	79	-158	436	1 001	576	1 091	
Public gross fixed capital formation									
Public corporations	50	3	-82	4	70	-151	-115	43	
General government	89	110	4	-218	80	212	496	558	
<i>Total public gross fixed capital formation</i>	139	112	-78	-214	150	60	381	601	
<i>Total gross fixed capital formation</i>	233	21	2	-372	586	1 062	957	1 692	
<i>Domestic final demand</i>	70	-103	-95	-314	697	2 062	1 575	2 127	
Changes in inventories	-137	-193	116	361	-289	-134	173	445	
<i>Gross national expenditure</i>	-67	-297	19	47	409	1 929	1 748	2 572	
Exports of goods and services	-25	-61	-41	199	-117	—	73	240	
less Imports of goods and services	-122	-29	37	317	146	388	78	523	
Statistical discrepancy (E)	454	341	477	-930	427	-220	-854	-1 603	
Gross domestic product	484	13	419	-1 001	572	1 321	889	686	
INCOME FROM GDP									
Compensation of employees	-137	-47	113	122	-214	-51	178	138	
Gross operating surplus									
Private non-financial corporations	942	114	909	-1 615	491	1 157	518	-445	
Public non-financial corporations	38	12	-11	-47	57	-113	-153	32	
Financial corporations	20	25	3	-48	24	-47	3	10	
General government	—	—	—	—	-1	—	—	—	
Dwellings owned by persons	1	-8	3	8	-3	-10	6	22	
<i>Total gross operating surplus</i>	1 001	142	904	-1 702	570	989	373	-379	
Gross mixed income	166	70	13	81	14	252	-53	629	
<i>Total factor income</i>	1 030	163	1 031	-1 499	370	1 191	499	388	
Taxes less subsidies on production and imports	—	-2	-2	-1	4	-20	126	-240	
Statistical discrepancy (I)	-547	-149	-611	498	199	150	265	538	
Gross domestic product	484	13	419	-1 001	572	1 321	889	686	

— nil or rounded to zero (including null cells)

	2008-09	2009-10				2010-11		
	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar
A Agriculture, forestry and fishing	-0.5	-2.9	2.4	1.0	-1.0	2.7	-4.3	3.3
B Mining	—	—	—	0.1	-0.2	0.4	0.8	0.4
C Manufacturing	-0.3	0.1	-0.1	0.4	-0.4	0.2	-0.3	0.7
D Electricity, gas, water and waste services	-0.1	—	—	0.1	-0.1	0.1	0.1	-0.1
E Construction	-0.7	0.5	-0.1	0.2	-0.9	0.5	0.1	-0.3
F Wholesale trade	-0.2	0.1	0.1	—	-0.2	0.2	—	0.5
G Retail trade	0.1	—	—	-0.2	0.1	0.1	-0.1	0.3
H Accommodation and food services	-0.3	0.1	—	0.3	-0.6	0.2	—	0.4
I Transport, postal and warehousing	-0.8	0.4	0.1	0.3	-0.9	0.6	0.1	1.7
J Information media and telecommunications	-0.5	0.3	-0.1	0.4	-0.7	0.4	-0.1	0.3
K Financial and insurance services	0.1	—	—	-0.3	0.4	-0.7	-0.8	-0.4
L Rental, hiring and real estate services(c)	-1.0	0.7	-0.2	0.8	-1.4	0.9	-0.2	0.4
M Professional, scientific and technical services	0.1	-0.1	—	—	—	-2.3	0.5	-1.5
N Administrative and support services	0.3	-0.3	-0.1	0.1	0.3	-0.3	-0.2	0.2
O Public administration and safety	-0.1	—	-0.1	0.1	0.7	—	-0.2	0.2
P Education and training	—	—	—	—	—	—	—	—
Q Health care and social assistance	—	—	—	—	—	—	—	—
R Arts and recreation services	0.1	0.1	0.1	-0.1	0.1	—	0.1	-0.2
S Other services	-0.2	—	0.3	-0.1	-0.2	0.1	0.2	1.3
.. Ownership of dwellings	—	—	—	—	—	—	—	—
<i>Gross value added at basic prices</i>	-0.2	—	—	0.1	-0.2	—	-0.2	0.2
Taxes less subsidies on products	-0.4	0.2	—	0.1	-0.3	0.5	-0.1	-0.3
Gross domestic product	-0.2	-0.1	0.1	0.2	-0.6	0.3	—	0.3

— nil or rounded to zero (including null cells)

(a) At basic prices.

(b) Reference year for chain volume measures is 2008-09.

(c) Excludes ownership of dwellings.

EXPLANATORY NOTES

INTRODUCTION

1 This publication contains estimates of gross domestic product (GDP) and its components, components of state final demand, the national income account, the national capital account and supporting series. Quarterly estimates are provided for the latest nine quarters. For the most part, these estimates are provided in trend and seasonally adjusted terms. Where trend and seasonally adjusted estimates are not available, original data are provided. Annual estimates, on an original basis, are provided for the key statistics for the past nine years. The List of Time Series Spreadsheets, set out in the Appendix, shows the full range of data provided. The full quarterly time series, including all original data on a quarterly basis (both national and state), are available from the Australian Bureau of Statistics (ABS) website <<http://www.abs.gov.au>>.

CONCEPTS, SOURCES AND METHODS

2 Australia's national accounts statistics are compiled in accordance with international standards contained in the System of National Accounts. These standards have recently been updated and are presented in the *System of National Accounts, 2008* (SNA08). Australia's application of these SNA standards is described in *Australian System of National Accounts: Concepts, Sources and Methods* (cat. no. 5216.0). It is available on the ABS web site <<http://www.abs.gov.au>>. This publication outlines major concepts and definitions, describes sources of data and methods used to derive annual and quarterly estimates for major aggregates at current prices and in chain volume terms, and discusses the accuracy and reliability of the national accounts. In addition, it includes documentation on input-output tables, financial accounts, capital stock, productivity measures, balance sheets, and state accounts. The current version of this product reflects the *System of National Accounts, 1993* (SNA93) concepts and a number of references to data sources and methods are out of date. A revised Concepts, Sources and Methods product updated to include SNA08 is scheduled for release in 2011.

3 While national estimates are based on the concepts and conventions embodied in SNA08, no such standard is available for sub-national (regional/state) accounts. In the main, the national concepts are applicable to state accounts, but there remain a number of conceptual and measurement issues that either do not apply or are insignificant at the national level. Information on some of the more important conceptual, methodological and data issues relating to annual and quarterly estimates by state is provided in Chapter 28 of the Concepts, Sources and Methods.

ACCURACY OF QUARTERLY ESTIMATES

4 Estimating the national accounts components for a period of less than one year presents special problems. It is often difficult to adhere strictly to definitions used in annual estimates when deriving quarterly ones. This is particularly the case for the quarterly measure of income, because it is not always possible to match the volume of production for a quarter with the cost incurred in that production. Difficulties are also encountered in obtaining detailed data for short periods and in preparing consistent estimates from different sources with different accounting procedures and periods. Furthermore, the quarter-to-quarter growth in seasonally adjusted terms is very sensitive to the timing of recording a transaction. If the recording of a transaction is delayed by one quarter, seasonally adjusted movements will be distorted for three consecutive quarters. All these problems affect the accuracy of the current price and chain volume estimates and should be taken into account in interpreting the estimates.

5 The majority of the estimates in the quarterly national accounts are based on the results of sample surveys. Many of the results of these surveys are released in the period leading up to the release of the quarterly accounts thus providing users with a guide to likely movements in key national accounting aggregates. In a national accounts context, these various pieces of information are referred to as partial indicators. Usually there are differences in concept and scope between the national accounts series and the relevant partial indicator which means that the movements in the partial indicator will not always be identical to the national accounts series movement. However, in general the

EXPLANATORY NOTES *continued*

ACCURACY OF QUARTERLY ESTIMATES *continued*

movements should be similar. To ensure a reasonable level of consistency between the partial indicators and the national accounts series and hence present a common understanding of recent economic developments, the national accounts area liaises with the relevant survey areas and provides feedback regarding data quality and data coherence. This may result in adjustments being made by survey areas to their collected data prior to their release. The objective use of the national accounts framework to provide data coherence across all ABS economic statistics ensures that a common understanding of recent economic developments is presented.

6 The state estimates generally represent dissections of quarterly estimates published for Australia in this publication. Therefore, they will reflect any inaccuracies in those estimates as well as inaccuracies introduced by the particular conceptual, methodological and data problems inherent in the allocation of Australian estimates to states and territories. As such, the degree of accuracy and reliability will necessarily be lower than that for the counterpart Australian estimates.

7 Estimates for compensation of employees, household final consumption expenditure and private gross fixed capital formation are based on the results of sample surveys. By their nature, survey results become less accurate as they are disaggregated (for example into states and/or industries). Generally, the ABS surveys used to derive these aggregates are designed to provide accurate estimates at the Australian total level and individual state estimates that are less accurate but still of acceptable quality. However, it should be noted that relative standard errors are generally higher for the smaller states and territories than they are for the larger states. This may result in greater volatility in the quarterly estimates for the smaller states and two territories.

8 Estimates of government final consumption expenditure, and general government and public enterprise gross fixed capital formation can be substantially affected by the indicators chosen to apportion the Commonwealth government component to states and territories. Care is required when interpreting these estimates.

REVISIONS

9 Most figures are subject to revision as more complete and accurate information becomes available. The revisions are of two types: those made to recent quarters and those made as a consequence of a redistribution across all quarters within a year following revisions to annual totals.

SEASONALLY ADJUSTED AND TREND ESTIMATES

10 The general methods for deriving seasonally adjusted and trend estimates are described in Appendix 3 of *Australian National Accounts: Concepts, Sources and Methods, 2000* (cat. no. 5216.0).

Seasonal Adjustment

11 Data that are affected by seasonal factors are adjusted to remove the effects of these factors. Three important points should be noted here:

- The methods used in seasonal adjustment do not force the sum of the adjusted current price estimates for each quarter of a year to equal the original annual total.
- Where chain volume estimates have no apparent seasonality in their implicit price deflators, the estimates are adjusted using the corresponding factors for current price estimates.
- A special method, known as the pseudo-additive method, has been used to adjust the output of cereal crops. This is necessary to account for the fact that there is no cereal output in some quarters.

12 Seasonally adjusted chain volume figures are calculated from seasonally adjusted figures expressed in the prices of the previous year. As with original data, the seasonally adjusted chain volume measures are benchmarked to annual original estimates. As a consequence, the seasonally adjusted chain volume measures sum to the corresponding annual original figures – unlike their current price counterparts.

EXPLANATORY NOTES *continued*

Trend Estimates

13 Given the qualifications regarding the accuracy and reliability of the quarterly national accounts, the ABS considers that trend estimates provide the best guide to the underlying movements, and are more suitable than either the seasonally adjusted or original data for most business decisions and policy advice.

14 A trend estimate is obtained by removing the irregular component from the seasonally adjusted series. For estimates in this publication, it is calculated using a centred 7-term Henderson moving average of the seasonally adjusted series. The procedure is designed to minimise distortions in the trend level, turning point shape and timing of turning points. Estimates for the three most recent quarters cannot be calculated using this centred average method; instead an asymmetric average is used. This can lead to revisions in the trend estimates for the last three quarters when data become available for later quarters, even if none of the original data for earlier quarters has changed.

15 The higher the 'irregular' component in a series, then the greater the likelihood that trend estimates for the latest quarters will be revised as more observations become available. However, it is important to note that this does not make the trend series inferior to the seasonally adjusted or original series. In fact, in such cases the effect of the irregular component on overall movements is likely to be even more in the seasonally adjusted and the original estimates than in the trend series.

16 Trend estimates for aggregates such as GDP are derived directly, rather than as the sum of components. As a result, the sum of the trend estimates of individual components of a particular aggregate will not sum to the overall trend estimate of the aggregate for the latest three quarters. This approach provides higher quality trend estimates for key aggregates, particularly GDP.

17 For more information about ABS procedures for deriving trend estimates and an analysis of the advantage of using them over alternative techniques for monitoring trends, see *Information Paper: A Guide to Interpreting Time Series – Monitoring Trends, 2003* (cat. no. 1349.0) or contact the Assistant Director, Time Series Analysis on Canberra (02) 6252 6406 or by email at <timeseries@abs.gov.au>.

State and territory versus Australian series

18 For trend and seasonally adjusted series, the sum of the states and territories generally does not equal the corresponding estimate for 'total Australia', nor are the quarter-to-quarter movements identical. On a few occasions, these differences have been significant, particularly for the seasonally adjusted series. This reflects both the shorter span of data available for seasonal analysis at the state level and the fact that seasonal analysis is generally carried out at a more aggregated level than for the 'total Australia' series. The state and territory trend and seasonally adjusted series are less accurate than the Australian data. However, as the state and territory time series lengthen, the quarterly movements in the sum of the state estimates should more closely match those in the Australian series.

GROSS DOMESTIC PRODUCT (GDP)

19 GDP can be derived by three broad approaches: the income approach (I), the expenditure approach (E) and the production approach (P). A description of each approach is provided in the following paragraphs. While each measure should, conceptually, deliver the same estimate of GDP, if the three measures are compiled independently using different data sources then different estimates of GDP result. However, the Australian national accounts estimates have been integrated with annual balanced supply and use tables. These tables have been compiled from 1994–95, up to the year preceding the latest complete financial year. As integration with balanced supply and use tables ensures that the same estimate of GDP is obtained from the three approaches, annual estimates using the I, E and P approaches are identical for the years for which these tables are available.

EXPLANATORY NOTES *continued*

GROSS DOMESTIC PRODUCT (GDP) *continued*

20 Prior to 1994–95, and for quarterly estimates for all years, the estimates using each approach are based on independent sources, and there are usually differences between the I, E and P estimates. Nevertheless, for these periods, a single estimate of GDP has been compiled. In chain volume terms, GDP is derived by averaging the chain volume estimates obtained from each of the three independent approaches. The current price estimate of GDP is obtained by reflating the average chain volume estimate by the implicit price deflator derived from the expenditure-based estimates.

21 As a result of the above methods:

- There is no statistical discrepancy for annual estimates from 1994–95 up to the year prior to the latest complete financial year, in either current price or volume terms, except for estimates released in the June quarter where discrepancies will exist for the latest two complete financial years.
- For years prior to 1994–95, and for all quarters, statistical discrepancies exist between estimates based on the I, E and P approaches and the single estimate of GDP, in both current prices and volume terms. These discrepancies are shown in the relevant tables.

INCOME APPROACH (I)

22 GDP using the income approach is derived as the sum of compensation of employees, gross operating surplus, gross mixed income and taxes less subsidies on production and imports. Volume estimates are derived at the total GDP level by deflating current price estimates by the implicit price deflator from the expenditure approach.

EXPENDITURE APPROACH (E)

23 GDP using the expenditure approach is derived as the sum of all final expenditures, changes in inventories and exports of goods and services less imports of goods and services. Volume estimates are derived for each of the components as well as for their sum.

PRODUCTION APPROACH (P)

24 GDP using the production approach is derived as the sum of gross value added for each industry, at basic prices, plus taxes less subsidies on products. Basic values represent the amounts received by producers, including the value of any subsidies on products, but before any taxes on products. The difference between the sum over all industries of gross value added at basic prices, and GDP at market (or purchasers') prices, is the value of taxes less subsidies on products.

25 In this publication, only volume estimates compiled using the production approach have been shown. These estimates are derived by extrapolating annual volume measures using various indicators. The information necessary to compile comprehensive current price estimates using the production approach is not available quarterly.

FINANCIAL INTERMEDIATION SERVICES

26 In the national accounts, estimates are made for the output of banks and similar institutions who produce services through the provision of deposit and loan services. Often there is no single explicit charge for these services and instead the relevant financial institutions set interest rates such that a service margin can be earned. Thus, interest rates on loans are higher than would otherwise be the case if there were no service element provided and interest rates on deposits are lower than would otherwise be the case.

27 In order to appropriately account for this service component the output produced by these financial institutions is shown as being consumed by Households (includes unincorporated enterprises and private non profit institutions serving households), Corporations, and General government. In the sector income accounts the effect of allocating the output to consuming sectors is that part of the interest flow is deemed a payment of service and the balance is shown as interest such that the net effect on saving is zero.

EXPLANATORY NOTES *continued*

FINANCIAL INTERMEDIATION SERVICES *continued*

28 In interpreting the income accounts it is therefore necessary to regard the interest flow series as being a flow without a service element – i.e. a pure interest flow. In the case of loans the interest flow that is shown will be less than the observed interest payment made to the financial institution. In the case of deposits the interest flow that is shown will be greater than the observed interest payment made by the financial institution. For further information users should consult Chapter 22 of the *Australian System of National Accounts: Concepts, Sources and Methods* (cat. no. 5216.0).

RELATED PUBLICATIONS

29 In addition to the publications already mentioned, others of interest include:
annual *Australian System of National Accounts* (cat. no. 5204.0)
annual *Australian National Accounts: State Accounts* (cat. no. 5220.0)
quarterly *Australian National Accounts: Financial Accounts* (cat. no. 5232.0)

30 Current publications and other products released by the ABS are freely available from the ABS website <<http://www.abs.gov.au>>, the website contains a link to the daily *Release Advice* which details products to be released in the weeks (months) ahead. A National Accounts theme page is available on the website, select: Themes – Economy – National Accounts. This page provides direct links to all national accounts related data and publications, recent national accounts changes and forthcoming events, links to relevant websites and a range of other information about the Australian National Accounts.

APPENDIX TIME SERIES SPREADSHEETS

<i>Electronic table (time series spreadsheet)</i>	<i>Includes table(s) from pdf</i>	<i>Type of data</i>
1. Key National Accounts Aggregates	1, 2	Trend, seasonally adjusted and original data for key aggregates including percentage changes and indexes.
2. Expenditure on Gross Domestic Product (GDP), Chain volume measures	4, 5, 6, 7, 8, 46	Trend, seasonally adjusted and original data for expenditure on GDP including percentage changes, revisions to percentage changes and contributions to growth.
3. Expenditure on Gross Domestic Product (GDP), Current prices	9, 47	Trend, seasonally adjusted and original data for expenditure on GDP including revisions (seasonally adjusted).
4. Expenditure on Gross Domestic Product (GDP), Chain price indexes	10, 11	Original and percentage changes (original).
5. Expenditure on Gross Domestic Product (GDP), Implicit price deflators	12, 13	Seasonally adjusted and percentage changes (seasonally adjusted).
6. Gross Value Added by Industry, Chain volume measures	14, 15, 16, 17, 48	Trend, seasonally adjusted and original data for industry GVA including percentage changes (trend & seasonally adjusted), revisions to percentage changes and contributions to growth (seasonally adjusted).
7. Income from Gross Domestic Product (GDP), Current prices	18, 19, 47	Trend, seasonally adjusted and original Income from GDP.
8. Household Final Consumption Expenditure (HFCE)	20, 21	Volume and current price data (trend , seasonally adjusted & original).
9. Changes in Inventories	22	Volume and current price data (trend , seasonally adjusted & original).
10. Agricultural Income, Current prices	23	Trend, seasonally adjusted and original.
11. National Income Account, Current prices	32	Trend, seasonally adjusted and original.
12. National Capital Account, Current prices	33	Trend, seasonally adjusted and original.
13. External Account, Current prices	34	Trend, seasonally adjusted and original.
14. Household Income Account, Current prices	35, 36	Trend, seasonally adjusted and original.
15. General Government Income Account, Current prices	37, 38	Trend, seasonally adjusted and original.
16. National General Government Income Account, Current prices		Original.
17. State and Local General Government Income Account, Current prices		Original.
18. Taxes, Current prices	39	Trend, seasonally adjusted and original.
19. Social Assistance Benefits Payments, Current prices		Original.

APPENDIX TIME SERIES SPREADSHEETS *continued*

<i>Electronic table (time series spreadsheet)</i>	<i>Includes table(s) from pdf</i>	<i>Type of data</i>
20. Selected Analytical Series	40, 41	Trend, seasonally adjusted and original.
21. State Final Demand, Summary Components by State: Chain volume measures	24, 25, 26, 27, 28, 29, 30, 31	Trend and seasonally adjusted, all states
22. State Final Demand, Detailed Components: New South Wales		Trend, seasonally adjusted and original, and revisions to percentage changes (seasonally adjusted).
23. State Final Demand, Detailed Components: Victoria		Trend, seasonally adjusted and original, and revisions to percentage changes (seasonally adjusted).
24. State Final Demand, Detailed Components: Queensland		Trend, seasonally adjusted and original, and revisions to percentage changes (seasonally adjusted).
25. State Final Demand, Detailed Components: South Australia		Trend, seasonally adjusted and original, and revisions to percentage changes (seasonally adjusted).
26. State Final Demand, Detailed Components: Western Australia		Trend, seasonally adjusted and original, and revisions to percentage changes (seasonally adjusted).
27. State Final Demand, Detailed Components: Tasmania		Trend, seasonally adjusted and original, and revisions to percentage changes (seasonally adjusted).
28. State Final Demand, Detailed Components: Northern Territory		Trend, seasonally adjusted and original, and revisions to percentage changes (seasonally adjusted).
29. State Final Demand, Detailed Components: Australian Capital Territory		Trend, seasonally adjusted and original, and revisions to percentage changes (seasonally adjusted).
30. Key Aggregates and analytical series, Annual	3	Annual
31. Income from GDP and Changes in Inventories, Annual	44	Annual
32. Expenditure on Gross Domestic Product (GDP), Chain volume measures and Current prices, Annual	42, 43	Annual volume and current price data with chain price indexes and IPD's.
33. Industry Gross Value Added, Chain volume measures, Annual	45	Annual volume measures.
34. National Income Account, Current prices, Annual		Annual current price data.
35. National Capital Account, Current prices, Annual		Annual current price data.
36. External Account, Current prices, Annual		Annual current price data.
37. Indexes of Industrial Production		Quarterly indexes.
38. Unit Labour Costs		Trend, seasonally adjusted and original indexes.
39. Indexes of Industrial Production, Annual		Annual indexes.

GLOSSARY

Agricultural income	The income accruing from agricultural production during the year. It is equal to gross agricultural product at factor cost less consumption of fixed capital, compensation of employees, and net rent and interest payments.
Average compensation per employee	Calculated as total compensation of employees divided by the number of wage and salary earners from the monthly Labour Force Survey.
Basic price	The amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any tax payable, and plus any subsidy receivable, on that unit as a consequence of its production or sale.
Chain price indexes	Annually-reweighted chain Laspeyres price indexes referenced to the same year as the chain volume measures. They can be thought of as a series of indexes measuring price change from a base year to quarters in the following year using current price values in the base year as weights, linked together to form a continuous time series. In other words, chain price indexes are constructed in a similar fashion to the chain volume indexes. Quarterly chain price indexes are benchmarked to annual chain price indexes in the same way as their chain volume counterparts. Unlike implicit price deflators, chain price indexes measure only the impact of price change.
Chain volume measures	<p>Annually-reweighted chain Laspeyres volume indexes referenced to the current price values in a chosen reference year (i.e. the year when the quarterly chain volume measures sum to the current price annual values). Chain Laspeyres volume measures are compiled by linking together (compounding) movements in volumes, calculated using the average prices of the previous financial year, and applying the compounded movements to the current price estimates of the reference year. Quarterly chain volume estimates are benchmarked to annual chain volume estimates, so that the quarterly estimates for a financial year sum to the corresponding annual estimate.</p> <p>Generally, chain volume measures are not additive. In other words, component chain volume measures do not sum to a total in the way original current price components do. In order to minimize the impact of this property, the ABS uses the latest base year as the reference year. By adopting this approach, additivity exists for the quarters following the reference year and non-additivity is relatively small for the quarters in the reference year and the quarters immediately preceding it. The latest base year and the reference year will be advanced one year with the release of the September quarter issue of this publication. A change in reference year changes levels but not growth rates, although some revision to recent growth rates can be expected because of the introduction of a more recent base year (and revisions to the current price estimates underlying the chain volume measures).</p>
Changes in inventories held by enterprises and general government	Obtained after adjusting the increase in book value of inventories by the inventory valuation adjustment. The need for an inventory valuation adjustment arises because the changes in the value of inventories as calculated from existing business accounting records do not meet national accounting requirements. For national accounting purposes, physical changes in inventories should be valued at the prices current at the times when the changes occur. The inventory valuation adjustment is the difference between the change in (book) value of inventories and the physical changes valued at current prices. The physical changes at average current quarter prices are calculated by applying average quarterly price indexes to the changes in various categories of inventories in volume terms.
Compensation of employees	The total remuneration, in cash or in kind, payable by an enterprise to an employee in return for work done by the employee during the accounting period. It is further classified into two sub-components: wages and salaries; and employers' social contributions. Compensation of employees is not payable in respect of unpaid work undertaken voluntarily, including the work done by members of a household within an unincorporated enterprise owned by the same household. Compensation of employees excludes any taxes payable by the employer on the wage and salary bill (e.g. payroll tax).

GLOSSARY *continued*

Consumption of fixed capital	The reduction in the value of fixed assets used in production during the accounting period resulting from physical deterioration, normal obsolescence or normal accidental damage. Unforeseen obsolescence, major catastrophes and the depletion of natural resources are not taken into account.
Contributions to growth in GDP	Calculated as: $\frac{A(t) - A(t-1)}{GDP(t-1)} \times 100$ where A(t) - value of aggregate A in quarter under consideration A(t-1) - value of aggregate A in previous quarter GDP(t-1) - value of GDP in previous quarter Note that the contributions to growth of the components of GDP do not always add exactly to the growth in GDP. This can happen as a result of rounding and the lack of additivity of the chain volume estimates prior to the latest complete financial year.
Cultivated Biological Resources	Includes such assets as orchard growth and livestock. The definition of orchard growth is any plant that can produce a marketable quantity of fruit for more than one year in which the grower intends to obtain a future benefit from the sale of the fruits borne. It can include trees, vines, bushes and shrubs. The costs to be capitalised as part of the value of fruit and nut bearing plants are the establishment costs involved in planting the new nursery plant and then maintenance costs associated with making the plant grow. Livestock assets are classified as either fixed assets or inventories. Those livestock which are used in production of other products (e.g. breeding stock, animals for entertainment, sheep for wool and dairy cattle) are fixed assets. Inventories cover all other livestock types and includes those animals raised for meat or other one-off products (e.g. leather).
Current prices	Estimates are valued at the prices of the period to which the observation relates. For example, estimates for 2007-08 are valued using 2007-08 prices. This contrasts to chain volume measures where the prices used in valuation refer to the prices of a previous period.
Domestic sales	See Imports to domestic sales ratio.
Farm GDP	Gross agricultural product at market prices. It is equivalent to gross value added of agriculture at basic prices plus taxes less subsidies on products.
Gross disposable income - households	Gross household income less income tax payable, other current taxes on income, wealth etc., interest on dwellings, consumer debt interest, interest payable by unincorporated enterprises, rent on natural assets, net non-life insurance premiums, social contribution for workers' compensation and other current transfers payable by households.
Gross domestic product (GDP)	Is the total market value of goods and services produced in Australia within a given period after deducting the cost of goods and services used up in the process of production but before deducting allowances for the consumption of fixed capital. Thus gross domestic product, as here defined, is 'at market prices'. It is equivalent to gross national expenditure plus exports of goods and services less imports of goods and services. Farm GDP is that part of gross domestic product which arises from production in agriculture. It is equivalent to the value added of ANZSIC 06 subdivision 01 'Agriculture' plus taxes less subsidies on products primary to this subdivision. Non-farm GDP arises from production in all other industries.
GDP per capita	The ratio of the chain volume estimate of GDP to an estimate of the resident Australian population. Population estimates use data published in the quarterly publication <i>Australian Demographic Statistics</i> (cat. no. 3101.0) and ABS projections.
Gross domestic product per hour worked	The ratio of the chain volume estimate of GDP to an estimate of hours worked. Hours worked estimates are derived as the product of employment and average hours worked.

GLOSSARY *continued*

Gross domestic product per hour worked <i>continued</i>	Movements in chain volume estimates of GDP per hour worked are commonly interpreted as changes in labour productivity. However, it should be noted that these measures reflect not only the contribution of labour to changes in production per hour worked, but also the contribution of capital and other factors (such as managerial efficiency, economies of scale, etc.).
Gross fixed capital formation - general government	Expenditure on new fixed assets plus net expenditure on second-hand fixed assets whether for additions or replacements including defence weapons platforms that have an anticipated ongoing use (greater than one year). Expenditure on new roadworks (or upgrading existing roads) is included but expenditure on road repair and maintenance is classified as government final consumption expenditure.
Gross fixed capital formation - private	Expenditure on fixed assets broken down into dwellings, non-dwelling construction, machinery and equipment, cultivated biological assets, intellectual property products and ownership transfer costs. The machinery and equipment category includes plant, machinery, equipment, vehicles, etc. Expenditure on repair and maintenance of fixed assets is excluded, being chargeable to the production account. Additions to fixed assets are regarded as capital formation. Also included is compensation of employees and other costs paid by private enterprise in connection with own-account capital formation. Expenditure on dwellings, non-dwelling construction, and machinery and equipment is measured as expenditure on new and second-hand assets, less sales of existing assets. Cultivated biological assets includes livestock and orchard growth. Along with Computer software, Mineral and petroleum exploration and Artistic originals, Research and development is now included in the intellectual property products asset type. Ownership transfer costs comprise of stamp duty, real estate agents' fees and sales commissions, conveyancing fees and miscellaneous government charges.
Gross fixed capital formation - public corporations	Expenditure on new fixed assets plus net expenditure on second-hand fixed assets and including both additions and replacements. Also included is compensation of employees and other costs paid by public corporations in connection with capital works undertaken on own account.
Gross mixed income of unincorporated enterprises	The surplus or deficit accruing from production by unincorporated enterprises. It includes elements of both compensation of employees (returns on labour inputs) and operating surplus (returns on capital inputs).
Gross national income (GNI)	The aggregate value of gross primary incomes for all institutional sectors, including net primary income receivable from non-residents. GNI was formerly called gross national product (GNP).
Gross operating surplus	The operating surplus accruing to all enterprises, except unincorporated enterprises, from their operations in Australia. It is the excess of gross output over the sum of intermediate consumption, compensation of employees, and taxes less subsidies on production and imports. It is calculated before deduction of consumption of fixed capital, dividends, interest, royalties and land rent, and direct taxes payable, but after deducting the inventory valuation adjustment. Gross operating surplus is also calculated for general government and it equals general government's consumption of fixed capital.
Gross value added	The value of output at basic prices minus the value of intermediate consumption at purchasers' prices. The term is used to describe gross product by industry and by sector. Basic prices valuation of output removes the distortion caused by variations in the incidence of commodity taxes and subsidies across the output of individual industries.
Hours worked	The hours worked by all labour engaged in the production of goods and services, including hours worked by civilian wage and salary earners, employers, self-employed persons, persons working one hour or more without pay in a family business or on a farm, and members of the Australian defence forces.

GLOSSARY *continued*

Household saving ratio	The ratio of household net saving to household net disposable income. Household net saving is calculated as household net disposable income less household final consumption expenditure. Household net disposable income is calculated as household gross disposable income less household consumption of fixed capital.
Implicit price deflator	<p>Obtained by dividing a current price value by its real counterpart (the chain volume measure). When calculated from the major national accounting aggregates, such as gross domestic product, implicit price deflators relate to a broader range of goods and services in the economy than that represented by any of the individual price indexes that are published by the ABS. Whereas the chain price indexes are chain Laspeyres indexes, the annual implicit price deflators are chain Paasche price indexes, i.e. each year-to-year movement is calculated using the current price value shares of the second of the two years to weight together the elemental price indexes.</p> <p>Movements in implicit price deflators can be greatly affected by changes in the physical composition of the aggregates and their components. For this reason, quarterly implicit price deflators derived from seasonally adjusted or trend data are preferred to those derived using original data.</p>
Imports to domestic sales ratio	<p>The numerator - imports - refers to imports of merchandise goods. The denominator - domestic sales - is defined as:</p> <ul style="list-style-type: none">■ household final consumption expenditure on goods■ plus private gross fixed capital formation: dwellings, non-dwelling construction, and machinery and equipment■ plus public gross fixed capital formation: dwellings, non-dwelling construction, and machinery and equipment. <p>This ratio is calculated using current price estimates.</p>
Intellectual property products	Includes such assets as computer software, research and development, entertainment, literary or artistic originals, and mineral exploration intended to be used for more than a year.
Labour productivity	See <i>Gross domestic product per hour worked</i> .
Market sector	With the introduction of ANZSIC06, the definition of those industries that constitute the 'market' sector' has also changed. It is now defined to include all industries except for Public administration and safety (O); Education and training (P); and Health care and social assistance (Q). The chain volume measure of the production of a group of industries referred to as the market sector is defined to be the chain volume estimate of industry gross value added of all industries less Divisions O, P and Q, less Ownership of dwellings, plus taxes less subsidies on products attributable to the market sector industries.
National saving	Calculated as the sum of the net saving of each of the resident sectors - households (includes unincorporated enterprises and private non-profit institutions serving households), non-financial corporations, financial corporations and general government. Also referred to as net saving.
National saving ratio	The ratio of national net saving to national net disposable income. National net saving is calculated as national net disposable income less final consumption expenditure. National net disposable income is calculated as national gross disposable income less consumption of fixed capital.
Net domestic product	Calculated as GDP less consumption of fixed capital.
Net lending to non-residents	The excess of net acquisition of financial assets in the rest of the world by resident institutional units over their net incurrence of liabilities in the rest of the world.
Non-farm GDP	Gross domestic product less farm GDP.
Private business investment	Defined as: <ul style="list-style-type: none">■ non-dwelling construction

GLOSSARY *continued*

- Private business investment**
continued
- plus machinery and equipment
 - plus cultivated biological resources
 - plus intellectual property products.

Second hand asset sales by the public sector to private corporations are included in private business investment in the components non-dwelling construction and machinery and equipment. As the public sector also sells secondhand assets to the household sector and to the external sector, not all secondhand asset sales by the public sector will be included in private business investment.

Private non-farm inventories to total sales ratio

The denominator - total sales - is defined as:

- household final consumption expenditure on goods
- plus private gross fixed capital formation: dwellings, non-dwelling construction, and machinery and equipment
- plus public gross fixed capital formation: dwellings, non-dwelling construction, and machinery and equipment
- plus exports of goods.

This ratio is calculated using current price estimates.

Purchasers' price

The amount paid by the purchaser, excluding any deductible tax, in order to take delivery of a unit of a good or service at the time and place required by the purchaser. The purchaser's price of a good includes any transport charges paid separately by the purchaser to take delivery at the required time and place.

Real gross national income

Calculated by adjusting real gross domestic income for the real impact of primary income flows (property income and labour income) to and from overseas.

Real gross domestic income

Calculated by:

- taking the volume measure of gross national expenditure (GNE)
- adding exports of goods and services at current prices deflated by the implicit price deflator for imports of goods and services
- deducting the volume measure of imports of goods and services
- adding the current price statistical discrepancy for GDP(E) deflated by the implicit price deflator for GDP.

In the derivation of the aggregate all of the adjustments are made using the chain volume aggregation method used to derive all of the ABS chain volume estimates.

Real net national disposable income

Calculated by:

- taking real gross domestic income
- deducting real incomes payable to the rest of the world
- adding real incomes receivable from the rest of the world
- deducting the volume measure of consumption of fixed capital.

Real incomes payable and receivable are calculated by dividing the nominal income flows by the implicit price deflator for gross national expenditure. In the derivation of the aggregate all of the adjustments are made using the chain volume aggregation method used to derive all of the ABS chain volume estimates.

Statistical discrepancy (I), (E) and (P)

Calculated as the differences between aggregate incomes, expenditures, or industry products respectively and the single measure of GDP. For years in which a balanced supply and use table is available to benchmark the national accounts, the same measure of GDP is obtained.

Subsidies on products

Subsidies payable per unit of a good or service. The subsidy may be a specific amount of money per unit of quantity of a good or service, or it may be calculated ad valorem as a specified percentage of the price per unit. A subsidy may also be calculated as the difference between a specified target price and the market price actually paid by a purchaser. A subsidy on a product usually becomes payable when the product is produced, sold or imported, but it may also become payable in other circumstances,

GLOSSARY *continued*

Subsidies on products <i>continued</i>	such as when a product is exported, leased, transferred, delivered or used for own consumption or own capital formation.
Taxes on products	Taxes payable per unit of some good or service. The tax may be a specific amount of money per unit of quantity of a good or service (quantity being measured either in terms of discrete units or continuous physical variables such as volume, weight, strength, distance, time, etc.), or it may be calculated ad valorem as a specified percentage of the price per unit or value of the goods or services transacted. A tax on a product usually becomes payable when the product is produced, sold or imported, but it may also become payable in other circumstances, such as when a good is exported, leased, transferred, delivered, or used for own consumption or own capital formation.
Terms of trade	Calculated by dividing the export implicit price deflator by the import implicit price deflator and multiplying by 100.
Total sales	See <i>Private non-farm inventories to total sales ratio</i> .
Wages and salaries	Consist of amounts payable in cash including the value of any social contributions, income taxes, fringe benefits tax, etc., payable by the employee even if they are actually withheld by the employer for administrative convenience or other reasons and paid directly to social insurance schemes, tax authorities, etc., on behalf of the employee. Wages and salaries may be paid as remuneration in kind instead of, or in addition to, remuneration in cash. Separation, termination and redundancy payments are also included in wages and salaries. Wages and salaries are also measured as far as possible on an accrual rather than a strict cash basis. See also Employers' social contributions; Compensation of employees.

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