

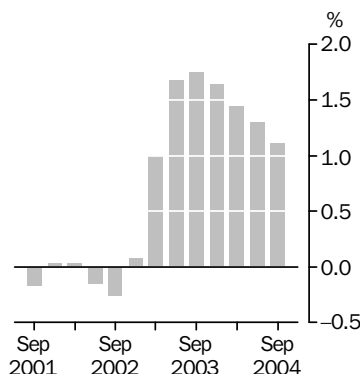
# BUSINESS INDICATORS

AUSTRALIA

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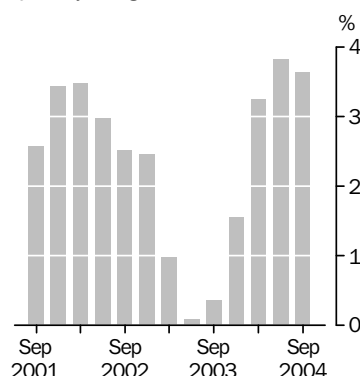
## Inventories (volume terms)

Trend estimates  
Quarterly change



## Company gross operating profits

Trend estimates  
Quarterly change



## KEY FIGURES

	Jun Qtr 04 to Sep Qtr 04 %	Sep Qtr 03 to Sep Qtr 04 %
<b>Sales of goods &amp; services (Chain vol. meas.)</b>		
Manufacturing		
Trend	-0.4	1.7
Seasonally Adjusted	-0.3	1.9
Wholesale trade		
Trend	1.1	8.5
Seasonally Adjusted	-0.1	7.6
<b>Inventories (Chain vol. meas.)</b>		
Trend	1.1	5.6
Seasonally Adjusted	0.3	4.7
<b>Company profits before income tax</b>		
Trend	4.4	5.6
Seasonally Adjusted	18.2	17.2
<b>Company gross operating profits</b>		
Trend	3.6	12.8
Seasonally Adjusted	3.6	12.9
<b>Wages and salaries</b>		
Seasonally Adjusted	1.2	6.7

## KEY POINTS

### TREND ESTIMATES

- The trend estimate (in volume terms) for inventories for the September quarter 2004 increased 1.1% in the September quarter 2004, compared with an increase of 1.3% in the June quarter. The trend estimate (in volume terms) for sales of goods and services in Manufacturing has decreased in the latest quarter while Wholesale trade's sales of goods and services has continued the increases since March quarter 2001. The trend estimate (in current price terms) for company gross operating profits grew by 3.6% this quarter.

### SEASONALLY ADJUSTED ESTIMATES

- The seasonally adjusted estimate (in volume terms) for inventories increased by 0.3% in the September quarter 2004, with Wholesale trade the major contributor. Sales of goods and services in Manufacturing and Wholesale trade decreased by 0.3% and 0.1% respectively.
- Company gross operating profits increased by 3.6% this quarter, with all industries other than Transport and storage and Other selected industries increasing. Growth in all industries except Wholesale trade, which was flat, has led to a 1.2% increase in wages and salaries.

## INQUIRIES

- For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or Mark Wise on Sydney (02) 9268 4241.

# NOTES

## FORTHCOMING ISSUES

*ISSUE (Quarter)*

*RELEASE DATE*

December 2004

28 February 2005

March 2005

30 May 2005

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## CHANGES IN THIS ISSUE

As happens each year, a seasonal re-analysis has been undertaken based on estimates up to and including the June quarter 2004. As part of this year's re-analysis, aggregation structures for company gross operating profits series were amended to bring the seasonal adjustment methodology more into line with that used for the equivalent National Accounts series. This has resulted in revisions to seasonally adjusted estimates for most time series for company gross operating profits by industry and at the total all industries level. The underlying price indexes used in the compilation of the chain volume measures have been reindexed resulting in minor revisions to the chain volume measures from September quarter 2000 onwards. Further changes in this issue are described on page 3.

## COMPARISON BETWEEN COMPANY GROSS OPERATING PROFITS AND GROSS OPERATING SURPLUS

As has been the case in a number of recent quarters, price changes have had a significant impact on the value of inventories held by Australian businesses. An inventories valuation adjustment (IVA) is applied in the calculation of the gross operating surplus of private non-financial corporations (GOS) estimate in the Australian National Accounts. As prices for inventories have risen in the September quarter, growth in GOS will be lower after the application of the IVA. The IVA for the September quarter is approximately \$1billion higher than for the June quarter. No adjustment is made to the company gross operating profits (CGOP) estimate in this publication and, as a result, users should exercise caution when comparing the two series. It should also be noted that there are other significant differences between the two series. In particular, changes are made to GOS when annual benchmarks are applied and different seasonal adjustment methods are used in the two series (note that while aggregation structures are now aligned, CGOP is adjusted using the concurrent method while GOS is adjusted using the forward factor method). Given this, while CGOP movements are an appropriate indicator for GOS, it is not the case that the two series will necessarily have equivalent seasonally adjusted movements from quarter to quarter.

## REVISIONS IN THIS ISSUE

As is usually the case after the initial release of a quarter's estimates, revisions have been made to the June quarter 2004 estimates as a result of responses received or revised after the publication of the previous issue and the use of concurrent seasonal adjustment methodology. The net effect on June quarter 2004 estimates of these revisions has been to revise the seasonally adjusted chain volume estimates for total inventories by +0.7%, Manufacturing sales of goods and services by -0.8% and wholesale trade sales of goods and services by +2.0%. In addition, changes to the measurements of company gross operating profit and wages and salaries have meant a once off revision to these time series. See Technical Note 17 and 'Changes in this issue' section on page 3 for further details.

Dennis Trewin  
Australian Statistician

## CHANGES IN THIS ISSUE

### REVISIONS TO WAGES ESTIMATES

This issue contains substantial revisions to the time series for wages and salaries.

Since the December 2002 issue, adjustments had been made to the wages data sourced from the Quarterly Business Indicators Survey to remedy an apparent lack of coherence with other sources of information on wages and salaries. These adjustments to level estimates were made to September 2002 estimates and carried through in subsequent quarters.

Investigations made possible by the recent introduction of seasonally adjusted estimates indicate that the wages data sourced from the Quarterly Business Indicators Survey was, in fact, generally coherent with these other sources such as labour force and average weekly earnings.

Given this, these adjustments have been taken out of the time series. This has resulted in changes to level estimates of wages and salaries but, for the most part, quarterly movements as published in previous issues are unchanged.

### REVISIONS TO COMPANY PROFITS AND COMPANY GROSS OPERATING PROFITS SERIES

As foreshadowed in last quarter's issue, this issue contains revisions to the series for company profits before income tax and company gross operating profits. The coverage of both series has been increased to include modelled data for businesses employing less than 20 employees and reported data for quasi-corporate enterprises. For practical purposes, quasi-corporate enterprises are defined as unincorporated businesses with 250 or more employees.

The series have been backcast to March quarter 2001, at which point there is a trend break from the older parts of the series, which contain data for incorporated businesses employing 20 or more employees.

While level estimates have increased, quarterly movements are generally comparable with the previously published series.

### INTRODUCTION OF NEW GROSS OPERATING PROFITS SERIES

As also foreshadowed in last quarter's issue, this issue contains two new series. Both series commence from March quarter 2001.

Unincorporated gross operating profits contains estimates for unincorporated businesses, other than quasi-corporate enterprises.

Business gross operating profits contains estimates for all businesses. It is the sum of company gross operating profits and unincorporated gross operating profits. This series allows comparison with sales of goods and services, wages and salaries and inventories estimates, which are on the same scope.

In conjunction with this, the gross operating profits to sales ratio contained in Table 23 has been revised to include all businesses, rather than companies employing more than 20 employees.

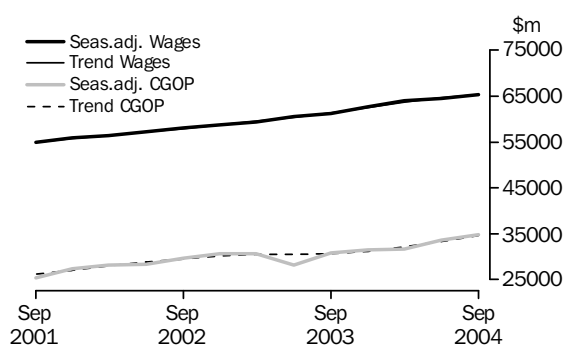
## ANALYSIS BY INDUSTRY

### FEATURED SERIES

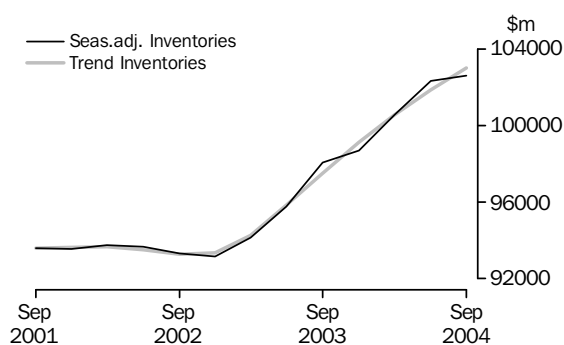
The following graphs and commentary refer to seasonally adjusted and trend estimates of: sales of goods and services ('Sales') and inventories ('Inv.') in volume terms; and wages and salaries ('Wages') and company gross operating profits ('CGOP') in current price terms.

### TOTAL ALL INDUSTRIES

The trend estimate for total company gross operating profits has been growing since September quarter 2001, with growth of over 3% in each of the past three quarters. The seasonally adjusted estimate has grown strongly in the latest two quarters. Both the trend and seasonally adjusted estimates for wages and salaries increased by 1% in the latest quarter, continuing the increases experienced in each quarter since each series began in March quarter 2001.



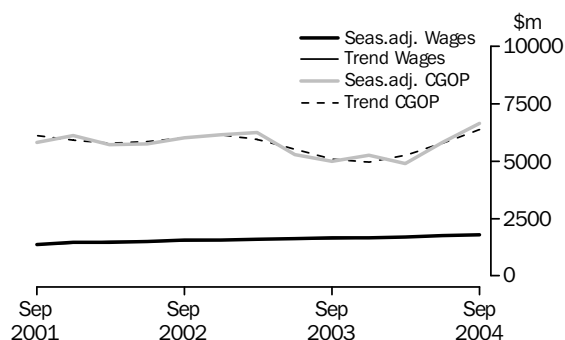
The trend estimate for total inventories increased by 1% in the latest quarter. This continued the build up since the beginning of 2003, with Wholesale trade being the main driver. The seasonally adjusted estimate increased slightly in the latest quarter following sustained growth since March quarter 2003.



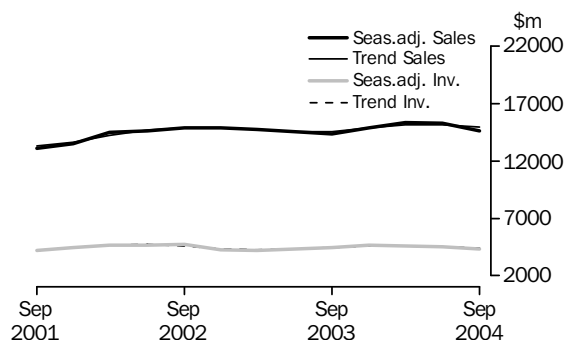
## ANALYSIS BY INDUSTRY *continued*

### MINING

The trend estimate for company gross operating profits has increased strongly - by between 6% and 10% - in each of the latest three quarters after decreasing significantly in the previous four quarters. The seasonally adjusted estimate has increased very strongly in latest two quarters. The trend estimate for wages and salaries has also increased strongly in the latest three quarters, continuing the increases since the series began in March quarter 2001. The seasonally adjusted estimate has increased by between 1% and 4% in the latest three quarters.



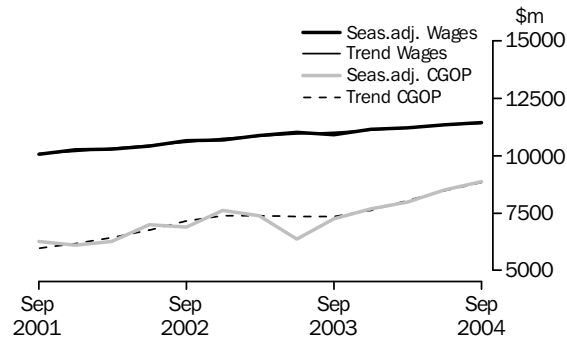
The trend estimate for sales of goods and services has decreased by 1% after being flat in the previous quarter. The seasonally adjusted estimate has decreased for the second successive quarter. The trend estimate for inventories has decreased in the latest three quarters following a strong build up in the previous three quarters. The seasonally adjusted estimate fell by 4% this quarter.



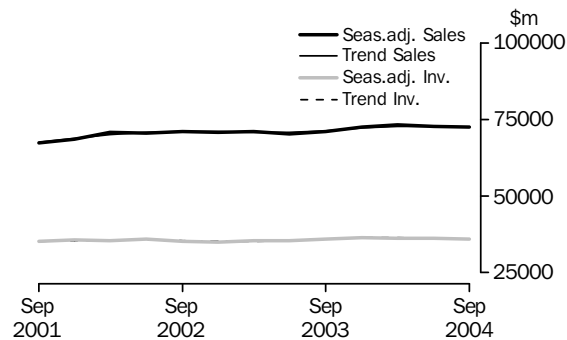
## ANALYSIS BY INDUSTRY *continued*

### MANUFACTURING

The trend estimate for company gross operating profits has increased by more than 4% in each of the latest four quarters. The seasonally adjusted estimate increased by 4% this quarter. The trend estimate for wages and salaries increased steadily in the latest quarter, continuing the increases since the series began in March quarter 2001. The seasonally adjusted estimate increased by 1% this quarter.



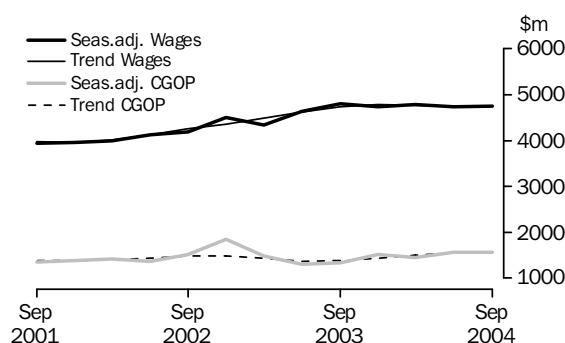
The trend estimate for sales of goods and services has decreased this quarter after being flat last quarter. The seasonally adjusted estimate has fallen for the second successive quarter. The trend estimate for inventories fell by 1% in each of the past two quarters, with the seasonally adjusted estimate also falling by 1% this quarter.



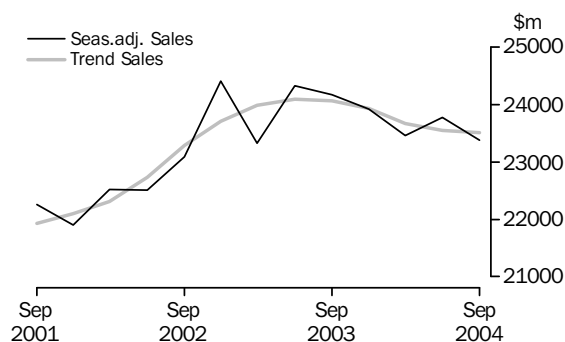
## ANALYSIS BY INDUSTRY *continued*

### CONSTRUCTION

The trend estimate for company gross operating profits has increased by between 2% and 5% in each of the latest four quarters. The seasonally adjusted estimate remained relatively flat in the current quarter following a strong increase in the previous quarter. The trend estimate for wages and salaries has slowly decreased in the latest three quarters following steady growth in the previous eight quarters. The seasonally adjusted estimate remained flat this quarter.

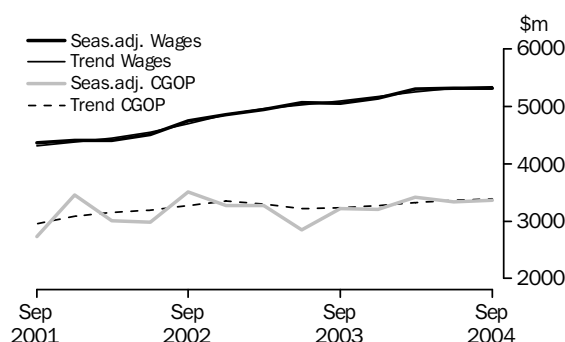


The trend estimate for sales of goods and services has decreased in the latest five quarters following sustained growth in the previous eight quarters. The seasonally adjusted estimate decreased by 2% this quarter.



### WHOLESALE TRADE

The trend estimate for company gross operating profits has increased by a small amount in each of the past five quarters. The seasonally adjusted estimate rose by 1% this quarter after a 2% fall last quarter. The trend estimate for wages and salaries has also had relatively weak growth in recent quarters, with this quarter's seasonally adjusted estimate being flat.

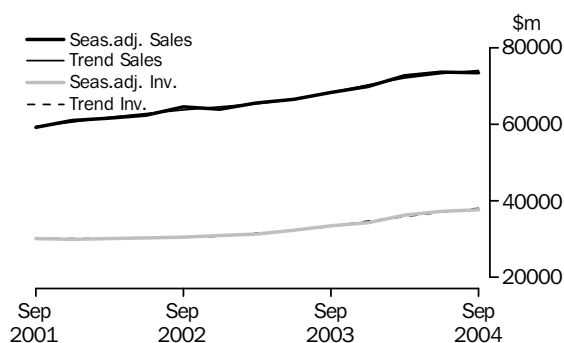


## ANALYSIS BY INDUSTRY *continued*

### WHOLESALE TRADE

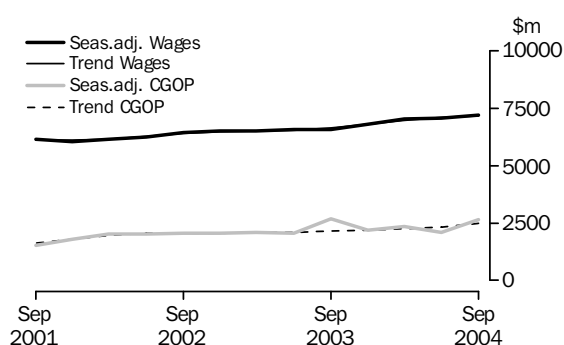
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While trend estimates for sales of goods and services have continued to increase, growth rates have fallen over the past three quarters. This quarter's seasonally adjusted estimate was flat. Trend estimates for inventories have been growing at between 2% and 4% in each of the past seven quarters, with this quarter's 2% seasonally adjusted increase being the lowest since September quarter 2003.

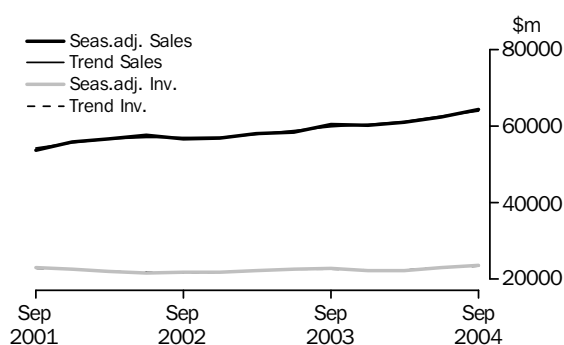


### RETAIL TRADE

The trend estimate for company gross operating profits has increased strongly in the latest two quarters, with a 28% seasonally adjusted increase this quarter. While, like CGOP, trend estimates for wages and salaries have been increasing for some time, the growth in the past two quarters has been relatively weak. The seasonally adjusted estimate grew by 2% this quarter.



Trend estimates for sales of goods and services have been growing for the past eight quarters, with this quarter's 2% increase being the largest over that period. The seasonally adjusted estimate grew by 3% this quarter. Trend estimates of inventories have increased over the last three quarters, with a 2% seasonally adjusted increase this quarter.

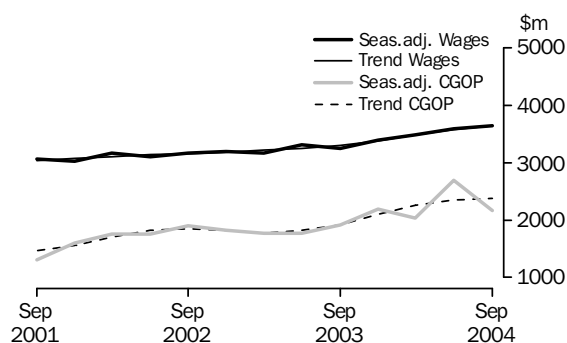




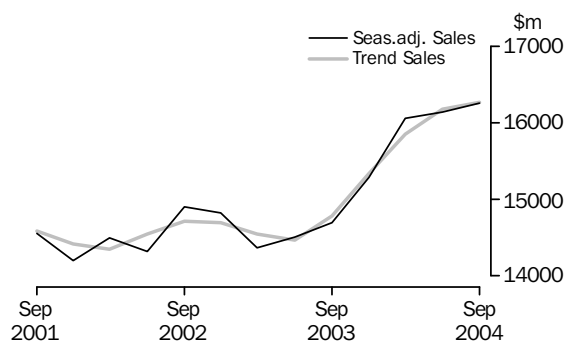
## ANALYSIS BY INDUSTRY *continued*

### TRANSPORT AND STORAGE

After increasing strongly in each quarter of 2003-04, the trend estimate for company gross operating profits increased by just 1% this quarter. The seasonally adjusted estimate fell by 19%. Trend estimates for wages and salaries have increased by between 2% and 3% in each of the past four quarters following an extended period of weaker growth. The seasonally adjusted estimate increased by 2% this quarter.

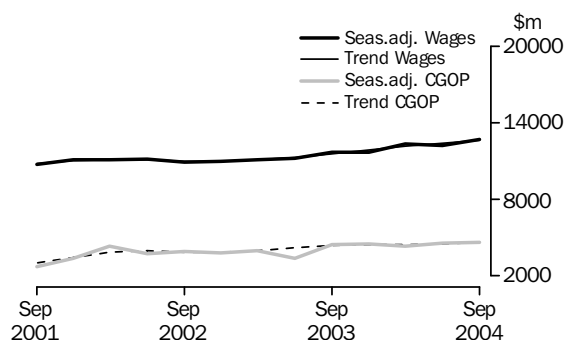


Trend estimates for sales of goods and services have been growing for five quarters, although the rate of growth has fallen recently with weak seasonally adjusted growth in the last two quarters.



### PROPERTY AND BUSINESS SERVICES

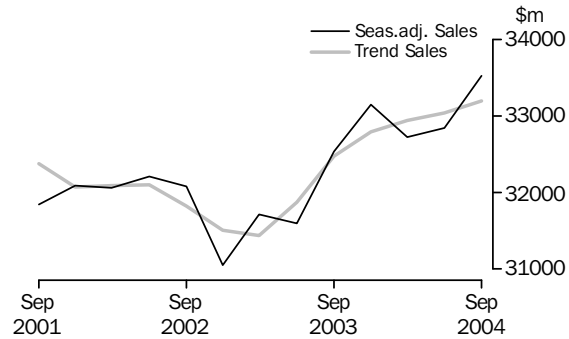
The trend estimate for company gross operating profits continued to grow slowly, with growth in each of the past four quarters being at or below 2%. The seasonally adjusted estimate also increased, by 2%, this quarter. Growth in the trend estimate for wages and salaries has generally been slightly higher than for CGOP in recent quarters, with the seasonally adjusted estimate increasing by 4% this quarter.



## ANALYSIS BY INDUSTRY *continued*

### PROPERTY AND BUSINESS SERVICES *continued*

Trend estimates of sales of goods and services have been growing modestly over the past six quarters, with growth in each of these quarters being less than 2%. This quarter's 2% seasonally adjusted increase was the largest since September quarter 2003.



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## INCOME FROM SALES OF GOODS AND SERVICES, Chain volume measures(a)

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(b)
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m

## ORIGINAL

## 2002-03

September	15 399	72 536	22 965	65 695	55 463	15 161	32 158	31 979
December	15 318	73 790	25 290	66 527	62 256	15 534	31 909	31 184
March	14 099	67 043	22 294	62 625	55 437	13 797	29 966	29 682
June	14 359	70 395	24 686	66 085	57 121	14 120	32 420	30 879

## 2003-04

September	14 806	72 460	24 037	69 100	59 082	14 948	32 604	31 900
December	15 390	75 458	24 780	72 006	65 791	16 014	34 058	33 151
March	14 658	69 302	22 432	70 627	59 066	15 429	30 971	30 737
June	15 019	72 673	24 084	73 040	61 041	15 708	33 645	32 974

## 2004-05

September	15 008	73 839	23 247	74 079	63 167	16 549	33 641	34 171
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## SEASONALLY ADJUSTED (c)

## 2002-03

September	14 898	71 209	23 090	64 597	56 791	14 906	32 084	31 417
December	14 863	70 976	24 405	64 116	56 939	14 830	31 056	30 649
March	14 779	71 118	23 328	65 622	58 064	14 370	31 712	30 636
June	14 593	70 461	24 336	66 598	58 484	14 507	31 602	31 130

## 2003-04

September	14 385	71 157	24 168	68 419	60 405	14 697	32 535	31 273
December	14 900	72 548	23 919	69 969	60 200	15 288	33 156	32 372
March	15 370	73 450	23 463	72 696	61 130	16 065	32 728	31 771
June	15 255	72 739	23 777	73 689	62 519	16 146	32 844	33 401

## 2004-05

September	14 649	72 496	23 379	73 598	64 435	16 266	33 531	33 465
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## TREND (c)

## 2002-03

September	14 879	71 114	23 285	63 819	57 097	14 721	31 822	30 898
December	14 867	71 032	23 712	64 648	57 170	14 695	31 504	30 888
March	14 735	70 840	23 989	65 497	57 820	14 545	31 443	30 765
June	14 557	70 792	24 094	66 657	58 879	14 472	31 873	31 017

## 2003-04

September	14 599	71 411	24 062	68 369	59 765	14 783	32 475	31 457
December	14 911	72 380	23 941	70 377	60 446	15 343	32 801	31 898
March	15 157	72 948	23 678	72 151	61 357	15 856	32 945	32 468
June	15 137	72 942	23 559	73 383	62 604	16 177	33 042	32 997

## 2004-05

September	14 935	72 659	23 510	74 188	64 098	16 272	33 204	33 251
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(a) Reference year for chain volume measures is 2002-03.

(b) See paragraph 12 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

(c) Seasonally adjusted and trend estimates for Mining, Construction and Other selected industries are experimental at this stage due to the short time span of the series.

# SALES OF GOODS AND SERVICES, Chain volume measures(a)—Percentage change from previous quarter

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(b)
	%	%	%	%	%	%	%	%
ORIGINAL								
<b>2002-03</b>								
September	7.2	2.7	0.6	5.2	-1.4	8.8	-1.7	4.6
December	-0.5	1.7	10.1	1.3	12.2	2.5	-0.8	-2.5
March	-8.0	-9.1	-11.8	-5.9	-11.0	-11.2	-6.1	-4.8
June	1.8	5.0	10.7	5.5	3.0	2.3	8.2	4.0
<b>2003-04</b>								
September	3.1	2.9	-2.6	4.6	3.4	5.9	0.6	3.3
December	3.9	4.1	3.1	4.2	11.4	7.1	4.5	3.9
March	-4.8	-8.2	-9.5	-1.9	-10.2	-3.7	-9.1	-7.3
June	2.5	4.9	7.4	3.4	3.3	1.8	8.6	7.3
<b>2004-05</b>								
September	-0.1	1.6	-3.5	1.4	3.5	5.4	0.0	3.6
SEASONALLY ADJUSTED (c)								
<b>2002-03</b>								
September	1.9	0.9	2.6	3.3	-1.4	4.1	-0.4	2.5
December	-0.2	-0.3	5.7	-0.7	0.3	-0.5	-3.2	-2.4
March	-0.6	0.2	-4.4	2.3	2.0	-3.1	2.1	0.0
June	-1.3	-0.9	4.3	1.5	0.7	1.0	-0.3	1.6
<b>2003-04</b>								
September	-1.4	1.0	-0.7	2.7	3.3	1.3	3.0	0.5
December	3.6	2.0	-1.0	2.3	-0.3	4.0	1.9	3.5
March	3.2	1.2	-1.9	3.9	1.5	5.1	-1.3	-1.9
June	-0.7	-1.0	1.3	1.4	2.3	0.5	0.4	5.1
<b>2004-05</b>								
September	-4.0	-0.3	-1.7	-0.1	3.1	0.7	2.1	0.2
TREND (c)								
<b>2002-03</b>								
September	1.2	0.3	2.4	1.5	-0.1	1.2	-0.9	0.5
December	-0.1	-0.1	1.8	1.3	0.1	-0.2	-1.0	0.0
March	-0.9	-0.3	1.2	1.3	1.1	-1.0	-0.2	-0.4
June	-1.2	-0.1	0.4	1.8	1.8	-0.5	1.4	0.8
<b>2003-04</b>								
September	0.3	0.9	-0.1	2.6	1.5	2.1	1.9	1.4
December	2.1	1.4	-0.5	2.9	1.1	3.8	1.0	1.4
March	1.6	0.8	-1.1	2.5	1.5	3.3	0.4	1.8
June	-0.1	0.0	-0.5	1.7	2.0	2.0	0.3	1.6
<b>2004-05</b>								
September	-1.3	-0.4	-0.2	1.1	2.4	0.6	0.5	0.8

(a) Reference year for chain volume measures is 2002-03.

(b) See paragraph 12 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

(c) Seasonally adjusted and trend estimates for Mining, Construction and Other selected industries are experimental at this stage due to the short time span of the series.

## SALES OF GOODS AND SERVICES, Current prices

	<i>Mining</i>	<i>Manufacturing</i>	<i>Construction</i>	<i>Wholesale trade</i>	<i>Retail trade</i>	<i>Transport and storage</i>	<i>Property and business services</i>	<i>Other selected industries(a)</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m

## ORIGINAL

## 2002-03

September	15 565	71 690	22 627	65 515	55 242	15 119	31 815	31 826
December	15 548	73 783	25 108	67 533	62 194	15 545	31 800	30 988
March	14 353	67 789	22 377	63 529	55 618	13 878	30 084	29 682
June	13 666	70 502	25 148	64 355	57 224	14 071	32 753	30 972

## 2003-04

September	13 756	72 332	24 811	65 844	59 080	15 007	33 353	32 382
December	13 937	75 278	25 834	67 400	65 722	16 372	35 006	34 083
March	12 959	69 746	23 747	65 235	59 015	15 683	32 257	32 135
June	14 900	74 445	25 903	68 048	60 823	15 985	35 132	34 582

## 2004-05

September	16 341	77 585	25 331	70 468	62 845	17 018	35 335	36 091
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## SEASONALLY ADJUSTED (b)

## 2002-03

September	15 072	70 410	22 748	64 548	56 623	14 857	31 747	31 263
December	15 082	70 992	24 230	65 138	56 942	14 833	30 955	30 446
March	15 048	71 877	23 415	66 433	58 314	14 447	31 842	30 644
June	13 888	70 551	24 786	64 746	58 651	14 450	31 932	31 229

## 2003-04

September	13 377	71 028	24 950	65 045	60 466	14 747	33 288	31 737
December	13 493	72 372	24 940	65 305	60 200	15 622	34 084	33 269
March	13 584	73 928	24 842	67 047	61 141	16 321	34 093	33 244
June	15 124	74 493	25 553	68 442	62 361	16 422	34 301	35 018

## 2004-05

September	15 932	76 189	25 487	69 763	64 174	16 719	35 225	35 349
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## TREND (b)

## 2002-03

September	15 032	70 522	22 908	64 411	56 948	14 659	31 445	30 807
December	15 102	71 100	23 557	65 364	57 198	14 711	31 384	30 748
March	14 742	71 192	24 106	65 621	57 988	14 551	31 574	30 703
June	14 075	71 023	24 524	65 261	59 049	14 494	32 257	31 158

## 2003-04

September	13 468	71 301	24 809	65 027	59 864	14 888	33 163	31 945
December	13 369	72 256	24 998	65 564	60 468	15 553	33 804	32 827
March	13 991	73 618	25 083	66 933	61 314	16 126	34 204	33 752
June	14 880	74 834	25 315	68 367	62 467	16 505	34 536	34 634

## 2004-05

September	15 807	75 950	25 555	69 716	63 816	16 739	34 931	35 387
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(a) See paragraph 12 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

(b) Seasonally adjusted and trend estimates for Mining, Construction and Other selected industries are experimental at this stage due to the short time span of the series.

## SALES OF GOODS AND SERVICES BY STATE(a), Current prices, Original

	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2002-03</b>								
September	107 096	78 899	55 644	21 796	34 835	4 617	2 602	3 517
December	111 366	83 306	57 186	22 929	36 500	5 071	2 829	3 313
March	102 648	77 638	51 501	20 989	34 506	4 854	2 244	2 931
June	105 551	80 800	53 486	22 177	35 661	5 055	2 617	3 342
<b>2003-04</b>								
September	107 755	82 246	56 197	22 691	36 393	5 293	2 750	3 240
December	114 184	88 335	57 952	23 245	38 004	5 603	2 771	3 539
March	106 126	82 884	53 187	22 661	35 001	5 334	2 313	3 271
June	111 218	86 505	59 305	23 963	36 882	5 254	2 988	3 702
<b>2004-05</b>								
September	115 178	89 817	61 429	24 272	37 972	5 358	3 276	3 710

(a) State sales data should be used with caution. See paragraph 15 of the Technical Note.

## SALES OF GOODS AND SERVICES BY STATE(a), Current prices, Original—Percentage change from previous quarter

	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania(b)</i>	<i>Northern Territory(b)</i>	<i>Australian Capital Territory(b)</i>
	%	%	%	%	%	%	%	%
<b>2002-03</b>								
September	1.5	3.4	5.4	-1.4	2.8	-6.0	3.4	3.9
December	4.0	5.6	2.8	5.2	4.8	9.8	8.7	-5.8
March	-7.8	-6.8	-9.9	-8.5	-5.5	-4.3	-20.7	-11.5
June	2.8	4.1	3.9	5.7	3.3	4.1	16.7	14.0
<b>2003-04</b>								
September	2.1	1.8	5.1	2.3	2.1	4.7	5.1	-3.1
December	6.0	7.4	3.1	2.4	4.4	5.9	0.8	9.2
March	-7.1	-6.2	-8.2	-2.5	-7.9	-4.8	-16.5	-7.6
June	4.8	4.4	11.5	5.7	5.4	-1.5	29.2	13.2
<b>2004-05</b>								
September	3.6	3.8	3.6	1.3	3.0	2.0	9.6	0.2

(a) State sales data should be used with caution. See paragraph 15 of the Technical Note.

(b) The relative standard errors on the movement estimates for these states are significantly higher than those for the larger states, and the quarterly movement estimates should be used with caution.

## INVENTORIES, Chain volume measures(a)

	Mining	Manufacturing	Wholesale trade	Retail trade	Other selected industries(b)	Total
	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL						
<b>2002-03</b>						
September	4 767	35 560	30 414	21 834	1 024	93 575
December	4 267	34 350	32 606	22 130	1 064	94 441
March	4 219	35 674	31 381	22 509	1 043	94 817
June	4 258	35 569	31 308	21 985	1 006	94 125
<b>2003-04</b>						
September	4 517	36 400	32 181	22 982	1 053	97 132
December	4 669	35 848	37 084	22 450	1 075	101 126
March	4 579	36 664	37 122	22 597	1 096	102 059
June	4 446	36 466	36 307	22 501	1 070	100 790
<b>2004-05</b>						
September	4 417	36 200	36 577	23 705	1 003	101 904
SEASONALLY ADJUSTED						
<b>2002-03</b>						
September	4 713	35 343	30 465	21 770	1 052	93 314
December	4 249	35 014	30 994	21 868	1 031	93 145
March	4 213	35 369	31 297	22 250	1 039	94 156
June	4 335	35 479	32 358	22 601	1 019	95 792
<b>2003-04</b>						
September	4 465	36 096	33 554	22 878	1 073	98 067
December	4 643	36 538	34 269	22 200	1 047	98 697
March	4 576	36 333	36 233	22 347	1 088	100 577
June	4 528	36 368	37 230	23 132	1 086	102 345
<b>2004-05</b>						
September	4 366	35 888	37 780	23 580	1 025	102 639
TREND						
<b>2002-03</b>						
September	4 569	35 442	30 544	21 712	1 043	93 287
December	4 366	35 206	30 861	21 905	1 031	93 354
March	4 251	35 230	31 485	22 289	1 034	94 281
June	4 314	35 621	32 314	22 577	1 037	95 862
<b>2003-04</b>						
September	4 480	36 063	33 372	22 574	1 050	97 539
December	4 588	36 382	34 666	22 437	1 069	99 142
March	4 581	36 411	35 940	22 565	1 076	100 573
June	4 507	36 246	37 077	22 981	1 068	101 878
<b>2004-05</b>						
September	4 403	36 015	38 030	23 504	1 053	103 005

(a) Reference year for chain volume measures is 2002-03.

(b) See paragraph 12 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.



## INVENTORIES, Chain volume measures(a)—Percentage change from previous quarter

	Mining	Manufacturing	Wholesale trade	Retail trade	Other selected industries(b)	Total
	%	%	%	%	%	%
ORIGINAL						
<b>2002–03</b>						
September	3.8	–1.6	1.4	3.7	1.4	0.9
December	–10.5	–3.4	7.2	1.4	3.9	0.9
March	–1.1	3.9	–3.8	1.7	–2.0	0.4
June	0.9	–0.3	–0.2	–2.3	–3.5	–0.7
<b>2003–04</b>						
September	6.1	2.3	2.8	4.5	4.6	3.2
December	3.4	–1.5	15.2	–2.3	2.1	4.1
March	–1.9	2.3	0.1	0.7	2.0	0.9
June	–2.9	–0.5	–2.2	–0.4	–2.4	–1.2
<b>2004–05</b>						
September	–0.7	–0.7	0.7	5.4	–6.2	1.1
SEASONALLY ADJUSTED						
<b>2002–03</b>						
September	0.9	–1.9	0.4	0.6	3.0	–0.4
December	–9.9	–0.9	1.7	0.5	–2.0	–0.2
March	–0.8	1.0	1.0	1.7	0.7	1.1
June	2.9	0.3	3.4	1.6	–1.9	1.7
<b>2003–04</b>						
September	3.0	1.7	3.7	1.2	5.3	2.4
December	4.0	1.2	2.1	–3.0	–2.4	0.6
March	–1.4	–0.6	5.7	0.7	4.0	1.9
June	–1.1	0.1	2.8	3.5	–0.2	1.8
<b>2004–05</b>						
September	–3.6	–1.3	1.5	1.9	–5.7	0.3
TREND						
<b>2002–03</b>						
September	–2.9	–0.7	0.7	–0.3	–0.6	–0.3
December	–4.4	–0.7	1.0	0.9	–1.1	0.1
March	–2.6	0.1	2.0	1.8	0.3	1.0
June	1.5	1.1	2.6	1.3	0.3	1.7
<b>2003–04</b>						
September	3.8	1.2	3.3	0.0	1.3	1.8
December	2.4	0.9	3.9	–0.6	1.8	1.6
March	–0.2	0.1	3.7	0.6	0.7	1.4
June	–1.6	–0.5	3.2	1.8	–0.8	1.3
<b>2004–05</b>						
September	–2.3	–0.6	2.6	2.3	–1.4	1.1

(a) Reference year for chain volume measures is 2002–03.

(b) See paragraph 12 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

## INVENTORIES, Current prices

	Mining	Manufacturing	Wholesale trade	Retail trade	Other selected industries(a)	Total
	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL						
<b>2002-03</b>						
September	4 747	35 233	30 462	21 658	1 034	93 133
December	4 319	34 569	32 764	22 188	1 072	94 911
March	4 318	36 145	31 029	22 686	1 034	95 212
June	4 255	35 650	30 314	22 163	1 000	93 382
<b>2003-04</b>						
September	4 412	35 915	30 651	23 166	1 052	95 197
December	4 551	35 214	33 331	22 698	1 086	96 879
March	4 549	36 234	32 971	22 962	1 107	97 822
June	4 520	36 801	32 692	22 753	1 089	97 854
<b>2004-05</b>						
September	4 695	38 126	33 639	23 868	1 044	101 371
SEASONALLY ADJUSTED						
<b>2002-03</b>						
September	4 693	35 012	31 342	21 594	1 062	93 703
December	4 300	35 242	31 166	21 925	1 038	93 671
March	4 313	35 840	30 888	22 426	1 028	94 495
June	4 332	35 546	31 197	22 785	1 013	94 873
<b>2003-04</b>						
September	4 361	35 613	31 509	23 061	1 074	95 618
December	4 526	35 897	31 734	22 445	1 058	95 660
March	4 545	35 920	32 845	22 707	1 098	97 115
June	4 603	36 700	33 586	23 390	1 105	99 384
<b>2004-05</b>						
September	4 640	37 798	34 468	23 742	1 066	101 714
TREND						
<b>2002-03</b>						
September	4 551	35 234	31 082	21 596	1 046	93 509
December	4 423	35 366	31 112	21 932	1 035	93 868
March	4 311	35 532	31 090	22 431	1 030	94 394
June	4 311	35 664	31 123	22 765	1 031	94 894
<b>2003-04</b>						
September	4 398	35 666	31 424	22 788	1 050	95 326
December	4 482	35 737	31 961	22 703	1 076	95 959
March	4 553	36 153	32 734	22 855	1 089	97 384
June	4 603	36 781	33 598	23 244	1 091	99 317
<b>2004-05</b>						
September	4 639	37 515	34 411	23 738	1 086	101 389

(a) See paragraph 12 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

## COMPANY PROFITS BEFORE INCOME TAX(a), Current prices

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(b)	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m

## ORIGINAL

<b>2002-03</b>									
September	3 860	4 277	1 117	2 677	966	857	2 954	1 124	17 832
December	2 960	5 387	1 586	2 682	1 972	1 023	2 452	2 709	20 771
March	4 394	4 672	1 036	2 613	1 059	585	2 538	2 864	19 760
June	3 878	3 567	991	2 229	933	227	1 561	4 899	18 286
<b>2003-04</b>									
September	3 253	4 665	974	2 756	1 558	802	4 222	3 176	21 405
December	3 891	5 750	1 203	2 765	2 354	1 326	3 415	4 091	24 796
March	2 804	4 996	969	2 688	1 401	796	2 810	2 644	19 108
June	2 185	5 386	1 209	2 435	1 090	1 091	3 557	1 590	18 543
<b>2004-05</b>									
September	5 023	6 631	1 106	2 802	1 616	958	3 643	3 378	25 159

## SEASONALLY ADJUSTED

<b>2002-03</b>									
September	3 613	4 058	1 154	2 633	1 160	850	2 819	789	17 076
December	3 303	4 741	1 417	2 594	1 346	770	2 246	2 419	18 836
March	4 348	4 963	1 145	2 646	1 233	583	2 839	3 059	20 816
June	3 759	4 087	981	2 353	1 199	494	1 609	5 351	19 833
<b>2003-04</b>									
September	3 057	4 463	1 012	2 685	1 753	792	4 074	2 814	20 650
December	4 388	5 055	1 071	2 677	1 714	1 071	3 199	3 797	22 972
March	2 750	5 279	1 067	2 710	1 574	788	3 137	2 839	20 144
June	2 117	6 172	1 203	2 588	1 365	1 367	3 600	2 064	20 476
<b>2004-05</b>									
September	4 739	6 383	1 146	2 703	1 811	948	3 480	2 995	24 205

## TREND

<b>2002-03</b>									
September	3 493	4 460	1 128	2 532	1 203	845	2 502	1 283	17 446
December	3 717	4 618	1 138	2 615	1 251	718	2 448	2 316	18 821
March	3 802	4 581	1 097	2 560	1 260	598	2 398	3 456	19 752
June	3 804	4 481	1 037	2 532	1 244	619	2 664	4 085	20 466
<b>2003-04</b>									
September	3 753	4 487	1 013	2 595	1 732	741	3 101	3 932	21 354
December	3 328	4 883	1 046	2 665	1 657	925	3 373	3 307	21 184
March	3 077	5 468	1 108	2 681	1 571	1 041	3 419	2 798	21 163
June	3 147	5 979	1 148	2 657	1 556	1 087	3 380	2 629	21 583
<b>2004-05</b>									
September	3 521	6 440	1 168	2 659	1 619	1 092	3 514	2 530	22 543

(a) This measure includes all incorporated businesses as well as unincorporated businesses employing more than 250 persons. See paragraph 8 of the Explanatory Notes for more information.

(b) See paragraph 12 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

# COMPANY PROFITS BEFORE INCOME TAX(a), Current prices—Percentage change from previous quarter

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(b)	Total
	%	%	%	%	%	%	%	%	%
ORIGINAL									
<b>2002-03</b>									
September	10.7	9.5	7.0	16.4	9.8	52.9	45.2	27.4	18.2
December	np	25.9	42.0	0.2	104.1	19.4	-17.0	141.1	16.5
March	48.4	-13.3	-34.7	-2.6	-46.3	-42.8	3.5	5.7	-4.9
June	-11.7	-23.7	-4.3	-14.7	-11.9	-61.2	-38.5	71.0	-7.5
<b>2003-04</b>									
September	-16.1	30.8	-1.8	23.6	67.0	253.4	170.5	-35.2	17.1
December	19.6	23.2	23.6	0.3	51.1	65.4	-19.1	28.8	15.8
March	-27.9	-13.1	-19.5	-2.8	-40.5	-40.0	-17.7	-35.4	-22.9
June	-22.1	7.8	24.8	-9.4	-22.2	37.1	26.6	-39.8	-3.0
<b>2004-05</b>									
September	129.9	23.1	-8.5	15.1	48.2	-12.2	2.4	112.4	35.7
SEASONALLY ADJUSTED									
<b>2002-03</b>									
September	6.2	-9.5	12.1	10.9	3.0	4.8	35.0	-39.7	2.7
December	np	16.8	22.8	-1.5	16.0	-9.4	-20.3	206.6	10.3
March	31.7	4.7	-19.2	2.0	-8.4	-24.3	26.4	26.5	10.5
June	-13.5	-17.7	-14.3	-11.1	-2.8	-15.4	-43.3	74.9	-4.7
<b>2003-04</b>									
September	-18.7	9.2	3.1	14.1	46.3	60.4	153.1	-47.4	4.1
December	43.5	13.3	5.8	-0.3	-2.2	35.3	-21.5	34.9	11.2
March	-37.3	4.4	-0.4	1.3	-8.2	-26.5	-1.9	-25.2	-12.3
June	-23.0	16.9	12.8	-4.5	-13.3	73.5	14.7	-27.3	1.6
<b>2004-05</b>									
September	123.8	3.4	-4.8	4.5	32.7	-30.7	-3.3	45.1	18.2
TREND									
<b>2002-03</b>									
September	-1.0	6.8	4.3	2.4	1.0	-0.6	10.5	45.8	6.1
December	6.4	3.5	0.8	3.3	4.0	-15.1	-2.2	80.5	7.9
March	2.3	-0.8	-3.5	-2.1	0.8	-16.7	-2.0	49.2	4.9
June	0.0	-2.2	-5.5	-1.1	-1.3	3.6	11.1	18.2	3.6
<b>2003-04</b>									
September	-1.3	0.1	-2.3	2.5	39.2	19.7	16.4	-3.7	4.3
December	-11.3	8.8	3.3	2.7	-4.3	24.8	8.8	-15.9	-0.8
March	-7.5	12.0	5.8	0.6	-5.2	12.5	1.4	-15.4	-0.1
June	2.3	9.3	3.7	-0.9	-0.9	4.4	-1.1	-6.0	2.0
<b>2004-05</b>									
September	11.9	7.7	1.7	0.1	4.0	0.5	4.0	-3.8	4.4

np not available for publication but included in totals where applicable, unless otherwise indicated

(a) This measure includes all incorporated businesses as well as unincorporated businesses employing 250 persons or more. See paragraph 8 of the Explanatory Notes for more information.

(b) See paragraph 12 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

## COMPANY GROSS OPERATING PROFITS(a), Current prices

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(b)	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2002-03</b>									
September	6 386	7 178	1 491	3 607	1 755	1 962	4 198	4 026	30 602
December	6 140	8 051	1 971	3 392	2 985	2 134	3 994	4 330	32 997
March	6 041	6 943	1 357	3 107	1 824	1 714	3 569	4 127	28 682
June	5 194	6 185	1 373	2 824	1 708	1 466	3 329	4 950	27 029
<b>2003-04</b>									
September	5 278	7 550	1 313	3 318	2 285	1 975	4 747	5 248	31 713
December	5 272	8 085	1 611	3 326	3 160	2 580	4 751	5 228	34 013
March	4 705	7 514	1 338	3 251	2 079	1 976	3 917	4 847	29 626
June	5 698	8 301	1 641	3 277	1 717	2 236	4 503	4 812	32 184
<b>2004-05</b>									
September	7 014	9 146	1 533	3 484	2 277	2 218	4 965	5 153	35 790
SEASONALLY ADJUSTED									
<b>2002-03</b>									
September	6 031	6 901	1 524	3 515	2 066	1 903	3 951	3 787	29 678
December	6 137	7 617	1 849	3 278	2 054	1 817	3 791	4 160	30 702
March	6 264	7 388	1 486	3 276	2 096	1 770	3 961	4 374	30 615
June	5 300	6 374	1 312	2 853	2 065	1 766	3 377	5 176	28 221
<b>2003-04</b>									
September	4 983	7 268	1 339	3 224	2 676	1 922	4 453	4 948	30 814
December	5 265	7 681	1 517	3 206	2 192	2 197	4 521	4 996	31 575
March	4 882	7 984	1 461	3 416	2 364	2 039	4 350	5 158	31 653
June	5 811	8 522	1 565	3 336	2 085	2 690	4 561	5 035	33 605
<b>2004-05</b>									
September	6 637	8 858	1 570	3 369	2 665	2 168	4 665	4 865	34 798
TREND									
<b>2002-03</b>									
September	6 017	7 156	1 480	3 266	2 065	1 846	3 890	3 820	29 525
December	6 165	7 387	1 490	3 347	2 064	1 819	3 842	4 123	30 252
March	5 943	7 406	1 431	3 299	2 075	1 775	3 994	4 551	30 546
June	5 519	7 352	1 372	3 220	2 093	1 817	4 213	4 886	30 573
<b>2003-04</b>									
September	5 112	7 362	1 378	3 229	2 163	1 916	4 402	5 048	30 681
December	4 965	7 625	1 438	3 269	2 199	2 100	4 460	5 086	31 156
March	5 267	8 038	1 506	3 327	2 245	2 265	4 474	5 057	32 166
June	5 777	8 465	1 544	3 366	2 334	2 356	4 531	5 025	33 395
<b>2004-05</b>									
September	6 376	8 840	1 568	3 384	2 472	2 376	4 620	4 937	34 610

(a) This measure includes all incorporated businesses as well as unincorporated businesses employing 250 persons or more. See paragraph 8 of the Explanatory Notes for more information.

(b) See paragraph 12 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

# COMPANY GROSS OPERATING PROFITS(a), Current prices—Percentage change from previous quarter

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(b)	Total
	%	%	%	%	%	%	%	%	%

## ORIGINAL

### 2002-03

September	16.2	9.4	6.2	23.7	6.7	38.1	-1.9	18.2	12.8
December	-3.9	12.2	32.2	-6.0	70.1	8.8	-4.9	7.6	7.8
March	-1.6	-13.8	-31.1	-8.4	-38.9	-19.7	-10.7	-4.7	-13.1
June	-14.0	-10.9	1.2	-9.1	-6.4	-14.4	-6.7	19.9	-5.8

### 2003-04

September	1.6	22.1	-4.4	17.5	33.8	34.7	42.6	6.0	17.3
December	-0.1	7.1	22.7	0.2	38.3	30.6	0.1	-0.4	7.3
March	-10.8	-7.1	-17.0	-2.3	-34.2	-23.4	-17.6	-7.3	-12.9
June	21.1	10.5	22.7	0.8	-17.4	13.1	15.0	-0.7	8.6

### 2004-05

September	23.1	10.2	-6.6	6.3	32.6	-0.8	10.3	7.1	11.2
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## SEASONALLY ADJUSTED

### 2002-03

September	4.6	-1.5	10.7	17.7	1.9	7.9	4.7	3.6	4.7
December	1.7	10.4	21.3	-6.7	-0.6	-4.5	-4.0	9.8	3.4
March	np	-3.0	-19.6	-0.1	2.0	-2.6	4.5	5.1	-0.3
June	-15.4	-13.7	-11.7	-12.9	-1.5	-0.2	-14.7	18.3	-7.8

### 2003-04

September	-6.0	14.0	2.1	13.0	29.6	8.8	31.9	-4.4	9.2
December	5.7	5.7	13.3	-0.5	-18.1	14.3	1.5	1.0	2.5
March	-7.3	3.9	-3.7	6.5	7.8	-7.2	-3.8	3.2	0.2
June	19.0	6.7	7.1	-2.3	-11.8	31.9	4.8	-2.4	6.2

### 2004-05

September	14.2	3.9	0.3	1.0	27.9	-19.4	2.3	-3.4	3.6
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## TREND

### 2002-03

September	3.1	5.8	3.0	2.3	0.8	1.3	-3.1	3.6	2.5
December	2.5	3.2	0.7	2.5	0.0	-1.4	-1.3	7.9	2.5
March	-3.6	0.3	-4.0	-1.4	0.5	-2.5	4.0	10.4	1.0
June	-7.1	-0.7	-4.1	-2.4	0.8	2.4	5.5	7.4	0.1

### 2003-04

September	-7.4	0.1	0.4	0.3	3.3	5.4	4.5	3.3	0.4
December	-2.9	3.6	4.4	1.3	1.7	9.6	1.3	0.8	1.5
March	6.1	5.4	4.7	1.8	2.1	7.8	0.3	-0.6	3.2
June	9.7	5.3	2.5	1.2	4.0	4.1	1.3	-0.6	3.8

### 2004-05

September	10.4	4.4	1.6	0.6	5.9	0.8	2.0	-1.8	3.6
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np not available for publication but included in totals where applicable, unless otherwise indicated

(b) See paragraph 12 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

(a) This measure includes all incorporated businesses as well as unincorporated businesses employing 250 persons or more. See paragraph 8 of the Explanatory Notes for more information.

## UNINCORPORATED GROSS OPERATING PROFITS(a), Current prices

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(b)	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2002-03</b>									
September	31	601	548	460	1 078	300	1 798	718	5 534
December	7	546	612	501	1 303	244	1 715	922	5 849
March	37	412	586	540	1 042	207	1 611	819	5 255
June	28	434	718	526	1 056	222	1 798	849	5 630
<b>2003-04</b>									
September	19	534	719	526	1 150	284	2 247	1 049	6 527
December	23	589	804	742	1 270	268	2 315	1 091	7 102
March	22	432	576	626	1 112	250	1 906	1 048	5 973
June	38	517	668	518	1 149	228	1 953	1 059	6 130
<b>2004-05</b>									
September	16	636	826	566	1 221	266	1 858	1 253	6 642
SEASONALLY ADJUSTED									
<b>2002-03</b>									
September	32	542	557	496	1 133	277	1 708	707	5 452
December	6	499	567	408	1 133	241	1 672	843	5 369
March	41	462	628	541	1 087	221	1 753	817	5 550
June	26	480	715	619	1 124	231	1 794	949	5 938
<b>2003-04</b>									
September	20	482	730	567	1 208	262	2 134	1 044	6 447
December	21	539	746	605	1 104	265	2 257	994	6 531
March	24	484	618	627	1 160	266	2 074	1 038	6 291
June	35	571	665	610	1 223	237	1 949	1 176	6 466
<b>2004-05</b>									
September	16	574	839	611	1 283	245	1 765	1 237	6 570
TREND									
<b>2002-03</b>									
September	22	558	600	434	1 151	306	1 773	777	5 621
December	25	497	584	478	1 109	251	1 690	789	5 423
March	27	470	626	529	1 114	221	1 719	856	5 562
June	27	476	702	575	1 134	235	1 891	943	5 983
<b>2003-04</b>									
September	24	491	731	603	1 146	254	2 082	991	6 322
December	22	507	698	605	1 150	264	2 180	1 026	6 452
March	26	525	675	612	1 168	259	2 102	1 070	6 437
June	26	549	702	617	1 215	249	1 945	1 146	6 449
<b>2004-05</b>									
September	24	572	764	613	1 277	240	1 787	1 235	6 512

(a) This measure includes all unincorporated businesses with less than 250 persons employed. See paragraph 8 of the Explanatory Notes for more information.

(b) See paragraph 12 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

# UNINCORPORATED GROSS OPERATING PROFITS(a), Current prices—Percentage change from previous quarter

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(b)	Total
	%	%	%	%	%	%	%	%	%
ORIGINAL									
<b>2002-03</b>									
September	26.4	6.5	-22.8	36.5	-3.3	-27.0	-8.2	-4.4	-5.7
December	-77.8	-9.2	11.7	8.9	20.8	-18.7	-4.6	28.4	5.7
March	441.2	-24.5	-4.2	7.9	-20.0	-15.1	-6.0	-11.2	-10.2
June	-24.7	5.4	22.4	-2.6	1.3	7.2	11.6	3.7	7.1
<b>2003-04</b>									
September	-29.8	23.0	0.1	0.0	8.9	27.6	25.0	23.6	15.9
December	16.8	10.2	11.9	41.1	10.4	-5.6	3.0	4.1	8.8
March	-3.5	-26.6	-28.3	-15.6	-12.4	-6.4	-17.7	-4.0	-15.9
June	71.5	19.7	15.9	-17.3	3.3	-8.8	2.4	1.1	2.6
<b>2004-05</b>									
September	-58.6	23.0	23.6	9.3	6.3	16.3	-4.8	18.3	8.3
SEASONALLY ADJUSTED									
<b>2002-03</b>									
September	40.8	-12.9	-21.2	25.1	-4.6	-35.1	-12.6	-17.1	-11.6
December	-79.9	-7.9	1.9	-17.7	0.0	-12.9	-2.1	19.2	-1.5
March	541.2	-7.6	10.7	32.5	-4.0	-8.6	4.9	-3.1	3.4
June	-37.1	3.9	13.7	14.5	3.4	4.6	2.4	16.2	7.0
<b>2003-04</b>									
September	-21.8	0.5	2.2	-8.4	7.5	13.3	18.9	10.0	8.6
December	5.9	11.8	2.1	6.7	-8.6	1.2	5.8	-4.8	1.3
March	14.4	-10.2	-17.2	3.6	5.1	0.7	-8.1	4.4	-3.7
June	43.3	18.0	7.7	-2.8	5.4	-11.0	-6.0	13.3	2.8
<b>2004-05</b>									
September	-53.9	0.5	26.3	0.2	4.9	3.4	-9.5	5.2	1.6
TREND									
<b>2002-03</b>									
September	0.5	-10.2	-7.8	6.2	-4.7	-12.7	-4.5	-5.0	-5.3
December	13.4	-11.1	-2.7	10.1	-3.7	-18.1	-4.7	1.5	-3.5
March	9.0	-5.4	7.3	10.5	0.4	-12.0	1.8	8.5	2.6
June	0.4	1.3	12.1	8.7	1.8	6.3	9.9	10.2	7.6
<b>2003-04</b>									
September	-12.4	3.2	4.1	4.9	1.1	8.2	10.2	5.1	5.7
December	-6.2	3.3	-4.5	0.4	0.3	4.1	4.7	3.5	2.1
March	16.9	3.6	-3.3	1.2	1.6	-2.1	-3.6	4.3	-0.2
June	2.1	4.5	4.0	0.8	4.0	-3.9	-7.5	7.1	0.2
<b>2004-05</b>									
September	-9.3	4.2	8.7	-0.7	5.1	-3.4	-8.1	7.8	1.0

(a) This measure includes all unincorporated businesses with less than 250 persons employed. See paragraph 8 of the Explanatory Notes for more information.

(b) See paragraph 12 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.



## BUSINESS GROSS OPERATING PROFITS(a), Current prices

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(b)	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m

## ORIGINAL

<b>2002-03</b>									
September	6 417	7 779	2 038	4 067	2 833	2 262	5 996	4 744	36 136
December	6 147	8 597	2 582	3 892	4 288	2 378	5 709	5 253	38 845
March	6 077	7 355	1 944	3 647	2 866	1 921	5 180	4 946	33 936
June	5 222	6 619	2 091	3 350	2 763	1 688	5 127	5 799	32 659
<b>2003-04</b>									
September	5 297	8 084	2 032	3 843	3 435	2 259	6 994	6 296	38 240
December	5 295	8 674	2 415	4 068	4 430	2 848	7 066	6 319	41 115
March	4 727	7 946	1 914	3 877	3 191	2 226	5 823	5 895	35 600
June	5 736	8 818	2 309	3 794	2 866	2 464	6 456	5 871	38 314
<b>2004-05</b>									
September	7 029	9 782	2 359	4 051	3 498	2 484	6 823	6 406	42 432

## SEASONALLY ADJUSTED

<b>2002-03</b>									
September	6 063	7 443	2 081	4 011	3 199	2 180	5 659	4 494	35 130
December	6 143	8 116	2 416	3 686	3 187	2 058	5 463	5 003	36 071
March	6 305	7 850	2 114	3 817	3 183	1 991	5 714	5 191	36 165
June	5 326	6 854	2 027	3 472	3 189	1 997	5 171	6 125	34 159
<b>2003-04</b>									
September	5 003	7 750	2 069	3 791	3 884	2 184	6 587	5 992	37 261
December	5 286	8 220	2 263	3 811	3 296	2 462	6 778	5 990	38 106
March	4 906	8 468	2 079	4 043	3 524	2 305	6 424	6 196	37 944
June	5 846	9 093	2 230	3 946	3 308	2 927	6 510	6 211	40 071
<b>2004-05</b>									
September	6 653	9 432	2 409	3 980	3 948	2 413	6 430	6 102	41 368

## TREND

<b>2002-03</b>									
September	6 039	7 714	2 080	3 700	3 216	2 152	5 663	4 597	35 146
December	6 190	7 884	2 074	3 825	3 173	2 070	5 532	4 912	35 675
March	5 970	7 876	2 057	3 828	3 189	1 996	5 713	5 407	36 108
June	5 546	7 828	2 074	3 795	3 227	2 052	6 104	5 829	36 556
<b>2003-04</b>									
September	5 136	7 853	2 109	3 832	3 309	2 170	6 484	6 039	37 003
December	4 987	8 132	2 136	3 874	3 349	2 364	6 640	6 112	37 608
March	5 293	8 563	2 181	3 939	3 413	2 524	6 576	6 127	38 603
June	5 803	9 014	2 246	3 983	3 549	2 605	6 476	6 171	39 844
<b>2004-05</b>									
September	6 400	9 412	2 332	3 997	3 749	2 616	6 407	6 172	41 122

(a) This measure is the sum of the company and unincorporated gross operating profits.

(b) See paragraph 12 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(b)	Total
	%	%	%	%	%	%	%	%	%
ORIGINAL									
<b>2002-03</b>									
September	16.3	9.2	-3.6	25.1	2.6	23.5	-3.8	14.1	9.5
December	-4.2	10.5	26.7	-4.3	51.3	5.1	-4.8	10.7	7.5
March	-1.1	-14.4	-24.7	-6.3	-33.2	-19.2	-9.3	-5.8	-12.6
June	-14.1	-10.0	7.6	-8.1	-3.6	-12.1	-1.0	17.2	-3.8
<b>2003-04</b>									
September	1.4	22.1	-2.8	14.7	24.3	33.8	36.4	8.6	17.1
December	0.0	7.3	18.9	5.8	29.0	26.1	1.0	0.4	7.5
March	-10.7	-8.4	-20.8	-4.7	-28.0	-21.8	-17.6	-6.7	-13.4
June	21.3	11.0	20.7	-2.1	-10.2	10.7	10.9	-0.4	7.6
<b>2004-05</b>									
September	22.5	10.9	2.1	6.8	22.1	0.8	5.7	9.1	10.7
SEASONALLY ADJUSTED									
<b>2002-03</b>									
September	4.8	-2.5	-0.1	18.6	-0.5	-0.5	-1.2	-0.3	1.8
December	1.3	9.0	16.1	-8.1	-0.4	-5.6	-3.5	11.3	2.7
March	2.6	-3.3	-12.5	3.6	-0.1	-3.3	4.6	3.8	0.3
June	-15.5	-12.7	-4.1	-9.0	0.2	0.3	-9.5	18.0	-5.5
<b>2003-04</b>									
September	-6.1	13.1	2.1	9.2	21.8	9.4	27.4	-2.2	9.1
December	5.7	6.1	9.4	0.5	-15.1	12.7	2.9	0.0	2.3
March	-7.2	3.0	-8.1	6.1	6.9	-6.4	-5.2	3.4	-0.4
June	19.2	7.4	7.3	-2.4	-6.1	27.0	1.3	0.2	5.6
<b>2004-05</b>									
September	13.8	3.7	8.0	0.9	19.3	-17.6	-1.2	-1.8	3.2
TREND									
<b>2002-03</b>									
September	3.1	4.5	-0.3	2.7	-1.3	-1.0	-3.5	2.0	1.2
December	2.5	2.2	-0.3	3.4	-1.3	-3.8	-2.3	6.9	1.5
March	-3.6	-0.1	-0.8	0.1	0.5	-3.6	3.3	10.1	1.2
June	-7.1	-0.6	0.8	-0.9	1.2	2.8	6.8	7.8	1.2
<b>2003-04</b>									
September	-7.4	0.3	1.7	1.0	2.5	5.8	6.2	3.6	1.2
December	-2.9	3.6	1.3	1.1	1.2	8.9	2.4	1.2	1.6
March	6.1	5.3	2.1	1.7	1.9	6.8	-1.0	0.2	2.6
June	9.6	5.3	3.0	1.1	4.0	3.2	-1.5	0.7	3.2
<b>2004-05</b>									
September	10.3	4.4	3.8	0.4	5.6	0.4	-1.1	0.0	3.2

(a) This measure is the sum of the company and unincorporated gross operating profits.

(b) See paragraph 12 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(a)	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m

## ORIGINAL

<b>2002-03</b>									
September	1 565	10 810	4 196	4 796	6 377	3 195	11 000	16 304	58 244
December	1 588	11 030	4 648	4 959	6 761	3 288	11 142	16 564	59 980
March	1 557	10 460	4 221	4 752	6 337	3 100	10 690	16 364	57 481
June	1 629	10 953	4 612	5 108	6 547	3 268	11 501	17 213	60 832
<b>2003-04</b>									
September	1 657	11 067	4 809	5 092	6 517	3 267	11 741	17 324	61 474
December	1 687	11 500	4 887	5 267	7 071	3 497	11 861	18 287	64 057
March	1 646	10 771	4 657	5 087	6 844	3 411	11 859	17 618	61 893
June	1 751	11 293	4 718	5 362	7 035	3 538	12 544	18 657	64 897
<b>2004-05</b>									
September	1 797	11 580	4 749	5 361	7 123	3 665	12 755	18 591	65 622

## SEASONALLY ADJUSTED (b)

<b>2002-03</b>									
September	1 553	10 666	4 194	4 750	6 449	3 175	10 943	16 279	58 009
December	1 551	10 691	4 500	4 852	6 500	3 199	11 015	16 332	58 640
March	1 607	10 898	4 345	4 953	6 502	3 170	11 139	16 755	59 369
June	1 632	11 008	4 633	5 063	6 573	3 315	11 239	17 076	60 539
<b>2003-04</b>									
September	1 646	10 919	4 805	5 047	6 590	3 247	11 679	17 303	61 236
December	1 646	11 152	4 735	5 153	6 798	3 397	11 721	18 037	62 639
March	1 697	11 221	4 793	5 303	7 025	3 487	12 360	18 050	63 936
June	1 758	11 346	4 740	5 316	7 060	3 586	12 258	18 499	64 563
<b>2004-05</b>									
September	1 784	11 429	4 745	5 313	7 197	3 643	12 688	18 570	65 369

## TREND (b)

<b>2002-03</b>									
September	1 538	10 601	4 250	4 703	6 403	3 159	11 020	16 222	57 896
December	1 568	10 760	4 362	4 859	6 491	3 184	11 009	16 445	58 678
March	1 601	10 870	4 483	4 964	6 522	3 216	11 116	16 706	59 478
June	1 625	10 947	4 613	5 024	6 546	3 248	11 306	17 041	60 350
<b>2003-04</b>									
September	1 641	11 019	4 728	5 088	6 645	3 303	11 576	17 393	61 393
December	1 660	11 105	4 789	5 172	6 800	3 385	11 877	17 759	62 547
March	1 699	11 229	4 768	5 255	6 962	3 484	12 155	18 114	63 666
June	1 746	11 340	4 753	5 314	7 095	3 576	12 403	18 402	64 629
<b>2004-05</b>									
September	1 789	11 424	4 748	5 339	7 191	3 648	12 636	18 616	65 391

(a) See paragraph 12 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

(b) Seasonally adjusted and trend estimates are experimental at this stage due to the short time span of the series.

## WAGES AND SALARIES, Current prices—Percentage change from previous quarter

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(a)	Total
	%	%	%	%	%	%	%	%	%
ORIGINAL									
<b>2002-03</b>									
September	4.4	4.1	2.1	5.4	2.5	4.6	-3.7	0.6	1.4
December	1.5	2.0	10.8	3.4	6.0	2.9	1.3	1.6	3.0
March	-1.9	-5.2	-9.2	-4.2	-6.3	-5.7	-4.1	-1.2	-4.2
June	4.7	4.7	9.3	7.5	3.3	5.4	7.6	5.2	5.8
<b>2003-04</b>									
September	1.7	1.0	4.3	-0.3	-0.5	0.0	2.1	0.6	1.1
December	1.8	3.9	1.6	3.4	8.5	7.1	1.0	5.6	4.2
March	-2.4	-6.3	-4.7	-3.4	-3.2	-2.5	0.0	-3.7	-3.4
June	6.3	4.8	1.3	5.4	2.8	3.7	5.8	5.9	4.9
<b>2004-05</b>									
September	2.7	2.5	0.7	0.0	1.2	3.6	1.7	-0.4	1.1
SEASONALLY ADJUSTED (b)									
<b>2002-03</b>									
September	3.4	2.2	1.6	5.4	3.3	2.5	-2.0	1.3	1.5
December	-0.1	0.2	7.3	2.1	0.8	0.8	0.7	0.3	1.1
March	3.6	1.9	-3.4	2.1	0.0	-0.9	1.1	2.6	1.2
June	1.6	1.0	6.6	2.2	1.1	4.6	0.9	1.9	2.0
<b>2003-04</b>									
September	0.9	-0.8	3.7	-0.3	0.3	-2.1	3.9	1.3	1.2
December	0.0	2.1	-1.5	2.1	3.2	4.6	0.4	4.2	2.3
March	3.1	0.6	1.2	2.9	3.3	2.6	5.5	0.1	2.1
June	3.6	1.1	-1.1	0.2	0.5	2.8	-0.8	2.5	1.0
<b>2004-05</b>									
September	1.5	0.7	0.1	-0.1	1.9	1.6	3.5	0.4	1.2
TREND (b)									
<b>2002-03</b>									
September	1.6	1.4	3.2	3.5	2.2	0.6	-0.6	1.0	1.2
December	2.0	1.5	2.6	3.3	1.4	0.8	-0.1	1.4	1.4
March	2.1	1.0	2.8	2.2	0.5	1.0	1.0	1.6	1.4
June	1.5	0.7	2.9	1.2	0.4	1.0	1.7	2.0	1.5
<b>2003-04</b>									
September	1.0	0.7	2.5	1.3	1.5	1.7	2.4	2.1	1.7
December	1.2	0.8	1.3	1.7	2.3	2.5	2.6	2.1	1.9
March	2.3	1.1	-0.4	1.6	2.4	2.9	2.3	2.0	1.8
June	2.8	1.0	-0.3	1.1	1.9	2.6	2.0	1.6	1.5
<b>2004-05</b>									
September	2.5	0.7	-0.1	0.5	1.4	2.0	1.9	1.2	1.2

(a) See paragraph 12 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

(b) Seasonally adjusted and trend estimates are experimental at this stage due to the short time span of the series.

## WAGES AND SALARIES BY STATE, Current prices—Original

	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2002-03</b>									
September	22 007	15 233	9 502	3 892	5 536	858	400	817	58 244
December	22 206	16 032	9 782	3 957	5 833	889	416	866	59 980
March	21 654	15 040	9 223	3 784	5 719	832	407	822	57 481
June	22 694	15 871	9 980	4 043	6 061	873	420	890	60 832
<b>2003-04</b>									
September	22 982	16 211	10 200	3 988	5 897	911	436	848	61 474
December	23 902	16 979	10 602	4 053	6 223	963	454	882	64 057
March	22 860	16 434	10 332	3 901	5 992	1 037	439	899	61 893
June	23 621	17 000	11 362	4 217	6 192	1 002	567	937	64 897
<b>2004-05</b>									
September	23 964	17 036	11 485	4 412	6 176	1 060	613	876	65 622

## WAGES AND SALARIES BY STATE, Current prices—Original: Percentage change from previous quarter

	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania(a)</i>	<i>Northern Territory(a)</i>	<i>Australian Capital Territory(a)</i>	<i>Total</i>
	%	%	%	%	%	%	%	%	%
<b>2002-03</b>									
September	1.1	0.9	2.7	3.7	-0.4	0.7	1.4	3.9	1.4
December	0.9	5.2	2.9	1.7	5.4	3.7	3.8	6.0	3.0
March	-2.5	-6.2	-5.7	-4.4	-1.9	-6.4	-2.1	-5.0	-4.2
June	4.8	5.5	8.2	6.8	6.0	5.0	3.1	8.3	5.8
<b>2003-04</b>									
September	1.3	2.1	2.2	-1.3	-2.7	4.4	3.9	-4.7	1.1
December	4.0	4.7	3.9	1.6	5.5	5.7	4.0	4.0	4.2
March	-4.4	-3.2	-2.5	-3.7	-3.7	7.7	-3.2	1.9	-3.4
June	3.3	3.4	10.0	8.1	3.3	-3.4	29.1	4.3	4.9
<b>2004-05</b>									
September	1.5	0.2	1.1	4.6	-0.3	5.8	8.1	-6.6	1.1

(a) The relative standard errors on the movement estimates for these states are significantly higher than those for the larger states, and the quarterly movement estimates should be used with caution.

## INVENTORIES/SALES RATIO(a)(b), Current prices—Original

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(c)
<b>2002-03</b>								
September	0.30	0.49	na	0.46	0.39	na	na	na
December	0.28	0.47	na	0.49	0.36	na	na	na
March	0.30	0.53	na	0.49	0.41	na	na	na
June	0.31	0.51	na	0.47	0.39	na	na	na
<b>2003-04</b>								
September	0.32	0.50	na	0.47	0.39	na	na	na
December	0.33	0.47	na	0.49	0.35	na	na	na
March	0.35	0.52	na	0.51	0.39	na	na	na
June	0.30	0.49	na	0.48	0.37	na	na	na
<b>2004-05</b>								
September	0.29	0.49	na	0.48	0.38	na	na	na

na not available

(c) See paragraph 12 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

(a) Ratio is calculated by dividing inventories by sales.

(b) Sales refers to Sales of goods and services.

## SALES/WAGES AND SALARIES RATIO(a)(b), Current prices—Original

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(c)
<b>2002-03</b>								
September	9.95	6.63	5.39	13.66	8.66	4.73	2.89	1.95
December	9.79	6.69	5.40	13.62	9.20	4.73	2.85	1.87
March	9.22	6.48	5.30	13.37	8.78	4.48	2.81	1.81
June	8.39	6.44	5.45	12.60	8.74	4.31	2.85	1.80
<b>2003-04</b>								
September	8.30	6.54	5.16	12.93	9.07	4.59	2.84	1.87
December	8.26	6.55	5.29	12.80	9.30	4.68	2.95	1.86
March	7.87	6.48	5.10	12.82	8.62	4.60	2.72	1.82
June	8.51	6.59	5.49	12.69	8.65	4.52	2.80	1.85
<b>2004-05</b>								
September	9.09	6.70	5.33	13.14	8.82	4.64	2.77	1.94

(a) Sales refers to Sales of goods and services.

(c) See paragraph 12 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

(b) Ratio is calculated by dividing sales by wages and salaries.

	<i>Mining</i>	<i>Manufacturing</i>	<i>Construction</i>	<i>Wholesale trade</i>	<i>Retail trade</i>	<i>Transport and storage</i>	<i>Property and business services</i>	<i>Other selected industries(b)</i>
<b>2002-03</b>								
September	0.41	0.11	0.09	0.06	0.05	0.15	0.19	0.15
December	0.40	0.12	0.10	0.06	0.07	0.15	0.18	0.17
March	0.42	0.11	0.09	0.06	0.05	0.14	0.17	0.17
June	0.38	0.09	0.08	0.05	0.05	0.12	0.16	0.19
<b>2003-04</b>								
September	0.39	0.11	0.08	0.06	0.06	0.15	0.21	0.19
December	0.38	0.12	0.09	0.06	0.07	0.17	0.20	0.19
March	0.36	0.11	0.08	0.06	0.05	0.14	0.18	0.18
June	0.38	0.12	0.09	0.06	0.05	0.15	0.18	0.17
<b>2004-05</b>								
September	0.43	0.13	0.09	0.06	0.06	0.15	0.19	0.18

(a) Sales refers to Sales of goods and services

(b) See Paragraph 12 of the Explanatory Notes for details of the industries included in Other selected industries for this data item

## WHAT IF...? REVISIONS TO TREND ESTIMATES

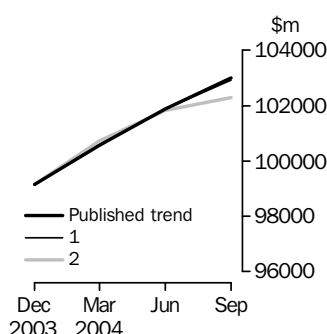
### EFFECT OF NEW SEASONALLY ADJUSTED ESTIMATES ON TREND ESTIMATES

#### TREND REVISIONS

The most recent seasonally adjusted and trend estimates are likely to be revised when original estimates for subsequent quarters become available. To assess reliability of the trend estimate at the current end, the 'what-if' chart presents trend estimates under different scenarios for the next quarter. The approximate effect of two possible scenarios on the current and previous trend estimates for total company gross operating profits and total inventories are presented below.

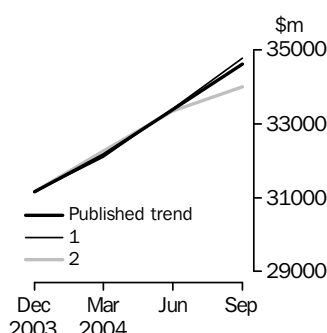
1. Next quarter's seasonally adjusted estimate of total inventories, and seasonally adjusted estimate for company gross operating profits respectively, are higher than the current quarter's estimate by the percentage shown.
2. Next quarter's seasonally adjusted estimate of total inventories, and seasonally adjusted estimate for company gross operating profits respectively, are lower than the current quarter's estimate by the percentage shown.

#### INVENTORIES (CHAIN VOLUME MEASURES)



	<i>Trend as published</i>	WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:					
		<i>(1) rises by 1.1% on this quarter</i>		<i>(2) falls by 1.1% on this quarter</i>			
		\$m	% change	\$m	% change	\$m	% change
<b>2003</b>							
December	99 142	1.6	99 143	1.6	99 143	1.6	
<b>2004</b>							
March	100 573	1.4	100 612	1.5	100 744	1.6	
June	101 878	1.3	101 871	1.3	101 825	1.1	
September	103 005	1.1	102 927	1.0	102 289	0.5	

#### COMPANY GROSS OPERATING PROFITS (CURRENT PRICES)



	<i>Trend as published</i>	WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:					
		<i>(1) rises by 4.0% on this quarter</i>		<i>(2) falls by 4.0% on this quarter</i>			
		\$m	% change	\$m	% change	\$m	% change
<b>2003</b>							
December	31 156	1.5	31 156	1.5	31 156	1.5	
<b>2004</b>							
March	32 166	3.2	32 101	3.0	32 265	3.6	
June	33 395	3.8	33 409	4.1	33 352	3.4	
September	34 610	3.6	34 792	4.1	34 005	2.0	



## EXPLANATORY NOTES

### INTRODUCTION

**1** This publication contains estimates of sales of goods and services, wages and salaries (from the December quarter 2001 issue), company profits, and the book value of inventories for selected industries in Australia. The series have been compiled from data collected by the Australian Bureau of Statistics (ABS) in its Quarterly Business Indicators Survey (formerly known as the Quarterly Economic Activity Survey). The survey, which was fully implemented in the March quarter 2001, collects data from private businesses only.

### SCOPE AND COVERAGE

**2** The Quarterly Business Indicators Survey, like most ABS economic collections, is drawn from the ABS Business Register. The register provides a list of employing businesses, and it is primarily based on registrations to the Australian Taxation Office's Pay As You Go Withholding (PAYGW) scheme (and prior to 1 July 2000 its Group Employer scheme). The frame is updated quarterly to take account of new businesses, businesses which have ceased employing, changes in employment levels, changes in industry and other general business changes.

**3** Businesses which have ceased employing are identified when the Australian Taxation Office cancels their PAYGW registration (or previously their Group Employer registration). In addition, from September quarter 1999, businesses which did not remit under the Group Employer scheme for the previous five quarters were removed from the frame. A similar process will be adopted to remove businesses who do not remit under the PAYGW scheme.

**4** The scope excludes public sector business units (i.e. all departments, authorities and other organisations owned and controlled by Commonwealth, State and Local Government).

**5** The statistics in this publication exclude non-employing businesses. Though there are a substantial number of these businesses, it is expected that they would not contribute significantly to the estimates, although the impact would vary from industry to industry and from data item to data item.

**6** Inventories data are not collected from businesses with fewer than 20 employees, as smaller businesses generally have difficulty in providing accurate quarterly information on the level of their inventories. Estimates for these businesses are derived by applying sales information to an estimated inventories to sales ratio. This ratio is calculated in the first quarter a small business is selected and this initial value will be retained each quarter for each business until it is rotated out of the survey. Studies indicate that this more closely represents the inventories management practices of small businesses except that the value of these inventories holdings would change over time as purchase prices change. While it is theoretically possible to build price changes into the new methodology, the impact of not revaluing this initial figure for each individual business is not expected to have any significant impact on the time series.

**7** The industries and the data items collected, classified according to the *Australian and New Zealand Standard Industrial Classification (ANZSIC), 1993* (cat. no. 1292.0), included in this publication are:

## EXPLANATORY NOTES *continued*

### SCOPE AND COVERAGE

*continued*

<i>Industries</i>	<i>Sales of goods and services</i>	<i>Wages and salaries</i>	<i>Profits</i>	<i>Inventories</i>
Mining (Division B)	Y	Y	Y	Y
Manufacturing (Division C)	Y	Y	Y	Y
Electricity, gas and water supply (Division D)				
Electricity and gas supply (36)	Y	Y	Y	Y
Water supply (37)	Y	Y	Y	N
Construction (Division E)	Y	Y	Y	N
Wholesale trade (Division F)	Y	Y	Y	Y
Retail trade (Division G)	Y	Y	Y	Y
Accommodation, cafes and restaurants (Division H)	Y	Y	Y	Y
Transport and storage (Division I)	Y	Y	Y	N
Communication services (Division J)	Y	Y	Y	N
Finance and insurance (Division K)				
Deposit taking financiers (732)	N	Y	N	N
Other financiers (733)	Y	Y	Y	N
Financial asset investors (734)	Y	Y	Y	N
Other insurance (742)	N	Y	N	N
Services to finance and insurance (75)	Y	Y	Y	N
Property and business services (Division L)	Y	Y	Y	N
Education (Division N)	N	Y	N	N
Health and community services (Division O)	N	Y	N	N
Cultural and recreational services (Division P)	Y	Y	Y	N
Personal and other services (Division Q)				
Personal services (95)	Y	Y	Y	N
Other services (96)	N	Y	N	N

**8** Profits data are not collected from employing businesses with less than 20 employees. Estimates for these businesses are derived by applying sales information to an estimated profits to sales ratio. The profits to sales ratio is based on data from the annual Economic Activity Survey for small businesses.

### STATISTICAL UNIT

**9** Prior to the December quarter 2002, the Quarterly Business Indicators Survey used the management unit as the statistical unit. For issues of this publication relating to the December quarter 2002 onwards, the statistical unit in the Quarterly Business Indicators Survey is the Australian Business Number (ABN) unit for businesses with simple structures, and the Type of Activity Unit (TAU) for businesses with complex structures. The TAU is comprised of one or more business entities, sub-entities or branches of a business entity within an Enterprise Group that can report production and employment data for similar economic activities. When a minimum set of data items is available, a TAU is created which covers all the operations within an industry subdivision (and the TAU is classified to the relevant subdivision of the ANZSIC). Where a business cannot supply adequate data for each industry, in most cases a TAU is formed which contains activity in more than one industry subdivision. However, if the business has significant activity in more than one industry the TAU is 'split' by the ABS to produce estimates in respect of each industry. In most cases, ABN/TAU units will concord with the management units used prior to the December quarter 2002.

## EXPLANATORY NOTES *continued*

### CLASSIFICATIONS

**10** The Australian and New Zealand Standard Industrial Classification has been developed for use in both countries for the production and analysis of industry statistics. For more information, users are referred to *Australian and New Zealand Standard Industrial Classification (ANZSIC), 1993* (cat. no. 1292.0).

**11** In order to classify data by industry, each statistical unit (as defined above) is classified to the Australian and New Zealand Standard Industrial Classification industry in which it mainly operates.

**12** Many of the tables in this publication contain an industry classification 'Other selected industries'. For company gross operating profits, unincorporated gross operating profit, business gross operating profit, company profits before income tax, and sales of goods and services, Other selected industries comprises Electricity, gas and water; Accommodation, cafes and restaurants; Communication services; Other financiers; Financial asset investors; Services to finance and insurance; Cultural and recreational services; and Personal services. For inventories, it comprises Electricity, gas and water; and Accommodation, cafes and restaurants. For wages and salaries, it comprises Electricity, gas and water; Accommodation, cafes and restaurants; Communication services; Deposit taking financiers; Other financiers; Financial asset investors; Other insurance; Services to finance and insurance; Education; Health and community services; Cultural and recreational services; and Personal and other services.

**13** The *Standard Institutional Sector Classification of Australia (SISCA)* is used to classify institutional units into broad economic sectors in national accounts and related statistics. For more information, users are referred to *Standard Economic Sector Classifications of Australia (SESCA), 1998* (cat. no. 1218.0).

### SURVEY METHODOLOGY

**14** The survey is conducted by mail on a quarterly basis. It is based on a random sample of approximately 16,000 units which is stratified by industry, state/territory and number of employees. All private sector units with over 250 employees, and other statistically significant units, such as joint venture partners, are included in the sample.

**15** Respondents are asked to provide data on the same basis as their own management accounts. Where a selected unit does not respond in a given survey period, a value is estimated. If data are subsequently provided, the estimated value is replaced with the reported data. Aggregates are calculated from all data using the 'number raised' estimation technique. Data are edited at both individual unit level and aggregate level.

**16** Further details about the ABS economic statistical units used in this survey, and in other ABS economic surveys (both sample surveys and censuses), can be found in Chapter 2 of the *Standard Economic Sector Classifications of Australia (SESCA) 2002* (cat. no. 1218.0).

### TIMING OF SURVEY CYCLE

**17** Surveys are conducted in respect of each quarter and returns are completed during the eight or nine week period after the end of the quarter to which survey data relate e.g. December quarter survey returns are completed during January and February.

### SAMPLE REVISION

**18** The survey frames and samples are revised each quarter to ensure that they remain representative of the survey population. The timing for creating each quarter's survey frame is consistent with that of other ABS business surveys. This provides for greater consistency when comparing data across surveys.

**19** Additionally, with these revisions to the sample, some of the units from the sampled sector are rotated out of the survey and are replaced by others, to spread the reporting workload equitably.

## EXPLANATORY NOTES *continued*

### SEASONAL ADJUSTMENT

**20** The quarterly original estimates in this publication are affected in varying degrees by seasonal influences. The seasonal adjustment process estimates and removes the effects of normal seasonal variations from the original estimates so that the effects of other influences can be more clearly recognised.

**21** In the seasonal adjustment process, account has been taken of both normal seasonal factors (e.g. increase in retail sales due to the Christmas period) and also trading day effects when significant (arising from the varying lengths of the quarters and the varying numbers of Sundays, Mondays, Tuesdays etc. in each quarter) to produce the seasonally adjusted estimates. Particular care should be taken in interpreting quarterly movements in the seasonally adjusted estimates because seasonal adjustment does not remove the effect of irregular or non-seasonal influences (e.g. change in interest rates) and reflects the sampling and other errors to which the original estimates are subject.

**22** In this publication, the seasonally adjusted estimates are produced by the concurrent seasonal adjustment method which takes account of the latest available original estimates. This method improves the estimation of seasonal factors, and therefore, the seasonally adjusted and trend estimates for the current and previous quarters. As a result of this improvement, revisions to the seasonally adjusted and trend estimates will be observed for recent periods. In most instances the only noticeable revisions will be to the previous quarter and the same quarter one year ago. A more detailed review is conducted annually prior to the September quarter release using data up to and including the June quarter.

**23** Some seasonally adjusted and trend series for sales of goods and services in this publication are considered experimental as less than five years of data are available for estimation of seasonal factors.

### TREND ESTIMATES

**24** The trend estimates are derived by applying a 7-term Henderson moving average to the seasonally adjusted estimates. The 7-term Henderson moving average is symmetric, but as the end of a time series is approached, asymmetric forms of the moving average are applied. The asymmetric moving average has been tailored to suit the particular characteristics of individual series and enable trend estimates for recent quarters to be produced. Estimates of the trend will be improved at the current end of the time series as additional observations become available. This improvement is due to the combined effect of the concurrent seasonal adjustment methodology and the application of different asymmetric moving averages for the most recent three quarters. As a result of the improvement, revisions to the trend estimates will generally be observed for the most recent three quarters. ABS research shows that about 75% of the total revision to the trend estimate at the current end is due to the use of different asymmetric moving averages when the original estimate is available for the next quarter.

**25** There may also be revisions because of changes in the original estimates. As a result of these revisions, the seasonally adjusted and trend estimates will also be revised. For further information, see *Information Paper: A Guide to Interpreting Time Series — Monitoring Trends* (cat. no. 1349.0) or contact the Assistant Director, Time Series Analysis on Canberra (02) 6252 6345 or email <timeseries@abs.gov.au>.

## EXPLANATORY NOTES *continued*

### CHAIN VOLUME MEASURES

**26** The chain volume measures appearing in this publication are annually reweighted chain Laspeyres indexes referenced to current price values in the chosen reference year (currently 2002–03). The current price values may be thought of as being the product of a price and quantity. The value in chain volume terms can be derived by linking together movements in volumes, calculated using the average prices of the previous financial year and applying compound movements to the current price estimates of the reference year. Each year's quarter-to-quarter growth rates in the chain volume series are based on the prices of the previous financial year, except for those quarters of the latest incomplete year which are based upon the second most recent financial 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.

**27** With each release of the June quarter issue of this publication, a new base year is introduced and the reference year is advanced one year to coincide with it. This means that with the release of the June quarter 2005 issue of this publication, the chain volume measures for 2004–05 will have 2003–04 (the previous financial year) as their base year rather than 2002–03, and the reference year is 2003–04. A change in the reference year changes levels but not growth rates for all periods. A change in the base year can result in revisions, small in most cases, to growth rates for the last year.

**28** Chain volume measures are not generally additive. In other words, component chain volume measures do not, in general, sum to a total in the way original current price components do. For inventories and sales data, this means that the chain volume estimates for industry groups will not add to the total for Australia. In order to minimise the impact of this, the ABS uses the latest base year as the reference year. By adopting this approach, additivity does exist for the quarters following the reference year and non-additivity is relatively small for the quarters in the reference year and those immediately preceding it. For further information on chain volume measures, refer to the *Information Paper: Introduction of Chain Volume Measures in the Australian National Accounts* (cat. no. 5248.0).

### COMPARABILITY WITH NATIONAL ACCOUNTS AND OTHER ABS ESTIMATES

**29** The data collected in the Quarterly Business Indicators Survey are used in the compilation of the quarterly estimates of the Australian National Accounts. Inventories data are used to compile estimates of the increase in book value of non-farm inventories. Estimates of sales of goods and services are used to help derive quarterly chain volume measures of gross value added for selected industries. Company gross operating profits data are used to compile estimates of gross operating surplus of private non-financial corporations. From March quarter 2002, estimates of wages and salaries are being used to compile estimates for compensation of private sector employees. For further details see *Australian National Accounts: Concepts, Sources and Methods* (cat. no. 5216.0).

## COMPARABILITY WITH NATIONAL ACCOUNTS AND OTHER ABS ESTIMATES

*continued*

**30** However the statistics in this publication will differ from corresponding statistics in the quarterly Australian National Accounts for the following reasons:

- The national accounts estimates are benchmarked to annual supply and use tables which are based on annual Economic Activity Survey and taxation data.
- The national accounts estimates include estimates for businesses classified to industries not in scope of the Quarterly Business Indicators Survey.
- The national accounts estimates include estimates for non-employing businesses, which are outside the scope of Quarterly Business Indicators Survey.
- The national accounts estimates for gross operating surplus of private non-financial corporations include the profits of all businesses whereas company profits estimates in this publication only include incorporated businesses with 20 or more employees.
- The national accounts estimates for gross operating surplus of private non-financial corporations are after deduction of the inventory valuation adjustment which measures the portion of income attributable to holding gains or losses resulting from inventory valuation practices.
- The national accounts estimates for gross operating surplus of private non-financial corporations do not include deductions relating to interest, net land rent and natural resource payments.
- In many cases, the processes used to seasonally adjust national accounts estimates are different to those used for the seasonally adjusted estimates in this publication.

**31** The estimates for sales of goods and services by Retail trade in this publication will differ from turnover estimates included in *Retail Trade, Australia* (cat. no. 8501.0). The latter publication presents monthly estimates of the value of turnover of retail businesses, and is sourced from the Retail Business Survey. Estimates for sales of goods and services in this publication exclude the Goods and Services Tax, while turnover collected in the Retail Business Survey includes the Goods and Services Tax. In addition, the Retail Business Survey includes some businesses classified to ANZSIC divisions other than the Retail trade division, and includes retail establishments associated with management units that are not classified to the Retail trade division. The use of different samples in the Retail Business Survey and Quarterly Business Indicators Survey will also contribute to differences.

**32** The estimates for wages and salaries in this publication will differ from estimates for gross earnings included in *Wage and Salary Earners, Australia* (cat. no. 6248.0). The latter publication presents quarterly estimates of gross earnings collected in the Survey of Employment and Earnings, and data on gross earnings are requested on a cash (payroll) basis. Data for wages and salaries estimates are requested on an accruals (accounts) basis in the Quarterly Business Indicators Survey.

## GENERAL ACKNOWLEDGMENT

**33** ABS publications draw extensively on information provided freely by individuals, businesses, governments and other organisations. Their continued cooperation is very much appreciated; without it, the wide range of statistics published by the ABS would not be available. Information received by the ABS is treated in strict confidence as required by the *Census and Statistics Act 1905*.

## EXPLANATORY NOTES *continued*

### RELATED PUBLICATIONS

**34** Users may also wish to refer to the following publications:

- *Australian National Accounts: Concepts, Sources and Methods* (cat. no. 5216.0)
- *Australian National Accounts: National Income, Expenditure and Product* (cat. no. 5206.0)
- *Business Operations and Industry Performance, Australia* (cat. no. 8140.0)
- *Experimental Estimates: Australian Industry, a State Perspective, Australia, 1998–99* (cat. no. 8156.0)
- *Information Paper: Introduction of Chain Volume Measures in the Australian National Accounts* (cat. no. 5248.0)
- *Information Paper: Improvements to Australian Bureau of Statistics Quarterly Business Indicators* (cat. no. 5677.0)
- *Manufacturing Production, Australia* (cat. no. 8301.0)
- *Private New Capital Expenditure and Expected Expenditure, Australia* (cat. no. 5625.0)
- *Retail Trade, Australia* (cat. no. 8501.0)
- *Wage and Salary Earners, Public Sector, Australia* (cat. no. 6248.0)

**35** Current publications produced by the ABS are listed in the *Catalogue of Publications and Products* (cat. no. 1101.0), which is available from any ABS office. The ABS also issues a *Release Advice* (cat. no. 1105.0) which lists publications to be released in the next few days. The Catalogue and Release Advice are available on the ABS web site at <<http://www.abs.gov.au>>.

### ABS WEB SITE

**36** The key indicators and main features from this publication are published on the ABS web site at <<http://www.abs.gov.au>>. Information on the Quarterly Business Indicators Survey and survey outputs are also published on the web site: see the Business Indicators Home Page under Themes.

### DATA AVAILABLE ON REQUEST

**37** As well as the statistics included in this and related publications, the ABS may have other relevant data available on request. These series include more detailed industry data (e.g. Manufacturing subdivision), and wages and salaries by state/territory by industry. The availability of more detailed data are subject to confidentiality and quality checks. Inquiries should be made to the National Information and Referral Service on 1300 135 070.

### ABBREVIATIONS

ABN	Australian Business Number
ABS	Australian Bureau of Statistics
ANZSIC	Australian and New Zealand Standard Industrial Classification
GOS	gross operating surplus
PAYGW	pay-as-you-go withholding
SISCA	Standard Institutional Sector Classification of Australia
TAU	type of activity unit

## TECHNICAL NOTE DATA QUALITY

### RELIABILITY OF THE ESTIMATES

- 1** Estimates provided in this publication are subject to non-sampling and sampling error. The most common way of quantifying sampling error is to calculate the standard error for the published estimate. This is discussed in paragraphs 5 to 9 below.
- 2** Estimates that have an estimated relative standard error between 10% and 25% are annotated with the symbol '^'. These estimates should be used with caution as they are subject to sampling variability too high for some purposes. Estimates with an RSE between 25% and 50% are annotated with the symbol '\*', indicating that the estimate should be used with caution as it is subject to sampling variability too high for most practical purposes. Estimates with an RSE greater than 50% are annotated with the symbol '\*\*' indicating that the sampling variability causes the estimates to be considered too unreliable for general use. These annotations have only been applied to estimates from the September quarter 2003.
- 3** Non-sampling errors may arise as a result of errors in the reporting, recording or processing of the data and can occur even if there is a complete enumeration of the population. These errors can be introduced through inadequacies in the questionnaire, treatment of non-response, inaccurate reporting by respondents, errors in the application of survey procedures, incorrect recording of answers, and errors in data entry and processing. Inventories data for businesses with less than 20 employees are derived and could therefore be subject to error (although this error is estimated to be less than the sampling and non-sampling error resulting from directly collecting these data).
- 4** Estimates for the latest quarter presented in this publication are considered preliminary and revised estimates will be released with the next issue. As discussed in paragraphs 24 and 25 of the Explanatory Notes, seasonally adjusted and trend estimates are also subject to revision as more data are revised and more data becomes available.
- 5** It is difficult to measure the size of non-sampling errors. However, every effort is made in the design of the survey and development of survey procedures to minimise their effects.

### STANDARD ERRORS

- 6** The estimates in this publication are based on a sample drawn from units in the surveyed population. Because the entire population is not surveyed, the published estimates are subject to sampling error. In calculating the standard error for the statistics in this publication, the ABS would prefer to produce a smoothed standard error for the major published aggregates as this approach takes account of the variability in standard error estimates for quarterly statistics. This estimated standard error would then be used as an indication of the sampling error for the current published series. As the data in this publication are sourced from the Quarterly Business Indicators Survey, which has only been conducted since March quarter 2001, this does not allow for a smoothed estimate of the standard error to be calculated. Therefore standard errors are based upon the data in the currently published quarter. Details of standard errors are available below.

### LEVEL ESTIMATES

- 7** To illustrate, let us say that the published level estimate for company profits before income tax is \$8,900m and the calculated standard error in this case is \$200m. The standard error is then used to interpret the level estimate of \$8,900m. For instance, the standard error of \$200m indicates that:
  - There are approximately two chances in three that the real value falls within the range \$8,700m to \$9,100m ( $\$8,900\text{m} \pm \$200\text{m}$ ).
  - There are approximately nineteen chances in twenty that the real value falls within the ranges \$8,500m and \$9,300m ( $\$8,900\text{m} \pm \$400\text{m}$ ).
  - The real value in this case is the result we would obtain if we could enumerate the total population.
- 8** The following table shows the standard errors for national quarterly level estimates based upon the data in the current quarter.



## TECHNICAL NOTE DATA QUALITY *continued*

### LEVEL ESTIMATES *continued*

	<i>Company gross operating profits</i>	<i>Company profits before income tax</i>	<i>Sales of goods and services</i>	<i>Inventories</i>	<i>Wages and salaries</i>
<i>Industries</i>	\$m	\$m	\$m	\$m	\$m
Mining	218	176	393	174	25
Manufacturing	239	210	1 066	497	153
Construction	200	186	994	na	199
Wholesale trade	178	165	1 443	802	102
Retail trade	137	129	1 216	474	151
Transport and storage	150	122	621	na	109
Property and business services	483	445	1 151	na	379
Other selected industries(a)	225	212	694	48	275
<b>Total</b>	<b>708</b>	<b>641</b>	na	<b>1 070</b>	<b>572</b>

na not available

(a) See paragraph 12 of the Explanatory Notes for a definition of the Other selected industries.

### MOVEMENT ESTIMATES

**9** The following example illustrates how to use the standard error to interpret a movement estimate. Let us say that one quarter the published level estimate for inventories is \$90,000m, and the next quarter the published level estimate is \$92,000m. In this example the calculated standard error for the movement estimate is \$850m. The standard error is then used to interpret the published movement estimate of +\$2,000m. For instance, the standard error of \$850m indicates that:

- There are approximately two chances in three that the real movement over the two quarter period falls within the range \$1,150m to \$2,850m ( $\$2,000m \pm \$850m$ ).
- There are approximately nineteen chances in twenty that the real movement falls within the range \$300m to \$3,700m ( $\$2,000m \pm \$1,700m$ ).

**10** The following table shows the standard errors for national quarterly movement estimates based upon the data in the current quarter.

	<i>Company gross operating profits</i>	<i>Company profits before income tax</i>	<i>Sales of goods and services</i>	<i>Inventories</i>	<i>Wages and salaries</i>
<i>Industries</i>	\$m	\$m	\$m	\$m	\$m
Mining	161	133	281	137	13
Manufacturing	177	168	618	271	83
Construction	151	144	542	na	89
Wholesale trade	151	141	982	481	57
Retail trade	88	85	434	176	71
Transport and storage	85	75	342	na	62
Property and business services	388	371	690	na	152
Other selected industries(a)	175	167	484	22	163
<b>Total</b>	<b>547</b>	<b>515</b>	na	<b>596</b>	<b>277</b>

na not available

(a) See paragraph 12 of the Explanatory Notes for a definition of the Other selected industries.

## ADJUSTMENTS TO ESTIMATES

**11** Adjustments are included in the estimates to allow for lags in processing new businesses to the ABS Business Register. The following table shows the adjustments made to the current quarter's original estimates in current price terms:

	September Qtr 2004
<i>Data items</i>	%
Company gross operating profits	0.3
Company profits before income tax	0.3
Sales of goods and services	1.5
Inventories	0.9
Wages and salaries	1.7

**12** As previously discussed, the estimates presented in this publication are partial indicators used in the compilation of the quarterly national accounts. The movements in the Business Indicators estimates will not always be the same as the movements in the comparable national accounts series but they should be reasonably consistent after taking account of differences in concepts, scope and methodology described in paragraph 29 of the Explanatory Notes. If after taking account of these differences, there are concerns about data quality and coherence, the national accounts area provides feedback to the survey area. This process may result in adjustments being applied to the Business Indicators estimates prior to release in this publication. 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.

## SALES OF GOODS AND SERVICES TIME SERIES

**13** With the introduction of the Quarterly Business Indicators Survey from the March quarter 2001, the ABS commenced the collection of sales of goods and services from Mining (ANZSIC Division B); Electricity, gas and water supply (Division D); Construction (Division E); Food retailing (Subdivision 51); Personal and household good retailing (Subdivision 52); Services to finance and insurance (Subdivision 75); Libraries, Museums, and Parks and gardens (Groups 921–923); Video hire outlets (Class 9511); and Hairdressing and beauty salons (Class 9526).

**14** The different time periods for which series are available can pose some inconsistencies between the series published in original terms and those released in seasonally adjusted and trend terms, as a minimum of three years worth of data are required in order to produce seasonally adjusted and trend estimates. To reduce these inconsistencies, the ABS has modelled estimates based on data from the monthly Retail Business survey to produce a time series for Food retailing, Personal and household good retailing, Video hire outlets and Hairdressing and beauty salons. There are some significant differences between the monthly Retail trade series and the quarterly sales of goods and services and series, and these are discussed in paragraph 31 in the Explanatory Notes. To address these differences in the modelling of the time series, movements from the aggregated monthly series have been applied to the level quarterly estimates for the March quarter 2001, and a time series has been created by backcasting. This has facilitated the production of seasonally adjusted and trend estimates for these industries.

SALES OF GOODS AND  
SERVICES TIME SERIES  
*continued*

**15** This publication includes estimates of sales of goods and services, by industry, and by state/territory, but estimates of national total sales of goods and services are not published. Total sales of goods and services is not an adequate indicator of the performance of the Australian economy as it includes duplication; for example, goods sold by retailers may also be included in goods sold by wholesalers in the same period. However this publication does include total sales of goods and services, by state/territory, as it is considered that there may be interest in this item as a measure of relative activity. This data should be used with caution given the potential for the data to include duplication across industries.

PROFITS TIME SERIES

**16** Estimates of gross operating profits are compiled by deducting estimates of items that do not involve the production of goods and services from estimates of profits before income tax. These items include: depreciation, net interest paid, net foreign exchange gains/losses and unrealised gains/losses on the revaluation of assets. These items are considered out of scope of the national accounts item gross operating surplus.

**17** As indicated in paragraph 8 of the Explanatory Notes, income items (other than sales of goods and services), expense items (other than labour costs) and profits are only collected for businesses employing 20 or more persons in the Quarterly Business Indicators Survey (QBIS). From the September quarter 2004 issue, estimates of these items have been modelled for smaller businesses by applying ratios of the various items for small businesses from the annual Economic Activity Survey to reported sales data in QBIS. This allows the production of estimates of gross operating profits and profits before income tax with respect to businesses of all sizes. This modelling has been included in survey estimates from the March quarter 2001, with a break in series occurring at that time. For most industries, with the exception of Construction and Property and business services, the inclusion of data for small businesses has a significant impact on level estimates but an insignificant impact on quarterly movements. The nature of the modelling of income items for small businesses means that the modelled estimates of gross operating profits for small businesses are likely to be of higher quality than the estimates of company profits for these businesses.

**18** Estimates of company gross operating profits have been included in this release and the former Company Profits, Australia for a number of years. From the September quarter 2004 issue, the definition of 'company' has been expanded to include quasi-corporate enterprises. For practical purposes, quasi-corporates are defined as unincorporated businesses employing 250 or more employees. Quasi-corporates have been included in survey estimates from the March quarter 2001, with a break in series occurring at that time. The September quarter 2004 issue also introduced two new series for estimates of gross operating profits, both of which commenced in March quarter 2001. Unincorporated gross operating profits presents estimates for unincorporated businesses, other than quasi-corporates. Business gross operating profits presents estimates for all businesses and is relatable to industry estimates of sales of goods and services, wages and salaries and inventories.

## INVENTORIES TIME SERIES

**19** With the introduction of the Quarterly Business Indicators Survey, the ABS commenced the collection of inventories from businesses classified to ANZSIC classes 5322 Automotive electrical services, 5323 Smash repairs and 5329 Automotive repair and services nec. These classes contribute about 2.0% to the level estimates for Retail trade inventories and about 0.5% to the level estimate for Total inventories. Their contribution to movement estimates is not consistent with the movement estimates for Retail trade which suggests that the characteristics of these classes differ from other Retail trade classes. As a result, there is a break in the series for Retail trade inventories and Total inventories, between the December quarter 2000 and the March quarter 2001.

## WAGES TIME SERIES

**20** The Introduction of the Quarterly Business Indicators Survey from March quarter 2001 included the collection of private sector wages and salaries by industry. Experimental seasonally adjusted and trend series were presented in this publication for the first time in March quarter 2004. These series are considered experimental as less than five years of data are available for estimation of seasonal factors.

## PRIVATISED MARKETING AUTHORITIES

**21** Three significant privatised marketing authorities came into scope of the estimates in this publication from the September quarter 1999. The introduction of these units resulted in a break in series for estimates for inventories and sales of goods and services between the June and September quarters 1999 and comparison of the series over time should be undertaken with care.

**22** The methodology used by the ABS has ensured that the trend series has not been distorted by the introduction of these units, although there is a trend break evident between the June and September quarters 1999. For this reason, the trend estimates of movement have not been released for the Wholesale trade inventories, Total inventories and Wholesale trade sales series in respect of the September quarter 1999.

## GLOSSARY

<b>A company</b>	The definition of company has been expanded to include quasi-corporations as well as incorporated private sector business enterprises. For the purpose of the survey, branches of overseas companies operating in Australia are included but overseas branches of Australian companies are excluded.
<b>Business gross operating profit</b>	The sum of unincorporated gross operating profit and company gross operating profit.
<b>Company gross operating profits</b>	Selected items are excluded from company profits before income tax to provide a measure of underlying company profits. These items include interest income and expenses; depreciation and amortisation; and selected items which do not involve the production of goods and services such as net foreign exchange gains/losses, gains/losses arising from the sale of non-current assets, and net unrealised gains/losses from the revaluation of current or non-current assets.
<b>Company profits before income tax</b>	Net operating profit or loss before income tax and extraordinary items and is net of capital profits or losses arising from the sale of businesses' own capital goods and dividends received.
<b>Inventories</b>	All inventories of materials etc., work in progress and finished goods owned by the business, whether held at locations of the business or elsewhere. Inventories are recorded at book value at the end of the quarter.
<b>Quasi-corporations</b>	Large and easily identified unincorporated enterprises such as partnerships of companies or unit trusts of companies.
<b>Sales of goods and services</b>	This item includes sales of goods by the business and income from services provided such as commission income, repair and service income and fees, management fees, rent leasing and hiring income, delivery and installation charges, income from consulting services, sponsorship income, membership/subscription fees and royalties income. State/territory income from sales of goods and services is reported by businesses for the sales of goods and services from each state/territory in which the business operates.
<b>Unincorporated businesses</b>	Businesses not in the corporate sector as defined under the glossary term 'a company'.
<b>Unincorporated gross operating profit</b>	Same definition as company gross operating profit except it includes only unincorporated businesses.
<b>Wages and salaries</b>	Gross earnings before taxation and other deductions. Includes provisions for employee entitlements.





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2567600009041

ISSN 1445 3762

RRP \$23.00