

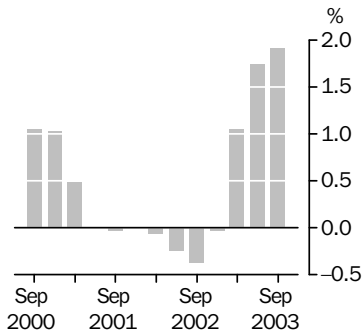
**BUSINESS INDICATORS**

AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) MON 1 DEC 2003

**Inventories (volume terms)**

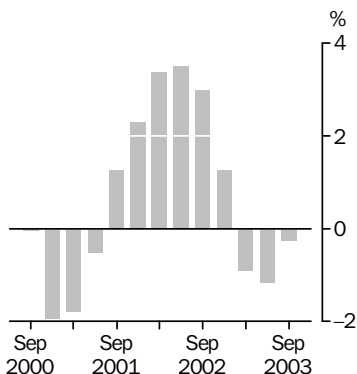
Trend estimates  
Quarterly change



Note: Change in scope from Mar qtr 2001.

**Company gross operating profits**

Trend estimates  
Quarterly change



**KEY FIGURES**

	<i>Jun Qtr 03 to Sep Qtr 03</i>	<i>Sep Qtr 02 to Sep Qtr 03</i>
	%	%
<b>Income from sales of goods &amp; services (Chain vol. meas.)</b>		
Manufacturing		
Trend	0.0	0.0
Seasonally Adjusted	0.7	-0.2
Wholesale trade		
Trend	1.7	5.7
Seasonally Adjusted	2.8	4.4
<b>Inventories (Chain vol. meas.)</b>		
Trend	1.9	4.8
Seasonally Adjusted	2.3	5.0
<b>Company profits before income tax</b>		
Trend	-0.1	23.1
Seasonally Adjusted	4.6	27.7
<b>Company gross operating profits</b>		
Trend	-0.3	-1.1
Seasonally Adjusted	7.6	1.9
<b>Wages and salaries</b>		
Original	0.9	6.8

**KEY POINTS**

**TREND ESTIMATES**

- The trend estimate (in volume terms) for inventories for the September quarter 2003 is \$97,128m, an increase of 1.9% over the June quarter 2003. The trend estimate (in volume terms) for income from sales of goods and services in Manufacturing has levelled off over the latest four quarters after seven quarters of growth while Wholesale trade's income from sales of goods and services has been increasing since March quarter 2001. The trend estimate (in current price terms) for company gross operating profits decreased marginally this quarter.

**SEASONALLY ADJUSTED ESTIMATES**

- The seasonally adjusted estimate (in volume terms) for inventories increased by 2.3% in the September quarter 2003, with Wholesale trade and Manufacturing the major contributors. Income from sales of goods and services by Wholesale trade increased by 2.8% while Manufacturing increased by 0.7%.
- Company gross operating profits increased by 7.6% this quarter, with Property and business services and Retail trade being the major contributors.

**INQUIRIES**

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

# NOTES

## FORTHCOMING ISSUES

*ISSUE (Quarter)*

*RELEASE DATE*

December 2003

1 March 2004

March 2004

31 May 2004



## CHANGES IN THIS ISSUE

A new accounting standard - UIG 53 - has recently been introduced. This new standard governs the method by which sales of speculative construction projects are recorded. Previously, sales were recorded upon completion of a project but, from March 2003, sales are recorded progressively. This standard has been adopted by providers to the Quarterly Business Indicators Survey from the June quarter 2003 and impacts on sales and profits estimates for the Construction industry. The ABS is not able to fully quantify the impact of this change and so, during the transition period, sales and profits estimates for Construction should be treated with caution.

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

As was the case last quarter, price decreases have had a significant impact on the value of inventories held by Manufacturing and Wholesale trade. While last quarter's impact was mainly driven by crude oil prices, price falls this quarter have been more widespread. Consequently, a large inventories valuation adjustment will again be applied in calculating the gross operating surplus estimate in the September quarter 2003 release of the Australian National Accounts. No such adjustment is made to the company gross operating profits estimate in this publication and, as a result, users should exercise caution when comparing the two series.

## REVISIONS IN THIS ISSUE

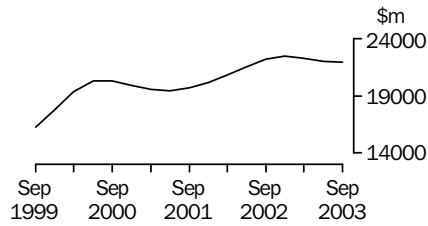
As is usually the case after the initial release of a quarter's estimates, revisions have been made to the June quarter 2003 estimates as a result of responses received or revised after the publication of the previous issue. Concurrent seasonal adjustment methodology has also resulted in revisions to previously-released estimates. The net effect on June quarter 2003 estimates of these revisions has been to adjust: the seasonally adjusted chain volume estimates for total inventories by +0.7%, Manufacturing income from sales of goods and services by -0.8% and wholesale trade income from sales of goods and services by -0.8%; seasonally adjusted current price estimates for company gross operating profits by -0.3%; and original current price estimates for wages and salaries by +0.3%.

Dennis Trewin  
Australian Statistician

## INDUSTRY TREND ESTIMATES

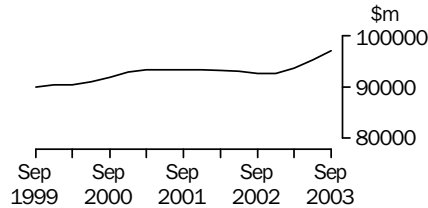
### TOTAL ALL INDUSTRIES

#### COMPANY GROSS OPERATING PROFITS



The current price trend estimate for total company gross operating profits decreased marginally following decreases of around 1% in the previous two quarters.

#### INVENTORIES

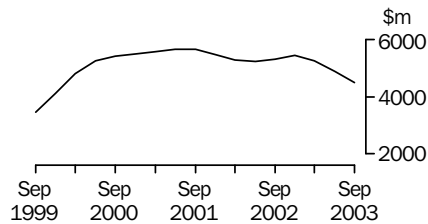


The trend estimate for total inventories (in volume terms) has increased strongly in the latest three quarters driven mainly by a strong build up in Wholesale trade.

Note: Change in scope from Mar qtr 2001. See Technical Note.

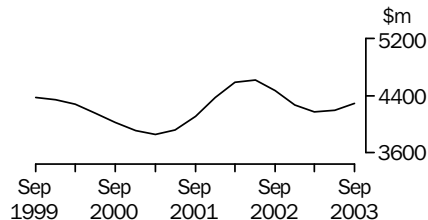
### MINING

#### COMPANY GROSS OPERATING PROFITS



The current price trend estimate for company gross operating profits has decreased sharply for the third successive quarter. The current level is the lowest recorded figure since December quarter 1999.

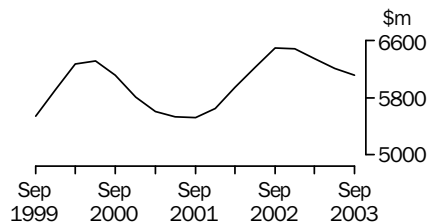
#### INVENTORIES



The trend estimate for inventories (in volume terms) has increased in the past two quarters following three quarters of falls.

### MANUFACTURING

#### COMPANY GROSS OPERATING PROFITS

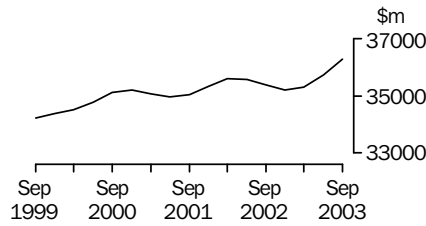


The current price trend estimate for company gross operating profits has continued to fall in September quarter, extending the period of decline to four quarters.

## INDUSTRY TREND ESTIMATES *continued*

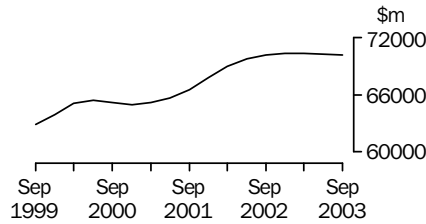
### MANUFACTURING *continued*

#### INVENTORIES



The trend estimate for inventories (in volume terms) increased by 1.5% this quarter following a similar increase in the previous quarter.

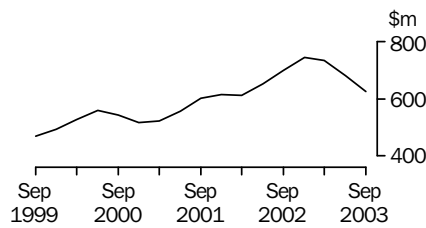
#### INCOME, From sales of goods and services



The trend estimate for income from sales of goods and services (in volume terms) has remained relatively flat over the latest four quarters after seven quarters of sustained growth.

### CONSTRUCTION

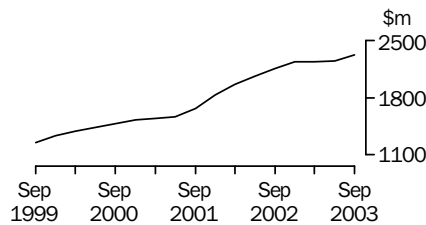
#### COMPANY GROSS OPERATING PROFITS



The current price trend estimate for company gross operating profits has decreased in the latest three quarters and is now at a similar level to that recorded in March 2002.

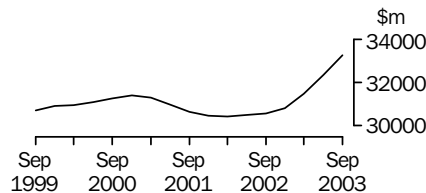
### WHOLESALE TRADE

#### COMPANY GROSS OPERATING PROFITS



The current price trend estimate for company gross operating profits has started to increase again in the latest two quarters after being flat in the March quarter 2003.

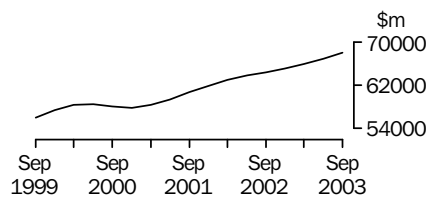
#### INVENTORIES



The trend estimate for inventories (in volume terms) has been growing at a strongly over the past three quarters, continuing the growth that commenced in June quarter 2002.

Note: Break in series. See Technical Note.

#### INCOME, From sales of goods and services



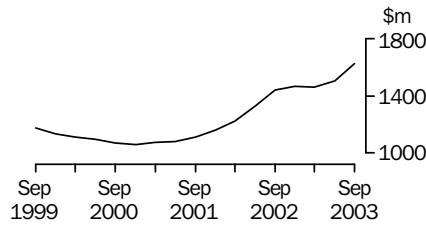
The trend estimate for income from sales of goods and services (in volume terms) has been growing at a steady rate since March quarter 2001.

Note: Break in series. See Technical Note.

## INDUSTRY TREND ESTIMATES *continued*

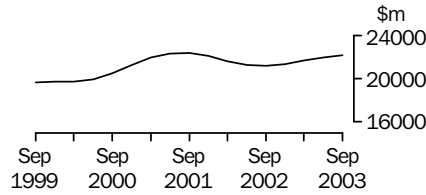
### RETAIL TRADE

#### COMPANY GROSS OPERATING PROFITS



The current price trend estimate for company gross operating profits increased by 8.3% this quarter, with a slight fall in March quarter 2003 breaking sustained growth since March quarter 2001.

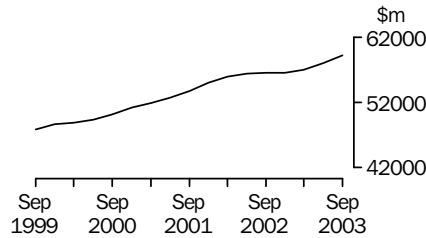
#### INVENTORIES



The trend estimate for inventories (in volume terms) has increased steadily in the latest four quarters after decreases in the previous four quarters.

Note: Change in scope from Mar qtr 2001.

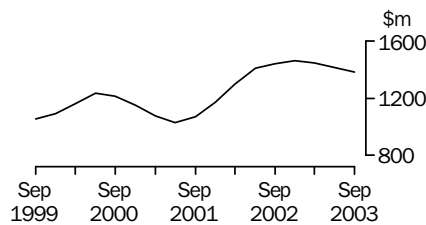
#### INCOME, From sales of goods and services



The trend estimate for income from sales of goods and services (in volume terms) has increased steadily in the latest three quarters after being flat in the September and December quarters 2002.

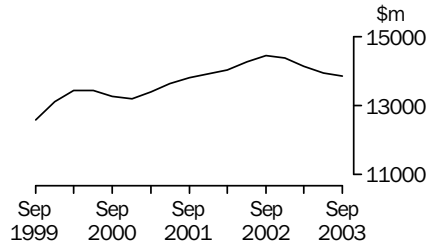
### TRANSPORT AND STORAGE

#### COMPANY GROSS OPERATING PROFITS



The current price trend estimate for company gross operating profits has decreased in the latest three quarters after a period of sustained growth from September quarter 2001.

#### INCOME, From sales of goods and services

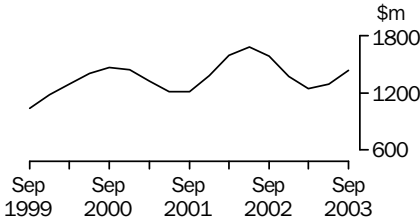


The trend estimate for income from sales of goods and services (in volume terms) decreased in the latest four quarters after increasing in the previous seven quarters.

INDUSTRY TREND ESTIMATES *continued*

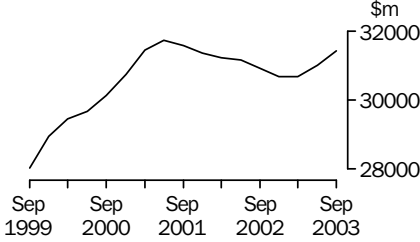
PROPERTY AND BUSINESS SERVICES

COMPANY GROSS OPERATING PROFITS



The current price trend estimate for company gross operating profits has increased in the latest two quarters, following decreases in the previous three quarters.

INCOME, From sales of goods and services



The trend estimate for income from sales of goods and services (in volume terms) has increased in the latest two quarters after being relatively flat in the previous quarter, which was preceded by six quarters of decline.

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

	Mining	Manufacturing	Construction(b)	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(c)
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL								
<b>2001-02</b>								
September	13 576	67 462	21 318	60 475	51 859	14 060	31 083	31 126
December	14 167	70 425	21 848	65 318	60 392	14 497	32 114	30 841
March	14 061	65 614	20 738	59 910	53 592	13 572	29 813	29 148
June	14 508	69 370	21 975	63 594	55 639	13 728	31 845	30 348
<b>2002-03</b>								
September	15 521	71 735	22 117	66 079	54 809	14 936	31 318	31 742
December	15 489	73 053	24 359	66 941	61 508	15 184	31 075	31 975
March	14 310	66 407	21 465	63 001	54 754	13 443	29 183	30 536
June	14 644	69 963	23 772	66 504	56 378	13 514	31 635	31 593
<b>2003-04</b>								
September	15 119	71 513	23 025	68 523	58 133	14 287	31 934	32 881
SEASONALLY ADJUSTED								
<b>2001-02</b>								
September	nya	66 339	nya	60 721	53 446	13 745	31 048	nya
December	nya	67 505	nya	61 950	55 362	13 856	31 529	nya
March	nya	69 762	nya	63 357	55 834	14 188	31 323	nya
June	nya	69 265	nya	63 270	56 840	14 068	30 955	nya
<b>2002-03</b>								
September	nya	70 505	nya	65 383	56 486	14 601	31 282	nya
December	nya	70 126	nya	63 964	56 385	14 513	30 509	nya
March	nya	70 655	nya	66 779	57 045	14 053	30 661	nya
June	nya	69 871	nya	66 399	57 595	13 849	30 751	nya
<b>2003-04</b>								
September	nya	70 382	nya	68 272	59 912	13 966	31 898	nya
TREND								
<b>2001-02</b>								
September	nya	66 578	nya	60 759	53 765	13 824	31 601	nya
December	nya	67 787	nya	61 905	55 023	13 928	31 369	nya
March	nya	69 006	nya	63 085	56 033	14 052	31 246	nya
June	nya	69 813	nya	63 823	56 514	14 293	31 179	nya
<b>2002-03</b>								
September	nya	70 208	nya	64 451	56 556	14 450	30 942	nya
December	nya	70 334	nya	65 092	56 531	14 390	30 692	nya
March	nya	70 333	nya	65 941	57 034	14 163	30 699	nya
June	nya	70 232	nya	66 931	58 065	13 947	31 010	nya
<b>2003-04</b>								
September	nya	70 226	nya	68 094	59 244	13 866	31 444	nya

nya not yet available

(a) Reference year for chain volume measures is 2001-2002.

(b) See Page 2 for information regarding June and September quarter movements.

(c) See paragraph 14 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.



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

	Mining	Manufacturing	Construction(b)	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(c)
	%	%	%	%	%	%	%	%
ORIGINAL								
<b>2001-02</b>								
September	3.0	2.6	2.4	1.5	0.3	3.7	-6.5	5.2
December	4.4	4.4	2.5	8.0	16.5	3.1	3.3	-0.9
March	-0.8	-6.8	-5.1	-8.3	-11.3	-6.4	-7.2	-5.5
June	3.2	5.7	6.0	6.1	3.8	1.1	6.8	4.1
<b>2002-03</b>								
September	7.0	3.4	0.6	3.9	-1.5	8.8	-1.7	4.6
December	-0.2	1.8	10.1	1.3	12.2	1.7	-0.8	0.7
March	-7.6	-9.1	-11.9	-5.9	-11.0	-11.5	-6.1	-4.5
June	2.3	5.4	10.7	5.6	3.0	0.5	8.4	3.5
<b>2003-04</b>								
September	3.2	2.2	-3.1	3.0	3.1	5.7	0.9	4.1
SEASONALLY ADJUSTED								
<b>2001-02</b>								
September	nya	0.8	nya	2.4	1.2	-1.0	-4.0	nya
December	nya	1.8	nya	2.0	3.6	0.8	1.5	nya
March	nya	3.3	nya	2.3	0.9	2.4	-0.7	nya
June	nya	-0.7	nya	-0.1	1.8	-0.8	-1.2	nya
<b>2002-03</b>								
September	nya	1.8	nya	3.3	-0.6	3.8	1.1	nya
December	nya	-0.5	nya	-2.2	-0.2	-0.6	-2.5	nya
March	nya	0.8	nya	4.4	1.2	-3.2	0.5	nya
June	nya	-1.1	nya	-0.6	1.0	-1.5	0.3	nya
<b>2003-04</b>								
September	nya	0.7	nya	2.8	4.0	0.8	3.7	nya
TREND								
<b>2001-02</b>								
September	nya	1.4	nya	2.2	1.9	1.2	-0.4	nya
December	nya	1.8	nya	1.9	2.3	0.8	-0.7	nya
March	nya	1.8	nya	1.9	1.8	0.9	-0.4	nya
June	nya	1.2	nya	1.2	0.9	1.7	-0.2	nya
<b>2002-03</b>								
September	nya	0.6	nya	1.0	0.1	1.1	-0.8	nya
December	nya	0.2	nya	1.0	0.0	-0.4	-0.8	nya
March	nya	0.0	nya	1.3	0.9	-1.6	0.0	nya
June	nya	-0.1	nya	1.5	1.8	-1.5	1.0	nya
<b>2003-04</b>								
September	nya	0.0	nya	1.7	2.0	-0.6	1.4	nya

— nil or rounded to zero (including null cells)

(a) Reference year for chain volume measures is 2001-2002.

(b) See Page 2 for information regarding June and September quarter movements.

(c) See paragraph 14 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

## INCOME FROM SALES OF GOODS AND SERVICES, Current prices

	Mining	Manufacturing	Construction(a)	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(b)
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL								
<b>2001-02</b>								
September	14 103	67 480	21 110	61 186	51 430	14 035	30 859	30 487
December	14 097	70 362	21 738	65 553	60 333	14 480	32 135	30 391
March	13 811	65 356	20 791	59 586	53 842	13 562	29 852	29 308
June	14 283	69 672	22 228	62 972	55 876	13 778	32 009	30 541
<b>2002-03</b>								
September	15 596	72 344	22 627	64 836	55 242	15 129	31 815	31 826
December	15 574	74 506	25 108	66 806	62 194	15 709	31 800	32 075
March	14 377	68 473	22 377	62 908	55 618	13 959	30 084	30 813
June	13 765	71 506	25 154	63 823	57 224	14 124	32 818	31 985
<b>2003-04</b>								
September	13 886	73 017	24 692	64 326	58 937	14 982	33 542	33 736
SEASONALLY ADJUSTED								
<b>2001-02</b>								
September	nya	66 388	nya	61 654	53 002	13 726	30 825	nya
December	nya	67 416	nya	62 430	55 307	13 845	31 551	nya
March	nya	69 564	nya	63 119	56 093	14 182	31 366	nya
June	nya	69 653	nya	62 785	57 080	14 124	31 116	nya
<b>2002-03</b>								
September	nya	71 119	nya	64 266	56 930	14 796	31 781	nya
December	nya	71 538	nya	63 886	57 012	15 021	31 223	nya
March	nya	72 831	nya	66 547	57 943	14 598	31 610	nya
June	nya	71 390	nya	63 636	58 457	14 479	31 903	nya
<b>2003-04</b>								
September	nya	71 841	nya	64 059	60 738	14 652	33 505	nya
TREND								
<b>2001-02</b>								
September	nya	66 594	nya	61 869	53 440	13 795	31 317	nya
December	nya	67 568	nya	62 441	54 968	13 908	31 328	nya
March	nya	68 690	nya	62 857	56 192	14 047	31 329	nya
June	nya	69 858	nya	63 207	56 827	14 370	31 405	nya
<b>2002-03</b>								
September	nya	70 985	nya	63 931	57 014	14 692	31 394	nya
December	nya	71 810	nya	64 735	57 186	14 817	31 392	nya
March	nya	72 066	nya	64 949	57 838	14 722	31 647	nya
June	nya	71 965	nya	64 596	58 932	14 583	32 232	nya
<b>2003-04</b>								
September	nya	71 774	nya	64 090	60 159	14 516	33 050	nya

nya not yet available

(a) See Page 2 for information regarding June and September quarter movements.

(b) See paragraph 14 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

## 4

## INCOME FROM 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>2001-02</b>								
September	101 530	73 851	52 106	20 427	32 567	4 250	2 273	3 689
December	109 413	79 243	54 258	22 123	33 049	4 784	2 347	3 872
March	100 692	72 171	50 908	21 436	31 105	4 360	2 082	3 354
June	105 476	76 311	52 790	22 097	33 873	4 912	2 516	3 387
<b>2002-03</b>								
September	107 106	78 905	55 644	22 189	34 835	4 617	2 602	3 517
December	111 727	83 659	57 444	22 986	36 560	5 240	2 833	3 323
March	103 093	78 019	51 803	21 039	34 601	4 867	2 248	2 940
June	106 102	81 194	53 985	22 240	35 836	5 065	2 620	3 357
<b>2003-04</b>								
September	108 545	81 873	56 577	22 251	36 612	5 337	2 676	3 247

(a) State sales data should be used with caution. See paragraphs 15 and 16 of the Technical Note.

## 5

## INCOME FROM 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>2001-02</b>								
September	-2.1	0.8	5.5	-0.5	4.5	-5.8	-3.4	6.9
December	7.8	7.3	4.1	8.3	1.5	12.6	3.3	5.0
March	-8.0	-8.9	-6.2	-3.1	-5.9	-8.9	-11.3	-13.4
June	4.8	5.7	3.7	3.1	8.9	12.7	20.8	1.0
<b>2002-03</b>								
September	1.5	3.4	5.4	0.4	2.8	-6.0	3.4	3.9
December	4.3	6.0	3.2	3.6	5.0	13.5	8.9	-5.5
March	-7.7	-6.7	-9.8	-8.5	-5.4	-7.1	-20.7	-11.5
June	2.9	4.1	4.2	5.7	3.6	4.1	16.6	14.2
<b>2003-04</b>								
September	2.3	0.8	4.8	0.1	2.2	5.4	2.1	-3.3

(a) State sales data should be used with caution. See paragraphs 15 and 16 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)

	<i>Mining</i>	<i>Manufacturing</i>	<i>Wholesale trade</i>	<i>Retail trade</i>	<i>Other selected industries(b)</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL						
<b>2001-02</b>						
September	4 144	35 249	29 279	22 525	1 070	92 230
December	4 404	34 884	32 463	22 401	1 045	95 147
March	4 637	35 802	31 304	21 933	1 080	94 737
June	4 516	35 924	30 224	20 581	989	92 235
<b>2002-03</b>						
September	4 666	35 611	30 201	21 340	1 003	92 821
December	4 166	34 340	32 401	21 624	1 043	93 576
March	4 110	35 689	31 440	21 962	1 028	94 229
June	4 159	35 705	31 471	21 445	990	93 770
<b>2003-04</b>						
September	4 411	36 719	32 298	22 146	1 049	96 623
SEASONALLY ADJUSTED						
<b>2001-02</b>						
September	4 083	35 081	30 652	22 573	1 097	93 441
December	4 423	35 502	30 244	22 076	1 004	93 234
March	4 626	35 398	30 568	21 604	1 085	93 275
June	4 581	35 808	30 640	21 179	1 003	93 211
<b>2002-03</b>						
September	4 590	35 462	30 425	21 374	1 029	92 880
December	4 186	34 971	30 835	21 312	1 007	92 312
March	4 099	35 359	31 317	21 632	1 028	93 434
June	4 221	35 574	32 403	22 075	1 005	95 278
<b>2003-04</b>						
September	4 337	36 520	33 416	22 172	1 069	97 514
TREND						
<b>2001-02</b>						
September	4 117	35 049	30 656	22 428	1 128	93 338
December	4 373	35 350	30 471	22 112	1 053	93 340
March	4 592	35 599	30 441	21 629	1 028	93 283
June	4 622	35 588	30 504	21 313	1 028	93 055
<b>2002-03</b>						
September	4 474	35 400	30 564	21 245	1 021	92 704
December	4 270	35 197	30 801	21 394	1 011	92 673
March	4 175	35 316	31 478	21 671	1 018	93 658
June	4 198	35 745	32 363	21 957	1 029	95 292
<b>2003-04</b>						
September	4 296	36 295	33 270	22 219	1 047	97 128

(a) Reference year for chain volume measures is 2001-2002.

(b) See paragraph 14 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>2001-02</b>						
September	9.8	1.2	-3.2	3.2	-14.6	0.4
December	6.3	-1.0	10.9	-0.5	-2.3	3.2
March	5.3	2.6	-3.6	-2.1	3.3	-0.4
June	-2.6	0.3	-3.4	-6.2	-8.5	-2.6
<b>2002-03</b>						
September	3.3	-0.9	-0.1	3.7	1.5	0.6
December	-10.7	-3.6	7.3	1.3	3.9	0.8
March	-1.4	3.9	-3.0	1.6	-1.4	0.7
June	1.2	0.0	0.1	-2.4	-3.7	-0.5
<b>2003-04</b>						
September	6.1	2.8	2.6	3.3	5.9	3.0
SEASONALLY ADJUSTED						
<b>2001-02</b>						
September	6.9	1.0	-1.6	0.6	-13.7	0.1
December	8.3	1.2	-1.3	-2.2	-8.5	-0.2
March	4.6	-0.3	1.1	-2.1	8.1	0.0
June	-1.0	1.2	0.2	-2.0	-7.6	-0.1
<b>2002-03</b>						
September	0.2	-1.0	-0.7	0.9	2.7	-0.4
December	-8.8	-1.4	1.3	-0.3	-2.1	-0.6
March	-2.1	1.1	1.6	1.5	2.1	1.2
June	3.0	0.6	3.5	2.0	-2.2	2.0
<b>2003-04</b>						
September	2.8	2.7	3.1	0.4	6.3	2.3
TREND						
<b>2001-02</b>						
September	4.9	0.3	-1.1	0.3	-7.4	0.0
December	6.2	0.9	-0.6	-1.4	-6.7	0.0
March	5.0	0.7	-0.1	-2.2	-2.4	-0.1
June	0.6	0.0	0.2	-1.5	0.0	-0.2
<b>2002-03</b>						
September	-3.2	-0.5	0.2	-0.3	-0.7	-0.4
December	-4.6	-0.6	0.8	0.7	-1.0	0.0
March	-2.2	0.3	2.2	1.3	0.7	1.1
June	0.6	1.2	2.8	1.3	1.1	1.7
<b>2003-04</b>						
September	2.3	1.5	2.8	1.2	1.8	1.9

(a) Reference year for chain volume measures is 2001-2002.

(b) See paragraph 14 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

## INVENTORIES, Current prices

	<i>Mining</i>	<i>Manufacturing</i>	<i>Wholesale trade</i>	<i>Retail trade</i>	<i>Other selected industries(a)</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL						
<b>2001-02</b>						
September	4 198	35 512	29 401	22 347	1 070	92 527
December	4 395	34 770	31 804	22 456	1 045	94 471
March	4 501	35 535	30 884	22 119	1 080	94 117
June	4 508	35 643	29 746	20 825	1 002	91 725
<b>2002-03</b>						
September	4 749	35 566	30 129	21 659	1 034	93 137
December	4 325	34 879	32 426	22 188	1 072	94 890
March	4 322	36 472	30 922	22 686	1 035	95 437
June	4 258	36 031	30 245	22 163	1 000	93 697
<b>2003-04</b>						
September	4 389	36 466	30 388	22 906	1 064	95 212
SEASONALLY ADJUSTED						
<b>2001-02</b>						
September	4 137	35 362	30 270	22 395	1 097	93 261
December	4 415	35 411	30 300	22 130	1 004	93 260
March	4 489	35 188	30 659	21 787	1 084	93 207
June	4 573	35 508	30 596	21 430	1 015	93 122
<b>2002-03</b>						
September	4 672	35 403	31 010	21 693	1 061	93 839
December	4 346	35 531	30 891	21 868	1 035	93 671
March	4 310	36 143	30 721	22 345	1 034	94 553
June	4 321	35 892	31 114	22 814	1 015	95 156
<b>2003-04</b>						
September	4 316	36 261	31 269	22 933	1 086	95 865
TREND						
<b>2001-02</b>						
September	4 145	35 297	30 557	22 283	1 120	93 402
December	4 338	35 338	30 390	22 145	1 052	93 263
March	4 525	35 356	30 488	21 790	1 033	93 192
June	4 596	35 349	30 748	21 569	1 044	93 306
<b>2002-03</b>						
September	4 551	35 474	30 852	21 620	1 046	93 543
December	4 436	35 671	30 864	21 929	1 034	93 934
March	4 337	35 876	30 911	22 337	1 033	94 494
June	4 302	36 069	31 033	22 702	1 040	95 146
<b>2003-04</b>						
September	4 312	36 219	31 223	23 021	1 060	95 835

(a) See paragraph 14 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	Con- struction(b)	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(c)	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2001-02</b>									
September	3 761	3 081	375	91	329	212	357	1 027	9 233
December	3 059	3 558	498	1 614	1 088	433	564	295	11 109
March	3 426	3 305	385	1 219	495	633	13	-166	9 310
June	3 102	3 481	452	1 432	418	370	-229	471	9 497
<b>2002-03</b>									
September	3 309	3 726	525	1 697	596	590	691	547	11 682
December	2 413	4 723	661	1 775	1 484	779	90	1 839	13 765
March	3 838	4 090	470	1 779	567	411	361	2 175	13 690
June	3 466	2 965	519	1 658	510	84	-475	3 876	12 603
<b>2003-04</b>									
September	2 884	3 894	429	2 109	957	489	1 486	2 362	14 610
SEASONALLY ADJUSTED									
<b>2001-02</b>									
September	3 469	2 904	387	130	487	196	283	880	8 736
December	3 415	3 115	421	1 533	580	242	449	109	9 864
March	3 400	3 624	446	1 269	680	644	131	26	10 220
June	3 004	3 973	458	1 433	588	573	-151	609	10 487
<b>2002-03</b>									
September	3 122	3 345	546	1 730	751	562	603	403	11 062
December	2 710	4 314	557	1 683	975	593	-19	1 650	12 463
March	3 781	4 285	542	1 831	746	420	481	2 379	14 465
June	3 331	3 392	527	1 669	686	291	-393	4 002	13 505
<b>2003-04</b>									
September	2 745	3 624	448	2 137	1 111	455	1 386	2 222	14 128
TREND									
<b>2001-02</b>									
September	3 565	2 923	410	747	537	259	445	187	9 073
December	3 461	3 236	428	1 036	573	356	281	272	9 643
March	3 289	3 525	436	1 351	609	492	158	232	10 092
June	3 089	3 700	483	1 546	682	604	133	289	10 526
<b>2002-03</b>									
September	2 992	3 896	526	1 623	778	606	231	729	11 381
December	3 156	4 028	555	1 723	812	520	189	1 635	12 618
March	3 317	3 992	544	1 762	811	439	162	2 556	13 583
June	3 267	3 781	510	1 847	840	381	345	3 050	14 021
<b>2003-04</b>									
September	3 086	3 454	479	1 976	924	366	694	3 029	14 008

(a) The scope for company profits before income tax estimates relates to companies with 20 or more employees. See paragraph 9 of the Explanatory Notes for more information.

(b) See Page 2 for information regarding June and September quarter movements.

(c) See paragraph 14 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	Con- struction(b)	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(c)	Total
	%	%	%	%	%	%	%	%	%
ORIGINAL									
<b>2001-02</b>									
September	-3.5	23.8	-18.8	-90.5	813.3	14.3	-35.8	244.1	18.6
December	-18.6	15.5	32.6	np	230.4	104.6	58.1	-71.3	20.3
March	12.0	-7.1	-22.7	-24.5	-54.5	46.1	-97.6	-156.3	-16.2
June	-9.5	5.3	17.5	17.5	-15.5	-41.5	np	383.7	2.0
<b>2002-03</b>									
September	6.7	7.0	16.2	18.5	42.4	59.4	401.5	16.3	23.0
December	-27.1	26.8	26.0	4.6	149.1	32.0	-86.9	235.9	17.8
March	59.0	-13.4	-28.9	0.3	-61.8	-47.3	299.6	18.3	-0.5
June	-9.7	-27.5	10.4	-6.8	-10.0	-79.6	-231.8	78.2	-7.9
<b>2003-04</b>									
September	-16.8	31.3	-17.4	27.2	87.6	484.8	np	-39.1	15.9
SEASONALLY ADJUSTED									
<b>2001-02</b>									
September	-10.3	3.3	-17.8	-86.0	322.8	-48.5	-55.0	256.0	1.1
December	-1.5	7.3	8.8	np	19.0	23.3	58.8	-87.6	12.9
March	-0.5	16.3	5.9	-17.2	17.3	166.0	-70.9	-76.1	3.6
June	-11.6	9.6	2.7	12.9	-13.5	-11.0	-215.6	np	2.6
<b>2002-03</b>									
September	3.9	-15.8	19.4	20.7	27.7	-1.9	498.4	-33.8	5.5
December	-13.2	29.0	1.9	-2.7	29.8	5.5	-103.2	309.4	12.7
March	39.5	-0.7	-2.6	8.8	-23.4	-29.2	np	44.2	16.1
June	-11.9	-20.8	-2.8	-8.9	-8.1	-30.8	-181.7	68.2	-6.6
<b>2003-04</b>									
September	-17.6	6.8	-14.9	28.1	61.9	56.4	452.3	-44.5	4.6
TREND									
<b>2001-02</b>									
September	0.2	4.5	11.5	8.3	10.4	4.4	-2.9	125.3	4.4
December	-2.9	10.7	4.4	38.6	6.7	37.4	-36.8	45.5	6.3
March	-5.0	9.0	1.8	30.4	6.2	38.2	-44.0	-14.7	4.7
June	-6.1	5.0	10.7	14.5	12.0	22.6	-15.4	24.6	4.3
<b>2002-03</b>									
September	-3.1	5.3	8.9	5.0	14.2	0.4	73.4	152.2	8.1
December	5.5	3.4	5.5	6.1	4.3	-14.2	-18.1	124.3	10.9
March	5.1	-0.9	-2.0	2.3	-0.1	-15.5	-14.5	56.3	7.6
June	-1.5	-5.3	-6.3	4.8	3.5	-13.1	113.3	19.3	3.2
<b>2003-04</b>									
September	-5.5	-8.6	-6.0	7.0	10.1	-4.0	100.9	-0.7	-0.1

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

(a) The scope for company profits before income tax estimates relates to companies with 20 or more employees. See paragraph 9 of the Explanatory Notes for more information.

(b) See Page 2 for information regarding June and September quarter movements.

(c) See paragraph 14 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	Con- struction(b)	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(c)	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2001-02</b>									
September	5 741	5 845	532	1 532	863	906	1 065	3 070	19 553
December	5 532	5 941	703	2 153	1 691	1 426	1 571	2 839	21 859
March	5 161	5 634	553	1 829	1 096	1 347	1 404	2 763	19 786
June	4 991	5 998	620	1 824	1 020	1 093	1 756	2 842	20 146
<b>2002-03</b>									
September	5 657	6 493	707	2 442	1 243	1 532	1 677	3 284	23 035
December	5 406	7 195	846	2 317	2 329	1 720	1 394	3 274	24 481
March	5 309	6 175	635	2 117	1 178	1 396	1 167	3 325	21 302
June	4 643	5 408	734	2 106	1 126	1 160	1 049	3 854	20 079
<b>2003-04</b>									
September	4 818	6 657	579	2 500	1 537	1 448	1 767	4 057	23 362
SEASONALLY ADJUSTED									
<b>2001-02</b>									
September	5 285	5 657	546	1 477	1 040	868	1 016	2 920	18 809
December	5 725	5 485	637	2 069	1 137	1 230	1 500	2 781	20 564
March	5 289	5 951	632	1 963	1 357	1 381	1 536	2 946	21 055
June	5 120	6 415	593	1 853	1 166	1 337	1 786	2 885	21 155
<b>2002-03</b>									
September	5 239	6 261	728	2 358	1 499	1 459	1 586	3 125	22 255
December	5 581	6 670	762	2 202	1 567	1 488	1 331	3 205	22 806
March	5 430	6 497	728	2 268	1 453	1 429	1 281	3 501	22 587
June	4 761	5 794	703	2 156	1 289	1 422	1 070	3 882	21 077
<b>2003-04</b>									
September	4 478	6 414	597	2 416	1 852	1 378	1 662	3 881	22 678
TREND									
<b>2001-02</b>									
September	5 661	5 527	604	1 668	1 116	1 072	1 218	2 836	19 702
December	5 483	5 650	615	1 833	1 161	1 174	1 382	2 857	20 155
March	5 306	5 943	613	1 967	1 225	1 302	1 596	2 883	20 835
June	5 239	6 234	652	2 064	1 332	1 410	1 685	2 947	21 563
<b>2002-03</b>									
September	5 318	6 495	700	2 164	1 443	1 441	1 584	3 065	22 210
December	5 443	6 490	746	2 245	1 469	1 462	1 371	3 265	22 491
March	5 275	6 345	734	2 245	1 465	1 449	1 247	3 524	22 284
June	4 907	6 210	683	2 256	1 504	1 414	1 291	3 761	22 026
<b>2003-04</b>									
September	4 492	6 115	625	2 329	1 629	1 383	1 435	3 960	21 968

(a) The scope for company gross operating profits before income tax estimates relates to companies with 20 or more employees. See paragraph 9 of the Explanatory Notes for more information.

(b) See Page 2 for information regarding June and September quarter movements.

(c) See paragraph 14 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(b)	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(c)	Total
	%	%	%	%	%	%	%	%	%
ORIGINAL									
<b>2001-02</b>									
September	-1.6	15.5	-23.5	-1.3	70.9	-9.5	-18.2	12.9	4.7
December	-3.6	1.6	32.2	40.5	96.0	57.5	47.5	-7.5	11.8
March	-6.7	-5.2	-21.3	-15.1	-35.2	-5.6	-10.6	-2.7	-9.5
June	-3.3	6.5	12.2	-0.3	-6.9	-18.8	25.0	2.9	1.8
<b>2002-03</b>									
September	13.3	8.2	14.0	33.9	21.8	40.1	-4.5	15.6	14.3
December	-4.4	10.8	19.6	-5.1	87.4	12.3	-16.9	-0.3	6.3
March	-1.8	-14.2	-24.9	-8.6	-49.4	-18.8	-16.3	1.6	-13.0
June	-12.6	-12.4	15.5	-0.5	-4.4	-16.9	-10.1	15.9	-5.7
<b>2003-04</b>									
September	3.8	23.1	-21.1	18.7	36.5	24.8	68.4	5.3	16.4
SEASONALLY ADJUSTED									
<b>2001-02</b>									
September	-11.8	5.1	-17.7	-4.5	80.8	-28.6	-22.9	4.7	-3.4
December	8.3	-3.0	16.7	40.1	9.3	41.7	47.7	-4.8	9.3
March	-7.6	8.5	-0.7	-5.1	19.3	12.2	2.4	5.9	2.4
June	-3.2	7.8	-6.2	-5.6	-14.1	-3.2	16.3	-2.1	0.5
<b>2002-03</b>									
September	2.3	-2.4	22.8	27.2	28.6	9.1	-11.2	8.3	5.2
December	6.5	6.5	4.7	-6.6	4.5	2.0	-16.1	2.6	2.5
March	-2.7	-2.6	-4.5	3.0	-7.3	-3.9	-3.8	9.2	-1.0
June	-12.3	-10.8	-3.5	-4.9	-11.3	-0.5	-16.5	10.9	-6.7
<b>2003-04</b>									
September	-5.9	10.7	-15.1	12.1	43.7	-3.1	55.4	0.0	7.6
TREND									
<b>2001-02</b>									
September	—	-0.2	8.3	6.3	2.9	4.1	0.2	1.4	1.3
December	-3.1	2.2	1.8	9.9	4.0	9.5	13.5	0.7	2.3
March	-3.2	5.2	-0.2	7.3	5.5	10.9	15.5	0.9	3.4
June	-1.3	4.9	6.3	5.0	8.8	8.4	5.6	2.2	3.5
<b>2002-03</b>									
September	1.5	4.2	7.4	4.8	8.4	2.2	-6.0	4.0	3.0
December	2.3	-0.1	6.6	3.8	1.8	1.5	-13.5	6.5	1.3
March	-3.1	-2.2	-1.6	0.0	-0.3	-0.9	-9.1	7.9	-0.9
June	-7.0	-2.1	-7.0	0.5	2.7	-2.4	3.6	6.7	-1.2
<b>2003-04</b>									
September	-8.5	-1.5	-8.5	3.2	8.3	-2.2	11.1	5.3	-0.3

(a) The scope for company gross operating profits before income tax estimates relates to companies with 20 or more employees. See paragraph 9 of the Explanatory Notes for more information.

(b) See Page 2 for information regarding June and September quarter movements.  
(c) See paragraph 14 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

## WAGES AND SALARIES, Current prices—Original

	Mining	Manufacturing	Electricity, gas and water supply	Construction	Wholesale trade	Retail trade	Accom- modation, cafes and restaurants	Transport and storage	Com- munication services	Finance and insurance
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2001-02</b>										
September	1 359	10 398	229	3 942	4 622	6 299	2 385	3 083	568	4 253
December	1 501	10 799	250	4 094	4 726	6 533	2 379	3 117	608	4 400
March	1 435	10 086	235	3 885	4 449	6 205	2 296	3 098	542	4 354
June	1 499	10 608	264	4 110	4 771	6 441	2 422	3 055	602	4 357
<b>2002-03</b>										
September	1 571	11 144	274	4 196	5 018	6 657	2 392	3 196	554	4 578
December	1 594	11 554	264	4 648	5 352	7 221	2 446	3 355	560	4 568
March	1 563	10 980	277	4 221	5 146	6 797	2 333	3 108	589	4 630
June	1 646	11 488	252	4 611	5 505	7 007	2 426	3 275	598	4 819
<b>2003-04</b>										
September	1 688	11 611	256	4 785	5 500	7 014	2 423	3 289	626	4 912

WAGES AND SALARIES, Current prices—Original *continued*

	Property and business services	Education	Health and community services	Cultural and recreational services	Personal and other services	Total
	\$m	\$m	\$m	\$m	\$m	\$m
<b>2001-02</b>						
September	11 233	1 628	3 818	1 176	1 173	56 165
December	11 696	1 789	3 990	1 206	1 272	58 363
March	11 081	1 609	3 971	1 204	1 214	55 662
June	11 861	1 782	4 145	1 285	1 354	58 556
<b>2002-03</b>						
September	11 565	1 840	4 045	1 269	1 352	59 651
December	12 062	1 938	4 131	1 223	1 436	62 351
March	11 610	1 706	4 124	1 205	1 412	59 703
June	12 422	1 935	4 452	1 214	1 519	63 169
<b>2003-04</b>						
September	12 602	1 969	4 284	1 245	1 529	63 734

## 14

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

	Mining	Manufacturing	Electricity, gas and water supply	Construction	Wholesale trade	Retail trade	Accom- modation, cafes and restaurants	Transport and storage
	%	%	%	%	%	%	%	%
<b>2001-02</b>								
September	7.9	-1.1	-6.3	-3.5	-2.0	-3.9	-1.5	4.3
December	10.5	3.9	9.2	3.9	2.3	3.7	-0.2	1.1
March	-4.4	-6.6	-6.2	-5.1	-5.9	-5.0	-3.5	-0.6
June	4.4	5.2	12.3	5.8	7.2	3.8	5.5	-1.4
<b>2002-03</b>								
September	4.8	5.0	4.1	2.1	5.2	3.4	-1.2	4.6
December	1.4	3.7	-3.7	10.8	6.6	8.5	2.2	5.0
March	-1.9	-5.0	4.9	-9.2	-3.8	-5.9	-4.6	-7.4
June	5.3	4.6	-9.0	9.2	7.0	3.1	4.0	5.4
<b>2003-04</b>								
September	2.6	1.1	1.6	3.8	-0.1	0.1	-0.1	0.4

## 14

WAGES AND SALARIES, Current prices—Original: Percentage change from previous quarter *continued*

	Communication services	Finance and insurance	Property and business services	Education	Health and community services	Cultural and recreational services	Personal and other services	Total
	%	%	%	%	%	%	%	%
<b>2001-02</b>								
September	-4.0	-1.7	-4.7	1.2	-5.1	11.6	7.3	-1.9
December	7.1	3.5	4.1	9.9	4.5	2.6	8.5	3.9
March	-10.9	-1.1	-5.3	-10.1	-0.5	-0.2	-4.6	-4.6
June	11.1	0.1	7.0	10.8	4.4	6.8	11.5	5.2
<b>2002-03</b>								
September	-8.1	5.1	-2.5	3.2	-2.4	-1.3	-0.1	1.9
December	1.1	-0.2	4.3	5.4	2.1	-3.6	6.2	4.5
March	5.2	1.4	-3.7	-12.0	-0.2	-1.5	-1.6	-4.2
June	1.5	4.1	7.0	13.4	7.9	0.8	7.6	5.8
<b>2003-04</b>								
September	4.6	1.9	1.5	1.8	-3.8	2.6	0.7	0.9

## 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>2001-02</b>									
September	21 252	15 002	9 008	3 762	5 181	788	391	789	56 165
December	22 162	15 662	9 273	3 795	5 430	837	386	831	58 363
March	21 259	14 806	8 817	3 640	5 220	777	369	777	55 662
June	22 197	15 515	9 476	3 780	5 556	852	395	786	58 556
<b>2002-03</b>									
September	22 574	15 794	9 782	3 897	5 529	857	400	817	59 651
December	23 197	16 903	10 241	4 012	5 833	884	416	866	62 351
March	22 487	15 911	9 689	3 839	5 715	832	404	825	59 703
June	23 610	16 754	10 456	4 100	6 064	875	420	890	63 169
<b>2003-04</b>									
September	23 862	17 086	10 632	4 049	5 915	914	419	857	63 734

## 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>2001-02</b>									
September	-4.5	-1.5	-1.0	3.7	3.2	-4.4	-4.3	0.0	-1.9
December	4.3	4.4	2.9	0.9	4.8	6.3	-1.5	5.3	3.9
March	-4.1	-5.5	-4.9	-4.1	-3.9	-7.2	-4.2	-6.5	-4.6
June	4.4	4.8	7.5	3.9	6.4	9.7	6.9	1.2	5.2
<b>2002-03</b>									
September	1.7	1.8	3.2	3.1	-0.5	0.7	1.4	3.9	1.9
December	2.8	7.0	4.7	2.9	5.5	3.1	3.8	6.0	4.5
March	-3.1	-5.9	-5.4	-4.3	-2.0	-5.9	-2.7	-4.7	-4.2
June	5.0	5.3	7.9	6.8	6.1	5.2	3.8	7.9	5.8
<b>2003-04</b>									
September	1.1	2.0	1.7	-1.2	-2.5	4.4	-0.1	-3.7	0.9

(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.

# 17

## 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>2001-02</b>								
September	0.30	0.53	na	0.48	0.43	na	na	na
December	0.31	0.49	na	0.49	0.37	na	na	na
March	0.33	0.54	na	0.52	0.41	na	na	na
June	0.32	0.51	na	0.47	0.37	na	na	na
<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	0.50	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

na not available

(c) See paragraph 14 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

(a) Sales refers to Income from sales of goods and services.

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

# 18

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

	Mining	Manufacturing	Construction(c)	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(d)
<b>2001-02</b>								
September	10.38	6.49	5.35	13.24	8.16	4.55	2.75	3.12
December	9.39	6.52	5.31	13.87	9.23	4.64	2.75	3.00
March	9.62	6.48	5.35	13.39	8.68	4.38	2.69	2.98
June	9.53	6.57	5.41	13.20	8.67	4.51	2.70	2.97
<b>2002-03</b>								
September	9.93	6.49	5.39	12.92	8.30	4.73	2.75	3.05
December	9.77	6.45	5.40	12.48	8.61	4.68	2.64	3.06
March	9.20	6.24	5.30	12.22	8.18	4.49	2.59	2.95
June	8.36	6.22	5.46	11.59	8.17	4.31	2.64	2.95
<b>2003-04</b>								
September	8.22	6.29	5.16	11.70	8.40	4.56	2.66	3.07

(a) Sales refers to Income from sales of goods and services.

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

(c) See Page 2 for information regarding June and September quarter movements.

(d) See paragraph 14 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

COMPANY GROSS OPERATING PROFITS/SALES RATIO(a)(b), Current prices—Original

	<i>Mining</i>	<i>Manufacturing</i>	<i>Construction(c)</i>	<i>Wholesale trade</i>	<i>Retail trade</i>	<i>Transport and storage</i>	<i>Property and business services</i>	<i>Other selected industries(d)</i>
<b>2001-02</b>								
September	0.44	0.10	0.06	0.04	0.03	0.09	0.08	0.18
December	0.43	0.10	0.07	0.05	0.05	0.14	0.11	0.17
March	0.41	0.10	0.06	0.05	0.04	0.14	0.11	0.17
June	0.38	0.10	0.06	0.04	0.03	0.11	0.13	0.16
<b>2002-03</b>								
September	0.41	0.11	0.07	0.05	0.04	0.15	0.11	0.16
December	0.40	0.12	0.08	0.05	0.07	0.16	0.09	0.17
March	0.42	0.11	0.07	0.05	0.04	0.14	0.08	0.18
June	0.38	0.09	0.06	0.04	0.04	0.12	0.07	0.20
<b>2003-04</b>								
September	0.38	0.11	0.05	0.05	0.05	0.14	0.12	0.20

(a) Sales refers to Income from sales of goods and services.

(b) Estimates for both company gross operating profits and income from sales of goods and services relate to companies with 20 or more employees. Ratio is calculated by dividing profits by sales.

(c) See Page 2 for information regarding June and September quarter movements.

(d) See paragraph 14 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

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

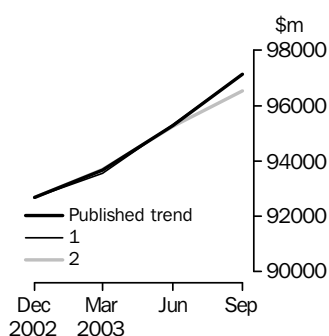
### EFFECT OF NEW SEASONALLY ADJUSTED ESTIMATES ON TREND ESTIMATES

#### 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.

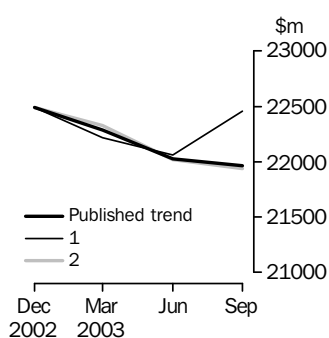
1. Next quarter's seasonally adjusted estimate of total inventories, and seasonally adjusted estimate for company gross operating profits respectively, are higher than the current quarter's estimate by the percentage shown.
2. Next quarter's seasonally adjusted estimate of total inventories, and seasonally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

#### INVENTORIES (CHAIN VOLUME MEASURES)



	TREND AS PUBLISHED		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
	\$m	%change	<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>2002</b>						
December	92 673	0.0	92 673	0.0	92 673	0.0
<b>2003</b>						
March	93 658	1.1	93 564	1.0	93 690	1.1
June	95 292	1.7	95 308	1.9	95 264	1.7
September	97 128	1.9	97 146	1.9	96 539	1.3

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



	TREND AS PUBLISHED		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE:			
	\$m	%change	<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>2002</b>						
December	22 491	1.3	22 492	1.3	22 492	1.3
<b>2003</b>						
March	22 284	-0.9	22 219	-1.2	22 326	-0.7
June	22 026	-1.2	22 061	-0.7	22 022	-1.4
September	21 968	-0.3	22 453	1.8	21 939	-0.4



## EXPLANATORY NOTES

### INTRODUCTION

**1** This publication contains estimates of income from 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.

### PREVIOUS DATA SOURCES

**2** Prior to March quarter 2001, data on sales, inventories and company profits were collected in the Survey of Inventories, Sales and Services and the Survey of Company Profits. The data from these surveys have been used to compile the historical estimates in this publication. From March quarter 2002, the Quarterly Business Indicators Survey replaced the private sector component of the Survey of Employment and Earnings. However, as the measures of wages and salaries in the two surveys are different (refer to paragraph 34), data from the Survey of Employment and Earnings has not been used to produce historical estimates for this publication. For more information on the introduction of the Quarterly Business Indicators Survey, see *Information Paper: Improvements to Australian Bureau of Statistics Quarterly Business Indicators* (cat no. 5677.0).

### SCOPE AND COVERAGE

**3** 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.

**4** 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.

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

**6** 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.

**7** 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. The inventories to sales ratio is based on data from the current quarter for medium sized businesses, and benchmarked to data from the annual Economic Activity Survey for small businesses. Investigations indicate that this technique produces estimates of inventories of sufficient quality.

**8** The industries, 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>Income from sales of goods and services</i>	<i>Wages and salaries</i>	<i>Company 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)(a)				
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

(a) See paragraph 5 for details of further scope exclusions for these industries.

**9** Estimates for Company profits before income tax, and Company gross operating profits, only include private incorporated businesses ('companies') employing 20 or more persons and exclude companies in ANZSIC groups 733 or 734 classified to the Corporate Financial sector of the *Standard Institutional Sector Classification of Australia (SISCA)*. Refer to paragraph 15 for more information on this classification. Estimates previously published in *Company Profits, Australia* (cat. no. 5651.0) related only to companies employing more than 30 persons. The ABS has collected data for companies employing between 20 and 30 persons since September 1994 and these data are now included in published estimates.

**10** The estimates for all the other statistics in this publication include unincorporated businesses and businesses with fewer than 20 employees. Other than for profits estimates there are no other exclusions based on SISCA.

## EXPLANATORY NOTES *continued*

### STATISTICAL UNIT

**11** 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 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 sub-division (and the TAU is classified to the relevant sub-division of the Australian and New Zealand Standard Industrial Classification). 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 sub-division. 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.

### CLASSIFICATIONS

**12** 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).

**13** 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.

**14** Many of the tables in this publication contain an industry classification 'Other selected industries'. For company gross operating profits, company profits before income tax, and income from 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.

**15** 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

**16** 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.

**17** 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.

## EXPLANATORY NOTES *continued*

### SURVEY METHODOLOGY

*continued*

**18** 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

**19** Surveys are conducted in respect of each quarter and returns are completed during the 8 or 9 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

**20** 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.

**21** 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.

### SEASONAL ADJUSTMENT

**22** 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.

**23** 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.

**24** 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. The concurrent seasonal adjustment methodology replaces the forward factor methodology used to adjust inventories and sales estimates in *Inventories and Sales, Selected Industries, Australia* (cat. no. 5629.0) where seasonal factors for these estimates were only revised following an annual reanalysis. The concurrent seasonal adjustment methodology has been applied to company profits estimates for some years.

**25** Seasonally adjusted estimates are not available for some series contained in this publication, as at least three years of data (but preferably five years) are required to discern a seasonal pattern. In addition, some seasonally adjusted and trend series for income from 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.

## EXPLANATORY NOTES *continued*

### TREND ESTIMATES

**26** 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.

**27** 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 Trend, An Overview* (cat. no. 1349.0) or contact the Assistant Director, Time Series Analysis on Canberra 02 6252 6345 or email <timeseries@abs.gov.au>.

### CHAIN VOLUME MEASURES

**28** 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 2001–2002). 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.

**29** 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 2004 issue of this publication, the chain volume measures for 2003–04 will have 2002–03 (the previous financial year) as their base year rather than 2001–02, and the reference year will be 2002–03. 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.

**30** 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).

## EXPLANATORY NOTES *continued*

### COMPARABILITY WITH NATIONAL ACCOUNTS AND OTHER ABS ESTIMATES

**31** 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 income from 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).

**32** 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-employed 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.

**33** The estimates for income from 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 income from 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.

**34** 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.

### RELATED PUBLICATIONS

**35** 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)

## EXPLANATORY NOTES *continued*

### RELATED PUBLICATIONS

*continued*

- *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 ABS 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)

**36** 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 <[www.abs.gov.au](http://www.abs.gov.au)>.

### ABS WEB SITE

**37** The key indicators and main features from this publication are published on the ABS web site at <[www.abs.gov.au](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

**38** 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.

## 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** 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).

**3** 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 26 and 27 of the Explanatory Notes, seasonally adjusted and trend estimates are also subject to revision as more data are revised and more data becomes available.

**4** 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

**5** 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

**6** 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.

**7** 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>Industries</i>	<i>Company gross operating profits</i>	<i>Company profits before income tax</i>	<i>Income from sales of goods and services</i>	<i>Inventories</i>	<i>Wages and salaries</i>
	\$m	\$m	\$m	\$m	\$m
Mining	39	26	268	106	21
Manufacturing	121	132	951	472	134
Construction	62	62	995	na	213
Wholesale trade	81	76	1 660	883	100
Retail trade	56	56	1 031	440	119
Transport and storage	41	34	517	na	97
Property and business services	222	196	1 270	na	321
Other selected industries(a)	103	100	622	48	226
<b>Total</b>	<b>302</b>	<b>284</b>	na	<b>1 099</b>	<b>500</b>

na not available

(a) See paragraph 14 of the Explanatory Notes for a definition of the Other selected industries.

### MOVEMENT ESTIMATES

**8** 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 ( $\$2,000m \pm \$1,700m$ ).

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

<i>Industries</i>	<i>Company gross operating profits</i>	<i>Company profits before income tax</i>	<i>Income from sales of goods and services</i>	<i>Inventories</i>	<i>Wages and salaries</i>
	\$m	\$m	\$m	\$m	\$m
Mining	28	26	220	112	14
Manufacturing	100	140	576	284	85
Construction	83	82	625	na	129
Wholesale trade	108	118	1 119	582	64
Retail trade	62	60	550	202	70
Transport and storage	40	36	341	na	61
Property and business services	217	243	735	na	187
Other selected industries(a)	116	147	426	38	136
<b>Total</b>	<b>308</b>	<b>354</b>	na	<b>688</b>	<b>300</b>

na not available

(a) See paragraph 14 of the Explanatory Notes for a definition of the Other selected industries.

## TECHNICAL NOTE DATA QUALITY *continued*

### ADJUSTMENTS TO ESTIMATES

**10** 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:

<i>Data items</i>	<i>September Qtr 2003</i>
	%
Company gross operating profits	0.8
Company profits before income tax	0.8
Income from sales of goods and services	1.5
Inventories	0.9
Wages and salaries	1.6

**11** 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 31 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.

### INCOME FROM SALES OF GOODS AND SERVICES TIME SERIES

**12** With the introduction of the Quarterly Business Indicators Survey from the March quarter 2001, the ABS commenced the collection of income from 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).

**13** 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 income from sales of goods and services and series, and these are discussed in paragraph 33 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.

INCOME FROM SALES OF  
GOODS AND SERVICES TIME  
SERIES *continued*

**14** The ABS does not have alternative data sources to model quarterly time series for income from sales of goods and services for Mining; Electricity, gas and water supply; Construction; and Services to finance and insurance; and data for these industries are only published in original terms for periods since March quarter 2001. The ABS also does not have an alternative data source to model time series for Libraries, Museums, and Parks and gardens. However as the scope for estimates in this publication exclude public sector business units, estimates for Libraries, Museums, and Parks and gardens are relatively small and have been incorporated in estimates for Cultural and recreational services from the March quarter 2001. While this has caused a small break in series in the March quarter 2001, it does not impact on quarterly movements (except for the March quarter 2001), although it will impact on comparisons of year to year movements. This has facilitated the production of seasonally adjusted and trend estimates for Cultural and recreational services.

**15** This publication includes estimates of income from sales of goods and services, by industry, and by state/territory, but estimates of national total income from sales of goods and services are not published. Total income from 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 income from 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.

**16** Seasonally adjusted and trend data by state/territory are not provided in this publication but are available on request for a limited set of industries excluding Mining; Construction; Electricity, gas and water; and Services to finance and insurance. State/territory estimates which are most impacted by the limited scope are Western Australia and Northern Territory where income from sales of goods and services for Mining and Construction are relatively significant.

PROFITS TIME SERIES

**17** With the introduction of the Quarterly Business indicators Survey from the March quarter 2001, the ABS commenced the collection of profits items from Libraries, Museums, and Parks and gardens (Groups 921–923). The ABS does not have an alternative data source to model quarterly time series for Libraries, Museums, and Parks and gardens. However as the scope for estimates in this publication exclude public sector business units, estimates for Libraries, Museums, and Parks and gardens are relatively small and have been incorporated in Company profits before income tax, and Company gross operating profits estimates for Cultural and recreational services from the March quarter 2001. While this has caused a small break in series in the March quarter 2001, it does not impact on quarterly movements (except for the March quarter 2001), although it will impact on comparisons of year to year movements. This has facilitated the production of seasonally adjusted and trend estimates for Cultural and recreational services.

**18** Estimates for Company gross operating profits were formerly included in *Company Profits, Australia* as the experimental series "Company profits before income tax, net interest, depreciation and selected items". Data were published in respect of businesses employing more than 30 persons. Estimates for Company gross operating profits are compiled by deducting estimates for depreciation, net interest paid and some additional items from the Company profits before income tax series. The additional items include activities that do not involve the production of goods and services such as net foreign exchange gains/losses, unrealised gains/losses on the revaluation of assets and some other items often defined in accounting terms as abnormal items that are considered out of scope of the national accounts item Gross operating surplus.

PROFITS TIME SERIES

*continued*

**19** While Company profits before income tax estimates for businesses employing 20 or more persons are available from September quarter 1994, data for 'abnormal' items for these businesses only became available with changes in data collection and processing introduced from the June quarter 1999. Therefore the Company gross operating profits estimates from September quarter 1994 to March quarter 1999 include 'abnormal' items reported by businesses with 20 to 30 employees, whereas Company gross operating profits estimates from the June quarter 1999 exclude these items where they are considered out of scope of the national accounts item Gross operating surplus. As these items are generally small in value for businesses with 20 to 30 employees, this difference in treatment is expected to have a minimal impact on the time series.

INVENTORIES TIME SERIES

**20** 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.

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 income from 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>	An incorporated private sector business enterprise. For the purpose of the survey, branches of overseas companies operating in Australia are included but overseas branches of Australian companies are excluded.
<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>Income from sales of goods and services</b>	This item includes income from 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>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>Wages and salaries</b>	Gross earnings before taxation and other deductions. Includes provisions for employee entitlements.





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