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HEALTH CARE SERVICES

AUSTRALIA

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INQUIRIES

For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070.

INTRODUCTION

This publication presents estimates of the financial performance and workforce characteristics of private sector businesses and organisations involved in the provision of health care services, in respect of the 2009–10 financial year. These data are compiled from a directly collected survey conducted by the Australian Bureau of Statistics (ABS). This is the third ABS survey of medical practitioner businesses and organisations with the previous collections being conducted in respect of 2001–02 and 1994–95, and the second ABS survey of allied health businesses and organisations with the previous collection being conducted in respect of 1997–98 for *selected* allied health businesses.

The following publications were released for the 2001–02 and 1997–98 reference period:

Private Medical Practitioners, Australia, 2002 (cat. no. 8689.0) — issued 29 October 2002

Private Medical Practices, Australia, 2001–02 (cat. no. 8685.0) — issued 18 December 2003

Audiology and Audiometry Services, Australia, 1997–98 (cat. no. 8554.0) — issued 28 June 1999

Chiropractic and Osteopathic Services, Australia, 1997–98 (cat. no. 8550.0) — issued 20 August 1999

Physiotherapy Services, Australia, 1997–98 (cat. no. 8552.0) — issued 31 August 1999

Dental Services, Australia, 1997–98 (cat. no. 8551.0) — issued 30 September 1999

Optometry and Optical Dispensing Services, Australia, 1997–98 (cat. no. 8553.0) — issued 29 October 1999

WHAT'S NEW IN THIS ISSUE

Users are advised not to make historical comparisons with previous iterations of this survey, as this survey was not designed to support accurate estimates of change over time. Please refer to Technical Note 1: Data quality (paragraph 17) regarding historical comparisons.

DATA VIEWS

Two views of health care services statistics are presented in this publication:

- an industry view in Chapters 1 to 5. This view presents data for businesses and organisations whose predominant activity is the provision of health care services. Industry data are classified according to the *Australian and New Zealand Standard Industrial Classification (ANZSIC)*, 2006 edition (cat. no. 1292.0).
- a General Practitioner practice view in Chapter 1 commentary. This view reflects key performance measures of private GP practices. Practices are identified as a subset of the industry view for GPs and are based on a benchmark provided by the Australian General Practice Network.

Brian Pink
Australian Statistician

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SUMMARY OF OPERATIONS

At the end of June 2010, there were 28,374 general practice medical businesses operating in Australia. These businesses:

- operated from 39,509 locations servicing a population of 22.3 million people at the end of June 2010;
- employed or contracted 61,651 registered medical/health practitioners and other staff providing health care;
- generated income of \$14.7b during the 2009–10 financial year;
- incurred expenses of \$10.2b in the same period;
- generated operating profit before tax of \$4.5b; and
- generated industry value added of \$8.9b.

PERSONS WORKING

There were 107,213 persons engaged in the general practice medical industry at the end of June 2010. Of this number 61,651 or 57.5% were registered medical/health practitioners and other staff providing health care. The remainder were administrative and support staff.

Of those providing direct health care services 51,414 persons were employed by businesses and 10,238 persons (16.6%) were working on contract. Working proprietors and partners accounted for 15,085 or 29.3% of persons employed by businesses while the remaining 36,329 or 70.7% were employees. Of all employees, 55.4% were permanent full-time, 24.4% were permanent part-time and the remaining 20.3% were casual/temporary.

OCCUPATION

At the end of June 2010, there were 61,651 registered medical/health practitioners and other staff providing health care employed or working on contract in general practice medical businesses. Just under 60% of this number consisted of registered general practitioners with male practitioners accounting for 64% (or 23,289) of this total. Of total general practitioners the overwhelming majority (88.9%) were vocationally registered.

There were 10,981 registered nurses working in general practice medical businesses with female nurses accounting for 94.5% of the total. A further 14,280 registered practitioners and other persons providing direct health care, other than general practitioners or nurses worked in general practice medical businesses. This indicates the presence of multi-disciplinary medical clinics.

INCOME AND EXPENSES

During the 2009–10 financial year, total income of \$14.7b was generated by general practice medical businesses, of which fee for service accounted for \$11.1b or 75.6% of total income. Of the total fee for service \$6.2b or 55.3% comprised of bulk billing payments and \$3b or 26.5% was from patient payments. Other income from medical/health related services accounted for \$1.2b or 8.5% of total income, and included contract income earned by medical and health practitioners contracting their

INCOME AND EXPENSES

continued

services to other medical businesses, one-off incentive payments made to practitioners and a number of other health related services.

General practitioner businesses operating on 30 June 2010 generated an average income of \$519,400 per business. Average fee for service income earned per practitioner was \$181,600.

Total industry expenditure for general practice medical businesses was \$10.2b during 2009–10. The main expense item incurred was labour costs accounting for \$4.4b or 42.6% of total expenses. Other main sources of expenditure included payments to administrative businesses for support services (\$1.4b or 13.9%). This indicates that a number of medical businesses utilise the services of a separate administrative company to provide support staff and pay general expenses. Contract payments to medical and health practitioners accounted for \$1.3b or 12.3% of total expenses with 16.6% of total practitioners choosing to contract their services to other medical businesses.

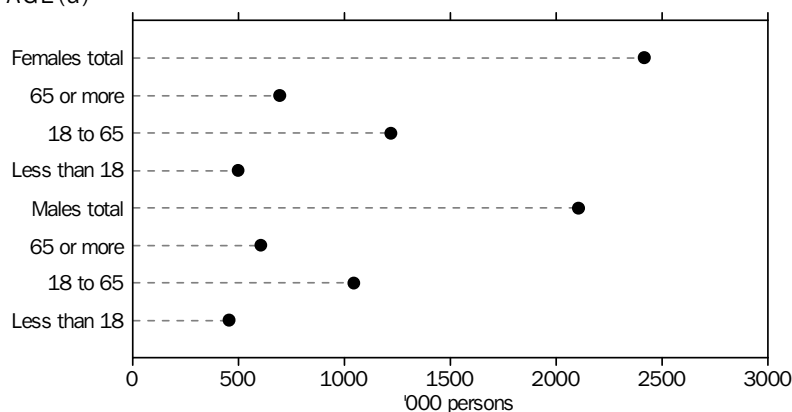
PROFITABILITY

Operating profit before tax for general practice medical businesses during the 2009–10 financial year was \$4.5b, representing an operating profit margin of 33.9%.

PATIENTS

The graph below shows that during the 2009–10 financial year general practice medical businesses had 4.5m total patient contacts in an average working week. Female patients accounted for 53.4% of this total. General practitioners had an average of 124 patient contacts per working week.

GENERAL PRACTITIONER PATIENT CONTACTS BY PATIENT GENDER AND AGE (a)



(a) Number of patient contacts per average working week

PRIVATE GENERAL PRACTICES

The table overleaf shows that private general practices in Australia employed or contracted 33,915 registered practitioners and other staff providing health care services. During the 2009–10 financial year private general practices generated total income of \$6.9b of which 89.5% was from fee for service. Total expenses were \$5.1b.

Operating profit before tax was \$1.8b representing an operating profit margin of 27.5%.

PRIVATE GENERAL
PRACTICES *continued*

GENERAL PRACTITIONER PRACTICES, SUMMARY OF OPERATIONS

		<i>Australia</i>
Registered medical/health practitioners and other staff providing health care services(a) (b)	no.	33 915
Fee for service income(c)	\$m	6 139.1
Total income	\$m	6 861.0
Total expenses	\$m	5 050.8
Operating profit before tax	\$m	^ 1 811.4
Operating profit margin	%	27.5

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

- (a) Includes persons employed and persons working on contract.
- (b) Practitioner counts are overstated as practitioners may be employed or contracted by multiple practices.
- (c) Excludes management fee income received by practice administration businesses.

1.1 SUMMARY OF OPERATIONS, GENERAL PRACTICE MEDICAL SERVICES

Australia

Businesses at end June	no.	28 374
Locations at end June	no.	39 509
Persons working at end June(a)		
Registered medical/health practitioners and other staff providing health care services(b)		
Employment		
Working proprietors and partners of unincorporated businesses	no.	15 085
Employees		
Permanent full-time	no.	20 111
Permanent part-time	no.	^ 8 847
Casual/temporary	no.	^ 7 370
Total	no.	36 329
Total employment	no.	51 414
Persons working on contract	no.	^ 10 238
Total	no.	61 651
Other staff	no.	45 562
Total persons working	no.	107 213
Income		
Fee for service	\$m	11 135.9
Government funding	\$m	^ 960.7
Other	\$m	^ 2 639.9
Total	\$m	14 736.5
Expenses		
Wages and salaries	\$m	3 794.5
Other	\$m	6 426.3
Total	\$m	10 220.9
Operating profit before tax	\$m	4 528.6
Operating profit margin	%	33.9
Industry value added	\$m	8 929.2

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

- (a) Includes persons employed and persons working on contract for the business.
- (b) Practitioner counts are overstated as practitioners may be employed or contracted by multiple businesses. Practitioners owning their businesses are counted under their own business, as well as by the business they contract their services to.

1.2 SOURCES OF INCOME, GENERAL PRACTICE MEDICAL SERVICES

Australia

\$m

.....	
Fee for service	
Bulk billing payments	
Medicare payments	5 580.0
Other bulk billing payments	^ 576.1
<i>Total</i>	6 156.1
Workers' compensation/other compensation	^ 467.0
Private health insurance payments	^ 1 234.3
Patient payments	
Gap payments	^ 922.7
Other patient payments	2 029.5
<i>Total</i>	2 952.2
Other fee payments	*326.3
<i>Total</i>	11 135.9
Government funding	^ 960.7
Other income from medical/health related services	1 246.3
Other income	^ 1 393.6
Total	14 736.5
.....	

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

* estimate has a relative standard error of 25% to 50% and should be used with caution

1.3 ITEMS OF EXPENDITURE, GENERAL PRACTICE MEDICAL SERVICES

Australia

\$m

.....	
Labour costs	
Wages and salaries	
Registered medical/health practitioners and other staff providing health care services	2 471.0
Other employees	1 323.6
<i>Total</i>	3 794.5
Other	560.3
<i>Total</i>	4 354.8
Payments to employment agencies for staff	^ 158.6
Payments to administrative businesses for support services	1 420.9
Contract, subcontract and commission expenses	
Contract payments for medical/health services	^ 1 259.3
Other	^ 145.9
<i>Total</i>	^ 1 405.2
Professional and training expenses	142.6
Purchases	
Medical, surgical and other health related supplies	^ 284.4
Other(a)	**212.3
<i>Total</i>	^ 496.7
Rent, leasing and hiring	525.6
Insurance premiums	
Professional indemnity insurance(b)	199.5
Other	^ 91.2
<i>Total</i>	290.7
Other expenses	1 425.8
Total	10 220.9
.....	

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

(a) Includes electricity, gas and water charges, and purchases of parts and fuels for equipment and transport vehicles.

(b) Includes insurance paid by medical businesses only and not by individual practitioners.

1.4 MAIN OCCUPATION OF REGISTERED MEDICAL PRACTITIONERS AND PROFESSIONALS(a)(b), General practice medical services

Australia

no.

MALES

General medical practitioners	
Vocational	20 654
Non-vocational	^ 2 635
<i>Total</i>	23 289
Nurses	
<i>Total</i>	^ 608
Other health practitioners and professionals	
Dental practitioner	*209
Physiotherapist	*121
Psychologist	*155
Other	9 998
<i>Total</i>	10 484

FEMALES

General medical practitioners	
Vocational	11 715
Non-vocational	*1 388
<i>Total</i>	13 103
Nurses	
Nurse practitioner	*430
Registered nurse	^ 8 396
Enrolled nurse	^ 1 547
<i>Total</i>	^ 10 373
Other health practitioners and professionals	
Dental practitioner	^ 93
Physiotherapist	*73
Psychologist	*469
Other	^ 3 162
<i>Total</i>	^ 3 796

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

* estimate has a relative standard error of 25% to 50% and should be used with caution

(a) Includes persons employed and persons working on contract for the business.

(b) Practitioner counts are overstated as practitioners may be employed or contracted by multiple businesses. Practitioners owning their businesses are counted under their own business, as well as by the business they contract their services to.

SUMMARY OF OPERATIONS

At the end of June 2010, there were 10,105 specialist medical businesses operating in Australia. These businesses:

- operated from 17,169 locations servicing a population of 22.3 million people at the end of June 2010;
- employed or contracted 18,957 registered medical/health practitioners and other staff providing health care;
- generated income of \$6.4b during the 2009–10 financial year;
- incurred expenses of \$4.1b in the same period;
- generated operating profit before tax of \$2.4b; and
- generated industry value added of \$4.4b.

PERSONS WORKING

There were 35,187 persons engaged in the specialist medical services industry at the end of June 2010. Of this number 18,957 or 53.9% were registered medical/health practitioners and other staff providing health care. The remainder were administrative and support staff.

Of those providing direct health care services, 17,720 persons were employed by businesses and 1,237 persons were working on contract, indicating that the number of specialist practitioners working on contract is significantly lower than either the general practitioner, or dental industry (refer to Chapter 3). Working proprietors and partners accounted for 6,323 or 35.7% of persons employed by businesses while the remaining 11,397 or 64.3% were employees. Of all employees, 53.8% were permanent full-time, 28.4% were permanent part-time and the remaining 17.8% were casual/temporary.

OCCUPATION

At the end of June 2010, there were 18,957 registered medical/health practitioners and other staff providing health care services employed or working on contract in specialist medical businesses. Registered specialist practitioners accounted for 9,249 or 48.8% of this total. Of the total registered specialists 77.9% were male and 68.9% of total registered specialists were aged 46 years or more.

A further 9,709 registered practitioners and other professionals providing direct health care worked in specialist medical businesses, but in contrast to specialist practitioners, 76.4% of these were female and 52% total other health practitioners and professionals were less than 46 years of age.

INCOME AND EXPENSES

During the 2009–10 financial year, total income of \$6.4b was generated by specialist medical businesses, of which fee for service accounted for \$5.1b or 79.9%. Of the total fee for service \$974.9m or 19% comprised of bulk billing payments, \$1.8b or 36% was from patient payments and \$1.6b or 30.7% was from private health insurance payments.

INCOME AND EXPENSES

continued

Specialist medical businesses operating on 30 June 2010, generated an average income of \$636,500 per business. Average fee for service income earned per practitioner was \$271,200.

Total industry expenditure for specialist medical businesses was \$4.1b during 2009–10. The main expense item incurred was labour costs, accounting for \$1.7b or 41% of total expenses. The other main source of expenditure was payments to administrative businesses for support services of \$705.6m or 17.3%, indicating that a number of specialist businesses utilise the services of a separate administrative company to provide support staff and pay general expenses.

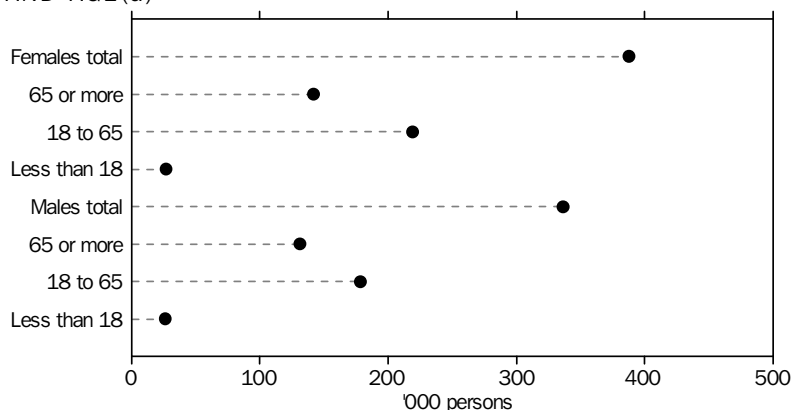
PROFITABILITY

Operating profit before tax for specialist medical businesses during the 2009–10 financial year was \$2.4b, representing an operating profit margin of 37.3%.

PATIENTS

The graph below shows that during the 2009–10 financial year specialist medical businesses had 724,000 total patient contacts in an average working week. Female patients accounted for 53.6% of this total. Specialist practitioners had an average of 78 patient contacts per working week.

SPECIALIST PRACTITIONER PATIENT CONTACTS BY PATIENT GENDER AND AGE (a)



(a) Number of patient contacts per average working week

BUSINESS SIZE

Businesses with fewer than three practitioners accounted for 89.5% of specialist businesses at the end of June 2010. The majority of practitioners chose to practise solo or in partnership with another specialist. These businesses accounted for 51.3% of total practitioners working in the industry and generated 68.6% of total fee for service income. Larger specialist businesses with ten or more practitioners accounted for only 2% of total businesses but accounted for 26.8% of total practitioners and 19.1% of total fee for service income.

2.1 SUMMARY OF OPERATIONS, SPECIALIST MEDICAL SERVICES

Australia

Businesses at end June	no.	10 105
Locations at end June	no.	17 169
Persons working at end June(a)		
Registered medical/health practitioners and other staff providing health care services(b)		
Employment		
Working proprietors and partners of unincorporated businesses	no.	6 323
Employees		
Permanent full-time	no.	6 127
Permanent part-time	no.	[^] 3 238
Casual/temporary	no.	* 2 032
Total	no.	11 397
Total employment	no.	17 720
Persons working on contract	no.	[^] 1 237
Total	no.	18 957
Other staff	no.	16 230
Total persons working	no.	35 187
Income		
Fee for service	\$m	5 141.1
Other	\$m	1 290.6
Total	\$m	6 431.7
Expenses		
Wages and salaries	\$m	1 426.7
Other	\$m	2 643.4
Total	\$m	4 070.2
Operating profit before tax	\$m	2 378.4
Operating profit margin	%	37.3
Industry value added	\$m	4 375.2

[^] estimate has a relative standard error of 10% to less than 25% and should be used with caution

* estimate has a relative standard error of 25% to 50% and should be used with caution

(a) Includes persons employed and persons working on contract for the business.

(b) Practitioner counts are overstated as practitioners may be employed or contracted by multiple businesses. Practitioners owning their businesses are counted under their own business, as well as by the business they contract their services to.

2.2 SOURCES OF INCOME, SPECIALIST MEDICAL SERVICES

Australia

\$m

.....	
Fee for service	
Bulk billing payments	
Medicare payments	974.9
Other bulk billing payments	333.4
<i>Total</i>	1 308.3
Workers' compensation/other compensation	^ 197.9
Private health insurance payments	1 578.3
Patient payments	
Gap payments	778.7
Other patient payments	1 070.4
<i>Total</i>	1 849.1
Other fee payments	^ 207.5
<i>Total</i>	5 141.1
Other income from medical/health related services	^ 694.9
Other income	^ 595.7
Total	6 431.7
.....	

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

2.3 ITEMS OF EXPENDITURE, SPECIALIST MEDICAL SERVICES

		<i>Australia</i>
		\$m
.....		
Labour costs		
Wages and salaries		
Registered medical/health practitioners and other staff providing health care services	919.5	
Other employees	507.2	
<i>Total</i>	<i>1 426.7</i>	
Other	242.0	
<i>Total</i>	<i>1 668.7</i>	
Payments to employment agencies for staff	^ 60.1	
Payments to administrative businesses for support services	^ 705.6	
Contract, subcontract and commission expenses		
Contract payments for medical/health services	^ 211.5	
Other	^ 51.2	
<i>Total</i>	<i>^ 262.8</i>	
Professional and training expenses	59.6	
Purchases		
Medical, surgical and other health related supplies	^ 211.9	
Other(a)	56.3	
<i>Total</i>	<i>^ 268.2</i>	
Rent, leasing and hiring	243.7	
insurance premiums		
Professional indemnity insurance(b)	123.5	
Other	37.3	
<i>Total</i>	<i>160.9</i>	
Other expenses	640.7	
Total	4 070.2	

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

- (a) Includes electricity, gas and water charges, and purchases of parts and fuels for equipment and transport vehicles.
- (b) Includes insurance paid by medical businesses only and not by individual practitioners.

2.4 MAIN OCCUPATION OF REGISTERED SPECIALIST PRACTITIONERS AND PROFESSIONALS(a)(b), Specialist medical services

Australia

no.

MALES

Anaesthetist	
less than 46 years of age	*537
46 years of age or more	*1 307
Total	^ 1 844
Psychiatrist	
less than 46 years of age	**95
46 years of age or more	^ 631
Total	^ 726
Specialist physician/practitioner	
less than 46 years of age	^ 773
46 years of age or more	^ 2 124
Total	^ 2 896
Surgeon	
less than 46 years of age	^ 489
46 years of age or more	^ 1 248
Total	^ 1 737
Total specialists	
less than 46 years of age	^ 1 894
46 years of age or more	5 310
Total	7 204
Other health practitioners and professionals	
less than 46 years of age	^ 1 029
46 years of age or more	^ 1 265
Total	^ 2 294

FEMALES

Anaesthetist	*467
Psychiatrist	*373
Specialist physician/practitioner	^ 1 049
Surgeon	*156
Total specialists	
less than 46 years of age	^ 984
46 years of age or more	^ 1 061
Total	^ 2 045
Other health practitioners and professionals	
less than 46 years of age	^ 4 019
46 years of age or more	^ 3 395
Total	^ 7 415

- ^ estimate has a relative standard error of 10% to less than 25% and should be used with caution
- * estimate has a relative standard error of 25% to 50% and should be used with caution
- ** estimate has a relative standard error greater than 50% and is considered too unreliable for general use
- (a) Includes persons employed and persons working on contract for the business
- (b) Practitioner counts are overstated as practitioners may be employed or contracted by multiple businesses. Practitioners owning their businesses are counted under their own business, as well as by the business they contract their services to.

2.5 SUMMARY OF OPERATIONS BY BUSINESS SIZE, SPECIALIST MEDICAL SERVICES

		NUMBER OF PRACTITIONERS(a)				Total
		0-2 practitioners	3-5 practitioners	6-9 practitioners	10 or more practitioners	
Businesses at end June	no.	9 040	^ 537	*324	^ 204	10 105
	%	89.5	5.3	3.2	2.0	100.0
Registered medical/health practitioners and other staff providing health care services(b)(c)	no.	9 725	^ 1 954	*2 204	^ 5 074	18 957
	%	51.3	10.3	11.6	26.8	100.0
Fee for service income	\$m	3 526.1	^ 343.3	*289.1	982.6	5 141.1
	%	68.6	6.7	5.6	19.1	100.0
Total income	\$m	4 542.9	^ 430.9	*358.1	1 099.8	6 431.7
	%	70.6	6.7	5.6	17.1	100.0
Total expenses	\$m	2 519.4	^ 314.8	*276.0	^ 959.9	4 070.2
	%	61.9	7.7	6.8	23.6	100.0
Operating profit before tax	\$m	2 030.1	*118.5	**83.5	^ 146.3	2 378.4
	%	85.4	5.0	3.5	6.2	100.0
Operating profit margin	%	45.1	^ 28.0	**23.6	^ 13.4	37.3

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

* estimate has a relative standard error of 25% to 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

(a) Refers to number of practitioners working for the business at the end of June.

(b) Includes persons employed and persons working on contract for the business.

(c) Practitioner counts may be overstated as practitioners may be employed or contracted at multiple businesses. Practitioners owning their businesses are counted under their own business, as well as by the business they contract their services to.

SUMMARY OF OPERATIONS

At the end of June 2010, there were 9,418 dental businesses operating in Australia. These businesses:

- operated from 12,199 locations servicing a population of 22.3 million people at the end of June 2010;
- employed or contracted 30,669 registered medical/health practitioners and other staff providing health care;
- generated income of \$6.7b during the 2009–10 financial year;
- incurred expenses of \$5.1b in the same period;
- generated operating profit before tax of \$1.6b; and
- generated industry value added of \$3.7b.

PERSONS WORKING

There were 46,455 persons engaged in the dental industry at the end of June 2010. Of this number 30,669 or 66% were registered medical/health practitioners and other staff providing health care. The remainder were administrative and support staff.

Of those providing direct health care services, 27,775 persons were employed by businesses and 2,893 persons (9.4%) were working on contract, indicating that the number of dental practitioners working on contract is lower than the general practitioner industry but higher than the specialist industry. Working proprietors and partners accounted for 5,980 or 21.5% of persons employed by businesses while the remaining 21,795 or 78.5% were employees. Of all employees, 56.6% were permanent full-time, 26.6% were permanent part-time and the remaining 16.8% were casual/temporary.

OCCUPATION

At the end of June 2010, there were 30,669 registered medical/health practitioners and other staff providing health care employed or working on contract in dental businesses. Registered dental practitioners accounted for 12,223 or 39.9% of this total, while dental hygienists, therapists, prosthetists/technicians and assistants accounted for 17,902 or 58.4%. Dental assistants were the largest group of professionals for this industry, comprising 14,160 persons. The overwhelming majority were female and 85.8% of total dental assistants were less than 46 years of age. Almost three quarters (71.6%) of total registered dental practitioners were male and 56.9% of total registered dental practitioners were less than 46 years of age. The majority of dental hygienists, therapists and prosthetists/technicians were female (66.4%) and 68.5% of total dental hygienists, therapists and prosthetists/technicians were less than 46 years of age.

INCOME AND EXPENSES

During the 2009–10 financial year, total income of \$6.7b was generated by dental businesses, of which fee for service accounted for \$5.7b or 85.9% of total income. Of the total fee for service, patient payments was the most significant item comprising \$3.5b or 60.6% of the total. Private health insurance payments accounted for \$1.6b or 27.2%, with bulk billing accounting for just under 10% of total fee for service. While this survey does

INCOME AND EXPENSES

continued

not measure accessibility to service, it is showing that patient payments and private health insurance represent the greatest proportion of total fee for service.

Dental businesses operating at 30 June 2010, generated an average income of \$707,800 per business. Average fee for service income earned per practitioner was \$347,000.

Total industry expenditure for dental businesses was \$5.1b during 2009–10. The main expense item incurred was labour costs accounting for \$1.9b or 37.5% of total expenses. The other main source of expenditure was payments to administrative businesses for support services (\$783.4m or 15.5%), indicating that a number of dental businesses utilise the services of a separate administrative company to provide support staff and pay general expenses.

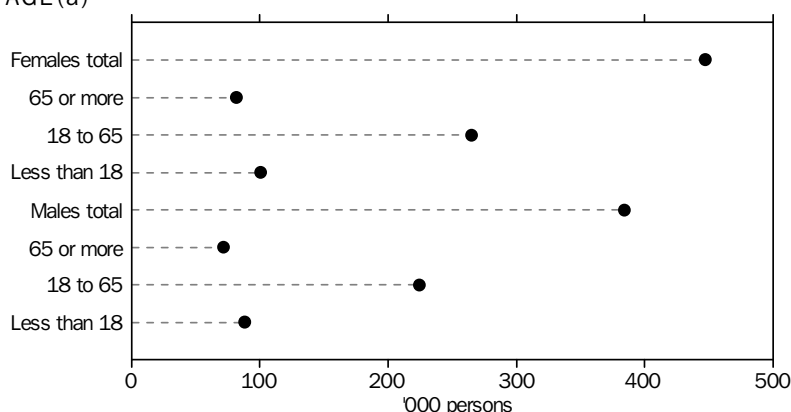
PROFITABILITY

Operating profit before tax for dental businesses during the 2009–10 financial year was \$1.6b, representing an operating profit margin of 24.7% .

PATIENTS

The graph below shows that during the 2009–10 financial year dental businesses had 832,000 total patient contacts in an average working week. Female patients accounted for 53.8% of this total. Dental practitioners, hygienists, therapists and prosthetists/technicians had an average of 52 patient contacts per working week.

DENTAL PRACTITIONER PATIENT CONTACTS BY PATIENT GENDER AND AGE (a)



(a) Number of patient contacts per average working week

BUSINESS SIZE

Businesses with fewer than three practitioners or three to five practitioners accounted for the majority of dental businesses at the end of June 2010 with 84.9% of businesses falling within these two size groups. These businesses accounted for 46.8% of total practitioners working in the industry and generated 63% of total fee for service income. Larger dental businesses with ten or more practitioners accounted for only 5.5% of total businesses but contributed 32.4% of total practitioners and 22.8% of total fee for service income.

3.1 SUMMARY OF OPERATIONS, DENTAL SERVICES

Australia

Businesses at end June	no.	9 418
Locations at end June	no.	12 199
Persons working at end June(a)		
Registered medical/health practitioners and other staff providing health care services(b)		
Employment		
Working proprietors and partners of unincorporated businesses	no.	5 980
Employees		
Permanent full-time	no.	12 331
Permanent part-time	no.	5 804
Casual/temporary	no.	^ 3 660
Total	no.	21 795
Total employment	no.	27 775
Persons working on contract	no.	^ 2 893
Total	no.	30 669
Other staff	no.	15 786
Total persons working	no.	46 455
Income		
Fee for service	\$m	5 728.4
Other	\$m	^ 937.8
Total	\$m	6 666.2
Expenses		
Wages and salaries	\$m	1 669.5
Other	\$m	3 381.5
Total	\$m	5 051.1
Operating profit before tax	\$m	1 623.6
Operating profit margin	%	24.7
Industry value added	\$m	3 717.9

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

(a) Includes persons employed and persons working on contract for the business.

(b) Practitioner counts are overstated as practitioners may be employed or contracted by multiple businesses. Practitioners owning their businesses are counted under their own business, as well as by the business they contract their services to.

3.2 SOURCES OF INCOME, DENTAL SERVICES

Australia

\$m

Fee for service	
Bulk payments	
Medicare payments	^ 381.1
Other bulk billing payments	189.7
Total	^ 570.8
Workers' compensation/other compensation	^ 31.4
Private health insurance payments	1 560.7
Patient payments	
Gap payments	1 465.0
Other patient payments	2 009.2
Total	3 474.2
Other fee payments	*91.4
Total	5 728.4
Other income from medical/health related services	*215.4
Other income	^ 722.4
Total	6 666.2

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

* estimate has a relative standard error of 25% to 50% and should be used with caution

3.3 ITEMS OF EXPENDITURE, DENTAL SERVICES

Australia

\$m

.....	
Labour costs	
Wages and salaries	
Registered medical/health practitioners and other staff providing health services	1 110.3
Other employees	559.2
<i>Total</i>	1 669.5
Other	225.9
<i>Total</i>	1 895.4
Payments to employment agencies for staff	^ 88.1
Payments to administrative businesses for support services	^ 783.4
Contract, subcontract and commission expenses	
Contract payments for medical/health services	^ 413.0
Other	^ 84.8
<i>Total</i>	^ 497.9
Professional and training expenses	62.3
Purchases	
Medical, surgical and other health related supplies	574.4
Other(a)	^ 157.8
<i>Total</i>	732.3
Rent, leasing and hiring	269.6
Insurance premiums	
Professional indemnity insurance(b)	22.3
Other	38.7
<i>Total</i>	61.1
Other expenses	660.9
Total	5 051.1
.....	

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

- (a) Includes electricity, gas and water charges, and purchases of parts and fuels for equipment and transport vehicles.
- (b) Includes insurance paid by dental businesses only and not by individual practitioners.

3.4
MAIN OCCUPATION OF REGISTERED DENTAL PRACTITIONERS AND PROFESSIONALS(a)(b), Dental services

Australia

no.

MALES

Dental practitioner(c)	
less than 26 years of age	^ 172
26 years to less than 46 years of age	4 144
46 years of age or more	4 435
Total	8 752
Dental hygienist, therapist, prosthetist/technician	
less than 26 years of age	* 190
26 years to less than 46 years of age	* 467
46 years of age or more	* 601
Total	^ 1 258
Dental assistant	
less than 26 years of age	* 341
26 years to less than 46 years of age	* 340
46 years of age or more	** 165
Total	* 846
Total dental practitioners and professionals	
less than 26 years of age	^ 704
26 years to less than 46 years of age	4 952
46 years of age or more	5 200
Total	10 857
Other health practitioners and professionals	
less than 46 years of age	* 157
46 years of age or more	* 174
Total	^ 331

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

* estimate has a relative standard error of 25% to 50% and should be used with caution

** estimate has a relative standard error greater than 50% and is considered too unreliable for general use

(a) Includes persons employed and persons working on contract for the business.

(b) Practitioner counts are overstated as practitioners may be employed or contracted by multiple businesses. Practitioners owning their businesses are counted under their own business, as well as by the business they contract their services to.

(c) Includes general dental practitioners, specialists and surgeons.

3.4 MAIN OCCUPATION OF REGISTERED DENTAL PRACTITIONERS AND PROFESSIONALS(a)(b), Dental services *continued*

Australia

no.

FEMALES

Dental practitioner(c)	
less than 46 years of age	^ 2 635
46 years of age or more	^ 836
<i>Total</i>	3 471
Dental hygienist, therapist, prosthetist/technician	
less than 26 years of age	^ 401
26 years to less than 46 years of age	^ 1 504
46 years of age or more	^ 579
<i>Total</i>	^ 2 484
Dental assistant	
less than 26 years of age	5 137
26 years to less than 46 years of age	6 338
46 years of age or more	^ 1 839
<i>Total</i>	13 314
Total dental practitioners and professionals	
less than 46 years of age	16 015
46 years of age or more	^ 3 254
<i>Total</i>	19 269
Other health practitioners and professionals	
less than 46 years of age	^ 129
46 years of age or more	*83
<i>Total</i>	^ 212

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

* estimate has a relative standard error of 25% to 50% and should be used with caution

- (a) Includes persons employed and persons working on contract for the business.
- (b) Practitioner counts are overstated as practitioners may be employed or contracted by multiple businesses. Practitioners owning their businesses are counted under their own business, as well as by the business they contract their services to.
- (c) Includes general dental practitioners, specialists and surgeons.

3.5 SUMMARY OF OPERATIONS BY BUSINESS SIZE, DENTAL SERVICES

		NUMBER OF PRACTITIONERS (a)					
		0-2 practitioners	3-5 practitioners	6-9 practitioners	10 or more practitioners	Total	
Businesses at end June	no.	6 083	^ 1 912	^ 902	^ 521	9 418	
	%	64.6	20.3	9.6	5.5	100.0	
Registered medical/health practitioners and other staff providing health care services (b) (c)	no.	7 193	^ 7 147	^ 6 403	^ 9 926	30 669	
	%	23.5	23.3	20.9	32.4	100.0	
Fee for service income	\$m	^ 2 265.0	^ 1 348.1	^ 811.2	^ 1 304.2	5 728.4	
	%	39.5	23.5	14.2	22.8	100.0	
Total income	\$m	^ 2 676.0	^ 1 506.0	^ 959.5	^ 1 524.8	6 666.2	
	%	40.1	22.6	14.4	22.9	100.0	
Total expenses	\$m	^ 2 019.0	^ 1 107.4	^ 742.3	1 182.3	5 051.1	
	%	40.0	21.9	14.7	23.4	100.0	
Operating profit before tax	\$m	^ 658.1	^ 400.3	*218.3	^ 347.0	1 623.6	
	%	40.5	24.7	13.4	21.4	100.0	
Operating profit margin	%	^ 25.2	^ 26.7	^ 22.8	^ 23.1	24.7	

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

* estimate has a relative standard error of 25% to 50% and should be used with caution

(a) Refers to the number of practitioners working for the business at the end of June.

(b) Includes persons employed and persons working on contract for the business.

(c) Practitioner counts are overstated as practitioners may be employed or contracted by multiple businesses. Practitioners owning their businesses are counted under their own business, as well as by the business they contract their services to.

**PATHOLOGY AND
DIAGNOSTIC IMAGING
SERVICES**

At the end of June 2010, there were 970 pathology and diagnostic businesses operating in Australia. These businesses:

- operated from 2,799 locations servicing a population of 22.3 million people at the end of June 2010;
- employed or contracted 18,594 registered medical/health practitioners and other staff providing health care;
- generated income of \$5.7b during the 2009–10 financial year;
- incurred expenses of \$4.9b in the same period;
- generated operating profit before tax of \$797m; and
- generated industry value added of \$3.3b.

Persons working

There were 37,912 persons engaged in the pathology and diagnostic imaging industry at the end of June 2010. Of this number 18,594 or 49% were registered medical/health practitioners and other staff providing health care.

Of those providing direct health care services, 18,000 persons were employed by businesses and 595 persons were working on contract. Of employed persons, 17,404 were employees of which 43.8% were permanent full-time, 40.5% were permanent part-time and the remaining 15.8% were casual/temporary.

There were 19,318 other staff engaged in the pathology and diagnostic imaging industry representing just over 50% of total employed and contracted persons.

Income and expenses

Fee for service income of \$4.9b accounted for 86% of the total income of \$5.7b generated by pathology and diagnostic imaging businesses during the 2009–10 financial year.

Pathology and diagnostic imaging businesses operating on 30 June 2010, generated an average income of \$5.8m per business. Fee for service income earned per practitioner was \$262,300.

Wages and salaries of \$1.9b accounted for 39% of total industry expenditure of \$4.9b during 2009–10.

Profitability

Operating profit before tax for pathology and diagnostic imaging businesses during the 2009–10 financial year was \$797m, representing an operating profit margin of 14.4% .

OPTOMETRY AND OPTICAL
DISPENSING SERVICES

At the end of June 2010, there were 2,170 optometry and optical dispensing businesses operating in Australia. These businesses:

- operated from 3,689 locations servicing a population of 22.3 million people at the end of June 2010;
- employed or contracted 8,513 registered health practitioners and other staff providing health care;
- generated income of \$2.5b during the 2009–10 financial year;
- incurred expenses of \$2.2b in the same period;
- generated operating profit before tax of \$313.4m; and
- generated industry value added of \$1b.

Persons working

There were 16,108 persons engaged in the optometry and optical dispensing industry at the end of June 2010. Of this number 8,513 or 52.8% were registered health practitioners and other staff providing health care.

Of those providing direct health care services, 7,789 persons were employed by businesses and 723 persons were working on contract. Of employed persons, 7,045 were employees of which 63.6% were permanent full-time, 24.4% were permanent part-time and the remaining 12% were casual/ temporary.

There were 7,595 other staff engaged in the optometry and optical dispensing industry representing 47.2% of total employed and contracted persons.

Income and expenses

Fee for service income of \$554.1m accounted for 21.9% of the total income of \$2.5b generated by optometry and optical dispensing businesses during the 2009–10 financial year. The majority of income earned was from other income (\$2b) which included sales of prescription glasses and other optical goods.

Optometry and optical dispensing businesses operating on 30 June 2010, generated an average income of \$1.2m per business.

Wages and salaries of \$604.1m accounted for 27.7% of total industry expenditure of \$2.2b during 2009–10. The main item of expenditure was other expenses, which included the purchase of goods for resale. This accounted for 72.3% of total industry expenditure.

Profitability

Operating profit before tax for optometry and optical dispensing businesses during the 2009–10 financial year was \$313.4m, representing an operating profit margin of 12.8% .

PHYSIOTHERAPY
SERVICES

At the end of June 2010, there were 3,927 physiotherapy businesses operating in Australia. These businesses:

- operated from 5,391 locations servicing a population of 22.3 million people at the end of June 2010;
- employed or contracted 11,589 registered health practitioners and other staff providing health care;
- generated income of \$1.2b during the 2009–10 financial year;
- incurred expenses of \$939.9m in the same period;
- generated operating profit before tax of \$224.3m; and
- generated industry value added of \$753m.

Persons working

There were 17,951 persons engaged in the physiotherapy industry at the end of June 2010. Of this number 11,589 or 64.6% were registered health practitioners and other staff providing health care.

Of those providing direct health care services, 9,743 persons were employed by businesses and 1,847 persons (15.9%) were working on contract. Working proprietors and partners accounted for 2,396 or 24.6% of persons employed by businesses (indicating that just under a quarter of the industry consisted of businesses owned by solo practitioners or practitioners in partnership), while the remaining 7,347 or 75.4% were employees. Of all employees, 59.4% were permanent full-time, 20.4% were permanent part-time and the remaining 20.2% were casual/temporary.

There were 6,362 other staff engaged in the physiotherapy industry representing 35.4% of total employed and contracted persons.

Income and expenses

Fee for service income of \$980.9m accounted for 84.4% of the total income of \$1.2b generated by physiotherapy businesses during the 2009–10 financial year.

Physiotherapy businesses operating on 30 June 2010, generated an average income of \$296,000 per business. Fee for service income earned per practitioner was \$84,600.

Wages and salaries of \$452.1m accounted for just under half of total industry expenditure of \$939.9m during 2009–10.

Profitability

Operating profit before tax for physiotherapy businesses during the 2009–10 financial year was \$224.3m, representing an operating profit margin of 19.8% .

CHIROPRACTIC AND
OSTEOPATHIC SERVICES

At the end of June 2010, there were 3,249 chiropractic and osteopathic services businesses operating in Australia. These businesses:

- operated from 4,002 locations servicing a population of 22.3 million people at the end of June 2010;
- employed or contracted 6,109 registered health practitioners and other staff providing health care;
- generated income of \$754.2m during the 2009–10 financial year;
- incurred expenses of \$604.9m in the same period;
- generated operating profit before tax of \$149.1m; and
- generated industry value added of \$442.1m.

Persons working

There were 11,440 persons engaged in the chiropractic and osteopathic services industry at the end of June 2010. Of this number 6,109 or 53.4% were registered health practitioners and other staff providing health care.

Of those providing direct health care services 4,462 persons were employed by businesses and 1,648 persons (27%) were working on contract. This industry had the highest proportion of persons working on contract when compared with medical and other health industries. Working proprietors and partners accounted for 1,680 or 37.7% of persons employed by businesses (indicating that over a third of the industry consisted of businesses owned by solo practitioners or practitioners in partnership), while the remaining 2,782 or 62.3% were employees. This industry had the highest proportion of permanent full-time employees when compared with medical and other health industries. Almost 70% of all employees were permanent full-time, 19.6% were permanent part-time and 10.6% were casual/temporary.

There were 5,331 other staff engaged in the chiropractic and osteopathic industry representing 46.6% of total employed and contracted persons.

Income and expenses

Fee for service income of \$662.7m accounted for 87.9% of the total income of \$754.2m generated by chiropractic and osteopathic businesses during the 2009–10 financial year.

Chiropractic and osteopathic businesses operating at 30 June 2010, generated an average income of \$232,100 per business. Fee for service income earned per practitioner was \$108,500.

Wages and salaries of \$228m accounted for 37.7% of total industry expenditure of \$604.9m during 2009–10.

Profitability

Operating profit before tax for chiropractic and osteopathic businesses during the 2009–10 financial year was \$149.1m, representing an operating profit margin of 19.9%.

OTHER ALLIED HEALTH SERVICES

At the end of June 2010, there were 10,256 other allied health businesses operating in Australia. These businesses:

- operated from 15,490 locations servicing a population of 22.3 million people at the end of June 2010;
- employed or contracted 24,306 registered health practitioners and other staff providing health care;
- generated income of \$3.5b during the 2009–10 financial year;
- incurred expenses of \$3b in the same period;
- generated operating profit before tax of \$518.9m; and
- generated industry value added of \$1.9b.

Persons working

There were 45,545 persons engaged in the other allied health industry at the end of June 2010. Of this number 24,306 or 53.4% were registered health practitioners and other staff providing health care.

Of those providing direct health care services, 20,190 persons were employed by businesses and 4,116 persons (16.9%) were working on contract. Working proprietors and partners accounted for 6,176 or 30.6% of persons employed by businesses, while the remaining 14,014 or 69.4% were employees. Of all employees, 54.2% were permanent full-time, 28.4% were permanent part-time and the remaining 17.4% were casual/temporary.

There were 21,239 other staff engaged in the other allied health industry representing 46.6% of total employed and contracted persons.

Income and expenses

Fee for service income of \$1.5b accounted for 43.9% of the total income of \$3.5b generated by other allied health businesses during the 2009–10 financial year.

Other allied health businesses operating on 30 June 2010, generated an average income of \$338,700 per business. Fee for service income earned per practitioner was \$62,800.

Wages and salaries of \$1.2b accounted for 40.2% of total industry expenditure of \$3b during 2009–10.

Profitability

Operating profit before tax for other allied health businesses during the 2009–10 financial year was \$518.9m, representing an operating profit margin of 19.8% .

OTHER HEALTH CARE
SERVICES

At the end of June 2010, there were 444 other health care businesses/organisations operating in Australia. These businesses/organisations:

- operated from 1,478 locations;
- employed or contracted 7,901 registered health practitioners and other staff providing health care;
- generated income of \$1.7b during the 2009–10 financial year;
- incurred expenses of \$1.5b in the same period;
- generated operating profit before tax of \$201.1m; and
- generated industry value added of \$833.7m.

Persons working

There were 15,636 persons engaged in the other health care industry at the end of June 2010. Of this number 7,901 or 50.5% were registered health practitioners and other staff providing health care. Of those providing direct health care the majority (7,415) were employed by businesses/organisations. Of employed persons, 7,372 were employees of which 43.2% were permanent full-time, 40.2% were permanent part-time and the remaining 16.7% were casual/temporary.

There were 7,735 other staff engaged in the other health care industry representing almost half of total employed and contracted persons.

*Income, expenses and
profitability*

During the 2009–10 financial year, total income of \$1.7b was generated by other health care businesses/organisations.

Wages and salaries of \$695.1m accounted for 47.2% of total industry expenditure of \$1.5b during 2009–10.

Operating profit before tax for other health care businesses/organisations during the 2009–10 financial year was \$201.1m, representing an operating profit margin of 31.9%.

4.1 SUMMARY OF OPERATIONS, OTHER HEALTH SERVICES

		<i>Pathology and diagnostic imaging services</i>	<i>Optometry and optical dispensing services</i>	<i>Physiotherapy services</i>	<i>Chiropractic and osteopathic services</i>	<i>Other allied health services</i>	<i>Other health care services(a)</i>
Businesses/organisations at end June	no.	970	2 170	3 927	3 249	10 256	444
Locations at end June	no.	2 799	3 689	5 391	4 002	15 490	1 478
Persons working at end June(b)							
Registered medical/health practitioners and other staff providing health care services(c)							
Employment							
Working proprietors and partners of unincorporated businesses							
	no.	^ 595	^ 745	2 396	1 680	6 176	*43
Employees							
Permanent full-time	no.	7 615	4 478	4 364	1 942	7 591	3 182
Permanent part-time	no.	7 042	^ 1 718	1 501	^ 546	3 978	2 961
Casual/temporary	no.	2 746	^ 848	^ 1 481	^ 295	^ 2 445	1 229
<i>Total</i>	no.	17 404	7 045	7 347	2 782	14 014	7 372
<i>Total employment</i>	no.	18 000	7 789	9 743	4 462	20 190	7 415
Persons working on contract							
	no.	^ 595	*723	^ 1 847	^ 1 648	^ 4 116	486
<i>Total</i>	no.	18 594	8 513	11 589	6 109	24 306	7 901
Other staff	no.	19 318	7 595	6 362	5 331	21 239	^ 7 735
<i>Total persons working</i>	no.	37 912	16 108	17 951	11 440	45 545	15 636
Income							
Fee for service	\$m	4 876.9	554.1	980.9	662.7	1 526.2	233.4
Other	\$m	792.4	1 970.6	^ 181.5	^ 91.5	1 947.8	1 425.4
<i>Total</i>	\$m	5 669.3	2 524.7	1 162.4	754.2	3 474.0	1 658.8
Expenses							
Wages and salaries	\$m	1 911.5	604.1	452.1	228.0	1 195.9	695.1
Other	\$m	2 988.2	1 580.4	487.7	377.0	1 778.8	777.8
<i>Total</i>	\$m	4 899.7	2 184.5	939.9	604.9	2 974.7	1 472.9
Operating profit before tax	\$m	797.0	313.4	224.3	149.1	^ 518.9	201.1
Operating profit margin	%	14.4	12.8	19.8	19.9	^ 19.8	31.9
Industry value added	\$m	3 323.1	1 003.7	753.0	442.1	1 942.6	833.7

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

* estimate has a relative standard error of 25% to 50% and should be used with caution

(a) Includes privately run ambulance services and other health care services not elsewhere specified.

(b) Includes persons employed and persons working on contract for the business/organisation.

(c) Practitioner counts are overstated as practitioners may be employed or contracted by multiple businesses/organisations. Practitioners owning their businesses are counted under their own business, as well as by the business/organisation they contract their services to.

SUMMARY OF OPERATIONS

At the end of June 2010, there were 101,725 locations providing medical and health related services in Australia. Of this total, 76,925 or 75.6% were located in capital cities and suburbs, servicing a population of 15.3m, 23,122 or 22.7% were in rural areas, servicing a population of 6.4m and just 1,678 or 1.6% were located in remote areas, servicing a population of 502,800. These proportions were consistent across the key data items of employed or contracted registered medical/health practitioners and other staff providing health care, total income and total expenses, with the greatest share of these respective items in capital cities and suburbs.

GENERAL PRACTICE MEDICAL SERVICES

There were 39,509 general practice locations in Australia at the end of June 2010. Of this number, 29,323 or just under 75% were located in capital cities and suburbs. Capital city and suburban locations employed or contracted 43,633 medical/health practitioners and other staff providing health care services, of whom just over 55% were male, and 63.2% of total medical/health practitioners and other staff providing health care services in capital cities and suburbs were aged 46 years and over.

Total income and total expenses for general practice locations in capital cities and suburbs were \$11b and \$7.7b respectively and accounted for around 75% of the total for Australia.

Medical and health practitioners working in general practice businesses in capital city and suburban locations had 3.3m patient contacts (72.3% of the Australian total) in an average working week. The proportion of female patients (53.1%) was slightly higher than male patients.

Just under 24% of total general practice locations in Australia were in rural areas, while remote locations accounted for less than 2% of the total. Rural locations employed or contracted 16,510 medical/health practitioners and other staff providing health care services, of whom 57.5% were male, and 60% of total registered medical/health practitioners and other staff providing health care services were aged 46 years and over. Remote locations employed or contracted 1,509 medical/health practitioners and other staff providing health services, which accounted for just 2.4% of the Australian total. The proportions of males and females were almost 50% each.

Total income and total expenses for general practice locations in rural areas were \$3.4b and \$2.2b respectively and accounted for around 22% of the total for Australia. Remote areas accounted for \$388m and \$298m respectively which was less than 3% of total income and total expenses for Australia.

Medical and health practitioners working in general practice businesses in rural locations had 1.1m patient contacts (just over 25% of the Australian total) in an average working week. The proportion of female patients (54.1%) was slightly higher than male patients. Medical and health practitioners in remote locations had 118,200 patient contacts in an

GENERAL PRACTICE
 MEDICAL SERVICES
continued

average working week, which accounted for less than 3% of total contacts for Australia. The proportion of female patient (55.4%) was again slightly higher than male patients.

SPECIALIST MEDICAL
 SERVICES

There were 17,169 specialist medical locations in Australia at the end of June 2010. Of this number, 14,351 or just under 84% were located in capital cities and suburbs. Capital city and suburban locations employed or contracted 15,874 registered medical/health practitioners and other staff providing health care services, equally split between males and females, and 57.8% of total registered medical/health practitioners and other staff providing health care services were aged 46 years and over.

Total income and total expenses for specialist medical locations in capital cities and suburbs were \$5.4b and \$3.4b respectively and accounted for around 85% of the total for Australia.

Medical and health practitioners working in specialist businesses in capital city and suburban locations had 586,000 patient contacts in an average working week (80.9% of the Australian total). The proportion of female patients (53.3%) was slightly higher than male patients.

Just over 15% of total specialist medical locations in Australia were in rural areas, while remote locations accounted for less than 1% of the total. Rural locations employed or contracted 3,064 medical/health practitioners and other staff providing health care services, almost evenly split between males and females, while remote locations employed or contracted well under 1% of total practitioners in Australia.

Total income and total expenses for specialist medical locations in rural areas were \$975m and \$623m respectively and accounted for just over 15% of the total for Australia. Remote areas accounted for \$12m and \$4m respectively which was less than 1% of total income and total expenses for Australia.

Medical and health practitioners working in specialist businesses in rural locations had 137,600 patient contacts (19% of the Australian total) in an average working week. The proportion of female patients (54.4%) was slightly higher than male patients. Medical and health practitioners in remote locations had 6,000 patient contacts in an average working week, which accounted for less than 1% of the Australian total.

DENTAL SERVICES

There were 12,199 dental locations in Australia at the end of June 2010. Of this number, 9,720 or just under 80% were located in capital cities and suburbs. Capital city and suburban locations employed or contracted 25,051 registered medical/health practitioners and other staff providing health care services, of whom just under 65% were female, and 73.3% of total registered medical/health practitioners and other staff providing health care services in capital cities and suburbs were aged less than 46 years, which is a direct contrast to the gender and age profile of general medical and specialist practitioners in capital city and suburban locations.

Total income and total expenses for dental locations in capital cities and suburbs were \$5.4b and \$4.3b respectively and accounted for just over 80% of the total for Australia.

DENTAL SERVICES

continued

Medical and health practitioners working in dental businesses in capital city and suburban locations had 667,200 patient contacts (80.2% of the Australian total) in an average working week. The proportion of female patients (54.4%) was slightly higher than male patients.

Just under 20% of total dental locations in Australia were in rural areas, while remote locations accounted for less than 1% of the total. Rural locations employed or contracted 5,566 registered medical/health practitioners and other staff providing health care services, of whom just under 60% were female. Remote locations employed or contracted just 53 registered medical/health practitioners and other staff providing health care services, well under 1% of the Australian total.

Total income and total expenses for dental locations in rural areas were \$1.2b and \$1b respectively and accounted for around 18.5% of the total for Australia. Remote areas accounted for \$13.2m and \$6.2m respectively, which was less than 1% of total income and total expenses for Australia.

Medical and health practitioners working in dental businesses in rural locations had 163,300 patient contacts in an average working week (19.6% of the Australian total), of whom just over 50% were female. Medical and health practitioners in remote locations had 1,200 patient contacts in an average working week, which accounted for less than 1% of the Australian total.

SELECTED OTHER HEALTH SERVICES

There were 28,571 selected other health locations in Australia at the end of June 2010. Of this number, 20,823 or around 73% were located in capital cities and suburbs. Capital city and suburban locations employed or contracted 38,724 medical/health practitioners and other staff providing health care services, of whom just over 60% were female, and 70.9% of total registered medical/health practitioners and other staff providing health care services in capital cities and suburbs were aged less than 46 years.

Total income and total expenses for selected other health locations in capital cities and suburbs were \$6b and \$5.1b respectively and accounted for over 75% of the total for Australia.

Rural locations accounted for just over 25% of total selected other health locations in Australia, while remote locations accounted for 2% of the total. Rural locations employed or contracted 10,576 medical/health practitioners and other staff providing health care services, of whom just under 64% were female, and 65.2% of total registered medical/health practitioners and other staff providing health care services in rural locations were aged less than 46 years. Remote locations employed or contracted 1,217 medical/health practitioners and other staff providing health care services, accounting for 2.4% of the Australian total.

Total income and total expenses for selected other health locations in rural areas were \$1.8b and \$1.4b respectively and accounted for around 22% of the total for Australia. Remote areas accounted for \$170.2m and \$145.8m respectively, which was 2% of total income and total expenses for Australia.

PATHOLOGY, DIAGNOSTIC
IMAGING AND OTHER
HEALTH CARE SERVICES

There were 4,277 pathology, diagnostic imaging and other health care locations in Australia at the end of June 2010. Of this number, 2,707 or around 63.3% were located in capital cities and suburbs, 1,395 or 32.6% were located in rural areas and 175 or 4.1% were located in remote areas. Capital city and suburban locations accounted for around 75% of all employed or contracted medical/health practitioners and other staff providing health care services, total income and total expenses, while rural locations accounted for around 24% and remote locations around 1%.

5.1 SUMMARY OF OPERATIONS BY REGION(a), Medical and other health care services

		<i>Capital cities and suburbs</i>	<i>Rural</i>	<i>Remote</i>	<i>Total</i>
GENERAL PRACTICE MEDICAL SERVICES					
Locations at end June	no.	29 323	^ 9 447	^ 739	39 509
Registered medical health practitioners and other staff providing health care services at end June(b)(c)	no.	43 633	^ 16 510	^ 1 509	61 651
Total income	\$m	10 956.2	3 392.7	^ 387.7	14 736.5
Total expenses	\$m	7 682.7	2 240.0	^ 298.2	10 220.9
SPECIALIST MEDICAL SERVICES					
Locations at end June	no.	14 351	^ 2 692	*125	17 169
Registered medical health practitioners and other staff providing health care services at end June(b)(c)	no.	15 874	^ 3 064	*19	18 957
Total income	\$m	5 445.2	^ 975.0	*11.5	6 431.7
Total expenses	\$m	3 443.9	^ 622.6	*3.6	4 070.2
DENTAL SERVICES					
Locations at end June	no.	9 720	^ 2 429	^ 51	12 199
Registered medical health practitioners and other staff providing health care services at end June(b)(c)	no.	25 051	^ 5 566	^ 53	30 669
Total income	\$m	5 439.0	^ 1 214.1	^ 13.2	6 666.2
Total expenses	\$m	4 071.6	^ 973.3	*6.2	5 051.1

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

* estimate has a relative standard error of 25% to 50% and should be used with caution

(a) Region data are based on a tick box question on the survey form. Please refer to paragraph 7 in Technical Note 2: Estimation methodology.

(b) Includes practitioners and other staff providing health care services employed or working on contract for the business/organisation.

(c) Practitioner counts are overstated as practitioners may be employed or contracted by multiple businesses/organisations. Practitioners owning their businesses are counted under their own business, as well as by the business/organisation they contract their services to.

5.1 SUMMARY OF OPERATIONS BY REGION(a), Medical and other health care services *continued*

		Capital cities and suburbs	Rural	Remote	Total
SELECTED OTHER HEALTH SERVICES (b)					
Locations at end June	no.	20 823	^ 7 160	^ 588	28 571
Registered medical health practitioners and other staff providing health care services at end June(c)(d)	no.	38 724	10 576	^ 1 217	50 518
Total income	\$m	5 987.8	1 757.3	170.2	7 915.3
Total expenses	\$m	5 136.9	1 421.3	145.8	6 704.0

PATHOLOGY, DIAGNOSTIC IMAGING AND OTHER HEALTH CARE SERVICES (e)					
Locations at end June	no.	2 707	1 395	^ 175	4 277
Registered medical health practitioners and other staff providing health care services at end June(c)(d)	no.	20 277	5 798	420	26 496
Total income	\$m	5 512.3	1 716.8	99.0	7 328.1
Total expenses	\$m	4 784.1	1 503.5	85.0	6 372.6

TOTAL HEALTH CARE SERVICES					
Locations at end June	no.	76 925	23 122	^ 1 678	101 725
Registered medical health practitioners and other staff providing health care services at end June(c)(d)	no.	143 559	41 514	^ 3 218	188 291
Total income	\$m	33 340.5	9 055.9	^ 681.5	43 077.8
Total expenses	\$m	25 119.3	6 760.7	538.7	32 418.7

- ^ estimate has a relative standard error of 10% to less than 25% and should be used with caution
- (a) Region data are based on a tick box question on the survey form. Please refer to paragraph 7 in Technical Note 2: Estimation methodology.
- (b) Includes optometry and optical dispensing services, physiotherapy services, chiropractic and osteopathic services and other allied health services not elsewhere specified.
- (c) Includes practitioners and other staff providing health care services employed or working on contract for the business/organisation.
- (d) Practitioner counts are overstated as practitioners may be employed or contracted by multiple businesses/organisations. Practitioners owning their businesses are counted under their own business, as well as by the business/organisation they contract their services to.
- (e) Includes pathology and diagnostic imaging services, privately run ambulance services and other health care services not elsewhere specified.

5.2 CHARACTERISTICS OF REGISTERED MEDICAL/HEALTH PRACTITIONERS AND PROFESSIONALS BY REGION(a)(b)(c), Medical and other health care services ...

	GENERAL PRACTICE MEDICAL SERVICES				SPECIALIST MEDICAL SERVICES			
	<i>Capital cities and suburbs</i>	<i>Rural</i>	<i>Remote</i>	<i>Total</i>	<i>Capital cities and suburbs</i>	<i>Rural</i>	<i>Remote</i>	<i>Total</i>
	no.	no.	no.	no.	no.	no.	no.	no.
MALES								
less than 46 years of age	^ 7 090	^ 3 040	*361	10 491	2 509	np	np	2 923
46 years of age or more	17 046	^ 6 446	*397	23 889	5 458	np	np	6 575
<i>Total</i>	24 136	^ 9 485	^ 758	34 380	7 967	^ 1 516	*15	9 498
FEMALES								
less than 46 years of age	8 984	^ 3 570	*446	13 000	^ 4 194	np	np	^ 5 003
46 years of age or more	^ 10 513	^ 3 454	*305	14 272	^ 3 713	np	np	^ 4 456
<i>Total</i>	19 497	^ 7 024	*751	27 272	^ 7 907	^ 1 548	*5	9 460
TOTAL								
less than 46 years of age	16 074	^ 6 610	*807	23 491	6 703	np	np	7 927
46 years of age or more	27 559	^ 9 900	^ 702	38 161	9 171	np	np	11 031
<i>Total</i>	43 633	^ 16 510	^ 1 509	61 651	15 874	^ 3 064	*19	18 957

- ^ estimate has a relative standard error of 10% to less than 25% and should be used with caution
- * estimate has a relative standard error of 25% to 50% and should be used with caution
- np not available for publication but included in totals where applicable, unless otherwise indicated
- (a) Region data are based on a tick box question on the survey form. Please refer to paragraph 7 of Technical Note 2: Estimation methodology.

- (b) Includes practitioners and other staff providing health care services employed or working on contract for the business/organisation.
- (c) Practitioner counts are overstated as practitioners may be employed or contracted by multiple businesses/organisations. Practitioners owning their businesses are counted under their own business, as well as by the business/organisation they contract their services to.

5.2 CHARACTERISTICS OF REGISTERED MEDICAL/HEALTH PRACTITIONERS AND PROFESSIONALS BY REGION(a)(b)(c), Medical and other health care services

continued

	DENTAL SERVICES				SELECTED OTHER HEALTH SERVICES(d)			
	<i>Capital cities and suburbs</i>	<i>Rural</i>	<i>Remote</i>	<i>Total</i>	<i>Capital cities and suburbs</i>	<i>Rural</i>	<i>Remote</i>	<i>Total</i>
	no.	no.	no.	no.	no.	no.	no.	no.
MALES								
less than 46 years of age	4 738	np	np	5 813	10 274	^ 2 360	^ 314	12 948
46 years of age or more	^ 4 180	np	np	5 375	4 699	^ 1 459	^ 147	6 305
Total	8 918	^ 2 249	*21	11 188	14 974	3 818	^ 461	19 254
FEMALES								
less than 46 years of age	13 635	np	np	16 144	17 174	^ 4 534	^ 486	22 195
46 years of age or more	^ 2 498	np	np	^ 3 337	6 576	^ 2 224	^ 269	9 069
Total	16 133	^ 3 316	*32	19 481	23 750	^ 6 758	^ 756	31 264
TOTAL								
less than 46 years of age	18 372	np	np	21 957	27 449	^ 6 894	^ 800	35 143
46 years of age or more	6 679	np	np	8 712	11 275	^ 3 682	^ 417	15 374
Total	25 051	^ 5 566	^ 53	30 669	38 724	10 576	^ 1 217	50 518

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

* estimate has a relative standard error of 25% to 50% and should be used with caution

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

(a) Region data are based on a tick box question on the survey form. Please refer to paragraph 7 of Technical Note 2: Estimation methodology.

(b) Includes practitioners and other staff providing health care services employed or working on contract for the business/organisation.

(c) Practitioner counts are overstated as practitioners may be employed or contracted by multiple businesses/organisations. Practitioners owning their businesses are counted under their own business, as well as by the business/organisation they contract their services to.

(d) Includes optometry and optical dispensing services, physiotherapy services, chiropractic and osteopathic services and other allied health services not elsewhere classified.

5.2 CHARACTERISTICS OF REGISTERED MEDICAL/HEALTH PRACTITIONERS AND PROFESSIONALS BY REGION(a)(b)(c), Medical and other health care services

continued

	PATHOLOGY, DIAGNOSTIC IMAGING AND OTHER HEALTH CARE SERVICES(d)				TOTAL HEALTH CARE SERVICES			
	<i>Capital cities and suburbs</i>	<i>Rural</i>	<i>Remote</i>	<i>Total</i>	<i>Capital cities and suburbs</i>	<i>Rural</i>	<i>Remote</i>	<i>Total</i>
	no.	no.	no.	no.	no.	no.	no.	no.
MALES								
less than 46 years of age	3 933	904	113	4 951	28 545	7 784	^ 798	37 127
46 years of age or more	2 312	807	69	3 189	33 696	^ 10 996	^ 640	45 332
<i>Total</i>	<i>6 245</i>	<i>1 711</i>	<i>183</i>	<i>8 140</i>	<i>62 241</i>	<i>18 780</i>	<i>^ 1 438</i>	<i>82 459</i>
FEMALES								
less than 46 years of age	8 593	2 433	132	11 158	52 579	13 828	^ 1 092	67 499
46 years of age or more	5 439	1 654	105	7 198	28 739	8 905	^ 688	38 333
<i>Total</i>	<i>14 032</i>	<i>4 087</i>	<i>237</i>	<i>18 356</i>	<i>81 318</i>	<i>22 733</i>	<i>^ 1 780</i>	<i>105 832</i>
TOTAL								
less than 46 years of age	12 526	3 337	246	16 109	81 124	21 612	^ 1 890	104 626
46 years of age or more	7 751	2 461	174	10 387	62 435	19 901	^ 1 328	83 665
<i>Total</i>	<i>20 277</i>	<i>5 798</i>	<i>420</i>	<i>26 496</i>	<i>143 559</i>	<i>41 514</i>	<i>^ 3 218</i>	<i>188 291</i>

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

(a) Region data are based on a tick box question on the survey form. Please refer to paragraph 7 of Technical Note 2: Estimation methodology.

(b) Includes practitioners and other staff providing health care services employed or working on contract for the business/organisation.

(c) Practitioner counts are overstated as practitioners may be employed or contracted by multiple businesses/organisations. Practitioners owning their businesses are counted under their own business, as well as by the business/organisation they contract their services to.

(d) Includes pathology and diagnostic imaging services, privately run ambulance services and other health care services not elsewhere specified.

5.3 PATIENT CHARACTERISTICS BY REGION(a)(b), General practice, specialist and dental services

	GENERAL PRACTICE MEDICAL SERVICES				SPECIALIST MEDICAL SERVICES				DENTAL SERVICES			
	<i>Capital cities and suburbs</i>	<i>Rural</i>	<i>Remote</i>	<i>Total</i>	<i>Capital cities and suburbs</i>	<i>Rural</i>	<i>Remote</i>	<i>Total</i>	<i>Capital cities and suburbs</i>	<i>Rural</i>	<i>Remote</i>	<i>Total</i>
	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	'000
MALES												
less than 18 years	^ 335.1	^ 110.0	*10.8	455.8	^ 21.4	np	np	^ 26.1	^ 74.3	^ 14.0	^ 0.1	^ 88.4
18 years to less than 65 years	781.9	^ 239.3	*21.7	1 042.9	146.0	np	np	178.8	176.0	^ 48.2	*0.3	224.5
65 years or more	415.1	^ 171.0	*20.1	606.3	106.1	*25.3	*0.1	^ 131.5	53.8	^ 17.5	*0.1	71.5
Total	1 532.1	^ 520.3	*52.6	2 105.0	273.4	^ 62.7	*0.3	336.4	304.2	^ 79.7	*0.6	384.5
FEMALES												
less than 18 years	^ 363.7	^ 119.7	*15.4	498.8	^ 22.2	np	np	^ 26.9	^ 85.7	^ 14.8	^ 0.1	^ 100.7
18 years to less than 65 years	898.9	^ 293.4	*25.7	1 218.0	179.0	np	np	218.9	214.0	^ 50.6	*0.4	264.9
65 years or more	471.2	^ 200.6	*24.4	696.2	^ 111.4	*30.5	*0.2	^ 142.0	63.3	^ 18.2	*0.1	81.7
Total	1 733.7	^ 613.7	*65.5	2 413.0	312.6	^ 74.9	*0.4	387.8	363.0	^ 83.6	*0.6	447.3
TOTAL												
less than 18 years	^ 698.8	^ 229.7	*26.2	954.6	^ 43.5	^ 9.4	*0.1	^ 53.0	^ 160.1	^ 28.8	^ 0.3	^ 189.1
18 years to less than 65 years	1 680.8	^ 532.7	*47.4	2 260.9	325.0	^ 72.4	*0.3	397.7	390.0	^ 98.8	*0.7	489.4
65 years or more	886.3	^ 371.7	*44.5	1 302.5	^ 217.5	*55.8	*0.3	^ 273.5	117.1	^ 35.8	*0.3	153.2
Total	3 265.8	^ 1 134.0	*118.2	4 518.0	586.0	^ 137.6	*0.6	724.2	667.2	^ 163.3	^ 1.2	831.7

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

* estimate has a relative standard error of 25% to 50% and should be used with caution

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

(a) Region data are based on a tick box question on the survey form. Please refer to paragraph 7 of Technical Note 2: Estimation methodology.

(b) Refers to patients seen in an average working week.

EXPLANATORY NOTES

INTRODUCTION

1 This publication presents estimates of the economic and financial performance of health care services businesses/organisations for 2009–10. The primary purpose of these estimates is to present detailed information on the financial performance and type of activity of businesses/organisations primarily engaged in the provision of health care services. Estimates were produced using directly collected data from the Health Care Services Survey conducted by the Australian Bureau of Statistics (ABS).

SCOPE

2 The scope of the collection consisted of 'for profit' and 'not for profit' private sector business entities and organisations operating in the Australian economy during 2009–10, classified to the following ANZSIC classes:

- 8511 GENERAL PRACTICE MEDICAL SERVICES
- 8512 SPECIALIST MEDICAL SERVICES
- 8520 PATHOLOGY AND DIAGNOSTIC IMAGING SERVICES
- 8531 DENTAL SERVICES
- 8532 OPTOMETRY AND OPTICAL DISPENSING SERVICES
- 8533 PHYSIOTHERAPY SERVICES
- 8534 CHIROPRACTIC AND OSTEOPATHIC SERVICES
- 8539 OTHER ALLIED HEALTH SERVICES
- 8591 AMBULANCE SERVICES
- 8599 OTHER HEALTH CARE SERVICES

3 Businesses/organisations were in scope of the collection if their turnover exceeded a threshold level or the business/organisation was identified as being an employing business/organisation (based on ATO information) as at the end of the reference period. Turnover thresholds were set at \$50,000 for ANZSIC classes 8511, 8512, 8531 and 8533. Turnover thresholds for the remaining ANZSIC classes were set so that the contribution of in scope businesses/organisations accounted for 97.5% of total industry class turnover as determined by BAS data. Businesses/organisations which met neither of these criteria are referred to as 'micro non-employing businesses/organisations'. These businesses/organisations were not in scope of the survey. The total estimated value of annual turnover of micro non-employing businesses/organisations in ANZSIC Subdivision 85 during the 2009-10 reference year, as determined by BAS data, was \$456m (1.1%).

REFERENCE PERIOD

4 The period covered by the collection was, in general, the 12 months ended 30 June 2010. Where businesses/organisations are unable to supply information on this basis, an accounting period for which data can be provided is used for data other than those relating to employment. As a result, the estimates can reflect trading conditions that prevailed in periods outside the twelve months ended June in the relevant year.

5 Although financial estimates relate to the full twelve months, employment estimates relate to the last pay period ending in June 2010. As a result, estimates of average fee for service earned per practitioner may be affected by any fluctuations in employment during the reference period.

6 Financial data incorporate all units in scope of the Health Care Services Survey that were in operation at any time during the year. They also include any temporarily inactive units, i.e. those units which were in the development stage or which were not in operation, but which still existed and held or acquired assets and liabilities and/or incurred some non-operating expenses (e.g. depreciation, administration costs).

CLASSIFICATIONS

7 The businesses/organisations that contribute to the statistics in this publication are classified:

- by industry, in accordance with the *Australian and New Zealand Standard Industrial Classification (ANZSIC)*, 2006 edition (cat. no. 1292.0)
- by state and territory
- by business size based on number of practitioners.

COVERAGE

8 This section discusses frame, statistical units, coverage issues and improvements to coverage.

Frame

9 Businesses/organisations contributing to the estimates in this publication were sourced from the ABS Business Register (ABSBR), which has two components as described below.

Statistical units

10 The ABS uses an economic statistics units model on the ABSBR to describe the characteristics of businesses/organisations, and the structural relationships between related businesses/organisations. Within large and diverse business groups, the units model is used to define reporting units that can provide data to the ABS at suitable levels of detail.

11 In mid 2002, the ABS commenced sourcing its register information from the Australian Business Register and at that time changed its business register to a two population model. The two populations comprise what is called the Profiled population and the Non-profiled population. The main distinction between businesses/organisations in the two populations relates to the complexity of the business/organisation structure and the degree of intervention required to reflect the business/organisation structure for statistical purposes.

Non-profiled population

12 The majority of businesses/organisations included on the ABS Business Register are in the Non-profiled population. Most of these businesses/organisations are understood to have simple structures. For these businesses/organisations, the ABS is able to use the ABN as the basis for a statistical unit. One ABN equates to one statistical unit.

Profiled population

13 For a small number of businesses/organisations, the ABN unit is not suitable for ABS economic statistics purposes and the ABS maintains its own units structure through direct contact with businesses/organisations. These businesses/organisations constitute the Profiled population. This population consists typically of large or complex groups of businesses/organisations. The statistical units model below caters for such businesses/organisations:

- *Enterprise group*: This is a unit covering all the operations in Australia of one or more legal entities under common ownership and/or control. It covers all the operations in Australia of legal entities which are related in terms of the current Corporations Law (as amended by the *Corporations Legislation Amendment Act 1991*), including legal entities such as companies, trusts and partnerships. Majority ownership is not required for control to be exercised.
- *Enterprise*: The enterprise is an institutional unit comprising:
 - a single legal entity or business entity, or
 - more than one legal entity or business entity within the same enterprise group and in the same institutional subsector (i.e. they are all classified to a single Standard Institutional Sector Classification of Australia subsector).

Profiled population continued

■ *Type of activity unit (TAU)*: The TAU is comprised of one or more business/organisation entities, sub-entities or branches of a business/organisation 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/organisation cannot supply adequate data for each industry, a TAU is formed which contains activity in more than one industry subdivision.

Contribution of statistical units to the estimates

14 The following paragraphs outline the way in which categories of statistical units contribute to the estimates of financial and economic variables presented in this publication.

TAUS

15 All units in the Profiled Population (i.e. TAUs) were eligible to be selected for direct collection.

ABN UNITS

16 All units on the ABSBR not classified as TAUs were ABN units from the Non-profiled population.

Coverage issues

17 The ANZSIC-based industry statistics presented in this publication are compiled as follows: each ABN unit or TAU on the ABSBR has been classified (by the ATO and the ABS respectively) to its single predominant industry class irrespective of any diversity of activities undertaken.

18 Some businesses/organisations engage, to a significant extent, in activities which are normally carried out by different industries. For example, a predominantly health care business/organisation may also undertake significant amounts of retail. Similarly, a health care business/organisation may provide significant volumes of health care service which are normally provided in a different health industry. Where a business/organisation makes a significant economic contribution to industries classified to different ANZSIC subdivisions, the ABS includes the business/organisation in the Profiled population, and 'splits' the TAU's reported data between the industries involved. Significance is determined using total income.

19 The ABS attempts to maintain a current understanding of the structure of the large, complex and diverse business/organisation groups that form the Profiled population on the ABSBR, through direct contact with those businesses/organisations. Resultant changes in their structures on the ABSBR can affect:

- the availability of such businesses/organisations (or units within them) for inclusion in the annual economic collections
- the delineation of the units, within those groups, for which data are to be reported.

20 The ABS attempts to obtain data for those businesses/organisations selected for direct collection and which ceased operation during the year, but it is not possible to obtain data for all of them.

Improvements to coverage

21 Data in this publication have been adjusted to allow for lags in processing new businesses/organisations to the ABSBR, and the omission of some businesses/organisations from the register. The majority of businesses/organisations affected, and to which the adjustments apply, are small in size. As an example, the effect of these adjustments is generally 3% or less for ANZSIC subdivision 85 and for most states and territories.

<i>Improvements to coverage continued</i>	<p>22 Adjustments have been made to include new businesses/organisations in the estimates in the period in which they commenced operations, rather than when they were processed to the ABSBR. Adjustments of this type will continue to be applied in future periods.</p> <p>23 For more information on these adjustments, please refer to the ABS publication <i>Information Paper: Improvements to ABS Economic Statistics, 1997</i> (cat. no. 1357.0).</p>
DEFINITION OF KEY TERMS	<p>24 Selected key terms are described below.</p>
<i>Health care services</i>	<p>25 Health care services refers to the provision of medical, allied health and other health care as defined by ANZSIC.</p>
<i>Industry value added</i>	<p>26 Industry value added (IVA) is the measure of the contribution by businesses/organisations in each industry to gross domestic product.</p> <p>27 There are two types of businesses/organisations: 'market' and 'non-market' producers. Market producers sell their output to achieve a profit, whereas non-market producers sell their output at economically insignificant prices. Industry value added is derived differently for market and non-market producers. The majority of health care service businesses/organisations are market producers with the exception of businesses/organisations classified to ANZSIC class 8591 AMBULANCE SERVICES and ANZSIC class 8599 OTHER HEALTH CARE SERVICES, in which non-market producers make the most significant contribution to industry value added. See the Glossary definition of IVA for further detail.</p>
SURVEY DESIGN	<p>28 The frame (from which the sample was selected) was stratified using information held on the ABSBR. Businesses/organisations were then selected from the frame using stratified random sampling techniques. A sample of 4,333 businesses/organisations was selected for the 2009–10 Health Care Services Survey. Each business/organisation was asked to provide data sourced primarily from financial statements, mainly by mail out questionnaires. Businesses/organisations were also asked to supply key details of their operations by state and territory, as well as key data by region (i.e. capital cities/suburbs, rural and remote), enabling production of state/territory and broad regional estimates.</p>
EFFECTS OF ROUNDING	<p>29 Where figures have been rounded, discrepancies may occur between totals and the sums of the component items.</p> <p>30 Proportions, ratios and other calculated figures shown in this publication have been calculated using unrounded estimates and may be different from, but are more accurate than, calculations based on the rounded estimates.</p>
FURTHER INFORMATION	<p>31 A range of further information is available, as described below.</p>
<i>Related publications</i>	<p>32 The following ABS publications present economy wide industry data:</p> <ul style="list-style-type: none"> ■ <i>Australian Industry</i>, 2009–10 (cat. no. 8155.0) - annual publication ■ <i>Australian System of National Accounts</i>, 2009-10 (cat.no. 5204.0) - annual publication
<i>Other information available</i>	<p>33 More detailed estimates than those included in this publication are available in spreadsheet format free of charge online from the Statistics View on the ABS web site <http://www.abs.gov.au> Select Statistics/By Catalogue Number/8.Secondary Industry and Distribution/85. Service industries/8570.0 Health Care Services, 2009–10, then select the Downloads tab.</p> <p>34 The ABS also issues a daily Release Advice on the web site which details products to be released in the week ahead.</p>

*Other information available
continued*

35 Apart from the statistics included in this publication and its associated spreadsheets, no further data from the Health Care Services Survey will be available on request. Inquiries on ABS products should be made to the National Information and Referral Service on 1300 135 070.

Acknowledgement

36 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*.

*Use of Australian Taxation
Office (ATO) data in this
publication*

37 The results of these studies are based, in part, on tax data supplied by the ATO to the ABS under the *Income Tax Assessment Act 1936*, which requires that such data are only used for statistical purposes. No individual information collected under the *Census and Statistics Act 1905* is provided back to the ATO for administrative or regulatory purposes. Any discussion of data limitations or weaknesses is in the context of using the data for statistical purposes, and is not related to the ability of the data to support the ATO's core operational requirements.

ABBREVIATIONS

'000	thousand
\$b	billion (thousand million) dollars
\$m	million dollars
ABN	Australian Business Number
ABS	Australian Bureau of Statistics
ABSBR	Australian Bureau of Statistics Business Register
AEIFRS	Australian Equivalents to International Financial Reporting Standards
ANZSIC	Australian and New Zealand Standard Industrial Classification
ANZSIC06	<i>Australian and New Zealand Standard Industrial Classification, 2006 Edition</i>
ATO	Australian Taxation Office
BAS	Business Activity Statement
EAS	Economic Activity Survey
GP	General Medical Practitioner
HICAPS	health industry claims and payments service
IVA	industry value added
no.	number
OPBT	operating profit before tax
PAYE	pay-as-you-earn tax
RSE	relative standard error
TAU	type of activity unit

RELIABILITY

1 The estimates in this release are based on information obtained from a sample survey (i.e. Health Care Services Survey) conducted by the Australian Bureau of Statistics (ABS). Any collection of data can be affected by factors that affect the reliability of the resulting statistics, regardless of the methodology used. These factors result in non-sampling error. In addition to non-sampling error, sample surveys are also subject to inaccuracies that arise from the fact that a sample was selected rather than conducting a census. This type of error is called sampling error.

Sampling error

2 Sampling variability occurs when a sample, rather than the entire population, is surveyed. It reflects the difference between estimates based on a sample and those that would have been obtained had a census been conducted. One measure of the likely difference is given by the standard error, which indicates the extent to which an estimate might have varied by chance because only a sample of units was included.

3 There are about two chances in three that a sample estimate will differ by less than one standard error from the figure that would have been obtained if all businesses/organisations had been included in the survey, and about 19 chances in 20 that the difference will be less than two standard errors.

4 Another measure of sampling variability is the relative standard error (RSE), which is obtained by expressing the standard error as a percentage of the estimate to which it refers. The RSE is a useful measure in that it provides an immediate indication of the sampling error in percentage terms, and this avoids the need to refer also to the size of the estimate. Selected data item RSEs at the aggregate level for Australia are shown in the table overleaf. Detailed relative standard errors can be made available on request.

Sampling error continued

RELATIVE STANDARD ERRORS FOR SUMMARY OF OPERATIONS,
GENERAL PRACTICE MEDICAL SERVICES

	<i>Australia</i>
	%
Businesses at end June	1.3
Locations at end June	4.2
Persons working at end June	
Registered medical/health practitioners and other staff providing health care	
Employment	
Working proprietors and working partners of unincorporated businesses	5.2
Employees	
Permanent full-time	5.3
Permanent part-time	10.8
Casual/temporary	23.4
Total	6.5
Total employment	4.7
Persons working on contract	11.3
Total	4.5
Other staff	6.1
Total persons working	4.3
Income	
Fee for service	4.3
Government funding	14.9
Other	10.1
Total	3.5
Expenses	
Wages and salaries	2.8
Other	6.0
Total	4.1
Operating profit before tax	5.2
Operating profit margin	4.4
Industry value added	3.0

5 To illustrate the above, the estimate of total fee for service for general practice medical services in 2009–10 was \$11,136m. The RSE of this estimate is shown as 4.3%, giving a standard error of approximately \$479m. Therefore, there are two chances in three that, if all units had been included in the survey, an estimate in the range of \$10,657m to \$11,615m would have been obtained. Similarly, it implies that there are nineteen chances in twenty (i.e. a confidence interval of 95%) that the estimate would have been within the range of \$10,178m to \$12,094m. The size of the RSE may be a misleading indicator of the reliability of some of the estimates for (a) operating profit before tax and (b) industry value added. It is possible for an estimate legitimately to include positive and negative values, reflecting the financial performance of individual businesses/organisations. In this case, the aggregated estimate can be small relative to the contribution of individual businesses/organisations, resulting in a standard error which is large relative to the estimate.

Non-sampling error

6 Error other than that due to sampling may occur in any type of collection, whether a full census or a sample, and is referred to as non-sampling error. It can arise from inadequacies in available sources from which the population frame was compiled, imperfections in reporting by providers, errors made in collection such as in recording

Non-sampling error continued

and coding data and errors made in processing data. It also occurs when information cannot be obtained from all businesses/organisations selected.

7 Businesses/organisations contributing to the estimates in this publication were sourced from the ABS Business Register (ABSBR). A known source of non-sampling error exists in the ABSBR relating to the misclassification of units in accordance with the *Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006* edition (cat. no. 1292.0). In many cases businesses/organisations can be classified correctly at the division and sub division level of ANZSIC06, yet at the class level are misclassified, with the greatest impact on ANZSIC 8511 GENERAL PRACTICE MEDICAL SERVICES.

8 Although it is not possible to quantify non-sampling error, every effort was made to reduce it to a minimum. Collection forms were designed to be easy to complete and assist businesses/organisations to report accurately. Efficient and effective operating procedures and systems were used to compile the statistics. The ABS compared data from different ABS (and non-ABS) sources relating to the one industry, to ensure consistency and coherence.

9 Differences in accounting policy and practices across businesses/organisations and industries can lead to some inconsistencies in the data used to compile the estimates. Although much of the accounting process is subject to standards, there remains a great deal of flexibility available to individual businesses/organisations in the accounting policies and practices that they adopt.

10 The above limitations are not meant to imply that analysis based on these data should be avoided, only that the limitations should be borne in mind when interpreting the data presented in this publication. This publication presents a wide range of data that can be used to analyse business and industry performance. It is important that any analysis be based upon the range of data presented rather than focusing on one variable.

QUALITY INDICATORS

11 In the 2009–10 survey of health care services, there was a 92.6% response rate from all businesses/organisations that were surveyed and found to be operating during the reference period. Data were imputed for the remaining 7.4% of operating businesses/organisations. Imputed responses contributed 6.4% to the estimate of total income for all selected industries.

DATA COMPARABILITY

Comparison with other ABS statistics

AUSTRALIAN INDUSTRY (CAT NO. 8155.0)

12 Key annual industry data for ANZSIC06 subdivisions 85 MEDICAL AND OTHER HEALTH CARE SERVICES are published in *Australian Industry* (cat. no. 8155.0). There are important differences between statistics published in *Australian Industry* and *Health Care Services* and users should exercise caution when making comparisons between the two sets of estimates. A key difference is the inclusion of micro non-employers in *Australian Industry*.

13 *Australian Industry* presents annual summary statistics at the ANZSIC06 division and subdivision levels. It shows the relative performance of each industry division and subdivision, and allows patterns of change of growth to be analysed across particular segments of the Australian economy.

14 *Health Care Services* supplements *Australian Industry* statistics with a detailed examination of the structure and performance of health care services businesses/organisations for the reference year of the survey. As such, the survey is not designed to monitor change over time.

Comparison with other ABS
statistics continued

COUNTS OF AUSTRALIAN BUSINESSES, INCLUDING ENTRIES AND EXITS (CAT. NO. 8165.0)

15 Estimates of the number of businesses operating in Australia can be derived from a number of sources within the ABS. They may relate to a particular point in time or may be presented as an average annual figure. However, these estimates will not always show the same results. Variations will occur because of differing data sources, differing scope and coverage definitions between surveys, as well as variations due to sampling and non-sampling error. More information about business counts can be found in the information paper *A Statistical View of Counts of Businesses in Australia* (cat. no. 8162.0).

16 The Health Care Services Survey is not designed to provide high quality estimates of numbers of businesses/organisations for any of the output classifications (for example, business size or industry) and the number of businesses/organisations in this publication are only included to provide contextual information for the user. A more robust source of counts of Australian businesses is available from *Counts of Australian Businesses, including Entries and Exits, Jun 2007 to Jun 2009* (cat. no. 8165.0)

Historical comparisons

17 The reader should bear in mind that this survey was not designed to support accurate estimates of change over time. There have been major changes to the statistical units, frame, scope, industry classification and estimation methodology between the 2001–02 Private Medical Practitioners and Private Medical Practices; the 1997–98 suite of Selected Allied Health Services (*Dental Services, Optometry and Optical Dispensing Services, Physiotherapy Services, Chiropractic and Osteopathic Services, Audiology and Audiometry Services*), and the 2009–10 Health Care Services Survey. These include:

- use of the ABSBR frame instead of external frames. In previous survey iterations a two phase approach was used. Medical practitioners were identified from listings provided by Medicare and from allied health practitioner listings provided by industry associations. These practitioners were then asked to provide details of the practice or business they worked for. In the second phase of the survey, data was collected from the practice or business identified in the first phase of the survey.
- changes to the statistical unit as a result of the introduction of The New Tax System on 1 July 2000
- changes to scope as a result of including significant non-employed units in the survey
- major changes between the 1993 and 2006 editions of ANZSIC which affected some health care services sectors
- the use of generalised regression estimation methodology instead of number raised estimation.
- the introduction of the new Australian Equivalents to International Financial Standards (AEIFRS) from 1 January 2005, resulting in changed definitions applying to some items in the financial accounts of Australian businesses.

18 Consequently, estimates in this issue are not directly comparable with those in the 2002 *Private Medical Practitioners* and 2001–02 *Private Medical Practices* publications, and the 1997–98 Selected Allied Health suite of publications and users are advised against making historical comparisons.

TECHNICAL NOTE 2 ESTIMATION METHODOLOGY

- INTRODUCTION**
- 1** The availability of Business Activity Statement (BAS) data collected by the ATO has provided the ABS with opportunities to improve the efficiency of collection designs and estimation for its business surveys, while at the same time reducing the reporting burden placed on businesses/organisations. Under taxation law, data may be passed by the Commissioner for Taxation to the ABS for specified statistical purposes. Accordingly, turnover and wages information sourced from ATO (BAS) data was used to improve the accuracy of the 2009–10 industry estimates which were produced using data items collected directly by the ABS from businesses/organisations.
- ESTIMATION METHODOLOGY**
- 2** The 2009–10 survey used generalised regression estimation. This estimation method enables maximum use of observed linear relationships between data directly collected from businesses/organisations in the survey and auxiliary information. When the auxiliary information is strongly correlated with data items collected in a survey, the generalised regression estimation methodology will improve the accuracy of the estimates. The auxiliary variables used in this survey were turnover and wages sourced from BAS data.
- DATA STREAMING**
- 3** For the purpose of compiling the estimates in this publication, data for businesses/organisations as recorded on the ABSBR contribute via one of two categories (or 'streams') in accordance with significance and collection-related characteristics.
- COMPLETELY ENUMERATED STREAM**
- 4** The completely enumerated stream consisted of directly collected survey data for those units recorded on the ABSBR as having employment greater than 300, plus additional 'significant' units in the ABSMP and units significant to small state estimates.
- GENERALISED REGRESSION ESTIMATION STREAM**
- 5** The generalised regression estimation stream comprised directly collected data for those sampled units which are not in the completely enumerated stream and have turnover, in aggregate, above a certain threshold of BAS sales for that industry. The thresholds for each industry were as follows: 8511, 8512, 8531, 8533 (\$50,000) and 8520, 8532, 8534, 8539, 8591, 8599 (2.5%).
- STATE/TERRITORY AND REGION ESTIMATES**
- 6** State estimation for this publication occurred through directly collected data and proration. Businesses/organisations which undertake multi-state operations received a more detailed survey form and were asked to supply key details of their operations by state and territory. These key data items were then used to prorate estimates for other data items by state/territory. The remaining units, were treated as single state operations, and all data published against the state of head office.
- 7** Region estimation for this publication occurred through directly collected data. All businesses/organisations were asked to provide key data by self identified categories, namely "Capital cities and suburbs", "Rural" and "Remote" areas. This categorisation was done at the National level only (not separately within states and territories).
- GENERAL PRACTITIONER (GP) PRACTICE ESTIMATES**
- 8** GP Practice estimates for this publication are a subset of the GP MEDICAL SERVICES ANZSIC (8511). Practices are identified by the following characteristics:
- 'For profit'
 - Two or more persons working for the practice
 - Medical practices that combine all their operations under the one accounting entity
 - Medical practices that are supported by an administrative service business
 - Corporate practices

GLOSSARY

Financial data presented in this publication have been compiled from the standard financial accounts of businesses/organisations; therefore, the definition of each reported item aligns closely with that adopted in standard business accounting practice. Included in the glossary are published data items and components used to calculate derived items.

ABN unit	The statistical unit used by the ABS to represent businesses/organisations, and for which statistics are reported, in most cases. The ABN unit is the business/organisation unit which has registered for an ABN, and thus appears on the ATO administered Australian Business Register. In most cases, the ABN unit represents the legal entity. This unit is suitable for ABS statistical needs when the business/organisation is simple in structure. For more significant and diverse businesses/organisations where the ABN unit is not suitable for ABS statistical needs, the statistical unit used is the type of activity unit (TAU).
Administrative service business	<p>The administrative service business is a formal legal and accounting entity for which detailed financial statements are produced.</p> <p>The business provides administrative, secretarial or similar support services to one or more medical or health care service businesses/organisations. The cost of these support services is usually reimbursed by management fee or service company fee payments from the medical or health care service businesses/organisations to the administrative service business.</p>
Allied health practitioners	Refers to dental practitioners, dental hygienists, dental therapists, dental prosthetists/technicians, dental assistants, physiotherapists, optometrists, optical dispensers, chiropractors, osteopaths, psychologists, complementary medicine practitioners and other health care practitioners.
Anaesthetist	Specialist physician who administers anaesthetics to prevent pain and maintain major body function throughout surgical and related procedures. Anaesthetists must be registered with the Medical Board of Australia.
Average fee for service earned per practitioner	Refers to fee for service earned by all practitioners working in a business/organisation. For the dental services chapter, dental assistants are excluded from this calculation.
Bulk billing payments	Also known as 'direct billing', under bulk billing arrangements medical/health practitioners can directly bill Medicare, Veterans affairs or another insurer, accepting the relevant rebate as full payment for the service. No additional charges relating to the service apply to the patient.
Businesses/organisations at end June	<p>A business/organisation is generally considered to be a person, partnership, or corporation engaged in business or commerce. This includes businesses/organisations providing medical/health services and/or businesses providing administrative, secretarial or managerial services to medical/health businesses/organisations at the end of June.</p> <p>In this publication, the term represents the ABN unit or type of activity unit (TAU), which are the two standard statistical units for the 2009–10 Economic Activity Survey collections (these two units are explained under separate entries). For details, see Explanatory Notes paragraphs 10–13.</p>
Business size	Based on the number of registered practitioners working for the business/organisation at the end of June.

Casual/temporary employees	Casual employees are those persons employed by the business or organisation who are not entitled to take paid leave. Temporary employees are those whose employment is for a limited term.
Chiropractor	Chiropractors practise a method of healing which relies upon the removal of nerve interference by manual adjustment of the spinal column. Chiropractors are required to be registered with the Chiropractic Board of Australia and currently undertake a 5 year university degree.
Complementary medicine practitioner	Refers to a specific group of allied health practitioners comprised of acupuncturists, herbalists, homeopaths, hypnotherapists, naturopaths and traditional Chinese medicine practitioners.
Contract payments for medical/health services	These are payments made to the businesses/organisations of registered medical/health practitioners and other professionals (including one-off incentive payments) who are not employees, and for which Pay As You Earn (PAYE) tax has not been deducted. Also includes payments to other businesses/organisations for medical/health services.
Contract, subcontract and commission expenses	Payments to other businesses/organisations and self-employed persons for work done or sales made on a contract or commission only basis.
Corporate practice	Refers to a practice in which medical businesses have been contracted to a corporate administrative entity for a fixed period to provide medical/health services. The corporate entity is generally owned by persons who are not medical practitioners. The corporate practice comprises at least 10 medical/health businesses which use the facilities and infrastructure provided by the corporate entity. The medical/health businesses are usually centralised at the same location so as to provide sufficient volume to attract other medical/health services.
Dental assistant	A person who assists the dental practitioner to perform dental procedures. May also be referred to as chairside assistants or dental nurses.
Dental hygienist	A dental hygienist specialises in preventative oral health, typically focusing on techniques in oral hygiene. Hygienists generally work for a dentist. Common procedures performed by hygienists include cleanings known as prophylaxis, scaling, taking of prescribed radiographs, dental sealants, administration of fluoride, and providing instructions for proper oral hygiene and care. Dental hygienists must be registered with the Dental Board of Australia.
Dental practitioner	Dental practitioners evaluate and treat disorders and conditions of the oral cavity, maxillofacial area and adjacent and associated structures. Dental practitioners may specialise as endodontists, oral/maxillofacial surgeons, oral pathologists, orthodontists, paedodontists, periodontists, prosthodontists or special needs dentists. Dental practitioners must be registered with the Dental Board of Australia. Oral and maxillofacial surgeons must be registered with the Medical Board of Australia.
Dental prosthetist/dental technician	Dental prosthetists/dental technicians construct custom made restorative and dental appliances upon prescription from a dental clinician. Dental prosthetists/dental technicians must be registered with the Dental Board of Australia.
Dental therapist	Dental therapists specialise in treating children's teeth and are generally employed by government clinics and school dental services. Typically, therapists under the prescription of a dentist are licensed to examine children's teeth, administer restricted techniques of local anaesthesia, take radiographs, provide sealants, scaling and cleaning, and restore primary and secondary teeth. Dental therapists must be registered with the Dental Board of Australia.
Diagnostic imaging practitioner	Diagnostic imaging practitioners specialise in the evaluation of anatomical disorders and diagnosis of diseases and conditions of the human body through the production of clinical images including x-rays, ultrasound, computed tomography, magnetic resonance, radionuclide scanning and thermography. Includes radiologists, radiographers,

Diagnostic imaging practitioner <i>continued</i>	sonographers and nuclear medicine technologists. Diagnostic imaging practitioners must be registered with the Medical Board of Australia.
Direct health care services provision	Refer to medical and health related services provided to individuals, families and the community on an interactive or face-to-face basis or on their behalf.
Employees	Number of persons employed by businesses/organisations during the last pay period ending in June of the given year, who are paid through the payroll and for whom PAYE tax is deducted.
Employment	Number of persons working for businesses/organisations during the last pay period ending in June of the given year. Includes working proprietors and partners, employees absent on paid or prepaid leave, employees on workers' compensation who continue to be paid through the payroll, and contract workers paid through the payroll. Excludes persons paid by commission only, non-salaried directors, volunteers and self-employed persons such as consultants and contractors.
Enrolled nurse	Enrolled nurses are second level nurses who are enrolled in all states except Victoria where they are registered by the state registration board to practise in this capacity. Enrolled nurses work under the supervision of a registered nurse and must be registered with the Nursing and Midwifery Board of Australia.
Fee for service	Income received by the business/organisation for the provision of medical services. It includes bulk billing payments from Medicare, Veterans affairs and other bulk billing providers, workers compensation and other compensation payments, private health insurance payments, patient payments including gap and full fee payments, and other fee payments not specified separately.
'For profit' businesses/organisations	Businesses and organisations which operate with the intention of making profits.
Gap payments	Payments made by patients for the provision of medical/health services, where the patient pays the difference between the full fee payment charged and rebates provided by Medicare or other bulk billing insurers and/or private health insurers.
General medical practitioners	Refers to qualified medical practitioners who provides primary continuing and comprehensive care to individuals, families and the community. General practitioners consists of practitioners who are vocationally qualified and registered as such with the Medical Board of Australia, and those that are non-vocationally registered and have not satisfied the Australian Medical Association requirements for vocational registration.
General practitioner (GP) medical practice	A GP medical practice may consist of a GP medical business, a GP medical business supported by an administrative service business or a group of medical businesses supported by an administrative service business. Please refer to Technical Note 2: Estimation methodology (paragraph 8) for further details.
Government funding	Funding from federal, state and/or local government for operational costs (e.g. wages and salaries, rent, food) and for specific capital items. Operational funding includes bounties, subsidies, export grants, apprenticeship and traineeship schemes, community service obligations, and amounts reimbursed under the Australian Government's Energy Grants (Credit) Scheme. Also includes payments made to general practitioners by the Commonwealth government under the Practice Incentives Program. Capital funding includes capital grants, and low interest or interest free loans made by government to businesses/organisations to encourage expenditure on specific equipment (e.g. environmental protection equipment).
Industry class	The structure of ANZSIC comprises four levels, ranging from industry division (broadest level) to industry class (finest level). Activities are narrowly defined within the industry class level, which is identified by a four-digit code, e.g. Industry Class 8511 GENERAL PRACTICE MEDICAL SERVICE. Usually, an activity is primarily defined to one class. However, some activities may be primary to more than one class.

Industry group	Industry groups are built up from industry classes and include classes that are closely related, e.g. Group 851 MEDICAL SERVICES includes general practice medical services and specialist medical services.
Industry subdivision	This is the broadest level category within each industry division of ANZSIC and is identified by a two-digit code, e.g. Industry Subdivision 85 for MEDICAL AND OTHER HEALTH CARE SERVICES. Industry subdivisions are built up from industry groups which, in turn, are built up from industry classes.
Industry value added (IVA)	<p>IVA represents the value added by an industry to the intermediate inputs used by the industry. IVA is the measure of the contribution by businesses/organisations, in the selected industry, to gross domestic product.</p> <p>The derivation of IVA for individual businesses/organisations depends on whether they are classified as market or non-market producers. Non-market producers are those institutions which provide goods or services either free or at prices that are not economically significant. In other words, their prices are not significantly influenced by the amounts that producers are willing to supply, nor the amounts that users are willing to pay to purchase the goods or services being provided. Conversely, market producers provide goods and services at prices that are economically significant.</p> <p>For market producers, the derivation of IVA is as follows:</p> <p style="padding-left: 40px;">Sales and service income</p> <p style="padding-left: 40px;"><i>plus</i> funding from federal, state and/or local government for operational costs</p> <p style="padding-left: 40px;"><i>plus</i> Capital work done for own use</p> <p style="padding-left: 40px;"><i>plus</i> Closing inventories</p> <p style="padding-left: 40px;"><i>less</i> Opening inventories</p> <p style="padding-left: 40px;"><i>less</i> Purchases of goods and materials</p> <p style="padding-left: 40px;"><i>less</i> Other intermediate input expenses</p> <p>which covers the major expenses incurred by businesses in producing and distributing goods and services (except labour costs), and comprises two sub-categories of operating expenses:</p> <p>(i) Purchases of goods, materials and services used in production, which include:</p> <ul style="list-style-type: none"> ■ purchases of materials, components, containers and packaging materials, electricity, fuels and water ■ purchases of goods for resale (without any further processing or assembly) ■ freight and cartage expenses. <p>(ii) Other intermediate input expenses</p> <p>Expenses related to the sale of goods and administrative expenses, which include:</p> <ul style="list-style-type: none"> ■ management fees/charges paid to related and unrelated businesses ■ bank charges other than interest ■ audit and other accounting expenses ■ legal fees ■ advertising expenses ■ postal and telecommunication expenses ■ office supplies and printing expenses ■ travelling, accommodation and entertainment expenses ■ staff training ■ payments for royalties from intellectual property (e.g. patents and copyrights) ■ payments to employment agencies for staff. <p><i>equals</i> IVA</p>

Industry value added (IVA) <i>continued</i>	<p>However, it should be noted that IVA is a measure of economic activity and is not equivalent to operating profit before tax (OPBT). Wage and salary expenses and most other labour costs are not taken into account in its calculation for market producers, and nor are most insurance premiums, interest expenses or depreciation and a number of lesser expenses (see the entry for total expenses for further details). On the income side, OPBT includes total income, whereas IVA only includes sales and service income.</p> <p>As a principle, the output of non-market production is valued at cost, including intermediate input expenses. As shown in the above derivation, purchases and other intermediate input expenses are deducted from output in order to arrive at IVA. Accordingly, the derivation of IVA for non-market producers can be described as follows:</p> <p style="padding-left: 40px;">Selected labour costs</p> <p style="padding-left: 40px;"><i>plus</i> depreciation and amortisation</p> <p style="padding-left: 40px;"><i>equals</i> IVA</p> <p>Estimates of industry value added are obtained by summing the contributions of businesses/organisations classified to that industry, both market and (if any) non-market producers. Market producers predominate in the medical and health care industries.</p> <p>Industry value added is related to, but different from, the national accounting variable gross value added. For national accounts purposes, gross value added is calculated by adjusting industry value added to include General government units and also to account for some other effects.</p>
Labour costs	Comprises wages and salaries, employer contributions into superannuation, workers' compensation premiums/costs, fringe benefits tax, payroll tax, salary sacrificed earnings paid on behalf of employees and employee share based payments and stock options.
Locations at end June	The number of permanent physical locations from which businesses and organisations operated at the end of June where employees were usually based.
Medical, surgical and other health related supplies	Refers to purchases of materials and equipment, in relation to the treatment of patients/clients. Capitalised purchases of materials and equipment are excluded.
Medicare payments	Bulk billing payments made by the Federal government for the provision of medical/health services to patients.
Non-vocational general medical practitioners	Overseas, and temporary resident general medical practitioners who have not passed the Australian Medical Board exams, and Australian and New Zealand general practitioners who are not fully qualified.
'Not for profit' organisations	Organisations whose status does not permit them to be a source of income, profit or other financial gain for the units that establish, control or finance them.
Nurse practitioner	Nurse practitioners are senior clinical staff within their chosen speciality. They require a masters degree or equivalent to register with their state nursing board. Nurse practitioners must be registered with the Nursing and Midwifery Board of Australia.
Operating profit before tax	Profit before extraordinary items are brought to account and prior to the deduction of income tax and appropriations to owners (e.g. dividends paid), i.e. total income - total expenses + change in inventories.
Operating profit margin	Total operating profit before tax expressed as a percentage of total sales of goods and services.
Optical dispenser	A qualified professional engaged in the fitting of prescription lenses to frames; the surface treatment of lenses; and the dispensing of contact lenses, and related optical appliances.

Optometrist/orthoptist	Optometrists engage in primary eye and vision care for the diagnosis, treatment and prevention of associated disorders and for the improvement of vision by the prescription of spectacles and by the use of other functional, optical and pharmaceutical means regulated by State law. Optometrists must be registered with the Optometry Board of Australia.
Osteopath	Osteopaths focus on how the skeleton, joints, muscles, nerves, circulation, connective tissue and internal organs function as a holistic unit. Osteopathic treatment uses techniques such as stretching and massage for general treatment of the soft tissues (muscles, tendons and ligaments) along with mobilisation of specific joints and soft tissues. Osteopaths are required to be registered with the Osteopathy Board of Australia and currently undertake a 5 year university masters degree to achieve registration in Australia.
Other bulk billing payments	Refers to bulk billing payments other than Medicare. Includes Veterans affairs bulk billing and other bulk billing payments not separately itemised such as non Medicare bulk billing arrangements in some states and territories.
Other contract, subcontract and commission expenses	Payments to other businesses/organisations and self-employed persons for work done or sales made on a contract or commission only basis. Excludes payments made to businesses/organisations for the provision of medical/health services and commissions paid to own employees or persons who receive a retainer.
Other expenses	Expenses from sources not separately itemised. Includes advertising expenses; audit and other accounting fees; bad debts; bank charges other than interest; depreciation and amortisation; entertainment expenses; interest expenses; legal expenses; paper, printing and stationery expenses; postal and courier expenses; repair and maintenance expenses; telecommunication expenses; transport and motor vehicle running expenses (excluding fuels used); travel and accommodation expenses; and other expenses not elsewhere classified.
Other fee payments	Refers to fee for medical/health services provided to patients, not separately itemised.
Other health practitioners and professionals	Refers to practitioners and other staff providing medical/health services, that are not separately identified.
Other income	Income from sources not separately itemised, including income from the provision of support services and other services; funding from non-government sources; income from donations, bequests, sponsorships and fundraising; dividend income; interest income; income from rent, leasing and hiring; net profit or loss on share trading or asset sales or resulting from the revaluation of assets in accordance with the Australian Equivalent of International Financial Reporting Standards (AEIFRS). Also includes sales of goods and government funding (where not separately itemised).
Other income from medical/health related services	Income received for the provision of medical/health services, excluding fee for service medical/health income and income received from government health programs. It includes: contract income for medical/health services, Visiting Medical officer income, teaching income, income from producing articles for journals and papers for conferences, committee fees, medico legal work and death and cremation certificate fee income.
Other insurance premiums	Premiums for fire, general, accident, public liability, optional third-party and comprehensive motor vehicle insurance, and common law liability. Excludes professional indemnity insurance (itemised separately), workers' compensation insurance premiums/costs (included in labour costs) and compulsory third party motor vehicle insurance premiums (included in motor vehicle running expenses).
Other patient payments	Full fee payments made by patients for the provision of medical/health services where the patient bears the entire cost of the service. Full fee patient payments are likely to be overstated for allied health service providers depending on whether the service provider and private health fund providers participate in the Health Industry Claims and Payments

Other patient payments <i>continued</i>	Service (HICAPS) scheme, as patients with private health fund cover may be required to pay the full fee at the time of consultation and then claim a rebate from private health insurance at a later date.
Other staff	Refers to administrative and support staff providing support services such as managerial, Information Technology or secretarial services to medical/health businesses/organisations during the last pay period ending in June. It includes persons employed and persons working on contract for the business/organisation. It excludes registered medical/health practitioners and other staff providing medical/health services.
Pathologist	A pathologist specialises in the laboratory detection of disease as distinguished from the use of clinical signs and symptoms. Pathology includes the sectional specialities of: general pathology, anatomical pathology, chemical pathology, cytopathology, forensic pathology, haematology, immunology and microbiology. Pathologists must be registered with the Medical Board of Australia.
Patients	Patients refers to individual contacts with medical/health practitioners and professionals. It includes consultations, procedures, surgery, home visits, patients seen at aged and disability care facilities and through outreach services. It excludes blood donors, hospital visits as part of Visiting Medical Officer duties and patients seen by pathology and diagnostic imaging centres who were referred by a registered medical/health practitioner.
Patient payments	Payments made by patients for the provision of medical/health services. This may be a full fee payment where the patient bears the entire cost of the service, or a gap payment where the patient pays the difference between the full fee payment and rebates provided by Medicare or other bulk billing insurers and/or private health insurers.
Payments to administrative businesses for support services	Payments made by a medical/health business/organisation for administrative support services such as secretarial or clerical support and/or the medical/health business/organisations' running expenses, supplied by a related administrative service business.
Payments to employment agencies for staff	Includes payment to employment agencies for the supply or recruitment of staff.
Permanent full-time employees	Employees who work 35 hours or more per week and are entitled to paid leave.
Permanent part-time employees	Employees who work less than 35 hours per week and are entitled to paid leave.
Persons working at end June	The sum of persons employed (including working proprietors and partners) and persons working on contract during the last pay period ending in June.
Persons working on contract	Refers to persons who are not employed by the business/organisation, but working on contract for the business/organisation during the last pay period in June. Persons working on contract have their own ABN and do not receive payments from the business/organisation from which PAYE tax is deducted.
Physiotherapist	Physiotherapists specialise in the treatment and rehabilitation of acute and chronic joint and muscle injuries, often using a combination of massage and a variety of prescribed therapeutic exercises that the patient carries out at home. Physiotherapists also frequently use machines such as Transcutaneous Electrical Nerve Stimulation or ultrasound as part of their treatment approach. Physiotherapists must be registered with the Physiotherapy Board of Australia.
Private health insurance payments	Refers to fee income paid by private health insurance towards the cost of medical/health service provision. These payments are likely to be understated for allied health service providers depending on whether the service provider and private health fund providers participate in the HICAPS scheme. Where HICAPS is not utilised, patients with private health fund cover may be required to pay the full fee at the time of consultation and then claim a rebate from private health insurance at a later date.

Professional and training expenses	Refers to continuing professional development expenses, registration and licensing fees, journal subscriptions, professional library costs, textbooks and training expenses.
Professional indemnity insurance premiums	Insurance which covers the medical/health business/organisation against a third party's financial or other loss as a result of advice provided to the third party or actions taken by staff of the business/organisation. Includes insurance paid by the business/organisation only and not individual practitioners.
Psychiatrist	Specialist physician who diagnoses, treats and prevents human mental, emotional and behavioural disorders. Psychiatrists must be registered with the Medical Board of Australia and must qualify as a specialist medical practitioner to achieve registration in Australia.
Psychologist	Registered professionals who study human behaviour, conduct research and provide treatment and counselling in order to reduce distress and behavioural and psychological problems, and to promote mental health in individuals and groups. Psychologists are required to be registered with the appropriate State and Territory Psychology Registration Boards.
Purchases	Costs of goods and services used in the production of the final output of a business/organisation. The item includes purchases of medical and surgical supplies, goods for resale, foodstuffs, linen, purchase of parts and fuels for equipment, electricity, fuels and water and petroleum products and other fuel used to power transport and motor vehicles. Excluded are capitalised purchases and changes in inventories.
Registered medical/health practitioners and other staff providing health care services	Refers to medical/health practitioners during the last pay period ending in June, whose registration is compulsory with the appropriate National board as required by The Australian Health Practitioner Regulation Agency, and other practitioners and professionals providing medical/health services.
Registered medical/health practitioners and professionals	Refer to registered medical/health practitioners and other staff providing health care services.
Registered nurse	Refers to persons with at least a three year training certificate and nurses holding post graduate qualifications. Includes: general nurse, health nurse, community health nurse, mental nurse, intellectual disability nurse, midwife, psychiatric nurse, senior nurse, charge nurse, supervisory nurse and nurse educator. Nurses must be registered with the Nursing and Midwifery Board of Australia.
Rent, leasing and hiring expenses	Payments for the rent, leasing and hiring of land, dwellings, other buildings and structures, motor vehicles, plant, machinery and other equipment (including telecommunication equipment). Includes operating lease payments; excludes finance lease payments.
Sales of goods	Whether or not produced by the business/organisation (including goods produced for the business/organisation on a commission basis). Includes export sales, sales or transfers to related businesses/organisations or to overseas branches of the business/organisation, progress payments relating to long term contracts if they are billed in the period, delivery charges not separately invoiced to customers, sales of goods produced by the business/organisation from crude materials purchased, and income from 'specific' rates (e.g. water, sewerage, irrigation and drainage rates). Excludes excise and duties received on behalf of the government (e.g. the petroleum production excise duty), sales of assets, natural resource royalties income, interest income, and delivery charges separately invoiced to customers. Exports are valued free on board, i.e. export freight charges are excluded.
Specialist physician/practitioner	Specialist physicians and practitioners who are qualified to practise in a particular speciality of medicine. Disciplines include: cardiology, clinical haematology, dermatology, emergency medicine, endocrinology, gastroenterology, intensive care specialty, interventional radiology, medical oncology, neurology, obstetrics and gynaecology, ophthalmology, paediatrics, radiation oncology, renal medicine,

Specialist physician/practitioner <i>continued</i>	rheumatology, thoracic medicine and a number of other specialities not separately identified. Specialist physicians and practitioners must be registered with the Medical Board of Australia.
Surgeon	A specialist practitioner who performs operative procedures to correct deformities, repair injuries, prevent and treat diseases and improve human body functions and appearance. Disciplines include: cardiothoracic, general, neurosurgery, orthopaedic, otorhinolaryngology, paediatrics, plastic and reconstructive, urology and vascular. Surgeons must be registered with the Medical Board of Australia.
Total expenses	The sum of all expense components.
Total income	The sum of all income components.
Total persons working	Refer to <i>Persons working at end June</i> .
Vocational general medical practitioners	General practitioners who are fully trained in Australia or New Zealand, or have trained overseas and passed the Australian Medical Board exams.
Wages and salaries	The gross wages and salaries (excluding capitalised wages and salaries) of all employees of the business/organisation. This item includes severance, termination and redundancy payments, salaries and fees of directors and executives, retainers and commissions of persons who received a retainer, bonuses, and annual and other types of leave. Provision expenses for employee entitlements (e.g. provisions for annual leave and leave bonus, long service leave, sick leave, and severance, termination and redundancy payments) are also included. Payments related to salary sacrifice, remuneration of employees in the form of share based payments and stock options and payments to self-employed persons such as consultants, contractors and persons paid solely by commission without a retainer are excluded. The drawings of working proprietors and partners are also excluded.
Workers' compensation/other compensation payments	Refers to fee for service payments made for patients whose treatment is covered by workers' compensation or other insurance payments. The medical/health business/organisation directly bills the appropriate insurer, accepting the relevant rebate as full payment for the service.
Working proprietors and partners of unincorporated businesses	<p>A working proprietor of an unincorporated business operates his or her own business (a sole proprietorship), while a partner, along with one or more other partners, operates a partnership. Working proprietors and working partners are:</p> <ul style="list-style-type: none"> ■ the owners of their business ■ legally inseparable from the business entity ■ liable for any business debts that are incurred. <p>As such, working proprietors and working partners of unincorporated businesses are not considered to be employees of their business.</p>

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