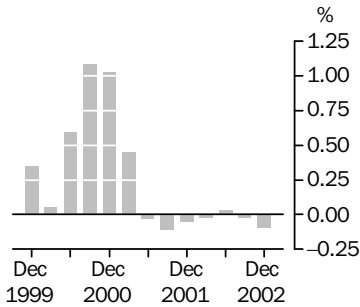


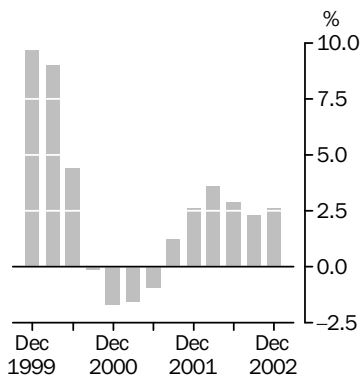
**BUSINESS INDICATORS**

AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) MON 3 MAR 2003

**Inventories (chain volume measures)**Trend estimates  
Quarterly change

Note: Change in scope from Mar qtr 2001.

**Company gross operating profits**Trend estimates  
Quarterly change

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

**KEY FIGURES**

	Sep Qtr 02 to Dec Qtr 02	Dec Qtr 01 to Dec Qtr 02
	%	%
<b>Income from sales of goods &amp; services (Chain vol. meas.)</b>		
Manufacturing		
Trend	0.8	5.0
Seasonally Adjusted	0.6	5.8
Wholesale trade		
Trend	1.2	5.2
Seasonally Adjusted	-1.0	2.2
<b>Inventories (Chain vol. meas.)</b>		
Trend	-0.1	-0.1
Seasonally Adjusted	-0.4	-0.1
<b>Company profits before income tax</b>		
Trend	5.8	23.9
Seasonally Adjusted	12.6	29.3
<b>Company gross operating profits</b>		
Trend	2.6	11.9
Seasonally Adjusted	2.5	10.8
<b>Wages and salaries</b>		
Original	5.0	6.6

**KEY POINTS****TREND ESTIMATES**

- The trend estimate (in volume terms) for inventories for the December quarter 2002 is \$91,691m, and has remained relatively flat for the latest seven quarters. The trend estimates (in volume terms) for income from sales of goods and services for both Manufacturing and Wholesale trade have increased in the latest eight quarters. The trend estimate (in current price terms) for company gross operating profits increased by 2.6% in the December quarter 2002. Company profits before income tax increased by 5.8%, continuing the increases of the previous five quarters.

**SEASONALLY ADJUSTED ESTIMATES**

- The seasonally adjusted estimate (in volume terms) for inventories has decreased by 0.4% in the December quarter 2002, with Manufacturing being the major contributor. Wholesale trade income from sales of goods and services decreased by 1.0% in the December quarter 2002 after increasing in the previous two quarters. Manufacturing income from sales of goods and services increased 0.6%, continuing the increases in the previous six quarters.
- Manufacturing was the major contributor to the 2.5% increase in the seasonally adjusted estimate (in current price terms) for company gross operating profits.

# NOTES

## FORTHCOMING ISSUES

<i>ISSUE (Quarter)</i>	<i>RELEASE DATE</i>
March 2003	2 June 2003
June 2003	1 September 2003



## REVISIONS IN THIS ISSUE

This publication presents the first release of estimates from the Quarterly Business Indicators Survey (formerly known as the Quarterly Economic Activity Survey) compiled using new statistical infrastructure. Estimates for December quarter 2002 and the revised September quarter 2002 estimates have been compiled on the new basis.

The new infrastructure was described in an information paper, *Improvements in ABS Economic Statistics [Arising from The New Tax System]* (Cat. no. 1372.0), released by the ABS on 6 May 2002. The paper described a number of changes to the infrastructure supporting the compilation of ABS economic series. The changes make better use of data available from the taxation system to improve the efficiency, coverage and sample design of the surveys from which these series are sourced.

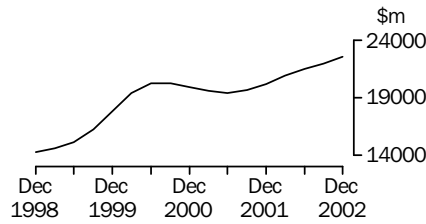
To facilitate comparisons over time, the historical series in this release have been revised to make the time series of estimates as continuous as possible. This has been done by estimating the impacts of the infrastructure changes on the statistics, and smoothing this impact over the past 16 quarters. The estimates of the impacts were compiled by conducting the survey on both the old basis and the new basis in respect of September quarter 2002. The level estimates on the new basis are higher than those collected on the old basis for most key estimates: manufacturing sales (+4.2%); wholesale trade sales (+1.4%); company profits before income tax (+4.1%); company gross operating profits (+7.0%); and wages (+3.9%). Inventories estimates on the new basis are 1.3% lower than those collected on the old basis.

Susan Linacre  
Acting Australian Statistician

## INDUSTRY TREND ESTIMATES

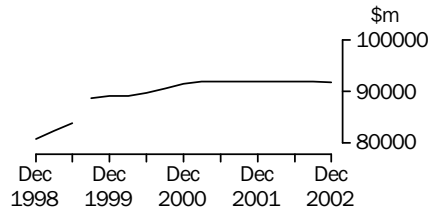
### TOTAL ALL INDUSTRIES

#### COMPANY GROSS OPERATING PROFITS



The current price trend estimates for total company gross operating profits and company profits before income tax have increased for the latest six quarters and, in each case, are at the highest levels recorded.

#### INVENTORIES

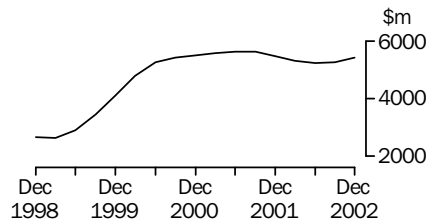


The trend estimate for total inventories (in volume terms) has remained relatively unchanged for the latest seven quarters.

Note: Break in series from Sep qtr 1999. Change in scope from Mar qtr 2001. See Technical Note.

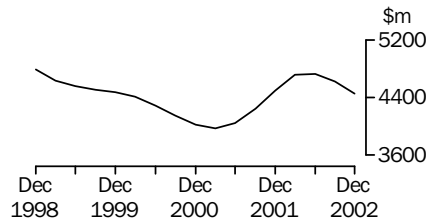
### MINING

#### COMPANY GROSS OPERATING PROFITS



The current price trend estimate for company gross operating profits has increased for the latest two quarters. Company profits before income tax have decreased in the latest six quarters.

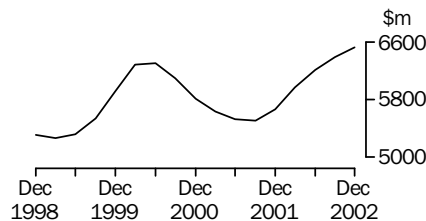
#### INVENTORIES



The trend estimate for inventories (in volume terms) has decreased in the latest two quarters after five quarters of growth.

### MANUFACTURING

#### COMPANY GROSS OPERATING PROFITS

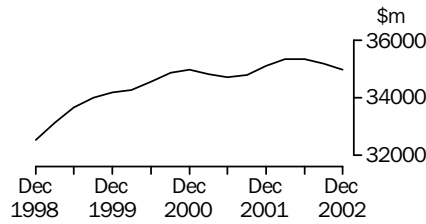


The current price trend estimate for company gross operating profits has increased in the latest five quarters. Company profits before income tax has increased in the latest six quarters.

## INDUSTRY TREND ESTIMATES *continued*

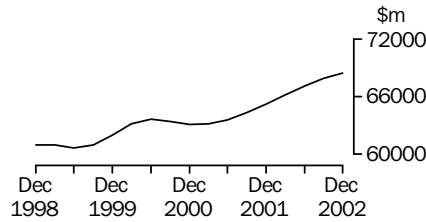
### MANUFACTURING *continued*

#### INVENTORIES



The trend estimate for inventories (in volume terms) has decreased in the latest three quarters after increasing in the previous three quarters.

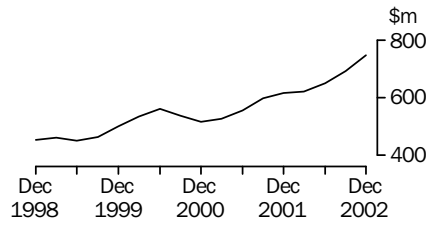
#### INCOME, From sales of goods and services



The trend estimate for income from sales of goods and services (in volume terms) has continued to rise following increases in the previous seven quarters.

### CONSTRUCTION

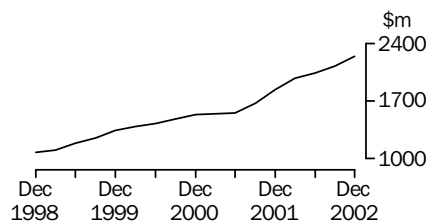
#### COMPANY GROSS OPERATING PROFITS



The current price trend estimate for company gross operating profits estimates has recorded sustained growth over the latest eight quarters. Company profits before income tax has recorded slightly stronger growth over the same period.

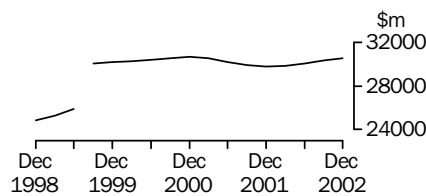
### WHOLESALE TRADE

#### COMPANY GROSS OPERATING PROFITS



The current price trend estimate for company gross operating profits increased by 5.3% in December quarter 2002. This followed a period of steady growth since December quarter 1998. Company profits before income tax has recorded steady growth in the latest five quarters.

#### INVENTORIES



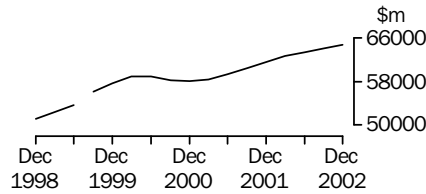
The trend estimate for inventories (in volume terms) has recorded steady growth in the latest four quarters after decreasing in the previous four quarters.

Note: Break in series. See Technical Note.

## INDUSTRY TREND ESTIMATES *continued*

### WHOLESALE TRADE *continued*

INCOME, From sales of goods and services

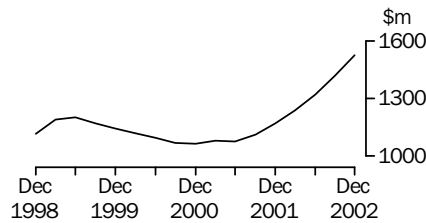


Note: Break in series. See Technical Note.

The trend estimate for income from sales of goods and services (in volume terms) has increased steadily over the latest eight quarters.

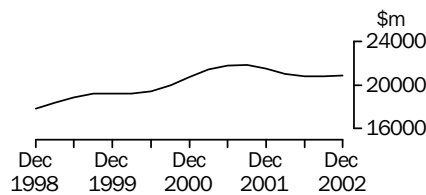
### RETAIL TRADE

COMPANY GROSS OPERATING PROFITS



The current price trend estimate for company gross operating profits recorded steady growth in December quarter 2002, following similar increases in the previous five quarters. Company profits before income tax have recorded strong growth in the latest two quarters, following steady increases in the previous five quarters.

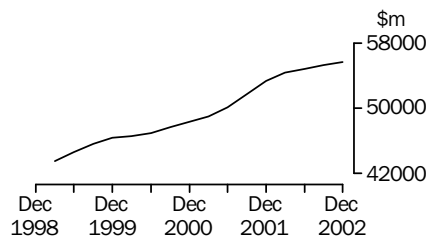
INVENTORIES



Note: Change in scope from Mar qtr 2001.

The trend estimate for inventories (in volume terms) increased by 0.2% in December quarter 2002, after decreasing in the previous four quarters.

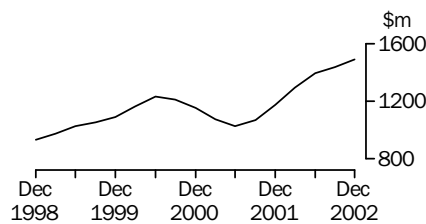
INCOME, From sales of goods and services



The trend estimate for income from sales of goods and services (in volume terms) increased this quarter, as has been the case in each quarter since the commencement of the series in March quarter 1999, although the rate of growth has slowed in the latest four quarters.

### TRANSPORT AND STORAGE

COMPANY GROSS OPERATING PROFITS

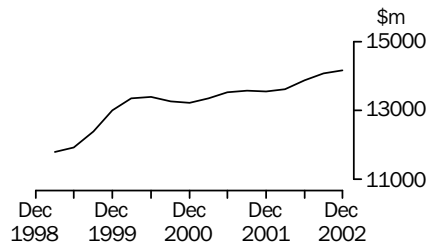


The current price trend estimate for company gross operating profits increased in December quarter 2002, continuing increases from the previous five quarters. The trend estimate for company profits before income tax decreased, after five quarters of strong growth.

## INDUSTRY TREND ESTIMATES *continued*

**TRANSPORT AND STORAGE** *continued*

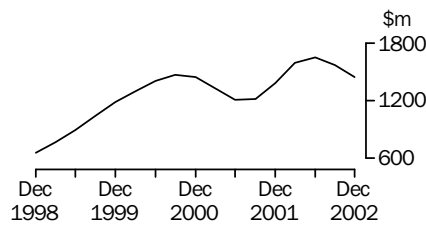
**INCOME, From sales of goods and services**



The trend estimate for income from sales of goods and services (in volume terms) increased in December quarter 2002 following increases in the previous seven quarters, though the rate of growth has slowed.

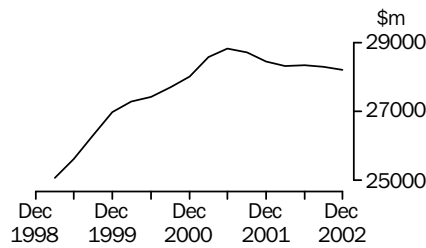
**PROPERTY AND BUSINESS SERVICES**

**COMPANY GROSS OPERATING PROFITS**



The current price trend estimate for company gross operating profits has decreased in the latest two quarters after peaking in June quarter 2002. Company profits before income tax have increased in the latest three quarters to return to a similar level recorded twelve months earlier.

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



The trend estimate for income from sales of goods and services (in volume terms) has decreased in the latest two quarters after being relatively flat in the previous quarter. The estimate has been declining since the peak of June quarter 2001.

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### COMPANY PROFITS BEFORE INCOME TAX

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### COMPANY GROSS OPERATING PROFITS

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

	<i>Mining</i>	<i>Manufacturing</i>	<i>Construction</i>	<i>Wholesale trade</i>	<i>Retail trade</i>	<i>Transport and storage</i>	<i>Property and business services</i>	<i>Other selected industries(b)</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL								
<b>2000-01</b>								
December	na	65 779	na	59 219	53 529	13 884	28 909	na
March	12 592	59 227	19 266	56 360	46 777	12 659	26 966	28 094
June	12 656	63 933	19 488	59 587	48 671	13 547	30 196	28 495
<b>2001-02</b>								
September	12 971	65 132	19 936	60 609	48 841	14 100	28 222	30 373
December	13 567	67 740	20 428	65 434	57 071	14 538	29 155	30 024
March	13 408	62 887	19 390	59 994	50 516	13 582	27 067	28 473
June	13 879	66 931	20 540	63 549	52 480	13 748	28 913	29 644
<b>2002-03</b>								
September	14 844	69 023	20 686	66 217	51 835	14 986	28 364	30 578
December	14 960	71 623	21 957	67 006	59 703	15 340	28 839	31 601
SEASONALLY ADJUSTED								
<b>2000-01</b>								
December	na	62 974	na	57 265	48 911	13 304	28 128	na
March	nya	62 907	nya	59 072	48 811	13 165	28 384	nya
June	nya	63 967	nya	59 456	49 516	13 828	29 354	nya
<b>2001-02</b>								
September	nya	64 295	nya	60 092	50 691	13 879	28 434	nya
December	nya	64 816	nya	63 420	52 148	13 931	28 367	nya
March	nya	66 748	nya	62 724	52 713	14 125	28 490	nya
June	nya	66 831	nya	63 350	53 391	14 033	28 107	nya
<b>2002-03</b>								
September	nya	68 117	nya	65 486	53 797	14 752	28 576	nya
December	nya	68 555	nya	64 813	54 553	14 699	28 060	nya
TREND								
<b>2000-01</b>								
December	na	63 146	na	58 011	48 471	13 205	28 032	na
March	nya	63 226	nya	58 379	49 009	13 368	28 586	nya
June	nya	63 593	nya	59 524	49 695	13 650	28 835	nya
<b>2001-02</b>								
September	nya	64 343	nya	60 952	50 728	13 877	28 722	nya
December	nya	65 217	nya	62 135	51 903	13 970	28 453	nya
March	nya	66 198	nya	63 189	52 771	14 047	28 318	nya
June	nya	67 159	nya	63 903	53 353	14 279	28 346	nya
<b>2002-03</b>								
September	nya	67 935	nya	64 589	53 900	14 531	28 297	nya
December	nya	68 509	nya	65 352	54 459	14 669	28 222	nya

na not available

nya not yet available

(a) Reference year for chain volume measures is 2000-2001.

(b) See paragraph 17 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.



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

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(b)
	%	%	%	%	%	%	%	%
ORIGINAL								
<b>2000-01</b>								
December	na	1.7	na	0.9	16.6	4.5	6.3	na
March	na	-10.0	na	-4.8	-12.6	-8.8	-6.7	na
June	0.5	7.9	1.2	5.7	4.1	7.0	12.0	1.4
<b>2001-02</b>								
September	2.5	1.9	2.3	1.7	0.3	4.1	-6.5	6.6
December	4.6	4.0	2.5	8.0	16.8	3.1	3.3	-1.1
March	-1.2	-7.2	-5.1	-8.3	-11.5	-6.6	-7.2	-5.2
June	3.5	6.4	5.9	5.9	3.9	1.2	6.8	4.1
<b>2002-03</b>								
September	7.0	3.1	0.7	4.2	-1.2	9.0	-1.9	3.2
December	0.8	3.8	6.1	1.2	15.2	2.4	1.7	3.3
SEASONALLY ADJUSTED								
<b>2000-01</b>								
December	na	-1.2	na	-1.4	2.7	1.8	2.7	na
March	na	-0.1	na	3.2	-0.2	-1.0	0.9	na
June	nya	1.7	nya	0.7	1.4	5.0	3.4	nya
<b>2001-02</b>								
September	nya	0.5	nya	1.1	2.4	0.4	-3.1	nya
December	nya	0.8	nya	5.5	2.9	0.4	-0.2	nya
March	nya	3.0	nya	-1.1	1.1	1.4	0.4	nya
June	nya	0.1	nya	1.0	1.3	-0.6	-1.3	nya
<b>2002-03</b>								
September	nya	1.9	nya	3.4	0.8	5.1	1.7	nya
December	nya	0.6	nya	-1.0	1.4	-0.4	-1.8	nya
TREND								
<b>2000-01</b>								
December	na	-0.5	na	-0.5	1.6	-0.5	1.1	na
March	na	0.1	na	0.6	1.1	1.2	2.0	na
June	nya	0.6	nya	2.0	1.4	2.1	0.9	nya
<b>2001-02</b>								
September	nya	1.2	nya	2.4	2.1	1.7	-0.4	nya
December	nya	1.4	nya	1.9	2.3	0.7	-0.9	nya
March	nya	1.5	nya	1.7	1.7	0.6	-0.5	nya
June	nya	1.5	nya	1.1	1.1	1.7	0.1	nya
<b>2002-03</b>								
September	nya	1.2	nya	1.1	1.0	1.8	-0.2	nya
December	nya	0.8	nya	1.2	1.0	0.9	-0.3	nya

na not available  
nya not yet available

(a) Reference year for chain volume measures is 2000-2001.

(b) See paragraph 17 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

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

	<i>Mining</i>	<i>Manufacturing</i>	<i>Construction</i>	<i>Wholesale trade</i>	<i>Retail trade</i>	<i>Transport and storage</i>	<i>Property and business services</i>	<i>Other selected industries (a)</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL								
<b>2000-01</b>								
December	na	67 159	na	60 137	54 359	13 789	30 651	na
March	12 934	60 774	20 154	56 997	48 536	12 603	28 807	28 528
June	13 811	66 104	20 494	61 555	51 137	13 492	32 598	29 168
<b>2001-02</b>								
September	14 103	67 480	21 110	61 186	51 430	14 035	30 859	30 487
December	14 097	70 362	21 738	65 553	60 333	14 480	32 135	30 391
March	13 811	65 356	20 791	59 586	53 842	13 562	29 852	29 308
June	14 283	69 672	22 228	62 972	55 876	13 778	32 009	30 541
<b>2002-03</b>								
September	15 596	72 144	22 627	64 836	55 242	15 129	31 735	31 826
December	15 851	75 756	24 192	66 890	63 471	15 786	32 506	32 959
SEASONALLY ADJUSTED								
<b>2000-01</b>								
December	na	64 269	na	58 119	49 660	13 216	29 816	na
March	nya	64 511	nya	59 608	50 636	13 109	30 314	nya
June	nya	66 153	nya	61 402	52 014	13 774	31 682	nya
<b>2001-02</b>								
September	nya	66 612	nya	60 709	53 366	13 818	31 082	nya
December	nya	67 258	nya	63 591	55 118	13 878	31 259	nya
March	nya	69 402	nya	62 267	56 172	14 106	31 415	nya
June	nya	69 675	nya	62 838	56 834	14 066	31 109	nya
<b>2002-03</b>								
September	nya	71 233	nya	64 308	57 322	14 895	31 965	nya
December	nya	72 482	nya	64 791	57 984	15 130	31 621	nya
TREND								
<b>2000-01</b>								
December	na	64 306	na	58 482	49 514	13 100	29 685	na
March	nya	64 925	nya	59 523	50 475	13 303	30 584	nya
June	nya	65 690	nya	60 793	52 025	13 598	31 161	nya
<b>2001-02</b>								
September	nya	66 664	nya	61 813	53 502	13 819	31 358	nya
December	nya	67 703	nya	62 375	54 965	13 918	31 283	nya
March	nya	68 807	nya	62 755	56 097	14 016	31 264	nya
June	nya	70 032	nya	63 241	56 824	14 319	31 448	nya
<b>2002-03</b>								
September	nya	71 199	nya	63 916	57 397	14 716	31 615	nya
December	nya	72 259	nya	64 846	57 908	15 116	31 763	nya

na not available  
nya not yet available

(a) See paragraph 17 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

## 4

## INCOME FROM SALES OF GOODS AND SERVICES BY STATE(a), Current prices, original

	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2000-01</b>								
December	na	na	na	na	na	na	na	na
March	96 447	69 205	44 615	18 921	29 638	4 896	2 171	3 437
June	103 695	73 247	49 398	20 531	31 171	4 514	2 353	3 450
<b>2001-02</b>								
September	101 530	73 851	52 106	20 427	32 567	4 250	2 273	3 689
December	109 413	79 243	54 258	22 123	33 049	4 784	2 347	3 872
March	100 692	72 171	50 908	21 436	31 105	4 360	2 082	3 354
June	105 476	76 311	52 790	22 097	33 873	4 912	2 516	3 387
<b>2002-03</b>								
September	107 076	78 755	55 644	22 189	34 835	4 617	2 602	3 517
December	112 195	84 887	58 099	23 316	37 196	5 140	2 858	3 380

na not available

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

## 5

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

	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>
	%	%	%	%	%	%	%	%
<b>2000-01</b>								
December	na	na	na	na	na	na	na	na
March	na	na	na	na	na	na	na	na
June	7.5	5.8	10.7	8.5	5.2	-7.8	8.4	0.4
<b>2001-02</b>								
September	-2.1	0.8	5.5	-0.5	4.5	-5.8	-3.4	6.9
December	7.8	7.3	4.1	8.3	1.5	12.6	3.3	5.0
March	-8.0	-8.9	-6.2	-3.1	-5.9	-8.9	-11.3	-13.4
June	4.8	5.7	3.7	3.1	8.9	12.7	20.8	1.0
<b>2002-03</b>								
September	1.5	3.2	5.4	0.4	2.8	-6.0	3.4	3.9
December	4.8	7.8	4.4	5.1	6.8	11.3	9.8	-3.9

na not available

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

## INVENTORIES, Chain volume measures(a)

	<i>Mining</i>	<i>Manufacturing</i>	<i>Wholesale trade</i>	<i>Retail trade(b)</i>	<i>Other selected industries(c)</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL						
<b>2000-01</b>						
December	3 943	34 671	32 564	21 242	1 256	93 639
March	4 109	35 132	30 881	21 527	1 228	92 857
June	3 890	34 596	29 589	21 269	1 219	90 564
<b>2001-02</b>						
September	4 272	34 995	28 626	21 957	994	90 844
December	4 535	34 636	31 741	21 834	969	93 715
March	4 766	35 546	30 608	21 376	1 000	93 295
June	4 649	35 678	29 551	20 059	948	90 885
<b>2002-03</b>						
September	4 805	35 383	29 777	20 799	969	91 734
December	4 312	34 210	31 946	21 246	1 042	92 761
SEASONALLY ADJUSTED						
<b>2000-01</b>						
December	3 949	35 268	30 757	20 923	1 197	92 019
March	4 101	34 812	30 412	21 162	1 232	91 665
June	3 947	34 467	30 380	21 904	1 237	91 935
<b>2001-02</b>						
September	4 211	34 860	29 799	22 053	1 025	91 948
December	4 545	35 250	29 482	21 479	923	91 679
March	4 754	35 211	29 773	21 012	1 013	91 763
June	4 723	35 527	29 942	20 675	956	91 822
<b>2002-03</b>						
September	4 730	35 245	30 025	20 888	1 006	91 894
December	4 324	34 828	30 523	20 891	999	91 566
TREND						
<b>2000-01</b>						
December	4 026	34 974	30 695	20 730	1 214	91 556
March	3 976	34 828	30 564	21 409	1 231	91 967
June	4 047	34 718	30 200	21 804	1 169	91 939
<b>2001-02</b>						
September	4 242	34 814	29 847	21 874	1 063	91 840
December	4 499	35 120	29 654	21 541	977	91 791
March	4 723	35 363	29 674	21 059	958	91 776
June	4 734	35 354	29 902	20 830	982	91 803
<b>2002-03</b>						
September	4 624	35 208	30 151	20 806	994	91 781
December	4 454	34 991	30 395	20 855	996	91 691

(a) Reference year for chain volume measures is 2000-2001.

(b) There was a change in scope for Retail trade inventories from March quarter 2001. See paragraph 20 of the Technical Note.

(c) See paragraph 17 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

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

	<i>Mining</i>	<i>Manufacturing</i>	<i>Wholesale trade</i>	<i>Retail trade(b)</i>	<i>Other selected industries(c)</i>	<i>Total</i>
	%	%	%	%	%	%
ORIGINAL						
<b>2000-01</b>						
December	-5.4	-0.5	8.9	6.0	11.4	4.0
March	4.2	1.3	-5.2	1.3	-2.3	-0.8
June	-5.3	-1.5	-4.2	-1.2	-0.7	-2.5
<b>2001-02</b>						
September	9.8	1.2	-3.3	3.2	-18.5	0.3
December	6.1	-1.0	10.9	-0.6	-2.4	3.2
March	5.1	2.6	-3.6	-2.1	3.2	-0.4
June	-2.5	0.4	-3.5	-6.2	-5.2	-2.6
<b>2002-03</b>						
September	3.3	-0.8	0.8	3.7	2.3	0.9
December	-10.2	-3.3	7.3	2.1	7.5	1.1
SEASONALLY ADJUSTED						
<b>2000-01</b>						
December	-4.1	1.6	-0.1	4.0	2.1	1.3
March	3.8	-1.3	-1.1	1.1	3.0	-0.4
June	-3.8	-1.0	-0.1	3.5	0.4	0.3
<b>2001-02</b>						
September	6.7	1.1	-1.9	0.7	-17.1	0.0
December	7.9	1.1	-1.1	-2.6	-9.9	-0.3
March	4.6	-0.1	1.0	-2.2	9.7	0.1
June	-0.7	0.9	0.6	-1.6	-5.7	0.1
<b>2002-03</b>						
September	0.2	-0.8	0.3	1.0	5.2	0.1
December	-8.6	-1.2	1.7	0.0	-0.7	-0.4
TREND						
<b>2000-01</b>						
December	-3.0	0.3	0.4	3.7	4.3	1.0
March	-1.2	-0.4	-0.4	3.3	1.4	0.4
June	1.8	-0.3	-1.2	1.8	-5.0	0.0
<b>2001-02</b>						
September	4.8	0.3	-1.2	0.3	-9.1	-0.1
December	6.1	0.9	-0.6	-1.5	-8.1	-0.1
March	5.0	0.7	0.1	-2.2	-1.9	0.0
June	0.2	0.0	0.8	-1.1	2.5	0.0
<b>2002-03</b>						
September	-2.3	-0.4	0.8	-0.1	1.2	0.0
December	-3.7	-0.6	0.8	0.2	0.3	-0.1

(a) Reference year for chain volume measures is 2000-2001.

(b) There was a change in scope for Retail trade inventories from March quarter 2001. See paragraph 20 of the Technical Note.

(c) See paragraph 17 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

## INVENTORIES, Current prices

	<i>Mining</i>	<i>Manufacturing</i>	<i>Wholesale trade</i>	<i>Retail trade(a)</i>	<i>Other selected industries(b)</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL						
<b>2000-01</b>						
December	4 048	34 682	32 325	20 975	1 229	93 259
March	4 091	35 396	31 099	21 513	1 233	93 332
June	3 849	35 220	30 310	21 493	1 226	92 099
<b>2001-02</b>						
September	4 198	35 512	29 401	22 347	1 070	92 527
December	4 395	34 770	31 804	22 456	1 045	94 471
March	4 501	35 535	30 884	22 119	1 080	94 117
June	4 508	35 643	29 746	20 825	1 002	91 725
<b>2002-03</b>						
September	4 749	35 566	30 129	21 659	1 034	93 137
December	4 340	35 007	34 744	22 363	1 107	97 562
SEASONALLY ADJUSTED						
<b>2000-01</b>						
December	4 054	35 282	30 720	20 661	1 170	91 887
March	4 083	35 065	30 692	21 148	1 238	92 226
June	3 905	35 070	31 348	22 134	1 244	93 701
<b>2001-02</b>						
September	4 138	35 377	30 537	22 446	1 104	93 602
December	4 406	35 394	29 953	22 091	997	92 841
March	4 489	35 223	30 285	21 743	1 090	92 830
June	4 580	35 451	31 022	21 464	1 009	93 526
<b>2002-03</b>						
September	4 675	35 436	32 245	21 751	1 072	95 179
December	4 352	35 654	32 597	21 990	1 061	95 654
TREND						
<b>2000-01</b>						
December	4 085	34 813	30 552	20 505	1 194	91 149
March	4 001	35 020	30 969	21 334	1 224	92 548
June	4 014	35 187	30 944	22 011	1 196	93 352
<b>2001-02</b>						
September	4 144	35 296	30 558	22 295	1 123	93 416
December	4 335	35 340	30 188	22 134	1 053	93 050
March	4 524	35 345	30 335	21 768	1 031	93 003
June	4 580	35 385	31 117	21 634	1 047	93 763
<b>2002-03</b>						
September	4 557	35 490	31 969	21 717	1 055	94 788
December	4 482	35 622	32 702	21 892	1 057	95 755

(a) There was a change of scope for Retail trade inventories from March quarter 2001. See paragraph 20 of the Technical Note.

(b) See paragraph 17 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

COMPANY PROFITS BEFORE INCOME TAX(a), Current prices

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries (b)	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2000-01</b>									
December	3 288	3 089	443	1 198	848	572	501	653	10 593
March	3 161	2 694	175	704	314	217	194	126	7 587
June	3 896	2 489	462	957	-46	185	556	-712	7 786
<b>2001-02</b>									
September	3 761	3 081	375	91	329	212	357	1 027	9 233
December	3 059	3 558	498	1 614	1 088	433	564	295	11 109
March	3 426	3 305	385	1 219	495	633	13	-166	9 310
June	3 102	3 481	452	1 432	418	370	-229	471	9 497
<b>2002-03</b>									
September	3 309	3 726	525	1 697	596	590	691	547	11 682
December	2 494	4 719	677	1 696	1 478	776	142	2 027	14 010
SEASONALLY ADJUSTED									
<b>2000-01</b>									
December	3 553	2 756	373	1 128	353	381	349	454	9 347
March	3 265	2 959	207	797	500	237	305	337	8 607
June	3 939	2 760	472	882	97	349	555	-473	8 581
<b>2001-02</b>									
September	3 376	2 924	380	151	499	215	400	771	8 716
December	3 286	3 049	419	1 535	590	247	409	85	9 620
March	3 572	3 781	454	1 310	679	656	130	64	10 646
June	3 096	3 861	460	1 352	563	530	-237	712	10 337
<b>2002-03</b>									
September	2 989	3 375	535	1 773	767	591	739	283	11 052
December	2 683	4 212	569	1 603	980	594	-16	1 816	12 441
TREND									
<b>2000-01</b>									
December	3 465	2 990	318	949	448	395	337	502	9 404
March	3 558	2 834	329	824	446	315	380	173	8 859
June	3 571	2 790	367	681	483	243	452	99	8 686
<b>2001-02</b>									
September	3 526	2 920	408	750	540	263	467	159	9 033
December	3 442	3 244	429	1 043	577	361	282	258	9 636
March	3 333	3 550	438	1 355	606	491	139	244	10 156
June	3 191	3 699	482	1 521	664	579	149	393	10 678
<b>2002-03</b>									
September	2 954	3 796	523	1 583	770	595	215	842	11 278
December	2 779	3 901	555	1 691	903	580	250	1 278	11 937

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

(b) See paragraph 17 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

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

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(b)	Total
	%	%	%	%	%	%	%	%	%
ORIGINAL									
<b>2000-01</b>									
December	-13.3	-12.0	33.2	82.4	136.4	5.3	np	-48.2	1.2
March	-3.9	-12.8	-60.5	-41.3	-63.0	-62.0	-61.3	-80.6	-28.4
June	23.2	-7.6	164.7	35.9	-114.7	-14.7	186.6	-663.3	2.6
<b>2001-02</b>									
September	-3.5	23.8	-18.8	-90.5	813.3	14.3	-35.8	244.1	18.6
December	-18.6	15.5	32.6	np	230.4	104.6	58.1	-71.3	20.3
March	12.0	-7.1	-22.7	-24.5	-54.5	46.1	-97.6	-156.3	-16.2
June	-9.5	5.3	17.5	17.5	-15.5	-41.5	-1 823.1	383.7	2.0
<b>2002-03</b>									
September	6.7	7.0	16.2	18.5	42.4	59.4	401.5	16.3	23.0
December	-24.6	26.7	28.9	-0.1	148.1	31.5	-79.4	270.2	19.9
SEASONALLY ADJUSTED									
<b>2000-01</b>									
December	5.9	-17.0	11.8	60.8	-32.9	-30.5	np	-55.2	-5.1
March	-8.1	7.4	-44.6	-29.3	41.7	-37.9	-12.7	-25.8	-7.9
June	20.6	-6.7	128.0	10.6	-80.6	47.4	82.0	-240.4	-0.3
<b>2001-02</b>									
September	-14.3	6.0	-19.4	-82.9	414.6	-38.3	-27.9	263.0	1.6
December	-2.7	4.3	10.2	np	18.2	14.6	2.2	-89.0	10.4
March	8.7	24.0	8.4	-14.7	15.2	165.8	-68.2	-24.7	10.7
June	-13.3	2.1	1.3	3.2	-17.1	-19.3	-282.6	np	-2.9
<b>2002-03</b>									
September	-3.5	-12.6	16.1	31.1	36.2	11.6	411.4	-60.3	6.9
December	-10.2	24.8	6.4	-9.6	27.8	0.5	-102.2	np	12.6
TREND									
<b>2000-01</b>									
December	2.8	-4.5	-8.6	4.4	-9.0	-15.6	-17.0	-45.0	-6.3
March	2.7	-5.2	3.5	-13.2	-0.5	-20.3	12.9	-65.5	-5.8
June	0.4	-1.5	11.7	-17.3	8.3	-22.8	18.7	-42.8	-2.0
<b>2001-02</b>									
September	-1.2	4.6	11.2	10.2	11.9	8.2	3.4	60.6	4.0
December	-2.4	11.1	5.1	39.0	6.8	37.3	-39.7	62.3	6.7
March	-3.2	9.4	2.1	30.0	5.1	36.0	-50.6	-5.4	5.4
June	-4.2	4.2	10.0	12.2	9.6	18.0	7.2	61.1	5.1
<b>2002-03</b>									
September	-7.4	2.6	8.5	4.1	15.9	2.7	44.0	114.2	5.6
December	-5.9	2.8	6.0	6.8	17.3	-2.6	16.5	51.8	5.8

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

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

(b) See paragraph 17 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.



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

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(b)	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2000-01</b>									
December	4 945	5 889	576	1 770	1 594	1 294	1 562	2 979	20 604
March	5 451	5 542	377	1 441	838	971	1 172	2 583	18 373
June	5 835	5 063	695	1 553	505	1 001	1 302	2 719	18 673
<b>2001-02</b>									
September	5 741	5 845	532	1 532	863	906	1 065	3 070	19 553
December	5 532	5 941	703	2 153	1 691	1 426	1 571	2 839	21 859
March	5 161	5 634	553	1 829	1 096	1 347	1 404	2 763	19 786
June	4 991	5 998	620	1 824	1 020	1 093	1 756	2 842	20 146
<b>2002-03</b>									
September	5 657	6 493	707	2 442	1 243	1 532	1 677	3 284	23 035
December	5 423	7 183	862	2 244	2 323	1 722	1 402	3 289	24 449
SEASONALLY ADJUSTED									
<b>2000-01</b>									
December	5 100	5 400	520	1 724	1 066	1 116	1 485	2 865	19 276
March	5 671	6 022	451	1 600	1 087	993	1 300	2 725	19 849
June	5 951	5 325	657	1 494	556	1 213	1 294	2 864	19 354
<b>2001-02</b>									
September	5 282	5 616	535	1 497	1 043	870	1 020	2 854	18 717
December	5 698	5 473	628	2 075	1 135	1 235	1 496	2 776	20 516
March	5 365	6 096	667	2 019	1 419	1 373	1 571	2 905	21 415
June	5 083	6 321	585	1 765	1 115	1 334	1 733	3 006	20 942
<b>2002-03</b>									
September	5 219	6 226	713	2 400	1 512	1 462	1 605	3 041	22 178
December	5 572	6 638	771	2 141	1 559	1 498	1 344	3 216	22 739
TREND									
<b>2000-01</b>									
December	5 519	5 815	516	1 537	1 066	1 154	1 445	2 869	19 921
March	5 597	5 632	527	1 550	1 081	1 076	1 330	2 811	19 604
June	5 652	5 530	556	1 560	1 077	1 030	1 211	2 807	19 423
<b>2001-02</b>									
September	5 651	5 512	599	1 673	1 114	1 073	1 220	2 820	19 662
December	5 487	5 663	617	1 845	1 171	1 174	1 385	2 843	20 185
March	5 320	5 972	621	1 976	1 239	1 299	1 596	2 886	20 909
June	5 244	6 210	652	2 047	1 323	1 395	1 657	2 982	21 510
<b>2002-03</b>									
September	5 265	6 398	693	2 131	1 421	1 440	1 572	3 086	22 006
December	5 419	6 526	749	2 243	1 529	1 491	1 447	3 177	22 581

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

(b) See paragraph 17 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

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

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(b)	Total
	%	%	%	%	%	%	%	%	%
ORIGINAL									
<b>2000-01</b>									
December	-21.5	-8.8	3.7	43.5	87.1	-2.9	1.8	-6.3	-3.9
March	10.2	-5.9	-34.5	-18.6	-47.4	-25.0	-25.0	-13.3	-10.8
June	7.0	-8.6	84.3	7.8	-39.8	3.2	11.1	5.3	1.6
<b>2001-02</b>									
September	-1.6	15.5	-23.5	-1.3	70.9	-9.5	-18.2	12.9	4.7
December	-3.6	1.6	32.2	40.5	96.0	57.5	47.5	-7.5	11.8
March	-6.7	-5.2	-21.3	-15.1	-35.2	-5.6	-10.6	-2.7	-9.5
June	-3.3	6.5	12.2	-0.3	-6.9	-18.8	25.0	2.9	1.8
<b>2002-03</b>									
September	13.3	8.2	14.0	33.9	21.8	40.1	-4.5	15.6	14.3
December	-4.1	10.6	21.9	-8.1	87.0	12.4	-16.4	0.1	6.1
SEASONALLY ADJUSTED									
<b>2000-01</b>									
December	-11.7	-13.2	-7.4	44.4	4.2	-13.3	0.4	-4.2	-6.1
March	11.2	11.5	-13.2	-7.2	1.9	-11.0	-12.4	-4.9	3.0
June	4.9	-11.6	45.5	-6.6	-48.8	22.1	-0.5	5.1	-2.5
<b>2001-02</b>									
September	-11.2	5.5	-18.5	0.2	87.6	-28.3	-21.1	-0.3	-3.3
December	7.9	-2.5	17.4	38.6	8.9	42.0	46.7	-2.7	9.6
March	-5.8	11.4	6.2	-2.7	24.9	11.2	5.0	4.6	4.4
June	-5.2	3.7	-12.3	-12.6	-21.4	-2.9	10.3	3.5	-2.2
<b>2002-03</b>									
September	2.7	-1.5	21.8	36.0	35.6	9.6	-7.4	1.2	5.9
December	6.8	6.6	8.2	-10.8	3.1	2.4	-16.3	5.8	2.5
TREND									
<b>2000-01</b>									
December	1.7	-4.6	-4.2	3.8	-0.4	-4.8	-1.6	-3.6	-1.7
March	1.4	-3.1	2.2	0.8	1.4	-6.8	-8.0	-2.0	-1.6
June	1.0	-1.8	5.4	0.7	-0.3	-4.3	-9.0	-0.1	-0.9
<b>2001-02</b>									
September	—	-0.3	7.8	7.2	3.4	4.2	0.7	0.5	1.2
December	-2.9	2.7	3.0	10.3	5.0	9.4	13.6	0.8	2.7
March	-3.0	5.5	0.7	7.1	5.8	10.6	15.2	1.5	3.6
June	-1.4	4.0	4.9	3.6	6.8	7.4	3.8	3.3	2.9
<b>2002-03</b>									
September	0.4	3.0	6.3	4.1	7.4	3.2	-5.1	3.5	2.3
December	2.9	2.0	8.1	5.2	7.6	3.5	-7.9	2.9	2.6

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

(b) See paragraph 17 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

## WAGES AND SALARIES, Current prices—Original

	Mining	Manufacturing	Electricity, gas and water supply	Construction	Wholesale trade	Retail trade	Accom- modation, cafes and restaurants	Transport and storage	Com- munication services	Finance and insurance
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2000-01</b>										
December	na	na	na	na	na	na	na	na	na	na
March	1 214	9 860	207	3 963	4 403	6 196	2 200	2 862	648	4 612
June	1 259	10 517	245	4 083	4 718	6 558	2 422	2 956	592	4 328
<b>2001-02</b>										
September	1 359	10 398	229	3 942	4 622	6 299	2 385	3 083	568	4 253
December	1 501	10 799	250	4 094	4 726	6 533	2 379	3 117	608	4 400
March	1 435	10 086	235	3 885	4 449	6 205	2 296	3 098	542	4 354
June	1 499	10 608	264	4 110	4 771	6 441	2 422	3 055	602	4 357
<b>2002-03</b>										
September	1 571	10 878	274	4 296	4 738	6 377	2 410	3 196	554	4 578
December	1 617	11 422	274	4 513	4 987	6 935	2 653	3 400	565	4 631

na not available

WAGES AND SALARIES, Current prices—Original *continued*

	Property and business services	Education	Health and community services	Cultural and recreational services	Personal and other services	Total
	\$m	\$m	\$m	\$m	\$m	\$m
<b>2000-01</b>						
December	na	na	na	na	na	na
March	10 350	1 418	3 577	1 004	878	53 394
June	11 789	1 608	4 024	1 054	1 094	57 244
<b>2001-02</b>						
September	11 233	1 628	3 818	1 176	1 173	56 165
December	11 696	1 789	3 990	1 206	1 272	58 363
March	11 081	1 609	3 971	1 204	1 214	55 662
June	11 861	1 782	4 145	1 285	1 354	58 556
<b>2002-03</b>						
September	11 906	1 840	4 053	1 269	1 352	59 292
December	12 298	1 969	4 200	1 318	1 448	62 230

na not available

**14**
**WAGES AND SALARIES, Current prices—Original: Percentage change from previous quarter**

	<i>Mining</i>	<i>Manufacturing</i>	<i>Electricity, gas and water supply</i>	<i>Construction</i>	<i>Wholesale trade</i>	<i>Retail trade</i>	<i>Accom- modation, cafes and restaurants</i>	<i>Transport and storage</i>
	%	%	%	%	%	%	%	%
<b>2000-01</b>								
December	na	na	na	na	na	na	na	na
March	na	na	na	na	na	na	na	na
June	3.7	6.7	18.2	3.0	7.1	5.8	10.1	3.3
<b>2001-02</b>								
September	7.9	-1.1	-6.3	-3.5	-2.0	-3.9	-1.5	4.3
December	10.5	3.9	9.2	3.9	2.3	3.7	-0.2	1.1
March	-4.4	-6.6	-6.2	-5.1	-5.9	-5.0	-3.5	-0.6
June	4.4	5.2	12.3	5.8	7.2	3.8	5.5	-1.4
<b>2002-03</b>								
September	4.8	2.5	4.1	4.5	-0.7	-1.0	-0.5	4.6
December	2.9	5.0	-0.3	5.0	5.2	8.7	10.1	6.4

na not available

**14**
**WAGES AND SALARIES, Current prices—Original: Percentage change from previous quarter** *continued*

	<i>Communication services</i>	<i>Finance and insurance</i>	<i>Property and business services</i>	<i>Education</i>	<i>Health and community services</i>	<i>Cultural and recreational services</i>	<i>Personal and other services</i>	<i>Total</i>
	%	%	%	%	%	%	%	%
<b>2000-01</b>								
December	na	na	na	na	na	na	na	na
March	na	na	na	na	na	na	na	na
June	-8.7	-6.2	13.9	13.4	12.5	5.0	24.5	7.2
<b>2001-02</b>								
September	-4.0	-1.7	-4.7	1.2	-5.1	11.6	7.3	-1.9
December	7.1	3.5	4.1	9.9	4.5	2.6	8.5	3.9
March	-10.9	-1.1	-5.3	-10.1	-0.5	-0.2	-4.6	-4.6
June	11.1	0.1	7.0	10.8	4.4	6.8	11.5	5.2
<b>2002-03</b>								
September	-8.1	5.1	0.4	3.2	-2.2	-1.3	-0.1	1.3
December	1.9	1.2	3.3	7.0	3.6	3.9	7.1	5.0

na not available

## 15

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

	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2000-01</b>									
December	na	na	na	na	na	na	na	na	na
March	20 867	14 145	8 047	3 547	4 788	895	411	731	53 394
June	22 263	15 228	9 097	3 628	5 019	824	409	789	57 244
<b>2001-02</b>									
September	21 252	15 002	9 008	3 762	5 181	788	391	789	56 165
December	22 162	15 662	9 273	3 795	5 430	837	386	831	58 363
March	21 259	14 806	8 817	3 640	5 220	777	369	777	55 662
June	22 197	15 515	9 476	3 780	5 556	852	395	786	58 556
<b>2002-03</b>									
September	22 369	15 583	9 602	3 947	5 579	857	436	817	59 292
December	23 347	16 550	10 003	4 104	5 947	925	465	856	62 230

na not available

## 16

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

	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Total</i>
	%	%	%	%	%	%	%	%	%
<b>2000-01</b>									
December	na	na	na	na	na	na	na	na	na
March	na	na	na	na	na	na	na	na	na
June	6.7	7.7	13.1	2.3	4.8	-7.9	-0.5	8.0	7.2
<b>2001-02</b>									
September	-4.5	-1.5	-1.0	3.7	3.2	-4.4	-4.3	0.0	-1.9
December	4.3	4.4	2.9	0.9	4.8	6.3	-1.5	5.3	3.9
March	-4.1	-5.5	-4.9	-4.1	-3.9	-7.2	-4.2	-6.5	-4.6
June	4.4	4.8	7.5	3.9	6.4	9.7	6.9	1.2	5.2
<b>2002-03</b>									
September	0.8	0.4	1.3	4.4	0.4	0.7	10.5	3.9	1.3
December	4.4	6.2	4.2	4.0	6.6	7.9	6.6	4.8	5.0

na not available

# 17

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

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(c)
<b>2000-01</b>								
December	na	0.52	na	0.54	0.39	na	na	na
March	0.32	0.58	na	0.55	0.44	na	na	na
June	0.28	0.53	na	0.49	0.42	na	na	na
<b>2001-02</b>								
September	0.30	0.53	na	0.48	0.43	na	na	na
December	0.31	0.49	na	0.49	0.37	na	na	na
March	0.33	0.54	na	0.52	0.41	na	na	na
June	0.32	0.51	na	0.47	0.37	na	na	na
<b>2002-03</b>								
September	0.30	0.49	na	0.46	0.39	na	na	na
December	0.27	0.46	na	0.52	0.35	na	na	na

na not available

(c) See paragraph 17 of the Explanatory Notes for details of the

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

industries included in Other selected industries for this data item.

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

# 18

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

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(c)
<b>2000-01</b>								
December	na	na	na	na	na	na	na	na
March	10.65	6.16	5.09	12.95	7.83	4.40	2.78	2.99
June	10.97	6.29	5.02	13.05	7.80	4.56	2.77	3.00
<b>2001-02</b>								
September	10.38	6.49	5.35	13.24	8.16	4.55	2.75	3.12
December	9.39	6.52	5.31	13.87	9.23	4.64	2.75	3.00
March	9.62	6.48	5.35	13.39	8.68	4.38	2.69	2.98
June	9.53	6.57	5.41	13.20	8.67	4.51	2.70	2.97
<b>2002-03</b>								
September	9.93	6.63	5.27	13.68	8.66	4.73	2.67	3.05
December	9.80	6.63	5.36	13.41	9.15	4.64	2.64	3.03

na not available

(c) See paragraph 17 of the Explanatory Notes for details of the

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

industries included in Other selected industries for this data item.

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

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

	Mining	Manufacturing	Construction	Wholesale trade	Retail trade	Transport and storage	Property and business services	Other selected industries(c)
<b>2000-01</b>								
December	na	0.09	na	0.03	0.10	0.09	0.05	na
March	0.46	0.11	0.05	0.04	0.03	0.11	0.09	0.17
June	0.46	0.09	0.08	0.04	0.02	0.10	0.09	0.16
<b>2001-02</b>								
September	0.44	0.10	0.06	0.04	0.03	0.09	0.08	0.18
December	0.43	0.10	0.07	0.05	0.05	0.14	0.11	0.17
March	0.41	0.10	0.06	0.05	0.04	0.14	0.11	0.17
June	0.38	0.10	0.06	0.04	0.03	0.11	0.13	0.16
<b>2002-03</b>								
September	0.41	0.11	0.07	0.05	0.04	0.15	0.11	0.16
December	0.40	0.12	0.08	0.05	0.07	0.16	0.09	0.16

na not available

(c) See paragraph 17 of the Explanatory Notes for details of the industries included in Other selected industries for this data item.

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

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

# WHAT IF...? REVISIONS TO TREND ESTIMATES

## EFFECT OF NEW SEASONALLY ADJUSTED ESTIMATES ON TREND ESTIMATES

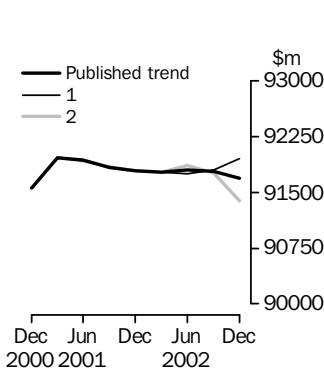
### TREND REVISIONS

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

- (1) The December quarter seasonally adjusted estimate of total inventories (chain volume measures), and the December quarter seasonally adjusted estimate for company gross operating profits (current prices), are higher than the September quarter estimate by the percentage shown.
- (2) The December quarter seasonally adjusted estimate of total inventories (chain volume measures), and the December quarter seasonally adjusted estimate for company gross operating profits (current prices), are lower than the September quarter estimate by the percentage shown.

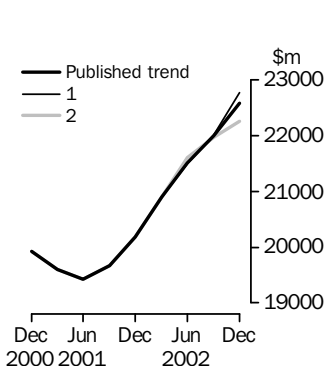
The percentages shown are the historical average of the movements, without regard to sign, in the seasonally adjusted series.

### INVENTORIES (CHAIN VOLUME MEASURES)



	TREND AS PUBLISHED		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE			
	\$m	%change	(1) rises by 1.1% on this quarter		(2) falls by 1.1% on this quarter	
	\$m	%change	\$m	%change	\$m	%change
<b>2002</b>						
March	91 776	0.0	91 776	0.0	91 776	0.0
June	91 803	0.0	91 751	0.0	91 869	0.1
September	91 781	0.0	91 800	0.1	91 758	-0.1
December	91 691	-0.1	91 954	0.2	91 385	-0.4

### COMPANY GROSS OPERATING PROFITS (CURRENT PRICES)



	TREND AS PUBLISHED		WHAT IF NEXT QUARTER'S SEASONALLY ADJUSTED ESTIMATE			
	\$m	%change	(1) rises by 4.0% on Sep 2001		(2) falls by 4.0% on Sep 2001	
	\$m	%change	\$m	%change	\$m	%change
<b>2002</b>						
March	20 909	3.6	20 908	3.6	20 908	3.6
June	21 510	2.9	21 496	2.8	21 603	3.3
September	22 006	2.3	22 020	2.4	21 981	1.7
December	22 581	2.6	22 781	3.5	22 265	1.3



## EXPLANATORY NOTES

### INTRODUCTION

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

### PREVIOUS DATA SOURCES

**2** Prior to March quarter 2001, data on sales, inventories and company profits were collected in the Survey of Inventories, Sales and Services and the Survey of Company Profits. The data from these surveys have been used to compile the historical estimates in this publication. From March quarter 2002, the Quarterly Business Indicators Survey replaced the private sector component of the Survey of Employment and Earnings. However, as the measures of wages and salaries in the two surveys are different (refer to paragraph 37), data from the Survey of Employment and Earnings has not been used to produce historical estimates for this publication. For more information on the introduction of the Quarterly Business Indicators Survey, see *Information Paper: Improvements to Australian Bureau of Statistics Quarterly Business Indicators* (cat no. 5677.0).

### SCOPE AND COVERAGE

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

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

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

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

**7** Inventories data are not collected from businesses with fewer than 20 employees, as smaller businesses generally have difficulty in providing accurate quarterly information on the level of their inventories. Estimates for these businesses are derived by applying sales information to an estimated inventories to sales ratio. The inventories to sales ratio is based on data from the current quarter for medium sized businesses, and benchmarked to data from the annual Economic Activity Survey for small businesses. Investigations indicate that this technique produces estimates of inventories of sufficient quality.

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

## EXPLANATORY NOTES *continued*

### SCOPE AND COVERAGE

*continued*

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

(a) See paragraph 9 for details of further scope exclusions for these industries.

**9** Estimates for Company profits before income tax, and Company gross operating profits, only include private incorporated businesses ('companies') employing 20 or more persons and exclude companies in ANZSIC groups 733 or 734 classified to the Corporate Financial sector of the *Standard Institutional Sector Classification of Australia (SISCA)*. Refer to paragraph 18 for more information on this classification. Estimates previously published in *Company Profits, Australia* (cat. no. 5651.0) related only to companies employing more than 30 persons. The ABS has collected data for companies employing between 20 and 30 persons since September 1994 and these data are now included in published estimates.

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

## EXPLANATORY NOTES *continued*

### CHANGES TO ABS BUSINESS REGISTER

**11** The introduction of The New Tax System has a number of significant implications for ABS business statistics. These are discussed in *Information Paper: ABS Statistics And The New Tax System* (cat. no. 1358.0). The replacement of the Group Employer registration process by PAYGW registration resulted in a number of changes to most business survey frames. However, an adjustment has been made to the statistics in this publication and these changes will not affect broader level estimates of level and movement.

**12** Section 68 of the *Taxation Administration Act 1953* provides for the Australian Taxation Office to pass information to the Australian Statistician for the purposes of the *Census and Statistics Act 1905*. The ABS is currently analysing data from Business Activity Statements (BAS) as possible alternatives to direct collection of data, and to improve sample efficiency and reduce the load on businesses in completing ABS survey forms. From the December quarter 2002 the ABS used BAS wages and salaries data to derive size benchmarks to improve the sample design of the Quarterly Business Indicators Survey.

**13** In addition, the ABS has made further changes including adopting a new units model and expanding its Register to include all units on the Australian Business Register, including non-employers. These non-employers will, however, continue to be excluded from the scope of the Quarterly Business Indicators Survey. Information Paper: *Improvements in ABS Economic Statistics (Arising from The New Tax System), 2002* (cat. no. 1372.0) provides further details.

### STATISTICAL UNIT

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

### CLASSIFICATIONS

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

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

**17** Many of the tables in this publication contain an industry classification 'Other selected industries'. For company gross operating profits, company profits before income tax, and income from sales of goods and services, Other selected industries comprises Electricity, gas and water; Accommodation, cafes and restaurants; Communication services; Other financiers; Financial asset investors; Services to finance and insurance; Cultural and recreational services; and Personal services. For inventories, it comprises Electricity, gas and water; and Accommodation, cafes and restaurants. For

## EXPLANATORY NOTES *continued*

### CLASSIFICATIONS *continued*

wages and salaries, it comprises Electricity, gas and water; Accommodation, cafes and restaurants; Communication services; Deposit taking financiers; Other financiers; Financial asset investors; Other insurance; Services to finance and insurance; Education; Health and community services; Cultural and recreational services; and Personal and other services.

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

### SURVEY METHODOLOGY

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

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

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

### TIMING OF SURVEY CYCLE

**22** Surveys are conducted in respect of each quarter and returns are completed during the 8 or 9 week period after the end of the quarter to which survey data relate e.g. December quarter survey returns are completed during January and February.

### SAMPLE REVISION

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

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

### SEASONAL ADJUSTMENT

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

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

**27** In this publication, the seasonally adjusted estimates are produced by the concurrent seasonal adjustment method which takes account of the latest available original estimates. This method improves the estimation of seasonal factors, and therefore, the seasonally adjusted and trend estimates for the current and previous quarters. As a result of this improvement, revisions to the seasonally adjusted and trend

## EXPLANATORY NOTES *continued*

### SEASONAL ADJUSTMENT

*continued*

estimates will be observed for recent periods. In most instances the only noticeable revisions will be to the previous quarter and the same quarter one year ago. A more detailed review is conducted annually prior to the September quarter release using data up to and including the June quarter. The concurrent seasonal adjustment methodology replaces the forward factor methodology used to adjust inventories and sales estimates in *Inventories and Sales, Selected Industries, Australia* (cat. no. 5629.0) where seasonal factors for these estimates were only revised following an annual reanalysis. The concurrent seasonal adjustment methodology has been applied to company profits estimates for some years.

**28** Seasonally adjusted estimates are not available for some series contained in this publication, as at least three years of data (but preferably five years) are required to discern a seasonal pattern. In addition, some seasonally adjusted and trend series for income from sales of goods and services in this publication are considered experimental as less than five years of data are available for estimation of seasonal factors.

### TREND ESTIMATES

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

**30** There may also be revisions because of changes in the original estimates. As a result of these revisions, the seasonally adjusted and trend estimates will also be revised. For further information, see *Information Paper: A Guide to Interpreting Time Series — Monitoring Trend, An Overview* (cat. no. 1348.0) or contact the Assistant Director, Time Series Analysis on Canberra 02 6252 6345 or email <timeseries@abs.gov.au>.

### CHAIN VOLUME MEASURES

**31** The chain volume measures appearing in this publication are annually reweighted chain Laspeyres indexes referenced to current price values in the chosen reference year (currently 2000–2001). The current price values may be thought of as being the product of a price and quantity. The value in chain volume terms can be derived by linking together movements in volumes, calculated using the average prices of the previous financial year and applying compound movements to the current price estimates of the reference year. Each year's quarter-to-quarter growth rates in the chain volume series are based on the prices of the previous financial year, except for those quarters of the latest incomplete year which are based upon the second most recent financial year. Quarterly chain volume estimates are benchmarked to annual chain volume estimates, so that the quarterly estimates for a financial year sum to the corresponding annual estimate.

**32** With each release of the June quarter issue of this publication, a new base year is introduced and the reference year is advanced one year to coincide with it. This means that with the release of the June quarter 2003 issue of this publication, the chain volume measures for 2002–03 will have 2001–02 (the previous financial year) as their base year rather than 2000–01, and the reference year will be 2001–02. A change in the reference year changes levels but not growth rates for all periods. A change in the base year can result in revisions, small in most cases, to growth rates for the last year.

## EXPLANATORY NOTES *continued*

### CHAIN VOLUME MEASURES

*continued*

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

### COMPARABILITY WITH NATIONAL ACCOUNTS AND OTHER ABS ESTIMATES

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

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

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

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

## EXPLANATORY NOTES *continued*

### COMPARABILITY WITH NATIONAL ACCOUNTS AND OTHER ABS ESTIMATES *continued*

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

### RELATED PUBLICATIONS

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

- *Australian Business Expectations* (cat. no. 5250.0)
- *Australian National Accounts: Concepts, Sources and Methods* (cat. no. 5216.0)
- *Australian National Accounts: National Income, Expenditure and Product* (cat. no. 5206.0)
- *Business Operations and Industry Performance, Australia* (cat. no. 8140.0)
- *Experimental Estimates: Australian Industry, a State Perspective, Australia, 1998–99* (cat. no. 8156.0)
- *Information Paper: Introduction of Chain Volume Measures in the Australian National Accounts* (cat. no. 5248.0)
- *Information Paper: Improvements to ABS Quarterly Business Indicators* (cat. no. 5677.0)
- *Manufacturing Production, Australia* (cat. no. 8301.0)
- *Private New Capital Expenditure and Expected Expenditure, Australia* (cat. no. 5625.0)
- *Retail Trade, Australia* (cat. no. 8501.0)
- *Wage and Salary Earners, Australia* (cat. no. 6428.0)

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

### ABS WEB SITE

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

### DATA AVAILABLE ON REQUEST

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

## TECHNICAL NOTE DATA QUALITY

### RELIABILITY OF THE ESTIMATES

**1** Estimates provided in this publication are subject to non-sampling and sampling error. The most common way of quantifying sampling error is to calculate the standard error for the published estimate. This is discussed in paragraphs 5 to 9 below.

**2** Non-sampling errors may arise as a result of errors in the reporting, recording or processing of the data and can occur even if there is a complete enumeration of the population. These errors can be introduced through inadequacies in the questionnaire, treatment of non-response, inaccurate reporting by respondents, errors in the application of survey procedures, incorrect recording of answers, and errors in data entry and processing. Inventories data for businesses with less than 20 employees are derived and could therefore be subject to error (although this error is estimated to be less than the sampling and non-sampling error resulting from directly collecting these data).

**3** Estimates for the latest quarter presented in this publication are considered preliminary and revised estimates will be released with the next issue. As discussed in paragraphs 28 and 29 above, seasonally adjusted and trend estimates are also subject to revision as more data are revised and more data becomes available.

**4** It is difficult to measure the size of non-sampling errors. However, every effort is made in the design of the survey and development of survey procedures to minimise their effects.

### STANDARD ERRORS

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

### LEVEL ESTIMATES

**6** To illustrate, let us say that the published level estimate for company profits before income tax is \$8,900m and the calculated standard error in this case is \$200m. The standard error is then used to interpret the level estimate of \$8,900m. For instance, the standard error of \$200m indicates that:

- There are approximately two chances in three that the real value falls within the range \$8,700m to \$9,100m ( $\$8,900m \pm \$200m$ ).
- There are approximately nineteen chances in twenty that the real value falls within the ranges \$8,500m and \$9,300m ( $\$8,900m \pm \$400m$ ).
- The real value in this case is the result we would obtain if we could enumerate the total population.

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



## TECHNICAL NOTE DATA QUALITY *continued*

### LEVEL ESTIMATES *continued*

<i>Industries</i>	<i>Company gross operating profits</i>	<i>Company profits before income tax</i>	<i>Income from sales of goods and services</i>	<i>Inventories</i>	<i>Wages and salaries</i>
	\$m	\$m	\$m	\$m	\$m
Mining	38	37	398	134	26
Manufacturing	100	103	900	449	159
Construction	66	67	941	na	179
Wholesale trade	104	112	1 909	886	103
Retail trade	59	59	948	403	123
Transport and storage	48	41	455	na	98
Property and business services	180	177	1 173	na	334
Other selected industries(a)	167	166	1 376	59	652
<b>Total</b>	<b>212</b>	<b>213</b>	na	<b>1 266</b>	<b>566</b>

na not available

(a) See paragraph 17 of the Explanatory Notes for a definition of the Other selected industries.

### MOVEMENT ESTIMATES

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

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

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

<i>Industries</i>	<i>Company gross operating profits</i>	<i>Company profits before income tax</i>	<i>Income from sales of goods and services</i>	<i>Inventories</i>	<i>Wages and salaries</i>
	\$m	\$m	\$m	\$m	\$m
Mining	31	32	297	137	22
Manufacturing	116	122	624	337	114
Construction	77	76	730	na	125
Wholesale trade	97	114	1 351	628	68
Retail trade	54	52	590	248	78
Transport and storage	47	36	334	na	68
Property and business services	239	241	824	na	234
Other selected industries(a)	194	220	1 031	38	469
<b>Total</b>	<b>227</b>	<b>240</b>	na	<b>769</b>	<b>350</b>

na not available

(a) See paragraph 17 of the Explanatory Notes for a definition of the Other selected industries.

## TECHNICAL NOTE DATA QUALITY *continued*

### ADJUSTMENTS TO ESTIMATES

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

<i>Data items</i>	<i>Adjustments for new businesses</i>
	%
Company gross operating profits	1.2
Company profits before income tax	1.2
Income from sales of goods and services	3.1
Inventories	2.0
Wages and salaries	3.3

**11** As previously discussed, the estimates presented in this publication are partial indicators used in the compilation of the quarterly national accounts. The movements in the Business Indicators estimates will not always be the same as the movements in the comparable national accounts series but they should be reasonably consistent after taking account of differences in concepts, scope and methodology described in paragraph 34 of the Explanatory Notes. If after taking account of these differences, there are concerns about data quality and coherence, the national accounts area provides feedback to the survey area. This process may result in adjustments being applied to the Business Indicators estimates prior to release in this publication. The objective use of the national accounts framework to provide data coherence across all ABS economic statistics ensures that a common understanding of recent economic developments is presented.

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

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

**13** The different time periods for which series are available can pose some inconsistencies between the series published in original terms and those released in seasonally adjusted and trend terms, as a minimum of three years worth of data are required in order to produce seasonally adjusted and trend estimates. To reduce these inconsistencies, the ABS has modelled estimates based on data from the monthly Retail Business survey to produce a time series for Food retailing, Personal and household good retailing, Video hire outlets and Hairdressing and beauty salons. There are some significant differences between the monthly Retail trade series and the quarterly income from sales of goods and services and series, and these are discussed in paragraph 35 in the Explanatory Notes. To address these differences in the modelling of the time series, movements from the aggregated monthly series have been applied to the level quarterly estimates for the March quarter 2001, and a time series has been created by backcasting. This has facilitated the production of seasonally adjusted and trend estimates for these industries.

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

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

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

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

PROFITS TIME SERIES

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

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

PROFITS TIME SERIES

*continued*

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

INVENTORIES TIME SERIES

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

PRIVATISED MARKETING  
AUTHORITIES

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

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

## GLOSSARY

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





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