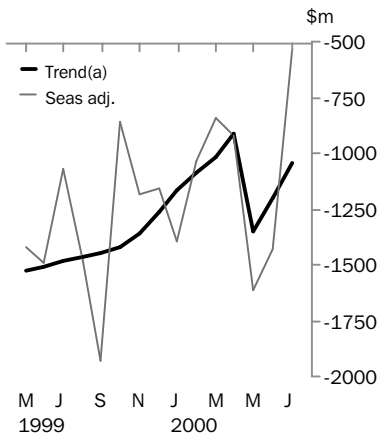


# INTERNATIONAL TRADE IN GOODS AND SERVICES

AUSTRALIA

EMBARGO: 11:30AM (CANBERRA TIME) TUES 29 AUG 2000

## Balance on goods and services



## JULY KEY FIGURES

### TREND ESTIMATES (a)

	May 2000 \$m	Jun 2000 \$m	Jul 2000 \$m	Jun 2000 to Jul 2000 % change
Balance on goods & services	-1 349	-1 203	-1 046	..
Credits (exports of goods & services)	11 401	11 622	11 807	2
Debits (imports of goods & services)	12 750	12 825	12 853	0

(a) Refer to notes on page 2.

### SEASONALLY ADJUSTED

	May 2000 \$m	Jun 2000 \$m	Jul 2000 \$m	Jun 2000 to Jul 2000 % change
Balance on goods & services	-1 615	-1 426	- 537	..
Credits (exports of goods & services)	11 431	11 657	11 898	2
Debits (imports of goods & services)	13 046	13 083	12 435	-5

## JULY KEY POINTS

### TREND ESTIMATES

- The provisional trend estimate of the balance on goods and services is a deficit of \$1,046 million in July, a decrease of \$157 million on the deficit in June.
- Goods and services credits rose \$185 million to \$11,807 million. Goods and services credits have been rising in trend terms since April 1999. Goods and services debits rose marginally to \$12,853 million.

### SEASONALLY ADJUSTED ESTIMATES

- In seasonally adjusted terms, the balance on goods and services is a deficit of \$537 million, down \$889 million on the deficit in June.
- Goods and services credits rose \$241 million (2%). Non-rural and other goods remained steady at \$7,093 million, while rural goods rose \$251 million (12%) on June, which was the highest previous monthly result for the broad grouping. Services credits were flat at \$2,503 million.
- Goods and services debits fell \$648 million (5%). There were falls in imports of intermediate and other goods, down \$561 million (11%) largely due to lower fuel imports, and capital goods, down \$129 million (5%) with the largest fall in civil aircraft. Consumption goods rose, up \$207 million (7%). Services debits fell \$165 million (6%).

### ORIGINAL ESTIMATES

- In original terms, the balance on goods and services in July is a deficit of \$636 million, down \$1,097 million (63%) on the deficit in June.
- Exports of goods to our major south east Asia and north Asia trading partners fell 1%. Exports to other destinations increased 6%. See page 4 for details.

■ For further information about these and related statistics, contact Carol Trickett on Canberra 02 6252 5540, or the National Information Service on 1300 135 070.

# NOTES

## FORTHCOMING ISSUES

<i>ISSUE</i>	<i>EXPECTED RELEASE DATE</i>
August 2000	29 September 2000
September 2000	31 October 2000
October 2000	29 November 2000
November 2000	4 January 2001
December 2000	31 January 2001
January 2001	1 March 2001

## CHANGES IN THIS ISSUE

### *Seasonal factors*

The seasonally adjusted and trend estimates of the balance on goods and services have been revised in this issue of the publication as a result of an annual seasonal reanalysis. In this reanalysis a trend break of \$500 million has been applied to the May 2000 observation for intermediate and other merchandise imports. This break takes account of the dramatic rise in the series in that month, which was sustained in June 2000, and follows both oil price rises and the decline in the value of the Australian dollar. This break provides for a better estimation of the seasonal factors applying to the series. The need for this trend break will be kept under review as each additional month's data becomes available.

For information about the availability of seasonal factors for 2000-2001 refer to paragraph 6 of the Explanatory Notes.

### *Historical revisions*

There are no revisions in this issue to original data.

### *Valuation*

The valuation of series in this publication has not been affected by the introduction of the Goods and Services Tax from 1 July 2000. In particular, imports of goods and services are valued before the imposition of Australian duties and taxes.

While the prices of goods and services acquired in Australia by foreign travellers will have risen from 1 July due to the changes in taxation arrangements, this is not expected to have significantly affected the total value of foreign tourist expenditure. No allowance has been made for any impact in the travel credits estimates for July in this issue.

### *Feature article*

This issue contains a feature article updating the statistical impacts of the measurement of Olympic Games effects in Australia's balance of payments and international investment position. See page 20.

Dennis Trewin  
Australian Statistician

## ANALYSIS AND COMMENTS

### BALANCE ON GOODS AND SERVICES

The trend estimate of the balance on goods and services is a deficit of \$1,046 million in July, a decrease of \$157 million on the deficit in June.

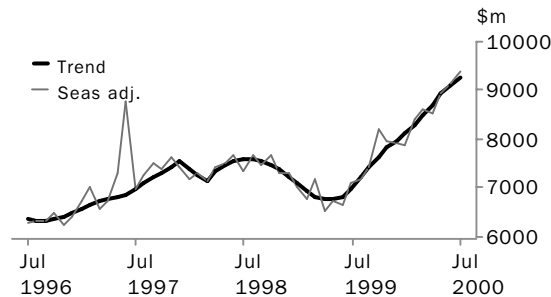
In seasonally adjusted terms, this balance is a deficit of \$537 million, down \$889 million on the deficit in June.

### EXPORTS OF GOODS AND SERVICES

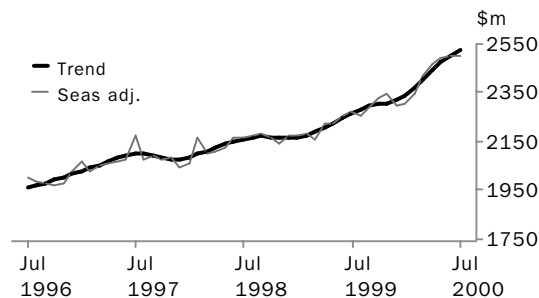
The trend estimate of goods and services credits rose \$185 million to \$11,807 million, the fifteenth consecutive monthly rise in trend terms. In July there were rises in rural goods (up \$49 million) and non-rural and other goods (up \$117 million). Services rose \$19 million to \$2,524 million.

In seasonally adjusted terms, goods and services credits rose \$241 million to \$11,898 million. Goods credits rose \$241 million to \$9,395 million, with rural goods rising \$251 million (12%) on the previous highest monthly result in June 2000 to reach \$2,302 million. Services were flat at \$2,503 million.

#### GOODS CREDITS



#### SERVICES CREDITS



**RURAL GOODS** The trend estimate of rural goods was up \$49 million to \$2,177 million. In seasonally adjusted terms, rural goods rose \$251 million (12%) to \$2,302 million. Rural goods, in original terms, increased \$90 million (4%). The main rises were in:

- other rural, up \$66 million (7%) to \$1,046 million, due mainly to increased exports of live animals and fruit and vegetables;
- meat and meat preparations, up \$23 million (5%) to \$443 million; and
- cereal grains and cereal preparations, up \$17 million (5%) to \$390 million, due mainly to a rise in volumes.

Wool and sheepskins was the only category to decrease, falling \$16 million (6%), largely due to lower volumes, to \$272 million.

## ANALYSIS AND COMMENTS

**NON-RURAL AND OTHER GOODS** The trend estimate of non-rural and other goods rose \$117 million (2%) to \$7,106 million. In seasonally adjusted terms, they remained steady at \$7,093 million.

Non-rural and other goods, in original terms, rose \$57 million (1%), with the largest increases in:

- transport equipment, up \$113 million (34%) to \$444 million, which includes two passenger vessels and increased exports of large new road vehicles;
- other non-rural, up \$87 million (20%) to \$531 million; and
- other mineral fuels, up \$77 million (7%) to \$1,146 million, mainly due to a rise in the volume of petroleum and petroleum products.

These rises were partially offset by falls in metal ores & minerals, down \$99 million (8%) to \$1,135 million; other goods, down \$99 million (15%) to \$579 million, mainly due to decreased exports of non-monetary gold; and metals (excl. gold), down \$86 million (10%) to \$780 million.

### MERCHANDISE EXPORTS BY COUNTRY

The table below shows Australia's recorded merchandise exports for the 9 months to July 2000 (in original terms, not adjusted for BOP purposes) to 10 selected south east Asia and north Asia trading partners. Movements in the individual series reflect a range of seasonal and irregular influences. In July, exports to these selected Asian destinations declined slightly (down 1%), while exports to other countries rose 6%. There were significant falls in exports to China (down 24%), Thailand (down 23%), and Indonesia (down 22%) as exports to each of these markets fell back from the very strong performances in June. These falls were mostly offset by a rise in exports to the largest market, Japan, up \$140 million or 8% to a new record high, and a rise in exports to Malaysia, up \$32 million, or 19%. Overall, exports to the group of 10 countries listed below is up 32% for the 7 months to July 2000 compared with the 7 months to July 1999, while exports to all other countries increased 21% over the same period. Comparing these periods after excluding gold, exports to the selected Asian destinations increased 36% while exports to the rest of the world increased 20%.

### AUSTRALIA'S MERCHANDISE EXPORTS(a) TO SELECTED MAJOR TRADING PARTNERS

	Nov 1999	Dec 1999	Jan 2000	Feb 2000	Mar 2000	Apr 2000	May 2000	Jun 2000	Jul 2000	Jun 2000 to Jul 2000 % change
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	
China	367	402	386	514	399	462	469	558	425	-24
Hong Kong	311	280	207	346	339	228	293	270	278	3
Indonesia	193	199	151	185	194	219	248	272	212	-22
Japan	1 545	1 601	1 399	1 567	1 731	1 688	1 598	1 793	1 933	8
Korea, Republic of	620	609	598	737	711	648	918	806	827	3
Malaysia	179	164	152	169	186	188	214	167	199	19
Philippines	97	95	99	107	118	93	125	138	123	-11
Singapore	309	468	349	374	470	454	530	449	418	-7
Taiwan	349	409	377	374	476	365	519	438	464	6
Thailand	156	149	107	120	143	165	162	194	150	-23
<i>Sub-total</i>	4 126	4 376	3 825	4 493	4 767	4 510	5 076	5 085	5 029	-1
<i>All other countries</i>	4 344	3 993	3 004	3 738	4 046	3 762	4 127	4 105	4 340	6
<b>Total</b>	<b>8 470</b>	<b>8 369</b>	<b>6 829</b>	<b>8 231</b>	<b>8 813</b>	<b>8 272</b>	<b>9 203</b>	<b>9 190</b>	<b>9 369</b>	<b>2</b>

(a) Merchandise exports, in original terms, as recorded in ABS international trade statistics, not adjusted to a balance of payments basis.

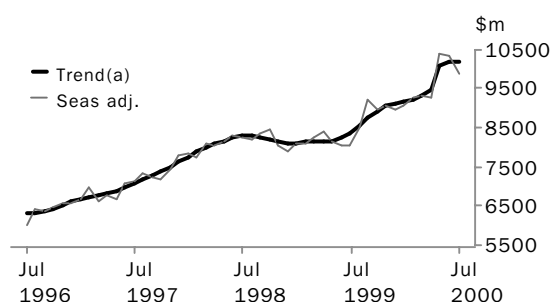
## ANALYSIS AND COMMENTS

### IMPORTS OF GOODS AND SERVICES

The trend estimate of goods and services debits remained steady at \$12, 853 million in July.

In seasonally adjusted terms, goods and services debits fell \$648 million (5%) to \$12, 435 million. Goods debits fell \$483 million (5%) to \$9,875 million, mainly due to intermediate and other goods falling \$561 million (11%) to \$4,573 million. Falling fuel imports were the main contributor to this decline. Services debits fell \$165 million to \$2,560 million.

#### GOODS DEBITS



(a) A trend break of \$500 million has been applied to May 2000. See notes on page 2 for details.

**CONSUMPTION GOODS** The trend estimate of consumption goods rose \$60 million (2%) to \$2,918 million in July. Seasonally adjusted, consumption goods rose \$207 million (7%) to \$3,010 million. Consumption goods in original terms rose \$468 million (18%) to \$3,126 million. The largest rises were in:

- consumption goods n.e.s., up \$155 million (20%) to \$927 million largely due to increased imports of medicines to record levels;
- textiles, clothing and footwear, up \$142 million (48%) to \$436 million, reflecting the seasonal increase in July following tariff reductions on 1 July; and
- non-industrial transport equipment were \$845 million, up \$48 million (6%), on top of the very strong June result.

The only major consumption category to record a decrease was toys, books and leisure goods, down \$2 million (1%) to \$284 million.

**CAPITAL GOODS** The trend estimate of capital goods remained steady at \$2,323 million in July. In seasonally adjusted terms, capital goods fell \$129 million (5%) to \$2,292 million.

Capital goods, in original terms, fell \$395 million (15%) to \$2,253 million. The largest falls were in:

- civil aircraft, down \$214 million to \$2 million; and
- ADP equipment, down \$87 million (15%) to \$504 million.

**INTERMEDIATE AND OTHER GOODS** In July, the trend estimate of intermediate and other goods fell \$48 million (1%) to \$4,950 million. In seasonally adjusted terms, intermediate and other goods fell \$561 million (11%) to \$4,573 million.

Intermediate and other goods, in original terms, fell \$355 million (7%) to \$4,739 million. There were falls in most categories with the largest decreases in:

- fuels and lubricants, down \$239 million (24%) to \$738 million; and
- organic and inorganic chemicals, down \$89 million (26%) to \$248 million.

The largest increase was in other parts for capital goods, up \$45 million (6%) to \$830 million.



GOODS AND SERVICES(a), Summary: **Seasonally Adjusted and Trend**

Period	CREDITS.....						DEBITS.....					
	Balance on goods and services	Total goods and services	Total goods	Rural goods(b)	Non-rural and other goods(b)	Total services	Total goods and services	Total goods	Con-sumption goods	Capital goods	Inter-mediate and other goods	Total services
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>SEASONALLY ADJUSTED</b>												
<b>1999</b>												
May	-1 425	8 978	6 752	1 714	5 038	2 226	-10 403	-8 156	-2 369	-1 875	-3 912	-2 247
June	-1 488	8 930	6 670	1 731	4 939	2 260	-10 418	-8 068	-2 382	-1 802	-3 884	-2 350
July	-1 069	9 367	7 097	1 875	5 222	2 270	-10 436	-8 032	-2 411	-1 925	-3 696	-2 404
August	-1 485	9 436	7 176	1 930	5 246	2 260	-10 921	-8 516	-2 419	-2 045	-4 052	-2 405
September	-1 933	9 706	7 415	1 919	5 496	2 291	-11 639	-9 214	-2 511	-2 495	-4 208	-2 425
October	- 858	10 541	8 214	1 905	6 309	2 327	-11 399	-8 961	-2 489	-2 145	-4 327	-2 438
November	-1 188	10 317	7 975	1 979	5 996	2 342	-11 505	-9 055	-2 479	-2 233	-4 343	-2 450
December	-1 159	10 218	7 920	1 928	5 992	2 298	-11 377	-8 979	-2 442	-2 078	-4 459	-2 398
<b>2000</b>												
January	-1 399	10 176	7 870	1 785	6 085	2 306	-11 575	-9 089	-2 513	-2 328	-4 248	-2 486
February	-1 032	10 771	8 423	2 024	6 399	2 348	-11 803	-9 296	-2 552	-2 257	-4 487	-2 507
March	- 840	11 052	8 632	2 050	6 582	2 420	-11 892	-9 335	-2 646	-2 245	-4 444	-2 557
April	- 917	11 008	8 536	2 006	6 530	2 472	-11 925	-9 300	-2 707	-2 135	-4 458	-2 625
May	-1 615	11 431	8 935	2 048	6 887	2 496	-13 046	-10 380	-2 803	-2 318	-5 259	-2 666
June	-1 426	11 657	9 154	2 051	7 103	2 503	-13 083	-10 358	-2 803	-2 421	-5 134	-2 725
July	- 537	11 898	9 395	2 302	7 093	2 503	-12 435	-9 875	-3 010	-2 292	-4 573	-2 560
<b>TREND ESTIMATES</b>												
<b>1999</b>												
May	-1 523	8 983	6 756	1 763	4 993	2 227	-10 506	-8 175	-2 396	-1 946	-3 833	-2 331
June	-1 506	9 080	6 834	1 790	5 044	2 246	-10 586	-8 238	-2 403	-1 966	-3 869	-2 348
July	-1 480	9 262	6 996	1 837	5 159	2 266	-10 742	-8 370	-2 417	-2 015	-3 938	-2 372
August	-1 464	9 490	7 207	1 882	5 325	2 283	-10 954	-8 557	-2 437	-2 085	-4 035	-2 397
September	-1 449	9 726	7 431	1 911	5 520	2 295	-11 175	-8 759	-2 455	-2 159	-4 145	-2 416
October	-1 419	9 945	7 642	1 923	5 719	2 303	-11 364	-8 936	-2 467	-2 218	-4 251	-2 428
November	-1 361	10 127	7 818	1 924	5 894	2 309	-11 488	-9 052	-2 476	-2 243	-4 333	-2 436
December	-1 260	10 297	7 977	1 926	6 051	2 320	-11 557	-9 108	-2 491	-2 236	-4 381	-2 449
<b>2000</b>												
January	-1 165	10 472	8 132	1 934	6 198	2 340	-11 637	-9 158	-2 519	-2 222	-4 417	-2 479
February	-1 086	10 673	8 303	1 955	6 348	2 370	-11 759	-9 238	-2 566	-2 223	-4 449	-2 521
March	-1 016	10 903	8 496	1 989	6 507	2 407	-11 919	-9 352	-2 633	-2 243	-4 476	-2 567
April	- 914	11 156	8 710	2 032	6 678	2 446	-12 070	-9 463	-2 710	-2 267	-4 486	-2 607
May	-1 349	11 401	8 922	2 079	6 843	2 479	-12 750	-10 113	-2 786	-2 289	-5 038	-2 637
June	-1 203	11 622	9 117	2 128	6 989	2 505	-12 825	-10 169	-2 858	-2 313	-4 998	-2 656
July	-1 046	11 807	9 283	2 177	7 106	2 524	-12 853	-10 191	-2 918	-2 323	-4 950	-2 662

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

(b) For all time periods, estimates for Sugar, sugar preparations and honey are included in Other non-rural.

## GOODS AND SERVICES(a), Summary: Original

Period	CREDITS.....						DEBITS.....					
	Balance on goods and services	Total goods and services	Total goods	Rural goods(b)	Non-rural and other goods(b)	Total services	Total goods and services	Total goods	Con- sumption goods	Capital goods	Inter- mediate and other goods	Total services
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>1997-1998</b>	-4 738	113 744	88 538	22 130	66 408	25 206	-118 482	-92 084	-25 899	-21 168	-45 017	-26 398
<b>1998-1999</b>	-14 610	111 843	85 687	21 862	63 825	26 156	-126 453	-98 427	-28 041	-23 055	-47 331	-28 026
<b>1999-2000</b>	-15 180	125 774	97 476	23 577	73 899	28 298	-140 954	-110 807	-30 805	-26 725	-53 277	-30 147
<b>1999</b>												
May	-1 081	8 847	6 889	1 795	5 094	1 958	-9 928	-7 714	-2 105	-1 881	-3 728	-2 214
June	-1 671	8 863	6 817	1 783	5 034	2 046	-10 534	-8 165	-2 267	-2 042	-3 856	-2 369
July	-1 230	9 722	7 190	1 782	5 408	2 532	-10 952	-8 399	-2 578	-1 865	-3 956	-2 553
August	-1 862	9 514	7 389	1 871	5 518	2 125	-11 376	-8 914	-2 652	-2 118	-4 144	-2 462
September	-2 788	9 478	7 418	1 819	5 599	2 060	-12 266	-9 622	-2 741	-2 669	-4 212	-2 644
October	-1 002	10 777	8 482	1 868	6 614	2 295	-11 779	-9 226	-2 728	-2 127	-4 371	-2 553
November	-1 933	10 297	8 023	1 969	6 054	2 274	-12 230	-9 799	-2 762	-2 343	-4 694	-2 431
December	- 558	10 690	8 400	2 114	6 286	2 290	-11 248	-8 863	-2 419	-2 103	-4 341	-2 385
<b>2000</b>												
January	-1 283	9 417	6 806	1 634	5 172	2 611	-10 700	-8 189	-2 133	-2 113	-3 943	-2 511
February	52	11 074	8 158	2 074	6 084	2 916	-11 022	-8 766	-2 462	-1 890	-4 414	-2 256
March	-1 060	11 187	8 830	2 187	6 643	2 357	-12 247	-9 820	-2 704	-2 387	-4 729	-2 427
April	93	10 745	8 342	2 006	6 336	2 403	-10 652	-8 150	-2 285	-1 916	-3 949	-2 502
May	-1 876	11 400	9 206	2 192	7 014	2 194	-13 276	-10 659	-2 683	-2 546	-5 430	-2 617
June	-1 733	11 473	9 232	2 061	7 171	2 241	-13 206	-10 400	-2 658	-2 648	-5 094	-2 806
July	- 636	12 195	9 379	2 151	7 228	2 816	-12 831	-10 118	-3 126	-2 253	-4 739	-2 713

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

(b) For all time periods, estimates for Sugar, sugar preparations and honey are included in Other non-rural.

## GOODS CREDITS: Original

## RURAL GOODS.....

<i>Period</i>	<i>Total goods</i>	<i>Total rural goods(a)</i>	<i>Meat and meat preparations</i>	<i>Cereal grains and cereal preparations</i>	<i>Sugar, sugar preparations and honey(a)</i>	<i>Wool and sheepskins</i>	<i>Other rural</i>
<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
<b>1997-1998</b>	<b>88 538</b>	22 130	3 731	5 094	n.p.	4 020	9 285
<b>1998-1999</b>	<b>85 687</b>	21 862	4 008	5 046	n.p.	2 583	10 225
<b>1999-2000</b>	<b>97 476</b>	23 577	4 459	4 941	n.p.	2 960	11 217
<b>1999</b>							
May	6 889	1 795	336	336	n.p.	221	902
June	6 817	1 783	329	418	n.p.	170	866
July	7 190	1 782	359	354	n.p.	180	889
August	7 389	1 871	349	366	n.p.	195	961
September	7 418	1 819	361	389	n.p.	210	859
October	8 482	1 868	379	378	n.p.	235	876
November	8 023	1 969	394	350	n.p.	276	949
December	8 400	2 114	394	475	n.p.	287	958
<b>2000</b>							
January	6 806	1 634	218	374	n.p.	196	846
February	8 158	2 074	359	530	n.p.	284	901
March	8 830	2 187	410	492	n.p.	282	1 003
April	8 342	2 006	383	427	n.p.	251	945
May	9 206	2 192	433	433	n.p.	276	1 050
June	9 232	2 061	420	373	n.p.	288	980
July	9 379	2 151	443	390	n.p.	272	1 046

(a) For all time periods, estimates for Sugar, sugar preparations and honey are included in Other non-rural.



GOODS CREDITS: **Original** *continued*

## NON-RURAL GOODS.....

<i>Period</i>	<i>Total non-rural goods(a)</i>	<i>Metal ores and minerals</i>	<i>Coal, coke and briquettes</i>	<i>Other mineral fuels</i>	<i>Metals (excl. gold)</i>	<i>Machinery</i>	<i>Transport equipment</i>	<i>Other manufactures</i>	<i>Other non-rural(a)</i>	<i>Other goods(b)</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>1997-1998</b>	58 441	10 835	9 586	5 309	7 185	7 549	3 412	9 834	4 731	7 967
<b>1998-1999</b>	56 365	11 037	9 288	4 461	6 984	6 569	3 343	10 273	4 410	7 460
<b>1999-2000</b>	66 319	11 757	8 367	8 995	8 810	7 120	4 592	11 521	5 157	7 580
<b>1999</b>										
May	4 672	923	713	369	646	571	221	900	329	422
June	4 575	891	672	366	601	542	315	899	289	459
July	4 923	839	687	498	580	678	328	897	416	485
August	5 042	867	723	541	660	544	316	921	470	476
September	4 963	892	684	502	605	612	265	976	427	636
October	5 786	955	685	520	664	547	842	1 011	562	828
November	5 217	927	666	576	667	639	368	992	382	837
December	5 763	1 019	653	861	763	624	463	982	398	523
<b>2000</b>										
January	4 599	820	669	835	608	420	210	731	306	573
February	5 517	971	595	943	798	547	314	922	427	567
March	5 953	958	729	854	893	628	361	1 074	456	690
April	5 798	1 085	720	876	844	542	372	933	426	538
May	6 265	1 190	761	920	862	602	422	1 065	443	749
June	6 493	1 234	795	1 069	866	737	331	1 017	444	678
July	6 649	1 135	865	1 146	780	691	444	1 057	531	579

(a) For all time periods, estimates for Sugar, sugar preparations and honey are included in Other non-rural.

(b) Includes non-monetary gold.

## GOODS DEBITS(a): Original

## CONSUMPTION GOODS.....

<i>Period</i>	<i>Total goods</i>	<i>Total consumption goods</i>	<i>Food and beverages, mainly for consumption</i>	<i>Household electrical items</i>	<i>Non-industrial transport equipment</i>	<i>Textiles, clothing and footwear</i>	<i>Toys, books and leisure goods</i>	<i>Consumption goods n.e.s.</i>
<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
<b>1997-1998</b>	-92 084	-25 899	-3 282	-2 062	-7 102	-3 456	-2 956	-7 041
<b>1998-1999</b>	-98 427	-28 041	-3 606	-2 245	-7 231	-3 739	-3 184	-8 036
<b>1999-2000</b>	-110 807	-30 805	-3 943	-2 466	-7 736	-4 236	-3 240	-9 184
<b>1999</b>								
May	-7 714	-2 105	-265	-175	-556	-234	-247	-628
June	-8 165	-2 267	-284	-174	-701	-245	-253	-610
July	-8 399	-2 578	-317	-186	-731	-403	-274	-667
August	-8 914	-2 652	-316	-194	-658	-402	-292	-790
September	-9 622	-2 741	-330	-198	-682	-369	-317	-845
October	-9 226	-2 728	-346	-224	-730	-322	-302	-804
November	-9 799	-2 762	-382	-260	-577	-334	-302	-907
December	-8 863	-2 419	-361	-211	-557	-294	-269	-727
<b>2000</b>								
January	-8 189	-2 133	-308	-167	-473	-335	-201	-649
February	-8 766	-2 462	-326	-180	-551	-454	-242	-709
March	-9 820	-2 704	-341	-215	-711	-386	-269	-782
April	-8 150	-2 285	-289	-186	-578	-312	-217	-703
May	-10 659	-2 683	-336	-227	-691	-331	-269	-829
June	-10 400	-2 658	-291	-218	-797	-294	-286	-772
July	-10 118	-3 126	-365	-269	-845	-436	-284	-927

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

GOODS DEBITS(a): **Original** *continued*

## CAPITAL GOODS.....

<i>Period</i>	<i>Total capital goods</i>	<i>Machinery and industrial equipment</i>	<i>ADP equipment</i>	<i>Telecommunications equipment</i>	<i>Civil aircraft</i>	<i>Industrial transport equipment n.e.s.</i>	<i>Capital goods n.e.s.</i>
	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
<b>1997-1998</b>	-21 168	-8 862	-4 345	-2 070	- 464	-2 560	-2 867
<b>1998-1999</b>	-23 055	-9 226	-4 496	-2 812	- 649	-2 860	-3 012
<b>1999-2000</b>	-26 725	-8 924	-4 911	-4 167	-1 414	-3 980	-3 329
<b>1999</b>							
May	-1 881	- 635	- 424	- 309	-11	- 258	- 244
June	-2 042	- 692	- 462	- 307	-17	- 302	- 262
July	-1 865	- 752	- 388	- 219	-26	- 242	- 238
August	-2 118	- 904	- 368	- 334	-3	- 244	- 265
September	-2 669	- 734	- 384	- 315	- 289	- 512	- 435
October	-2 127	- 720	- 342	- 288	- 227	- 288	- 262
November	-2 343	- 753	- 392	- 419	-26	- 468	- 285
December	-2 103	- 726	- 415	- 345	-54	- 317	- 246
<b>2000</b>							
January	-2 113	- 720	- 304	- 305	- 320	- 248	- 216
February	-1 890	- 652	- 351	- 357	-19	- 252	- 259
March	-2 387	- 730	- 488	- 401	-52	- 411	- 305
April	-1 916	- 604	- 382	- 302	-60	- 332	- 236
May	-2 546	- 811	- 506	- 481	- 122	- 334	- 292
June	-2 648	- 818	- 591	- 401	- 216	- 332	- 290
July	-2 253	- 752	- 504	- 399	-2	- 323	- 273

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

GOODS DEBITS (a): **Original** *continued*

## INTERMEDIATE AND OTHER MERCHANDISE GOODS.....

<i>Period</i>	<i>Total intermediate and other merchandise goods</i>	<i>Food and beverages, mainly for industry</i>	<i>Primary industrial supplies n.e.s.</i>	<i>Fuels and lubricants</i>	<i>Parts for transport equipment</i>	<i>Parts for ADP equipment</i>	<i>Other parts for capital goods</i>	<i>Organic and inorganic chemicals</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>1997-1998</b>	-40 454	- 746	- 950	-4 276	-5 346	-1 993	-7 193	-2 814
<b>1998-1999</b>	-43 293	- 758	- 882	-4 428	-6 085	-1 944	-7 692	-3 139
<b>1999-2000</b>	-49 205	- 731	-1 117	-7 553	-6 876	-1 936	-8 028	-3 572
<b>1999</b>								
May	-3 520	-65	-79	- 413	- 542	- 161	- 588	- 253
June	-3 568	-66	-70	- 390	- 544	- 167	- 619	- 243
July	-3 726	-62	-83	- 463	- 528	- 147	- 644	- 243
August	-3 898	-68	-73	- 626	- 567	- 153	- 657	- 229
September	-3 889	-72	-98	- 445	- 547	- 151	- 631	- 299
October	-3 780	-49	-103	- 529	- 509	- 140	- 601	- 266
November	-4 219	-59	-94	- 774	- 534	- 142	- 682	- 276
December	-4 024	-60	-116	- 657	- 537	- 158	- 630	- 351
<b>2000</b>								
January	-3 675	-61	-68	- 462	- 486	- 136	- 613	- 295
February	-4 027	-72	-88	- 625	- 589	- 148	- 629	- 321
March	-4 460	-54	-113	- 557	- 667	- 195	- 721	- 378
April	-3 699	-67	-79	- 483	- 533	- 160	- 636	- 261
May	-5 015	-57	-107	- 955	- 728	- 191	- 799	- 316
June	-4 793	-50	-95	- 977	- 651	- 215	- 785	- 337
July	-4 459	-60	-80	- 738	- 610	- 203	- 830	- 248

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

GOODS DEBITS(a): **Original** *continued*INTERMEDIATE AND OTHER MERCHANDISE GOODS *continued*.....

Period	Paper and paperboard	Textile yarn and fabrics	Iron and steel	Plastics	Processed industrial supplies n.e.s.	Other merchandise goods	Other goods(b)
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>1997-1998</b>	-1 901	-2 005	-1 623	-1 814	-9 431	- 362	-4 563
<b>1998-1999</b>	-1 978	-2 006	-1 470	-1 889	-10 140	- 882	-4 038
<b>1999-2000</b>	-2 208	-1 987	-1 510	-2 037	-10 840	- 810	-4 072
<b>1999</b>							
May	- 147	- 152	- 101	- 147	- 810	-62	- 208
June	- 155	- 170	- 121	- 153	- 816	-54	- 288
July	- 179	- 196	- 115	- 158	- 855	-53	- 230
August	- 172	- 172	- 129	- 171	- 821	-60	- 246
September	- 195	- 178	- 116	- 176	- 885	-96	- 323
October	- 201	- 158	- 123	- 170	- 849	-82	- 591
November	- 205	- 172	- 118	- 179	- 927	-57	- 475
December	- 181	- 151	- 121	- 181	- 856	-25	- 317
<b>2000</b>							
January	- 164	- 153	- 125	- 159	- 830	- 123	- 268
February	- 176	- 155	- 132	- 162	- 882	-48	- 387
March	- 194	- 163	- 151	- 176	-1 011	-80	- 269
April	- 169	- 134	- 124	- 148	- 856	-49	- 250
May	- 190	- 178	- 132	- 184	-1 109	-69	- 415
June	- 182	- 177	- 124	- 173	- 959	-68	- 301
July	- 197	- 171	- 117	- 175	- 952	-78	- 280

(a) For sign conventions, see paragraph 7 of the Explanatory Notes. (b) Includes non-monetary gold.

## SERVICES(a)(b): Original

Period	CREDITS.....					DEBITS.....				
	Total services	Freight	Other transportation	Travel	Other services	Total services	Freight	Other transportation	Travel	Other services
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>1997-1998</b>	25 206	1 061	5 550	11 540	7 055	-26 398	-5 013	-4 097	-8 372	-8 916
<b>1998-1999</b>	26 156	1 199	5 604	11 944	7 409	-28 026	-5 009	-4 358	-9 044	-9 615
<b>1999-2000</b>	28 298	1 122	5 781	13 033	8 362	-30 147	-5 224	-4 669	-9 785	-10 469
<b>1999</b>										
May	1 958	92	425	771	670	-2 214	-363	-358	-713	-780
June	2 046	93	422	832	699	-2 369	-396	-400	-742	-831
July	2 532	89	458	1 338	647	-2 553	-423	-408	-866	-856
August	2 125	89	458	935	643	-2 462	-419	-390	-803	-850
September	2 060	90	458	860	652	-2 644	-419	-420	-931	-874
October	2 295	91	502	1 011	691	-2 553	-432	-398	-907	-816
November	2 274	91	502	984	697	-2 431	-451	-353	-748	-879
December	2 290	92	498	995	705	-2 385	-400	-416	-714	-855
<b>2000</b>										
January	2 611	96	509	1 348	658	-2 511	-361	-410	-924	-816
February	2 916	96	509	1 661	650	-2 256	-408	-340	-699	-809
March	2 357	96	506	1 082	673	-2 427	-477	-357	-754	-839
April	2 403	97	461	1 070	775	-2 502	-395	-355	-865	-887
May	2 194	97	461	857	779	-2 617	-522	-392	-777	-926
June	2 241	98	459	892	792	-2 806	-517	-430	-797	-1 062
July	2 816	96	479	1 444	797	-2 713	-500	-438	-929	-846

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

(b) For detailed trade in services by commodity, see Table 6 and paragraph 11 of the Explanatory Notes.

## SERVICES(a)(b): Original—Quarterly

	CREDITS.....				DEBITS.....			
	Sep Qtr 1999	Dec Qtr 1999	Mar Qtr 2000	Jun Qtr 2000	Sep Qtr 1999	Dec Qtr 1999	Mar Qtr 2000	Jun Qtr 2000
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>SERVICES</b>	<b>6 717</b>	<b>6 859</b>	<b>7 884</b>	<b>6 838</b>	<b>-7 659</b>	<b>-7 369</b>	<b>-7 194</b>	<b>-7 925</b>
<b>Transportation services</b>	<b>1 642</b>	<b>1 776</b>	<b>1 812</b>	<b>1 673</b>	<b>-2 479</b>	<b>-2 450</b>	<b>-2 353</b>	<b>-2 611</b>
Passenger	1 374	1 502	1 524	1 381	-1 014	- 932	- 881	- 971
Freight	268	274	288	292	-1 261	-1 283	-1 246	-1 434
Other	<i>n.p.</i>	<i>n.p.</i>	<i>n.p.</i>	<i>n.p.</i>	- 204	- 235	- 226	- 206
<b>Travel services</b>	<b>3 133</b>	<b>2 990</b>	<b>4 091</b>	<b>2 819</b>	<b>-2 600</b>	<b>-2 369</b>	<b>-2 377</b>	<b>-2 439</b>
Business	241	235	272	272	- 603	- 578	- 697	- 652
Personal	2 892	2 755	3 819	2 547	-1 997	-1 791	-1 680	-1 787
Education-related	879	429	1 513	465	- 199	- 128	- 153	- 116
Other	2 013	2 326	2 306	2 082	-1 798	-1 663	-1 527	-1 671
<b>Communications services</b>	<b>328</b>	<b>348</b>	<b>276</b>	<b>364</b>	<b>- 391</b>	<b>- 443</b>	<b>- 419</b>	<b>- 438</b>
<b>Construction services</b>	<b>5</b>	<b>7</b>	<b>3</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Insurance services</b>	<b>222</b>	<b>222</b>	<b>222</b>	<b>221</b>	<b>- 234</b>	<b>- 234</b>	<b>- 234</b>	<b>- 234</b>
<b>Financial services</b>	<b>187</b>	<b>187</b>	<b>187</b>	<b>186</b>	<b>- 132</b>	<b>- 132</b>	<b>- 132</b>	<b>- 131</b>
<b>Computer and information services</b>	<b>160</b>	<b>174</b>	<b>135</b>	<b>196</b>	<b>- 191</b>	<b>- 133</b>	<b>-89</b>	<b>- 122</b>
<b>Royalties and licence fees</b>	<b>136</b>	<b>136</b>	<b>139</b>	<b>161</b>	<b>- 485</b>	<b>- 454</b>	<b>- 422</b>	<b>- 537</b>
<b>Other business services</b>	<b>681</b>	<b>748</b>	<b>677</b>	<b>841</b>	<b>- 822</b>	<b>- 794</b>	<b>- 791</b>	<b>- 972</b>
Merchanting and other trade-related	136	126	112	214	-61	-55	-49	-74
Operational leasing	3	4	4	2	- 268	- 232	- 237	- 243
Miscellaneous business, professional & technical	542	618	561	625	- 493	- 507	- 505	- 655
Legal, accounting, management consulting and public relations	88	77	80	99	-46	-47	-41	-44
Advertising, market research, and public opinion polling	16	32	31	26	-21	-32	-37	-34
Research and development	53	75	50	60	-32	-32	-28	-34
Architectural, engineering and other technical services	137	144	189	196	- 146	- 138	- 199	- 259
Agricultural, mining, and on-site processing	15	17	7	8	-63	-38	-30	-77
Services between affiliated enterprises n.i.e.	188	221	166	207	- 148	- 180	- 142	- 179
Other	45	52	38	29	-37	-40	-28	-28
<b>Personal, cultural, and recreational services</b>	<b>112</b>	<b>123</b>	<b>136</b>	<b>100</b>	<b>- 194</b>	<b>- 202</b>	<b>- 206</b>	<b>- 252</b>
Audiovisual and related services	42	44	58	38	- 165	- 176	- 166	- 217
Other personal, cultural and recreational services	70	79	78	62	-29	-26	-40	-35
<b>Government services n.i.e.</b>	<b>111</b>	<b>148</b>	<b>206</b>	<b>272</b>	<b>- 131</b>	<b>- 158</b>	<b>- 171</b>	<b>- 189</b>

(a) For sign conventions, see paragraph 7 of the Explanatory Notes.

(b) For detailed trade in services by commodity, see paragraph 11 of the Explanatory Notes.

## PERIOD AVERAGE EXCHANGE RATES(a)

## UNITS OF FOREIGN CURRENCY PER AUSTRALIAN DOLLAR.....

<i>Period</i>	<i>United States dollar</i>	<i>United Kingdom pound</i>	<i>Euro</i>	<i>Japanese yen</i>	<i>Special drawing right</i>	<i>Trade weighted index of value of the \$A(b)</i>
<b>1997-1998</b>	0.6808	0.4138	..	86.02	0.5026	58.3
<b>1998-1999</b>	0.6276	0.3824	..	77.81	0.4589	56.0
<b>1999-2000</b>	0.6289	0.3948	0.6356	67.90	0.4642	55.2
<b>1999</b>						
May	0.6621	0.4100	0.6225	80.70	0.4908	58.8
June	0.6556	0.4108	0.6316	79.19	0.4894	58.3
July	0.6578	0.4178	0.6356	78.77	0.4915	58.3
August	0.6450	0.4016	0.6081	73.13	0.4729	56.6
September	0.6489	0.4000	0.6181	69.56	0.4716	56.7
October	0.6515	0.3930	0.6079	69.10	0.4689	56.4
November	0.6395	0.3940	0.6179	67.01	0.4647	55.4
December	0.6401	0.3967	0.6325	65.68	0.4665	55.4
<b>2000</b>						
January	0.6579	0.4009	0.6474	69.15	0.4802	57.0
February	0.6291	0.3924	0.6397	68.78	0.4675	55.5
March	0.6096	0.3857	0.6316	65.00	0.4540	53.7
April	0.5981	0.3776	0.6303	63.05	0.4460	52.6
May	0.5785	0.3828	0.6377	62.58	0.4413	52.0
June	0.5940	0.3935	0.6258	63.05	0.4464	52.9
July	0.5887	0.3900	0.6257	63.50	0.4447	52.9

(a) These exchange rates and the trade-weighted index are derived using rates provided by the Reserve Bank of Australia in respect of each trading day.

(b) May 1970=100. The Trade Weighted Index is reweighted annually (on 1 October) and on special occasions as required.



## EXPLANATORY NOTES

### INTRODUCTION

**1** This publication contains preliminary estimates of Australia's international trade in goods and services on a balance of payments basis. These estimates form part of Australia's balance of payments statistics.

**2** More comprehensive quarterly estimates of Australia's trade in goods and services, together with comprehensive details of Australia's balance of payments and international investment position statistics are included in the quarterly publication, *Balance of Payments and International Investment Position, Australia* (Cat. no. 5302.0).

### CONCEPTS, SOURCES AND METHODS

**3** The conceptual framework used in Australia's balance of payments and international investment position statistics is based on the Fifth Edition of the International Monetary Fund's *Balance of Payments Manual* (BPM5, 1993). Descriptions of the underlying concepts and structure of the balance of payments and international investment position, and the sources, methods and terms used in compiling the estimates are presented in *Balance of Payments and International Investment Position, Australia: Concepts, Sources and Methods* (Cat. no. 5331.0), which was released on 22 September, 1998.

### RELIABILITY AND VOLATILITY

**4** Care should be exercised in interpreting month-to-month movements in original and seasonally adjusted series as short-term movements cannot be assumed to indicate changes in trend. The monthly estimates are volatile, being subject to seasonal factors (except where adjusted in Table 1) and large irregular influences. The irregular influences may reflect both random economic events and difficulties of statistical recording. Seasonal adjustment does not aim to remove the irregular or non-seasonal influences which may be present in any particular month. This means that the month-to-month movements of the seasonally adjusted estimates may not be reliable indicators of trend behaviour. For example, irregular factors unrelated to the trend account for more than half the seasonally adjusted monthly movements with the following frequency:

balance on goods and services: 9 in 10 months

goods and services credits: 8 in 10 months

goods and services debits: 8 in 10 months.

### TREND ESTIMATES

**5** The trend estimates are derived by applying a 13-term Henderson moving average to the seasonally adjusted series. The 13-term Henderson average (like all Henderson averages) is symmetric, but as the end of a time series is approached, asymmetric forms of the average are applied. While the asymmetric weights enable trend estimates for recent months to be produced, it does result in revisions to the estimates for the most recent six months (the most recent three months in particular) as additional observations become available. There may also be revisions because of changes in the original data and as a result of the re-estimation of the seasonal factors. Details of trend-cycle weighting patterns are available on request from Time Series Analysis Section on Canberra (02) 6252 6076.

### SEASONAL ADJUSTMENT

**6** The factors used in seasonally adjusting the monthly goods and services statistics can be obtained from Balance of Payments Section on Canberra (02) 6252 5878. There is a charge for this service.

### SIGN CONVENTION

**7** In keeping with balance of payments conventions, credit entries are shown without sign and debit items are shown as negative entries. However, references to debit items in Key Figures, Key Points, and Analysis and Comments are made without regard to sign.

## EXPLANATORY NOTES

### COMMODITY BREAKDOWNS OF GOODS

**8** For details of the classification used for rural and non-rural goods see Table 6.6 in *Balance of Payments and International Investment Position, Australia: Concepts, Sources and Methods* (Cat. no. 5331.0).

**9** Table 6.7 in 5331.0 provides details of the classification used for goods debits. Most of the 25 commodity groups shown in Table 4 for merchandise goods debits are further sub-divided into a total of 106 commodity sub-groups. Although the information at this level is not published, it is available as a special data service, and can be obtained from Balance of Payments Section on Canberra (02) 6252 6318.

**10** For more information on the commodity classification of merchandise goods debits, refer to *Information Paper: Change to Commodity Classification of Merchandise Imports in Balance of Payments Publications* (Cat. no. 5344.0).

### COMMODITY BREAKDOWNS OF SERVICES

**11** The quarterly detailed services data published in Table 6 are consistent with the monthly aggregates shown in Table 5. A further 14 sub-commodities are available on request. Detailed annual data are published for 61 services commodities, and a further 4 are available. Services trade data by major partner countries and by Australian State of production/consumption are also published annually. Additional detail and additional presentations of the data may be available on request. For further information contact Balance of Payments Section on Canberra (02) 6252 5336.

**12** Monthly indicators for many of the services components that are surveyed only quarterly are not available. In particular, the Freight and Other transportation components of Total services credits are not available for publication on a monthly basis. Therefore the estimates for these items shown in Table 5 are derived by dividing the quarterly estimate by three.

### RELATED PRODUCTS AND SERVICES

**13** Detailed data of exports and imports of goods dissected by commodity and country are available on an international trade basis by contacting the person whose name appears in the inquiries box on the front of this publication. There may be a charge for this information, depending on the volume of data requested.

**14** Users may also wish to refer to the following publications which are available from ABS Bookshops:

- *Balance of Payments and International Investment Position, Australia* (Cat. no. 5302.0)—issued quarterly
- *Balance of Payments and International Investment Position, Australia: Concepts, Sources and Methods* (Cat. no. 5331.0)
- *Information Paper: Quality of Australian Balance of Payments Statistics* (Cat. no. 5342.0)
- *International Merchandise Trade, Australia* (Cat. no. 5422.0)—issued quarterly
- *Information Paper: Implementing New International Statistical Standards in ABS International Accounts Statistics* (Cat. no. 5364.0)—irregular, issued on 29 September 1997
- *Information Paper: Upgraded Balance of Payments and International Investment Position Statistics* (Cat. no. 5365.0)—irregular, issued on 24 November 1997.

### SYMBOLS AND OTHER USAGES

n.e.s. not elsewhere specified  
n.i.e. not included elsewhere  
n.p. not published  
.. not applicable

# WHAT IF...? REVISIONS TO TREND ESTIMATES

## EFFECT OF NEW SEASONALLY ADJUSTED ESTIMATES ON TREND ESTIMATES

Readers should exercise care in the interpretation of the trend data as the last three observations, in particular, are likely to be revised with the addition of subsequent months' data. For further information, see Explanatory Note 5.

### TREND REVISIONS

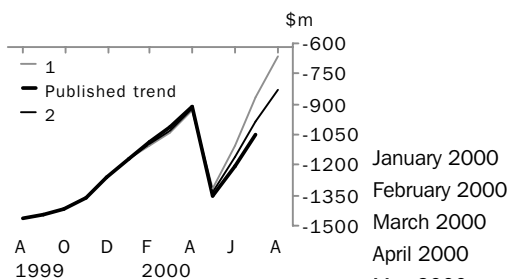
The graph below presents the effect of two possible scenarios on the previous trend estimates:

**1** The August seasonally adjusted estimate of the balance on goods and services 'improves' by \$200 million when compared with the July seasonally adjusted estimate. (An 'improvement' refers to an increase in a surplus or a decrease in a deficit.)

**2** The August seasonally adjusted estimate of the balance on goods and services 'deteriorates' by \$200 million when compared with the July seasonally adjusted estimate. (A 'deterioration' refers to a decrease in a surplus or an increase in a deficit.)

The change of \$200 million has been chosen because in the last decade the average monthly movement, without regard to sign, of the seasonally adjusted balance on goods and services series has been approximately \$200 million.

### BALANCE ON GOODS AND SERVICES



#### TREND AS PUBLISHED

#### WHAT IF NEXT MONTH'S SEASONALLY ADJUSTED ESTIMATE:

**1** improves by \$200m on Jul 2000 \$m

**2** deteriorates by \$200m on Jul 2000 \$m

	TREND AS PUBLISHED	WHAT IF NEXT MONTH'S SEASONALLY ADJUSTED ESTIMATE:	
	\$m	\$m	\$m
January 2000	-1 165	-1 166	-1 166
February 2000	-1 086	-1 103	-1 095
March 2000	-1 016	-1 043	-1 029
April 2000	- 914	- 931	- 924
May 2000	-1 349	-1 318	-1 336
June 2000	-1 203	-1 103	-1 162
July 2000	-1 046	- 870	- 982
August 2000		- 662	- 831



THE SYDNEY OLYMPIC GAMES UPDATE

INTRODUCTION

The statistical treatment of the economic activity for the Olympic Games and the Paralympic Games is consistent across all of the macro-economic statistics published by the Australian Bureau of Statistics. A detailed explanation of the treatment of the economic activity on the balance of payments (BOP) and international investment position (IIP) was published in the September quarter 1999 issue of *Balance of Payments and International Investment Position, Australia* (Cat. no. 5302.0). That article provided the reasons for the BOP treatments that are being adopted and for the sources of the information to be used. This article provides an update on the statistical impacts of the measurement of Olympic Games effects in Australia's BOP and IIP.

SUMMARY IMPACTS OF THE OLYMPICS ON BOP AND IIP

The significant impacts in the international accounts arise from the international transactions of Sydney Olympic Games Organising Committee (SOCOG) and the movement of athletes and tourists to participate in or watch the Olympics. There are other activities associated with the lead up to the Games that are less significant for the balance of payments, such as importing materials for construction of Games facilities. A summary of the treatment of various Games effects on BOP and IIP items is provided table F1.

F1. TREATMENT OF MAJOR GAMES EFFECTS IN INTERNATIONAL ACCOUNTS

Games effects	TREATMENT IN BOP.....		TREATMENT IN IIP POSITION ESTIMATES	
	Item	Timing	Instrument	Timing
Olympic ticket sales to non-residents	Trade credit liabilities - long term drawings	As sold	Trade credit liabilities - long term	Total sales to date
Olympic ticket usage by overseas visitors	Travel credits	Sept to Oct 2000		
Other expenditure in Australia of Olympics athletes and other visitors	Trade credit liabilities - long term repayments	Sept and Dec qtrs 2000	Trade credit liabilities - long term	Reduction in Sept qtr, extinguished in Dec qtr
	Travel credits	Aug to Oct 2000		
Receipt by SOCOG of TV rights payments from non-residents	Trade credit liabilities - long term drawings	As received	Trade credit liabilities - long term	Total receipts to date
Delivery of TV broadcasts to rights holders	Audio-visual and related services credits	Sept to Oct 2000		
	Trade credit liabilities - long term repayments	Sep and Dec qtrs 2000	Trade credit liabilities - long term	Reduction in Sept qtr, extinguished in Dec qtr
Receipt by SOCOG of sponsorship payments from non-residents	Royalties and licence fees credits	As received		
Airfare payments to the various National Olympic Committees	Current transfers debits	As paid		
SOCOG payments to IOC	Royalties and licence fees debits	As paid		
Other international goods or services acquired by SOCOG	Recorded in the relevant goods or services commodity groups	As acquired		
Goods imported permanently to support operation of the Games	Merchandise goods debits	As imported		
Airfares earned by resident carriers from non-resident visitors coming to the Games	Transportation credits	Aug to Oct 2000		
Sporting equipment brought in by visiting teams	Excluded			
Goods imported temporarily to support operation of the Games	Excluded			

TRAVEL CREDITS

Most of the direct Games-related travel credits will be concentrated in August to October 2000. Initially, source data will not be available on either the number of Olympics visitors or their expenditures in Australia to enable the direct measurement of this impact. Therefore, the following additional amounts will be included in the initially published estimates in *International Trade in Goods and Services, Australia* (Cat no. 5368.0):

- for August, \$10 million;
- for September, \$450 million; and
- for October, \$100 million.

The above amounts include both the usage of tickets to attend Olympic events and all other expenditures of overseas Olympic visitors while in Australia.

As overseas arrivals and departures statistics become available late in 2000, and as traveller expenditure estimates become available in 2001, these direct-effect Olympics estimates will be revised.

AUDIO-VISUAL AND RELATED SERVICES CREDITS

There is \$390 million identified in the Games budget in SOCOG's 1999 Annual Report as being received up until June 1999 for television rights. That amount, together with the amounts received during 1999-2000, will be included in the outstanding trade credit liabilities of Australia at 30 June 2000. Further pre-payment liabilities will build up during the September quarter as further payments are made. All of this liability will be run down in September and October as the Games are broadcast. The split of the likely delivery of the services associated with the broadcast rights that will be used in the estimation of audio-visual and related services credits will be:

- \$973 million in September; and
- \$60 million in October 2000.

The exact amounts used in BOP compilation will reflect any revisions reported by SOCOG.

ROYALTIES AND LICENCE FEES CREDITS

The sponsorship payments received from non-resident sponsors, a component of total SOCOG sponsorship revenue, have been included in the BOP over the past 3 years under royalties and copyrights credits. Final payments will be recorded in the September quarter 2000. These amounts are not separately available.

OTHER GAMES-RELATED BOP AND IIP ENTRIES

The trade credit liabilities associated with ticket sales to non-residents are not separately publishable by the ABS. Nor are the Games-related goods imports separately published. The other minor BOP items such as IOC payments were detailed in the article in the September 1999 issue of 5302.0.

SEASONAL ADJUSTMENT AND TREND ESTIMATES

All of the Olympics-related credits and debits will be included in seasonally adjusted aggregates in *International Trade in Goods and Services, Australia* (Cat no. 5368.0). However, some of the Olympics impact will be treated as an extreme irregular in deriving trend estimates of services credits for September and October 2000. For the month of September 2000 an extreme irregular adjustment of \$1,473 million will be made to exclude Olympics travel (\$450 million) and audio-visual services credits (\$973 million) from the trend estimates. In October, \$160 million will be treated as an extreme irregular.

The forward seasonal factors to be used for September and October have been estimated without account for the Olympics and need no further adjustment.

During the 2001 annual seasonal reanalysis, the identified extreme irregulars (re-estimated where necessary) will be taken into account in re-estimating the monthly seasonal factors for services credits.

The other Olympic effects are either dispersed over time, such as sponsorship receipts, or are too small to warrant special treatment in the seasonal adjustment process or in deriving trend estimates.

In the September quarter 2000 issue of 5302.0, the September quarter extreme irregular adjustment applied in deriving trend estimates for services credits will be \$1,483 million (including both the September amounts identified above as well as the \$10 million to be included in travel in August which does not warrant separate monthly adjustment).

In the December quarter issue of 5302.0, the extreme irregular adjustment to the trend estimate for services credits will be \$160 million.

The 2001 reanalysis for quarterly seasonal factors for travel credits and "other" services will account for the relevant components of these extreme irregulars in re-estimating seasonal factors for the series.

OTHER RELATED INFORMATION

- Feature Article, The Sydney Olympic Games, *Balance of Payments and International Investment Position, Australia* (cat no. 5302.0), September quarter 1999.
- Feature Article, The Sydney Olympic Games, *Australian National Accounts, National Income, Expenditure and Product* (cat no. 5206.0), September quarter 1999.
- Feature Article, The Sydney Olympic Games, *Australian Economic Indicators* (cat no. 1350.0), August 2000.
- Tourism Impacts of the Athletes' Games, *Forecast*, Tourism Forecasting Council, November 1998.

FURTHER INFORMATION

For enquiries about the BOP and IIP treatment of Games-related transactions contact Bob McColl on Canberra 02 6252 6688, fax 02 6252 7219 or email bob.mccoll@abs.gov.au.







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- LIBRARY* A range of ABS publications is available from public and tertiary libraries Australia-wide. Contact your nearest library to determine whether it has the ABS statistics you require, or visit our web site for a list of libraries.
- CPI INFOLINE* For current and historical Consumer Price Index data, call 1902 981 074 (call cost 77c per minute).
- DIAL-A-STATISTIC* For the latest figures for National Accounts, Balance of Payments, Labour Force, Average Weekly Earnings, Estimated Resident Population and the Consumer Price Index call 1900 986 400 (call cost 77c per minute).

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