

## AUSTRALIAN INDUSTRY DATA SUMMARY

18 DECEMBER 2009 DATA FOR THE SEPTEMBER QUARTER 2009

### Australia's economy grew by 0.2% in Q3 2009 (0.5% p.a.), with growth concentrated in services sectors.

- 'Rental, hiring and real estate services' (formerly a component of 'business services') was the standout output performer in Q3, with 9.9% growth in value added (4.0% p.a.). This came after declines of 2.1% and 3.3% in each of Q2 and Q1 this year. This sector is almost exactly tracking the fortunes of Australia's residential property market more generally, which saw a small fall in median prices (and transaction volumes) earlier in the year (-2.7% peak to trough) but has since rebuilt to a massive 10% price increase in the year to October 2009.
- 'Transport, postal and warehousing services' also made a strong showing in Q3, at 2.5% growth in the quarter (3.6% p.a.), which contributed 0.1 ppts to GDP growth.
- 'Healthcare and social assistance services' posted another solid quarter of growth, at 0.8% in the quarter and 3.2% p.a., reflecting continuing demand for health services from our ever-expanding and ageing population. Reflecting this demand, household final consumption expenditure grew 1.4% for health services (+4.0% p.a.).
- Mining and manufacturing both managed to post positive real output growth this quarter, at 0.6% and 0.3% in the quarter. This was a second quarter of positive quarterly growth for manufacturing, but total output remains 7.8% down from a year ago. Mining's real output levels are just 0.7% above of a year ago. Mining also showed a second quarter of jobs growth (+12.7k since May 2009), although total mining jobs (165k) remained 14.5k fewer (-8.1%) lower than in a year ago. Agricultural output fell 1.9% in the quarter and 14.1% from levels of a year ago. None of these three primary sectors contributed, or detracted, from GDP growth this quarter.
- The stellar jobs growth in the 3 months to Nov – a total of 89k net jobs added to the economy - was driven by big increases in the services sectors, led by professional services (+47k), public administration (+33k), retail trade (+22k), education (+21k) and wholesale trade (+18k). This was offset by the surprising loss of 31k jobs in health services and another 6k jobs lost in rental and real estate services, despite their strong output growth in Q3.
- Industries connected with physical production other than mining continued to shed labour in the 3 months to November. Notable quarterly job losses were recorded in manufacturing (-28k), utilities (-7k), construction (-6.6k), agriculture (-3.8k) and transport (-2.8k). Although out of the worst of the downturn, these industries are still struggling against ongoing headwinds including the high AUD, weak international demand for physical exports and mixed local retail demand. Manufacturing and transport grew in real output terms over the last 2 quarters, so their continued labour shedding may indicate some welcome productivity growth in these sectors.

Real gross value added, seas. adj.	2007-08 % p.a.	2008-09 % p.a.	Q3 2009 % YoY	Q3 2009 % QoQ	Contribution to growth, ppts
Agriculture, forestry, fishing	8.2	15.6	-14.1	-1.9	0.0
Mining	2.0	3.1	0.7	0.3	0.0
Manufacturing	4.1	-5.8	-7.8	0.6	0.0
Electricity, gas, water, waste	0.2	5.1	-0.2	-2.2	-0.1
Construction	6.6	1.9	-1.7	2.2	0.2
Wholesale trade	3.0	1.4	1.5	2.3	0.1
Retail trade	5.7	1.6	1.9	-0.7	0.0
Accommodation & food services	-0.2	-0.3	-1.7	-1.4	0.0
Transport, post & warehousing	5.4	-0.9	3.6	2.5	0.1
IT, media and telecomms	6.3	-2.0	-1.9	-2.0	-0.1
Finance & insurance	4.8	-1.5	1.7	0.8	0.1
Rental, hiring & real estate	1.5	4.6	4.0	9.9	0.3
Professional services	6.3	3.0	0.9	-0.9	-0.1
Admin. & support services	5.9	-4.2	-8.1	0.6	0.0
Public. admin. & safety services	0.5	5.8	0.6	-3.3	-0.2
Education & training	2.1	2.0	2.0	0.5	0.0
Healthcare & social assistance	5.0	3.0	3.2	0.8	0.0
Arts & recreation	2.4	7.6	2.0	0.5	0.0
Other services	2.0	1.6	-4.9	-3.4	-0.1
<b>GDP headline</b>	<b>3.7</b>	<b>1.0</b>	<b>0.5</b>	<b>0.2</b>	<b>0.2</b>
Non-farm GDP	3.6	0.7	0.8	0.9	0.2

## All Australian industry sectors

## CURRENT SIZE AND VALUE OF AUSTRALIAN INDUSTRIES

INDUSTRY	OUTPUT	SALES & PROFITS		INVEST.	EMPLOYMENT		
	Gross value added <sup>a</sup>	Business sales <sup>b</sup>	Business profits <sup>c</sup>	Private capital expend. <sup>d</sup>	Total employment	Full-time employment <sup>e</sup>	Average weekly wage <sup>f</sup>
Data period (Qtr)	Sep 09	Sep 09	Sep 09	Sep 09	Nov 09	Nov 09	Aug 09
Unit	\$mn real (% of total)	\$mn nominal	\$mn nominal	\$mn nominal	'000 people (% of total)	% of industry	\$ per week nominal
Agriculture, forestry, fishing	6,750 (2.2%)	11,134	541	na	357.4 (3.3%)	75.8	na
Mining	20,348 (6.8%)	39,615	14,251	9,005	165.0 (1.5%)	96.9	1,911.00
Manufacturing	25,293 (8.4%)	104,406	8,044	2,683	985.4 (9.1%)	85.9	1,123.60
Electricity, gas, water, waste	6,892 (2.3%)	8,466	2,426	1,373	123.2 (1.1%)	90.5	1,295.90
Construction	21,092 (7.0%)	61,357	4,828	1,178	973.5 (9.0%)	84.5	1,209.50
Wholesale trade	13,714 (4.6%)	94,263	4,727	798	426.2 (3.9%)	82.7	1,139.30
Retail trade	13,685 (4.5%)	77,446	4,942	1,235	1,187.2 (11.0%)	52.9	905.20
Accommodation & food services	6,552 (2.2%)	16,292	1,782	na	744.6 (6.9%)	42.1	879.40
Transport, post & warehousing	15,210 (5.1%)	24,356	3,637	3,240	569.4 (5.3%)	80.2	1,072.50
IT, media and telecomms	8,406 (2.8%)	17,370	4,912	1,414	212.9 (2.0%)	79.3	1,406.10
Finance & insurance	29,951 (10.0%)	11,701	1,053	643	396.9 (3.7%)	83.9	1,412.60
Rental, hiring & real estate	9,739 (3.2%)	15,938	7,102	2,401	182.9 (1.7%)	69.1	1,267.90
Professional services	17,867 (5.9%)	32,155	2,455	974	827.1 (7.6%)	78.7	1,439.10
Admin. & support services	7,065 (2.3%)	15,858	981	na	369.5 (3.4%)	61.0	1,155.30
Public. admin. & safety services	14,967 (5.0%)	na	na	na	672.0 (6.2%)	84.0	1,246.30
Education & training	12,337 (4.1%)	na	na	na	827.2 (7.6%)	62.9	1,269.50
Healthcare & social assistance	17,151 (5.7%)	na	na	na	1,186.2 (11.0%)	56.1	1,179.40
Arts & recreation	2,590 (0.9%)	5,207	860	na	192.5 (1.8%)	53.4	1,061.90
Other services	5,213 (1.7%)	11,059	1,191	na	431.9 (4.0%)	70.7	1,005.50
<b>All industries (headline GDP)</b>	<b>300,822</b>	<b>534,489</b>	<b>72,845</b>	<b>26,607</b>	<b>10,830.8</b>	<b>70.4</b>	<b>1,204.20</b>

a. Real gross value added per quarter, chain volume measures, seasonally adjusted. Total equals GDP, including ownership of dwellings, taxes less subsidies and statistical discrepancy.

b. Nominal sales by all businesses employing 20 people or more, seasonally adjusted. Available for selected industries only. For agriculture, business sales is the nominal 'gross value of agricultural production', seas. adj., from ABS *National Accounts*.

c. Nominal gross operating profits for all businesses employing 20 people or more, seasonally adjusted. Available for selected industries only. For agriculture, profits is nominal 'realised agricultural income' (ex. forestry and fishing). For all industries (GDP), 'profits' is all corporations' nominal gross operating surplus, seasonally adjusted, from ABS *National Accounts*.

d. Actual nominal new capital expenditure by private companies per quarter, seasonally adjusted. Includes expenditure on non-residential buildings, structures, plant and equipment.

e. Full-time employment is the proportion of all employed persons who worked 35 hours or more in the survey week.

f. Average weekly full-time adult ordinary time earnings (AWOTE), public and private sectors, nominal original data.

Sources: ABS 5206.0, *Australian National Accounts*; ABS 5625.0, *Private New Capital Expenditure and Expected Expenditure*; ABS 5676.0, *Business Indicators*; ABS 6291.0.55, *Labour Force Australia*; ABS 6345.05, *Labour Price Index*; ABS 6302.0 *Average Weekly Earnings, Australia*.

## All Australian industry sectors

### CURRENT GROWTH RATES FOR AUSTRALIAN INDUSTRIES

INDUSTRY	OUTPUT	SALES & PROFITS		INVEST.	EMPLOYMENT		
	Gross value added <sup>a</sup>	Business sales <sup>b</sup>	Business profits <sup>c</sup>	Private capital expend. <sup>d</sup>	Total employment	Total hours worked <sup>e</sup>	Wage Price Index <sup>f</sup>
Data period (Qtr)	Sep 09	Sep 09	Sep 09	Sep 09	Nov 09	Nov 09	Sep 09
Unit	% p.a.	% p.a.	% p.a.	% p.a.	% p.a.	% p.a.	% p.a.
Agriculture, forestry, fishing	-14.1	-13.3	-77.1	na	-1.0	3.8	na
Mining	0.7	41.6	-41.5	-2.0	-8.1	-5.8	3.7
Manufacturing	-7.8	13.1	-20.3	-14.3	-2.9	-3.1	2.5
Electricity, gas, water, waste	-0.2	11.8	8.7	29.4	-6.5	-1.4	4.4
Construction	-1.7	15.4	-8.2	46.9	-1.2	-1.6	3.7
Wholesale trade	1.5	11.8	-24.0	-15.8	8.3	9.5	2.7
Retail trade	1.9	6.7	22.7	7.0	-0.9	-2.2	3.4
Accommodation & food services	-1.7	2.3	-2.5	na	5.3	3.6	3.3
Transport, post & warehousing	3.6	7.6	6.7	12.4	-5.1	-5.2	4.5
IT, media and telecomms	-1.9	4.5	1.4	-18.2	-4.9	-8.1	2.7
Finance & insurance	1.7	-4.7	-48.9	-34.1	1.4	1.5	2.2
Rental, hiring & real estate	4.0	13.5	5.2	-26.6	-11.7	-14.9	3.7
Professional services	0.9	5.0	80.0	19.7	2.3	1.0	3.4
Admin. & support services	-8.1	16.0	74.2	na	9.2	13.5	2.5
Public. admin. & safety services	0.6	na	na	na	1.1	2.1	4.6
Education & training	2.0	na	na	na	4.4	5.4	4.0
Healthcare & social assistance	3.2	na	na	na	5.5	1.7	4.5
Arts & recreation	2.0	8.4	3.4	na	0.4	-3.2	3.7
Other services	-4.9	2.1	23.9	na	-3.6	-5.9	2.6
<b>All industries (headline GDP)</b>	<b>0.5</b>	<b>11.7</b>	<b>-12.4</b>	<b>-2.6</b>	<b>0.6</b>	<b>0.0</b>	<b>3.4</b>

**a.** Real gross value added per quarter, chain volume measures, seasonally adjusted. Total equals GDP, including ownership of dwellings, taxes less subsidies and statistical discrepancy.

**b.** Nominal sales by all businesses employing 20 people or more, seasonally adjusted. Available for selected industries only. For agriculture, business sales is the nominal 'gross value of agricultural production', seas. adj., from ABS *National Accounts*.

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**d.** Actual nominal new capital expenditure by private companies per quarter, seasonally adjusted. Includes expenditure on non-residential buildings, structures, plant and equipment.

**e.** Aggregate hours worked by all employees, ordinary time and overtime, in the survey week, original data.

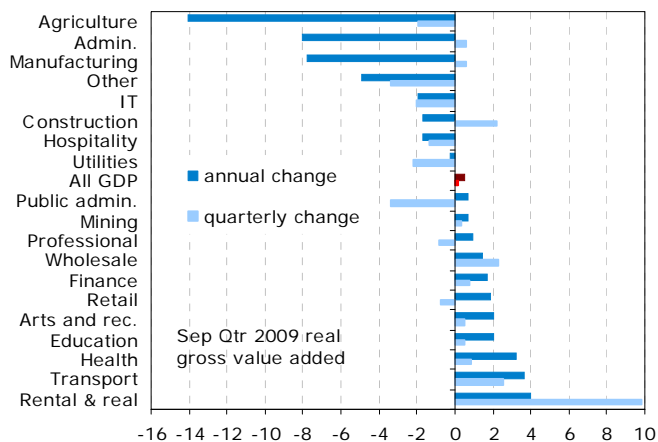
**f.** Wage price index for total hourly rates of pay excluding bonuses, public and private sectors, nominal original data.

**Sources:** ABS 5206.0, *Australian National Accounts*; ABS 5625.0, *Private New Capital Expenditure and Expected Expenditure*; ABS 5676.0, *Business Indicators*; ABS 6291.0.55, *Labour Force Australia*; ABS 6345.05, *Labour Price Index*; ABS 6302.0 *Average Weekly Earnings, Australia*

# All Australian industry sectors

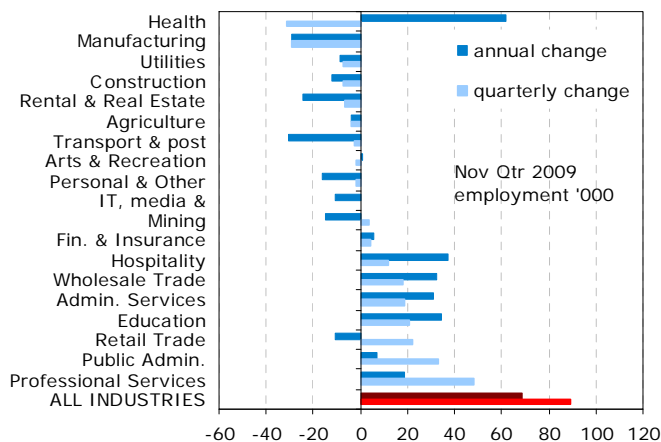
Change in real industry value added

Sep Qtr 2009



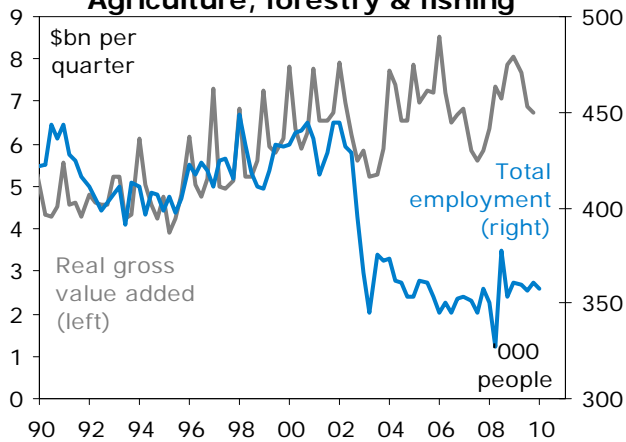
Change in employment

Nov Qtr 2009

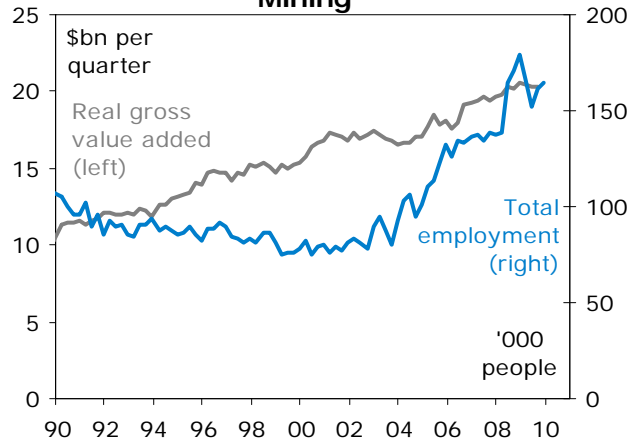


Real value added and employment trends, by industry sector

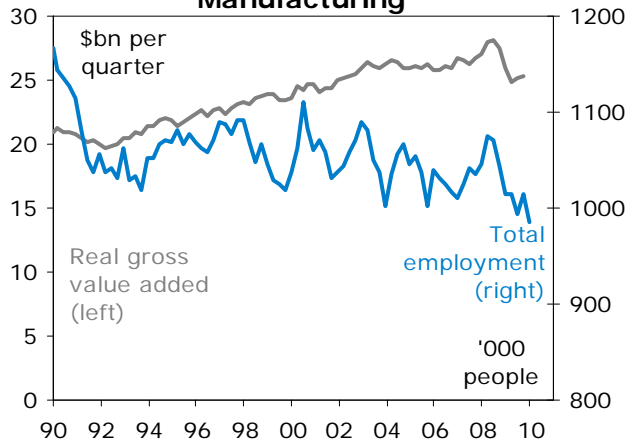
Agriculture, forestry & fishing



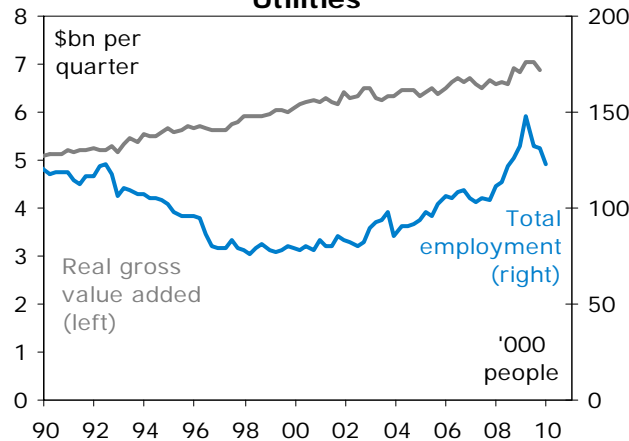
Mining



Manufacturing

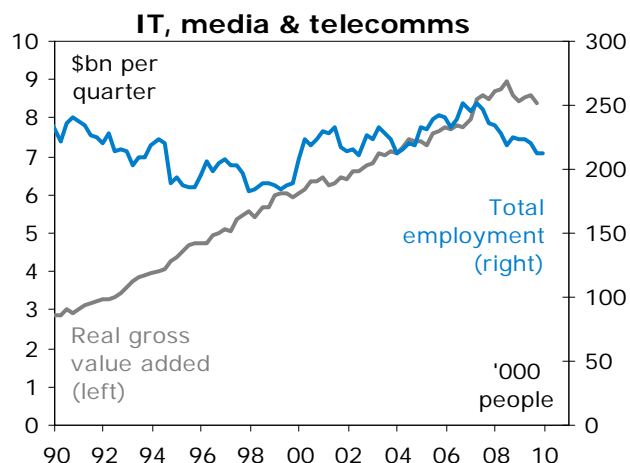
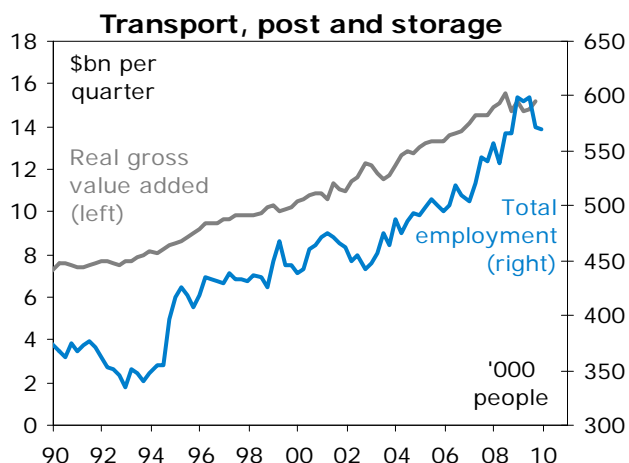
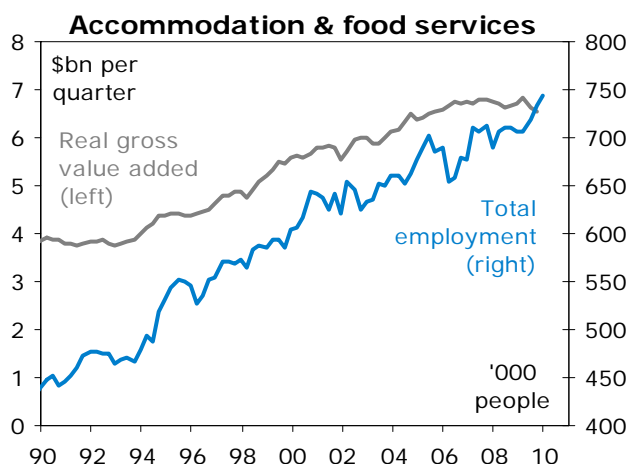
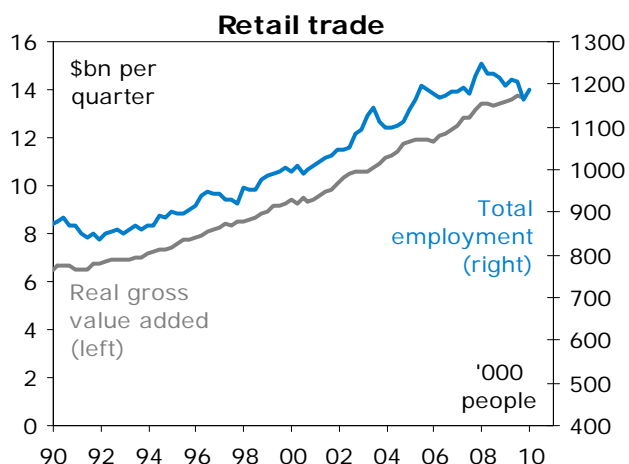
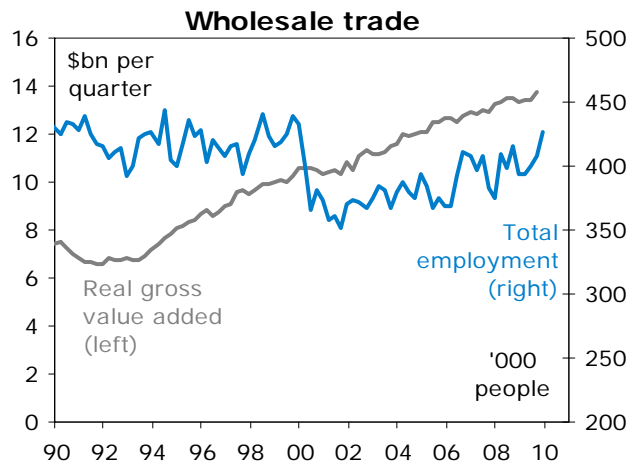
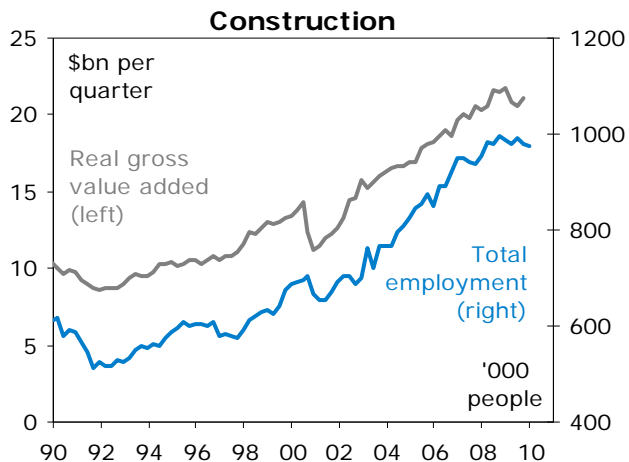


Utilities



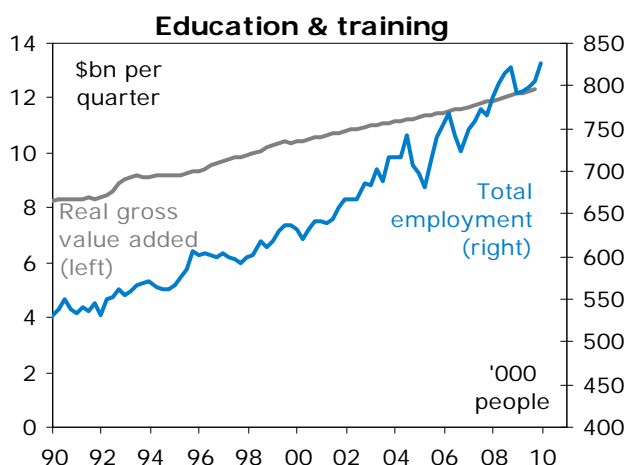
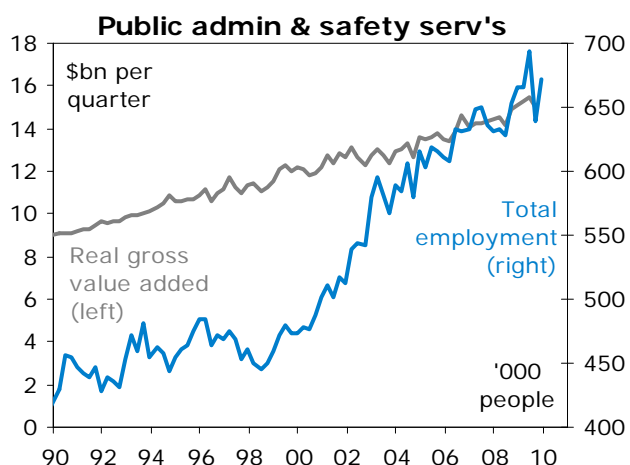
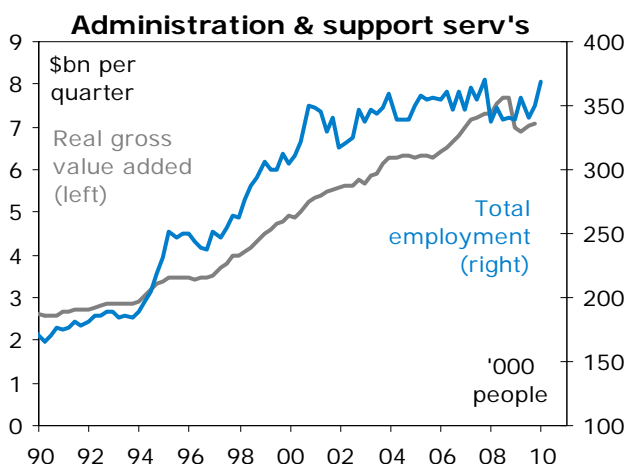
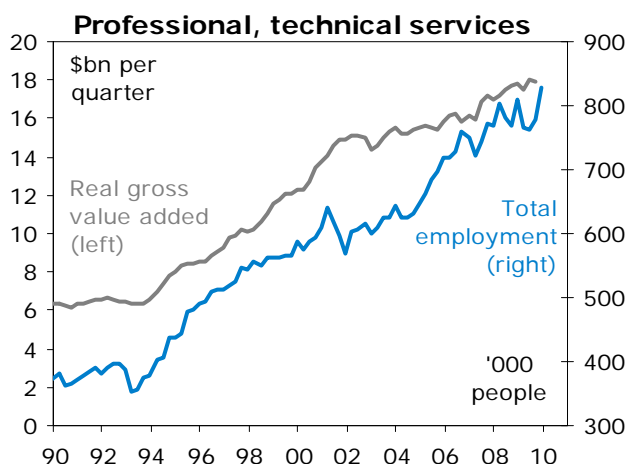
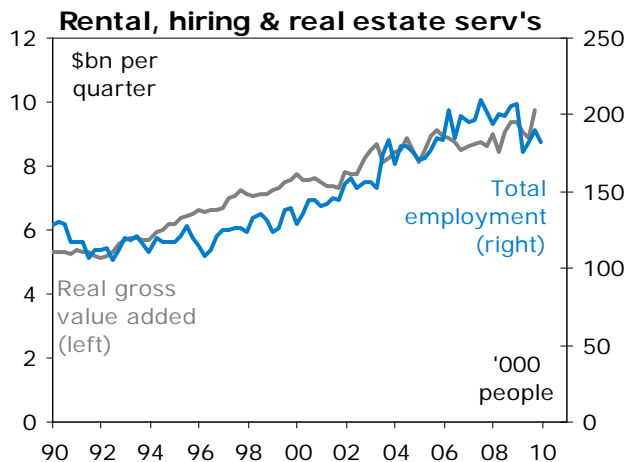
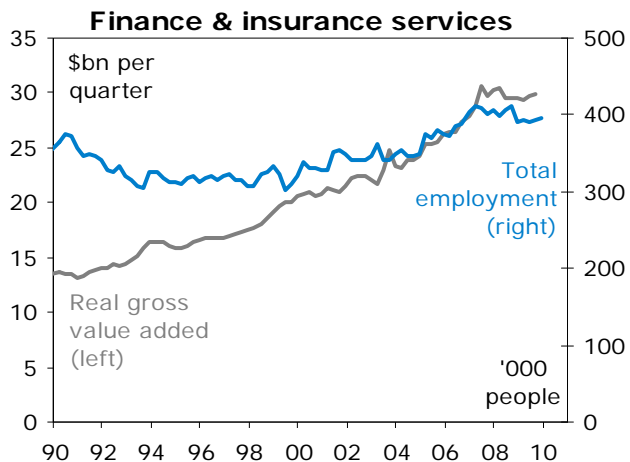
# All Australian industry sectors

## Real value added and employment trends, by industry sector



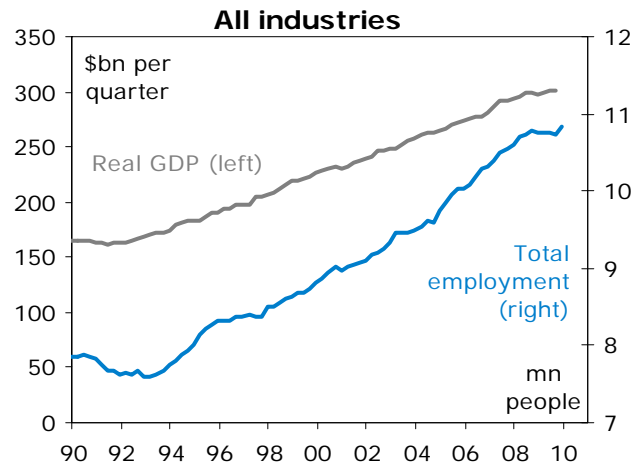
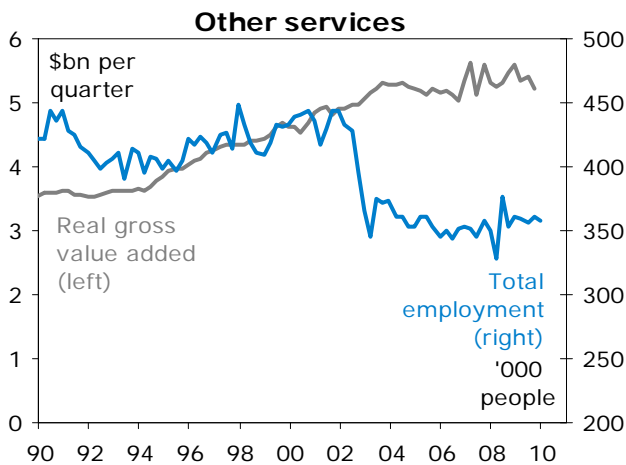
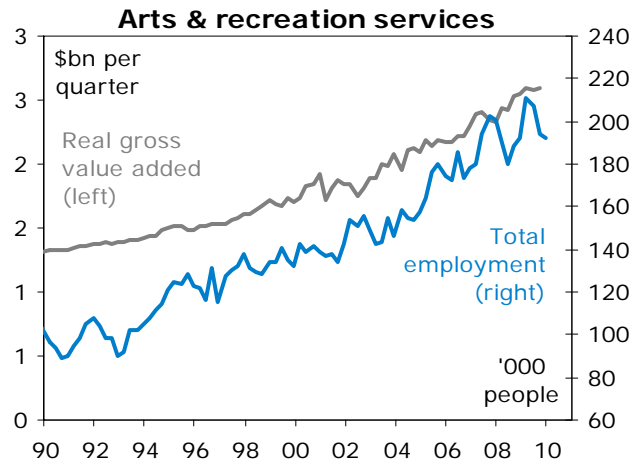
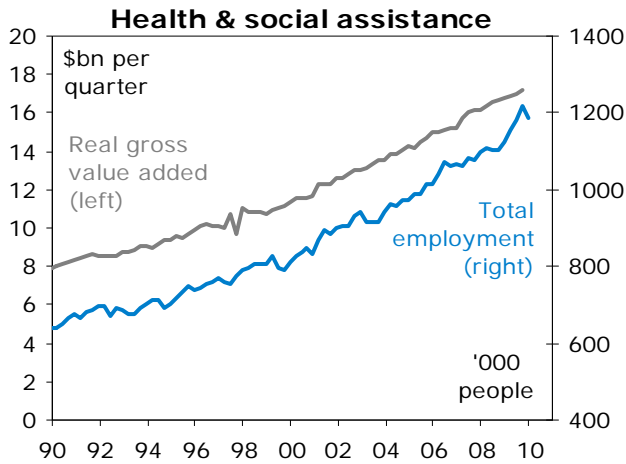
# All Australian industry sectors

## Real value added and employment trends, by industry sector



# All Australian industry sectors

## Real value added and employment trends, by industry sector



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