

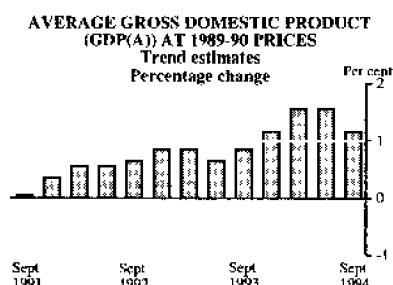
Thursday, 8 December 1994

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statistics

Strong growth maintained in September quarter



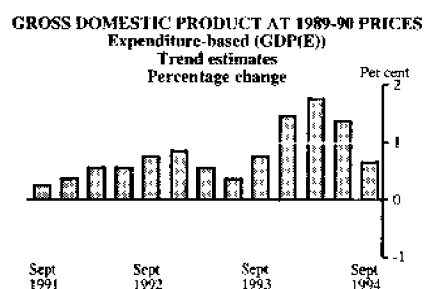
The trend estimate of GDP(A), the average of the three independent measures of gross domestic product, rose 1.2 per cent in the September quarter 1994 in constant price terms.

There were rises in the trend estimates of all three components, with the income-based measure GDP(I) rising 1.4 per cent, the expenditure-based measure GDP(E) rising 0.7 per cent and the production-based measure GDP(P) rising 1.4 per cent (see below for details).

Trend GDP(A) has risen more than 1.0 per cent in each of the last four quarters, and is 5.8 per cent above its level in the September quarter 1993.

In the September quarter 1994, the seasonally adjusted constant price estimate for GDP(A) recorded slightly higher growth than the trend. The 1.3 per cent rise was due to increases of 2.3 per cent in GDP(I), 0.6 per cent in GDP(E) and 1.0 per cent in GDP(P). (The following analysis is based on trend constant price estimates, unless otherwise stated.)

Expenditure-based GDP — up 0.7 per cent



The latest increase in trend estimates of GDP(E) featured strong growth in private final consumption expenditure, private investment and non-farm stocks but a large negative contribution from net trade.

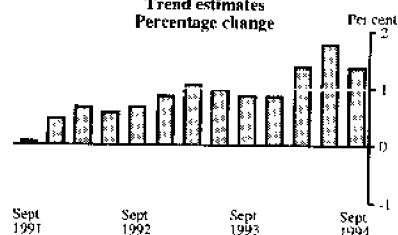
Private final consumption expenditure rose 1.1 per cent to be 4.6 per cent higher than in the September quarter 1993, reflecting growth over the year in all categories except 'cigarettes and tobacco'.

Total gross fixed capital expenditure rose 4.5 per cent in the September quarter 1994, with rises of 4.8 per cent for the private sector and 3.3 per cent for the public sector. Growth in private dwelling construction continued with an increase of 3.5 per cent. Private business investment rose 6.4 per cent to record its fourth successive quarterly increase. Expenditure on non-dwelling construction was 3.1 per cent higher, while expenditure on equipment rose 7.7 per cent.

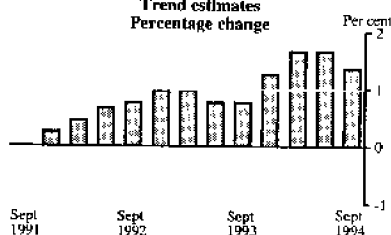
Private non-farm stocks increased by \$927 million in the September quarter following a rise of \$663 million in the June quarter, and contributed 0.3 percentage points to growth in GDP.

Exports of goods and services increased 1.1 per cent, while imports of goods and services rose 5.3 per cent. Consequently, net trade made a negative contribution of 0.8 percentage points to growth in GDP in the September quarter. In association with the strong rise in imports in the September quarter, the trend imports to sales ratio rose from 0.244 last quarter to an all time high of 0.251.

GROSS DOMESTIC PRODUCT AT 1989-90 PRICES
Income-based (GDP(I))
Trend estimates
Percentage change



GROSS DOMESTIC PRODUCT AT 1989-90 PRICES
Production-based (GDP(P))
Trend estimates
Percentage change



Income components at current prices

Wages, salaries and supplements rose 2.2 per cent in the September quarter 1994, reflecting a rise of 0.8 per cent in the number of wage and salary earners and a rise of 1.4 per cent in the underlying average earnings. Gross operating surplus of private corporate trading enterprises rose 3.5 per cent, following rises of 2.2 per cent and 3.0 per cent in the previous March and June quarters, respectively.

Production-based GDP — trend up by 1.4 per cent

The trend estimate of production-based gross domestic product, GDP(P), has now recorded sustained growth since the December quarter 1991. Continuing the pattern over the past few quarters, growth in the September quarter was widespread, with 13 of the 14 industry groups showing increases.

Changes in industry trend estimates for the September quarter 1994 are shown in the table below. Some of the more noteworthy changes were as follows:

- Agriculture, forestry, fishing and hunting fell 6.8 per cent mainly reflecting the effects of the drought.
- Mining rose 2.4 per cent, with increased production of oil and gas the major contributor to growth.
- Manufacturing increased 2.0 per cent to be 11.2 per cent higher than in the September quarter 1993, particularly strong growth being recorded for food, beverages and tobacco; and paper products, printing and publishing.
- Communication increased 2.7 per cent, to be 8.7 per cent higher than in the September quarter 1993.

GROSS PRODUCT, SEPTEMBER QUARTER 1994
Trend estimates at average 1989-90 prices

	Gross product (\$ million)	Percentage change from	
		Previous quarter	Corresponding quarter of previous year
Manufacturing	16 653	2.0	11.2
Community services	12 236	1.2	4.1
Finance property and business services	11 618	2.5	4.6
Retail	9 743	0.9	6.1
Wholesale	7 636	1.6	8.5
Construction	7 078	2.1	7.8
Transport and storage	5 212	1.2	5.9
Recreation, personal and other services	4 598	2.3	8.1
Mining	4 558	2.4	7.6
Public administration and defence	3 772	1.4	3.1
Agriculture, etc.	3 702	-6.8	-8.6
Electricity, gas and water	3 244	0.3	0.8
Communication	3 064	2.7	8.7
Other (ownership of dwellings, import duties, etc.)	9 259	1.4	6.8
Gross domestic product (GDP(P))	102 373	1.4	6.2

The trend estimate of labour productivity (constant price gross product per hour worked) in the market sector fell 0.2 per cent in the September quarter. However, since the September quarter 1993, labour productivity (in the market sector) rose 3.0 per cent.

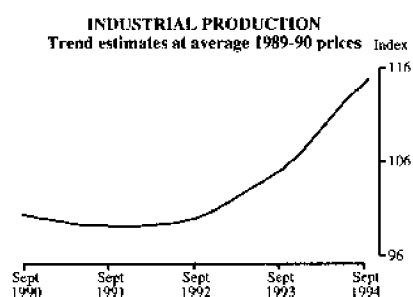
For further information, order the publication Australian National Accounts: National Income, Expenditure and Product (5206.0), or contact Jo Jackson on (06) 252 6708 concerning constant price expenditure estimates or Paul Curran on (06) 252 6801 concerning constant price industry estimates.

Industrial production firm

The trend estimate of industrial production recorded its eleventh successive quarter of growth with strong growth in the September quarter 1994. Both the mining and manufacturing sectors grew strongly while the utilities sector grew weakly.

The industrial production trend grew by 1.9 per cent in the September quarter 1994, following growth of 2.5 per cent in each of the two preceding quarters, and 2.0 per cent in the December quarter 1993. It is now 9.1 per cent above the September quarter 1993 estimate.

The 'industrial sector' covers mining, manufacturing, and utilities (electricity, gas and water), but is dominated by movements in the manufacturing industry.

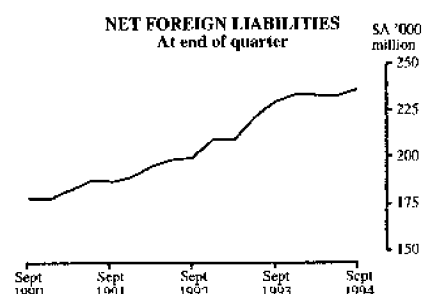


INDUSTRIAL PRODUCTION AT AVERAGE 1989-90 PRICES TREND ESTIMATES, JUNE QUARTER 1994

	Percentage change	
	<i>From previous quarter</i>	<i>From corresponding quarter of previous year</i>
Mining (excluding services to mining)	2.4	7.8
Manufacturing	2.1	11.2
Electricity, gas and water	0.3	0.8
<i>Total industrial production</i>	<i>1.9</i>	<i>9.1</i>

The trend in the index of manufacturing production grew in the September quarter 1994 for the ninth consecutive quarter. The trend in the index of mining production has grown strongly in the latest three quarters. Utilities continued their recent trend of very weak growth in the last three quarters. All three trend estimates continued to record their highest ever levels.

For further information, order the publication Quarterly Indexes of Industrial Production, Australia (8125.0) or contact Mal Lawrie on (06) 252 7421.



Net foreign liabilities rise

Net foreign liabilities of Australian residents at 30 September 1994 totalled \$236,486 million. This was an increase of \$3,741 million, or 1.6 per cent, on the position at 30 June 1994.

The increase during the quarter was made up of an inflow of \$5,216 million due to net capital transactions (the balance on capital account in the balance of payments), exchange rate variations of –\$988 million, and other changes of –\$487 million in the value of net foreign liabilities.

Underlying the increase was a rise in foreign investment in Australia (up \$3,493 million) and a fall in Australian investment abroad (down \$247 million).

Of the net international investment position at 30 September 1994, net foreign debt accounted for \$160,258 million, net equity liabilities \$75,230 million and net other investment \$997 million. Net investment income payable abroad during the September quarter was \$3,316 million, down 9.4 per cent on the amount payable in the June quarter 1994.

Foreign investment in Australia increased by \$3,493 million in the September quarter 1994. The rise reflected:

- an increase in equity holdings of non-residents in Australian enterprises (up \$4,837 million); partly offset by
- a decrease of \$815 million in foreign borrowing; and
- a decrease of \$529 million in other investment by non-residents.

AUSTRALIA'S INTERNATIONAL INVESTMENT POSITION (\$A billion)

	Level at end of	
	June 1994	September 1994
Foreign investment in Australia		
Borrowing from abroad	204.1	203.3
Equity and other investment	155.9	160.3
Total	360.0	363.5
Australian investment abroad	127.3	127.0
Net international investment position		
Net foreign debt	162.7	160.3
Net equity and other liabilities	70.0	76.2
Total	232.7	236.5

'No vacancies' and 'age' the main difficulties in finding work

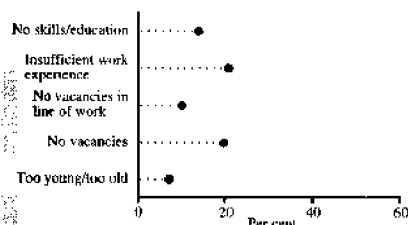
More than half of unemployed people aged 45 and over reported 'considered too young or too old by employers' as their main difficulty in finding work, in a survey conducted in July this year.

Some 134,100 (17%) of all unemployed persons reported age-related reasons as their main difficulty. A further 17 per cent unemployed (132,100) said their main difficulty was 'no vacancies at all' and 109,000 people (14%) reported 'no vacancies in line of work'.

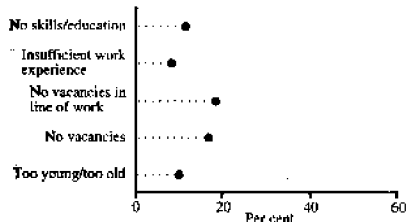
The percentage reporting 'no vacancies at all' is similar to the percentage reported in comparable surveys conducted in the late eighties and in July 1990. During the higher levels of unemployment experienced between 1991 and 1993, this main difficulty was given by up to 33 per cent of unemployed people.

Some 22 per cent of unemployed people born outside Australia said that 'language difficulties' were a factor in not finding work and 13 per cent gave this as their main difficulty.

MAIN DIFFICULTIES IN FINDING WORK
15-24 year olds, July 1994



MAIN DIFFICULTIES IN FINDING WORK
25-44 year olds, July 1994



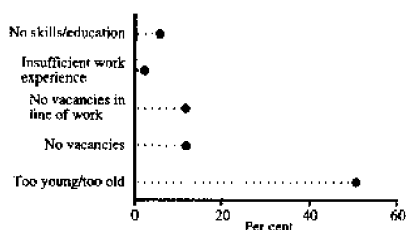
MAIN DIFFICULTIES IN FINDING WORK
Per cent

	June 1986	July 1988	July 1990	June 1991	July 1992	July 1993	July 1994
Considered too young or too old by employers	16.3	16.5	15.3	11.7	13.8	16.9	17.3
No vacancies at all	19.0	16.1	16.7	33.4	31.9	24.8	17.1
No vacancies in line of work	16.0	12.0	14.5	18.4	17.1	16.4	14.1
Insufficient work experience	10.1	10.9	9.3	7.9	8.0	9.5	11.7
Lacked necessary skills or education	10.0	12.0	13.4	8.9	9.5	10.0	11.3

Other findings include:

- ☐ There were 282,800 people (37% of total unemployed) who had been unemployed for one year or more. For this group, the most frequently reported main difficulties in finding work were 'considered too young or too old by employers' (25%) and 'no vacancies at all' (19%);
- ☐ Thirty-eight per cent of unemployed people would move within their State or Territory if they were offered a suitable job, and 24 per cent were prepared to move interstate; and
- ☐ Unemployed people without post-school qualifications had been unemployed, on average, for nine weeks more than those with post-school qualifications (67 weeks compared to 58 weeks).

MAIN DIFFICULTIES IN FINDING WORK
45 years and over, July 1994



Inquiries

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Editor

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Statistics Weekly
8 December 1994

Order from the following:

Expected releases over the fortnight to 20 December

- 8** The Labour Force, Australia, November 1994, Preliminary (6202.0; \$11.00)
- 9** Price Index of Materials Used in Building Other Than House Building, Six State Capital Cities and Canberra, October 1994 (6407.0; \$11.00)
Price Index of Materials Used in House Building, Six State Capital Cities and Canberra, October 1994 (6408.0; \$8.50)
- 12** Retail Trade, Australia, October 1994 (8501.0; \$11.00)
Building Activity, Australia: Dwelling Unit Commencements, September Quarter 1994, Preliminary (8750.0; \$11.00)
- 15** Australian National Accounts: State Accounts, September Quarter 1994 (5242.0; \$26.00)
- 16** Price Indexes of Articles Produced by Manufacturing Industry, Australia, October 1994 (6412.0; \$11.00)
- 19** Merchandise Imports, Australia: Balance of Payments Basis, November 1994 (5320.0; \$10.00)
Housing Finance for Owner Occupation, Australia, October 1994 (5609.0; \$11.00)
Export Price Index, Australia, October 1994 (6405.0; \$8.50)
- 20** Price Indexes of Materials Used in Manufacturing Industries, Australia, October 1994 (6411.0; \$11.00)

Selected releases: 30 November to 6 December

Demography

Deaths, SA, 1993 (3312.4; \$15.00) — *final issue*

Social statistics

Crime and Safety, NSW, April 1994 (4509.1; \$14.00)
Northern Territory's Indigenous People, 6 August 1991 (4107.7; \$20.00)

National accounts, Finance and Foreign trade

Australian National Accounts: Quarterly Data on Floppy Disk, September Qtr 1994 (5228.0; \$130.00)
Taxation Revenue, Aust., 1993-94 (5506.0; \$18.00)

Labour statistics and Prices

Labour Statistics, Aust., 1993 (6101.0; \$35.00)
The Labour Force, Aust., October 1994 (6203.0; \$16.50)
Average Weekly Earnings, States and Aust., August 1994 (6302.0; \$13.00)
Price Indexes of Copper Materials, Aust., November 1994 (6410.0; \$5.50)
Price Indexes of Materials Used in Coal Mining, Aust., October 1994 (6415.0; \$11.00)

Agriculture

Livestock Products, Aust., October 1994 (7215.0; \$8.00)

Manufacturing, Mining, Energy, Service industries, Building and construction

Sales of Australian Wine and Brandy by Winemakers, October 1994 (8504.0; \$11.00)
Introduction of Improved Monthly Retail Trade Statistics, 1994 (8511.0; \$10.00)
Building Approvals, NSW, October 1994 (8731.1; \$11.00)
Building Approvals, Qld, October 1994 (8731.3; \$11.00)
Dwelling Unit Commencements Reported by Approving Authorities, SA, September 1994 (8741.4; \$11.00)
Building Approvals, WA, October 1994 (8731.5; \$11.00)
Dwelling Unit Commencements, WA, September 1994 (8741.5; \$11.00)
Tourist Accommodation, NT, September Qtr 1994 (8635.7; \$15.00)

Transport

Motor Vehicle Registrations, Aust., October 1994 (9303.0; \$12.00)
Motor Vehicle Registrations, Qld, October 1994 (9303.3; \$10.50)

Key national indicators	Period	Units	Latest figure available		Percentage change (a) on		
			Original	Seasonally adjusted	Previous period	Corresponding period last year	
National accounts							
Gross domestic product (GDP(A)) at 1989-90 prices	September qtr 94	\$m	102 432	102 724	1.3	6.4	
International accounts							
Balance on current account (b)	October 94	\$m	1 903	-1 646	12	-29	
Balance on merchandise trade (b)	"	"	-516	-319	29	-	
Balance on goods and services (b)	"	"	-690	-451	21	-	
Merchandise exports	"	"	5 748	5 568	5	3	
Merchandise imports	"	"	-6 264	-5 887	2	10	
Net foreign debt	September qtr 94	\$m	160 258	n.a.	-1.5	-7.3	
Net foreign liabilities	"	"	236 486	n.a.	1.6	2.2	
Consumption and investment							
Retail turnover at current prices	September 94	\$m	8 766.0	8 874.9	-1.6	7.9	
New capital expenditure at current prices	September qtr 94	"	7 885	7995	0.9	23.4	
New motor vehicle registrations	October 94	no.	54 355	55 799	13.7	22.8	
Production							
Manufacturers' sales at 1989-90 prices	March qtr 94	\$m	35 184	37 572	2.3	9.9	
Dwelling unit approvals	October 94	no.	15 041	15 970	-8.1	4.4	
Building approvals	"	\$m	1 348	2 430	-0.8	6.5	
Building work done at 1989-90 prices	June qtr 94	"	6 643	6 303	-	2.7	
Prices							
Consumer price index	June qtr 94	1989-90 = 100.0	111.2	n.a.	0.7	1.7	
Articles produced by manufacturing industry	September 94	1988-89 = 100.0	116.3	n.a.	0.1	0.3	
Materials used in manufacturing industries	" 94	1984-85 = 100.0	124.6	n.a.	-0.8	-2.7	
Labour force and demography							
Employed persons (d)	October 94	'000	8 034.8	7 998.9	-0.1	3.4	
Participation rate † (d)	"	%	62.8	62.9	-0.4	0.0	
Unemployment rate † (d)	"	"	8.6	9.1	-0.3	-1.9	
Job vacancies	August qtr 94	'000	68.7	65.2	23.0	75.2	
Average weekly overtime per employee	"	hours	1.28	1.33	0.9	10.3	
Estimated resident population	March 94	million	17.8	n.a.	0.3	1.0	
Short-term overseas visitor arrivals	September 94	'000	253	296	0.2	14.3	
Incomes							
Company profits before income tax	September qtr 94	\$m	6 968	6 615	8.2	32.8	
Av. weekly earnings, full-time adults; ordinary time	August 94	\$	620.40	622.60	0.7	1.4	
Financial markets							
Interest rates (c) (monthly average)							
90-day bank bills †	October 94	% per annum	6.55	n.a.	0.45	1.75	
10-year Treasury bonds †	October 94	"	10.50	n.a.	0.15	4.00	
Exchange rate — \$US (c)	October 94	per \$A	0.7382	n.a.	-0.4	12	

(a) Based on seasonally adjusted figures where available. (b) For percentage changes, a minus sign indicates an increase in the deficit; no sign means a decrease in the deficit or an increase in the surplus. (c) Source: Reserve Bank of Australia. (d) Later figures expected to be released Thursday, 8 December 1994.
 NOTES: † = change is shown in terms of percentage points. n.a. = not available.

		Percentage change from same period previous year								
Key State indicators	Period	NSW	Vic.	Qld	SA	WA	Tas.	NT	ACT	Aust.
New capital expenditure*	June qtr 94	25.2	0.3	12.3	5.2	10.5	-34.8	n.a.	n.a.	16.8
Retail turnover (trend estimate)	September 94	8.9	8.4	8.2	6.6	7.2	3.2	n.a.	4.0	8.2
New motor vehicle registrations†	October 94	32.8	21.7	17.2	9.8	18.0	21.8	18.2	-2.4	22.8
Number of dwelling unit approvals*	October 94	16.5	16.8	-6.5	-11.8	-6.7	-6.1	34.9	79.9	4.4
Value of total building work done	June qtr 94	-1.3	-0.4	9.1	-6.1	23.8	14.2	42.9	-2.7	3.9
Employed persons*	October 94	3.3	2.9	5.3	2.5	4.1	2.4	1.3	0.1	3.4
Capital city consumer price index	June qtr 94	1.5	1.7	1.6	1.9	2.2	2.7	2.2	1.5	1.7
Av. weekly earnings (full-time adult ordinary time)	August 94	4.3	2.4	2.0	-0.1	5.3	2.5	-0.1	2.7	3.0
Population	March qtr 93	0.8	0.2	2.6	0.5	1.4	0.2	0.9	0.6	1.0
Room nights in licensed hotels and motels, etc.	June qtr 94	5.7	6.1	6.1	2.3	9.8	14.7	8.0	6.5	6.4

* Seasonally adjusted except for NT and ACT. † Seasonally adjusted.

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