



**Australian  
Bureau of  
Statistics**

**1996-97**

**8201.0**

# **MANUFACTURING INDUSTRY**

**AUSTRALIA**  
**PRELIMINARY**

EMBARGO: 11:30AM (CANBERRA TIME) FRI 27 MAR 1998

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### **I N Q U I R I E S**

- For more information about these and related statistics, contact John Ridley on Sydney (02) 9268 4541 or refer to the back cover of this publication.

# NOTES

## ANNUAL MANUFACTURING INDUSTRY COLLECTION

The 1996-97 collection was a census of manufacturing businesses. All manufacturing businesses were requested to provide data on employment, wages and salaries, turnover, purchases and whether their products were exported. Smaller samples of businesses provided additional information related to detailed structural and performance data, environmental protection expenditure and the value of sales for commodities produced. This publication provides preliminary estimates of employment, wages and salaries and turnover. Other data items will be published in *Manufacturing Industry, Australia, 1996-97* (Cat. no. 8221.0), or will be available as a special data service.

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## ABOUT THIS ISSUE

The data contained in this publication have been adjusted for all known deficiencies in the number of businesses recorded on the ABS business register. The nature of these various adjustments and the reasons for making them are described in paragraphs 13-15 of the Explanatory Notes.

Analysis of the results of past manufacturing collections shows that preliminary estimates are generally slightly higher than final estimates, by about 1%. Because of the earlier release of the publication this year, and the additional adjustments referred to above, it is expected that the difference between these preliminary estimates and the estimates which will appear in the final publications (Cat. nos 8221.0 to 8221.6) will be larger than in previous years.

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## MANUFACTURING PUBLICATIONS

The 1996-97 series of final *Manufacturing Industry* publications (Cat. nos 8221.0 to 8221.6) for Australia and States will be released progressively commencing with the release of Cat. no. 8221.0 in July 1998. The 1996-97 issue of *Manufacturing Production, Australia: Commodities Produced* (Cat. no. 8365.0) will be released in December 1998.

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## SYMBOLS AND OTHER USAGES

ABS	Australian Bureau of Statistics
ANZSIC	Australian and New Zealand Standard Industrial Classification
—	nil or rounded to zero

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## INQUIRIES

For information about other ABS statistics and services, please refer to the back of this publication.

For further information about statistics in this publication and the availability of related unpublished statistics, contact John Ridley on (02) 9268 4541.

W. McLennan  
Australian Statistician

## MAIN FEATURES

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### OVERVIEW

Manufacturing establishments operating in Australia employed 968,800 persons at the end of June 1997. For the year to the end of June 1997, they paid \$33,327m in wages and salaries, and recorded \$209,911m in turnover.

### EMPLOYMENT

Australian manufacturing employment increased between June 1996 and June 1997 (up 3.1% from 939,500 persons to 968,800 persons). Increases were recorded for Western Australia (up 5%), New South Wales and Queensland (both up 4%) and Victoria (up 3%). South Australia and Tasmania rose marginally (both up 0.1%). Employment fell in the Northern Territory (down 5%) and in the Australian Capital Territory (down 4%).

Nationally, employment increased between June 1996 and June 1997 in eight of the nine industry subdivisions and remained unchanged in the other. The industry subdivision with the largest percentage increase was Other manufacturing (up 13%), followed by Non-metallic mineral product manufacturing (up 8%). Other rises were recorded by Printing, publishing and recorded media (up 6%), Textile, clothing, footwear and leather manufacturing (up 4%), Food, beverage and tobacco manufacturing (up 3%), Metal product manufacturing and Machinery and equipment manufacturing (both up 2%) and Petroleum, coal, chemical and associated product manufacturing (up 1%). Employment in Wood and paper product manufacturing remained unchanged.

### TURNOVER

Turnover (in current prices) rose by \$8,246m or 4.1% from \$201,666m in 1995-96 to \$209,911m in 1996-97. Prices for manufactured goods grew by 0.6% over the year, implying real turnover growth of approximately 3.5% compared to 1995-96.

All States and Territories recorded an increase in turnover at current prices. Western Australia (up 8%) recorded the largest increase in percentage terms, followed by Queensland, South Australia and the Northern Territory (all up 5%), Victoria (up 4%), New South Wales and Tasmania (both up 3%) and the Australian Capital Territory (up 2%).

Nationally, all nine industry subdivisions recorded an increase in turnover at current prices. Other manufacturing (up 12%) recorded the largest percentage increase, followed by Printing, publishing and recorded media and Non-metallic mineral product manufacturing (both up 10%), Textile, clothing, footwear and leather manufacturing (up 6%), Wood and paper product manufacturing (up 5%), Food, beverage and tobacco manufacturing and Petroleum, coal, chemical and associated product manufacturing (both up 4%), Machinery and equipment manufacturing (up 3%) and Metal product manufacturing (up marginally, by 0.3%).

INDUSTRY SUBDIVISION		Employment at end of June(b)	Wages and salaries(c)	Turnover
ANZSIC code	Description	'000	\$m	\$m
NEW SOUTH WALES				
21	Food, beverage and tobacco mfg	50.1	1 755	13 558
22	Textile, clothing, footwear and leather mfg	25.4	666	3 471
23	Wood and paper product mfg	20.0	637	3 713
24	Printing, publishing and recorded media	39.9	1 479	6 934
25	Petroleum, coal, chemical and associated product mfg	32.8	1 332	11 660
26	Non-metallic mineral product mfg	11.9	439	2 917
27	Metal product mfg	54.8	2 243	13 957
28	Machinery and equipment mfg	65.0	2 458	10 624
29	Other manufacturing	17.9	453	1 984
21-29	Total manufacturing	317.8	11 463	68 818
VICTORIA				
21	Food, beverage and tobacco mfg	46.9	1 594	13 620
22	Textile, clothing, footwear and leather mfg	38.4	1 024	4 855
23	Wood and paper product mfg	17.1	593	3 428
24	Printing, publishing and recorded media	30.1	1 047	4 740
25	Petroleum, coal, chemical and associated product mfg	36.3	1 519	11 284
26	Non-metallic mineral product mfg	9.9	375	2 149
27	Metal product mfg	38.9	1 376	8 650
28	Machinery and equipment mfg	73.8	2 692	16 631
29	Other manufacturing	18.6	467	2 006
21-29	Total manufacturing	310.0	10 688	67 363
QUEENSLAND				
21	Food, beverage and tobacco mfg	34.9	1 158	9 061
22	Textile, clothing, footwear and leather mfg	6.4	139	719
23	Wood and paper product mfg	11.9	348	1 884
24	Printing, publishing and recorded media	12.4	378	1 530
25	Petroleum, coal, chemical and associated product mfg	9.7	366	4 460
26	Non-metallic mineral product mfg	8.2	290	1 950
27	Metal product mfg	25.7	875	6 789
28	Machinery and equipment mfg	25.6	823	3 636
29	Other manufacturing	11.8	278	1 172
21-29	Total manufacturing	146.6	4 656	31 200

(a) See paragraph 8 of the Explanatory Notes.

(b) Includes working proprietors.

(c) Excludes the drawings of working proprietors. Now again includes provision expenses for employee entitlements. See paragraph 16 of the Explanatory Notes.

INDUSTRY SUBDIVISION		Employment at end of June(b)	Wages and salaries(c)	Turnover
ANZSIC code	Description	'000	\$m	\$m
.....				
SOUTH AUSTRALIA				
21	Food, beverage and tobacco mfg	15.7	505	4 227
22	Textile, clothing, footwear and leather mfg	5.3	142	805
23	Wood and paper product mfg	5.9	187	952
24	Printing, publishing and recorded media	5.8	185	832
25	Petroleum, coal, chemical and associated product mfg	6.6	234	1 315
26	Non-metallic mineral product mfg	2.9	110	699
27	Metal product mfg	11.5	420	2 697
28	Machinery and equipment mfg	29.7	1 102	7 152
29	Other manufacturing	5.1	121	530
21-29	<i>Total manufacturing</i>	88.5	3 007	19 208
.....				
WESTERN AUSTRALIA				
21	Food, beverage and tobacco mfg	13.4	406	3 306
22	Textile, clothing, footwear and leather mfg	3.3	89	360
23	Wood and paper product mfg	4.3	127	726
24	Printing, publishing and recorded media	6.8	213	900
25	Petroleum, coal, chemical and associated product mfg	6.3	264	2 938
26	Non-metallic mineral product mfg	5.4	193	1 159
27	Metal product mfg	16.4	635	4 485
28	Machinery and equipment mfg	13.4	421	2 220
29	Other manufacturing	6.4	151	678
21-29	<i>Total manufacturing</i>	75.7	2 498	16 772
.....				
TASMANIA				
21	Food, beverage and tobacco mfg	5.8	178	1 440
22	Textile, clothing, footwear and leather mfg	1.6	45	203
23	Wood and paper product mfg	3.9	153	1 195
24	Printing, publishing and recorded media	1.7	57	190
25	Petroleum, coal, chemical and associated product mfg	0.8	28	162
26	Non-metallic mineral product mfg	1.0	38	284
27	Metal product mfg	3.5	148	1 041
28	Machinery and equipment mfg	3.2	101	386
29	Other manufacturing	1.0	20	76
21-29	<i>Total manufacturing</i>	22.5	767	4 977
.....				

(a) See paragraph 8 of the Explanatory Notes.

(b) Includes working proprietors.

(c) Excludes the drawings of working proprietors. Now again includes provision expenses for employee entitlements. See paragraph 16 of the Explanatory Notes.

INDUSTRY SUBDIVISION		Employment at end of June(b)	Wages and salaries(c)	Turnover
ANZSIC code	Description	'000	\$m	\$m
.....				
NORTHERN TERRITORY				
21	Food, beverage and tobacco mfg	0.7	19	132
22	Textile, clothing, footwear and leather mfg	0.1	2	8
23	Wood and paper product mfg	0.2	5	21
24	Printing, publishing and recorded media	0.5	13	42
25	Petroleum, coal, chemical and associated product mfg	0.1	3	25
26	Non-metallic mineral product mfg	0.2	7	80
27	Metal product mfg	1.2	55	595
28	Machinery and equipment mfg	0.4	15	51
29	Other manufacturing	0.2	4	17
21-29	<b>Total manufacturing</b>	3.6	123	971
.....				
AUSTRALIAN CAPITAL TERRITORY				
21	Food, beverage and tobacco mfg	0.4	12	68
22	Textile, clothing, footwear and leather mfg	0.1	2	10
23	Wood and paper product mfg	0.4	10	48
24	Printing, publishing and recorded media	1.6	54	233
25	Petroleum, coal, chemical and associated product mfg	—	1	2
26	Non-metallic mineral product mfg	0.2	4	55
27	Metal product mfg	0.3	8	34
28	Machinery and equipment mfg	0.7	23	106
29	Other manufacturing	0.4	10	46
21-29	<b>Total manufacturing</b>	4.0	124	602
.....				
AUSTRALIA				
21	Food, beverage and tobacco mfg	167.9	5 626	45 413
22	Textile, clothing, footwear and leather mfg	80.6	2 111	10 432
23	Wood and paper product mfg	63.6	2 060	11 967
24	Printing, publishing and recorded media	98.7	3 426	15 401
25	Petroleum, coal, chemical and associated product mfg	92.7	3 747	31 845
26	Non-metallic mineral product mfg	39.7	1 457	9 292
27	Metal product mfg	152.4	5 760	38 247
28	Machinery and equipment mfg	211.8	7 634	40 805
29	Other manufacturing	61.4	1 506	6 509
21-29	<b>Total manufacturing</b>	<b>968.8</b>	<b>33 327</b>	<b>209 911</b>

(a) See paragraph 8 of the Explanatory Notes.

(b) Includes working proprietors.

(c) Excludes the drawings of working proprietors. Now again includes provision expenses for employee entitlements. See paragraph 16 of the Explanatory Notes.

# EXPLANATORY NOTES

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## INTRODUCTION

- 1** This publication presents preliminary statistics compiled from a census of manufacturing establishments for 1996–97.
- 2** The manufacturing collection is conducted on an annual basis. For the 1996–97 collection, all manufacturing businesses were requested to provide data on employment, wages and salaries, turnover, purchases and whether their products were exported.
- 3** For the 1996–97 collection, smaller samples of businesses provided additional information related to detailed structural and performance data and environmental protection expenditure. Information in respect of all of these data items (including industry gross product) will be released in either the publication *Manufacturing Industry, Australia, 1996–97* (Cat. no. 8221.0), other Australian Bureau of Statistics (ABS) publications, or will be available as a special data service. A small sample of businesses was also asked to supply value of sales for commodities produced. These data will be released in the publication *Manufacturing Production, Australia: Commodities Produced, 1996–97* (Cat. no. 8365.0).
- 4** Manufacturing, as specified in Division C of the Australian and New Zealand Standard Industrial Classification (ANZSIC), broadly relates to the physical or chemical transformation of materials or components into new products, whether the work is performed by power-driven machines or by hand. —

## SCOPE AND COVERAGE

- 5** Statistics in this publication relate to operations by manufacturing establishments. A manufacturing establishment is one predominantly engaged in manufacturing activities, but the data collected for it cover all activities of the establishment (including non-manufacturing activities). Conversely, there are some establishments predominantly engaged in non-manufacturing activities which also undertake limited manufacturing activities and which are excluded.
- 6** A small number of manufacturing establishments engage, in a significant way, in a variety of activities which are normally carried out by different industries. For example, a predominantly manufacturing establishment may also undertake significant amounts of wholesaling. Similarly, a manufacturing establishment may produce significant volumes of a variety of goods which are normally produced in different manufacturing industries. In such cases, the original establishment is 'split' into a separate establishment for each significant activity which belongs to a separate industry. For the 1996–97 manufacturing collection, 'significant' was defined as \$7.3 million or more.
- 7** The statistics in this publication exclude some very small manufacturers. Those excluded are manufacturers not employing staff at 30 June 1997 (such as sole proprietorships or family partnerships) which had not registered as group employers with the Australian Taxation Office. Though a substantial number, these businesses would contribute only marginally to aggregate data were they to be included. In addition, the ABS attempts to obtain data for those businesses which ceased operation during the year, but it is not possible to obtain data for all of them.

## EXPLANATORY NOTES *continued*

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### UNIT DEFINITION

**8** *Establishment.* The establishment is the smallest accounting unit of a business, within a State or Territory, controlling its productive activities and maintaining a specified range of detailed data enabling value added to be calculated. In general, an establishment covers all operations at a physical location, but may consist of a group of locations provided they are within the same State or Territory. The majority of establishments operate at one location only.

### DATA ITEM DEFINITIONS

**9** *Employment at end of June.* The number of working proprietors, working partners, permanent, part-time, temporary and casual employees, and managerial and executive employees working for an establishment during the last pay period ending in June 1997. Employees absent on paid or prepaid leave are included, as are employees on workers' compensation who continue to be paid through the payroll system. Non-salaried directors, self-employed persons such as consultants, contractors and persons paid solely by commission without a retainer, and volunteer workers are excluded.

**10** *Wages and salaries.* The gross wages and salaries (including capitalised wages and salaries) of all employees of the establishment. The item includes severance, termination and redundancy payments, but excludes reimbursements or allowances to employees for travel, entertainment, etc. Provision expenses for employee entitlements (e.g. provisions for annual leave and leave bonus, long service leave, sick leave, and severance, termination and redundancy payments) are, once again, included. The drawings of working proprietors are excluded.

**11** *Turnover.* Sales (exclusive of excise and sales tax) of goods whether produced by the establishment or not, plus transfers out of goods to other establishments of the same business, plus bounties and subsidies on production, plus all other operating income from outside the establishment (such as commission income, repair and service income, and rent, leasing and hiring income), plus capital work done by an establishment's own employees for the business' own use, or for rental or lease. Receipts from interest, royalties, dividends and the sale of fixed tangible assets are excluded.

### RELIABILITY OF ESTIMATES

**12** Inaccuracies may occur in data presented in this publication because of inadequacies in available sources from which the population frame was compiled, imperfections in reporting by providers, errors made in collection such as in recording and coding data, and errors made in processing data. Inaccuracies of this kind are referred to collectively as non-sampling error and they may occur in any enumeration, whether it be a full count or a sample. Every effort is made to reduce non-sampling error to a minimum by careful design of forms, editing of data and efficient operating procedures.



## EXPLANATORY NOTES *continued*

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### DATA ADJUSTED

**13** As was done for the 1993–94 to 1995–96 (inclusive) issues of this publication, data have been adjusted to allow for lags in processing new businesses to the ABS business register, and the omission of some businesses from the business register. First, adjustments have been made to allow for new businesses which had commenced operations but for which details had not been processed to the ABS business register in time for inclusion in the annual manufacturing industry collection. Adjustments of this type will continue to be applied in future periods. Second, adjustments have been made for businesses which had been in existence for several years, but, for various reasons, were not previously added to the ABS business register. In this issue of this publication, a further set of adjustments have been made to allow for omissions not previously identified. For more information on these various adjustments, please refer to the *Information Paper: Improvements to ABS Economic Statistics, 1997* (Cat. no. 1357.0).

**14** The majority of businesses affected by these lags and omissions and to which both types of adjustments apply are small in size. The effect of these adjustments on 1996–97 turnover is an increase of 3.3% while the effect on employment is an increase of 5.5%. Most States and Territories and most industries were affected to a similar degree. The exception is Other manufacturing (for which the adjustments are 11.8% and 13.4% respectively).

**15** The omitted businesses referred to above have now been added to the manufacturing industry collection for 1996–97 and their actual data (in place of adjustment factors) will be included in the final results for this collection.

### COMPARABILITY WITH PREVIOUS STATISTICS

**16** For the 1996–97 collection, provision expenses for employee entitlements are included in wages and salaries, as was the case prior to 1995–96. For the 1995–96 collection, these provision expenses were excluded from wages and salaries.

### ACKNOWLEDGMENT STATEMENT

**17** ABS publications draw extensively on information provided freely by individuals, businesses, governments and other organisations. Their continued cooperation is very much appreciated: without it, the wide range of statistics published by the ABS would not be available. Information received by the ABS is treated in strict confidence as required by the *Census and Statistics Act 1905*.

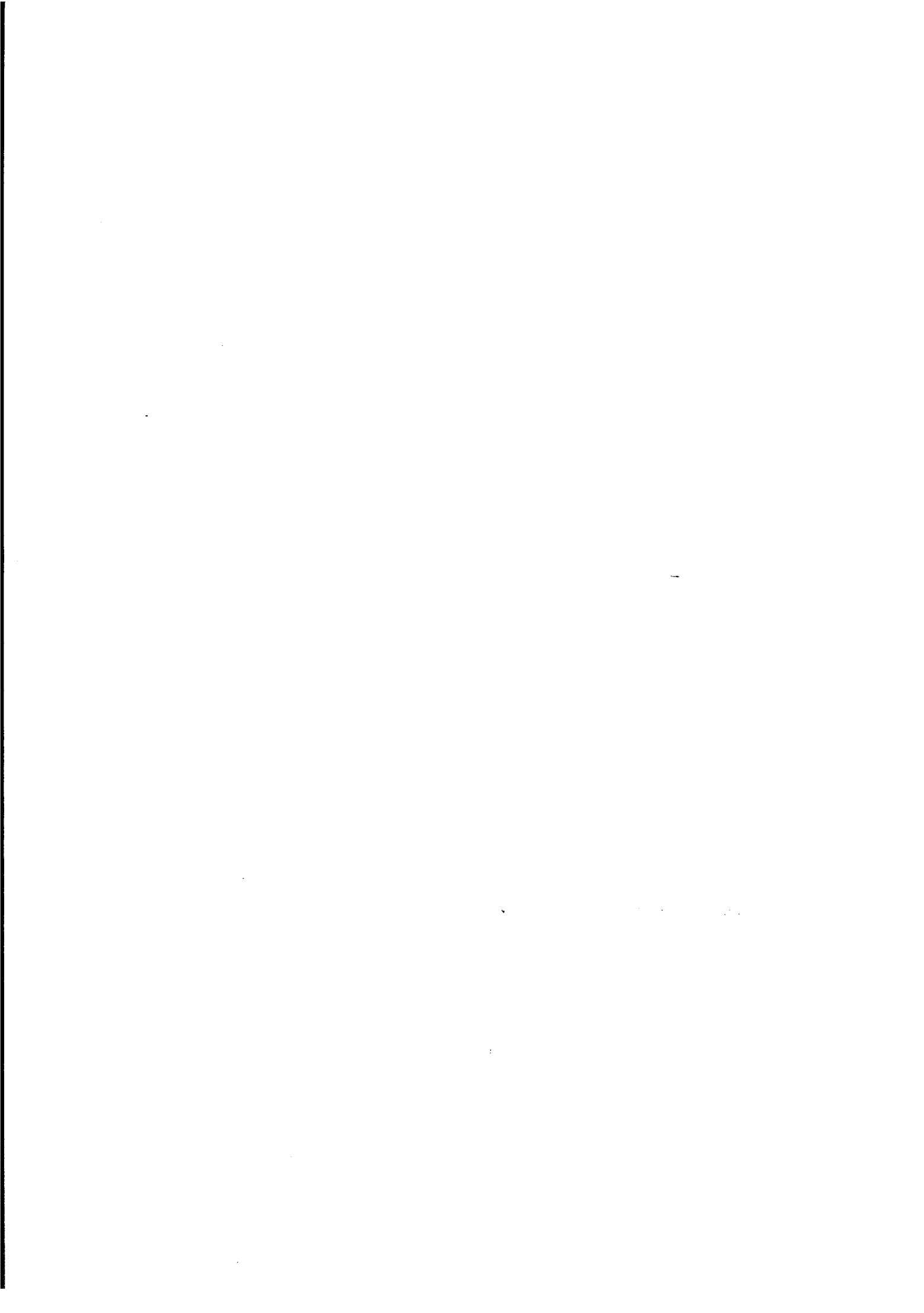
### RELATED PUBLICATIONS

**18** More detailed manufacturing industry statistics will be released in the publication *Manufacturing Industry, Australia, 1996–97* (Cat. no. 8221.0), which will be released in July 1998. Commodities sold information will be released in the publication *Manufacturing Production, Australia: Commodities Produced, 1996–97* (Cat. no. 8365.0), expected to be released in December 1998.

**19** Users may also wish to refer to the publication *Price Indexes of Articles Produced by Manufacturing Industry, Australia* (Cat. no. 6412.0).

### ROUNDING

**20** Where figures have been rounded, discrepancies may occur between totals and the sums of the component items. However, estimates of change shown in the Main Features have been calculated using unrounded estimates and may be different from, but are more accurate than, movements obtained from the rounded estimates.







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