

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

1 June – 3 June 2010

Question: BET 136

Topic: Annual Integrated Collection

Hansard Page: E119-120 (03/06/2010)

Senator ABETZ asked:

Mr Ewing—Could I make a small point of clarification please?

Senator ABETZ—Yes.

Mr Ewing—I point out that a lot of the numbers the ABS compiles are compiled in the context of the system of national accounts on the basis of economic concepts rather than accounting concepts under which businesses report and are taxed, so there may be some variation between the numbers published by the ABS and those which might be relevant to considering what taxes and so on are paid or might be payable by companies under different circumstances.

Senator CAMERON—That is very interesting.

Senator ABETZ—So where is this information gleaned from then? For example, the wages and salaries paid by, let us say, the agriculture, forestry and fishing sector is determined to be \$6.122 billion?

Mr Ewing—Those figures would have been collected from the *Annual integrated collection* that Denis referred to before and they are probably collected on a business reporting basis. But I know that a number of the figures that are published in the national accounts, for example, that refer to gross operating surplus are adjusted to reflect national accounts and economic concepts that are somewhat different from accounting. In providing you with the answers to the questions you have asked, we will have to be careful to point out where those figures relate to economic concepts and where they relate to accounting concepts.

Senator ABETZ—All right. And the operating profit before tax?

Mr Ewing—That would have come from the same source. The publication you are referring to is based on the *Annual integrated collection*.

Senator ABETZ—So that is a collection of actual data?

Mr Ewing—Actual data from a survey of some 16,000 businesses across the economy.

Senator ABETZ—Whereas some of the other aspects that I have been asking about would relate to broader economic concepts?

Mr Ewing—In some instances some of the numbers you were referring to, such as distribution of tax and so on, within the income distribution account would be adjusted to a national accounts basis to be consistent with the rest of the SNA.

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Senator ABETZ—So I get this clear, the figures in your document, *Australian industry*, released last Friday are from data collected?

Mr Ewing—They are from the *Annual integrated collection*, the data collection.

Senator ABETZ—So those figures can be relied upon without the caveat, but some of the figures that I might be supplied in relation to other matters that I have asked for will need that caveat. Is that correct?

Mr Ewing—Again, I do not have the publication with me, but I am saying that in supplying you with the data we will accompany them with appropriate definitions and caveats that will enable you to interpret them, in terms of their relationship to each other, in a coherent way.

Senator ABETZ—That would be very helpful. I apologise in advance to the poor people in the ABS who will have to undertake that task, but if they do undertake the task I can assure them it will be valued by me. Thank you.

CHAIR—As there no further questions for the ABS, I thank the minister and ABS for coming along. I conclude this estimates hearing by thanking the secretariat for their assistance during estimates this year, and of course Hansard and Broadcasting.

Senator Sherry—Thank

Answer:

The relevant definitions and caveats are included in the answer to each individual question.