



COMMERCIAL VESSEL ASSOCIATION
of New South Wales

49 Countess Street
MOSMAN NSW 2088

ph (02) 9968 1184 fx (02) 9969 1637 mb 0417 292 032
email pearlbeach@bigpond.com www.chartervessels.com.au
ABN 27 912 864 935 ACN Y 06236-37

Private Ferry Fares Submission to IPART 2006



August 10 2006



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Advancing Tourism and the Environment

Introduction

It has been decided this year, in consultation with operators and IPART, that information will be submitted on expense items for which there are publicly available information, as was first done, at the suggestion of IPART, in the 2005 submission. These items are

Wages

Fuel

Insurance and

Interest

The items amount to approximately 71 percent of operators' expenses in total. The other 35 percent, we suggest, should be increased at the Sydney CPI rate.

As the fare recommendation of IPART last year was based on the year to September 30, this submission is based on information for the period October 1 2005 to June 30 2006 with the intention of updating it to September 30 in the first week of October, as was done last year.

It should be noted that Clarence River Ferries did not take part this time, as they have not recently. Nevertheless, this is the first time that as many as six of the seven operators have taken part by providing information.

Attached to this submission are

1. a spreadsheet showing the **total weighted expense** items and the analysis of the total increase justified
2. details of **wage** increases
3. details of **fuel** increases
4. details of **insurance** increases
5. details of **interest** rate movements

The **CVA** is of the view that the amount of the increase, based on its analysis of the information available, is a fare increase of **7.75 percent**. Almost all of this increase has been caused by fuel price rises.

In addition, **productivity** issues are addressed in some length.

Note that, as in the recent past, operators' expense dollars have not been made available.



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The **CVA** also submits that, as Sydney Ferries Corporation is understood to be proposing, a split increased percentage be considered by IPART, one for the two operators which operate high speed services, and use more fuel as a consequence, and the others who operate at lower speeds and use less.

Specifically this means that

Matilda and Palm Beach should receive an increase of 9.24 percent and
other operators should receive 5.15 percent.



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Wages

The Marine Charter Vessels (State) Award is the one governing the industry and there has been no increase in the rates for this award in the period to June 30 nor is there likely to be in the period for the rest of the year to September. However, there have been increases for some operators, for example, through updating enterprise agreements and, particularly on the Harbour but in the Sydney region altogether, the high wages paid by Sydney Ferries Corporation are forcing rates up in the market place to well above rates prevailing under this award. In Attachment II is our letter to the Minister protesting this pressure from government on the private sector with examples of wage rates

Examples of wage rises in the industry are:

- zero percent
- 2.0 percent
- 4.0 percent
- 12.0 percent.

As a consequence, the **CVA** proposes that this year the basis for wages should be average weekly earnings for the private sector. The latest information on the ABS website for this item is for the year ended Feb 06 and the annual increase to that date is 4.2 percent.

Fuel

This is based on the daily Mobil terminal gate price, as recorded each day by the Bus and Coach Association. Details are in Attachment III.

The increase is 24.32 percent, based on October 1 2005 to June 30 2006 daily terminal gate prices for diesel in the Sydney market. It is evident that fuel prices have been rising toward the end of the financial year so the inclusion of the three months to September 30 will be relevant. It should be noted that private ferries get a rebate of the excise, at 38.143 cents per litre, as they are “off road vehicles”. The increase here is, therefore, net of the excise and is compared to the cost of fuel in the last reference period, the year to September 30 2005.

Insurance

Based on information from the major marine insurance broker in Australia and the Pacific, Gault Armstrong, there has been no increase in insurance premiums across the board, Attachment IV.

Interest



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The NAB provides evidence of a 0.25 percent increase in the small business overdraft rates for a line of credit facility, from 7.55 percent to 7.80 percent and 8.40 percent to 8.65 percent, on May 8 2006. These details are in Attachment V. These rates are for their capital borrowing facility and for their working capital one. In the small table below, it can be seen that the increase in the cost of borrowing, averaged over the two facilities, is 3.05 percent.

| | | | |
|------------|-------|-------|------|
| 07-Mar-05 | 8.40% | 7.55% | |
| 08-May-06 | 8.65% | 7.80% | |
| Increase % | 2.89 | 3.21 | |
| Average % | | | 3.05 |

It was announced by the RBA on Wednesday August 2 that a rise in interest rates of 0.25 percent will take effect from that date and one or more rate rises can be expected before the end of the calendar year so information provided to September 30 will be relevant.



Productivity

It is important to discuss briefly the factors governing productivity opportunities in this industry of which there are few.

Labour

- the number and qualifications of crew members operating ferries are determined by the NSW Maritime Authority, having regard to NSW maritime law; exemptions are granted for some ferries if they are suitably designed and operate in sheltered waters for operation by less crew, eg one-person-operation; these options have been fully exploited by the industry; with these regulatory impositions on crew, there is no real opportunity for operators to achieve labour productivity gains from this section of their employees, which is most of them, 83 percent of the industry's less than 60 staff
- of the remainder, 17 percent, most are in administration; it is difficult to believe that there have been any significant breakthroughs in productivity amongst this group; there might be when the new electronic tickets are introduced

Wage Rates

- these are determined under the Marine Charter Vessels (State) Award; all operators in this industry sector are now covered by Workchoices; as a consequence, their rates of pay will be varied from time to time by the Fair Pay Commission; some may choose to enter into Australian Workplace Agreements but they will still be governed by the minimum allowable matters and by the minimum wage as set down by the Commission and, finally, by the maritime award adopted under Workchoices; as explained above, however, wage rates are also determined by the market place, particularly in the Sydney Region

Fuel

- this is bought at the nearest local supplier available to ferries coming alongside; these fuel outlets are invariably scarce, usually only one, such as the local club or marina, and prices are higher than for motorists – at present about \$1.75/litre compared to \$1.50/litre for cars able to shop around; replacing engines to make them more fuel efficient is an expensive alternative at about \$60,000 per engine plus lost time whilst the changeover is done; another alternative is to operate at lower speeds; this would save some fuel but would put the operator in breach of his contract with MOT as he would not be able to provide the same number of services (at the lower speed)

Interest

- rates are set by the markets; whilst borrowings are to some extent controlled by the operator, they are also dependent, for example, on the efficiency with which the Ministry of Transport reimburses businesses for school student, pensioner and other concessions; the significance of these reimbursements to each operator also depends on what proportion these types of passengers are of the operator's total passengers; the industry is presently holding talks with the Ministry to speed up these reimbursements; in addition, fuel has to be paid for at the time of purchase; as it is now more expensive



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than a year ago, it is reasonable to assume working capital has increased with a consequent increase in borrowings, rather than a decrease

Insurance

- rates for insurance are dependent on the market; there are about six underwriters presently in this market and the **CVA's** broker, used by most operators, is able to obtain as competitive rates as any because it is the largest marine broker in the Australasian region

All other items

- these include a wide range of expense items, eg accounting, motor vehicles, spare parts and advertising; all these are subject to market prices but are obviously minimised by careful buying which all operators do

It can be concluded that labour productivity improvements are not possible for the majority of employees in this industry sector, crew, if not for all employees and that operators' other expenses are, to a large extent, determined by regulation and the market place.

The private bus industry's recent determination (January 2006) assumed that the industry had a labour productivity increase of 1.0 percent which translated into a reduction in the recommended fare increase of 0.5 percent as labour made up about half the total costs (page 7).

This was based on the average increase for hours worked of 1.5 percent pa over five years to 2005 sourced from the "Australian National Accounts National Income, Expenditure and Product" June Quarter 2005, Table 3. This is for all market sectors, more than 20.

The more relevant Transport and Storage sector had an increase of 3.1 percent pa over the same period so why didn't IPART assume, say, 2.0 percent? However, below is an extract from the ABS site that shows the huge diversity of this sector (see highlights in yellow) making it also an inappropriate base for any assumption about productivity in either private buses or ferries in NSW.

The Transport and Storage Sector is made up as follows:

1292.0 - Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006

DIVISION I - TRANSPORT, POSTAL AND WAREHOUSING

The Transport, Postal and Warehousing Division includes units mainly engaged in providing transportation of passengers and freight by road, rail, water or air. Other transportation activities such as **postal services, pipeline transport and scenic and sightseeing** transport are included in this division.

Units mainly engaged in providing goods **warehousing and storage** activities are also included.

The division also includes units mainly engaged in providing support services for the transportation of passengers and freight. These



activities include stevedoring services, harbour services, navigation services, airport operations and customs agency services. This section contains the following subsection :

Road Transport

Rail Transport

Water Transport

Air and Space Transport

Other Transport

Postal and Courier Pick-Up and Delivery Services

Transport Support Services

Warehousing and Storage Services

This industry sector in total has a GDP of approximately \$40,000 mill. The private ferry industry in NSW has a value of about \$4.0 mill or 1/100th of one percent of the total.

The **CVA** respectfully suggests that because of the

- diversity of the make-up of the Transport and Storage sector and
- the relative sizes of the NSW private ferry industry and whole sector

it is inappropriate to assume that productivity of the whole sector can in any way be applied to the NSW industry. It is even more inappropriate to assume any relationship between the industry and the all-market-sectors productivity.

Further, before attributing any portion of the Transport and Storage sector rise in productivity to private ferry operators in NSW, an analysis should be done of which constituent parts of the sector accounted for the rise. For example, was the rise attributable only to the growing number of B-Double trucks and mechanisation in warehouses? If this was the case, which it might not have been, of course, then there was no productivity increase in other constituent parts of the sector, including private ferries in NSW.

Relevant references are in Attachment VI.



Conclusion

The industry looks forward to the outcome of IPART's deliberations. In particular, it looks forward to the opportunity to attend the Working Group and to submit up to date information in early October for the final quarter of the year to September 30.

At this stage, it believes an increase in fares of **7.75 percent** is justified, subject, of course, to the additional information to be submitted for the September quarter.

The alternative is to make two recommendations, one for the higher speed craft that use more fuel, and one for the others.

Specifically this means that

Matilda and Palm Beach should receive an increase of 9.24 percent and

other operators should receive 5.15 percent.

It should be noted that this submission does not allow for

- the possible increased crew numbers being proposed by the NSW Maritime Authority but which are not yet finalized.

David C Cribb

August 10 2006



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Attachment I

FERRY FARES ANALYSIS 2006- HIGHER FUEL USERS

(Data for the period October 1 2005 to June 30 2006)

(Fuel Prices are at Net Price, ie Exclude the Excise)

| Expense Item | Palm Beach | | Matilda | |
|--------------|------------|----|---------|----|
| | % | \$ | % | \$ |
| Insurance | 4.87 | | 4.00 | |
| Interest* | 0.00 | | 2.00 | |
| Wages | 54.04 | | 46.02 | |
| Fuel | 29.83 | | 22.96 | |
| All other | 11.27 | | 25.01 | |
| Total | 100.00 | | 100.00 | |

* Palm Beach Ferries' interest is bundled with its Holding Company accounts and is too hard to separate out

| Expense Item | Total | | Weighted | |
|--------------|--------|-----------|----------|------|
| | % | \$ | % incr | % |
| Insurance | 4.42 | 95,893 | 0.00 | 0.00 |
| Interest* | 1.03 | 22,260 | 3.05 | 0.03 |
| Wages | 49.92 | 1,082,371 | 4.20 | 2.10 |
| Fuel | 26.30 | 570,254 | 24.32 | 6.40 |
| All other | 18.32 | 397,222 | 3.88 | 0.71 |
| Total | 100.00 | 2,168,000 | | 9.24 |

Top four items

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** Av Weekly Earnings, Private Sector

*** CPI Sydney

Conclusion: a rise in fares of 9.24 % is justified

DCC Aug 10 06



FERRY FARES ANALYSIS 2006 - LOWER FUEL USERS

(Data for the period October 1 2005 to June 30 2006)

(Fuel Prices are at Net Price, ie Exclude the Excise)

| Expense Item | Church Point | | Central Coast | | Cronulla | | Dangar Island | |
|--------------|--------------|----|---------------|----|----------|----|---------------|----|
| | % | \$ | % | \$ | % | \$ | % | \$ |
| Insurance | 5.86 | | 2.08 | | 4.90 | | 3.45 | |
| Interest* | 9.09 | | 10.40 | | 0.23 | | 7.43 | |
| Wages | 58.56 | | 21.83 | | 56.51 | | 63.31 | |
| Fuel | 7.94 | | 8.51 | | 4.84 | | 4.88 | |
| All other | 18.54 | | 57.18 | | 33.53 | | 20.94 | |
| Total | 100.00 | | 100.00 | | 100.00 | | 100.00 | |

* Palm Beach Ferries' interest is bundled with its Holding Company accounts and is too hard to separate out

| Expense Item | Total | | % incr | Weighted % |
|--------------|--------|-----------|----------|------------|
| | % | \$ | | |
| Insurance | 4.45 | 55,381 | 0.00 | 0.00 |
| Interest* | 6.13 | 76,316 | 3.05 | 0.19 |
| Wages | 52.08 | 648,381 | 4.20 ** | 2.19 |
| Fuel | 6.50 | 80,911 | 24.32 | 1.58 |
| All other | 30.84 | 383,964 | 3.88 *** | 1.20 |
| Total | 100.00 | 1,244,953 | | 5.15 |

Top four items

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** Av Weekly Earnings, Private Sector

*** CPI Sydney

Conclusion: a rise in fares of 5.15 % is justified

DCC Aug 06



FERRY FARES ANALYSIS 2006

(Data for the period October 1 2005 to June 30 2006)

(Fuel Prices are at Net Price, ie Exclude the Excise)

| Expense Item | Church Point | | Central Coast | | Palm Beach | | Cronulla | | Dangar Island | | Matilda | |
|--------------|--------------|----|---------------|----|------------|----|----------|----|---------------|----|---------|----|
| | % | \$ | % | \$ | % | \$ | % | \$ | % | \$ | % | \$ |
| Insurance | 5.86 | | 2.08 | | 4.87 | | 4.90 | | 3.45 | | 4.00 | |
| Interest* | 9.09 | | 10.40 | | 0.00 | | 0.23 | | 7.43 | | 2.00 | |
| Wages | 58.56 | | 21.83 | | 54.04 | | 56.51 | | 63.31 | | 46.02 | |
| Fuel | 7.94 | | 8.51 | | 29.83 | | 4.84 | | 4.88 | | 22.96 | |
| All other | 18.54 | | 57.18 | | 11.27 | | 33.53 | | 20.94 | | 25.01 | |
| Total | 100.00 | | 100.00 | | 100.00 | | 100.00 | | 100.00 | | 100.00 | |

* Palm Beach Ferries' interest is bundled with its Holding Company accounts and is too hard to separate out



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| Expense Item | Total | | % incr | Weighted % |
|--------------|--------|-----------|----------|------------|
| | % | \$ | | |
| Insurance | 4.43 | 151,274 | 0.00 | 0.00 |
| Interest* | 2.89 | 98,576 | 3.05 | 0.09 |
| Wages | 50.71 | 1,730,752 | 4.20 ** | 2.13 |
| Fuel | 19.08 | 651,165 | 24.32 | 4.64 |
| All other | 22.89 | 781,186 | 3.88 *** | 0.89 |
| Total | 100.00 | 3,412,953 | | 7.75 |

Top four items

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** Av Weekly Earnings, Private Sector

*** CPI Sydney

Conclusion: a rise in fares of 7.75 % is justified

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Attachment II

WAGES

There has been no increase in the Marine Charter Vessels (State) Award since April 2005.

However, for reasons explained in the text, it is proposed that Average Weekly Earnings Private Sector be used. This is an increase of 4.2 percent, year on year, to Feb 06 according to the ABS.

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Attachment III

DIESEL FUEL PRICE INCREASES

Terminal Gate Prices - Mobil

| | | | | |
|------------|--------|---------------|-----------|---------|
| 01/10/2005 | 120.22 | 132.24 | 37,784.58 | Total |
| 02/10/2005 | 120.22 | 132.24 | 365.00 | Days |
| 03/10/2005 | 120.22 | 132.24 | 103.52 | Average |
| 04/10/2005 | 121.28 | 133.41 | | |
| 05/10/2005 | 121.73 | 133.90 | | |
| 06/10/2005 | 121.73 | 133.90 | | |
| 07/10/2005 | 122.23 | 134.45 | | |
| 08/10/2005 | 122.23 | 134.45 | | |
| 09/10/2005 | 122.23 | 134.45 | | |
| 10/10/2005 | 122.23 | 134.45 | | |
| 11/10/2005 | 121.73 | 133.90 | | |
| 12/10/2005 | 121.73 | 133.90 | | |
| 13/10/2005 | 120.97 | 133.07 | | |
| 14/10/2005 | 120.97 | 133.07 | | |
| 15/10/2005 | 120.97 | 133.07 | | |
| 16/10/2005 | 120.97 | 133.07 | | |
| 17/10/2005 | 120.97 | 133.07 | | |
| 18/10/2005 | 120.42 | 132.46 | | |
| 19/10/2005 | 120.42 | 132.46 | | |
| 20/10/2005 | 120.42 | 132.46 | | |
| 21/10/2005 | 119.66 | 131.63 | | |
| 22/10/2005 | 119.15 | 131.07 | | |
| 23/10/2005 | 119.15 | 131.07 | | |
| 24/10/2005 | 119.15 | 131.07 | | |
| 25/10/2005 | 118.29 | 130.12 | | |
| 26/10/2005 | 117.48 | 129.23 | | |
| 27/10/2005 | 116.83 | 128.51 | | |
| 28/10/2005 | 116.25 | 127.88 | | |
| 29/10/2005 | 116.25 | 127.88 | | |
| 30/10/2005 | 116.25 | 127.88 | | |
| 31/10/2005 | 116.25 | 127.88 | | |
| 01/11/2005 | 115.70 | 127.27 | | |
| 02/11/2005 | 115.18 | 126.70 | | |
| 03/11/2005 | 115.18 | 126.70 | | |
| 04/11/2005 | 114.22 | 125.64 | | |
| 05/11/2005 | 113.72 | 125.09 | | |
| 06/11/2005 | 113.72 | 125.09 | | |
| 07/11/2005 | 113.72 | 125.09 | | |
| 08/11/2005 | 113.00 | 124.30 | | |
| 09/11/2005 | 112.36 | 123.60 | | |
| 10/11/2005 | 111.77 | 122.95 | | |
| 11/11/2005 | 111.14 | 122.25 | | |
| 12/11/2005 | 110.57 | 121.63 | | |



| | | |
|------------|--------|---------------|
| 13/11/2005 | 110.57 | 121.63 |
| 14/11/2005 | 110.57 | 121.63 |
| 15/11/2005 | 110.57 | 121.63 |
| 16/11/2005 | 110.57 | 121.63 |
| 17/11/2005 | 110.02 | 121.02 |
| 18/11/2005 | 110.02 | 121.02 |
| 19/11/2005 | 110.02 | 121.02 |
| 20/11/2005 | 110.02 | 121.02 |
| 21/11/2005 | 110.02 | 121.02 |
| 22/11/2005 | 110.47 | 121.52 |
| 23/11/2005 | 110.47 | 121.52 |
| 24/11/2005 | 110.47 | 121.52 |
| 25/11/2005 | 110.47 | 121.52 |
| 26/11/2005 | 110.47 | 121.52 |
| 27/11/2005 | 110.47 | 121.52 |
| 28/11/2005 | 110.47 | 121.52 |
| 29/11/2005 | 109.78 | 120.76 |
| 30/11/2005 | 109.02 | 119.92 |
| 01/12/2005 | 108.07 | 118.88 |
| 02/12/2005 | 107.31 | 118.04 |
| 03/12/2005 | 106.64 | 117.30 |
| 04/12/2005 | 106.64 | 117.30 |
| 05/12/2005 | 106.64 | 117.30 |
| 06/12/2005 | 106.64 | 117.30 |
| 07/12/2005 | 106.03 | 116.63 |
| 08/12/2005 | 106.03 | 116.63 |
| 09/12/2005 | 106.03 | 116.63 |
| 10/12/2005 | 106.37 | 117.01 |
| 11/12/2005 | 106.37 | 117.01 |
| 12/12/2005 | 106.37 | 117.01 |
| 13/12/2005 | 107.11 | 117.82 |
| 14/12/2005 | 107.56 | 118.32 |
| 15/12/2005 | 108.11 | 118.92 |
| 16/12/2005 | 108.84 | 119.72 |
| 17/12/2005 | 109.73 | 120.70 |
| 18/12/2005 | 109.73 | 120.70 |
| 19/12/2005 | 109.73 | 120.70 |
| 20/12/2005 | 110.66 | 121.73 |
| 21/12/2005 | 111.18 | 122.30 |
| 22/12/2005 | 111.18 | 122.30 |
| 23/12/2005 | 111.75 | 122.93 |
| 24/12/2005 | 112.41 | 123.65 |
| 25/12/2005 | 112.41 | 123.65 |
| 26/12/2005 | 112.41 | 123.65 |
| 27/12/2005 | 112.41 | 123.65 |
| 28/12/2005 | 112.41 | 123.65 |
| 29/12/2005 | 112.41 | 123.65 |
| 30/12/2005 | 112.41 | 123.65 |
| 31/12/2005 | 112.41 | 123.65 |
| 01/01/2006 | 113.31 | 124.64 |



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| | | |
|------------|--------|---------------|
| 02/01/2006 | 113.31 | 124.64 |
| 03/01/2006 | 113.31 | 124.64 |
| 04/01/2006 | 113.75 | 125.13 |
| 05/01/2006 | 114.52 | 125.97 |
| 06/01/2006 | 114.85 | 126.34 |
| 07/01/2006 | 114.85 | 126.34 |
| 08/01/2006 | 114.85 | 126.34 |
| 09/01/2006 | 114.85 | 126.34 |
| 10/01/2006 | 114.85 | 126.34 |
| 11/01/2006 | 115.37 | 126.91 |
| 12/01/2006 | 115.37 | 126.91 |
| 13/01/2006 | 115.37 | 126.91 |
| 14/01/2006 | 115.37 | 126.91 |
| 15/01/2006 | 115.37 | 126.91 |
| 16/01/2006 | 115.37 | 126.91 |
| 17/01/2006 | 115.37 | 126.91 |
| 18/01/2006 | 115.37 | 126.91 |
| 19/01/2006 | 115.85 | 127.44 |
| 20/01/2006 | 116.53 | 128.18 |
| 21/01/2006 | 117.26 | 128.99 |
| 22/01/2006 | 117.26 | 128.99 |
| 23/01/2006 | 117.26 | 128.99 |
| 24/01/2006 | 118.35 | 130.19 |
| 25/01/2006 | 119.59 | 131.55 |
| 26/01/2006 | 120.64 | 132.70 |
| 27/01/2006 | 120.64 | 132.70 |
| 28/01/2006 | 121.20 | 133.32 |
| 29/01/2006 | 121.20 | 133.32 |
| 30/01/2006 | 121.20 | 133.32 |
| 31/01/2006 | 121.50 | 133.65 |
| 01/02/2006 | 121.50 | 133.65 |
| 02/02/2006 | 121.50 | 133.65 |
| 03/02/2006 | 121.50 | 133.65 |
| 04/02/2006 | 120.18 | 132.20 |
| 05/02/2006 | 120.18 | 132.20 |
| 06/02/2006 | 120.18 | 132.20 |
| 07/02/2006 | 119.35 | 131.29 |
| 08/02/2006 | 118.82 | 130.70 |
| 09/02/2006 | 118.82 | 130.70 |
| 10/02/2006 | 118.12 | 129.93 |
| 11/02/2006 | 118.12 | 129.93 |
| 12/02/2006 | 118.12 | 129.93 |
| 13/02/2006 | 118.12 | 129.93 |
| 14/02/2006 | 118.53 | 130.38 |
| 15/02/2006 | 119.01 | 130.91 |
| 16/02/2006 | 119.52 | 131.47 |
| 17/02/2006 | 119.52 | 131.47 |
| 18/02/2006 | 119.89 | 131.88 |
| 19/02/2006 | 119.89 | 131.88 |
| 20/02/2006 | 119.89 | 131.88 |



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| | | |
|------------|--------|--------|
| 21/02/2006 | 119.89 | 131.88 |
| 22/02/2006 | 119.89 | 131.88 |
| 23/02/2006 | 120.20 | 132.22 |
| 24/02/2006 | 120.20 | 132.22 |
| 25/02/2006 | 120.20 | 132.22 |
| 26/02/2006 | 120.20 | 132.22 |
| 27/02/2006 | 120.20 | 132.22 |
| 28/02/2006 | 120.20 | 132.22 |
| 01/03/2006 | 120.20 | 132.22 |
| 02/03/2006 | 120.20 | 132.22 |
| 03/03/2006 | 120.20 | 132.22 |
| 04/03/2006 | 119.50 | 131.45 |
| 05/03/2006 | 119.50 | 131.45 |
| 06/03/2006 | 119.50 | 131.45 |
| 07/03/2006 | 119.50 | 131.45 |
| 08/03/2006 | 119.50 | 131.45 |
| 09/03/2006 | 120.04 | 132.04 |
| 10/03/2006 | 120.04 | 132.04 |
| 11/03/2006 | 120.04 | 132.04 |
| 12/03/2006 | 120.04 | 132.04 |
| 13/03/2006 | 120.04 | 132.04 |
| 14/03/2006 | 120.53 | 132.58 |
| 15/03/2006 | 120.90 | 132.99 |
| 16/03/2006 | 121.27 | 133.40 |
| 17/03/2006 | 121.27 | 133.40 |
| 18/03/2006 | 121.27 | 133.40 |
| 19/03/2006 | 121.27 | 133.40 |
| 20/03/2006 | 121.27 | 133.40 |
| 21/03/2006 | 121.27 | 133.40 |
| 22/03/2006 | 121.27 | 133.40 |
| 23/03/2006 | 121.27 | 133.40 |
| 24/03/2006 | 121.27 | 133.40 |
| 25/03/2006 | 120.75 | 132.83 |
| 26/03/2006 | 120.75 | 132.83 |
| 27/03/2006 | 120.75 | 132.83 |
| 28/03/2006 | 120.25 | 132.28 |
| 29/03/2006 | 120.25 | 132.28 |
| 30/03/2006 | 120.25 | 132.28 |
| 31/03/2006 | 120.25 | 132.28 |
| 01/04/2006 | 121.05 | 133.16 |
| 02/04/2006 | 121.05 | 133.16 |
| 03/04/2006 | 121.05 | 133.16 |
| 04/04/2006 | 121.55 | 133.71 |
| 05/04/2006 | 122.23 | 134.45 |
| 06/04/2006 | 122.81 | 135.09 |
| 07/04/2006 | 123.25 | 135.58 |
| 08/04/2006 | 123.58 | 135.94 |
| 09/04/2006 | 123.58 | 135.94 |
| 10/04/2006 | 123.58 | 135.94 |
| 11/04/2006 | 123.58 | 135.94 |



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| | | |
|------------|--------|---------------|
| 12/04/2006 | 123.58 | 135.94 |
| 13/04/2006 | 123.58 | 135.94 |
| 14/04/2006 | 123.90 | 136.29 |
| 15/04/2006 | 123.90 | 136.29 |
| 16/04/2006 | 123.90 | 136.29 |
| 17/04/2006 | 123.90 | 136.29 |
| 18/04/2006 | 123.90 | 136.29 |
| 19/04/2006 | 123.90 | 136.29 |
| 20/04/2006 | 124.80 | 137.28 |
| 21/04/2006 | 125.66 | 138.23 |
| 22/04/2006 | 127.09 | 139.80 |
| 23/04/2006 | 127.09 | 139.80 |
| 24/04/2006 | 127.09 | 139.80 |
| 25/04/2006 | 128.38 | 141.22 |
| 26/04/2006 | 128.38 | 141.22 |
| 27/04/2006 | 129.53 | 142.48 |
| 28/04/2006 | 130.62 | 143.68 |
| 29/04/2006 | 130.62 | 143.68 |
| 30/04/2006 | 130.62 | 143.68 |
| 01/05/2006 | 131.40 | 144.54 |
| 02/05/2006 | 131.40 | 144.54 |
| 03/05/2006 | 131.40 | 144.54 |
| 04/05/2006 | 131.40 | 144.54 |
| 05/05/2006 | 131.40 | 144.54 |
| 06/05/2006 | 130.57 | 143.63 |
| 07/05/2006 | 130.57 | 143.63 |
| 08/05/2006 | 130.57 | 143.63 |
| 09/05/2006 | 129.82 | 142.80 |
| 10/05/2006 | 129.82 | 142.80 |
| 11/05/2006 | 129.19 | 142.11 |
| 12/05/2006 | 129.19 | 142.11 |
| 13/05/2006 | 129.19 | 142.11 |
| 14/05/2006 | 129.19 | 142.11 |
| 15/05/2006 | 129.19 | 142.11 |
| 16/05/2006 | 129.19 | 142.11 |
| 17/05/2006 | 129.19 | 142.11 |
| 18/05/2006 | 129.19 | 142.11 |
| 19/05/2006 | 129.19 | 142.11 |
| 20/05/2006 | 129.19 | 142.11 |
| 21/05/2006 | 129.19 | 142.11 |
| 22/05/2006 | 129.19 | 142.11 |
| 23/05/2006 | 129.19 | 142.11 |
| 24/05/2006 | 128.26 | 141.09 |
| 25/05/2006 | 128.26 | 141.09 |
| 26/05/2006 | 128.26 | 141.09 |
| 27/05/2006 | 127.38 | 140.12 |
| 28/05/2006 | 127.38 | 140.12 |
| 29/05/2006 | 127.38 | 140.12 |
| 30/05/2006 | 127.38 | 140.12 |
| 31/05/2006 | 127.38 | 140.12 |



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| | | |
|------------|--------|---------------|
| 01/06/2006 | 127.38 | 140.12 |
| 02/06/2006 | 127.38 | 140.12 |
| 03/06/2006 | 127.38 | 140.12 |
| 04/06/2006 | 127.38 | 140.12 |
| 05/06/2006 | 127.38 | 140.12 |
| 06/06/2006 | 126.88 | 139.57 |
| 07/06/2006 | 127.20 | 139.92 |
| 08/06/2006 | 127.20 | 139.92 |
| 09/06/2006 | 127.69 | 140.46 |
| 10/06/2006 | 127.69 | 140.46 |
| 11/06/2006 | 127.69 | 140.46 |
| 12/06/2006 | 127.69 | 140.46 |
| 13/06/2006 | 127.69 | 140.46 |
| 14/06/2006 | 127.69 | 140.46 |
| 15/06/2006 | 127.69 | 140.46 |
| 16/06/2006 | 128.09 | 140.90 |
| 17/06/2006 | 128.09 | 140.90 |
| 18/06/2006 | 128.09 | 140.90 |
| 19/06/2006 | 128.09 | 140.90 |
| 20/06/2006 | 128.09 | 140.90 |
| 21/06/2006 | 127.36 | 140.10 |
| 22/06/2006 | 127.36 | 140.10 |
| 23/06/2006 | 126.73 | 139.40 |
| 24/06/2006 | 126.73 | 139.40 |
| 25/06/2006 | 126.73 | 139.40 |
| 26/06/2006 | 126.73 | 139.40 |
| 27/06/2006 | 126.73 | 139.40 |
| 28/06/2006 | 126.16 | 138.78 |
| 29/06/2006 | 126.16 | 138.78 |
| 30/06/2006 | 126.16 | 138.78 |

| | |
|--|-----------|
| Total Oct 1 05 - Jun 30 06 (sum of all daily prices) | 32,483.60 |
| Total days | 271.00 |
| Average | 119.87 |
| Less Fuel Excise @ 38 c/l | 81.87 |
| Total Oct 1 04 - Sep 30 05 (sum of all daily prices) | 37,904.79 |
| Total days | 365.00 |
| Average | 103.85 |
| Less Fuel Excise @ 38 c/l | 65.85 |
| % increase 06 over 05 (less fuel excise) | 24.32 |

DCC July 31 06



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Attachment IV

INSURANCE RATE MOVEMENTS

Hi David,

By "private" ferries you mean smaller operators like Christine - the general trend is premiums are static as members do receive the benefit of return premiums if they do not have any claims.

Increases have only been imposed on operators with series of claims and such increases have been kept to around 15%.

Trust this assists and look forward to catching up next week.

Kind regards,

David Lowen
Associate Director
Gault Armstrong
Tel: 02 9424 1883 (direct)
Fax: 02 9424 1871
Mob: 0403 232 587

-----Original Message-----

From: David Cribb [<mailto:pearlbeach@bigpond.com>]
Sent: Monday, 31 July 2006 10:08 AM
To: David Lowen
Subject: PRIVATE FERRY FARES INQUIRY

David

Can you advise me again this year if there has been any movement in the cost of insurance for private ferries between October 1 2005 and June 30 2006 and, if so, how much?

Regards

David C Cribb
Commercial Vessel Association of NSW
ph 2 9968 1184



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Attachment V

NAB INTEREST RATES FOR SMALL BUSINESS LOANS

HISTORICAL RATES FOR BUSINESS LENDING

| Effective Date | Business Mortgage Overdraft | Business Mortgage Instalment Loan | Percentage Increase | |
|----------------|-----------------------------|-----------------------------------|---------------------|------|
| | Rate Code BO | Rate Code BT | BO | BT |
| 27-Mar-97 | 8.55% | 8.00% | | |
| 30-Jun-97 | 8.20% | 7.65% | | |
| 08-Sep-97 | 8.20% | 7.65% | | |
| 29-Sep-97 | 7.70% | 7.15% | | |
| 02-Mar-98 | 7.95% | 7.40% | | |
| 24-Apr-98 | 7.95% | 7.40% | | |
| 11-May-98 | 7.20% | 6.80% | | |
| 03-Aug-98 | 7.20% | 6.80% | | |
| 07-Dec-98 | 6.95% | 6.55% | | |
| 27-Apr-99 | 6.95% | 6.55% | | |
| 08-Nov-99 | 7.20% | 6.80% | | |
| 07-Feb-00 | 7.70% | 7.30% | | |
| 06-Mar-00 | 7.80% | 7.40% | | |
| 10-Apr-00 | 8.05% | 7.65% | | |
| 08-May-00 | 8.30% | 7.90% | | |
| 31-Jul-00 | 8.40% | 8.00% | | |
| 07-Aug-00 | 8.65% | 8.25% | | |
| 26-Feb-01 | 8.15% | 7.75% | | |
| 19-Mar-01 | 7.90% | 7.50% | | |
| 23-Apr-01 | 7.40% | 7.00% | | |
| 17-Sep-01 | 7.15% | 6.75% | | |
| 29-Oct-01 | 7.15% | 6.50% | | |
| 04-Feb-02 | 7.15% | 6.30% | | |
| 13-May-02 | 7.40% | 6.55% | | |
| 10-Jun-02 | 7.65% | 6.80% | | |
| 10-Nov-03 | 7.90% | 7.05% | | |
| 08-Dec-03 | 8.15% | 7.30% | | |
| 29-Nov-04 | 8.15% | 7.30% | | |
| 07-Mar-05 | 8.40% | 7.55% | | |
| 08-May-06 | 8.65% | 7.80% | 2.89 | 3.21 |
| Average | | | | 3.05 |

August 1 2006



Attachment VI

Productivity Inclusions



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IPART bus

Commercial Contracts

report 2006

3.2 Productivity adjustment

Section 19 of the *Passenger Transport Act 1990* states that "a commercial contract must fix a scale of maximum fares" and that "the scale must be fixed at not less than the average level of fares for the time being prevailing in the industry for comparable services, and due allowance must be made for inflationary movements in the costs of providing the service". The phrase "the costs of providing the service" has often been interpreted as referring to costs per unit of *input*. However, the Tribunal considers that it is also reasonable to make an adjustment to reflect the potential for productivity growth.

The Tribunal considers that one of the major weaknesses of relying on the BICI as a guide to change in operators' costs per unit of input is that it makes no allowance for the ongoing rises in productivity (output per hour worked) that characterise the Australian economy. For example, economy-wide labour productivity (measured by the rise in the volume of gross value added relative to total hours worked) has risen at an average annual pace of about 1.5 per cent over the past five years.⁶ As a first approximation, the Tribunal assumes that labour productivity is likely to continue to rise at about this rate in the future.

Given this, the Tribunal believes the average increase in operator's input costs indicated by the BICI needs to be adjusted to take into account the scope for productivity gains. Some economy-wide productivity gains would be reflected in the rises in the non-labour items in the BICI. However, changes in labour award rates clearly overstate the change in labour costs *per unit of output*, because they do not reflect the effect that more output per hour worked would have on labour costs per unit of output. Therefore, ideally, the 4.0 per cent to 6.0 per cent rises in the various labour input cost components in the BICI should be adjusted for productivity gains in the non-metropolitan private bus industry of NSW.

Since no measure of these gains exists, the Tribunal considered using the five-year average economy-wide growth in labour productivity of around 1.5 per cent. However, to be conservative in estimating the likely growth in productivity in the non-metropolitan private bus industry over the recent past, it decided to adopt a 1.0 per cent productivity growth assumption. This reflects the fact that there may be less scope for productivity growth in the bus industry than elsewhere on average in the economy. It then applied this assumption to the labour component of operator costs. This resulted in a lower rise in labour cost *per unit of output*, and reduced the weighted average increase in costs to 5.02 per cent (Table 3.2).

3.3 Service Quality

No data were provided to the Tribunal on the current levels of service quality, reliability or safety being delivered by private non-metropolitan bus operators. The Tribunal expects that data will become available on these matters once the current extensive bus reform process being undertaken by the Ministry of Transport is extended to non-metropolitan areas.

⁶ The 1.5 per cent is the average of the annual increases in GDP per hour worked from 2000/01 to 2004/05.
Source: ABS *Australian National Accounts National Income, Expenditure and Product*, June Quarter 2005, Table 3.

3

KEY NATIONAL ACCOUNTS AGGREGATES: Annual

1996/97 1997/98 1998/99 1999/00 2000-01 2001/02 2002/03 2003/04 2004-05

PERCENTAGE CHANGE (a)

| | 1996/97 | 1997/98 | 1998/99 | 1999/00 | 2000-01 | 2001/02 | 2002/03 | 2003/04 | 2004-05 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Chain volume GDP and related measures (a) | | | | | | | | | |
| GDP | 3.9 | 4.5 | 5.2 | 4.0 | 1.9 | 3.8 | 3.2 | 4.0 | 2.5 |
| GDP per capita (c) | 2.6 | 3.1 | 4.0 | 2.8 | 0.7 | 2.5 | 2.1 | 2.8 | 1.3 |
| GDP market sector (d) | 3.5 | 4.8 | 5.0 | 3.9 | 0.5 | 3.5 | 3.2 | 4.5 | 2.6 |
| Net domestic product | 3.9 | 4.4 | 5.3 | 3.7 | 1.7 | 3.4 | 3.0 | 3.9 | 2.4 |
| Real income measures (b) (e) | | | | | | | | | |
| Real gross domestic income | 4.6 | 4.5 | 4.0 | 4.8 | 2.5 | 4.2 | 3.6 | 5.4 | 4.3 |
| Real gross national income | 4.9 | 4.9 | 4.1 | 5.1 | 2.7 | 4.2 | 3.4 | 5.4 | 3.4 |
| Real net national disposable income | 4.9 | 4.9 | 3.8 | 5.1 | 2.5 | 3.9 | 3.1 | 5.5 | 3.4 |
| Real net national disposable income per capita (c) | 3.6 | 3.8 | 2.8 | 3.9 | 1.2 | 2.6 | 1.9 | 4.3 | 2.3 |
| Current price measures | | | | | | | | | |
| GDP | 5.3 | 5.8 | 5.3 | 6.1 | 6.8 | 6.7 | 6.4 | 7.1 | 6.6 |
| Productivity | | | | | | | | | |
| Hours worked | 0.4 | 1.3 | 1.8 | 2.2 | 1.7 | -0.1 | 1.8 | 1.6 | 3.0 |
| Hours worked market sector (d) | 0.3 | 0.5 | 1.1 | 2.7 | -0.2 | 0.3 | 0.7 | 1.3 | 3.5 |
| %GDP per hour worked | 3.5 | 3.2 | 3.4 | 1.7 | 0.2 | 3.9 | 1.4 | 2.3 | -0.5 |
| GDP per hour worked market sector (d) | 3.2 | 4.3 | 3.9 | 3.2 | 0.6 | 3.7 | 2.4 | 3.2 | -0.9 |
| Prices | | | | | | | | | |
| GDP chain price index | 1.5 | 1.3 | -0.1 | 2.2 | 5.0 | 2.9 | 2.4 | 2.7 | 4.3 |
| Domestic final demand chain price index | 0.9 | 1.4 | 1.2 | 1.5 | 4.5 | 2.5 | 2.0 | 1.2 | 2.4 |
| Terms of trade | 3.0 | | -5.7 | 4.2 | 2.8 | 1.8 | 1.9 | 7.1 | 10.1 |

LEVELS

| | 1996/97 | 1997/98 | 1998/99 | 1999/00 | 2000-01 | 2001/02 | 2002/03 | 2003/04 | 2004-05 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Chain volume GDP and related measures (b) | | | | | | | | | |
| GDP (\$m) | 645 999 | 674 932 | 709 866 | 738 123 | 752 434 | 780 817 | 806 181 | 838 251 | 859 192 |
| GDP per capita (c) (\$) | 35 071 | 36 259 | 37 722 | 38 764 | 39 024 | 39 982 | 40 804 | 41 946 | 42 511 |
| GDP market sector (d) (\$m) | 421 601 | 441 609 | 463 855 | 481 959 | 484 190 | 501 011 | 516 953 | 540 330 | 554 357 |
| Net domestic product (\$m) | 554 310 | 578 574 | 609 376 | 631 771 | 642 270 | 663 935 | 683 634 | 710 002 | 727 100 |
| Real income measures (b) (e) | | | | | | | | | |
| Real gross domestic income (\$m) | 630 776 | 658 985 | 685 531 | 718 687 | 736 949 | 767 733 | 795 667 | 838 251 | 873 924 |
| Real gross national income (\$m) | 608 740 | 638 448 | 664 863 | 698 469 | 717 031 | 747 330 | 772 891 | 814 517 | 841 952 |
| Real net national disposable income (\$m) | 516 720 | 541 834 | 563 129 | 592 105 | 606 742 | 630 352 | 650 108 | 685 999 | 709 527 |
| Real net national disposable income per capita (c) (\$) | 28 053 | 29 108 | 29 925 | 31 096 | 31 468 | 32 278 | 32 905 | 34 327 | 35 106 |
| Current price measures | | | | | | | | | |
| GDP (\$m) | 545 736 | 577 422 | 607 863 | 645 153 | 689 340 | 735 783 | 782 798 | 838 251 | 893 704 |
| GDP per capita (c) (\$) | 29 628 | 31 070 | 32 302 | 33 882 | 35 751 | 37 676 | 39 621 | 41 946 | 44 219 |
| Gross national income (\$m) | 526 585 | 559 332 | 589 434 | 626 904 | 670 601 | 716 120 | 760 308 | 814 517 | 861 326 |
| National net saving (\$m) | 24 529 | 25 194 | 22 146 | 28 683 | 26 709 | 33 456 | 34 408 | 42 383 | 40 431 |
| Household saving ratio | 6.1 | 2.9 | 2.0 | 1.9 | 2.5 | 1.3 | 2.2 | -3.2 | -3.7 |

INDEXES (f)

| | 1996/97 | 1997/98 | 1998/99 | 1999/00 | 2000-01 | 2001/02 | 2002/03 | 2003/04 | 2004-05 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Productivity | | | | | | | | | |
| Hours worked | 90.3 | 91.4 | 93.0 | 95.1 | 96.7 | 96.6 | 98.4 | 100.0 | 103.0 |
| Hours worked market sector (d) | 94.3 | 94.8 | 95.6 | 99.4 | 98.3 | 98.0 | 98.7 | 100.0 | 103.5 |
| GDP per hour worked | 85.4 | 88.1 | 91.1 | 92.6 | 92.8 | 96.4 | 97.7 | 100.0 | 99.5 |
| GDP per hour worked market sector (d) | 82.7 | 86.3 | 89.6 | 90.6 | 91.2 | 94.6 | 96.9 | 100.0 | 99.1 |
| Prices | | | | | | | | | |
| GDP chain price index | 85.0 | 86.1 | 86.0 | 88.0 | 92.4 | 95.0 | 97.3 | 100.0 | 104.3 |
| Domestic final demand chain price index | 86.7 | 87.9 | 89.0 | 90.4 | 94.4 | 96.8 | 98.6 | 100.0 | 102.4 |
| Terms of trade | 89.1 | 89.0 | 84.0 | 87.5 | 90.0 | 91.7 | 93.4 | 100.0 | 110.1 |

— nil or rounded to zero (including null cells)

(a) Percentage change on preceding year.

(b) Reference year for chain volume measures and real income measures is 2003/04.

(c) Population estimates are as published in *Australian Demographic Statistics* (cat. no. 3101.0) and ABS projections.

(d) ANZSIC divisions A to K and P. See Glossary.

(e) For definitions see Glossary.

(f) Reference year for indexes is 2003-04 = 100.0.

24**LABOUR INPUT(a), Hours worked By industry**

| | 1996-97 | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 | 2002-03 | 2003-04 | 2004-05 |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|
| Agriculture, forestry and fishing | 120.3 | 124.3 | 116.8 | 122.5 | 118.8 | 121.8 | 102.5 | 100.0 | 97.4 |
| Mining | 91.5 | 89.8 | 89.4 | 83.6 | 82.6 | 82.9 | 91.7 | 100.0 | 109.7 |
| Manufacturing | 108.7 | 109.7 | 110.0 | 107.0 | 104.9 | 101.2 | 104.9 | 100.0 | 101.8 |
| Electricity, gas and water supply | 80.0 | 78.7 | 84.2 | 82.5 | 87.1 | 91.6 | 94.8 | 100.0 | 103.4 |
| Construction | 74.9 | 77.9 | 81.9 | 80.6 | 86.2 | 87.7 | 91.6 | 100.0 | 105.9 |
| Wholesale trade | 97.0 | 98.7 | 100.2 | 103.6 | 98.8 | 97.9 | 99.5 | 100.0 | 97.6 |
| Retail trade | 87.3 | 87.6 | 90.1 | 92.9 | 92.5 | 96.3 | 99.5 | 100.0 | 104.3 |
| Accommodation, cafes and restaurants | 87.9 | 88.5 | 89.8 | 96.1 | 104.1 | 98.3 | 97.0 | 100.0 | 105.5 |
| Transport and storage | 91.6 | 91.7 | 94.4 | 94.1 | 97.3 | 95.2 | 94.3 | 100.0 | 103.1 |
| Communication services | 101.2 | 90.0 | 92.7 | 101.9 | 107.1 | 97.0 | 99.1 | 100.0 | 108.9 |
| Finance and insurance | 91.8 | 90.3 | 94.1 | 94.6 | 97.2 | 99.3 | 99.6 | 100.0 | 103.5 |
| Property and business services | 77.0 | 83.5 | 87.3 | 91.0 | 99.7 | 94.5 | 97.9 | 100.0 | 102.3 |
| Government administration and defence | 91.3 | 84.4 | 85.9 | 84.0 | 86.5 | 91.3 | 98.0 | 100.0 | 102.3 |
| Education | 85.7 | 84.8 | 88.6 | 87.8 | 90.8 | 91.1 | 94.9 | 100.0 | 96.0 |
| Health and community services | 82.8 | 85.5 | 87.9 | 88.1 | 93.8 | 96.5 | 98.1 | 100.0 | 104.2 |
| Cultural and recreational services | 88.6 | 91.5 | 93.9 | 95.5 | 96.0 | 100.0 | 104.0 | 100.0 | 108.2 |
| Personal and other services | 87.0 | 93.2 | 91.9 | 94.9 | 92.9 | 97.0 | 101.8 | 100.0 | 106.4 |
| All industries | 90.3 | 91.4 | 93.0 | 95.1 | 96.7 | 96.6 | 98.4 | 100.0 | 103.0 |

(a) Reference year for indexes is 2003-04 = 100.0.

25**LABOUR PRODUCTIVITY(a), Gross value added per hour worked- By industry**

| | 1996-97 | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 | 2002-03 | 2003-04 | 2004-05 |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|-------------|
| Agriculture, forestry and fishing | 66.9 | 64.4 | 75.4 | 75.7 | 81.2 | 81.7 | 74.3 | 100.0 | 96.4 |
| Mining | 96.3 | 101.5 | 101.6 | 115.4 | 125.7 | 125.3 | 113.0 | 100.0 | 94.7 |
| Manufacturing | 79.4 | 81.0 | 82.5 | 85.5 | 89.2 | 94.5 | 94.8 | 100.0 | 97.2 |
| Electricity, gas and water supply | 113.4 | 119.3 | 113.5 | 118.2 | 113.6 | 107.2 | 104.7 | 100.0 | 97.4 |
| Construction | 87.9 | 93.1 | 96.6 | 93.7 | 83.7 | 92.1 | 102.4 | 100.0 | 97.9 |
| Wholesale trade | 79.6 | 83.0 | 84.6 | 85.8 | 80.8 | 93.0 | 95.9 | 100.0 | 105.4 |
| Retail trade | 85.6 | 88.2 | 90.4 | 91.4 | 93.4 | 94.5 | 95.5 | 100.0 | 99.9 |
| Accommodation, cafes and restaurants | 84.7 | 87.2 | 93.2 | 91.3 | 87.8 | 93.0 | 97.6 | 100.0 | 99.2 |
| Transport and storage | 83.1 | 84.7 | 84.5 | 87.9 | 88.7 | 94.0 | 101.5 | 100.0 | 101.8 |
| Communication services | 67.4 | 83.9 | 90.3 | 86.3 | 82.8 | 94.1 | 98.0 | 100.0 | 96.0 |
| Finance and insurance | 80.5 | 85.1 | 89.6 | 94.9 | 94.5 | 94.5 | 96.1 | 100.0 | 98.5 |
| Property and business services | - | - | - | - | - | - | - | - | - |
| Government administration and defence | - | - | - | - | - | - | - | - | - |
| Education | - | - | - | - | - | - | - | - | - |
| Health and community services | 90.9 | 91.0 | 90.9 | 95.3 | 93.8 | 96.0 | 98.6 | 100.0 | 100.4 |
| Cultural and recreational services | 85.1 | 87.9 | 88.0 | 88.8 | 94.6 | 91.7 | 90.9 | 100.0 | 99.5 |
| Personal and other services | - | - | - | - | - | - | - | - | - |
| All industries | 85.4 | 88.1 | 91.1 | 92.6 | 92.8 | 96.4 | 97.7 | 100.0 | 98.4 |

nil or rounded to zero (including null cells)

(a) Indexes of chain volume measures of gross product per hour worked.
Reference year is 2003-04 = 100.0.

11

INDUSTRY GROSS VALUE ADDED, Current prices

| | 1996-97 | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 | 2002-03 | 2003-04 | 2004-05 |
|---------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| VALUES (\$m) | | | | | | | | | |
| Agriculture, forestry and fishing | 18 299 | 18 268 | 19 309 | 20 862 | 24 990 | 29 876 | 23 171 | 27 010 | 27 047 |
| Mining | 23 588 | 25 044 | 24 752 | 27 356 | 34 575 | 35 422 | 35 508 | 34 366 | 43 333 |
| Manufacturing | 71 013 | 76 043 | 77 142 | 78 272 | 79 829 | 81 273 | 89 965 | 97 103 | 101 122 |
| Electricity, gas and water supply | 12 934 | 13 737 | 14 064 | 14 224 | 15 471 | 16 534 | 17 904 | 18 816 | 19 942 |
| Construction | 30 293 | 31 641 | 35 059 | 39 363 | 34 101 | 39 851 | 46 345 | 51 117 | 55 497 |
| Wholesale trade | 27 573 | 28 226 | 29 176 | 31 329 | 32 205 | 35 047 | 38 865 | 40 675 | 41 691 |
| Retail trade | 35 161 | 36 190 | 38 003 | 39 854 | 39 846 | 43 695 | 46 341 | 50 278 | 53 946 |
| Accommodation, cafes and restaurants | 11 482 | 12 589 | 13 864 | 15 070 | 15 848 | 15 877 | 16 227 | 17 560 | 19 608 |
| Transport and storage | 26 561 | 27 162 | 28 808 | 28 996 | 30 220 | 32 106 | 34 604 | 36 851 | 40 183 |
| Communication services | 16 174 | 18 459 | 19 435 | 19 507 | 20 086 | 20 473 | 21 750 | 22 756 | 24 511 |
| Finance and insurance | 30 372 | 34 330 | 34 593 | 40 135 | 44 866 | 50 405 | 52 832 | 57 496 | 61 477 |
| Property and business services(a) | 56 866 | 61 524 | 67 963 | 73 923 | 87 164 | 84 850 | 91 304 | 97 997 | 103 036 |
| Government administration and defence | 22 395 | 23 019 | 23 718 | 24 375 | 25 610 | 28 355 | 31 138 | 32 392 | 34 197 |
| Education | 24 431 | 25 789 | 27 608 | 28 440 | 30 481 | 32 042 | 34 177 | 36 530 | 37 805 |
| Health and community services | 30 768 | 31 605 | 33 809 | 36 114 | 39 315 | 42 152 | 45 384 | 49 509 | 53 218 |
| Cultural and recreational services | 6 430 | 7 235 | 7 566 | 8 024 | 8 856 | 9 290 | 10 333 | 10 901 | 11 885 |
| Personal and other services | 10 159 | 10 267 | 11 222 | 12 397 | 12 789 | 14 015 | 14 244 | 14 834 | 16 006 |
| Ownership of dwellings | 46 385 | 49 015 | 51 783 | 54 485 | 57 164 | 60 609 | 62 999 | 68 659 | 70 569 |
| Gross value added at basic prices | 500 589 | 530 349 | 558 504 | 592 726 | 628 202 | 671 872 | 712 091 | 762 850 | 815 073 |
| Taxes less subsidies on products | 45 147 | 47 079 | 49 359 | 52 427 | 61 138 | 63 911 | 70 707 | 75 401 | 78 576 |
| Statistical discrepancy (i) | - | - | - | - | - | - | - | - | -2 125 |
| Gross domestic product | 545 736 | 577 422 | 607 863 | 645 153 | 689 340 | 735 783 | 782 798 | 838 251 | 891 524 |

| | PERCENTAGE OF GROSS VALUE ADDED AT BASIC PRICES (%) | | | | | | | | |
|---------------------------------------|---|-------|-------|-------|-------|-------|-------|-------|-------|
| Agriculture, forestry and fishing | 3.7 | 3.4 | 3.5 | 3.5 | 4.0 | 4.4 | 3.3 | 3.5 | 3.3 |
| Mining | 4.7 | 4.7 | 4.4 | 4.6 | 5.5 | 5.3 | 5.0 | 4.5 | 5.3 |
| Manufacturing | 14.2 | 14.3 | 13.8 | 13.2 | 12.7 | 12.1 | 12.6 | 12.7 | 12.4 |
| Electricity, gas and water supply | 2.6 | 2.6 | 2.5 | 2.4 | 2.5 | 2.5 | 2.5 | 2.5 | 2.4 |
| Construction | 6.1 | 6.0 | 6.3 | 6.6 | 5.4 | 5.9 | 6.4 | 6.7 | 6.8 |
| Wholesale trade | 5.5 | 5.3 | 5.3 | 5.3 | 5.1 | 5.2 | 5.5 | 5.3 | 5.1 |
| Retail trade | 7.0 | 6.8 | 6.8 | 6.7 | 6.3 | 6.5 | 6.5 | 6.6 | 6.6 |
| Accommodation, cafes and restaurants | 2.3 | 2.4 | 2.5 | 2.5 | 2.5 | 2.4 | 2.3 | 2.3 | 2.4 |
| Transport and storage | 5.3 | 5.1 | 5.2 | 4.9 | 4.8 | 4.8 | 4.9 | 4.8 | 4.9 |
| Communication services | 3.4 | 3.5 | 3.5 | 3.3 | 3.2 | 3.0 | 3.1 | 3.0 | 3.0 |
| Finance and insurance | 6.1 | 6.5 | 6.2 | 6.8 | 7.1 | 7.5 | 7.4 | 7.5 | 7.5 |
| Property and business services(a) | 11.4 | 11.6 | 12.2 | 12.5 | 13.1 | 12.6 | 12.8 | 12.8 | 12.6 |
| Government administration and defence | 4.5 | 4.3 | 4.2 | 4.1 | 4.1 | 4.2 | 4.4 | 4.2 | 4.2 |
| Education | 4.9 | 4.9 | 4.9 | 4.8 | 4.9 | 4.8 | 4.8 | 4.8 | 4.6 |
| Health and community services | 6.1 | 6.0 | 6.1 | 6.1 | 6.3 | 6.3 | 6.4 | 6.5 | 6.5 |
| Cultural and recreational services | 1.3 | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 | 1.5 | 1.4 | 1.5 |
| Personal and other services | 2.0 | 1.9 | 2.0 | 2.1 | 2.0 | 2.1 | 2.0 | 1.9 | 2.0 |
| Ownership of dwellings | 9.1 | 9.2 | 9.3 | 9.2 | 9.1 | 9.0 | 8.8 | 8.7 | 8.7 |
| Gross value added at basic prices | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

- nil or rounded to zero (including null cells)

(a) Excludes ownership of dwellings.