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# About this supplement

This supplement provides additional data and supportive analyses for the theme chapter of the Productivity Commission’s 2011-12 Annual Report (PC 2012a). That chapter, entitled ‘Structural adjustment in a “multi-speed” economy’, was aimed at understanding recent structural change and adjustment in Australia, particularly adjustment pressures from the natural resources boom.

This publication extends the evidence previously presented regarding the movement of labour and capital over the period from 2002 to 2012. Examining how factors of production were reallocated to more valued uses during the boom years can shed light on the mechanisms facilitating (or impeding) the capacity of the Australian economy to adapt more broadly to economic ‘shocks’ from any source.

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# Abbreviations and explanations

Abbreviations

ABARES Australian Bureau of Agricultural and Resource Economics and Sciences

ABS Australian Bureau of Statistics

ANZSCO Australian and New Zealand Standard Classification of Occupations

ANZSIC Australian and New Zealand Standard Industrial Classification

BREE Bureau of Resources and Energy Economics

CGE Computable general equilibrium (analysis)

CMEWA Chamber of Minerals and Energy of Western Australia

COAG Council of Australian Governments

DEEWR Department of Education, Employment and Workplace Relations

DIDO Drive-in, Drive-out

FBT Fringe Benefit Tax

FIFO Fly-in, Fly-out

FMG Fortescue Metals Group

GDP Gross Domestic Product

GFC Global Financial Crisis

HILDA Household, Income and Labour Dynamics in Australia

IAC Industries Assistance Commission

IC Industry Commission

ICT Information and communication technologies

IVI Internet Vacancy Index

JVS Job Vacancy Survey

LNG Liquefied natural gas

LPG Liquefied petroleum gas

OECD Organisation for Economic Co-operation and Development

OPEC Organization of the Petroleum Exporting Countries

MCA Minerals Council of Australia

MFP Multi-factor productivity

PC Productivity Commission

PPP Purchasing power parity

SCI Structural change index

RBA Reserve Bank of Australia

Explanations

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| --- | --- |
| Capitalisation | Throughout this supplement, the convention is used to capitalise the names of industries (ANZSIC industry divisions A to S), but not those of sectors, in the text. For the most part, sectors are broad groupings of industries. However, in the case of agriculture, mining, manufacturing, utilities and construction, the industry and the sector are equivalent (in other words, the industry and sector cover exactly the same portion of the economy). |
| Natural resources sector | For the purpose of this supplement, the natural resources sector extends to, and is limited to, the production of minerals and energy, and of specialised services such as exploration. As defined, this sector aligns with the ABS Mining industry division (ABS ANZSIC industry division B — table A.1). For this reason, the terms ‘natural resources sector’, ‘resources sector’, ‘mining sector’ and ‘Mining industry’ are used interchangeably. |