ANNUAL REPORT

BUSINESS ACTIVITY SURVEY

2025

National Institute of Statistics, I.P

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INSTITUTO NACIONAL DE ESTATÍSTICA TIMOR-LESTE, I.P.

TITLE

BUSINESS ACTIVITY SURVEY
2025

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Preface

We are very proudly to announce that this is the 14th edition of Business Activity Survey 2025 calendar year publication released by the National Institute of Statistic Timor-Leste.

The BAS 2025 comprises a sample of 3,350 out of 6,947 businesses of the kind considered in this study.

These non-petroleum producing businesses are spread out across the country and mainly located in the major towns of each Municipalities. The BAS includes all public and private financial enterprises (banks and insurance companies) as well as all public and private non-financial businesses, with a few major exceptions: general government agencies (administration, health, education etc.), agricultural production and other informal economic activities conducted by households. The Not-for-profit institutions (NGOs, charities, churches etc.) were surveyed only if they earned more than 50 percent of their income in 2025 from trading activities. Estimates of the economic contribution of subsistence farming and other informal economic activities can be made based on data previously collected in household surveys.

The BAS is a vital source of information for the development and monitoring of economic policies. The data will help the Government identify and address policy issues concerning the performance of the Timorese business environment as a whole, or related to the progress of specific sectors of the economy. The survey also gives the Government and other stakeholders, including the business sector itself, an idea of employment numbers and the size and composition of the revenues, expenses and profits of enterprises acting in different parts of the economy. Moreover, BAS provides key input in the compilation of the Timor-Leste National Accounts for the non-petroleum producing business sector.

Closer look at the results of BAS 2025 indicates that between 2024 and 2025 industry value added increased by 7.7 percent in Timor-Leste. 'Dili' continued to employ around 81.4 percent of all persons employed and contributed 80.2 percent to the Industry Value Added (IVA) during 2025.

The BAS was conducted by the National Institute of Statistic Timor-Leste (INETL) with with the support from Australia Bureau of Statistics for data quality control provided under Australian Department of Foreign Affairs and Trade. We are very grateful for the support of both institutions in assisting us with the development of official statistics in Timor-Leste.

Finally, we would like to express our immense gratitude to the business community for its support of this survey and to the specific businesses that provided us with detailed information about their activities.

Dili, September 2025

Elias dos Santos Ferreira

President of INETL, I.P

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Abbreviations

BAS	Business Activity Survey
COE	Compensation of Employees
GDP	Gross Domestic Product
INETL	Instituto Nacional Estatistica Timor-Leste
ISIC	International Standard Industrial Classification
IVA	Industry Value Added
RSE	Relative Standard Error
TIN	Tax Identification Number

CHAPTER 1 SUMMARY DESCRIPTION

1.1 Introduction

This publication presents the result from the 14th edition of Business Activity Survey (BAS) of Timor-Leste as an annual activity survey conducted by the National Institute of Statistics Timor- Leste (INETL) in respect of the 2025 calendar year since 2010. The BAS provides detailed measures of the performance and structure of non-petroleum producing businesses operating in Timor-Leste.

The scope of the BAS includes the non-petroleum producing business sector of Timor-Leste that actively traded during the 2025 calendar year. This includes:

- Private non-financial businesses (excluding agricultural production);
- Private financial businesses;
- Public non-financial and financial businesses where more than 50 percent of their revenue was generated from trading activities;
- Not-for-profit institutions earning more than 50 percent of their revenue from trading activities.

The survey scope excludes petroleum producing businesses, general government agencies (e.g. administration, health, education) and the informal economic activities conducted by households. The informal sector is expected to involve a large number of very small businesses, however their collective contribution to the economic estimates for industries presented in this report is expected to be very small.

The budget for the survey operation was provided by the Directorate of Cooperative Services under Ministry of Finance, and technical staff of INETL undertook almost all the work of the survey starting from prepared the budget plan, field work training, survey monitoring, data processing, data analysis, until dissemination, with the support from Australia Bureau of Statistics for data quality control provided under Australian Department of Foreign Affairs and Trade project.

The results of BAS are presented by geography (Dili and Municipalities) and by industry

(Manufacturing, Construction, Retail & Wholesale Trade, Accommodation & Food Services, Transport & Storage, Information & Communication, Financial & Insurance and Other industries). And all table information in this publication will be provided in 5 years of time series from 2021 to 2025.

In this current publication, the data presented for 2024 from the previous report has been reviewed for some industries. Confirmed that in 2024 the overall growth of industry value added (IVA) is changing from 7.4 % to 8.3%. This reviewed alignment with updated sources which reflect the most recent and verified information.

This publication and a series of the tables by geography and industry can be read and downloaded on our website www.inetl-ip.gov.tl for free, and it also comes with infographics for some strategic data.

National Institute of Statistics Timor-Leste would like to express our gratitude for technical support give from Australian Bureau of Statistics, and for all business community for its support of this survey and to the specific businesses that provided us with detailed information about their activities.

Technical notes, a glossary of terms, and the questionnaire are presented at the end of this report. The INETL is fully committed to improving the statistical information released to the public. Include welcomes all comments and suggestions from users regarding future surveys of Timor-Leste businesses.

1.2 Purpose of the Survey

The purpose of the survey is to measure the structure and economic performance of the non-petroleum formal business sector in Timor-Leste, and also to provide an indicator for the National Account compilation.

1.3 Data Reliability

The INETL aims to produce high quality data from BAS while minimizing the reporting burden on businesses. To achieve this, the data estimated from the BAS have been obtained from a sample of businesses. When a sample, rather than the entire population, is surveyed, the data are subject to sampling error. That is, the difference between estimates based on a sample and those that would have been obtained had data been collected from all businesses in the population via a census.

One measure of the likely difference is given by the standard error, which indicates the extent to which an estimate might have varied by chance because the data were obtained from a sample of units. There is about a 67 percent chance that a sample estimate will differ by less than one standard error from the figure that would have been obtained if all units had been included in the survey, and about a 95 percent chance that the difference will be less than two standard errors. Sampling variability can also be measured by the relative standard error (RSE), which is obtained by expressing the standard error as a percentage of the estimate to which it refers. The RSE is a useful measure in that it provides an immediate indication of the percentage errors likely to have occurred due to the effects of random sampling and this avoids the need to refer also to the size of the estimate.

To illustrate, the estimate of total income for Timor-Leste in 2025 was $2,581.6 million (see Table 1). The RSE of this estimate is shown as 0.5 percent, giving a standard error of approximately $17.5 million. Therefore, there is a 95 percent chance (i.e., a confidence interval of 95 percent) that the figure would have been within the range of $2,546.7 million to $2,616.6 million.

Table 1. Table with relative standard errors and confidence intervals for the Timor-Leste data, of 2025.

Indicators		Timor-Leste			
		Size of Estimation	RSE (%)	Lower Confidence Interval	Upper Confidence Interval
Total employment*	n	74,600	0.1	74,436.00	74,764.00
Total income	$m	2,581.60	0.7	2,546.70	2,616.60
Total expenses	$m	2,026.60	0.8	1,994.60	2,058.70
Total output	$m	1,309.50	0.2	1,303.60	1,315.40
Total intermediate use	$m	621.6	0.2	619.7	623.5
Industry value added	$m	687.9	0.4	682.5	693.3
Compensation of employees	$m	238.6	1.1	233.2	244
Capital expenditure	$m	39.3	1.4	38.2	40.4

*Estimates of employment have been rounded to the nearest 100 persons.

Statistical collections are also subject to non-sampling error, which arises from accuracies in collecting, recording and processing the data. Every effort was made to minimize reporting error, by the careful design of questionnaires, training of survey analysts, and efficient data processing procedures.

Non-sampling error also occurs when information cannot be obtained from all businesses selected in the survey. For BAS 2025 there was 85 percent response rate from all businesses that were surveyed and found to be operating during the reference period. Data were imputed for the remaining 15 percent of operating businesses.

Note also that estimates for Dili may be overestimated. Businesses with the main office in Dili which undertook work in the municipality outside Dili would have their activity included in Dili estimates.
The INETL is committed to making continuous improvements in data quality, including the BAS.

CHAPTER 2 KEY DATA ITEMS RESULTS

This chapter contains summary information about non-petroleum producing businesses for selected employment, income, expense, profit, and capital expenditure data items.

Employment

As at December 2025 there was 74,600 persons employed in Timor-Leste businesses. This represented a 9.7 percent increase in employment since December 2024. About 65.7 percent of the total persons employed were male (or 49,000 persons). Between 2024 and 2025, male employment increased by 10.1 percent and female employment by 8.9 percent.

The majority of the persons employed in Timor-Leste were employed in businesses operating in Dili (81.4 percent or 60,700 person).

In 2025 average wages per employee was ($3,100) in Timor-Leste. The wages per employee was higher in Dili ($3,400) than in the other municipalities ($1,900).

The 'Others' industry had the highest level of employment, accounting for 29.9 percent (or 22,300 persons) of all employed persons. The second largest individual industry was the 'Retail and Wholesale Trade' industry contributing 26.9 percent (or 20,100 persons) to total employment.

Income

During 2025, Timor-Leste non-petroleum producing businesses income had growing by 7.9 percent since 2024. A total income is $2,581.6 million which is contribute majority from the retail & wholesale trade and construction industry together around 69.6 percent (or $1,796.3 million). About 89.3 percent (or $2304.7 million) was generated by business operating in Dili.

Expenses

During 2025 total operating expenses incurred by non-petroleum producing businesses in Timor-Leste was $2,026.6 million, raise 12.2 percent since 2024. Purchase of supplies and materials and finished goods have a small increased by 7.4 percent (or $1,522.1 million) during 2025. This increasing was not very much comparing to the increasing of other expenses around 64.2 percent which is considering driving to the increasing of total expenses since 2024.

About 92.4 percent (or $1,872.2 million) of total operating expenses were incurred by businesses operating in Dili. Purchases of supplies and materials and finished goods accounted for 75.1 percent (or $1,522.1 million) of all operating expenses. The ‘Retail and Wholesale Trade’ industry accounted for $1,237.1 million. Total labour costs accounted for 11.7 percent (or $237.7 million) of total operating expenses.

Profit

Total profit generated by Timor-Leste non-petroleum businesses during 2025 was $556.5 million, which declined by 6.1 percent since 2024. This decreasing is due of more increasing value in expenses than income.

The ‘Construction’ industry accounted for 30.6 percent (or $170.4 million) of all profit generated during the year, and the highest proportion of all industries.

Capital Expenditure

During 2025 the purchase of capital assets was $39.3 million. The ‘Retail & Wholesale Trade’ and the ‘Construction’ industries reinvested the greatest proportion of their profit into capital expenditure, investing $18.7 million and $9.1 million in capital expenditure respectively.

Table 2.1 Key structural data by geography, non-petroleum producing businesses, 2021-2025

		Dili					Municipalities				
		2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
Employment											
Male *	n	31,800	35,300	33,600	36,200	39,300	4,600	6,800	9,400	8,300	9,700
Female *	n	14,200	18,300	17,600	20,300	21,400	1,700	2,800	4,500	3,200	4,200
Total employment *	**n**	**46,000**	**53,600**	**51,300**	**56,500**	**60,700**	**6,200**	**9,600**	**13,900**	**11,500**	**13,900**
Income											
Income from sales of goods and services	$m	1,721.1	1,866.3	1,968.5	2,064.1	2,128.1	129.8	121.1	171.8	208.7	263.4
Other income	$m	50.1	54.6	63.5	116.9	176.6	0.6	1.2	2.3	3.2	13.5
Total income	**$m**	**1,771.2**	**1,920.9**	**2,032.0**	**2,180.9**	**2,304.7**	**130.4**	**122.2**	**174.2**	**212.0**	**276.9**
Expenses											
Labour Costs											
Wages and salaries	$m	156.6	147.9	169.3	204.5	205.0	10.6	16.4	17.2	17.4	27.0
Non-wage benefits	$m	7.8	4.5	5.4	5.3	5.4	0.3	0.4	0.7	0.4	0.3
Total labour costs	$m	164.4	152.4	174.7	209.9	210.4	10.9	16.8	17.9	17.9	27.3
Purchases of supplies, materials and finished goods	$m	1,057.3	1,160.0	1,270.9	1,336.2	1,405.0	60.3	51.6	67.2	80.5	117.1
Other expenses	$m	230.1	127.0	132.2	149.0	256.9	16.3	4.9	20.7	13.5	10.0
Total expenses	**$m**	**1,451.8**	**1,439.4**	**1,577.8**	**1,695.1**	**1,872.2**	**87.5**	**73.3**	**105.7**	**111.8**	**154.4**
Profit	**$m**	**322.6**	**486.0**	**457.2**	**492.3**	**434.0**	**43.0**	**48.9**	**68.5**	**100.2**	**122.5**
Average wages per employee **	**$**	**3,400.0**	**2,800.0**	**3,300.0**	**3,600.0**	**3,400.0**	**1,700.0**	**1,700.0**	**1,200.0**	**1,500.0**	**1,900.0**
Capital expenditure	**$m**	**19.8**	**10.8**	**13.0**	**28.1**	**36.2**	**2.1**	**4.0**	**3.1**	**4.5**	**3.1**

		Total Timor-Leste								
		2021	2022	2023	2024	2025	2021-22	2022-23	2023-24	2024-25
Employment										
Male *	n	36,400	42,200	43,000	44,500	49,000	15.9	1.9	3.5	10.1
Female *	n	15,900	21,100	22,100	23,500	25,600	32.7	4.7	6.3	8.9
Total employment *	**n**	**52,200**	**63,300**	**65,200**	**68,000**	**74,600**	**21.3**	**3.0**	**4.3**	**9.7**
Income										
Income from sales of goods and services	$m	1,850.9	1,987.5	2,140.3	2,272.7	2,391.6	7.4	7.7	6.2	5.2
Other income	$m	50.7	55.8	65.8	120.1	190.1	9.9	18.1	82.4	58.2
Total income	**$m**	**1,901.6**	**2,043.2**	**2,206.2**	**2,393.0**	**2,581.6**	**7.4**	**8.0**	**8.5**	**7.9**
Expenses										
Labour Costs										
Wages and salaries	$m	167.2	164.3	186.5	222.0	232.0	(1.7)	13.5	19.0	4.5
Non-wage benefits	$m	8.1	4.9	6.1	5.8	5.8	(39.1)	23.3	(5.3)	(0.0)
Total labour costs	$m	175.3	169.3	192.6	227.7	237.7	(3.4)	13.8	18.2	4.4
Purchases of supplies, materials and finished goods	$m	1,117.6	1,211.6	1,338.0	1,416.7	1,522.1	8.4	10.4	5.9	7.4
Other expenses	$m	246.4	131.9	152.8	162.5	266.8	(46.5)	15.9	6.3	64.2
Total expenses	**$m**	**1,539.3**	**1,512.7**	**1,683.5**	**1,807.0**	**2,026.6**	**(1.7)**	**11.3**	**7.3**	**12.2**
Profit	**$m**	**365.6**	**534.9**	**525.7**	**592.5**	**556.5**	**46.3**	**(1.7)**	**12.7**	**(6.1)**
Average wages per employee **	**$**	**3,200.0**	**2,600.0**	**2,900.0**	**3,300.0**	**3,100.0**	**(18.8)**	**11.5**	**13.8**	**(6.1)**
Capital expenditure	**$m**	**21.9**	**14.8**	**16.1**	**32.7**	**39.3**	**(32.7)**	**9.3**	**102.5**	**20.3**

*Estimates of employment have been rounded to the nearest 100 persons.
** Estimates of average wages per employee have been rounded to the nearest $100.

Table 2.2 structural data by industry, non-petroleum producing businesses, 2021-2025

		Manufacturing					Construction				
		2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
Employment											
Male *	n	3,800	4,700	3,100	3,800	4,000	7,400	9,200	7,900	10,400	11,700
Female *	n	1,100	1,900	800	1,000	1,300	800	1,100	1,100	1,500	1,500
Total employment *	**n**	**4,900**	**6,700**	**3,800**	**4,800**	**5,300**	**8,300**	**10,300**	**9,000**	**11,900**	**13,200**
Income											
Income from sales of goods and services	$m	68.9	108.8	79.9	99.4	107.4	328.6	340.7	345.7	399.2	400.2
Other income	$m	0.5	0.3	0.3	2.8	0.4	0.6	1.1	1.0	1.1	9.8
Total income	**$m**	**69.4**	**109.0**	**80.2**	**102.3**	**107.9**	**329.3**	**341.8**	**346.7**	**400.2**	**410.1**
Expenses											
Labour Costs											
Wages and salaries	$m	10.6	14.1	10.4	13.4	16.8	24.1	24.4	23.1	34.2	41.0
Non-wage benefits	$m	0.1	0.2	0.1	0.5	0.1	1.5	0.5	0.4	1.3	1.3
Total labour costs	$m	10.8	14.3	10.5	13.9	16.9	25.6	24.9	23.5	35.5	42.3
Purchases of supplies, materials and finished goods	$m	36.6	60.6	43.6	58.1	64.4	108.6	131.3	143.8	163.5	167.9
Other expenses	$m	9.7	8.3	6.8	4.8	12.4	60.2	17.9	12.8	16.6	28.5
Total expenses	**$m**	**57.0**	**83.2**	**60.9**	**76.8**	**93.7**	**194.5**	**174.0**	**180.1**	**215.6**	**238.7**
Profit	**$m**	**13.0**	**26.7**	**22.6**	**22.9**	**15.4**	**134.7**	**167.5**	**167.9**	**184.5**	**170.4**
Average wages per employee **	**$**	**2,200.0**	**2,100.0**	**2,700.0**	**2,800.0**	**3,200.0**	**2,900.0**	**2,400.0**	**2,600.0**	**2,900.0**	**3,100.0**
Capital expenditure	**$m**	**0.7**	**0.4**	**0.4**	**0.7**	**2.1**	**1.6**	**2.3**	**3.7**	**10.0**	**9.1**

		Retail and Wholesale Trade					Transportation and Storage				
		2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
Employment											
Male *	n	9,800	12,300	10,500	12,000	12,700	900	800	800	1,100	1,100
Female *	n	5,500	7,200	6,000	7,300	7,400	200	200	200	300	400
Total employment *	**n**	**15,300**	**19,500**	**16,400**	**19,300**	**20,100**	**1,100**	**1,000**	**1,000**	**1,400**	**1,500**
Income											
Income from sales of goods and services	$m	1,053.2	1,145.7	1,255.5	1,321.0	1,380.5	42.7	38.2	42.8	61.0	68.9
Other income	$m	2.1	3.6	6.5	3.7	5.8	0.0	0.0	0.3	0.3	10.0
Total income	**$m**	**1,055.2**	**1,149.3**	**1,261.9**	**1,324.7**	**1,386.3**	**42.8**	**38.2**	**43.1**	**61.3**	**78.9**
Expenses											
Labour Costs											
Wages and salaries	$m	41.9	46.0	44.3	55.8	48.2	7.2	4.7	4.9	7.1	7.0
Non-wage benefits	$m	1.2	1.2	1.0	1.1	0.9	0.1	0.2	0.5	0.2	0.4
Total labour costs	$m	43.1	47.2	45.3	56.9	49.1	7.3	4.9	5.4	7.2	7.4
Purchases of supplies, materials and finished goods	$m	863.4	919.7	1,005.0	1,061.6	1,120.1	20.1	15.5	18.2	31.1	35.2
Other expenses	$m	49.6	47.0	55.6	57.8	67.8	4.8	1.9	1.3	3.8	9.6
Total expenses	**$m**	**956.1**	**1,013.8**	**1,105.9**	**1,176.3**	**1,237.1**	**32.2**	**22.3**	**24.9**	**42.1**	**52.2**
Profit	**$m**	**100.7**	**140.0**	**154.1**	**157.6**	**150.3**	**10.6**	**15.9**	**18.4**	**19.2**	**26.7**
Average wages per employee **	**$**	**2,700.0**	**2,400.0**	**2,700.0**	**2,900.0**	**2,400.0**	**6,500.0**	**4,700.0**	**4,900.0**	**5,100.0**	**4,700.0**
Capital expenditure	**$m**	**8.2**	**6.1**	**7.6**	**9.8**	**18.7**	**-**	**0.0**	**0.7**	**1.0**	**0.0**

*Estimates of employment have been rounded to the nearest 100 persons.
** Estimates of average wages per employee have been rounded to the nearest $100.

Table 2.2 Key structural data by industry, non-petroleum producing businesses, 2021-2025 cont.

		Accommodation and Food Services					Information and Communication				
		2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
Employment											
Male *	n	1,800	2,200	2,700	2,800	2,700	1,000	2,000	2,400	2,000	2,000
Female *	n	2,700	3,400	3,700	4,200	4,500	500	1,000	1,200	1,100	1,000
Total employment *	**n**	**4,600**	**5,600**	**6,500**	**7,000**	**7,200**	**1,500**	**2,900**	**3,600**	**3,100**	**3,000**
Income											
Income from sales of goods and services	$m	48.4	50.3	66.1	66.9	73.0	91.1	106.5	112.4	120.7	128.8
Other income	$m	1.5	1.5	1.2	0.8	2.7	0.3	0.2	0.2	0.2	10.9
Total income	**$m**	**49.9**	**51.9**	**67.3**	**67.6**	**75.6**	**91.4**	**106.7**	**112.6**	**120.9**	**139.7**
Expenses											
Labour Costs											
Wages and salaries	$m	11.2	10.0	15.7	16.0	13.7	11.4	13.7	14.3	12.2	11.9
Non-wage benefits	$m	0.2	0.2	0.2	0.4	0.3	1.5	1.7	1.6	0.8	1.0
Total labour costs	$m	11.5	10.2	15.9	16.4	14.0	12.9	15.4	15.9	13.0	12.9
Purchases of supplies, materials and finished goods	$m	17.3	12.5	19.8	20.9	19.4	9.7	10.4	18.8	29.9	36.1
Other expenses	$m	12.1	2.9	8.7	7.1	14.7	51.4	34.7	39.8	43.8	76.4
Total expenses	**$m**	**40.8**	**25.6**	**44.4**	**44.4**	**48.1**	**74.0**	**60.5**	**74.4**	**86.7**	**125.4**
Profit	**$m**	**9.2**	**26.5**	**22.9**	**23.3**	**27.7**	**18.3**	**45.9**	**38.2**	**34.1**	**14.4**
Average wages per employee **	**$**	**2,400.0**	**1,800.0**	**2,400.0**	**2,300.0**	**1,900.0**	**7,600.0**	**4,700.0**	**4,000.0**	**3,900.0**	**4,000.0**
Capital expenditure	**$m**	**0.6**	**1.1**	**2.4**	**1.1**	**4.4**	**9.0**	**3.3**	**0.1**	**3.5**	**2.4**

		Financial and Insurance					Other industries				
		2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
Employment											
Male *	n	1,200	1,200	1,100	1,200	1,200	10,500	9,800	14,600	11,200	13,600
Female *	n	700	600	600	800	800	4,400	5,700	8,500	7,300	8,700
Total employment *	**n**	**1,900**	**1,800**	**1,700**	**2,000**	**2,000**	**14,700**	**15,400**	**23,100**	**18,500**	**22,300**
Income											
Income from sales of goods and services	$m	52.9	55.7	65.9	72.2	77.3	165.0	141.7	171.9	132.3	155.4
Other income	$m	39.1	48.1	54.7	108.5	83.2	6.7	0.9	1.7	2.8	67.2
Total income	**$m**	**91.9**	**103.8**	**120.6**	**180.7**	**160.6**	**171.7**	**142.6**	**173.7**	**135.1**	**222.6**
Expenses											
Labour Costs											
Wages and salaries	$m	14.9	13.0	21.9	28.1	27.6	45.7	38.3	52.1	55.2	65.7
Non-wage benefits	$m	1.4	0.3	0.6	1.0	0.5	2.1	0.7	1.6	0.5	1.2
Total labour costs	$m	16.3	13.4	22.5	29.1	28.1	47.8	39.0	53.7	55.7	66.9
Purchases of supplies, materials and finished goods	$m	14.0	4.0	1.2	2.5	11.2	47.9	57.6	87.6	49.2	67.7
Other expenses	$m	24.3	8.1	11.4	12.4	27.9	34.2	11.2	16.4	16.1	29.6
Total expenses	**$m**	**54.7**	**25.5**	**35.0**	**44.1**	**67.2**	**130.0**	**107.8**	**157.7**	**120.9**	**164.2**
Profit	**$m**	**37.2**	**78.3**	**85.5**	**136.7**	**93.3**	**41.9**	**34.0**	**16.0**	**14.1**	**58.3**
Average wages per employee **	**$**	**7,800.0**	**7,200.0**	**12,900.0**	**14,000.0**	**13,800.0**	**3,100.0**	**2,500.0**	**2,300.0**	**3,000.0**	**2,900.0**
Capital expenditure	**$m**	**0.2**	**0.1**	**0.0**	**4.4**	**0.2**	**1.6**	**1.4**	**1.2**	**2.1**	**2.5**

*Estimates of employment have been rounded to the nearest 100 persons.
** Estimates of average wages per employee have been rounded to the nearest $100.

CHAPTER 3 KEY ECONOMIC DATA ITEMS

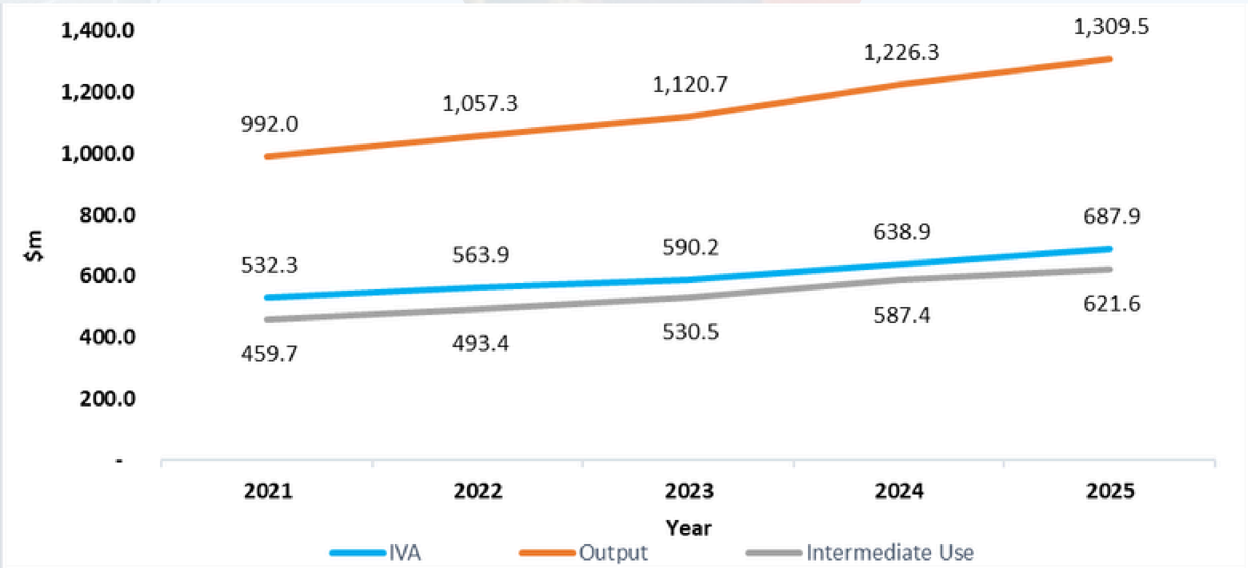
Timor-Leste Industry Value Added

Industry value added (IVA) is a measure of industry contribution to the national economy. It is calculated as the difference between the market value of the output of an industry (output) and the purchases of materials and expenses incurred in the production of that output (intermediate use).

The graph in figure 1 shows on how was the Timor-Leste industry value added for the years 2021 to 2025, in million US dollar. Timor-Leste industry value added had continued growth since over the five years, considering there was more value increasing in output than the intermediate use.

In 2025, total industry value added of Timor-Leste has grown by 7.7 percent, from $638.9 million in 2024 and $687.9 million in 2025. This growth was due to the increase of 6.8 percent in output which is driving by 5.2 percent increase in income from sale of goods and services, even though there was an increase in intermediate use of 5.8 percent driving by an increasing in purchases of supplies and materials and by 18.7 percent, even though the other intermediate use was declined.

Figure 1. Timor-Leste Industry Value Added, 2021-2025

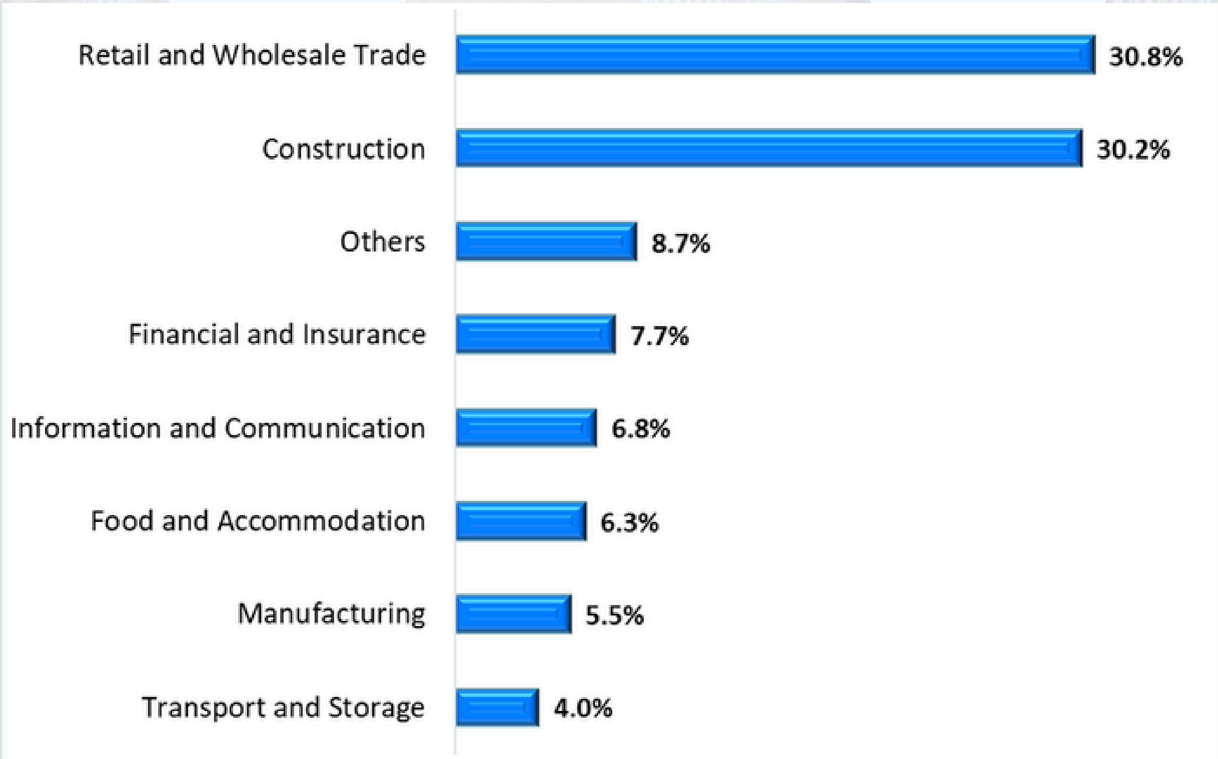


IVA Contribution by Industry and Region

Looking at the contribution of an industry in the total Timor-Leste industry value added, shows that during 2025, the Retail and Wholesale Trade industry provided the largest contribution to total Timor-Leste industry value added (IVA). This industry contributed 30.8 percent to the total IVA of $687.9 million, with a value of $212.0 million.

The second big contribution was from Construction industry around 30.2 percent or in value was $207.7 million. Moreover, Transport industry considers as a small contribution of the total IVA about 4.0 percent or $27.5 million.

Figure 2. IVA Contribution by Industry, 2025

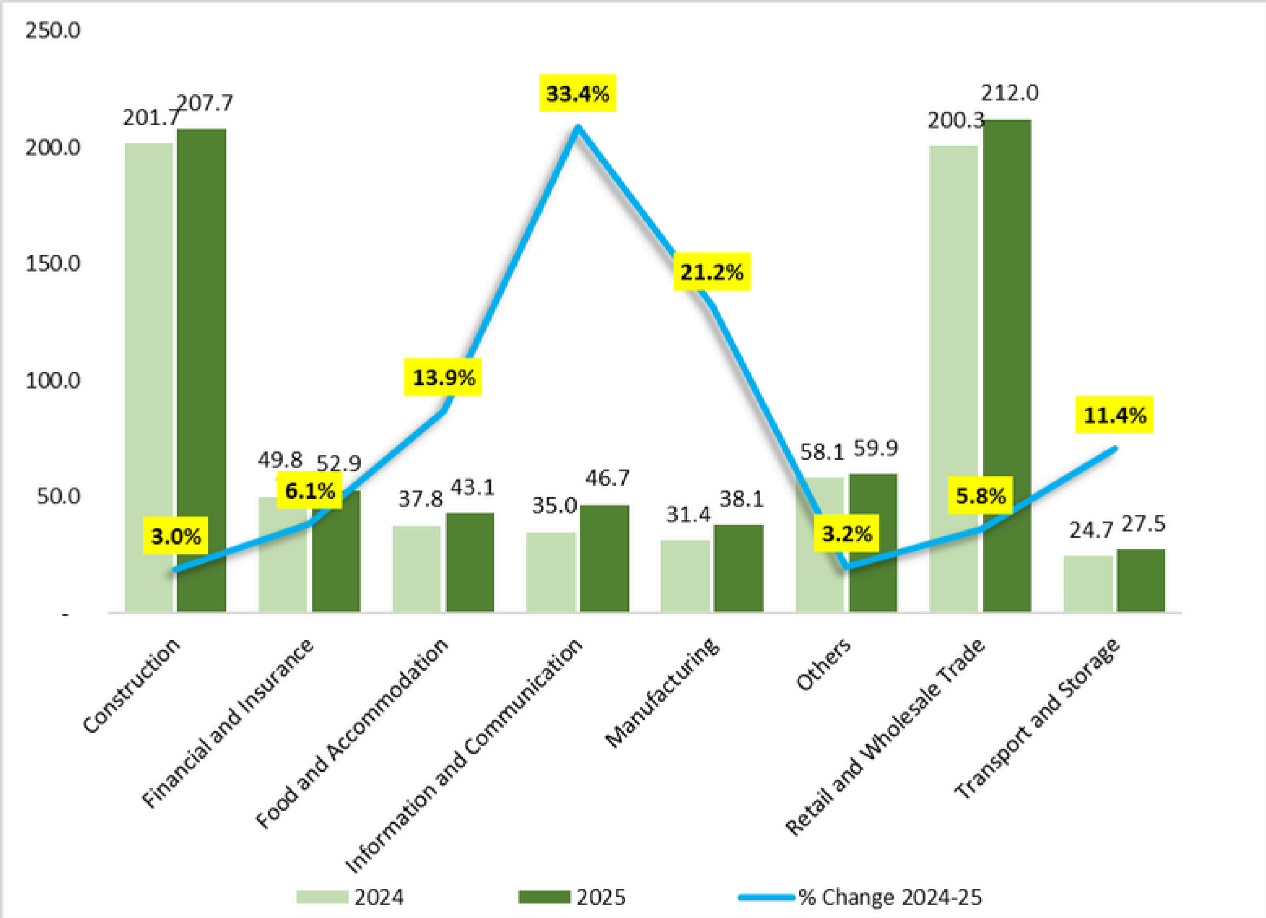


IVA Growth Rate by Industry

The graph below in figure 3 shows the growth rate of industry value added by industry between 2024 and 2025. However, all industry growth has provided a more positive picture since 2024.

Seen by the industries, the largest rise was seen in the 'Information and Communication' industry by 33.4 percent, followed by the 'Manufacturing' industry around 21.2 percent.
The smallest rise was seen in the 'Construction' industry around 3.0 percent.

Figure 3. IVA Growth Rate by Industry between 2024-2025



Compensation of Employees

Compensation of employees (COE) is a measure of the total remuneration, in cash or in-kind, payable by a business to an employee in return for work done by the employee during the calendar year. COE includes salaries and wages, non-wage benefits such as meals and private use of motor vehicles and own account capitalized wages.

During 2025 the total COE for all non-petroleum businesses operating in Timor-Leste was $238.6 million, 4.7 percent more than 2024. Businesses operating in 'Dili' accounted for 88.5 percent ($211.2 million) of total COE. The 'Others' industry accounted for 28.2 percent of total COE or $67.3 million.

Table 3.1 Key economic data by geography, non-petroleum producing businesses, 2021-2025

		Dili					Municipios				
		2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
Output											
Income from sale of goods and services	$m	1,721.1	1,866.3	1,968.5	2,064.1	2,128.1	129.8	121.1	171.8	208.7	263.4
(less) Purchases of finished	$m	822.3	882.4	990.0	1,019.6	1,051.7	41.7	31.8	33.5	39.5	45.7
Other output	$m	5.1	15.3	3.9	12.6	15.4	-	-	-	-	-
Total output	**$m**	**903.8**	**999.2**	**982.4**	**1,057.1**	**1,091.8**	**88.1**	**89.4**	**138.3**	**169.2**	**217.7**
Intermediate use											
Purchases of supplies and materials	$m	235.0	277.6	280.8	316.7	353.2	18.7	19.8	33.7	41.0	71.4
Other intermediate use	$m	189.8	219.3	190.9	214.6	187.0	16.3	8.4	25.1	15.1	10.0
Total intermediate use	**$m**	**424.7**	**496.9**	**471.8**	**531.3**	**540.2**	**35.0**	**28.2**	**58.7**	**56.1**	**81.4**
Industry value added	**$m**	**479.1**	**502.3**	**510.6**	**525.8**	**551.6**	**53.2**	**61.1**	**79.6**	**113.1**	**136.4**
Compensation of employees	**$m**	**165.3**	**153.4**	**174.8**	**209.9**	**211.2**	**10.9**	**16.8**	**17.9**	**17.9**	**27.3**

		Total Timor-Leste									
		2021	2022	2023	2024	2025	2021-22	2022-23	2023-24	2024-25
Output										
Income from sale of goods and services	$m	1,850.9	1,987.5	2,140.3	2,272.7	2,391.6	7.4	7.7	6.2	5.2
(less) Purchases of finished goods	$m	864.0	914.2	1,023.5	1,059.0	1,097.5	5.8	12.0	3.5	3.6
Other output	$m	5.1	15.3	3.9	12.6	15.4	198.5	(74.6)	224.4	22.2
Total output	**$m**	**992.0**	**1,088.6**	**1,120.7**	**1,226.3**	**1,309.5**	**9.7**	**2.9**	**9.4**	**6.8**
Intermediate use										
Purchases of supplies and materials	$m	253.6	297.4	314.5	357.7	424.6	17.3	5.8	13.7	18.7
Other intermediate use	$m	206.1	227.7	216.0	229.7	197.0	10.5	(5.2)	6.3	(14.2)
Total intermediate use	**$m**	**459.7**	**525.1**	**530.5**	**587.4**	**621.6**	**14.2**	**1.0**	**10.7**	**5.8**
Industry value added	**$m**	**532.3**	**563.5**	**590.2**	**638.9**	**687.9**	**5.9**	**4.7**	**8.3**	**7.7**
Compensation of employees	**$m**	**176.2**	**170.3**	**192.7**	**227.8**	**238.6**	**(3.4)**	**13.2**	**18.2**	**4.7**

Nil or rounded to zero

Table 3.2 Key economic data by industry, non-petroleum producing businesses, 2021-2025

		Manufacturing					Construction				
		2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
Output											
Income from sale of goods and services	$m	68.9	108.8	79.9	99.4	107.4	328.6	340.7	345.7	399.2	400.2
(less) Purchases of finished	$m	1.4	32.9	9.4	5.9	0.5	1.8	3.5	5.2	4.5	2.4
Other output	$m	0.2	0.0	2.6	0.0	1.3	- 0.0	1.0	2.1	0.6	0.5
Total output	**$m**	**67.7**	**75.9**	**73.1**	**93.6**	**108.3**	**326.8**	**338.1**	**342.6**	**395.2**	**398.4**
Intermediate use											
Purchases of supplies and materials	$m	35.2	27.7	34.2	52.2	63.9	106.8	127.8	138.6	159.0	165.5
Other intermediate use	$m	8.3	10.2	8.5	10.0	6.3	59.2	37.4	23.7	34.6	25.1
Total intermediate use	**$m**	**43.6**	**37.9**	**42.7**	**62.2**	**70.2**	**166.1**	**165.2**	**162.3**	**193.6**	**190.6**
Industry value added	**$m**	**24.1**	**38.0**	**30.4**	**31.4**	**38.1**	**160.7**	**172.9**	**180.2**	**201.7**	**207.7**
Compensation of employees	**$m**	**10.8**	**14.3**	**10.5**	**13.9**	**16.9**	**25.6**	**25.9**	**23.5**	**35.5**	**42.3**

		Retail and Wholesale Trade					Transportation and Storage				
		2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
Output											
Income from sale of goods and services	$m	1,053.2	1,145.7	1,255.5	1,321.0	1,380.5	42.7	38.2	42.8	61.0	68.9
(less) Purchases of finished	$m	839.1	851.2	969.0	1,026.7	1,073.6	0.6	0.8	2.3	6.0	1.4
Other output	$m	1.6	6.9	- 1.2	10.2	10.2	0.0	0.0	0.4	0.1	0.0
Total output	**$m**	**215.7**	**301.4**	**285.2**	**304.5**	**317.1**	**42.1**	**37.4**	**40.9**	**55.1**	**67.5**
Intermediate use											
Purchases of supplies and materials	$m	24.2	68.4	36.0	34.9	46.6	19.5	14.7	15.9	25.1	33.8
Other intermediate use	$m	39.2	59.8	57.8	69.2	58.6	4.7	3.2	3.2	5.3	6.2
Total intermediate use	**$m**	**63.5**	**128.3**	**93.8**	**104.1**	**105.1**	**24.2**	**17.9**	**19.1**	**30.4**	**40.0**
Industry value added	**$m**	**152.2**	**173.1**	**191.5**	**200.3**	**212.0**	**17.9**	**19.5**	**21.7**	**24.7**	**27.5**
Compensation of employees	**$m**	**43.1**	**47.2**	**45.3**	**56.9**	**49.6**	**7.3**	**4.9**	**5.4**	**7.2**	**7.4**

Nil or rounded to zero

Table 3.2 Key economic data by industry, non-petroleum producing businesses, 2021-2025 cont.

		Accommodation and Food Services					Information and Communication				
		2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
Output											
Income from sale of goods and services	$m	48.4	50.3	66.1	66.9	73.0	91.1	106.5	112.4	120.7	128.8
(less) Purchases of finished	$m	3.4	2.3	8.0	3.7	1.0	1.0	0.9	1.6	0.4	0.6
Other output	$m	1.7	0.2	0.0	0.0	0.0	0.6	6.3	-	1.2	2.6
Total output	**$m**	**46.8**	**48.3**	**58.1**	**63.2**	**71.9**	**90.7**	**111.8**	**110.8**	**121.4**	**130.9**
Intermediate use											
Purchases of supplies and materials	$m	13.9	10.2	11.8	17.2	18.4	8.8	9.5	17.2	29.5	35.6
Other intermediate use	$m	11.6	8.7	11.2	8.2	10.5	33.4	67.9	64.3	56.9	48.6
Total intermediate use	**$m**	**25.5**	**18.9**	**22.9**	**25.4**	**28.9**	**42.2**	**77.4**	**81.5**	**86.4**	**84.2**
Industry value added	**$m**	**21.2**	**29.4**	**35.1**	**37.8**	**43.1**	**48.5**	**34.4**	**29.3**	**35.0**	**46.7**
Compensation of employees	**$m**	**11.5**	**10.2**	**15.9**	**16.4**	**14.0**	**12.9**	**15.4**	**15.9**	**13.0**	**12.9**

		Financial and Insurance					Other industries				
		2021	2022	2023	2024	2025	2021	2022	2023	2024	2025
Output											
Income from sale of goods and services	$m	52.9	55.7	65.9	72.2	77.3	165.0	141.7	171.9	132.3	155.4
(less) Purchases of finished	$m	0.0	0.0	0.0	0.1	0.0	16.8	22.5	28.0	11.8	18.0
Other output	$m	-	0.0	-	0.6	0.2	1.1	0.8	0.1	0.0	0.6
Total output	**$m**	**52.9**	**55.6**	**65.9**	**72.8**	**77.5**	**149.3**	**120.1**	**144.1**	**120.5**	**138.0**
Intermediate use											
Purchases of supplies and materials	$m	14.0	3.9	1.2	2.4	11.2	31.1	35.1	59.7	37.4	49.7
Other intermediate use	$m	16.7	12.3	16.9	20.5	13.4	32.8	28.2	30.4	25.0	28.4
Total intermediate use	**$m**	**30.7**	**16.2**	**18.1**	**22.9**	**24.6**	**63.9**	**63.3**	**90.1**	**62.4**	**78.0**
Industry value added	**$m**	**22.1**	**39.4**	**47.8**	**49.8**	**52.9**	**85.4**	**56.8**	**54.0**	**58.1**	**59.9**
Compensation of employees	**$m**	**16.3**	**13.4**	**22.5**	**29.1**	**28.1**	**48.7**	**39.0**	**53.7**	**55.7**	**67.3**

Nil or rounded to zero

TECHNICAL NOTE

Introduction

This publication presents results from the BAS of Timor-Leste for the 2025 reference period. Although financial estimates relate to the full twelve months, employment estimates relate to the 15th of December 2025. As a result, estimates of wages and salaries per person employed may be affected by fluctuations in employment during the reference period.
All financial estimates in this report are in $US.

Classifications

The businesses that contribute to the statistics in this publication are classified by:

- Industry – in accordance with the International Standard Industrial Classification of All Economic Activities, (ISIC) Rev. 4, 2006 edition (http://unstats.un.org/unsd/default.htm)
- Geography – Dili and the remainder of Timor-Leste under the category 'Municipalities'

Data are presented for the seven largest non-petroleum producing industries operating in Timor-Leste – 'Manufacturing', 'Construction', 'Retail and Wholesale Trade', 'Transportation and Storage', 'Accommodation and Food Services', Communication and Information, 'Financial and Insurance'. The remaining industries, as defined in ISIC Rev. 4, were combined into an 'Other Industries' category.

Scope

The scope for the BAS includes the non-petroleum producing business sector of Timor-Leste that actively traded during the 2025 calendar year.
The scope includes businesses whose primary income is generated from the following activities:

- Private non-financial businesses (excluding agricultural production)
- Private financial businesses
- Public non-financial and financial businesses where more than 50 percent of their revenue was generated from trading activities
- Not-for-profit institutions earning more than 50 percent of their revenue from trading activities

Public trading enterprises where a majority of their income (more than 50 percent) was generated from the direct provision of services were also in-scope of BAS.

The scope excludes the following types of businesses:

- The petroleum producing businesses that submit tax through the National Directorate of Petroleum Revenue
- General government agencies (such as administration, education and health)
- Public trading enterprises, where the majority of their income was received from government transfers or payments
- Non-businesses or non-trading enterprises (such as embassies and missions)
- The informal sector of the economy, including:
    - Subsistence agricultural production
    - Piecemeal and informal manufacturing
    - Street vendors

The BAS does not include the informal sector as there are no robust survey frames from which to survey these micro-businesses. Although this sector is expected to involve a large number of very small businesses, their collective contribution to gross domestic product is expected to be very small. Included in the informal sector are a large number of own account taxi and truck drivers, a large number of (mostly female) piecemeal manufacturing contractors and businesses in agriculture production (subsistence farming).

Survey Frame

A list frame was used for the BAS. The 2024 survey frame was used as the starting point for 2025, with updates and adjustments applied. It comprised of businesses:

- That remitted tax for the 2025 calendar year (or were expected to do so) to the National Directorate of Domestic Revenue (approximately 5,119 businesses);

- The list was obtained from the National Directorate of Treasury. Businesses on this list were included on the frame if they were not required or expected to remit tax through Domestic Revenue for the calendar year 2025.

The survey sample consisted of 3,350 businesses, of which 300 were in the completely enumerated stratum. 2,309 businesses were in Dili and 1,041 businesses in the ‘other Municipalities’.

Coverage

The primary coverage source for non-petroleum producing businesses was the list of businesses as described under 'Scope' above.
A number of administrative data sources were used for compiling information on the banking industry and the Public Trading Enterprises.

Statistical Unit

The statistical unit is the business or entity associated with a tax identification number (TIN) as assigned by the National Directorate of Domestic Tax. For businesses taken from the eProcurement Portal the statistical unit is the vendor identification.

Survey Design

A stratified simple random sample was used to despatch to 3,350 businesses from a total survey frame count of about 6,947 businesses. This resulted in 2,848 responses.
Stratified number raised estimation was used for the BAS. Weights were applied to businesses that participated in the survey to account for those businesses that were either not surveyed or did not participate in the survey.

Questionnaire Strategy

A two-questionnaire strategy was adopted to limit the reporting load on small businesses. A long questionnaire consisting of 46 questions was used for larger businesses operating in Dili, while a short questionnaire of 22 questions was used for all other businesses.

The content of the long questionnaire included finer level breakdowns of income, expenses, inventories and capital acquisition and disposal of assets. This additional content is considered essential for compiling detailed national accounting aggregate data (see attached questionnaire).

Rounding

Where figures have been rounded, discrepancies may occur between totals and the sums of the component items. Proportions, ratios and other calculated figures shown in this publication have been calculated using unrounded estimates and may be different from, but are more accurate than, calculations based on the rounded estimates.

Estimates of employment have been rounded to the nearest 100 persons. Estimates of average wages per employee have been rounded to the nearest $100.

GLOSSARY

Accommodation and food services

Accommodation and food services refers to the industry defined under 'Section I – Accommodation and food service activities' of the International Standard Industrial Classification of All Economic Activities, Revision 4.
This industry includes the provision of short-stay accommodation for visitors and other travelers and the provision of complete meals and drinks fit for immediate consumption.

Average wages per employee

Average wages are a measure of the average annual cash wages and salaries paid by businesses to persons working for that business.
Average wages per employee is defined as wages and salaries divided by total employment.

Capital expenditure

Capital expenditure refers to the expenditure on capital assets.
Capital expenditure includes expenditure on:

- land
- dwellings
- other buildings and structures
- plant, machinery and equipment
- motor vehicles

Capitalised purchases of materials

Capitalised purchases of materials refer to capitalised purchases of goods for use in capital work done by the employees or proprietors of a business, for the business' own use.

Capitalised wages and salaries

Capitalised wages and salaries refer to capitalised payments for work done by own employees in manufacturing, constructing, installing or repairing assets.

Change in inventories

Change in inventories is equal to the value of total inventories at the end of the reference period, less the value of total inventories at the start of the reference period.

Change in inventories is defined as:

- closing inventories of raw materials
- plus closing inventories of work in progress
- plus closing inventories of finished goods
- less opening inventories of raw materials
- less opening inventories of work in progress
- less opening inventories of finished goods

Change in inventories of finished goods

Change in inventories of finished goods is equal to the value of inventories of finished goods at the end of the reference period, less the value of inventories of finished goods at the start of the reference period.

Inventories of finished goods include goods, merchandise and trading stock that are bought with the intention of resale, without transformation.

Change in inventories of raw materials

Change in inventories of raw materials is equal to the value of inventories of raw materials at the end of the reference period, less the value of inventories of raw materials at the start of the reference period.

Inventories of raw materials include supplies and materials used as inputs, by a business, in producing goods and services.

Change in inventories of work in progress

Change in inventories of work in progress is equal to the value of inventories of work in progress at the end of the reference period, less the value of inventories of work in progress at the start of the reference period.

Inventories of work in progress include manufacturing and construction projects that have commenced but are not completed at the end of the reference period.

Construction

Construction refers to the industry defined under 'Section F – Construction' of the International Standard Industrial Classification of All Economic Activities, Revision 4.

This industry includes general construction and specialized construction activities for buildings and civil engineering works. It includes new work, repair, additions and alterations, the erection of prefabricated buildings or structures on the site and also construction of a temporary nature.

Compensation of employees

Compensation of employees (COE) is a measure of the total remuneration, in cash or in-kind, payable by a business to an employee in return for work done by the employee during the accounting period.

COE is defined as:

- wages and salaries
- plus non-wage benefits
- plus capitalised wages and salaries

Dili

Dili refers to the municipality of Dili, including the island of Atauro.

Municipalities

Municipalities refer to all 12 municipalities in Timor-Leste outside of Dili. This includes the municipalities of Aileu, Ainaro, Baucau, Bobonaro, Covalima, Ermera, Lautem, Liquica, Manatuto, Manufahi, Oecusse and Viqueque.

Employment

Employment refers to all employees on the payroll on 15 December 2025. Employees absent on paid or prepaid leave and owners of the business who also work for the businesses are included. This item includes both Timorese and foreign nationals.

Financial and Insurance

Financial and Insurance refers to the industry defined under 'Section K – Financial and insurance activities' of the International Standard Industrial Classification of All Economic Activities, Revision 4.

This industry includes financial service activities, including insurance, reinsurance and pension funding activities and activities to support financial services. It also includes the activities of holding assets, such as activities of holding companies and the activities of trusts, funds and similar financial entities.

Income from sale of goods and services

This item includes both income from the sales of goods and income from the provision of services.

Income from the sale of goods includes income from the sale of goods:

- not produced (e.g. imported goods, retail or wholesale sales)
- produced (e.g. goods manufactured)

Income from the provision of services includes:

- income generated from restaurant and hotel operations
- income from accounting, legal service or consulting services
- income from repair and maintenance services
- rent leasing and hiring income
- management fees and charges
- installation charges (e.g. air conditioning installation)

- income from construction services
- income from transport services
- bank fees and bank charges
- other income from the provision of services

Income from sales of goods and services excludes interest income and the profit on the sale of assets.

Industry value added

Industry value added (IVA) is a measure of industry contribution to a national economy.It represents the value added by an industry to the intermediate inputs used by the industry. IVA is calculated as the difference between the market value of the output of an industry (output) and the purchases of materials and expenses incurred in the production of that output (intermediate use).

IVA is defined as output less intermediate use.

Intermediate use

Intermediate use is a measure of the value of inputs required by an industry to produce that industry’s outputs.

Intermediate use is defined as:

- purchases of supplies and materials
- plus other intermediate expenses
- plus capitalised purchases of materials
- less change in inventories of raw materials

Intermediate use does not include any labour costs or any other remuneration payable to employees. It also excludes bad and doubtful debts, interest expenses and depreciation and amortisation.

Labour costs

Labour costs are defined as wages and salaries plus non-wage benefits.

Manufacturing

Manufacturing refers to the industry defined under ‘Section C – Manufacturing’ of the International Standard Industrial Classification of All Economic Activities, Revision 4.
This industry includes the physical or chemical transformation of materials, substances or components into new products.

Non-wage benefits

Non-wage benefits are the estimated costs of providing in-kind and non-cash remuneration to employees in return for labour. Examples include meals provided to employees or an employee’s private use of a business’s motor vehicle.

Other expenses

Other expenses refer to all expenses other than labour costs and the purchases of supplies, materials and finished goods. Other expenses exclude capitalised expenditure, but includes.

- contract, subcontract and commission expenses
- rent, leasing and hiring expenses
- telecommunication services
- payments for electricity
- transportation and storage services
- printing and marketing services
- legal and accounting services
- bad and doubtful debts
- depreciation and amortisation
- interest expenses
- other payments for services

In contrast other intermediate expenses do not include bad and doubtful debts, interest expenses and depreciation and amortization.

Other income

Other income includes all income other than income from the sales of goods and income from the provision of services.

Other income includes:

- interest income
- income from the sale of assets
- donations

Other industries

Other industries refer to all industries other than ‘Manufacturing’, ‘Construction’, ‘Retail and Wholesale Trade’, ‘Transportation and Storage’, ‘Accommodation and Food Services’, ‘Financial and Insurance’ and ‘Information and Communication’.

Other industries are defined as being the industries that make up the following sections of the International Standard Industrial Classification of All Economic Activities, Revision 4:

- A Agriculture, forestry and fishing
- B Mining and quarrying
- D Electricity, gas, steam and air conditioning supply
- E Water supply; sewerage, waste management and remediation activities
- L Real estate activities
- M Professional, scientific and technical activities
- N Administrative and support service activities
- P Education
- Q Human health and social work activities
- R Arts, entertainment and recreation
- U Other service activities

As the petroleum producing industry of Timor-Leste is out of scope of this survey, estimates of other industries are exclusive of petroleum producing businesses.

Other intermediate expenses

Other intermediate expenses are the value of inputs used by an industry in creating outputs other than purchases of supplies and materials.

Other intermediate expenses are defined as:

- other expenses
- less bad and doubtful debts
- less interest expenses
- less depreciation and amortisation

Other intermediate expenses exclude capitalised expenditure.

Other intermediate use

Other intermediate use refers to all intermediate use other than purchases of supplies and materials.

Other output

Other output refers to all output other than income from the sales of goods and income from the provision of services.

Output

Output is a measure of the market value of production in an industry. It includes the value of goods produced by an industry, plus the value of services provided by an industry, plus the margin on goods resold by an industry.

Output is defined as:

- income from the sale of goods and services
- less purchases of finished goods
- plus change in inventories of finished goods
- plus capitalised purchases of materials
- plus capitalised wages and salaries
- plus change in inventories of work in progress

Profit

Profit is a measure of operating profit (or loss) during the reference period. Profit is derived as:

- total income

- less total expenses
- plus change in inventories

Purchases of finished goods

Purchases of finished goods are purchases of goods, merchandise and trading stock that are bought with the intention of resale, without transformation. Purchases of finished goods are the major cost incurred by businesses in the 'Retail and Wholesale Trade' industry.

Purchases of finished goods exclude purchases of supplies and materials, payments for services and capitalised purchases.

Purchases of supplies and materials

Purchases of supplies and materials are the cost of non-capitalised goods used in the production of the output of a business.

Purchases of supplies and materials include:

- raw materials used in manufacturing and construction
- foodstuffs for use in preparing meals and take away food
- parts and fuels for motor vehicles
- guest supplies for use in hotel rooms
- other purchases of supplies and materials

Purchases of supplies and materials exclude purchases of finished goods and trading stock that are resold without transformation. It also excludes contract, subcontract and commission expenses, payments for services and capitalised purchases.

Purchases of supplies, materials and finished goods

Purchases of supplies, materials and finished goods are defined as purchases of supplies and materials plus purchases of finished goods.

Retail and wholesale trade

Retail and wholesale trade refers to the industry defined under 'Section G – Wholesale and retail trade; repair of motor vehicles and motorcycles' of the International Standard Industrial

Classification of All Economic Activities, Revision 4.

This industry includes wholesale and retail sales (that is, sales without transformation) of any type of goods and the provision of services incidental to the sale of these goods. Also included in this industry are the repair of motor vehicles.

Transportation and Storage

Transportation and Storage refers to the industry defined under 'Section H – Transportation and Storage' of the International Standard Industrial Classification of All Economic Activities, Revision 4.

This industry includes the provision of passenger or freight transport by rail, pipeline, water or air and associated activities such as terminal and parking facilities, and cargo handling and storage. It also includes postal and courier activities.

Wages and salaries

Wages and salaries refer to the cash wages and salaries paid to employees of the business in return for labour.

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