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AVERAGE WEEKLY EARNINGS, STATES AND AUSTRALIA, SEPTEMBER QUARTER 1984

PHONE INQUIRIES for more information about these statistics—contact Patrick Stakelum on Canberra (062) 52 6572 or any of our State offices.

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MAIL INQUIRIES write to Information Services, ABS, P.O. Box 10, Belconnen, A.C.T. 2616 or any of our State offices.

MAIN FEATURES

NOTE: Average weekly earnings may be affected by changes to the composition of the labour force (see paragraph 13).

Estimates of average weekly earnings for the September quarter 1984 and the respective quarterly and annual changes are shown below:

	Full-time adult ordinary time earnings (\$)	Change from previous quarter (%)	Change from previous year (%)
Males	392.40	+1.1	+9.9
Females	319.00	+0.7	+12.4
Persons	369.00	+1.0	+10.6
	All employees total earnings (\$)	Change from previous quarter (%)	Change from previous year (%)
Males	386.20	+0.6	+10.4
Females	256.20	-0.4	+12.2
Persons	334.30	+0.3	+11.1

EXPLANATORY NOTES

Introduction

This publication contains estimates of average weekly earnings for the September quarter 1984. The estimates were obtained from a new sample selected from the recently upgraded ABS register of businesses and are not strictly comparable with estimates of average weekly earnings published prior to June 1984.

2. Background information for the introduction of the new sample is provided in *Information Paper: New* Statistical Series: Employment, Average Weekly Earnings, Job Vacancies and Overtime (6256.0) published on 21 June 1984, copies of which are available on request.

3. The new and old samples were run in parallel for both the September quarter 1983 and the December quarter 1983 and estimates of average weekly earnings for the previous quarters have been revised based on the relationship between the estimates produced from the new and old sample surveys for the December quarter 1983. Estimates for previous quarters have been revised by applying to the new estimates for the December quarter 1983 previously published quarterly movements.

4. Preliminary estimates of average weekly earnings, Australia for September quarter 1984 were published on 14 November 1984 in Catalogue no. 6301.0.

Scope of the survey

5. All wage and salary earners who received pay for the reference period are represented in the survey, except:

- (a) members of the Australian permanent defence forces;
- (b) employees of enterprises primarily engaged in agriculture, forestry, fishing and hunting;
- (c) employees in private households employing staff;
- (d) employees of overseas embassies, consulates, etc.;
- (e) employees based outside Australia;
- (f) employees on workers' compensation who are not paid through the payroll;
- (g) directors who are not paid a salary;
- (h) proprietors/partners of unincorporated businesses;
- (i) self employed persons such as subcontractors, owner/drivers, consultants and persons paid solely by commission without a retainer.

Survey design

A sample of approximately 4,000 employers is selected from the ABS register of businesses to ensure adequate State and industry representation. The sample is updated each quarter to take account of new businesses, those which have ceased operation and structural changes such as takeovers and mergers. The statistical unit for the survey comprises all activities of an enterprise in a particular State or Territory. Each statistical unit is classified to an industry which reflects the predominant activity of the enterprise in the State or Territory. In a small number of cases where an enterprise has significant employment in more than one industry, a separate statistical unit is created for each industry. The statistical units are stratified by State, government/private, industry and size of employment and a simple random sample selected from each stratum.

Definitions

7. *Reference period* for the survey refers to the last pay period ending on or before 17 August 1984.

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8. *Employees* refers to all wage and salary earners (as defined in paragraph 5) who received pay for any part of the reference period.

9. Full-time employees are permanent, temporary and casual employees who normally work the agreed or award hours for a full-time employee in their occupation and received pay for any part of the reference period; if agreed or award hours do not apply, employees are regarded as full-time if they ordinarily work 35 hours or more per week.

10. Adults are those employees 21 years of age or over and those employees who, although under 21 years of age, are paid at the full adult rate for their occupation.

11. Weekly total earnings refers to one week's earnings of employees for the reference period, before taxation and any other deductions (e.g. superannuation, board and lodging) have been made. Earnings comprise ordinary time earnings, over-award payments, overtime earnings; penalty payments, shift and other allowances; commissions and retainers; bonuses and similar payments related to the reference period; payments under incentive or piecework; payments under profit sharing schemes normally paid each pay period and payments for leave taken during the reference period. Excluded are retrospective pay, pay in advance, leave loadings, severance pay, termination and redundancy payments and other payments not related to the reference period.

12. Weekly ordinary time earnings refers to that part of weekly total earnings attributable to award, standard or agreed hours of work. Included in ordinary time earnings are over-award payments, penalty payments, shift and other allowances; commissions and retainers; bonuses and similar payments related to the reference period; payments under incentive or piecework; payments under profit sharing schemes normally paid each pay period and payments for leave taken during the reference period.

13. Average weekly earnings are derived by dividing estimates of weekly total earnings by estimates of employment. The averages may be affected not only by changes in the level of earnings of employees but also by changes to the overall composition of the labour force such as variations in employment levels, occupation distribution and proportions of part-time, casual and junior employees. Statistics of average weekly earnings represent average gross (before tax) earnings of employees and do not relate to average award rates nor to the earnings of the 'average person'.

Comparability of results

14. For users who need a measure of the movement in earnings for a period which overlaps the September quarter 1981, Table 3 has been included which presents quarterly movements for the old (Payroll tax based) and current (Employer survey based) series linked to a common index base.

Reliability of estimates

15. As the estimates in this publication are based on information relating to a sample of employers rather than a full enumeration, they are subject to sampling

variability. That is, they may differ from the figures that would have been produced if the information had been obtained from all employers. This difference, called *sampling error*, should not be confused with inaccuracy that may occur because of imperfections in reporting by respondents or in processing by the ABS. Such inaccuracy is referred to as *non-sampling error* and may occur in any enumeration whether it be a full count or sample. Efforts have been made to reduce non-sampling error by careful design of questionnaires, detailed checking of returns and quality control of processing.

16. The sampling error associated with any estimate can be estimated from the sample results. One measure of sampling error is given by the *standard error* which indicates the degree to which an estimate may vary from the value that would have been obtained from a full enumeration (the 'true' figure). There are about two chances in three that a sample estimate differs from the true value by less than one standard error, and about nineteen chances in twenty that the difference will be less than two standard errors.

17. An example of the use of a standard error for the September quarter 1984 estimates is as follows. Table 1 shows the estimate of average weekly total earnings for all employees in Australia for the September quarter 1984 as being \$334.30. The estimated standard error associated with this figure is \$2.80. Therefore, there are about two chances in three that a full enumeration would give a figure in the range \$331.50 to \$337.10 and about nineteen chances in twenty that it would be in the range \$328.70 to \$339.90.

18. An example of the use of a standard error for a quarterly change estimate is as follows. Table 1 shows the estimated standard error for the quarterly change estimate of average weekly total earnings for all employees in Australia as being \$1.90. The quarterly change estimate between the June quarter 1984 and the September quarter 1984 is \$0.90 (\$334.30 minus \$333.40). Therefore there are about two chances in three that a full enumeration would give a quarterly change figure in the range -\$1.00 to +\$2.80 and about nineteen chances in twenty that it would be in the range -\$2.90 to +\$4.70.

Related publications

19. Users may also wish to refer to the following publications which are available on request:

Information Paper: New Statistical Series: Employment, Average Weekly Earnings, Job Vacancies and Overtime (6256.0)

Job Vacancies, Australia (6231.0)—issued quarterly

Overtime, Australia (6330.0)—issued quarterly

Employed Wage and Salary Earners, Australia (6248.0)—issued quarterly

Award Rates of Pay Indexes, Australia (6312.0)—issued monthly

The Labour Force, Australia (6203.0)-issued monthly

		MALES		FEMALES			PERSONS			
		Full-time adults		All	Full-time adults		All females	Full-tin	ne adulis	All employees
Quarter	Survey reference date	Weekly ordinary time earnings	Weekly 101al earnings	males Weekly ioial earnings	Weekly ordinary iime earnings	Weekly 101al earnings	Weekly total earnings	Weekly ordinary time earnings	Weekly total earnings	Weekly 101al earnings
<u> </u>					-	-dollars-				
1981— September December	14 August 23 October	283.20 295.90	306.80 322.80	283.30 296.00	230.60 239.10	236.70 245.90	190.30 193.00	267.00 278.50	284.80 299.00	247.20 255.60
1982— March June September December	 February May August November 	309.80 320.00 334.20 346.30	336.40 347.00 357.90 370.30	312.40 322.30 329.90 337.60	246.10 256.90 265.90 276.70	253.20 263.50 271.70 282.20	202.60 210.80 217.00 218.70	289.40 300.10 312.40 324.80	310.10 320.50 330.30 342.70	269.20 278.30 285.00 290.40
1983— March June September December	18 February 20 May 19 August 18 November	350.50 353.40 357.10 368.90	370.30 375.00 379.80 394.10	341.00 343.30 349.70 362.00	280.90 281.80 283.80 297.40	286.20 288.20 289.90 303.90	225.30 226.70 228.30 237.20	328.60 330.80 333.50 346.00	343.70 347.30 350.80 365.10	295.40 297.00 300.80 311.30
1984— March June September	17 February 18 May 17 August	376.20 388.00 392.40	400.70 415.70 419.20	370.60 383.80 386.20	304.10 316.90 319.00	311.00 324.20 326.70	246.50 257.10 256.20	353.10 365.20 369.00	371.90 386.30 389.80	321.30 333.40 334.30
					_	per cent—				
Quarterly cha 1981— December	nge—	+4.5	+5.2	+4.5	+3.7	+3.9	+1.4	+4.3	+5.0	+3.4
1982— March June September December		+4.7 +3.3 +4.4 +3.6	+4.2 +3.2 +3.1 +3.5	+5.5 +3.2 +2.4 +2.3	+2.9 +4.4 +3.5 +4.1	+3.0 +4.1 +3.1 +3.9	+5.0 +4.0 +2.9 +0.8	+3.9 +3.7 +4.1 +4.0	+3.7 +3.4 +3.1 +3.8	+5.3 +3.4 +2.4 +1.9
1983— March June September December		+1.2 +0.8 +1.0 +3.3	+0.0 +1.3 +1.3 +3.8	+1.0 +0.7 +1.9 +3.5	+1.5 +0.3 +0.7 +4.8	+1.4 +0.7 +0.6 +4.8	+3.0 +0.6 +0.7 +3.9	+1.2 +0.7 +0.8 +3.7	+0.3 +1.0 +1.0 +4.1	+1.7 +0.5 +1.3 +3.5
1984— March June		+2.0 +3.1 +1.1	+1.7 +3.7 +0.8	+2.4 +3.6 +0.6	+2.3 +4.2 +0.7	+2.3 +4.2 +0.8	+3.9 +4.3 -0.4	+2.1 +3.4 +1.0	+1.9 +3.9 +0.9	+3.2 +3.8 +0.3
September		1.1	. 0.0	2.0		-dollars				
Siandard erro 1984—	ors(a)—									
September level change		2.50 2.00	2.70 2.30	3.50 2.50	2.10 1.40	2.20 1.60	2.70 2.00	1.90 1.50	2.20	

TABLE 1. AVERAGE WEEKLY EARNINGS OF EMPLOYEES, AUSTRALIA

(a) See paragraphs 15-18 of the Explanatory notes.

TABLE 2. AVERAGE WEEKLY EARNINGS OF EMPLOYEES, SEPTEMBER QUARTER 1984

(dollars)	
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		MALES			FEMALES	5	PERSONS			
				Full-time adults		All	Full-time adults		All employees	
State / Territory	Weekly ordinary time earnings	Weekly total earnings	males Weekly iotal earnings	Weekly ordinary time earnings	Weekly ioial earnings	females Weekly 101al earnings	Weekly ordinary time earnings	Weekly total earnings	Weekly Weekly total earnings	
New South Wales Victoria Queensland South Australia Western Australia Tasmania Northern Territory Australian Capital Territory	400.60 390.10 377.50 376.20 393.50 378.80 420.50 460.80	429.70 417.30 400.10 398.20 425.60 395.20 462.90 478.40	396.40 387.10 366.50 364.50 390.00 365.30 426.00 433.90	314.60 325.40 316.30 313.10 310.20 319.80 366.60 355.90	322.80 333.50 321.40 320.30 319.20 324.90 375.10 364.40	261.90 270.30 244.30 233.80 224.40 239.00 316.40 305.40	371.40 369.30 359.60 359.30 368.50 362.30 402.10 421.00	393.40 390.30 377.10 377.30 393.50 375.50 432.80 435.20	342.00 341.50 320.20 312.70 318.60 315.80 383.30 378.70	
Australia	392.40	419.20	386.20	319.00	. 326.70	256.20	369.00	389.80	334.30	

20. Current publications produced by the ABS are listed in the *Catalogue of Publications, Australia* (1101.0). The ABS also issues, on Tuesdays and Fridays, a *Publications Advice* (1105.0) which lists publications to be released in the next few days. The Catalogue and Publications Advice are available from any ABS office.

Unpublished statistics

21. In some cases, the ABS can also make available information which is not published. This information may be made available in one or more of the following forms: microfiche, photocopy, data tape, computer printout, clerically-extracted tabulation. Generally, a charge is made for providing unpublished information. Inquiries should be made to the officer whose name appears in the *Phone Inquiries* section of the Inquiries box at the front of this publication, or to Information Services in the nearest ABS Office.

Symbols and other usages

.. not applicable

NOTE: The estimates of average weekly earnings are rounded to the nearest 10 cents.

R. J. CAMERON Australian Statistician

TABLE 3. AVERAGE WEEKLY EARNINGS AND INDEX NUMBERS OF EARNINGS: PAYROLL TAX AND EMPLOYER SURVEY SERIES (SEPTEMBER QUARTER 1981 = 100), AUSTRALIA

	Weekly total earnings							
	Per employ	All male employees						
	Seasonall							
Quarter	Payroll I	Employer survey series						
1976—	\$	Index	\$	Index				
March	170.10							
June	170.10	56.5	• •	•				
September	179.40	59.6	• •	•				
December	184.60 188.10	61.3	••	• •				
	188.10	62.5	· · ·	• •				
1977—								
March	191.50	63.6						
June	199.10	66.1	• •	• •				
September	202.40	67.2		• •				
December	206.90	68.7		• •				
1978			• •	• •				
March	211.40							
June	211.40	70.2						
	216.00	71.7						
September December	220.90	73.4						
	222.20	73.8						
1979—								
March	230.40	76.5						
lune	230.90	76.7	• •	••				
September	239.10	79.4	• •	••				
December	244.30	81.1	• •	••				
980—			••	••				
March	250.90	83.3		••				
une	258.60	85.9						
eptember	270.20	89.7						
December	278.10	92.4						
981								
Aarch	283.90	94.3						
une	294.30	97.7	• •	• •				
eptember	301.10	100.0	283.30					
December			285.30	100.0				
003	• •	• •	290.00	104.5				
982								
1arch			312.40	110.3				
une			322.30	113.8				
eptember			329.90	116.4				
ecember	• •		337.60	119.2				
083								
larch	i i		241.00					
ine	• •	••	341.00	120.4				
eptember	• •	• •	343.30	121.2				
ecember	••	• •	- 349.70	. 123.4				
	• •	• •	362.00	127.8				
84—								
arch	••		370.60	130.8				
ine			383.80	135.5				
ptember	· •		386.20	135.3				

A method of calculating an approximation of the Employer survey series for quarters earlier than September 1981.

For reasons outlined both in the Explanatory notes (paragraphs 1-3) and the more detailed exposition given in *Information Paper* (6336.0) the Payroll tax and Employer survey series are not strictly comparable.

The following example, using estimates for Australia, is supplied to assist those users who need to calculate an approximate equivalent to the Employer survey series for quarters earlier than September 1981. Information is available on request to enable links to be made at State level. Method of calculating the Average Weekly Earnings All Male Employees: example for June 1981

1. Average Weekly Earnings All Male Employees September 1981 (Employer survey series)	\$283.30
2. Index numbers of Payroll tax series: June 1981 September 1981	<u>97.7</u> 100
3. June 1981 equivalent of Average Weekly Earnings All Male Employees. (1 x 2)	\$283.30 x $\frac{.97.7}{.100}$ = \$276.80

Because of the quite different conceptual and methodological bases of the two series and the fact that the link is only available for the September quarter 1981, extreme care needs to be taken in interpreting the earnings figure so derived.

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⁴ Commonwealth of Australia 1984

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