

Employer Training Expenditure Australia

July to September 1996



Employer Training Expenditure, Australia

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CONTENTS

	Page
List of tables and graphs	iv
Introduction	vi
 CHAPTER	
1 Overview	1
2 Structured training by employer size	9
3 Structured training by industry	15
4 Structured training by sector	25
5 Structured training by State and Territory	29
 ADDITIONAL INFORMATION	
Explanatory notes	33
Appendix A—Historical tables	37
Appendix B—Data item listing	39
Technical notes	40
Glossary	42

LIST OF TABLES AND GRAPHS

Page

OVERVIEW

1.1	Measures of training expenditure, September quarter 1993 and 1996	1
1.2	Components of training expenditure, September quarter 1993 and 1996	2
1.3	In-house versus external training, September quarter 1993 and 1996	3
1.4	Fields of training, hours per employee by type of training, September quarter 1993 and 1996	4
1.5	Net training expenditure, September quarter 1993 and 1996	5
1.6	Employer profile, by number and percentage, September quarter 1996	6
1.7	Employee profile, by number and percentage, September quarter 1996	6
1.8	Measures of training expenditure for selected groups, September quarter 1993 and 1996	7
1.9	Measures of training expenditure, employers with casual employees, September quarter 1993 and 1996	8

STRUCTURED TRAINING BY EMPLOYER SIZE

2.1	Measures of training expenditure, by employer size, September quarter 1996 ..	9
2.2	In-house versus external training, by employer size, September quarter 1996 ..	10
2.3	Average training hours by employer size, September quarter 1989, 1990, 1993 and 1996	11
2.4	Time spent receiving training, by employer size and type, September quarter 1996 (graph)	11
2.5	Fields of training, by employer size, September quarter 1996	12
2.6	Measures of training expenditure in small business, by employer size, September quarter 1996	13
2.7	Employers providing training, by employer size, September quarter 1993 and 1996 (graph)	14

STRUCTURED TRAINING BY INDUSTRY

3.1	Measures of training expenditure, by industry, September quarter 1996	16
3.2	Industries with high training expenditure in 1996, September quarter 1993 and 1996 (graph)	17
3.3	Industries with low training expenditure in 1996, September quarter 1993 and 1996 (graph)	17
3.4	Industries with high training expenditure per employee in 1996, September quarter 1993 and 1996 (graph)	18
3.5	Industries with low training expenditure per employee in 1996, September quarter 1993 and 1996 (graph)	18
3.6	Industries with high training expenditure in 1996, by type of training, (graph) ..	19
3.7	Industries with low training expenditure in 1996, by type of training, (graph) ..	19
3.8	Industries with high average training hours in 1996, September quarter 1993 and 1996 (graph)	20
3.9	Industries with low average training hours in 1996, September quarter 1993 and 1996 (graph)	20
3.10	Fields of training, by industry, September quarter 1996	22

3.11	Industries with high proportion providing training in 1996, September quarter 1993 and 1996 (graph)	24
3.12	Industries with low proportion providing training in 1996, September quarter 1993 and 1996 (graph)	24

STRUCTURED TRAINING BY SECTOR

4.1	Measures of training expenditure, by employer size and sector, September quarter 1996	25
4.2	Training expenditure, by sector, September quarter 1993 and 1996 (graph) ..	26
4.3	Components of training expenditure, by dollars per employee by sector, September quarter 1996	27
4.4	Fields of training, by sector, September quarter 1996	28
4.5	Employers providing training, by employer size and sector, September quarter 1996 (graph)	28

STRUCTURED TRAINING BY STATE AND TERRITORY

5.1	Training expenditure, by State/Territory, September quarter 1993 and 1996 (graph)	29
5.2	Measures of training expenditure, by State/Territory and employer size, September quarter 1996	30
5.3	Training expenditure per employee, by State/Territory, September quarter 1993 and 1996 (graph)	31
5.4	Time spent receiving training, by State/Territory, September quarter 1993 and 1996 (graph)	31
5.5	Training expenditure, by State/Territory and sector, September quarter 1996 (graph)	32

APPENDIX A--HISTORICAL TABLES

A1	Training expenditure, by employer size and sector, September quarter 1993 ..	37
A2	Measures of training expenditure, by industry, September quarter 1993	38

INTRODUCTION

POLICY CONTEXT

Investment in human capital through education and training can contribute to stronger economic growth and productivity at the enterprise, national and international level. The provision of training by enterprises is an integral component of this investment but can impose a significant cost to employers. It is important to recognise the extent and distribution of these costs across enterprises to understand the level of commitment to training by employers.

An employer's decision to provide training to its employees is subject to a number of influences. Generally there is an expectation that the skill levels and competencies of the employee will improve. Government policies may also affect whether and how training is conducted.

The Department of Employment, Education, Training and Youth Affairs (DEETYA) and the Australian National Training Authority (ANTA) recognised that they required data on employer training to assist in policy development on enterprise-based training and to assist in the evaluation of national training policies. They commissioned the Australian Bureau of Statistics (ABS) to conduct a suite of employer training surveys. Together with household surveys on education and training, the survey results will contribute to a comprehensive integrated data base of national training statistics.

In July 1990 the Training Guarantee legislation came into effect in Australia. The legislation required employers above a specified payroll threshold to spend a minimum percentage of their payroll on eligible training. Minimum expenditure was initially set at 1%. The Training Guarantee generally applied to organisations with 10 or more employees. The purpose of the Training Guarantee was to increase employers' involvement in employee skills acquisition. With many industries increasing the use of technology, employers were encouraged to assume some responsibility for ensuring that employees were adequately trained to acquire new skills to replace those skills that had been superseded. The Training Guarantee was suspended in July 1994 and abolished in July 1996.

EMPLOYER TRAINING EXPENDITURE SURVEY

The 1996 Training Expenditure Survey (TES) provides estimates of the costs to employers of providing structured training to their employees between 1 July and 30 September 1996. It follows previous surveys on employer training costs conducted in 1989, 1990 and 1993. Structured training is all training activities which have a predetermined plan and formal design to develop employment-related skills and competencies.

Several changes occurred between the 1993 and 1996 TESs. Those of most significance are discussed below.

Change in scope

The 1996 TES collected information on training expenditure from employers who actually provided structured training to their employees in the three-month reference period, 1 July to 30 September 1996. If an employer provided training then all expenditure on structured training during the reference period was collected. This differs from previous TESs conducted in 1989, 1990 and 1993 where training costs were collected even if there was no structured training provided in the reference period.

To allow comparisons to be made, the 1993 TES results have been recalculated on a consistent basis with the 1996 TES to exclude those employers who did not report any training hours. The difference in total training expenditure was approximately 0.5% (approximately \$6 million). Recompiled tables are included in Chapter 1 and Appendix A.

Revised industry classification

The industry classification used by the ABS was revised between the 1993 and 1996 surveys. In 1993, the sample for the survey was designed using the Australian Standard Industrial Classification (ASIC). The 1996 survey sample was based on the Australian and New Zealand Standard Industrial Classification (ANZSIC).

To allow comparisons to be made, the 1993 survey results were converted to an ANZSIC basis and tables are included in the Appendix.

STATISTICS ON TRAINING PRACTICES TO FOLLOW

Employers included in the 1996 TES were contacted again in February 1997 to obtain information for the 1997 Training Practices Survey. This survey will produce statistics on factors that influence the type and level of training that employers provide to their employees. Information on both structured and unstructured training will be available. The results of this survey will also be linked with training expenditure data reported for TES. *Employer Training Practices, Australia, 1997* (Cat. no. 6356.0) is expected to be released in November 1997.

During the three-month period from 1 July to 30 September 1996, employers in Australia spent \$1,178.8 million on structured training for their employees. Expenditure for the same period in 1993 was \$1,102.7 million. While there was a small increase in total expenditure between the two periods, employers spent less per employee on structured training (\$185.49) compared to 1993 (\$191.25) and provided less hours of structured training per employee (4.91 hours per employee in 1996 compared with 5.55 hours in 1993).

The overall ratio of expenditure on structured training to employers' gross wages and salaries was also lower in 1996 (2.54%) compared with 1993 (2.86%).

Lower average training expenditure in 1996 reflected a lower proportion of employers providing structured training. In 1996, 17.77% of employers provided training compared to 22.62% in 1993. The fall in employers providing training was most marked in employers with less than 100 employees (small to medium employers).

By contrast employers who did provide training in 1996 had higher average expenditure (\$267.92 per employee) compared with those who provided training in 1993 (\$237.74).

Lower levels of training expenditure and a reduction in the proportion of employers providing training have occurred since the Training Guarantee was suspended in mid-1994 and abolished in July 1996.

1.1 MEASURES OF TRAINING EXPENDITURE

	SEPTEMBER QUARTER.....	
	1993	1996
Gross wages and salaries (%)	2.86	2.54
Expenditure per employee (\$)	191.25	185.49
Training per employee (h)	5.55	4.91
Total training expenditure (\$m)	1 102.7	1 178.8
Employers providing structured training(a)(%)	22.62	17.77

(a) The proportion of employers is based on the statistical unit for the survey (see Explanatory Notes).

COMPONENTS OF TRAINING EXPENDITURE

Employer expenditure on structured training comprises the wage and salary costs of employees receiving and providing training as well as costs relating to fees for courses and overhead expenses such as the costs of training rooms, training equipment, travel, accommodation and meals. The most significant component of employer training expenditure was the wages and salaries cost of employees attending training. In 1996 this accounted for 47% of total training expenditure.

The use of trainers also represents a significant cost to employers. In 1996 the cost of employing or paying fees to trainers accounted for 40% of total training expenditure.

The distribution of training expenditure in 1996 was similar to the same period in 1993 with lower average expenditure occurring across all components of training in 1996.

1.2 COMPONENTS OF TRAINING EXPENDITURE

	SEPTEMBER QUARTER.....	
	1993	1996
GROSS WAGES AND SALARIES (%)		
Employees' wages and salaries for time receiving training	1.32	1.18
Cost of trainers to employers		
Wages and salaries for time providing training	0.67	0.58
Fees paid to consultants and institutions	0.48	0.44
Total	1.15	1.02
Other expenditure(a)	0.38	0.33
Total training expenditure	2.86	2.54
EXPENDITURE PER EMPLOYEE (\$)		
Employees' wages and salaries for time receiving training	88.26	86.43
Cost of trainers to employers		
Wages and salaries for time providing training	44.92	42.79
Fees paid to consultants and institutions	32.34	32.13
Total	77.27	74.92
Other expenditure(a)	25.72	24.14
Total training expenditure	191.25	185.49
TOTAL TRAINING EXPENDITURE (\$m)		
Employees' wages and salaries for time receiving training	508.9	549.2
Cost of trainers to employers		
Wages and salaries for time providing training	259.0	271.9
Fees paid to consultants and institutions	186.5	204.2
Total	445.5	476.1
Other expenditure(a)	148.3	153.4
Total training expenditure	1 102.7	1 178.8

(a) Other expenditure includes equipment, travel, accommodation and meals, training rooms, payments to industry training bodies, materials, books, computer-based training packages, printing, etc.

IN-HOUSE VERSUS EXTERNAL TRAINING

Employers may choose to provide their employees with either in-house or external training. *In-house training* is organised mainly for an organisation's employees. It can be conducted at an off-site location and may involve the use of an external training provider. *External training* is organised and conducted by outside training or educational institutions, agencies and consultants, and is aimed for the general use of individuals and organisations.

In 1996, 70% of employer training expenditure related to the provision of in-house training and 30% to external training. The wages and salaries cost for employees' time receiving training represented a higher proportion of external training costs (53%) compared to in-house (44%). The distribution of training costs across in-house and external training has not changed since 1993.

1.3 IN-HOUSE VERSUS EXTERNAL TRAINING

	SEPTEMBER QUARTER.....	
	1993	1996
GROSS WAGES AND SALARIES (%)		
In-house training		
Employee costs for time receiving training	0.88	0.78
Employee costs for time providing training	0.67	0.58
Other training costs	0.45	0.41
Total	2.00	1.77
External training		
Employee costs for time receiving training	0.44	0.40
Other training costs	0.42	0.36
Total	0.86	0.76
Total training expenditure	2.86	2.54
EXPENDITURE PER EMPLOYEE (\$)		
In-house training		
Employee costs for time receiving training	58.75	57.16
Employee costs for time providing training	44.92	42.79
Other training costs	29.97	29.82
Total	133.65	129.78
External training		
Employee costs for time receiving training	29.51	29.26
Other training costs	28.09	26.45
Total	57.60	55.71
Total training expenditure	191.25	185.49
TOTAL TRAINING EXPENDITURE (\$m)		
In-house training		
Employee costs for time receiving training	338.8	363.3
Employee costs for time providing training	259.0	271.9
Other training costs	172.8	189.5
Total	770.6	824.7
External training		
Employee costs for time receiving training	170.1	186.0
Other training costs	162.0	168.1
Total	332.1	354.1
Total training expenditure	1 102.7	1 178.8

TRAINING RECEIVED BY EMPLOYEES

The type of structured training provided by employers was classified across 11 fields of training. In 1996 employers provided most training in the fields of 'Professional and management' (0.88 hour); 'Trade and apprenticeship' (0.85 hour); and 'Sales, clerical/office and personal service' (0.61 hour). These three fields accounted for almost half the training provided by employers.

Employers provided more in-house training in all areas except 'Trade and apprenticeship' training. More than two-thirds of this training was provided externally.

1.4 FIELDS OF TRAINING, Hours Per Employee By Type of Training

SEPTEMBER QUARTER.....			
Fields of training(a)	1993	1996	
.....			
IN-HOUSE			
Induction	0.34	0.36	
General supervision	0.24	0.21	
General computing	0.36	0.28	
Health and safety	0.24	0.25	
Personal development(b)	n.a.	0.23	
Management and professional	0.48	0.51	
Technical and associate-professional	0.44	0.31	
Trade and apprenticeship	0.29	0.24	
Sales, clerical/office and personal service	0.59	0.46	
Plant and machinery	0.33	0.22	
Other structured training	0.28	0.06	
All fields	3.59	3.13	
.....			
EXTERNAL			
Induction	*0.01	0.02	
General supervision	0.06	0.05	
General computing	0.15	0.14	
Health and safety	0.10	0.11	
Personal development(b)	n.a.	0.07	
Management and professional	0.44	0.38	
Technical and associate-professional	0.15	0.18	
Trade and apprenticeship	0.78	0.61	
Sales, clerical/office and personal service	0.11	0.14	
Plant and machinery	0.05	0.06	
Other structured training	0.11	*0.03	
All fields	1.96	1.78	
.....			
ALL TRAINING			
Induction	0.35	0.37	
General supervision	0.30	0.26	
General computing	0.52	0.42	
Health and safety	0.34	0.36	
Personal development(b)	n.a.	0.30	
Management and professional	0.93	0.88	
Technical and associate-professional	0.59	0.49	
Trade and apprenticeship	1.07	0.85	
Sales, clerical/office and personal service	0.70	0.61	
Plant and machinery	0.38	0.27	
Other structured training	0.38	0.10	
All fields	5.55	4.91	

(a) Structured training was classified according to the main content of the course or program.

(b) 'Personal development' was introduced in the 1996 TES. In 1993, this training was mainly reported in 'Other'.

The amount of training provided to employees was lower in 1996 (4.91 hours) compared to 1993 (5.55 hours). Slightly more time was spent on 'Induction' and 'Health and safety' in 1996 with lower levels of training reported for all other fields. The largest fall occurred in 'Trade and apprenticeship' which fell from 1.07 hours in 1993 to 0.85 hour in 1996.

NET TRAINING EXPENDITURE

Employers may also receive subsidies or payments that offset their training costs. Subsidies can be in the form of grants or payments from government agencies for structured training, or donations from private organisations. Payments are also included as an offset when they are made for employees of other organisations to attend in-house training courses.

In 1996, employers reported a lower level of subsidies received and a higher level of payments from other employers compared to the same period in 1993. The overall level of training offsets was higher in 1996 (\$30.3 million) compared to 1993 (\$27.4 million) but represented a similar proportion of gross wages and salaries (0.07%) and cost per employee.

A measure of net training expenditure is obtained by deducting subsidies and payments made by other employers from total training expenditure. The total net training expenditure reported in 1996 was \$1,148.5 million and represented 2.47% of gross wages and salaries.

1.5 NET TRAINING EXPENDITURE

SEPTEMBER QUARTER.....		
	1993	1996

GROSS WAGES AND SALARIES (%)		
Total training expenditure	2.86	2.54
Offsets to training expenditure		
Training subsidies received	0.06	0.05
Payments received from other employers	0.01	0.01
Total	0.07	0.07
Net training expenditure	2.79	2.47

EXPENDITURE PER EMPLOYEE (\$)		
Total training expenditure (\$m)	191.25	185.49
Offsets to training expenditure		
Training subsidies received	4.20	3.72
Payments received from other employers	0.56	1.06
Total	4.76	4.78
Net training expenditure	186.49	180.71

TOTAL TRAINING EXPENDITURE (\$m)		
Total training expenditure (\$m)	1 102.7	1 178.8
Offsets to training expenditure		
Training subsidies received	24.3	23.6
Payments received from other employers	3.2	6.8
Total	27.5	30.4
Net training expenditure	1 075.2	1 148.4

TRAINING CHARACTERISTICS OF EMPLOYERS AND EMPLOYEES

Fewer organisations reported that they provided structured training to their employees between 1 July to 30 September 1996 compared with the same period in 1993. The proportion of employers providing training fell from 22.60% in 1993 to 17.77% in 1996.

Of those employers who provided training, about two-thirds had less than 20 employees. The total expenditure of these small employers represented around 10% of total training expenditure.

1.6 EMPLOYER PROFILE(a)

Employer type	'000	%
Employers who provided training		
With trainers		
Dedicated trainers only	0.3	0.1
Non-dedicated trainers only	29.1	7.5
Both dedicated and non-dedicated trainers	3.0	0.8
Total	32.5	8.3
Without trainers	36.7	9.4
Total	69.1	17.8
Employers who did not provide training	319.9	82.2
All employers	389.1	100.0

(a) The number and proportion of employers is based on the statistical unit for the survey (see Explanatory Notes).

Use of trainers

Employing staff to administer, organise or provide training to other employees in an organisation can represent a significant cost to employers. In 1996, almost half of the employers who provided training had at least one employee involved in training activities. A small proportion (5%) had employees who were dedicated trainers (i.e. employees who spent all of their time on training activities for the organisation's employees). Dedicated trainers were mainly employed by large employers. In 1996 there were 210,000 employees involved in the training of employees in their organisation. Less than 10% of these were dedicated trainers.

1.7 EMPLOYEE PROFILE

Employee type	'000	%
Employees in organisations that provided training		
With Trainers		
Dedicated trainers	15	0.2
Non-dedicated trainers	195	3.1
Total trainers	210	3.3
Other employees	3 659	57.6
Total	3 869	60.9
Without trainers	531	8.4
Total	4 400	69.2
Employees in organisations that did not provide training	1 955	30.8
All employees	6 355	100.0

Employees in organisations providing training

Despite a low proportion of employers providing training between 1 July and 30 September 1996, about two-thirds of all employees worked in organisations that undertook some structured training.

Employers with predominantly male or female employees

The provision of training can vary according to the composition of the workforce within an organisation. Organisations with high proportions of female employees provided less and spent less on training compared to organisations with high proportions of male employees. In 1996 the average expenditure per employee was more than double in organisations with 75% or more males compared with organisations with 75% or more females.

1.8 MEASURES OF TRAINING EXPENDITURE FOR SELECTED GROUPS

	SEPTEMBER QUARTER.....	
	1993	1996
GROSS WAGES AND SALARIES (%)		
Employers with		
Less than 75% male employees	2.84	2.51
75% or more male employees	2.90	2.58
Employers with		
Less than 75% female employees	2.95	2.62
75% or more female employees	2.17	2.06
All employers	2.86	2.54
EXPENDITURE PER EMPLOYEE (\$)		
Employers with		
Less than 75% male employees	174.35	168.59
75% or more male employees	233.98	234.90
Employers with		
Less than 75% female employees	209.34	203.66
75% or more female employees	103.89	111.82
All employers	191.25	185.49
TRAINING PER EMPLOYEE (h)		
Employers with		
Less than 75% male employees	4.80	4.30
75% or more male employees	7.47	6.68
Employers with		
Less than 75% female employees	5.95	5.32
75% or more female employees	3.62	3.26
All employers	5.55	4.91
TOTAL TRAINING EXPENDITURE (\$m)		
Employers with		
Less than 75% male employees	720.5	798.3
75% or more male employees	382.2	380.5
Employers with		
Less than 75% female employees	999.9	1 038.2
75% or more female employees	102.8	*140.6
All employers	1 102.7	1 178.8

Employers with casual employees

The level of training provided by employers also varied according to the proportion of casual employees in the organisation. Employers with less than 25% casual employees spent more than twice the average expenditure on training (\$223.71) as employers with 25% or more casuals (\$98.45). This translated to employees in organisations with less than 25% casuals receiving, on average, 75% more training.

Compared to 1993, the expenditure and amount of training provided was lower for employers with less than 25% casual employees, and higher for employers with 25% or more casuals.

1.9 MEASURES OF TRAINING EXPENDITURE, Employers with Casuals

	SEPTEMBER QUARTER.....	
	1993	1996
GROSS WAGES AND SALARIES (%)		
Employers with		
Less than 25% casual employees	3.06	2.66
25% or more casual employees	1.88	2.03
All employers	2.86	2.54
EXPENDITURE PER EMPLOYEE (\$)		
Employers with		
Less than 25% casual employees	233.74	223.71
25% or more casual employees	78.73	98.45
All employers	191.25	185.49
TRAINING PER EMPLOYEE (h)		
Employers with		
Less than 25% casual employees	6.49	5.64
25% or more casual employees	3.07	3.23
All employers	5.55	4.91
TOTAL TRAINING EXPENDITURE (\$m)		
Employers with		
Less than 25% casual employees	978.2	987.8
25% or more casual employees	124.4	190.9
All employers	1 102.7	1 178.8

CHAPTER 2

STRUCTURED TRAINING BY EMPLOYER SIZE

The structured training provided by employers can vary across employer size groups. Employer size is divided into three groups—small employers (those with 1–19 employees), medium employers (20–99 employees) and large employers (100 employees or more).

Of the total training expenditure reported between 1 July and 30 September 1996, large employers accounted for 76%, medium employers 14% and small employers 10%. Large employers spent higher proportions of their gross wages and salaries on training, had higher average expenditure per employee and provided more hours of training to their employees than small and medium employers. The proportion of large employers providing training was also higher than other employer groups.

2.1 MEASURES OF TRAINING EXPENDITURE, By Employer Size

	EMPLOYER SIZE.....			
	1–19 employees	20–99 employees	100 or more employees	All employers
Gross wages and salaries (%)	1.20	1.91	3.18	2.54
Expenditure per employee (\$)	71.31	135.80	255.64	185.49
Training per employee (h)	2.42	3.79	6.45	4.91
Total training expenditure (\$m)	115.0	168.4	895.4	1 178.8
Employers providing training(a) (%)	13.37	50.51	88.34	17.77

(a) The proportion of employers is based on the statistical unit for the survey (see Explanatory Notes).

PROPORTION OF GROSS WAGES AND SALARIES

The proportion of gross wages and salaries spent on training was significantly higher for large employers (3.18%), compared with medium (1.91%) and small employers (1.20%). Large employers spent a similar proportion of their gross wages and salaries compared to 1993 (3.20%). Medium and small employers spent lower proportions of the gross wages and salaries on training in 1996 compared to 1993 (2.70% and 1.60% respectively).

EXPENDITURE PER EMPLOYEE

The average training expenditure per employer was also higher for large employers. They spent more than three and a half times as much on training per employee (\$255.64) compared to small employers (\$71.31) and almost double that of medium employers (\$135.80).

Large employers were the only group to report higher average training expenditure per employee in 1996 compared to 1993 (\$236.00). Both medium and small employers reported lower average training expenditure in 1996.

IN-HOUSE VERSUS EXTERNAL TRAINING

Large and medium employers spent higher proportions of their training expenditure on the provision of in-house training compared to small employers who spent approximately equal amounts on in-house and external training.

The proportion of gross wages and salaries spent on in-house training in the three-month period was significantly higher for large employers. Their proportion of gross wages and salaries spent on in-house training was almost four times that spent by small employers and twice that spent by medium employers.

The proportion of gross wages and salaries spent on external training was more consistent across employer groups, ranging from 0.59% for small employers to 0.83% for large employers.

2.2 IN-HOUSE VERSUS EXTERNAL TRAINING, By Employer Size

	EMPLOYER SIZE.....			
	1-19 employees	20-99 employees	100 or more employees	All employers
GROSS WAGES AND SALARIES (%)				
In-house training				
Employee costs for time receiving training	0.21	0.49	1.07	0.78
Employee costs for time providing training	0.16	0.36	0.80	0.58
Other training costs	*0.24	0.33	0.49	0.41
Total	0.61	1.18	2.36	1.77
External training				
Employee costs for time receiving training	0.34	0.39	0.42	0.40
Other training costs	0.26	0.33	0.41	0.36
Total	0.59	0.73	0.83	0.76
All training	1.20	1.91	3.18	2.54
TOTAL TRAINING EXPENDITURE (%)				
In-house training				
Employee costs for time receiving training	17.4	25.6	33.5	30.8
Employee costs for time providing training	12.9	18.9	25.2	23.1
Other training costs	*20.3	17.3	15.3	16.1
Total	50.6	61.8	74.0	70.0
External training				
Employee costs for time receiving training	28.1	20.7	13.3	15.8
Other training costs	21.3	17.5	12.7	14.3
Total	49.4	38.2	26.0	30.0
All training	100.0	100.0	100.0	100.0

TRAINING RECEIVED BY EMPLOYEES

Hours of training

On average, employees in large businesses received more than two and a half times the amount of structured training (6.45 hours) as their counterparts in small businesses (2.42 hours), and one and a half times the amount provided in medium businesses (3.79 hours).

2.3 AVERAGE TRAINING HOURS(a), By Employer Size

September quarter	EMPLOYER SIZE.....			
	1-19 employees	20-99 employees	100 or more employees	All employers
1989(b)	3.30	3.40	7.30	5.70
1990	3.99	4.10	7.06	5.92
1993	4.11	5.30	6.17	5.55
1996	2.42	3.79	6.45	4.91

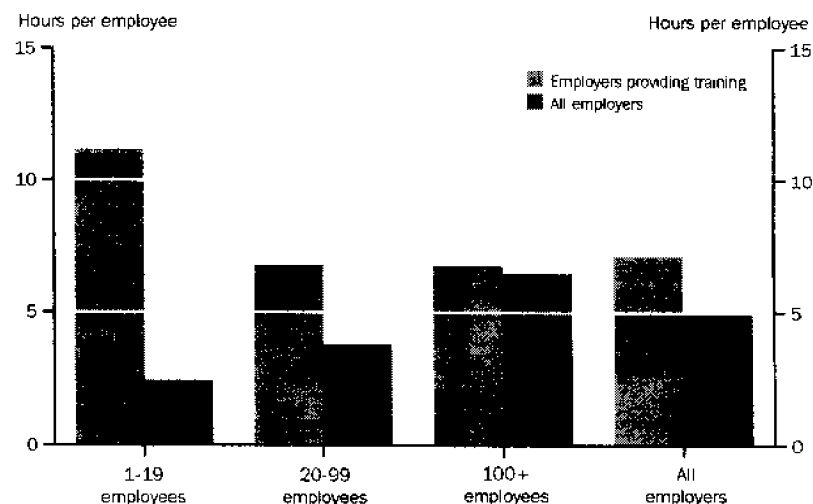
(a) Time spent receiving training was measured on a consistent basis in all TESSs.

(b) The 1989 TES was based on a sample of 2,000 employers. The sample for 1990, 1993 and 1996 TESSs was 6,000 employers.

The average hours of training provided to employees in the three-month period was lower in 1996 compared to 1989, 1990 and 1993. Large employers were the only group to provide more training in 1996 than in 1993, although the level provided was lower than in 1989 and 1990. Both small and medium employers reduced the amount of training they provided in 1996. The average hours of training provided by small employers was at its lowest since first measured in 1989 while the level provided by medium employers was significantly lower than in 1993 but higher than in 1989.

When training hours are examined for only employers providing training, the average is higher. There is little difference in the average amount of training provided by medium and large employers who train. The difference is more marked for small employers who train—they provided almost twice the average amount of training as other employers.

2.4 TIME SPENT RECEIVING TRAINING, By Employer Size and Type



Fields of training

Employers provided most training in the field of 'Management and professional' training (0.88 hour). Large employers provided the highest level of this training (1.29 hours) and spent more than four times as much on the wage and salaries costs for this training (\$29.25 per employee) as small employers (\$7.12) and over double that of medium employers (\$13.49).

Large employers provided more training in the three-month period in all fields except 'Trade and apprenticeship' training (0.81 hour per employee). The amount of training provided in this field was higher for small (0.93 hour) and medium employers (0.84 hour).

2.5 FIELDS OF TRAINING, By Employer Size

	EMPLOYER SIZE.....			
	1-19 employees	20-99 employees	100 or more employees	All employers
HOURS PER EMPLOYEE				
Induction	*0.12	0.26	0.53	0.37
General supervision	*0.09	0.25	0.34	0.26
General computing	0.21	0.35	0.55	0.42
Health and safety	0.04	0.39	0.49	0.36
Personal development	**	0.22	0.43	0.30
Management and professional	0.27	0.54	1.29	0.88
Technical and associate-professional	*0.16	*0.28	0.72	0.49
Trade and apprenticeship	0.93	0.84	0.81	0.85
Sales, clerical/office and personal service	0.44	0.38	0.76	0.61
Plant and machinery	*0.05	*0.20	0.41	0.27
Other	**	**	0.13	0.10
All fields	2.42	3.79	6.45	4.91
DOLLARS PER EMPLOYEE				
Induction	*1.72	3.77	7.96	5.56
General supervision	*1.45	5.00	6.65	5.01
General computing	3.05	6.81	11.24	8.30
Health and safety	0.70	6.67	9.70	6.82
Personal development	**	4.11	8.77	5.99
Management and professional	7.12	13.49	29.25	20.56
Technical and associate-professional	*3.19	5.07	14.45	9.76
Trade and apprenticeship	8.10	7.57	9.38	8.70
Sales, clerical/office and personal service	4.42	5.60	12.10	8.88
Plant and machinery	*0.65	*3.01	7.75	5.02
Other	**	**	2.42	1.82
All fields	32.42	62.77	119.66	86.43

TRAINING IN SMALL BUSINESS

Small employers, the majority being in the private sector, accounted for just under 10% of total training expenditure in 1996 (\$115.0 million). This proportion was about the same as in 1993.

When small businesses are examined, the training expenditure patterns revealed different characteristics depending on the business size.

Between 1 July and 30 September 1996, employers with 5–9 employees spent a higher proportion of their gross wages and salaries on training compared with other small employers. They had higher average expenditure per employee but provided a similar amount of training as employers with 10–19 employees.

Employers with 1–4 employees provided significantly less training than all other employers. This group had the lowest proportion of employers providing training (6.23%). Employees in this group received, on average, one hour less training than employees in other small businesses.

2.6 MEASURES OF TRAINING EXPENDITURE IN SMALL BUSINESS

	EMPLOYER SIZE.....			
	1–4 employees	5–9 employees	10–19 employees	All small businesses
Gross wages and salaries (%)	*0.83	1.55	1.22	1.20
Expenditure per employee (\$)	*50.62	89.72	71.44	71.31
Training per employee (h)	1.70	2.73	2.76	2.42
Total training expenditure (\$m)	*24.9	49.2	40.9	115.0
Employers providing training(a) (%)	6.23	22.43	32.30	13.37

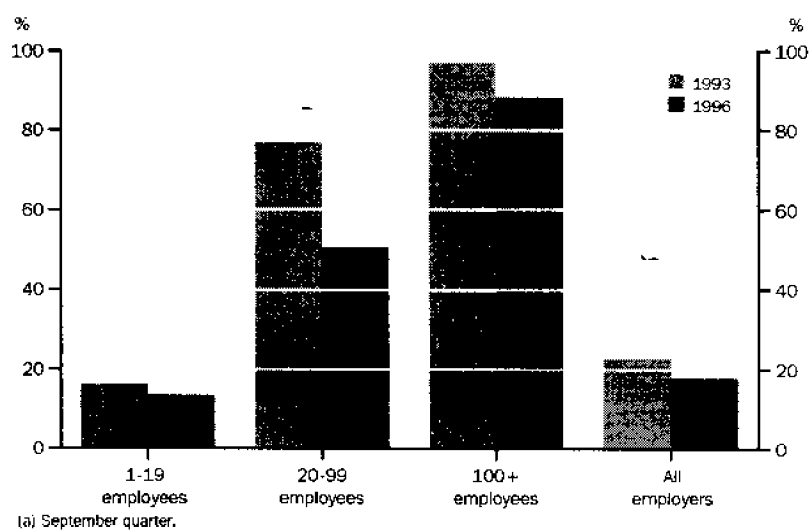
(a) The proportion of employers is based on the statistical unit for the survey (see Explanatory Notes).

EMPLOYERS PROVIDING TRAINING

The size of an employer was a factor in whether or not an organisation provided training. While most large employers provided training, only half of medium employers and just over one-eighth of small employers provided training to their employees in the reference period.

Lower proportions of employers provided training in 1996 compared to 1993 across all employer size groups. The most marked shift was in medium employers—the proportion of medium employers providing training fell from 77.00% in 1993 to 50.51% in 1996.

2.7 EMPLOYERS PROVIDING TRAINING, By Employer Size(a)



Training expenditure and expenditure patterns vary widely across industries. This may be due to differences in the need for formal qualifications or competencies, differing emphasis on structured and unstructured training or the nature of employment within particular industries.

TRAINING EXPENDITURE

The industries with the highest total expenditure on structured training in July to September 1996 were MANUFACTURING (\$161.4 million), EDUCATION (\$131.9 million) and PROPERTY AND BUSINESS SERVICES (\$128.2 million).

Spending in the MANUFACTURING industry was lower compared to 1993 when total training expenditure was \$184.2 million. The decrease in expenditure was also reflected in the other key measures of training expenditure— expenditure per employee and expenditure as a percentage of gross wages and salaries.

By contrast the EDUCATION industry increased its training expenditure in 1996 compared to 1993 (\$131.9 million and \$91.5 million respectively). The increase in expenditure was most marked in expenditure per employee which increased from \$180.06 to \$221.72.

Spending in the PERSONAL AND OTHER SERVICES industry also increased, from \$50.7 million in 1993 to \$69.2 million in 1996. However, because of employment increases in the industry this did not translate into markedly higher expenditure per employee or expenditure as a proportion of gross wages and salaries.

To make meaningful comparisons of training expenditure across industries it is necessary to consider training expenditure as a proportion of gross wages and salaries and training expenditure per employee.

Lower levels of expenditure on structured training applied to most industries compared to 1993. Only three industries reported growth in the two key measures, proportion of gross wages and salaries, and average expenditure per employee. These were MINING; ELECTRICITY, GAS AND WATER SUPPLY; and EDUCATION.

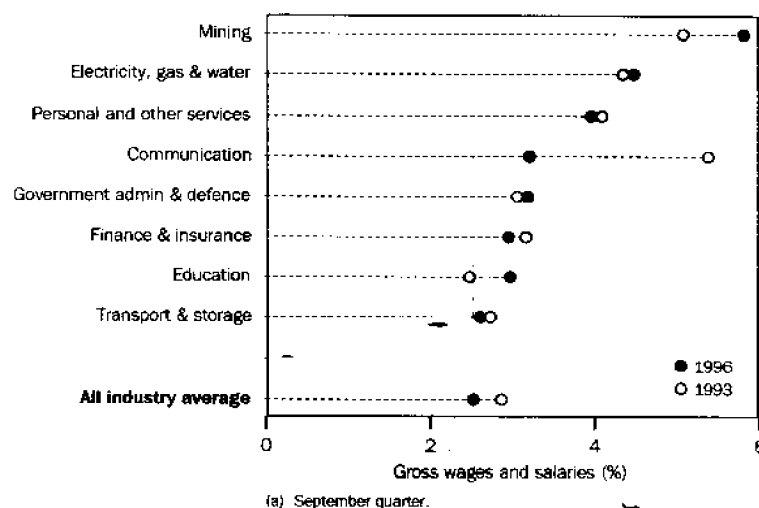
The MINING industry recorded the highest levels for both these measures. This industry spent an amount equal to 5.82% of its gross wages and salaries on structured training compared to an all industry average of 2.54%. This translated into \$896.49 per employee. In 1993 the comparable figures were 5.10% of gross wages and salaries and \$687.08 per employee.

3.1 MEASURES OF TRAINING EXPENDITURE, By Industry

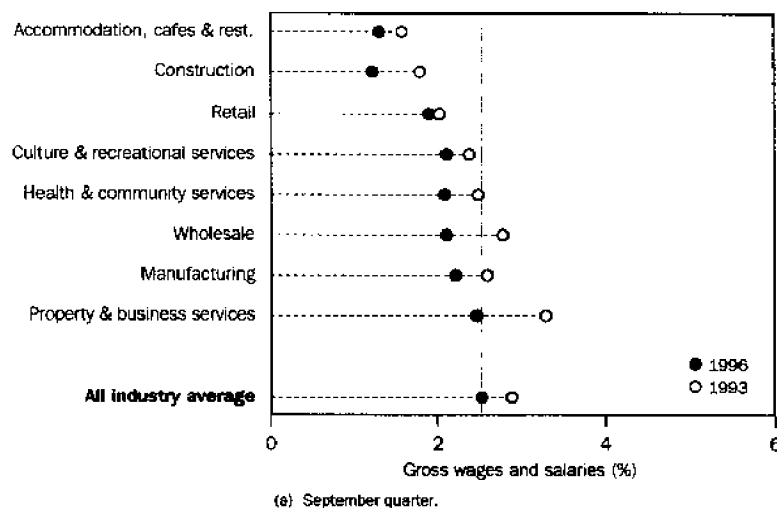
Industry	Gross wages and salaries %	Expenditure per employee \$	Training per employee h	Total training expenditure \$m	Employers providing training %
Mining	5.82	896.49	17.12	65.3	26.00
Manufacturing					
Food, beverages and tobacco	2.15	171.34	5.50	24.0	*39.84
Textiles, clothing, footwear and leather	1.23	84.64	2.76	5.3	**
Wood and paper products	2.17	173.86	4.56	10.3	*23.69
Printing, publishing and recorded media	1.25	105.44	2.72	10.0	*13.30
Petroleum, coal, chemical and associated products	2.66	263.59	5.21	22.5	*28.16
Non-metallic mineral products	2.67	253.00	6.60	8.4	*16.42
Metal products	2.35	243.86	5.96	30.9	*15.23
Machinery and equipment	2.90	259.58	7.86	47.6	*30.47
Other manufacturing	0.82	52.52	3.86	2.4	19.04
Total	2.23	194.28	5.42	161.4	21.52
Electricity, gas and water supply	4.49	481.12	10.38	25.5	*47.81
Construction					
Non-building	2.67	267.15	7.73	*12.54	**
Other construction	0.88	67.30	3.51	15.9	10.60
Total	1.25	100.35	4.21	28.5	11.60
Wholesale trade	2.13	173.25	3.49	69.7	20.57
Retail trade	1.92	88.11	3.39	78.2	14.15
Accommodation, cafes and restaurants	1.32	54.51	2.40	18.4	10.02
Transport and storage					
Air and space transport	4.47	556.71	13.28	27.1	*28.71
Other transport and storage	2.08	184.87	4.56	41.4	*15.65
Total	2.63	251.20	6.12	68.4	*15.96
Communication services	3.23	317.91	6.34	41.9	*13.77
Finance and insurance	2.98	282.29	6.17	93.5	26.05
Property and business services	2.48	191.48	4.07	128.2	18.54
Government administration and defence	3.20	264.20	6.02	78.6	81.02
Education	3.01	221.72	5.87	131.9	32.09
Health and community services					
Health services	1.99	132.84	3.77	86.7	16.04
Community services	2.60	116.35	5.34	16.5	35.69
Total	2.07	129.90	4.05	103.2	19.75
Cultural and recreational services	2.12	103.09	2.77	16.9	10.16
Personal and other services	3.99	298.54	9.67	69.2	*21.27
All industries	2.54	185.49	4.91	1 178.8	17.77

In the ELECTRICITY, GAS AND WATER SUPPLY industry, training expenditure as a proportion of gross wages and salaries was 4.49% and expenditure per employee was \$481.12. However, public sector employers in the industry had markedly higher average expenditure (\$502.57) than their private counterparts (\$293.02).

3.2 INDUSTRIES WITH HIGH TRAINING EXPENDITURE IN 1996(a)



3.3 INDUSTRIES WITH LOW TRAINING EXPENDITURE IN 1996(a)



While most industries spent a lower proportion of their gross wages and salaries on training in 1996 compared to 1993, the change was most notable in the COMMUNICATION SERVICES industry. Here expenditure fell from 5.40% of gross wages and salaries in 1993 to 3.23% in 1996. The change was also reflected in expenditure per employee which fell from \$452.00 in 1993 to \$317.91 in 1996.

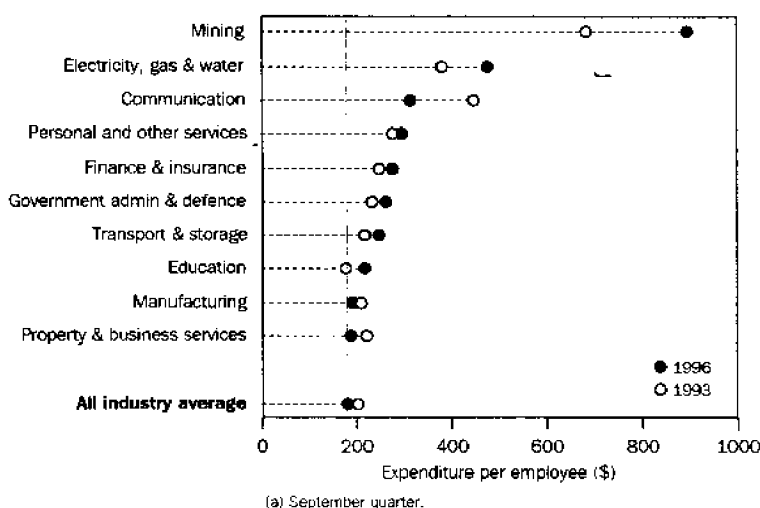
All industries reporting below average levels of expenditure in 1996 had reduced the proportion of their gross wages and salaries spent on training since 1993.

Industries that recorded the lowest levels of training expenditure in terms of proportion of gross wages and salaries and expenditure per employee were CONSTRUCTION; ACCOMMODATION, CAFES AND RESTAURANTS; and RETAIL TRADE.

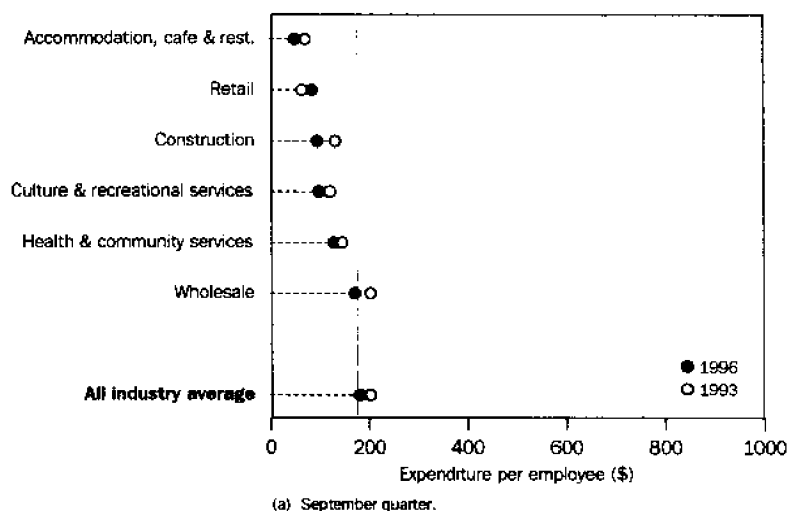
The CONSTRUCTION industry spent the lowest proportion of gross wages and salaries on training of all industries (1.25%), but had higher average expenditure per employee than ACCOMMODATION, CAFES AND RESTAURANTS and RETAIL TRADE. Within the industry, the 'Other construction' subdivision (comprising building construction and services to the construction industry) reported significantly lower expenditure (0.88% of gross wages and salaries) compared to the 'Non-building' sub-division (2.67%).

Low levels of expenditure were also reported by the RETAIL TRADE industry (1.92% of gross wage and salaries and \$88.11 per employee). Both levels had fallen since 1993. RETAIL TRADE had the highest employment of all industries in the September quarter 1996 and had experienced an above average growth in employment since the same period in 1993.

3.4 INDUSTRIES WITH HIGH EXPENDITURE PER EMPLOYEE IN 1996(a)



3.5 INDUSTRIES WITH LOW EXPENDITURE PER EMPLOYEE IN 1996(a)



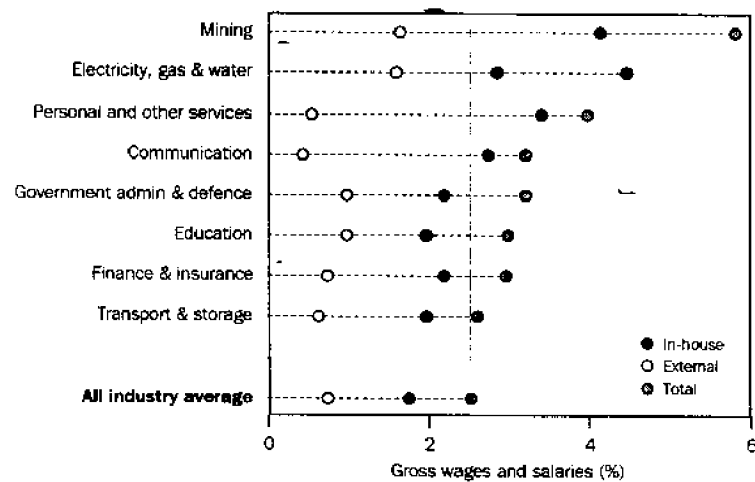
IN-HOUSE VERSUS EXTERNAL TRAINING

Most industries spent more on the provision of in-house training compared to external training. Industries that spent high proportions of their gross wages and salaries on in-house training included MINING, PERSONAL AND OTHER SERVICES, ELECTRICITY GAS AND WATER SUPPLY and COMMUNICATION SERVICES.

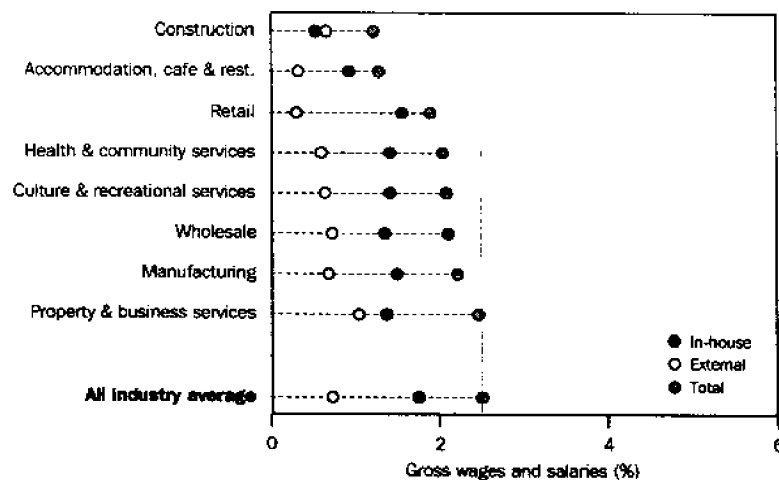
The MINING and ELECTRICITY, GAS AND WATER SUPPLY industries also spent high proportions of their gross wages and salaries on external training.

CONSTRUCTION was the only industry to spend more on external training in the three-month period. However its expenditure on in-house training was lower than all other industries. A significant proportion of external training costs in this industry related to 'Trade and apprenticeship' training.

3.6 INDUSTRIES WITH HIGH TRAINING EXPENDITURE, By Type of Training



3.7 INDUSTRIES WITH LOW TRAINING EXPENDITURE, By Type of Training



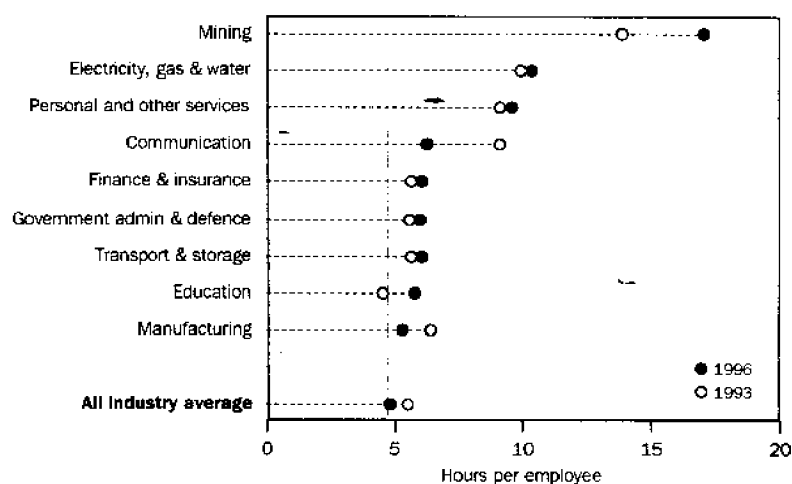
TRAINING RECEIVED BY EMPLOYEES

Hours per employee

Commitment to training can also be measured in terms of the number of training hours employers provide to their employees. In July to September 1996 the average number of training hours ranged from 2.40 per employee in the ACCOMMODATION, CAFES AND RESTAURANTS industry to 17.12 in the MINING industry.

While most industries reduced the average number of training hours provided to employees in 1996 compared to 1993, the largest fall occurred in COMMUNICATION SERVICES (6.34 and 9.19 respectively).

3.8 INDUSTRIES WITH HIGH AVERAGE TRAINING HOURS IN 1996(a)



(a) September quarter.

3.9 INDUSTRIES WITH LOW AVERAGE TRAINING HOURS IN 1996(a)



(a) September quarter.

Fields of training

During the three-month period from 1 July to 30 September 1996, employers provided most training in the fields of 'Management and professional' (0.89 hours per employee) and 'Trade and apprenticeship' training (0.85 hours).

Industries reporting high levels of training in 'Management and professional' training included EDUCATION (3.07 hours), GOVERNMENT ADMINISTRATION AND DEFENCE (1.51 hours) and ELECTRICITY, GAS AND WATER SUPPLY (1.37 hours) while industries with high levels of training in 'Trade and apprenticeship' training included MINING (3.65 hours), CONSTRUCTION (2.22 hours), MANUFACTURING (1.74 hours) and ELECTRICITY, GAS AND WATER SUPPLY (1.73 hours).

The importance of individual fields of training was related to the nature of the industry. In 1996, almost half the training provided by employers in the MINING industry was 'Trade and apprenticeship' or 'Plant and machinery' training (3.65 and 3.95 hours respectively). This industry also had a strong commitment to 'Health and safety' training, (2.91 hours). The MINING industry provided higher average levels of training on these three fields compared to other industries. ➡

In the EDUCATION industry the emphasis was on 'Management and professional' training. Employers provided an average of 3.07 hours per employee from a total of 5.87 hours per employee (52%).

Other industries with high levels of training hours per employee included ELECTRICITY, GAS AND WATER SUPPLY and PERSONAL AND OTHER SERVICES. In the ELECTRICITY, GAS AND WATER SUPPLY industry, most training hours were spent on 'Computing' (1.95 hours per employee), 'Health and safety' (1.75) and 'Trade and apprenticeship' training (1.73). This industry provided more hours of 'Computing' training per employee than other industries.

PERSONAL AND OTHER SERVICES allocated about 37% of its training time per employee to 'Management and professional' or 'Technical and associate-professional' training (1.52 and 2.08 hours respectively).

In industries with relatively low numbers of training hours per employee the emphasis was placed mainly on 'Trade and apprenticeship' training and 'Clerical, sales/office' training. These industries were WHOLESALE TRADE; RETAIL TRADE; and ACCOMMODATION, CAFES AND RESTAURANTS.

3.10 FIELDS OF TRAINING, By Industry

Field of training(a)	Mining	Manu- facturing	Electricity, gas & water supply	Construction	Wholesale trade	Retail trade	Accommodation, cafes & restaurants	Transport & storage	Communication services
HOURS PER EMPLOYEE									
Induction	1.11	0.28	0.20	0.19	0.28	0.44	0.31	0.37	0.69
General supervision	0.61	0.24	0.50	0.15	*0.17	0.28	0.24	*0.46	0.49
General computing	*1.18	0.32	1.95	0.23	0.42	0.11	0.18	0.45	0.77
Health and safety	2.91	0.60	1.75	*0.48	0.21	0.16	0.14	0.33	0.56
Personnel development	1.68	0.28	0.56	*0.05	**	0.09	0.07	0.37	0.54
Management and professional	0.95	0.33	1.37	*0.21	0.38	0.35	0.21	0.31	0.40
Technical and associate-professional	0.69	0.39	1.15	0.15	0.33	**	0.02	0.84	1.17
Trade and apprenticeship	3.65	1.74	1.73	2.22	*0.50	0.89	*0.60	0.69	0.73
Sales, clerical/office and personal service	*0.12	0.26	0.39	*0.12	0.72	0.98	*0.46	1.51	0.66
Plant and machinery	3.95	0.83	0.52	0.39	**	0.02	**	0.72	0.27
Other structured training	*0.27	0.14	0.25	*0.01	**	**	*0.05	0.06	0.07
All fields	17.12	5.42	10.38	4.21	3.49	3.39	2.40	6.12	6.34
DOLLARS PER EMPLOYEE									
Induction	27.48	4.54	3.76	3.67	4.67	4.87	3.70	6.69	10.72
General supervision	17.92	5.30	10.66	2.83	2.79	*4.49	3.24	*9.07	10.95
General computing	31.90	6.70	41.53	4.38	8.78	*1.79	2.97	9.73	16.88
Health and safety	82.73	11.61	36.10	*9.11	3.78	2.04	1.98	6.74	10.51
Personal development	49.81	5.70	11.76	*1.24	**	1.45	1.01	7.67	11.15
Management and professional	33.91	8.72	32.16	5.03	*12.67	5.36	3.83	8.80	12.55
Technical and associate-professional	20.06	9.52	22.05	3.04	*8.29	**	0.27	19.99	23.21
Trade and apprenticeship	84.82	18.78	24.63	21.49	*5.44	7.81	4.34	8.52	9.41
Sales, clerical/office and personal service	3.29	5.25	7.06	*2.05	10.88	11.02	4.75	31.45	12.50
Plant and machinery	107.38	14.86	10.09	*5.85	**	0.26	*1.39	12.11	3.94
Other structured training	**	2.23	6.47	*0.25	*1.11	**	0.83	0.83	1.36
All fields	470.03	93.21	206.27	58.94	66.87	40.07	28.31	121.60	123.18

(a) Structured training was classified according to the main content of the course or program.

3.10 FIELDS OF TRAINING, By Industry *continued*

Field of training(a)	Finance & insurance	Property & business services	Government admin & defence	Education	Health & community services	Cultural & recreational services	Personal & other services	All industries
HOURS PER EMPLOYEE								
Induction	0.77	0.16	0.18	0.15	0.43	0.26	*1.38	0.37
General supervision	0.40	0.08	0.15	0.30	0.17	0.12	0.73	0.26
General computing	1.00	0.46	0.86	0.65	0.22	0.19	0.57	0.42
Health and safety	0.09	0.09	*0.42	0.25	0.44	*0.25	0.63	0.36
Personnel development	0.43	0.25	0.45	0.42	0.30	*0.13	0.75	0.30
Management and professional	0.92	0.97	1.51	3.07	1.01	*0.45	1.52	0.88
Technical and associate-professional	*0.36	*0.49	0.72	**	0.88	*0.10	2.08	0.49
Trade and apprenticeship	**	*1.06	*0.33	**	**	*0.12	*1.03	0.85
Sales, clerical/office and personal service	2.06	0.37	0.70	*0.14	0.33	*0.99	0.45	0.61
Plant and machinery	0.00	*0.04	**	0.01	0.03	*0.05	0.18	0.27
Other structured training	0.07	**	0.21	0.14	0.06	**	**	0.10
All fields	6.17	4.07	6.02	5.87	4.05	2.77	9.67	4.91

DOLLARS PER EMPLOYEE								
Induction	10.98	2.47	*3.11	2.51	6.60	*3.34	*17.70	5.56
General supervision	7.25	1.61	3.09	7.23	3.15	2.09	13.30	5.01
General computing	17.70	8.58	17.07	13.65	3.63	3.74	9.13	8.30
Health and safety	2.06	1.58	*6.99	5.50	7.08	*4.46	10.99	6.82
Personnel development	7.98	*6.08	9.31	9.56	4.39	*2.89	10.1	5.99
Management and professional	24.25	27.84	32.51	70.77	19.78	*8.66	30.26	20.56
Technical and associate-professional	*7.22	10.27	13.85	**	14.13	*2.18	36.44	9.76
Trade and apprenticeship	**	*8.48	*3.88	**	**	*1.11	*9.70	8.70
Sales, clerical/office and personal service	29.74	5.57	11.63	2.16	4.03	*10.41	7.19	8.88
Plant and machinery	0.10	*0.59	**	0.24	0.38	**	3.04	5.02
Other structured training	1.40	**	4.51	3.11	*0.77	**	**	1.82
All fields	109.38	75.05	112.74	124.71	65.49	40.66	153.71	86.43

(a) Structured training was classified according to the main content of the course or program.

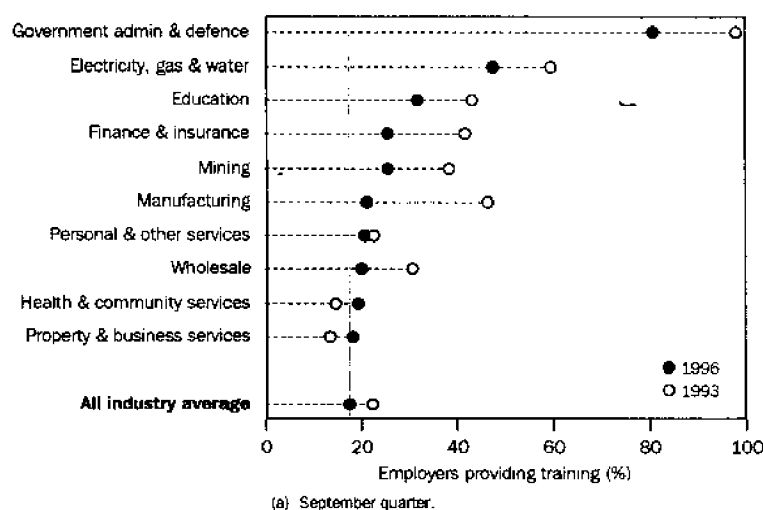
EMPLOYERS PROVIDING TRAINING

The proportion of employers who provided training was lower in 1996 compared to 1993. All industries, except TRANSPORT AND STORAGE; PROPERTY AND BUSINESS SERVICES; and HEALTH AND COMMUNITY SERVICES reported lower proportions of employers providing training. These three industries had among the lowest levels in 1993.

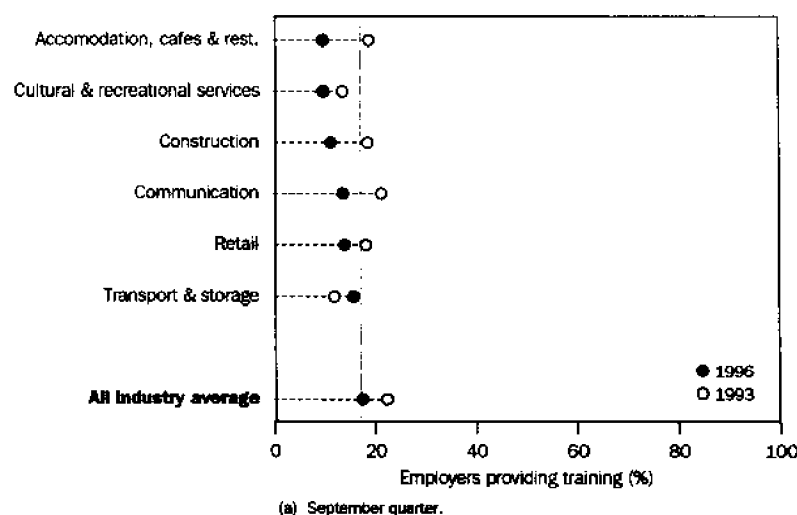
Industries with high proportions of employers providing training in 1996 included GOVERNMENT ADMINISTRATION AND DEFENCE (81.02%) and ELECTRICITY, GAS AND WATER SUPPLY (47.81%). Both these industries had markedly higher proportions of employers providing training in 1993 (99.01% and 59.91% respectively).

The ACCOMMODATION, CAFES AND RESTAURANTS industry had the lowest proportion of employers providing training. In part, this was a reflection of the extent to which small businesses dominate this industry with approximately 85% of this industry's employers having less than 20 employees.

3.11 INDUSTRIES WITH HIGH PROPORTION PROVIDING TRAINING IN 1996(a)



3.12 INDUSTRIES WITH LOW PROPORTION PROVIDING TRAINING IN 1996(a)



CHAPTER 4

STRUCTURED TRAINING BY SECTOR

In the September quarter 1996, two-thirds of total training expenditure occurred in the private sector (\$779.1 million) and one-third in the public sector (\$399.6 million). Although the private sector spent more, the public sector spent a higher proportion of its gross wages and salaries on training (3.16%) and had higher average training expenditure per employee (\$263.79) than the private sector (2.30% and \$160.98 respectively).

Compared with 1993, total training expenditure was higher in the private sector (\$654.5 million in 1993) and lower in the public sector (\$448.2 million). The change in levels of expenditure reflects shifts in employment across the two sectors between 1993 and 1996; the private sector had strong employment growth; the public sector had reduced employment.

4.1 MEASURES OF TRAINING EXPENDITURE, By Employer Size and Sector

	EMPLOYER SIZE.....			
	1-19 employees	20-99 employees	100 or more employees	All employers
.....				
PRIVATE				
Gross wages and salaries (%)	1.21	1.86	3.19	2.30
Expenditure per employee (\$)	71.66	131.91	246.87	160.98
Training hours per employee (h)	2.44	3.64	6.51	4.47
Total training expenditure (\$m)	114.5	155.8	508.8	779.1
Employers providing training(a) (%)	13.34	48.96	86.48	17.32
.....				
PUBLIC				
Gross wages and salaries (%)	*0.75	*2.94	3.18	3.16
Expenditure per employee (\$)	*32.42	213.37	268.18	263.79
Training hours per employee (h)	*0.88	*6.88	6.35	6.32
Total training expenditure (\$m)	*0.5	12.6	386.5	399.6
Employers providing training(a) (%)	*18.42	95.34	98.24	58.53
.....				
TOTAL				
Gross wages and salaries (%)	1.20	1.91	3.18	2.54
Expenditure per employee (\$)	71.31	135.80	255.64	185.49
Training hours per employee (h)	2.42	3.79	6.45	4.91
Total training expenditure (\$m)	115.0	168.4	895.4	1 178.8
Employers providing training(a) (%)	13.37	50.51	88.34	17.77
.....				

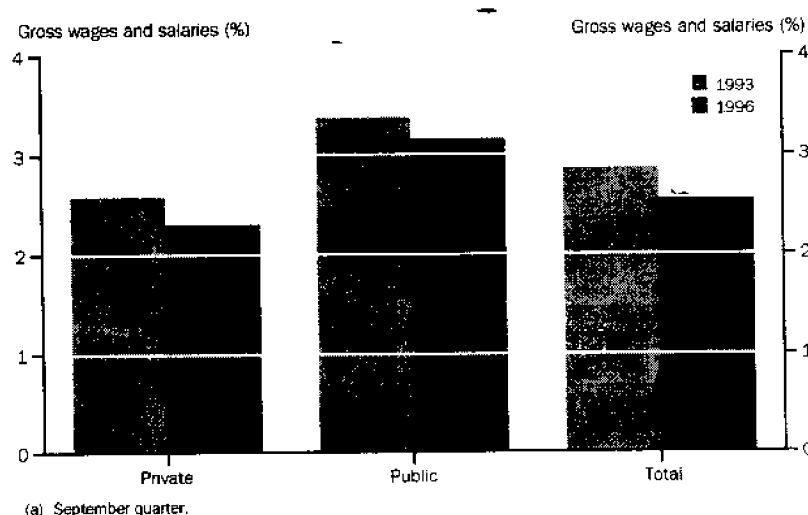
(a) The proportion of employers is based on the statistical unit for the survey (see Explanatory Notes).

PROPORTION OF GROSS WAGES AND SALARIES

In the September quarter 1996, the public sector spent a higher proportion of its gross wages and salaries on training (3.16%) compared to the private sector (2.30%). Large employers in both sectors spent similar proportions on training with slightly higher levels occurring in the private sector (3.19% compared to 3.18%).

While both the public and private sector spent lower proportions of their gross wages and salaries on training in 1996 compared to 1993, large private employers spent more. They increased the proportion spent on training from 3.01% in 1993 to 3.19% in 1996. Medium public employers also reported a higher level of expenditure in 1996; the proportion they spent increased from 2.53% in 1993 to 2.94% in 1996. Lower levels of expenditure occurred in all other employer size groups across the two sectors.

4.2 TRAINING EXPENDITURE, By Sector(a)



EXPENDITURE PER EMPLOYEE

The average training expenditure per employee was higher in the public sector (\$263.79) than in the private sector (\$160.98). Large public employers reported the highest average training expenditure (\$268.18 per employee). The greatest difference in expenditure between the two sectors occurred in medium employers—medium private sector employers had markedly lower average expenditure (\$131.91 per employee) than their public sector counterparts (\$213.37). In contrast, small employers in the private sector spent more (\$71.66 per employee) than small employers in the public sector (\$32.42).

COMPONENTS OF TRAINING EXPENDITURE

There were similarities and differences in the composition of training expenditure between the public and private sector. The public sector had higher average expenditure across all components compared to the private sector but the proportion that it spent on the wages and salaries cost of employees receiving training was similar to the private sector. For both sectors, this cost represented just under half of their total training expenditure.

The main difference in the composition of training expenditure between the two sectors was in the costs associated with trainers. The public sector spent a higher proportion on the wages and salaries of employees providing training (29%) compared to the private sector (20%). In contrast the private sector spent a higher proportion on fees paid to consultants and institutions (19%) compared to the public sector (13%). The overall proportion spent on trainer costs was higher in the public sector (43%) compared to the private sector (39%).

4.3 COMPONENTS OF TRAINING, Dollars per Employee By Sector

	Private	Public	All employers
Employees' wages and salaries for time receiving training	74.44	124.72	86.43
Cost of trainers to employers			
Wages and salaries for time providing training	31.94	77.44	42.79
Fees paid to consultants and institutions	31.20	35.10	32.13
Total	63.14	112.54	74.92
Other expenditure(a)	23.40	26.54	24.14
Total training expenditure	160.98	263.79	185.49

(a) Other expenditure includes equipment, travel, accommodation and meals, training rooms, payments to industry training bodies, materials, books, computer-based training packages, printing, etc.

EMPLOYEES RECEIVING TRAINING

Hours per employee

On average, employees in the public sector received nearly two more hours of training in the three-month period (6.32 hours per employee) than those in the private sector (4.47 hours). However large private employers reported the highest average hours (6.51 hours), slightly more than large public sector employers (6.35 hours).

Lower average training hours were reported for both sectors in 1996 compared to 1993. Large private employers were the only group to increase the average time their employees spent receiving training from 5.53 hours in 1993 to 6.51 in 1996.

Fields of training

The type of training provided to employees varied considerably across the two sectors. Employees in the public sector received more training in the fields of 'Management and professional' (1.92 hours), 'Technical and associate-professional' (1.00 hour) and 'General computing' (0.71 hour). By comparison, employees in the private sector received most training in the fields of 'Trade and apprenticeship' (1.03 hours), 'Sales, clerical/office and personal services' (0.67 hour) and 'Management and professional' (0.56 hour).

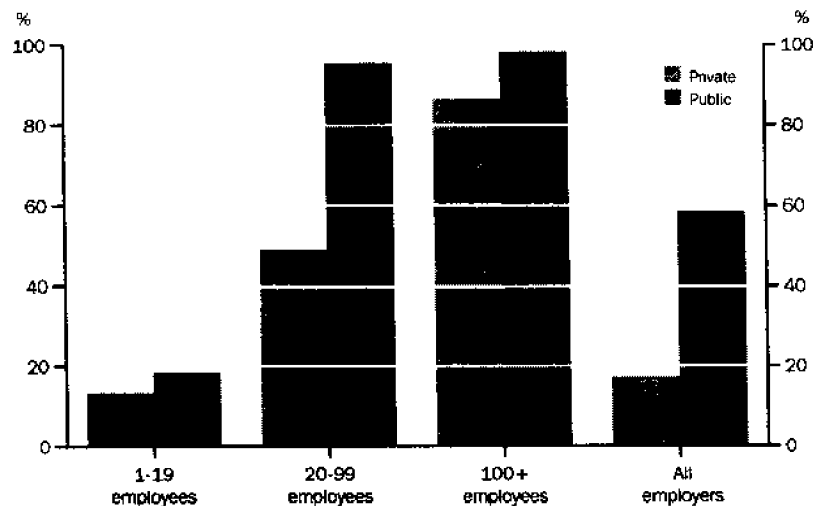
4.4 FIELDS OF TRAINING, By Sector

	Private	Public	All employers
HOURS PER EMPLOYEE			
Induction	0.38	0.37	0.37
General supervision	0.24	0.31	0.26
General computing	0.33	0.71	0.42
Health and safety	0.32	0.49	0.36
Personal development	0.25	0.44	0.30
Management and professional	0.56	1.92	0.88
Technical and associate-professional	0.33	1.00	0.49
Trade and apprenticeship	1.03	0.25	0.85
Sales, clerical/office and personal service	0.67	0.40	0.61
Plant and machinery	0.27	0.28	0.27
Other structured training	0.08	0.15	0.10
All fields	4.47	6.32	4.91
DOLLARS PER EMPLOYEE			
Induction	5.41	6.01	5.56
General supervision	4.47	6.74	5.01
General computing	6.36	14.49	8.30
Health and safety	6.03	9.37	6.82
Personal development	4.98	9.21	5.99
Management and professional	13.84	42.04	20.56
Technical and associate-professional	6.87	19.01	9.76
Trade and apprenticeship	10.38	3.34	8.70
Sales, clerical/office and personal service	9.52	6.83	8.88
Plant and machinery	5.18	4.52	5.02
Other structured training	1.40	3.16	1.82
All fields	74.44	124.72	86.43

EMPLOYERS PROVIDING TRAINING

A higher proportion of employers in the public sector provided training in the three-month period (58.53%) than in the private sector (17.32%). While most large employers in both sectors provided training, markedly fewer medium private employers provided training (48.96%) compared to the public sector (95.34%).

4.5 EMPLOYERS PROVIDING TRAINING, By Employment Size and Sector



CHAPTER 5

STRUCTURED TRAINING BY STATE AND TERRITORY

Patterns of training expenditure differed across States/Territories. Those States/Territories contributing most to the national training expenditure in 1996 were New South Wales (36%) and Victoria (25%). This reflects the population sizes and number of employees in those States/Territories.

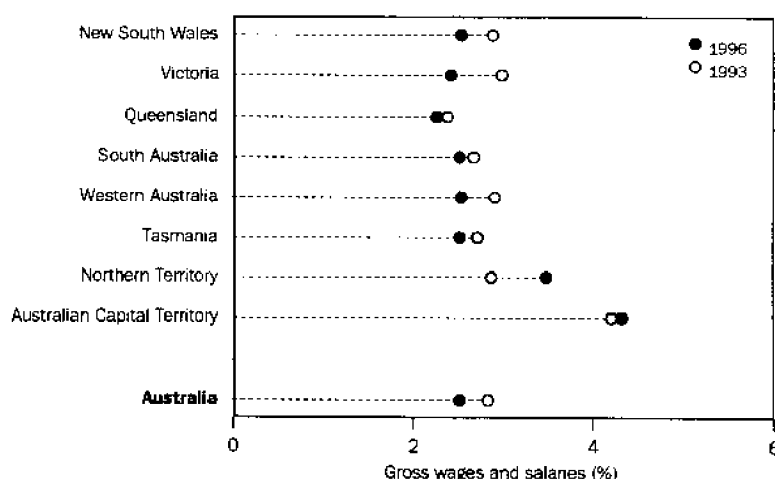
Compared to 1993, all States/Territories except Victoria reported higher training expenditure in 1996. In Victoria total training expenditure fell from \$317.5 million in 1993 to \$298.6 million in 1996. The decrease in total Victorian training expenditure is also reflected in all other measures of training expenditure.

PROPORTION OF GROSS WAGES AND SALARIES

Employers in the Australian Capital Territory and Northern Territory spent the highest proportion of their gross wages and salaries on training (4.33% and 3.49% respectively) while Queensland spent the lowest proportion (2.28%).

The proportion of gross wages and salaries spent on training was lower in all States but higher in the two Territories in 1996 compared to 1993. Victoria spent a markedly lower proportion on training in 1996 (2.45% of gross wages and salaries) compared to 1993 (3.00%). In contrast, the Northern Territory increased the proportion it spent on training from 2.89% in 1993 to 3.49% in 1996.

5.1 TRAINING EXPENDITURE, By State/Territory(a)



EXPENDITURE PER EMPLOYEE

The States/Territories which reported the highest expenditure per employee were the Australian Capital Territory (\$347.98), the Northern Territory (\$250.43) and New South Wales (\$194.21). The lowest average training expenditure per employee was reported in Queensland (\$160.96) and Tasmania (\$171.76).

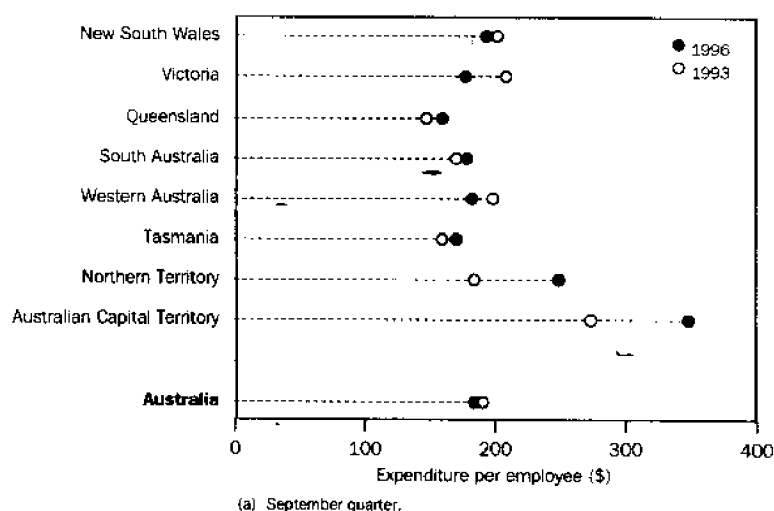
5.2 MEASURES OF TRAINING EXPENDITURE, By State/Territory

State/Territory	EMPLOYER SIZE.....			
	1-19 employees	20-99 employees	100 or more	All employers
GROSS WAGES AND SALARIES (%)				
New South Wales	1.48	2.26	3.03	2.57
Victoria	0.93	1.44	3.30	2.45
Queensland	*1.10	1.78	2.85	2.28
South Australia	**	*1.49	3.34	2.55
Western Australia	*0.83	2.57	3.16	2.56
Tasmania	**	2.69	3.07	2.55
Northern Territory	**	**	6.29	*3.49
Australian Capital Territory	**	**	5.04	4.33
Australia	1.20	1.91	3.18	2.54
EXPENDITURE PER EMPLOYEE (\$)				
New South Wales	92.84	174.67	246.35	194.21
Victoria	53.49	99.89	267.36	178.15
Queensland	*62.57	119.53	224.97	161.28
South Australia	**	*111.95	246.20	179.88
Western Australia	*47.92	169.57	255.71	184.16
Tasmania	**	179.88	224.05	171.86
Northern Territory	**	**	553.36	*250.43
Australian Capital Territory	**	**	465.40	347.98
Australia	71.31	135.80	255.64	185.49
TRAINING PER EMPLOYEE (h)				
New South Wales	2.59	3.79	5.87	4.67
Victoria	2.05	3.00	6.83	4.82
Queensland	2.46	4.49	6.30	4.92
South Australia	*2.47	*3.07	7.08	5.15
Western Australia	*2.17	5.40	6.47	5.14
Tasmania	**	5.92	7.26	6.06
Northern Territory	**	**	*11.32	*5.37
Australian Capital Territory	**	**	7.59	6.43
Australia	2.42	3.79	6.45	4.91
TOTAL TRAINING EXPENDITURE (\$m)				
New South Wales	53.4	59.9	307.4	420.8
Victoria	21.8	37.2	239.6	298.6
Queensland	*17.3	23.1	124.7	165.1
South Australia	**	14.5	67.1	*89.7
Western Australia	*8.0	23.6	88.1	119.7
Tasmania	**	*3.7	19.3	26.0
Northern Territory	**	**	*14.0	*17.5
Australian Capital Territory	**	**	35.2	41.5
Australia	115.0	168.4	895.4	1 178.8
EMPLOYERS PROVIDING TRAINING (%)				
New South Wales	14.27	48.14	87.44	17.66
Victoria	12.27	49.22	85.00	17.04
Queensland	13.78	54.18	91.48	18.28
South Australia	*18.08	*46.06	87.93	23.77
Western Australia	*9.54	59.41	91.46	15.58
Tasmania	*16.67	85.30	97.11	*21.86
Northern Territory	**	**	90.74	*13.83
Australian Capital Territory	**	63.02	94.26	**
Australia	13.37	50.51	88.34	17.77

While employers Australia-wide had lower average training expenditure per employee in 1996 (\$185.49) compared to 1993 (\$191.25), employers in the Australian Capital Territory, the Northern Territory, Queensland, Tasmania and South Australia reported higher average training expenditure in 1996.

Average training expenditure fell most markedly in Victoria, falling from \$209.07 in 1993 to \$178.15 in 1996. There were smaller falls in Western Australia and New South Wales.

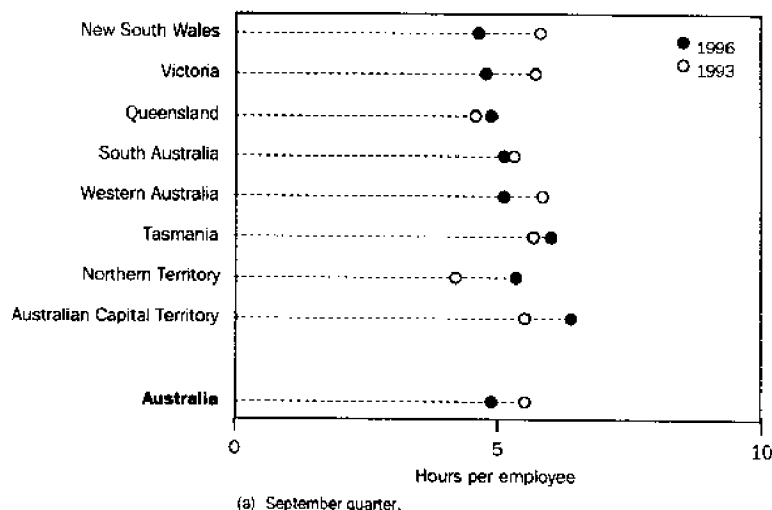
5.3 TRAINING EXPENDITURE PER EMPLOYEE, By State/Territory(a)



HOURS PER EMPLOYEE

States/Territories which recorded substantially higher training hours per employee than the national average included South Australia (5.15), Western Australia (5.14), Tasmania (6.06), the Northern Territory (5.37) and the Australian Capital Territory (6.43). The lowest number of training hours were provided by employers in New South Wales (4.67), Victoria (4.82) and Queensland (4.92).

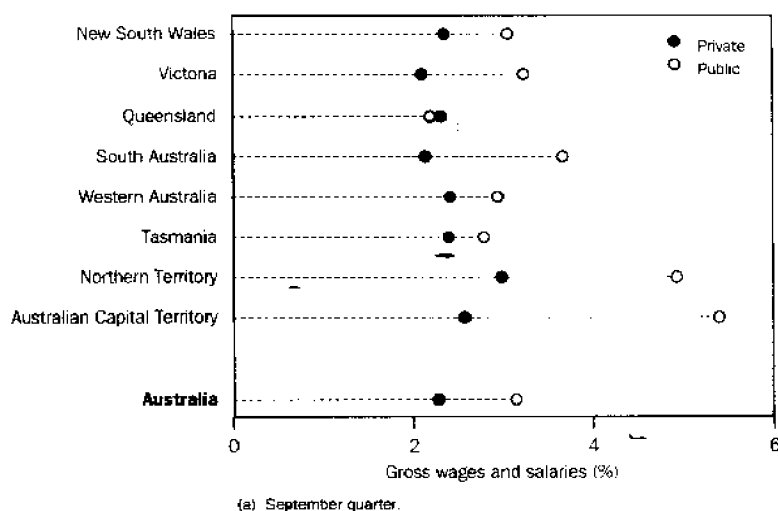
5.4 TIME SPENT RECEIVING TRAINING, By State/Territory(a)



STATE/TERRITORY TRAINING BY SECTOR

In all States/Territories except Queensland the public sector spent a higher proportion of gross wages and salaries than the private sector. The difference is most marked in the Australian Capital Territory where the private sector spent 2.59% of wages and salaries while the public sector spent 5.41%.

5.5 TRAINING EXPENDITURE, By State/Territory and Sector(a)



EMPLOYERS PROVIDING TRAINING

Queensland (18.28%), South Australia (23.77%) and Tasmania (21.86%) had the highest proportion of employers providing training in 1996 while the Northern Territory had the lowest (13.83%).

All States/Territories had lower proportions of employers providing training in 1996 compared to 1993 with the most marked falls occurring in Western Australia, South Australia and Queensland.

EXPLANATORY NOTES

INTRODUCTION

1 This publication contains results of the 1996 Training Expenditure Survey (TES). The survey collected information on the provision of structured training by employers for their employees during the period 1 July to 30 September 1996 (the September quarter). The TES was previously conducted in 1989, 1990 and 1993.

2 The results of the 1996 survey are not directly comparable with previous TES surveys. The 1996 survey collected information on training expenditure only from those employers who actually provided training to their employees in the reference period. This differs from previous iterations of the survey where employers reported all training costs paid in the reference period irrespective of whether training had occurred. The change in scope impacts only on training expenditure figures, training hours are unaffected.

3 In addition, the industry classification used by the ABS has altered since the 1993 survey. The 1989, 1990 and 1993 surveys were designed using the Australian Standard Industrial Classification (ASIC). This was replaced in 1996 by the Australian and New Zealand Standard Industrial Classification (ANZSIC).

4 The 1993 TES survey results have been recalculated so as to be directly comparable with the 1996 survey. Throughout this publication references to 1993 figures are based on these recalculated estimates. Rebased summary tables for 1993 are included in Appendix A.

SCOPE OF THE SURVEY

5 The survey covered employers in all States and Territories and all industries except for those primarily engaged in agriculture, forestry, fishing and hunting; private households employing staff; overseas embassies, consulates, etc. and the Australian permanent defence forces.

SURVEY DESIGN

6 A sample of approximately 6,000 employers was selected from the ABS register of businesses for the 1996, 1993 and 1990 Training Expenditure Surveys. The sample for the 1989 survey was 2,000 employers. The samples were stratified by sector, detailed industry and employer size, and were optimally allocated to ensure adequate representation in each of these areas. The surveys were designed to produce accurate estimates of total training expenditure at the national and the detailed industry level. While the sample was not designed to produce accurate State and Territory data the relative standard errors are generally low enough to enable the estimates to be used with confidence.

7 In order to achieve some comparability between the 1993 and 1996 results, approximately 35% of employers were common to both surveys.

STATISTICAL UNIT

8 The statistical unit for the survey was an organisation that employed at least one employee in the September quarter. The statistical unit covered all activities of a management unit in a particular State or Territory. Each statistical unit was classified to an industry which reflected the predominant activity of the management unit in the State or Territory. In a small number of cases where a management unit had a significant number of employees in more than one industry, a separate statistical unit was created for each industry. The statistical units are referred to as employers for this collection.

SURVEY DATA

9 The survey collected data on employers' expenditure on structured training. Structured training is defined as training activities which have a predetermined plan and format designed to develop employment-related skills and competencies.

10 The TES collected data on gross wages and salaries for employees' time receiving and providing structured training. The number of hours receiving training, fees and other training expenditure. The total number of employees, the number of males and females, full-time permanent and temporary, part-time permanent and temporary and casual employees and the gross wages and salaries for all employees were also collected.

11 The survey covered all expenses incurred by employers in training their own employees. The survey excluded the cost of training volunteers, customers etc. since they were not defined as employees.

12 The survey collected costs directly associated with training time. It excluded the replacement costs of employees on training courses. For example, if a bank teller undertook a training course and his/her normal work was done by a replacement, the training cost collected in the survey was the bank teller's gross wages and salary for the time attending the training course. The cost of the replacement teller was excluded. The survey also excluded training undertaken outside normal working hours at no expense to the employer.

13 Data in the survey were recorded on a cash basis. Annual fees (such as enrolment fees for educational institutions) were only included if they were paid during the September quarter. Fees were not apportioned.

14 The estimates of expenditure on training are expressed primarily as percentages of the employers' total gross wages and salaries for the September quarter. In addition, statistics are presented as expenditure per employee and hours per employee.

15 Despite the importance of unstructured training in improving job skills, it was excluded from the scope of the survey because of the considerable difficulties associated with its measurement. It should be noted that some on-the-job training may have a predetermined plan and format and may therefore fit the definition of structured training and fall within the scope of the TES.

16 Information on employers use of unstructured training will be available from the Training Practices Survey 1997. Results of the survey are expected to be released in November 1997.

SURVEY METHODOLOGY

17 A three month reference period was used for the survey, in preference to a full year reference period, in order to minimise the inconvenience of the survey to respondents, to enable high quality data to be reported, and to satisfy the demand for timely results.

18 It was recognised that in adopting the September quarter as the three month reference period, seasonal influences may affect the results since the chosen period may not have been a typical period for all employers training in 1996. In developing the TES, investigation of the representativeness of the September quarter was undertaken. This was also targeted during analysis of the 1989, 1990, and 1993 surveys and it was found that the September quarter was representative of other quarters.

19 Employers were notified of their selection prior to the commencement of the survey reference period to ensure that they could provide accurate data. They were provided with a guide containing: an example of the questionnaire; explanations of the concepts and definitions; and some worksheets to assist in the recording of data during the reference period. Electronic worksheets were provided to those employers that requested them. ABS officers discussed the requirements of the survey in detail with many employers to assist them in preparing for the survey.

RELIABILITY OF ESTIMATES

20 Estimates are subject to sampling and non-sampling errors. These concepts are explained in the Technical Notes.

21 A Post Enumeration Survey (PES) was conducted to review the 1996 survey questionnaire and methodology and to assess non-sampling errors. The results of the PES showed that while the quality of the survey data was acceptable, there was some under-reporting of costs associated with employees on paid study leave and employees who spent part of their time on training related activities.

22 The reliability of estimates is also affected by the level of response to a survey. Employers responded favourably to the TES, with 98% providing completed questionnaires.

RELATED PUBLICATIONS

23 Background information on this survey discussing concepts, methodology and coverage of the TES is provided in *Information Paper: Development of the Employer Training Expenditure Survey* (Cat. no. 6355.0) issued October 1989.

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

A Directory of Education and Training Statistics (Cat. no. 1136.0)—issued 1995.

Australians' Employment and Unemployment Patterns, Jobseekers, 1995 (Cat. no. 6286.0)—issued February 1997.

Career Paths of Persons with Trade Qualifications, Australia (Cat. no. 6243.0)—issued 1994.

Commercial Training Providers, Australia, 1994 (Cat. no. 6352.0)—issued 1996.

Employer Training Practices, Australia, 1994 (Cat. no. 6356.0)—issued 1994.

Education and Training in Australia (Cat. no. 4224.0)—issued 1996.

Employer Training Expenditure, Australia, July to September 1989, 1990 and 1993 (Cat. no. 6353.0).

Graduate Outcomes—Technical and Further Education, 1995

(Cat. no. 4225.0)—issued 1995.

How Workers Get Their Training, Australia, March to July 1989

(Cat. no. 6278.0)—issued 1990.

Participation in Education, Australia (Cat. no. 6272.0)—issued annually.*Small Business in Australia, 1995* (Cat. no. 1321.0). Contains some training expenditure statistics that are not published elsewhere.*Survey of Education and Training, Australia, 1997* (Cat. no. 6278.0)—to be released 1998. This publication was previously entitled *Training and Education Experience, Australia*.*Training and Education Experience, Australia, 1993* (Cat. no. 6278.0)—issued 1994. This publication was previously *How Workers Get Their Training, Australia*. This publication contains results of the 1993 Household Survey of Training and Education.*Transition from Education and Work, Australia* (Cat. no. 6227.0)—issued annually.

SYMBOLS AND OTHER USAGES

25 The following abbreviations and symbols are used in this publication:

ABS	Australian Bureau of Statistics
ANZSIC	Australian and New Zealand Standard Industrial Classification
ANTA	Australian National Training Authority
ASIC	Australian Standard Industrial Classification
DEETYA	Department of Employment, Education, Training and Youth Affairs
h	hours
n.a.	not available
PES	Post Enumeration Survey
TAFE	Technical and Further Education colleges
TES	Training Expenditure Survey
*	The estimate has a relative standard error of between 25% and 40% and should be used with caution.
**	Subject to sampling variability too high for most practical purposes. Relative standard error greater than 40%.

26 Where figures have been rounded, discrepancies may occur between sums of the component items and totals.

APPENDIX **A**

HISTORICAL TABLES

The 1996 survey collected expenditure data from only those employers who actually provided training in the period July to September 1996. As a result the expenditure data from the survey is not directly comparable with earlier surveys.

Results for the 1993 survey have been recalculated on the same basis as the 1996 survey. A comparison of the findings of the two surveys can be found in Chapter 1. The tables below are intended to enable further comparisons at the sector, employment size and industry level.

A1. TRAINING EXPENDITURE, By Employer Size and Sector—1993(a)

	EMPLOYER SIZE			
	1-19 employees	20-99 employees	100 or more employees	All employers
.....				
	PRIVATE			
Gross wages and salaries (%)	1.61	2.74	3.01	2.58
Expenditure per employee (\$)	81.85	178.73	207.75	161.07
Training per employee (h)	4.11	5.34	5.53	5.03
Total training expenditure (\$m)	106.0	164.2	384.3	654.5
Employers providing training(b) (%)	16.11	75.92	96.42	22.05
.....				
	PUBLIC			
Gross wages and salaries (%)	**	2.53	3.41	3.38
Expenditure per employee (\$)	**	177.52	267.11	263.28
Training per employee (h)	**	4.81	6.89	6.79
Total training expenditure (\$m)	**	12.1	433.8	448.2
Employers providing training(b) (%)	*14.51	95.15	99.30	57.32
.....				
	TOTAL			
Gross wages and salaries (%)	1.64	2.72	3.21	2.86
Expenditure per employee (\$)	82.98	178.65	235.50	191.25
Training per employee (h)	4.11	5.30	6.17	5.55
Total training expenditure (\$m)	108.3	176.3	818.1	1 102.7
Employers providing training(b) (%)	16.09	76.98	96.97	22.62
.....				

(a) September quarter.

(b) The proportion of employers is based on the statistical unit for the survey (see Explanatory Notes).

A2 MEASURES OF TRAINING EXPENDITURE, By Industry—1993(a)

	Gross wages and salaries	Expenditure per employee	Training per employee	Total training expenditure	Employers providing training
Industry	%	\$	h	\$m	%
Mining	5.10	687.08	13.87	55.7	38.69
Manufacturing					
Food, beverages and tobacco	2.38	175.51	4.65	29.9	80.14
Textiles, clothing, footwear and leather	2.21	144.47	4.49	8.7	**
Wood and paper products	2.02	152.18	5.66	10.0	58.79
Printing, publishing and recorded media	*2.94	*233.67	*6.72	*21.1	40.14
Petroleum, coal, chemical and associated products	3.00	272.61	6.12	24.7	56.78
Non-metallic mineral products	2.98	174.88	4.82	6.9	**
Metal products	3.12	258.29	8.96	40.4	*51.15
Machinery and equipment	2.71	214.18	8.02	38.5	*38.96
Other manufacturing	1.61	94.18	5.51	4.1	*40.95
Total	2.63	205.64	6.55	184.3	46.72
Electricity, gas and water supply	4.41	383.19	9.98	39.7	59.91
Construction	1.80	134.76	5.90	32.1	18.72
Wholesale trade	2.81	205.03	4.46	74.0	31.11
Retail trade	1.96	74.23	4.14	58.2	18.57
Accommodation, cafes and restaurants	1.58	63.82	2.89	18.5	19.20
Transport and storage					
Air and space transport	3.91	463.42	12.21	23.5	**
Other transport and storage	2.29	168.45	4.26	38.3	11.26
Total	2.72	222.18	5.71	61.8	12.08
Communication services	5.42	451.79	9.19	48.7	21.44
Finance and insurance	3.20	249.85	5.96	75.5	42.08
Property and business services	3.29	225.73	5.48	101.1	*13.90
Government administration and defence	3.25	237.68	6.01	93.2	99.01
Education	2.48	180.06	4.55	91.5	*43.30
Health and community services					
Health services	2.31	143.14	4.20	77.1	*11.98
Community services	3.78	178.34	8.41	25.0	**
Total	2.55	150.42	5.07	102.2	15.08
Cultural and recreational services	2.41	125.09	2.84	15.5	14.08
Personal and other services	4.14	294.79	9.22	50.7	23.14
All Industries	2.86	191.25	5.55	1 102.7	22.62

(a) September quarter.

APPENDIX **B**

DATA ITEM LISTING

The ABS offers a range of unpublished data from this survey upon request. Subject to reliability and confidentiality constraints, unpublished estimates from the TES are available for the following data items:

DATA ITEMS

- Number of employees including males, females, full-time/part-time/casual
- Number of trainers and support staff
- Total training expenditure
- Expenditure on structured in-house training
- Expenditure on structured external training
- Field of training—employee costs for time receiving training and training hours
- Employers' trainers and support staff gross wages and salaries
- Fees paid to consultants and institutions for conducting in-house courses
- Fees paid to consultants and institutions for conducting external courses
- Other training expenditure for in-house and external training including equipment, travel and accommodation and meals for trainers and trainees to attend courses, cost of training rooms, payments to industry training bodies and other expenditure
- Training subsidies received from government sources
- Payment received for employees of other organisations attending training.

ESTIMATES

Estimates of these data items can be cross classified by the following:

- Sector
- Employer size
- Industry
- State and Territory
- All employers
- Employers reporting training expenditure.

MEASURES

Data can also be expressed in the following ratios:

- Training expenditure as a proportion of gross wages and salaries
- Average training expenditure per employee
- Average training hours per employee
- Average training expenditure per training hour.

TECHNICAL NOTES

Estimates in this publication are subject to sampling variability because they are based on information relating to a sample of employers rather than a full enumeration (i.e. they may differ from 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, for example, due to imperfections in reporting by respondents and errors made in processing data. Such inaccuracy is referred to as non-sampling error and may occur in any enumeration, whether it be a full count (census) or sample.

NON-SAMPLING ERROR

Efforts have been made to reduce the non-sampling error by careful design of the questionnaire and detailed checking of completed returns. In order to minimise under-enumeration, all employers in the survey were advised of their selection prior to the commencement of the reference period, rather than relying on recall at the conclusion of the reference period.

SAMPLING ERROR

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 a 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 19 chances in 20 that a sample estimate differs from the 'true' value by less than two standard errors.

If the standard error of an estimate is large, relative to the size of the estimate, the usefulness of that estimate is seriously impaired. For the tables in this publication, estimates with standard errors greater than 25% and up to 40% of the estimate have been labelled with an asterisk. Estimates with standard errors over 40% have not been published and two asterisks appear in place of the estimate.

The estimate of the average training expenditure per employee for private sector organisations with 1-19 employees is \$71.66 (see table 4.1). From table T1 this estimate has a relative standard error of 11%, and thus an absolute standard error of $0.11 \times \$71.66$, or \$7.88. Hence, the estimate minus one standard error is \$72 less \$8 equals \$64 (rounded to whole dollars), and the estimate plus one standard error is similarly \$80. Again, the estimate minus and plus two standard errors is \$56 and \$87 respectively. There would, therefore, be about two chances in three that a full enumeration would have given a figure in the range of \$64 to \$80 and about 19 chances in 20 that it would have been in the range of \$56 to \$87.

T1 RELATIVE STANDARD ERRORS(a)

EMPLOYER SIZE.....

	1-19 employees	20-99 employees	100 or more employees	All employers
	%	%	%	%

PRIVATE

Gross wages and salaries	11.4	8.8	2.2	2.9
Expenditure per employee	11.3	9.1	3.5	2.9
Training hours per employee	8.6	7.5	3.7	3.0
Total training expenditure	11.6	8.8	3.9	3.0
Employers providing training(b)	7.4	6.7	2.3	5.4

PUBLIC

Gross wages and salaries	36.3	27.4	2.6	2.5
Expenditure per employee	39.5	24.3	2.8	2.7
Training hours per employee	39.4	27.5	2.7	2.7
Total training expenditure	32.1	23.9	2.7	2.8
Employers providing training(b)	37.5	3.3	1.2	12.7

TOTAL

Gross wages and salaries	11.4	8.4	1.6	2.1
Expenditure per employee	11.3	8.6	1.8	2.2
Training hours per employee	8.6	7.2	2.2	2.3
Total training expenditure	11.5	8.4	2.0	2.2
Employers providing training(b)	7.3	6.4	1.9	5.2

(a) September quarter 1996.

Details of standard errors relating to other estimates from the 1996 Training Expenditure Survey are available on request.

(b) The proportion of employers is based on the statistical unit for the survey (see Explanatory Notes).

GLOSSARY

All employers	Estimates are based on all statistical units which reported at least one employee during the reference period. See Explanatory Notes for an explanation of the statistical unit.
Average training expenditure per employee	Estimated total training expenditure divided by the estimated total number of employees. The survey did not collect information on the number of employees who actually received training.
Average training hours per employee	Estimated training hours divided by the estimated total number of employees. The survey did not collect information on the number of employees who actually received training.
Casual employees	Employees who are not entitled to paid holiday or sick leave.
Consultants	Organisations or individuals who develop, design or evaluate training. They are not employees of the selected statistical unit (employer) and are generally paid on a fee-for-service basis.
Cost of trainers to employers	Employee's wages and salaries for time providing training plus fees paid to consultants or institutions for in-house and external courses.
Dedicated trainers	Dedicated trainers are those employees who spend all of their time on the administration, development, delivery or evaluation of structured training for employees of the organisation. Dedicated trainers may work full-time or part-time.
Employees	All persons who received a wage or salary during the survey reference period, 1 July to 30 September 1996. All permanent, temporary, casual, managerial and executive employees were included. Employees on paid leave and those employees on workers' compensation who continued to be paid through the employer's payroll were also included. Excluded were employees who were not paid during the survey reference period, employees on leave without pay, on strike or stood down without pay for the whole reference period. The number of employees of an organisation was based on persons who received pay for any part of the last pay period ending on or before 16 August 1996.
Employee costs for time receiving training	Gross wages and salaries for the number of hours spent by employees receiving structured training including paid travel time. The statistics relate to all employees who received training in the three months, 1 July to 30 September 1996, irrespective of whether they were employed in the pay period ending 16 August 1996.
Employee costs for time providing training	Gross wages and salaries for the time spent by any employee providing structured training for employees of the organisation. This includes the development, delivery, evaluation and administration of structured training. Also included is the wages and salaries of support staff for time spent on activities related to the provision of training. All employee costs for time providing training have been attributed to in-house training expenditure.
Employer size	To produce statistics for various employer sizes, each statistical unit is allocated a size classification based on the number of employees reported.

Employers	See All employers.
Equipment, training	Payments for the purchase or hire of equipment for which the primary purpose is training. Payments for repairs and maintenance are also included. Depreciation on training equipment is excluded.
Expenditure	Employers were asked to use a cash basis to report on all fees and payments actually made in the reference period.
External structured training	Training organised and conducted by outside training/educational institutions, agencies or consultants for the general use of individuals or organisations (e.g. Technical and Further Education courses, university studies assistance, training consultants).
External training providers	Trainers who are employees of the selected organisation and who provide structured training on a fee-for-service basis. The training can be either in-house or external.
Fees paid for in-house and external courses	Fees paid to consultants, training companies, educational and training institutions for designing, conducting or evaluating training courses (e.g. College of Technical and Further Education, higher education establishments, Business Colleges, Skills Centres, Industry Training Institutes). This includes scholarships, bursaries, reimbursements for fees and studies assistance paid to employees. Where course fees include other costs (e.g. accommodation), these are also included.
Field of training	Classification of training based on the main content of each course/program. Each field of training appears as a separate entry in this Glossary.
Full-time employees	Employees who usually work a standard week of 35 hours or more.
General computing skills training	Training programs that provide skills in micro, mini and mainframe computer programming and use of software packages (e.g. spreadsheets, microcomputer databases, desk-top publishing), computer-based self-learning packages. Training designed for computer professionals is included under 'Management and professional' training.
General supervisory training	Training programs which qualify or upgrade skills in supervising staff.
Gross wages and salaries	Payments to all employees before tax and other items such as superannuation are deducted, made between 1 July and 30 September 1996. Payments comprise ordinary time and overtime earnings; over-award payments; penalty payments; shift and other remunerative allowances; commissions and retainers; payments under incentive or piecework; payments under profit-sharing schemes; leave loadings; bonuses; annual and retrospective payments; salaries paid to company directors, board members and office holders, commissions; payments to employees on workers' compensation which are not covered by insurance i.e. 'make-up' pay. Excluded are severance, termination and redundancy payments.
Health and safety training	Training in first aid, health and fitness, safety, fire safety, waste management and stress management.
In-house structured training	Training organised by employers primarily for their own employees, using the employer's own staff, or consultants e.g. where a consultant designs or conducts a program specifically for the employer. Note that in-house training could be conducted at an off-site location.

Induction training	New employee orientation, introduction to the organisation.
Industry	Industry is classified according to the <i>Australian and New Zealand Standard Industrial Classification 1993 (ANZSIC)</i> (Cat. no. 1292.0).
Large employers	Organisations which employ 100 or more employees.
Management and professional training	Training programs that qualify or upgrade skills in organising and directing the major functions of an organisation, in specialist management (e.g. financial, marketing) or professional occupations (i.e. involving at least a three year degree/diploma). In 1996, this training included registered nursing training, previously included under 'Technical and associate-professional' training.
Medium employers	Organisations which employ between 20 and 99 employees.
Net training expenditure	Total training expenditure minus subsidies received for training and payments received from other employers.
Non-dedicated trainers	Those employees who spend part of their time on the administration, development, delivery or evaluation of structured training for employees of the organisation. They may be employed on a full-time or part-time basis.
Organisations	In this publication the terms 'employers' and 'organisations' are used interchangeably (see the Explanatory Notes for an explanation of the statistical unit of the survey).
Organisations providing training	Estimates are derived from those statistical units which reported training hours during the reference period.
Other expenditure on structured training	Total expenditure on training equipment, travel, accommodation, meals, consumables, training rooms and payments to industry training bodies.
Other training costs	All training costs except gross wages and salaries for employees providing or receiving training. That is, total expenditure on fees for in-house or external training courses, training equipment, travel, accommodation, meals, consumables, rooms and payments to industry bodies.
Other training (field of training)	Structured training which cannot be classified to the fields of training which are described elsewhere. For example, training in literacy, numeracy, language (except where part of another field of training), trade union training.
Part-time employees	Employees who usually work a standard week of less than 35 hours.
Payments received from other employers	Payments received for employees of other organisations to attend in-house courses.
Payments to industry training	Payments include donations and membership fees paid to educational bodies, institutions, training centres or industry training bodies and the purchase of equipment and materials donated to training institutions. Fees for training courses are excluded.
Permanent employees	Employees who are entitled to paid holiday and/or sick leave.
Personal development training	Training that improves or upgrades skills in areas such as time management, assertiveness, negotiation and conflict resolution. This field of training was included in the survey for the first time in 1996.

Plant and machinery operating/driving, labouring and related training	Training programs that qualify or upgrade skills in driving road or rail transport, operation of plant and machinery (e.g. forklift driving, chemical plants, packaging machines), labouring and other assistance tasks (e.g. steel fixing, cleaning, fast food preparation).
Post Enumeration Survey (PES)	A survey of a small number of respondents undertaken to evaluate the questionnaire, survey methodology and to assess non-sampling errors. See Explanatory Notes.
Private/public sector	See Sector.
Proportion of gross wages and salaries	Estimates of training expenditure are expressed as a percentage of employers' total gross wages and salaries for the reference period. Training expenditure includes both wages and salaries and other training costs.
Reference period	The survey collected employers' training expenditure during the period 1 July to 30 September 1996.
Sales, clerical/office and personal service training	Programs that qualify or upgrade skills in customer relations, shop assistant service, sales skills, bar and waiting skills, shorthand, secretarial, typing, receptionist and telephone skills, filing etc., and personal service skills (e.g. child-care assistance). Also included are Commonwealth traineeships for graduates and administrative officers. Excluded are training in general computing skills which are included in 'General computing skills' training.
Sector	All statistical units are classified to the public or private sector. The public sector includes local government authorities and all government departments, agencies and authorities created by, or reporting to the Commonwealth Parliament and State Parliaments. The remaining statistical units are classified as private sector.
September quarter	The period 1 July to 30 September.
Small employers	Organisations which employ 1-19 employees.
Structured training	All training activities which have a predetermined plan and format designed to develop employment-related skills and competencies. It consists of periods of instruction, or a combination of instruction and monitored practical work. The instruction can take the form of workshops, lectures, tutorials, training seminars, audio-visual presentations, demonstration sessions or monitored self-paced training packages. It can also include structured on-the-job training associated with the assessment of accredited competency-based skills.
Subsidies received for training	These are grants or subsidies received from the government for structured training of employees (e.g. Commonwealth Rebate for Apprentice Full-Time Training (CRAFT)). Subsidies received outside the reference period are excluded.
Technical and associate-professional training	Programs that qualify or upgrade skills in the work performed by technicians and technical officers in the medical, science and engineering fields (e.g. research, quality control, laboratory tests and drafting), air and sea technical work (e.g. piloting, air traffic control), enrolled nursing, community work, police work and child-care coordination. Excluded is personal service training such as child assistance which is included in 'Sales, clerical/office and personal service' training.

Temporary employees	Persons employed by the organisation for a specified period of time or to undertake a specific task. Generally these employees are entitled to pro-rata holiday and sick leave.
Time providing training	Actual hours spent by the organisation's employees on the provision of structured training for other employees in the organisation during the reference period. This includes time spent on the administration, development, delivery or evaluation of training. Paid travel time is also included. The PES indicated that there may be some under reporting of the time providing training, particularly for non-dedicated trainers.
Time receiving training	Refers to the actual hours of structured training received by all employees during the reference period. This includes paid time to travel to training courses.
Total training expenditure	The sum of employers' expenditure for employees' gross wages and salaries for time receiving and providing structured training, fees paid to consultants and institutions and other expenditure on structured training during the period 1 July to 30 September 1996.
Trade and apprenticeship training	Programs that qualify or upgrade skills in trades. For example, in carpentry, bricklaying, plumbing, vehicle mechanics, printing, metal fitting, electrical fitting and butchery.
Trainers and training support staff	Employees who spend some or all of their time on the administration, development, delivery or evaluation of structured training for employees of the selected organisation.
Training equipment	See Equipment, training.
Training expenditure per employee	See Average training expenditure per employee.
Training Guarantee legislation	The Training Guarantee legislation was introduced in 1990. The legislation required employers with an annual payroll over a set amount to spend a minimum amount on training equivalent to a specific proportion of their gross wages and salaries. The expenditure had to relate to training that was approved under the legislation. The Training Guarantee was suspended in July 1994 and abolished in July 1996.
Training hours per employee	See Average training hours per employee.
Training rooms	Costs associated with the rent, lease and purchase of training rooms or floor space. Also included are training room overheads for floor space owned by the organisation (e.g. cleaning, electricity, maintenance, etc.). Depreciation on training rooms is excluded.
Training subsidies	See Subsidies received for training.
Travel, accommodation and meals	Payment for trainers and trainees to attend courses, including fares (air, taxi, car hire, etc.), travel allowances, incidental travel expenses, accommodation, meals and kilometre allowance.
Unstructured training	Training activity that does not have a specified content or pre-determined plan. Includes unplanned training that is provided as the need arises. Unstructured training is excluded from the scope of this survey.

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