

EMPLOYMENT SERVICES AUSTRALIA

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- For further information about these and related statistics, contact the National Information Service on 1300 135 070 or Graham Boxsell on Canberra 02 6252 5633.

NOTES

INTRODUCTION

This publication presents results, in respect of the 1998–99 financial year, from an Australian Bureau of Statistics (ABS) survey of businesses involved in the provision of employment services such as personnel search, selection, referral and job placement on a permanent and temporary employment basis.

This publication is one of a series to be issued in respect of 1998–99 for a range of property and business services industries. Other publications in this series, are:

Cleaning Services Industry, Australia, 1998–99 (Cat. no. 8672.0) — issued 13 June 2000

Computing Services Industry, Australia, 1998–99 (Cat. no. 8669.0) — issued 28 August 2000

Legal Services Industry, Australia, 1998–99 (Cat. no. 8667.0) — issued 18 August 2000

Market Research Services, Australia, 1998–99 (Cat. no. 8556.0) — issued 5 June 2000

Real Estate Services Industry, Australia, 1998–99 (Cat. no. 8663.0) — issued 24 May 2000

Security Services, Australia, 1998–99 (Cat. no. 8557.0) — issued 28 June 2000

COMMENTS ON THIS PUBLICATION

The ABS welcomes comments and suggestions from users recommending industries and data items for inclusion in future surveys. These comments should be addressed to the Director, Service Industries Surveys, Australian Bureau of Statistics, PO Box 10, Belconnen ACT 2616.

ROUNDING

Where figures have been rounded discrepancies may occur between the sum of component items and the total.



ABBREVIATIONS

ABS	Australian Bureau of Statistics
ANZSIC	Australian and New Zealand Standard Industrial Classification
CES	Commonwealth Employment Service
OPBT	Operating profit before tax
PAYE	Pay as you earn
PPS	Prescribed Payment System
RSE	Relative standard error
SE	Standard error

Dennis Trewin
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INTRODUCTION

This publication presents results, in respect of the 1998–99 financial year, from an Australian Bureau of Statistics (ABS) survey of businesses involved in the provision of employment services (e.g. personnel recruitment, search, selection, referral and job placement on a permanent, temporary and contract employment basis). The scope of the survey was all businesses whose main activity was the provision of employment services. These businesses are classified to CLASS 7861 (EMPLOYMENT PLACEMENT SERVICES) or CLASS 7862 (CONTRACT STAFF SERVICES) of the 1993 edition of the *Australian and New Zealand Standard Industrial Classification* (ANZSIC). For completeness, the survey included any other businesses which were *Job Network* providers in the reference period.

Job Network is the framework through which the Commonwealth Government delivers labour market assistance. It was introduced in May 1998, subsuming the functions of the previous *Commonwealth Employment Service* (CES).

Tables 1.1 and 1.2 in this publication present aggregates of the number of businesses and job placements for all businesses in the survey. Tables 2.1 to 7.2 present detailed information on employment, income, expenses and profitability of businesses whose main activity is the provision of employment services (i.e. those classified to classes 7861 and 7862 of ANZSIC).

EMPLOYMENT SERVICES
ACTIVITY

At the end of June 1999 there were 2,127 businesses involved in the provision of employment services within the scope of this survey (see Explanatory Notes). These businesses comprised 736 businesses in the employment placement industry, 1,357 businesses in the contract staff services industry and 34 businesses involved in *Job Network* activities, where the provision of employment services was not their primary activity.

The majority (82%) of these businesses were 'for-profit' organisations with 18% being 'not-for-profit' organisations. At the end of June 1999, there were 269 businesses involved in *Job Network* placement activities.

During 1998–99, there were 2,746,057 job placements made by these businesses. These placements comprised 443,603 permanent placements and 2,302,454 temporary and contract placements. *Job Network* placements accounted for 64% of permanent placements and 10% of all placements.

1.1 NUMBER OF EMPLOYMENT SERVICES BUSINESSES, AT END JUNE 1999

	<i>Job Network placement activity</i>	<i>Other permanent placement activity</i>	<i>On-hired placement activity</i>	<i>Total(a)</i>
	no.	no.	no.	no.
Businesses at end June 1999				
Employment placement industry				
For profit	59	504	128	530
Not for profit	131	160	40	207
<i>Total</i>	<i>190</i>	<i>665</i>	<i>168</i>	<i>736</i>
Contract staff industry				
For profit	10	733	1 187	1 190
Not for profit	35	32	167	167
<i>Total</i>	<i>45</i>	<i>765</i>	<i>1 354</i>	<i>1 357</i>
Total employment placement and contract staff industries				
For profit	69	1 237	1 315	1 719
Not for profit	166	193	207	374
<i>Total</i>	<i>235</i>	<i>1 430</i>	<i>1 522</i>	<i>2 093</i>
Other businesses providing employment services				
	34	17	—	34
Total	269	1 447	1 522	2 127

— nil or rounded to zero (including null cells)

(a) Some businesses may be involved in more than one employment placement activity. Hence, the counts of businesses may not sum to the total.

1.2 NUMBER OF PLACEMENTS

	<i>Job Network placement activity</i>	<i>Other permanent placement activity</i>	<i>On-hired placement activity</i>	<i>Total</i>
	no.	no.	no.	no.
Placements during year ended 30 June 1999				
Employment placement industry				
For profit	161 338	55 154	5 946	222 439
Not for profit	90 862	17 378	1 793	110 034
<i>Total</i>	<i>252 201</i>	<i>72 533</i>	<i>7 739</i>	<i>332 472</i>
Contract staff industry				
For profit	6 988	82 399	2 249 850	2 339 237
Not for profit	16 996	2 762	44 866	64 624
<i>Total</i>	<i>23 984</i>	<i>85 161</i>	<i>2 294 715</i>	<i>2 403 861</i>
Total employment placement and contract staff industries				
For profit	168 327	137 553	2 255 795	2 561 676
Not for profit	107 859	20 140	46 658	174 657
<i>Total</i>	<i>276 185</i>	<i>157 694</i>	<i>2 302 454</i>	<i>2 736 333</i>
Placements by other businesses providing employment services	8 969	755	—	9 724
Total	285 154	158 449	2 302 454	2 746 057

— nil or rounded to zero (including null cells)

EMPLOYMENT SERVICES INDUSTRIES

SOURCES OF INCOME

In total, the employment services industries generated \$7,818 million in income during 1998–99. The main components of this income were income derived from employers for persons on-hired (\$5,784 million), income derived from job network contracts (\$636 million) and employer payments for permanent placement and personnel recruitment services (\$548 million).

EXPENDITURE

Total expenses for the two industries during 1998–99 were \$7,404 million. Labour costs were the highest single expense (\$5,758 million) representing 78% of total expenses. Labour costs comprised \$4,626 million paid to employees contracted/on-hired to other businesses and \$1,132 million paid to direct employees of businesses in the employment services industries.

PROFITABILITY

In 1998–99, the operating profit before tax for the employment services industries was \$426 million, which represented an operating profit margin of 5.6%. The operating profit margins of the two industries varied markedly, reflecting the different nature of their operations. In the employment placement industry the operating profit margin was 19.7%, while for the contract staff services industry, which is mainly on-hiring of staff, the operating profit margin was 3.7%.

EMPLOYMENT

At the end of June 1999, there were 28,912 persons working directly for businesses in the employment services industries (i.e. carrying out work functions for the employment services businesses). Half (50%) of these persons worked as employment consultants. A further 278,937 persons, at the end of June 1999, were employed by businesses in the employment services industries and on-hired to other businesses.

STATE AND TERRITORY DIMENSION

The distribution across the States and Territories of income generated by the employment services industries was generally in line with the respective proportions of the Australian population of each of the States and Territories. The two exceptions were Victoria which accounted for 29% of income and Queensland with 15% of income, which compares with their respective 25% and 19% share of the Australian population.

BUSINESS SIZE

The employment services industries were dominated by small businesses with 87% of businesses having direct employment of less than 20 persons. These small businesses accounted for 31% of direct industry employment and 35% of industry income. At the end of June 1999, there were 38 businesses with direct employment of 100 persons or more. For the employment services industries, these large businesses accounted for 41% of direct employment, 42% of income and 40% of the operating profit before tax.

2.1

KEY FIGURES

		<i>Employment placement services industry</i>	<i>Contract staff services industry</i>	<i>Total</i>
Businesses at end June	no.	736	1 357	2 093
Locations at end June				
Capital city	no.	1 358	2 570	3 928
Other	no.	688	909	1 597
<i>Total</i>	no.	<i>2 046</i>	<i>3 479</i>	<i>5 525</i>
Employment at end June				
Persons working directly for employment services businesses				
Employment consultants	no.	7 019	7 419	14 439
Other	no.	4 316	10 157	14 473
<i>Total</i>	no.	<i>11 336</i>	<i>17 576</i>	<i>28 912</i>
Persons on-hired to other businesses	no.	2 866	276 071	278 937
<i>Total</i>	no.	<i>14 202</i>	<i>293 647</i>	<i>307 849</i>
Income				
Income from employers	\$m	277.0	6 555.1	6 832.1
Income received from Job Network	\$m	584.2	52.0	636.2
Other government funding	\$m	78.5	86.2	164.7
Other income	\$m	62.4	122.1	184.5
<i>Total</i>	\$m	<i>1 002.0</i>	<i>6 815.6</i>	<i>7 817.7</i>
Expenses				
Labour costs	\$m	438.0	5 319.7	5 757.7
Other expenses	\$m	384.5	1 261.7	1 646.1
<i>Total</i>	\$m	<i>822.5</i>	<i>6 581.7</i>	<i>7 404.1</i>
Operating profit/surplus before tax	\$m	179.6	246.5	426.1
Operating profit margin	%	19.7	3.7	5.6

SOURCES OF INCOME

During 1998–99, the employment placement services industry and the contract staff services industry generated \$1,002 million and \$6,816 million in income respectively, totalling \$7,818 million for the two industries.

Income derived from employers for employment services was \$6,832 million and represented 87% of the income of the employment services industries. The main components of this income were \$5,784 million generated from on-hired placements and \$548 million generated by permanent placement and personnel recruitment services.

Income from job network contracts was \$636 million and represented 8% of the income of the employment services industries. The job network income comprised \$87 million from Job matching (F1) placements, \$26 million from Job search training (F2) placements, \$478 million from Intensive assistance (F3) placements and \$4 million from Project contracting placements. A further \$10 million was generated from job network contracts by businesses outside the employment services industries (e.g. group training companies).

The income profiles of the two industries were different. Businesses in the employment placement services industry generated 58% of their income from job network contracts and 22% of their income from employers for other permanent placement and personnel recruitment services. In comparison, businesses in the contract staff services industry generated 84% of their income from employers for persons on-hired and 7% of their income from employers for placement of apprentices and trainees.

3.1 SOURCES OF INCOME

	EMPLOYMENT PLACEMENT SERVICES INDUSTRY ..		CONTRACT STAFF SERVICES INDUSTRY ..		ALL BUSINESSES .		
	<i>Busi- nesses at end June(a)</i>	<i>Value</i>	<i>Busi- nesses at end June(a)</i>	<i>Value</i>	<i>Busi- nesses at end June(a)</i>	<i>Value</i>	<i>Contri- bution to total income</i>
	no.	\$m	no.	\$m	no.	\$m	%
Sales of goods and services							
Income derived from employers for							
Permanent placement/personnel recruitment service	532	223.6	747	323.9	1 279	547.5	7.0
Persons on-hired	166	29.2	1 228	5 754.5	1 394	5 783.7	74.0
Apprentice or trainees placements with host companies	8	0.1	137	465.5	145	465.6	6.0
Other employment services	61	24.1	137	11.2	198	35.4	0.5
<i>Total</i>	<i>566</i>	<i>277.0</i>	<i>1 341</i>	<i>6 555.1</i>	<i>1 907</i>	<i>6 832.1</i>	<i>87.4</i>
Income from job network placement activity							
Job matching (F1)	181	80.7	43	6.1	225	86.8	1.1
Job search training (F2)	110	23.3	22	2.9	132	26.2	0.3
Intensive assistance (F3)	120	456.8	20	21.2	139	478.0	6.1
Project contracting	5	3.6	—	—	5	3.6	—
<i>Total</i>	<i>190</i>	<i>564.4</i>	<i>45</i>	<i>30.1</i>	<i>235</i>	<i>594.6</i>	<i>7.6</i>
Income from job network contracts for other services							
<i>Total(b)</i>	<i>66</i>	<i>19.8</i>	<i>59</i>	<i>21.9</i>	<i>125</i>	<i>41.7</i>	<i>0.5</i>
<i>Total(b)</i>	<i>192</i>	<i>584.2</i>	<i>81</i>	<i>52.0</i>	<i>273</i>	<i>636.2</i>	<i>8.1</i>
Income from the provision of training services							
Other operating income	137	16.9	133	51.0	270	67.9	0.9
<i>Total</i>	<i>267</i>	<i>35.6</i>	<i>426</i>	<i>53.4</i>	<i>692</i>	<i>88.9</i>	<i>1.1</i>
<i>Total</i>	<i>713</i>	<i>913.7</i>	<i>1 353</i>	<i>6 711.5</i>	<i>2 066</i>	<i>7 625.2</i>	<i>97.5</i>
Other sources of income							
Other Government funding							
For employment placement programs	162	64.8	144	66.3	306	131.1	1.7
Other	125	13.7	109	19.9	234	33.6	0.4
<i>Total</i>	<i>208</i>	<i>78.5</i>	<i>196</i>	<i>86.2</i>	<i>404</i>	<i>164.7</i>	<i>2.1</i>
Interest income	351	8.7	691	13.5	1 042	22.2	0.3
Other non-operating income	219	1.2	387	4.4	606	5.6	0.1
<i>Total</i>	<i>433</i>	<i>88.3</i>	<i>801</i>	<i>104.1</i>	<i>1 233</i>	<i>192.4</i>	<i>2.5</i>
Total	736	1 002.0	1 357	6 815.6	2 093	7 817.7	100.0

— nil or rounded to zero (including null cells)

(a) Businesses may have more than one source of income. Hence, the counts of businesses for each client type do not sum to the total.

(b) A further \$9.6m was received from job network activity by businesses outside the employment services industries.

EXPENDITURE

Total expenditure of businesses in the employment services industries during 1998–99 was \$7,404 million, comprising \$823 million for the employment placement services industry and \$6,582 million for the contract staff services industry.

Labour costs were the highest single expense (\$5,758 million) representing 78% of total expenses. Labour costs consisted of \$4,626 million paid to employees contracted/on-hired to other businesses and \$1,132 million paid to direct employees of businesses in the employment services industries.

Labour costs for businesses in the employment placement services industry were \$438 million (53% of their total industry expenses) and was made up of \$414 million paid to direct employees and \$24 million paid to persons on-hired. Other major expense items of the employment placement services industry were rent, leasing and hiring (\$54 million), telecommunication services (\$34 million), depreciation and amortisation (\$33 million), payments to other businesses for contracted services (\$31 million) and marketing, promotional and sponsorship payments (\$24 million).

With labour costs representing 81% (\$5,320 million) of the total expenses of businesses in the contract staff services industry, the proportional expenditure on other expenses was small. These other expenses included payments to other businesses for contracted services (\$86 million), rent, leasing and hiring (\$77 million), advertising expenses (\$63 million), telecommunication services (\$43 million) and depreciation and amortisation (\$40 million).

Other operating expenses, which were not separately itemised, were \$908 million and included such expenses as accounting and legal fees, fringe benefit tax and computer expenses.

4.1 ITEMS OF EXPENDITURE

	EMPLOYMENT PLACEMENT SERVICES INDUSTRY ..		CONTRACT STAFF SERVICES INDUSTRY ...		ALL BUSINESSES	
	<i>Contribution to total expenses</i>		<i>Contribution to total expenses</i>		<i>Contribution to total expenses</i>	
	<i>Value</i>		<i>Value</i>		<i>Value</i>	
	\$m	%	\$m	%	\$m	%
Labour costs						
Direct employees						
Wages and salaries	355.3	43.2	618.9	9.4	974.3	13.2
Employer contributions to superannuation funds	42.0	5.1	47.1	0.7	89.2	1.2
Workers' compensation costs	4.7	0.6	13.5	0.2	18.2	0.2
Payroll tax	11.9	1.4	38.4	0.6	50.3	0.7
<i>Total</i>	<i>414.0</i>	<i>50.3</i>	<i>718.0</i>	<i>10.9</i>	<i>1 131.9</i>	<i>15.3</i>
Employees contracted/on-hired to other businesses						
Wages and salaries	21.4	2.6	4 058.5	61.7	4 079.9	55.1
Employer contributions to superannuation funds	1.9	0.2	236.8	3.6	238.7	3.2
Workers' compensation costs	0.3	—	118.7	1.8	119.0	1.6
Payroll tax	0.4	—	187.8	2.9	188.2	2.5
<i>Total</i>	<i>24.0</i>	<i>2.9</i>	<i>4 601.7</i>	<i>69.9</i>	<i>4 625.8</i>	<i>62.5</i>
Total						
Wages and salaries	376.8	45.8	4 677.4	71.1	5 054.2	68.3
Employer contributions to superannuation funds	43.9	5.3	283.9	4.3	327.8	4.4
Workers' compensation costs	5.0	0.6	132.2	2.0	137.2	1.9
Payroll tax	12.4	1.5	226.1	3.4	238.5	3.2
<i>Total</i>	<i>438.0</i>	<i>53.3</i>	<i>5 319.7</i>	<i>80.8</i>	<i>5 757.7</i>	<i>77.8</i>
Direct assistance to unemployed jobseekers	7.1	0.9	1.0	—	8.1	0.1
Payments to other businesses for contracted services						
Employment placement services	11.7	1.4	52.2	0.8	63.9	0.9
Related services such as assessments, training etc.	19.0	2.3	34.0	0.5	53.0	0.7
<i>Total</i>	<i>30.7</i>	<i>3.7</i>	<i>86.2</i>	<i>1.3</i>	<i>116.9</i>	<i>1.6</i>
Postal, mailing and courier services	3.2	0.4	12.8	0.2	16.0	0.2
Telecommunications services	34.3	4.2	43.3	0.7	77.6	1.0
Rent, leasing and hiring expenses	53.6	6.5	76.5	1.2	130.1	1.8
Advertising expenses	19.8	2.4	63.2	1.0	82.9	1.1
Marketing, promotional and sponsorship expenses	23.6	2.9	24.0	0.4	47.6	0.6
Paper, printing and stationery expenses	9.8	1.2	23.5	0.4	33.3	0.4
Motor vehicle running expenses	9.1	1.1	21.9	0.3	31.0	0.4
Travelling, accommodation and entertainment expenses	12.4	1.5	31.6	0.5	44.0	0.6
Repair and maintenance expenses	12.0	1.5	10.9	0.2	23.0	0.3
Other operating expenses	127.7	15.5	780.4	11.9	908.1	12.3
<i>Total</i>	<i>343.5</i>	<i>41.8</i>	<i>1 175.2</i>	<i>17.9</i>	<i>1 518.7</i>	<i>20.5</i>
Other costs						
Insurance premiums	3.8	0.5	9.6	0.1	13.4	0.2
Interest expenses	3.1	0.4	23.7	0.4	26.8	0.4
Depreciation and amortisation	32.7	4.0	40.3	0.6	72.9	1.0
Bad and doubtful debts	1.5	0.2	12.9	0.2	14.4	0.2
<i>Total</i>	<i>41.0</i>	<i>5.0</i>	<i>86.5</i>	<i>1.3</i>	<i>127.5</i>	<i>1.7</i>
Total	822.5	100.0	6 581.7	100.0	7 404.1	100.0

— nil or rounded to zero (including null cells)

EMPLOYMENT

At the end of June 1999, the total employment of businesses in the employment services industries was 307,849 persons comprising 28,912 persons directly employed and 278,937 on-hired employees.

Direct employment in the employment placement services industry was mainly on a permanent full-time employee basis with 9,029 persons (80% of industry employment) working on this basis. Other direct employment included 1,366 permanent part-time employees (12%), 897 casual employees (8%) and 43 working proprietors and partners. The labour cost per direct employee in the employment placement services industry was \$36,700.

In terms of occupations of persons directly employed, the employment placement services industry comprised 7,019 employment consultants (62% of direct industry employment), 2,836 administrative support staff (25%) and 1,480 other staff, such as trainers, account managers and information technology staff (13%).

The composition of direct employment in the contract staff services industry was slightly different with 76% of direct employment being permanent full-time, 15% being casual employees, 8% being permanent part-time employees and 1% being working proprietors and partners. In terms of occupations, the contract staff services industry comprised 7,419 employment consultants (42% of direct industry employment), 6,176 administrative support staff (35%) and 3,981 other staff (23%). The labour cost per direct employee in the contract staff services industry was \$41,400.

Females (17,885) accounted for 62% of the total direct employment of the employment services industries, with the proportion being similar for the individual industries.

The 278,937 on-hired temporary employees of the employment services industries comprised 28,697 apprentices and trainees and 250,240 other temporary and contract persons.

5.1

CHARACTERISTICS OF EMPLOYMENT, AT END JUNE 1999

	Males		Females		Total	
	no.	%	no.	%	no.	%
EMPLOYMENT PLACEMENT SERVICES INDUSTRY						
Working proprietors and working partners of unincorporated businesses	*20	0.5	*23	0.3	*43	0.4
Direct employees						
Permanent full-time employees	3 555	85.2	5 474	76.4	9 029	79.6
Permanent part-time employees	319	7.6	1 047	14.6	1 366	12.1
Casual employees	277	6.6	620	8.7	897	7.9
Total	4 151	99.5	7 142	99.7	11 292	99.6
Total direct employment	4 171	100.0	7 165	100.0	11 336	100.0
On-hired temporary employees	na	..	na	..	2 866	..
Total employment	na	..	na	..	14 202	..
CONTRACT STAFF SERVICES INDUSTRY						
Working proprietors and working partners of unincorporated businesses	103	1.5	134	1.3	237	1.3
Direct employees						
Permanent full-time employees	5 325	77.7	7 958	74.2	13 283	75.6
Permanent part-time employees	387	5.6	987	9.2	1 375	7.8
Casual employees	1 040	15.2	1 641	15.3	2 682	15.3
Total	6 752	98.5	10 587	98.8	17 339	98.7
Total direct employment	6 856	100.0	10 720	100.0	17 576	100.0
On-hired temporary employees	na	..	na	..	276 071	..
Total employment	na	..	na	..	293 647	..
TOTAL						
Working proprietors and working partners of unincorporated businesses	124	1.1	157	0.9	280	1.0
Direct employees						
Permanent full-time employees	8 880	80.5	13 432	75.1	22 312	77.2
Permanent part-time employees	706	6.4	2 034	11.4	2 741	9.5
Casual employees	1 317	11.9	2 262	12.6	3 579	12.4
Total	10 903	98.9	17 728	99.1	28 631	99.0
Total direct employment	11 027	100.0	17 885	100.0	28 912	100.0
On-hired temporary employees	na	..	na	..	278 937	..
Total employment	na	..	na	..	307 849	..

* estimate has a relative standard error of between 25% and 50% and should be used with caution

na not available

.. not applicable

5.2 MAIN ACTIVITIES OF PERSONS EMPLOYED

	<i>Employment placement services industry . . .</i>		<i>Contract staff services industry</i>		<i>Total</i>	
	no.	%	no.	%	no.	%
Direct employment						
Employment consultants	7 019	49.4	7 419	2.5	14 439	4.7
Administrative support	2 836	20.0	6 176	2.1	9 012	2.9
Other	1 480	10.4	3 981	1.4	5 460	1.8
<i>Total</i>	<i>11 336</i>	<i>79.8</i>	<i>17 576</i>	<i>6.0</i>	<i>28 912</i>	<i>9.4</i>
Persons on-hired to other businesses						
Apprentices and trainees	19	0.1	28 678	9.8	28 697	9.3
Other temporary employees	2 847	20.0	247 393	84.2	250 240	81.3
<i>Total</i>	<i>2 866</i>	<i>20.2</i>	<i>276 071</i>	<i>94.0</i>	<i>278 937</i>	<i>90.6</i>
Total	14 202	100.0	293 647	100.0	307 849	100.0

STATES AND TERRITORIES

The distribution across the States and Territories of income generated by the employment services industries was generally in line with the respective proportions of the Australian population of each of the States and Territories. The two exceptions to this were Victoria which accounted for 29% of income and Queensland with 15% of income, which compares with their respective 25% and 19% share of the Australian population.

The average income per business in the employment placement services industry was \$1,361,400 compared to \$5,022,500 for businesses in the contract staff services industry. In each of these industries, the average income per business varied by State and Territory. Businesses operating in South Australia (\$2,515,200 per business) had the highest average income per business and businesses operating in the Australian Capital Territory (\$781,300 per business) and Northern Territory (\$1,012,500 per business) had the lowest average for businesses in the employment placement services industry. The highest average income per business for the contract staff services industry was recorded by businesses operating in the Australian Capital Territory (\$5,021,600), Victoria (\$4,695,400 per business) and South Australia (\$4,464,600 per business) with the lowest average being for businesses operating in Northern Territory (\$1,765,000 per business).

6.1 STATES AND TERRITORIES

	<i>Businesses at end June(a)</i>		<i>Permanent placements(b)</i>		<i>Employment at end June</i>		<i>Wages and salaries</i>		<i>Total income</i>	
	no.	no.	%	no.	%	\$m	%	\$m	%	
EMPLOYMENT PLACEMENT SERVICES INDUSTRY										
New South Wales	354	93 241	28.7	5 101	35.9	150.6	40.0	378.7	37.8	
Victoria	214	77 554	23.9	3 237	22.8	76.7	20.4	229.2	22.9	
Queensland	132	83 183	25.6	2 883	20.3	76.3	20.2	190.4	19.0	
South Australia	33	25 050	7.7	1 079	7.6	29.3	7.8	83.0	8.3	
Western Australia	55	25 283	7.8	1 345	9.5	30.0	8.0	80.7	8.1	
Tasmania	16	8 923	2.7	273	1.9	5.4	1.4	19.5	1.9	
Northern Territory	8	4 602	1.4	103	0.7	3.5	0.9	8.1	0.8	
Australian Capital Territory	16	6 897	2.1	181	1.3	5.0	1.3	12.5	1.2	
Australia	736	324 733	100.0	14 202	100.0	376.8	100.0	1 002.0	100.0	
CONTRACT STAFF SERVICES INDUSTRY										
New South Wales	533	38 594	35.4	107 491	36.6	1 451.3	31.0	2 228.5	32.7	
Victoria	435	32 606	29.9	78 249	26.6	1 399.3	29.9	2 042.5	30.0	
Queensland	266	15 269	14.0	55 636	18.9	670.2	14.3	941.7	13.8	
South Australia	130	7 441	6.8	19 456	6.6	434.0	9.3	580.4	8.5	
Western Australia	208	10 075	9.2	22 842	7.8	509.8	10.9	691.3	10.1	
Tasmania	30	2 051	1.9	3 719	1.3	80.5	1.7	110.1	1.6	
Northern Territory	20	395	0.4	1 986	0.7	25.0	0.5	35.3	0.5	
Australian Capital Territory	37	2 713	2.5	4 269	1.5	107.3	2.3	185.8	2.7	
Australia	1 357	109 146	100.0	293 647	100.0	4 677.4	100.0	6 815.6	100.0	
TOTAL										
New South Wales	887	131 836	30.4	112 592	36.6	1 601.9	31.7	2 607.2	33.3	
Victoria	649	110 161	25.4	81 486	26.5	1 476.1	29.2	2 271.7	29.1	
Queensland	398	98 452	22.7	58 519	19.0	746.5	14.8	1 132.0	14.5	
South Australia	163	32 491	7.5	20 536	6.7	463.3	9.2	663.5	8.5	
Western Australia	263	35 359	8.1	24 187	7.9	539.8	10.7	772.0	9.9	
Tasmania	46	10 974	2.5	3 991	1.3	85.9	1.7	129.6	1.7	
Northern Territory	29	4 997	1.2	2 088	0.7	28.5	0.6	43.4	0.6	
Australian Capital Territory	53	9 610	2.2	4 450	1.4	112.3	2.2	198.3	2.5	
Australia	2 093	433 879	100.0	307 849	100.0	5 054.2	100.0	7 817.7	100.0	

(a) Some businesses may be involved in more than one State and Territory. Hence, the counts of businesses may not sum to the total.

(b) Includes job network and other permanent placements.

BUSINESS SIZE

In terms of the number of businesses, the employment services industries were dominated by small businesses during 1998–99, with 87% of businesses having direct employment fewer than 20 persons. These small businesses accounted for 31% of direct employment and 35% of income for the employment services industries. Businesses with direct employment of four or less persons represented 53% of all employment services businesses and accounted for 8% of direct employment and 10% of income.

At the end of June, there were 38 businesses with direct employment of 100 persons or more. These large businesses accounted for 41% of direct employment, 42% of income and 40% of the operating profit before tax of the employment services industries.

While the distribution of the number of businesses were of similar proportions for each business size in the employment placement services industry and contract staff services industry, the proportion of industry income varied by size of business, particularly for large businesses. The 12 large businesses (i.e. those with direct employment of 100 persons or more) in the employment placement services industry accounted for 50% of industry income and 63% of operating profit before tax of the industry. In comparison, the 26 large businesses in the contract staff services industry accounted for 41% of industry income and 22% of the operating profit before tax of the industry.

PERFORMANCE RATIOS

The operating profit margin for the employment services industries was 5.6% which varied from 19.7% for the employment placement services industry to 3.7% for the contract staff services industry. The operating profit margin generally increased with the size of business in the employment placement services industry with the operating profit margin of businesses with employment of four or less persons being 6.9% and for businesses with employment of 100 persons or more being 23.5%. The operating profit margin for the different sizes of businesses in the contract staff services industry was more even with businesses with employment between 50–99 persons recording an operating profit margin of 10.0% and businesses with employment of 100 or more persons being 2.0%.

Businesses in the employment services industries averaged \$2,800 income per permanent placement. This permanent placement income varied from \$2,000 for businesses with employment between 50–99 persons to \$3,300 for businesses with employment between 10–19 persons.

7.1 BUSINESS SIZE(a)

EMPLOYMENT SIZE

		0-4 persons	5-9 persons	10-19 persons	20-49 persons	50-99 persons	100 or more persons	Total
EMPLOYMENT PLACEMENT SERVICES INDUSTRY								
Businesses at end June	no.	387	143	105	75	14	12	736
	%	52.6	19.4	14.3	10.2	1.9	1.6	100.0
Total direct employment at end June	no.	831	897	1 415	2 286	947	4 960	11 336
	%	7.3	7.9	12.5	20.2	8.4	43.8	100.0
Wages and salaries of direct employees	\$m	26.0	28.2	44.2	63.9	33.4	159.7	355.3
	%	7.3	7.9	12.4	18.0	9.4	44.9	100.0
Total income	\$m	73.7	82.1	124.7	145.6	79.0	496.9	1 002.0
	%	7.4	8.2	12.4	14.5	7.9	49.6	100.0
Operating profit/surplus before tax	\$m	*4.9	*9.4	16.6	21.6	13.4	113.6	179.6
	%	2.7	5.2	9.2	12.0	7.5	63.3	100.0
CONTRACT STAFF SERVICES INDUSTRY								
Businesses at end June	no.	724	296	175	110	26	26	1 357
	%	53.4	21.8	12.9	8.1	1.9	1.9	100.0
Total direct employment at end June	no.	1 510	1 988	2 319	3 122	1 726	6 911	17 576
	%	8.6	11.3	13.2	17.8	9.8	39.3	100.0
Wages and salaries of direct employees	\$m	35.0	71.9	109.8	103.4	50.5	248.3	618.9
	%	5.7	11.6	17.7	16.7	8.2	40.1	100.0
Total income	\$m	730.5	915.4	842.4	1 158.9	356.2	2 812.1	6 815.6
	%	10.7	13.4	12.4	17.0	5.2	41.3	100.0
Operating profit/surplus before tax	\$m	38.7	31.3	28.5	59.6	33.8	54.6	246.5
	%	15.7	12.7	11.6	24.2	13.7	22.2	100.0
TOTAL								
Businesses at end June	no.	1 111	438	280	185	41	38	2 093
	%	53.1	20.9	13.4	8.8	2.0	1.8	100.0
Total direct employment at end June	no.	2 341	2 885	3 734	5 408	2 673	11 870	28 912
	%	8.1	10.0	12.9	18.7	9.2	41.1	100.0
Wages and salaries of direct employees	\$m	61.0	100.0	154.0	167.3	83.8	408.1	974.3
	%	6.3	10.3	15.8	17.2	8.6	41.9	100.0
Total income	\$m	804.2	997.5	967.2	1 304.5	435.3	3 309.1	7 817.7
	%	10.3	12.8	12.4	16.7	5.6	42.3	100.0
Operating profit/surplus before tax	\$m	43.6	40.7	45.1	81.3	47.2	168.2	426.1
	%	10.2	9.6	10.6	19.1	11.1	39.5	100.0

* estimate has a relative standard error of between 25% and 50% and should be used with caution

(a) Business size is based on the number of persons working directly for the business, and excludes any on-hired staff.

7.2 SELECTED PERFORMANCE RATIOS

EMPLOYMENT SIZE

		0-4 persons	5-9 persons	10-19 persons	20-49 persons	50-99 persons	100 or more persons	Total
EMPLOYMENT PLACEMENT SERVICES INDUSTRY								
Total income per person directly employed	\$'000	88.7	91.5	88.2	63.7	83.4	100.2	88.4
Income from permanent placement to total income	%	88.3	73.9	83.6	82.6	58.0	91.9	85.1
Income from permanent placement per permanent placement	\$'000	3.6	2.1	3.0	2.5	1.7	2.7	2.6
Total expenses per person directly employed	\$'000	82.7	81.0	76.4	54.2	69.3	77.3	72.6
Labour costs per direct employee	\$'000	39.2	34.7	34.9	31.1	39.6	39.1	36.7
Labour costs to total expenses	%	50.6	54.9	48.9	58.6	62.2	51.4	53.3
Operating profit/surplus before tax per person directly employed	\$'000	5.9	10.5	11.8	9.5	14.1	22.9	15.8
Operating profit margin	%	*6.9	*13.8	*15.7	19.0	19.1	23.5	19.7
CONTRACT STAFF SERVICES INDUSTRY								
Total income per person directly employed	\$'000	483.8	460.5	363.2	371.2	206.4	406.9	387.8
Income from permanent placement to total income	%	2.8	4.6	7.6	4.6	6.5	5.4	5.2
Income from employers for contract staff services to total income	%	95.9	92.7	87.7	90.0	80.0	92.6	91.3
Income from permanent placement per permanent placement	\$'000	1.9	3.2	4.1	2.7	2.8	3.6	3.2
Total expenses per person directly employed	\$'000	458.2	444.8	351.0	352.8	186.8	400.5	374.5
Labour costs per direct employee	\$'000	33.2	43.1	52.6	37.7	33.5	42.4	41.4
Labour costs to total expenses	%	84.5	81.1	79.3	78.2	72.7	82.3	80.8
Operating profit/surplus before tax per direct employee	\$'000	25.6	15.8	12.3	19.1	19.6	7.9	14.0
Operating profit margin	%	5.3	3.5	3.5	5.3	10.0	2.0	3.7
TOTAL								
Total income per person directly employed	\$'000	343.5	345.8	259.0	241.2	162.8	278.8	270.4
Income from permanent placement to total income	%	10.7	10.3	17.5	13.3	15.9	18.4	15.4
Income from employers for contract staff services to total income	%	87.4	86.4	76.9	80.1	66.4	78.8	79.9
Income from permanent placement per permanent placement	\$'000	3.0	2.4	3.3	2.6	2.0	2.9	2.8
Total expenses per person directly employed	\$'000	324.9	331.7	246.9	226.6	145.2	265.5	256.1
Labour costs per direct employee	\$'000	35.5	40.4	45.9	34.9	35.6	41.0	39.5
Labour costs to total expenses	%	81.4	79.1	75.8	76.2	70.9	78.5	77.8
Operating profit/surplus before tax per person directly employed	\$'000	18.6	14.1	12.1	15.0	17.6	14.2	14.7
Operating profit margin	%	5.5	4.2	4.9	6.6	11.6	5.1	5.6

* estimate has a relative standard error of between 25% and 50% and should be used with caution

EXPLANATORY NOTES

INTRODUCTION

1 This publication presents results, in respect of 1998–99, from an Australian Bureau of Statistics (ABS) survey of 1,676 businesses in the employment services industry.

SCOPE

2 The scope of the survey was all employing businesses recorded on the ABS Business Register and classified to CLASSES 7861, EMPLOYMENT PLACEMENT SERVICES OF 7862 CONTRACT STAFF SERVICES, of the *Australian and New Zealand Standard Industrial Classification* (ANZSIC).

3 Class 7861 includes businesses mainly engaged in the provision of employment services including personnel recruitment, search, selection, referral, outplacement and job placement on a permanent basis. These businesses undertake job placement on a full-time, part-time, casual or temporary basis and are not generally responsible for the payment of wages or associated costs of the person placed.

4 Class 7862 consists of businesses mainly engaged in job placement on a temporary or contract basis where the wages or associated costs of persons placed are paid by the business performing the placement. This usually requires the business performing the placement to deduct income tax (either Pay As You Earn (PAYE) or Prescribed Payment System (PPS)) on behalf of the person being placed.

5 For completeness, the survey also included other businesses providing Job Network services, but were not classified to the above ANZSIC classes.

6 The Job Network, which commenced in May 1998, comprises a range of private, community and government organisations and subsumed services formerly provided by the Commonwealth Employment Service (CES). Group training companies place apprentices and trainees with 'host businesses' as part of recognised apprenticeship and traineeship programs.

7 Businesses dedicated to providing employment placement services to only one other business were excluded from the survey.

IMPROVEMENTS TO COVERAGE

8 Data in this publication have been adjusted to allow for lags in processing new businesses to the ABS business register, and the omission of some businesses from the business register. The majority of businesses affected and to which the adjustments apply are small in size.

9 Adjustments have been made to include new businesses in the estimates in the periods in which they commenced operations, rather than when they were processed to the business register. Adjustments of this type will continue to be applied in future periods.

10 Further adjustments have been made for businesses which had been in existence for several years, but, for various reasons, were not previously added to the ABS register. The ABS is remedying these omissions.

11 For more information on these adjustments, please refer to the ABS publication *Information Paper: Improvements to ABS Economic Statistics, 1997* (Cat. no. 1357.0).

STATISTICAL UNIT

12 The unit for which statistics were reported in the survey was the management unit. The management unit is the highest-level accounting unit within a business or organisation, having regard to the required level of industry homogeneity, for which a set of accounts is maintained. In most cases it coincides with the legal entity owning the business (i.e. company, partnership, trust, etc.). However, in the case of large diversified businesses, there may be more than one management unit, with each coinciding with a 'division' or 'line of business'. A division or line of business is recognised where separate and comprehensive accounts are compiled for it.

REFERENCE PERIOD

13 Data contained in the tables in this publication relate to employment services businesses which operated in Australia at any time during the year ended June 1999. Counts of businesses include only those businesses that were operating at 30 June 1999.

14 It should be noted that financial details reported by businesses in the survey related to the respective financial accounting years of these businesses, which ended between December 1998 and September 1999. While a high proportion of businesses' accounts related to an end of June 1999 financial year, a number of businesses' financial years ended in September and December.

RELIABILITY OF THE DATA

15 The estimates in this publication are subject to sampling and non-sampling error.

16 The estimates in this publication are based on information obtained from a sample of businesses in the surveyed population. Consequently, the estimates in this publication are subject to sampling variability, that is, they may differ from the figures that would have been obtained if all units had been included in the survey. One measure of the likely difference is given by the standard error (SE), which indicates the extent to which an estimate might have varied by chance because only a sample of units was included.

17 There are about 2 chances in 3 that a sample estimate will differ by less than one SE from the figure that would have been obtained if a census had been conducted, and approximately 19 chances in 20 that the difference will be less than two SEs.

18 Sampling variability can be measured by the relative standard error (RSE) which is obtained by expressing the SE as a percentage of the estimate to which it refers. The RSE is a useful measure in that it provides an immediate indication of the percentage errors likely to have occurred due to sampling, and this avoids the need to refer also to the size of the estimate.

19 The following table contains estimates of RSEs for a selection of the statistics presented in this publication.

RELIABILITY OF THE DATA

continued

RELATIVE STANDARD ERRORS FOR TABLE 2.1, KEY FIGURES

	<i>Employment placement services industry</i>	<i>Contract staff services industry</i>	<i>Total</i>
	%	%	%
Businesses at end June	5	4	3
Locations at end June			
Capital city	6	4	3
Other	4	7	4
<i>Total</i>	4	3	2
Employment at end June			
Persons working directly for employment placement businesses			
Employment consultants	7	3	4
Other	3	3	2
<i>Total</i>	5	2	2
Persons on-hired to other businesses	14	5	4
<i>Total</i>	5	4	4
Income			
Income from employers	11	3	3
Income received from Job Network	4	3	3
Other government funding	7	4	4
Other income	8	2	3
<i>Total</i>	4	3	2
Expenses			
Labour costs	4	3	2
Other expenses	6	6	4
<i>Total</i>	5	3	2
Operating profit/surplus before tax	3	7	4
Operating profit margin	4	6	4

20 As an example of the above, an estimate of total income for the employment placement services industry is \$1,002.0 million and the RSE is 4%, giving a SE of \$40.1 million. Therefore, there would be 2 chances in 3 that, if all units had been included in the survey, a figure in the range of \$961.9 million to \$1,042.1 million would have been obtained, and 19 chances in 20 (i.e. a confidence interval of 95%) that the figure would have been within the range of \$921.8 million to \$1,082.2 million.

21 Errors other than those due to sampling may occur because of deficiencies in the register of units from which the sample was selected, non-response, and imperfections in reporting by respondents. Inaccuracies of this kind are referred to as non-sampling errors and they may occur in any collection, whether it be a census or a sample. Every effort has been made to reduce non-sampling error to a minimum by careful design and testing of questionnaires, efficient operating procedures and systems, and appropriate methodology.

ACKNOWLEDGMENT

22 ABS publications draw extensively on information provided freely by individuals, businesses, governments and other organisations. Their continued cooperation is very much appreciated; without it, the wide range of statistics published by the ABS would not be available. Information received by the ABS is treated in strict confidence as required by the *Census and Statistics Act 1905*.

GLOSSARY

Apprentices and trainees	This item includes persons working and studying under a contractual training agreement to learn the skills of a specific trade or vocation.
Advertising expenses	This item includes expenses paid to advertising agencies, direct payments to the press, radio and television stations, and other advertising expenses.
Administrative support	This item includes staff involved in the management and administration of a business and excludes employment consultants, training and specialist staff.
Bad and doubtful debts	Bad and doubtful debts is the amount of accounts receivable that are either written off, or estimated to be uncollectible during an accounting period, that are expensed in a period's profit calculations.
Casual employees	This item refers to employees not entitled to take paid holidays.
Depreciation and amortisation	This item refers to the financial charges made to the accounts to reflect that part of the value of the asset which may be regarded as having been used up in producing revenue in a particular accounting period.
Direct employees	This item represents employees working directly for the business performing the job placement activity and would include working directors, consultants and administrative staff. On-hired staff employed by businesses are excluded from this item.
Employees contracted/on-hired to other businesses	This item includes on-hired staff employed by businesses undertaking on-hired job placement activity during the last pay period in June.
Employer contributions to superannuation funds	This item includes all employer contributions to superannuation schemes (including the employer productivity contribution).
Employment at end June	This item includes working proprietors and partners, working directors, and other employees working for a business during the last pay period in June. Employees absent on paid or prepaid leave are included.
Employment consultants	This item refers to professionals employed by businesses within the industry who undertake candidate assessment and screening, provide formal advice and guidance, and perform case management support functions in respect of unemployed job-seekers.
Government funding for employment placement programs	This item involves funding from Commonwealth and State government programs with employment placement outcomes and includes programs such as Competitive Training and Placement (CTAP) and Job Placement, Employment and Training (JPET). Job Network and Work for the Dole programs are excluded from this item.
Government funding other	This item includes funding from government sources which are not related to employment placement programs or outcomes, such as Work for the Dole programs and training programs.
Income derived from employers for permanent placement/personnel recruitment services	This item refers to income derived from employers for job placement on a full-time, part-time, casual or temporary basis where the business performing the placement is not responsible for the payment of wages or associated costs of the person placed.

Income from employers for persons on-hired	This item represents income derived from employers for job placement on a temporary or contract basis where the wages and/or associated costs of persons placed are paid by the business performing the placement. This usually requires the business performing the placement to deduct income tax (either PAYE or PPS) on behalf of the person being placed.
Income derived from employers for apprentice or trainee placements with host companies	This item includes income derived from host employers for the placement of apprentices and trainees as part of a registered training agreement, negotiated training program or as combination of paid work and structured training.
Income derived from employers for other employment services	This item represents income from a range of sources including outplacement.
Income from the provision of training services	This item refers to income derived from the provision of separately invoiced training services.
Insurance premiums	This item refers to expenses incurred by a business in respect of different types of insurance policies but excluding workers' compensation and compulsory third party motor vehicle insurance.
Intensive assistance (F3)	This item refers to Job Network income derived from employment related outcomes where individually tailored assistance was provided to long term unemployed and other disadvantaged job-seekers.
Interest expenses	This item includes interest on bank loans, loans made from related as well as unrelated businesses/organisations, and interest in respect of finance leases, interest paid to loans from partners, interest equivalents, such as hedging costs, and expenses associated with discounted bills. It excludes bank charges and capital repayments.
Interest income	This item includes interest from deposits in banks and non-bank financial institutions, loans and advances made to other businesses, interest on finance leases, and earnings on discounted bills. It excludes capital repayments received.
Job matching (F1)	This item involves Job Network income derived from the direct matching of job seekers to employer vacancies as referred by Centrelink.
Job Network	This Commonwealth government employment services program commenced in May 1998 and subsumed services provided by the CES.
Job placement	A job placement is regarded as being each time a person is placed into a full-time, part-time, casual or temporary position. Job search training
Job search training (F2)	This item refers to Job Network income derived from employment related outcomes where training and job search techniques have been undertaken to prepare job seekers in applying for job vacancies.
Marketing, promotional and sponsorship expenses	This item includes marketing and promotion expenses and costs incurred in the long-range promotion of a business and its goods or services.
Motor vehicle running expenses	This item includes the costs incurred using 'on-road' motor vehicles owned by the business for business purposes.
On-hired placement	This item represents the job placement on a temporary or contract basis where the wages and/or associated costs of persons placed are paid by the business performing the placement. This usually requires the business performing the placement to deduct income tax (either PAYE or PPS) on behalf of the person being placed.
Operating profit/surplus before tax (OPBT)	This item refers to a measure of profit/surplus before extraordinary items are brought into account and prior to the deduction of income tax and appropriations to owners (e.g. dividends paid).

Operating profit margin	This item refers to the percentage of sales of goods and services available as operating profit, i.e. OPBT times 100 divided by sales of goods and services.
Other operating expenses	This item includes accounting and legal fees, fringe benefits tax, computer expenses and other administrative expenses.
Other operating income	This item includes income from franchising, dividends and rent, leasing and hiring.
Other non-operating income	This item includes income net of profit (loss) on sales of fixed tangible assets, dividend income, net profit (loss) on share trading, donations, and net profit (loss) on foreign loans as a result of variation in foreign exchange rates/transactions. This item excludes extraordinary profit (loss), i.e. not associated with the normal operations of the business and of a non-recurring nature.
Paper, printing, and stationery	This item refers to costs incurred for office supplies and printing carried out by or for the business.
Payments to other businesses for employment placement services	This item represents payments to other businesses for a range of services including external training expenses, assessment and consultant costs and subcontracting of job placements.
Payroll tax	This item refers to tax levied by State and Territory governments upon the amount of wages and salaries paid by a business.
Permanent full-time employees	Permanent full-time employees are those who are entitled to take paid holidays and who normally work the agreed or award hours for a full-time employee in their occupation; employees should be regarded as full-time if they ordinarily work 35 hours or more a week.
Permanent part-time employees	Permanent part-time employees are those who are entitled to take paid holidays and who are not full-time as defined above, i.e. ordinarily work less than 35 hours per week.
Permanent placement	This item represents job placement on a full-time, part-time, casual or temporary basis where the business performing the placement is not responsible for the payment of wages or associated costs of the person placed.
Persons on-hired to other businesses	This item represents persons placed on a temporary or contract basis where the wages and/or associated costs of persons placed are paid by the business performing the placement. This usually requires the business performing the placement to deduct income tax (either PAYE or PPS) on behalf of the person being placed.
Postal, mailing and courier services	This item refers to expenses incurred for the collection, transport, and delivery (domestic or international) mail, packages and parcels.
Project contracting	This item represents Job Network income derived from the provision of a basic agricultural labour service for harvest activity in regional areas.
Rent, leasing and hiring (expenses)	This item includes the costs for the rent, leasing (excluding finance leases) and hiring of vehicles, land, buildings, machinery, equipment and any other property from other businesses or individuals.
Repair and maintenance expenses	This represents costs associated with general repair and maintenance to facilities and equipment.
Temporary and contract persons	This item represents persons placed on a temporary or contract (on-hired) basis where the wages and/or associated costs of persons placed are paid by the business performing the placement. This usually requires the business performing the placement to deduct income tax (either PAYE or PPS) on behalf of the person being placed.

Telecommunication services	This item includes all payments (of a non-capital nature) for telecommunication services which engage wire, cable or radio transmission.
Travel, accommodation and entertainment expenses	This item includes costs incurred for transportation and accommodation services relating to business activities which occur away from the normal place of business. Entertainment costs are included if they are incurred in connection with business activities.
Wages and salaries	This item refers to payments accruing to all employees during the financial year including provisions for employee entitlements, severance, termination and redundancy payments.
Workers' compensation costs	This item refers to compulsory insurance cover taken out by all employers, except for self-insured workers, according to legislative schemes to cover employees suffering injury or disease in the course of or arising out of employment.
Working proprietors and partners of unincorporated businesses	This item includes working proprietors and partners who own/operate their own business in a profession or trade (a sole proprietorship) or, along with one or more other partners operate a partnership. Working proprietors and working partners as owners are not considered to be employees of the business.

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