



### PAY PERIODICITY OF GROSS WAGES AND SALARIES, AUSTRALIA NEW ISSUE SEPTEMBER QUARTER 1984

- PHONE INQUIRIES** *for more information about these statistics*—contact Mr Terry Sharp on Canberra (062) 526655 or any of our State offices.  
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- MAIL INQUIRIES** *write to* Information Services, ABS, P.O. Box 10, Belconnen, A.C.T. 2616 or any of our State offices.

#### EXPLANATORY NOTES

##### Introduction

This publication contains the results of the Survey of Pay Periods conducted in respect of the September quarter 1984. The survey was designed to obtain from employers, information on the timing and frequency of pay periods and the gross wages and salaries paid.

2. The prime objective of the survey was to obtain data on the periodicity of pay periods required to adjust estimates of the gross wages, salaries and supplements component of the Australian national accounts to allow for variations in the number of pay periods in a quarter.

##### Scope of the Survey

3. All wage and salary earners who received pay in the three months, 1 July to 30 September 1984, were represented in the survey, except:

- (a) members of the Australian permanent defence forces;
- (b) employees of enterprises in the private sector primarily engaged in agriculture, forestry, fishing and hunting;
- (c) employees in private households employing staff;
- (d) employees of overseas embassies, consulates etc;
- (e) employees based outside Australia;
- (f) self-employed persons such as subcontractors, owner drivers and consultants.

##### Survey Design

4. The survey was conducted by mail, in conjunction with the September quarter 1984 Survey of Employment and Earnings. A sample of 4,000 (private and government) employers was selected from the ABS register of businesses to ensure adequate State and industry representation. The statistical unit for the survey comprises all activities of an enterprise in a particular State. Each statistical unit on the register was classified to an industry which reflected a small number of cases, where an enterprise had significant employment in more than one

industry, a separate statistical unit was created for each industry. The statistical units were stratified by State, industry, employment size and sector with a simple random sample selected from each stratum.

##### Definitions

5. *Reference period* for the survey constitutes all pays for which the end of the pay period fell within the three months, 1 July to 30 September 1984.

6. *Gross wages and salaries* includes payments made to all Australian based full-time, part-time, permanent, temporary, casual, managerial and executive employees, including amounts paid from overseas. Gross wages and salaries *includes* ordinary time and overtime earnings; over-award payments; penalty payments, shift and other remunerative allowances; commissions and retainers; bonuses and similar payments; payments under incentive or piecework; payments under profit-sharing schemes; leave loadings; annual and long service leave payments; payments for accrued leave; sick leave payments; advance and retrospective payments; salaries and fees paid to directors; payments to employees on worker's compensation not covered by insurance, i.e. 'make-up' pay; and severance, termination and redundancy payments. *Excluded*, are payments to proprietors/partners of unincorporated businesses; payments to self-employed persons such as subcontractors, owner/drivers, consultants and persons paid solely by commission without a retainer; allowances reimbursed for travel, entertainment and meals; and worker's compensation other than 'make-up' pay.

##### Classifications

7. *Industry* is classified according to the *Australian Standard Industrial Classification* (ASIC) 1983 Edition, (1201.0).

8. *Employer size*. Units were classified to the three sizes using August 1984 employee data from the Survey of Employment and Earnings. Where enterprises operate

in more than one State/Territory, a separate unit was created for each State/Territory (see paragraph 4 above). Consequently the incidence of small units is increased. This results in some understatement of the proportion of the gross wages and salaries paid in the largest size groups.

9. *Sector.* Government sector includes all government departments, agencies and authorities created by, or reporting to the Commonwealth and State Parliaments. All remaining employers are classified as Private sector.

#### Reliability of estimates

10. Because the estimates of gross wages and salaries in this publication are based on information relating to a sample of employers rather than a full enumeration, they are subject to sampling variability. That is, they may differ from the figures that would have been produced if the information had been obtained from all employers. This difference, called sampling error, should not be confused with inaccuracy that may occur because of imperfections in reporting by respondents or in processing by ABS: such inaccuracy is referred to as non-sampling error and may occur in any enumeration, whether it be a full count or sample. Efforts have been made to reduce non-sampling error by careful design of questionnaires, detailed checking of returns and quality control of processing.

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

12. If the standard error of an estimate is large relative to the size of the estimate, then the usefulness of that estimate is seriously impaired. In this publication, estimates which have a relative standard error larger than 25 per cent are indicated with a '\*'. Although values for these small components can in some cases be derived by subtraction, they should not be regarded as reliable.

13. An example of the use of standard error is as follows. Table 1 shows the total value of gross wages and salaries paid during the September quarter 1984 as being \$22,557.1m, with a standard error of 1.7% (\$383.4m). Therefore there are about two chances in three that a full enumeration would have given a figure in the range \$22,173.7m to \$22,940.5m and about nineteen in twenty that it would have been in the range \$21,790.3m to \$23,323.9m.

#### Related Publications

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

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

*Information Paper: New Statistical Series: Employment, Average Weekly Earnings, Job Vacancies and Overtime* (6256.0)—issued 21 June 1984

*Weekly Earnings of Employees (Distribution)* (6310.0)—issued annually. (This publication includes estimates of the numbers of employees paid weekly, fortnightly and monthly by State, by industry and by occupation.)

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

#### Unpublished statistics

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

#### Symbols and other usages

— nil or rounded to zero

\* subject to sampling variability too high for most practical purposes. See paragraph 12.

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

A. R. BAGNALL  
Acting Australian Statistician

TABLE 1. GROSS WAGES AND SALARIES : PAY PERIODICITY BY STATES AND TERRITORIES—SEPTEMBER QUARTER 1984

State or Territory	Periodicity of pay									
	Weekly		Fortnightly		Monthly		Other(a)		Total	
	Total payments in quarter	Standard error	Total payments in quarter	Standard error	Total payments in quarter	Standard error	Total payments in quarter	Standard error	Total payments in quarter	Standard error
	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%
New South Wales	4,182.6	5.5	3,104.9	2.5	781.4	7.5	68.5	24.3	8,137.3	3.0
Victoria	2,762.2	5.0	2,614.1	3.3	590.3	8.1	97.3	23.4	6,063.9	2.8
Queensland	1,422.4	8.7	1,402.9	4.1	209.3	12.6	110.7	15.6	3,145.4	4.5
South Australia	782.4	16.3	1,002.0	5.8	120.7	23.5	*	*	1,948.3	7.7
Western Australia	675.8	10.7	1,091.9	5.7	*	*	*	*	1,948.7	5.7
Tasmania	172.8	20.1	342.6	6.4	43.8	21.3	*	*	560.0	7.5
Northern Territory	62.8	17.4	128.4	7.7	*	*	*	*	208.9	7.3
Australian Capital Territory	*	*	404.9	14.3	*	*	*	*	544.6	12.8
<b>Australia</b>	<b>10,188.0</b>	<b>3.3</b>	<b>10,091.6</b>	<b>1.7</b>	<b>1,940.6</b>	<b>5.0</b>	<b>336.8</b>	<b>14.8</b>	<b>22,557.1</b>	<b>1.7</b>
Distribution (percentage)	45.2%		44.7%		8.6%		1.5%		100%	

For footnotes see Table 2.

TABLE 2. GROSS WAGES AND SALARIES : PAY PERIODICITY BY INDUSTRY—SEPTEMBER QUARTER 1984

Industry	Periodicity of pay									
	Weekly		Fortnightly		Monthly		Other(a)		Total	
	Total payments in quarter	Standard error	Total payments in quarter	Standard error	Total payments in quarter	Standard error	Total payments in quarter	Standard error	Total payments in quarter	Standard error
	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%
Mining	251.9	11.0	231.5	16.9	*	*	66.7	18.6	659.3	9.8
Manufacturing	3,385.5	5.1	706.1	6.6	661.2	6.1	*	*	4,806.8	4.0
Electricity, gas and water	366.7	1.9	408.0	1.0	2.2	5.4	3.9	13.4	780.8	1.0
Construction	756.8	10.6	270.7	12.4	105.0	20.4	*	*	1,135.8	8.8
Wholesale and retail trade	2,848.8	7.6	223.7	14.9	464.3	7.4	*	*	3,570.8	6.2
Transport and storage	594.4	17.2	875.3	5.8	*	*	33.1	7.1	1,566.4	7.4
Communication	—	—	614.0	—	*	*	—	—	614.6	—
Finance, property and business services	542.0	14.0	1,320.3	5.2	349.3	16.5	*	*	2,261.0	5.0
Public administration and defence(b)	282.0	9.8	1,073.4	5.6	*	*	14.0	0.7	1,372.5	4.4
Community services	409.4	13.5	4,229.9	2.4	151.6	17.5	*	*	4,855.9	2.1
Recreation, personal and other services(c)	750.2	11.8	132.3	14.0	*	*	*	*	926.2	9.9
<b>Total all industries(d)</b>	<b>10,188.0</b>	<b>3.3</b>	<b>10,091.6</b>	<b>1.7</b>	<b>1,940.6</b>	<b>5.0</b>	<b>336.8</b>	<b>14.8</b>	<b>22,557.1</b>	<b>1.7</b>

(a) Includes daily, four weekly, quarterly, half-yearly, annual and irregular payments. (b) Excludes members of permanent defence forces and employees of overseas embassies, consulates etc. (c) Excludes private households employing staff. (d) Includes wages and salaries of employees of government agencies classified to agriculture, forestry, fishing and hunting (\$7.1m for September quarter 1984).

TABLE 3. GROSS WAGES AND SALARIES : PAY PERIODICITY BY SECTOR AND SIZE—SEPTEMBER QUARTER 1984

Size of employer (No. of employees)	Periodicity of pay									
	Weekly		Fortnightly		Monthly		Other(b)		Total	
	Total payments in quarter	Standard error	Total payments in quarter	Standard error	Total payments in quarter	Standard error	Total payments in quarter	Standard error	Total payments in quarter	Standard error
	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%
<b>PRIVATE SECTOR</b>										
Less than 20	2,806.0	5.3	409.5	14.7	351.1	14.4	*	*	3,610.6	4.5
20-99	2,192.9	11.0	728.9	11.0	370.8	13.0	*	*	3,359.5	7.9
100 or more	4,124.9	5.0	1,797.5	5.8	1,137.0	6.1	152.1	17.1	7,211.4	3.6
<b>Total</b>	<b>9,123.7</b>	<b>3.6</b>	<b>2,935.8</b>	<b>4.6</b>	<b>1,858.9</b>	<b>5.1</b>	<b>263.0</b>	<b>18.9</b>	<b>14,181.5</b>	<b>2.6</b>
<b>GOVERNMENT SECTOR</b>										
Less than 20	12.8	11.9	34.9	13.3	*	*	*	*	49.4	9.8
20-99	44.0	21.2	164.5	11.4	*	*	*	*	211.6	9.4
100 or more	1,007.4	3.7	6,956.4	1.4	80.0	17.6	70.8	0.6	8,114.6	1.3
<b>Total</b>	<b>1,064.3</b>	<b>3.5</b>	<b>7,155.8</b>	<b>1.3</b>	<b>81.8</b>	<b>17.2</b>	<b>73.8</b>	<b>2.3</b>	<b>8,375.6</b>	<b>1.2</b>
<b>PRIVATE AND GOVERNMENT SECTORS</b>										
Less than 20	2,818.8	5.3	444.4	13.5	352.0	14.4	*	*	3,660.0	4.5
20-99	2,236.9	10.8	893.4	9.3	371.8	12.9	*	*	3,571.0	7.5
100 or more	5,132.3	4.1	8,753.9	1.6	1,216.9	5.8	222.9	11.6	15,326.0	1.8
<b>Total</b>	<b>10,188.0</b>	<b>3.3</b>	<b>10,091.6</b>	<b>1.7</b>	<b>1,940.6</b>	<b>5.0</b>	<b>336.8</b>	<b>14.8</b>	<b>22,557.1</b>	<b>1.7</b>
Percentage of Total										
Private sector	89.6%		29.1%		95.8%		78.1%		62.9%	
Government sector	10.4%		70.9%		4.2%		21.9%		37.1%	

(a) See paragraph 8 of the Explanatory notes. (b) Includes daily, four weekly, quarterly, half-yearly, annual and irregular payments.