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AVERAGE WEEKLY EARNINGS, STATES AND AUSTRALIA, NOVEMBER 1988

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MAIN FEATURES

Estimates of average weekly earnings for November 1988 and the respective changes over previous periods are shown below:

Notes on the estimates
 The movements of employee average earnings were statistically significant for most categories of employees at the state level, and for all categories of employees at the national level.

Average weekly earnings for November were influenced by:

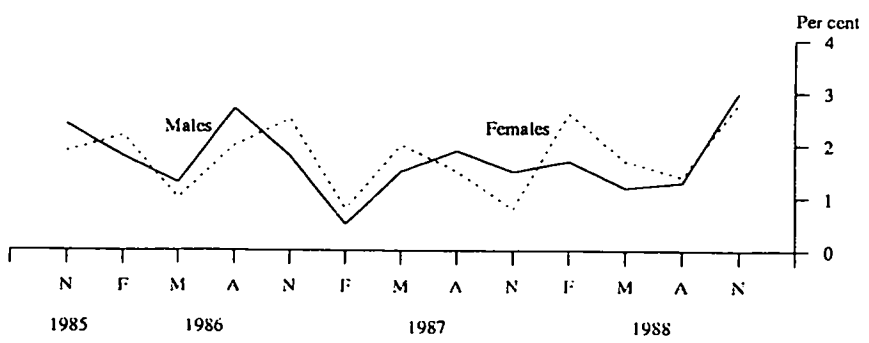
	Full-time adult average weekly ordinary time earnings		
	(\$)	Change (%)	
		Aug. 1988 to Nov. 1988	Nov. 1987 to Nov. 1988
Males	512.70	+3.0	+7.4
Females	426.80	+2.8	+8.9
Persons	484.90	+3.0	+7.7

- continued flow through of March 1987 National Wage Case second tier increases. Supplementary information obtained during the survey (which should be regarded as indicative only, as not all survey respondents provided information about second tier payments) suggests that approximately 80 per cent of full-time adult employees had received the increase by the survey reference date. About 75 per cent of full-time adult employees had received second tier increases by the August 1988 survey reference date.
- the 3 per cent National Wage Case decision, awarded in August 1988. Supplementary information obtained during the survey suggests approximately 70 per cent of full-time adult employees had received the increase by the survey reference date (about 60 per cent in the private sector and about 90 per cent in the public sector).

	Full-time adult average weekly total earnings		
	(\$)	Change (%)	
		Aug. 1988 to Nov. 1988	Nov. 1987 to Nov. 1988
Males	558.90	+3.7	+8.2
Females	439.60	+3.1	+9.4
Persons	520.20	+3.6	+8.5

	All employees average weekly total earnings		
	(\$)	Change (%)	
		Aug. 1988 to Nov. 1988	Nov. 1987 to Nov. 1988
Males	505.20	+3.9	+7.5
Females	328.70	+2.8	+7.2
Persons	430.10	+3.4	+7.0

FULL-TIME ADULT AVERAGE WEEKLY ORDINARY TIME EARNINGS AUSTRALIA
 QUARTERLY PERCENTAGE CHANGE, NOVEMBER 1985 TO NOVEMBER 1988



Industries for which a substantial proportion of employees had received the 3 per cent increase were:

Manufacturing

Textiles; Clothing and footwear
Transport equipment
Electricity, gas and water
Communication
Public administration and defence

Industries for which a small proportion of employees had received the 3 per cent increase were:

Mining

Manufacturing

Basic metal products
Wholesale and retail trade
Wholesale trade
Retail trade

In the three month period to November 1988 average weekly total earnings for full-time adult employees grew at a faster rate than ordinary time earnings. This is due to the increase in overtime earnings, mainly for males. Both the level of overtime earnings, and the increase in overtime earnings since August 1988, were higher for employees in the private sector compared to the public sector. All States had a faster increase in overtime earnings for full-time adults than ordinary time earnings except Tasmania and the Australian Capital Territory.

There are many factors which may give rise to increases in estimates of average weekly earnings (see paragraph 9 of the Explanatory Notes). The major influence is increases to award rates of pay as a result of National Wage Case decisions. The National Wage Case decisions which have influenced the movement in average weekly earnings over the past 12 months are:

- second tier increases of up to 4 per cent, subject to terms specified in the National

Wage Case decision, March 1987.

- \$6 per week increase, awarded February 1988.
- the 3 per cent increase awarded in August 1988.

In the twelve months since the November 1987 reference date:

- average weekly ordinary time earnings of full-time adults have increased by 7.7 per cent.
- average weekly ordinary time earnings of full-time adult males have increased at a slower rate (7.4 per cent) than for females (8.9 per cent).
- average weekly ordinary time earnings for full-time adults increased at a faster rate in the public sector (8.4 per cent) compared to the private sector (7.6 per cent).

Industries for which average weekly total earnings increased at a faster rate than the national average were:

Manufacturing

Textiles; Clothing and footwear
Chemical, petroleum and coal products
Fabricated metal products

Construction

Wholesale and retail trade
Retail trade

Communication

Public administration and defence

Average weekly earnings may be affected significantly in some periods by changes in the composition of the employed labour force (see paragraph 3 of the Glossary).

NOTES

The statistics of Average Weekly Earnings are compiled from data obtained from a sample survey of employers. Explanatory notes are published on page 9 of this publication.

TABLE 1. AVERAGE WEEKLY EARNINGS OF EMPLOYEES, AUSTRALIA

Reference period - pay period ending on or before	MALES			FEMALES			PERSONS		
	Full-time adults		All males	Full-time adults		All females	Full-time adults		All employees
	Average weekly ordinary time earnings	Average weekly total earnings	Average weekly total earnings	Average weekly ordinary time earnings	Average weekly total earnings	Average weekly total earnings	Average weekly ordinary time earnings	Average weekly total earnings	Average weekly total earnings
TOTAL EMPLOYEES									
- dollars -									
1986-									
15 August	444.00	476.20	437.20	363.60	371.90	282.90	418.90	443.70	373.70
21 November	452.10	488.60	446.30	372.70	382.00	287.60	427.20	455.20	380.60
1987-									
20 February	454.40	487.70	444.50	375.70	384.10	291.00	429.60	455.10	381.30
15 May	461.30	497.40	450.90	383.00	393.10	298.90	436.20	464.00	387.30
21 August	470.30	504.50	457.00	388.90	398.20	302.30	444.20	470.50	392.50
20 November	477.50	516.30	470.00	392.00	401.90	306.50	450.10	479.70	401.80
1988-									
19 February	485.70	522.40	474.90	402.20	412.20	315.30	458.80	486.90	408.80
20 May	491.40	532.40	481.70	409.20	419.50	316.40	464.80	495.80	411.90
19 August	497.80	538.80	486.20	415.00	426.40	319.60	470.90	502.40	415.70
18 November	512.70	558.90	505.20	426.80	439.60	328.70	484.90	520.20	430.10
- per cent -									
Change - Quarterly									
1986-									
August	2.7	2.2	2.7	2.0	1.9	1.7	2.4	2.0	2.0
November	1.8	2.6	2.1	2.5	2.7	1.7	2.0	2.6	1.8
1987-									
February	0.5	-0.2	-0.4	0.8	0.5	1.2	0.6	0.0	0.2
May	1.5	2.0	1.4	2.0	2.4	2.7	1.5	2.0	1.6
August	1.9	1.4	1.3	1.5	1.3	1.1	1.8	1.4	1.3
November	1.5	2.3	2.8	0.8	0.9	1.4	1.3	2.0	2.4
1988-									
February	1.7	1.2	1.1	2.6	2.6	2.9	1.9	1.5	1.8
May	1.2	1.9	1.4	1.7	1.8	0.3	1.3	1.8	0.8
August	1.3	1.2	0.9	1.4	1.6	1.0	1.3	1.3	0.9
November	3.0	3.7	3.9	2.8	3.1	2.8	3.0	3.6	3.4
Change - Annual									
1986-									
August	8.4	7.8	8.5	7.3	7.3	6.7	8.0	7.6	7.4
November	7.7	7.7	7.8	7.9	8.0	7.1	7.6	7.6	7.0
1987-									
February	6.4	6.0	5.2	6.5	6.5	5.3	6.3	6.0	4.7
May	6.6	6.8	6.0	7.5	7.7	7.4	6.6	6.7	5.7
August	5.9	5.9	4.5	7.0	7.0	6.9	6.0	6.0	5.0
November	5.6	5.7	5.3	5.2	5.2	6.6	5.4	5.4	5.6
1988-									
February	6.9	7.1	6.8	7.1	7.3	8.3	6.8	7.0	7.2
May	6.5	7.0	6.8	6.8	6.7	5.8	6.5	6.9	6.3
August	5.8	6.8	6.4	6.7	7.1	5.7	6.0	6.8	5.9
November	7.4	8.2	7.5	8.9	9.4	7.2	7.7	8.5	7.0
Standard errors(a)-									
1988-									
November									
Level	3.00	3.30	3.60	2.20	2.20	2.60	2.30	2.60	2.90
Change (quarterly)	2.40	2.70	3.00	1.80	1.90	1.60	1.90	2.10	2.10

(a) See paragraphs 12-16 of the Explanatory Notes.

TABLE 2. AVERAGE WEEKLY EARNINGS OF EMPLOYEES, SECTOR, AUSTRALIA

Reference period - pay period ending on or before	MALES			FEMALES			PERSONS		
	Full-time adults		All males	Full-time adults		All females	Full-time adults		All employees
	Average weekly ordinary time earnings	Average weekly total earnings	Average weekly total earnings	Average weekly ordinary time earnings	Average weekly total earnings	Average weekly total earnings	Average weekly ordinary time earnings	Average weekly total earnings	Average weekly total earnings
PRIVATE SECTOR EMPLOYEES									
- dollars -									
1987-									
21 August	456.90	497.50	439.20	361.80	372.60	271.40	427.80	459.30	368.90
20 November	466.40	512.30	456.00	365.90	377.60	277.50	435.50	470.80	381.30
1988-									
19 February	474.60	518.00	458.40	376.70	388.60	284.10	444.40	478.00	386.00
20 May	477.90	525.80	464.20	380.90	392.30	283.50	447.80	484.40	387.60
19 August	484.90	533.00	469.20	389.20	402.50	287.70	455.30	492.70	392.40
18 November	500.00	554.40	488.50	398.20	413.60	296.40	468.50	510.80	406.70
- per cent -									
Change - Quarterly									
1987-									
August	2.3	1.5	1.3	1.4	1.0	0.7	2.1	1.4	1.2
November	2.1	3.0	3.8	1.1	1.3	2.3	1.8	2.5	3.4
1988-									
February	1.8	1.1	0.5	2.9	2.9	2.4	2.0	1.5	1.2
May	0.7	1.5	1.3	1.1	1.0	-0.2	0.8	1.3	0.4
August	1.5	1.4	1.1	2.2	2.6	1.5	1.7	1.7	1.2
November	3.1	4.0	4.1	2.3	2.7	3.0	2.9	3.7	3.7
Change - Annual									
1988-									
November	7.2	8.2	7.1	8.8	9.5	6.8	7.6	8.5	6.7
Standard errors(a)-									
1988-									
November									
Level	4.40	4.90	5.10	3.50	3.50	3.40	3.50	3.90	4.00
Change (quarterly)	3.60	4.00	4.20	2.80	2.90	1.80	2.90	3.20	2.80
PUBLIC SECTOR EMPLOYEES									
- dollars -									
1987-									
21 August	494.60	517.30	493.50	430.20	437.00	367.20	472.40	489.60	441.30
20 November	498.20	523.80	498.90	433.50	440.70	367.30	476.00	495.30	444.30
1988-									
19 February	506.40	530.70	510.50	443.00	450.00	383.10	484.50	502.80	458.10
20 May	516.80	544.60	518.80	454.00	462.60	387.30	494.90	516.10	463.70
19 August	522.90	550.10	523.90	456.70	465.00	390.30	499.60	520.20	467.40
18 November	538.30	568.00	543.10	474.60	483.10	402.90	515.90	538.10	483.60
- per cent -									
Change - Quarterly									
1987-									
August	1.5	1.3	1.5	1.7	1.6	1.8	1.5	1.3	1.6
November	0.7	1.3	1.1	0.8	0.8	0.0	0.8	1.2	0.7
1988-									
February	1.7	1.3	2.3	2.2	2.1	4.3	1.8	1.5	3.1
May	2.0	2.6	1.6	2.5	2.8	1.1	2.2	2.6	1.2
August	1.2	1.0	1.0	0.6	0.5	0.8	1.0	0.8	0.8
November	3.0	3.2	3.7	3.9	3.9	3.2	3.3	3.4	3.5
Change - Annual									
1988-									
November	8.1	8.4	8.9	9.5	9.6	9.7	8.4	8.6	8.8
Standard errors(a)-									
1988-									
November									
Level	1.70	1.70	2.00	1.20	1.20	4.20	1.30	1.30	3.10
Change (quarterly)	1.20	1.30	1.70	0.90	0.90	3.90	0.90	1.00	2.90

(a) See paragraphs 12-16 of the Explanatory Notes.

TABLE 3. AVERAGE WEEKLY EARNINGS OF EMPLOYEES, STATES AND TERRITORIES

Reference period - pay period ending on or before	MALES			FEMALES			PERSONS		
	Full-time adults		All males	Full-time adults		All females	Full-time adults		All employees
	Average weekly ordinary time earnings	Average weekly total earnings	Average weekly total earnings	Average weekly ordinary time earnings	Average weekly total earnings	Average weekly total earnings	Average weekly ordinary time earnings	Average weekly total earnings	Average weekly total earnings
NEW SOUTH WALES									
- dollars -									
1987-									
21 August	468.90	505.70	458.60	392.10	401.60	309.80	443.90	471.70	396.30
20 November	478.30	521.70	475.20	395.10	406.70	314.60	451.40	484.60	408.60
1988-									
19 February	487.70	526.90	480.20	404.40	415.40	322.80	460.40	490.50	415.20
20 May	496.00	542.00	489.60	413.10	424.00	324.90	468.50	502.80	420.00
19 August	503.50	548.90	493.30	417.20	429.90	329.50	474.50	509.00	424.00
18 November	523.20	576.00	519.10	431.00	444.20	338.60	492.60	532.20	442.70
Change -									
Quarterly	3.9	4.9	5.2	3.3	3.3	2.8	3.8	4.6	4.4
Annual	9.4	10.4	9.2	9.1	9.2	7.6	9.1	9.8	8.3
Standard errors(a)-									
Level	5.60	6.30	6.50	4.00	4.00	4.00	4.40	5.00	5.00
Change (quarterly)	4.70	5.20	5.50	3.60	3.70	3.20	3.80	4.10	3.60
VICTORIA									
1987-									
21 August	472.80	507.70	454.50	394.50	405.70	311.70	447.10	474.20	395.40
20 November	482.80	522.30	473.10	396.60	408.10	318.10	454.10	484.20	408.50
1988-									
19 February	493.90	531.30	476.30	409.30	420.10	326.70	465.50	494.10	414.40
20 May	498.30	539.60	483.50	412.20	423.70	322.70	469.30	500.40	414.90
19 August	504.40	545.40	486.30	420.10	432.70	324.60	475.90	507.30	417.00
18 November	516.60	562.70	503.30	429.20	445.70	333.40	487.00	523.00	429.60
Change -									
Quarterly	2.4	3.2	3.5	2.2	3.0	2.7	2.3	3.1	3.0
Annual	7.0	7.7	6.4	8.2	9.2	4.8	7.2	8.0	5.2
Standard errors(a)-									
Level	6.90	6.80	7.80	4.50	4.50	6.50	5.20	5.20	6.80
Change (quarterly)	5.20	5.40	6.00	3.70	3.60	2.80	4.00	4.20	4.60
QUEENSLAND									
1987-									
21 August	457.00	486.70	445.60	370.00	376.70	279.60	430.60	453.20	377.20
20 November	458.60	488.00	441.10	372.00	378.10	282.30	431.90	454.20	375.90
1988-									
19 February	460.70	488.90	445.20	381.30	389.30	289.20	436.70	458.80	382.30
20 May	466.80	499.00	454.90	388.90	397.30	297.80	442.90	467.80	390.40
19 August	472.10	506.60	464.40	394.80	403.30	297.10	449.40	476.30	396.40
18 November	483.60	521.30	472.10	411.20	419.60	305.80	461.90	490.90	403.00
Change -									
Quarterly	2.4	2.9	1.7	4.2	4.0	2.9	2.8	3.1	1.7
Annual	5.4	6.8	7.0	10.5	11.0	8.3	6.9	8.1	7.2
Standard errors(a)-									
Level	4.60	5.10	6.20	4.00	4.10	5.50	3.50	3.80	4.60
Change (quarterly)	5.10	5.80	7.10	2.90	2.90	3.10	3.60	4.10	4.50
SOUTH AUSTRALIA									
1987-									
21 August	448.80	472.30	425.70	377.00	382.20	286.80	427.70	445.70	368.20
20 November	456.90	484.00	442.00	385.30	392.70	293.90	435.00	456.00	378.40
1988-									
19 February	462.30	489.80	448.20	391.40	399.50	299.60	441.70	463.50	386.70
20 May	466.40	493.90	444.30	404.90	413.40	299.90	449.20	471.40	384.90
19 August	469.10	500.30	451.90	409.00	418.90	305.80	452.10	477.40	391.70
18 November	479.40	516.10	476.30	421.10	432.20	314.40	463.90	493.80	411.60
Change -									
Quarterly	2.2	3.2	5.4	2.9	3.2	2.8	2.6	3.4	5.1
Annual	4.9	6.6	7.8	9.3	10.1	7.0	6.6	8.3	8.8
Standard errors(a)-									
Level	10.60	10.40	10.20	4.40	4.50	6.00	7.80	7.70	8.20
Change (quarterly)	8.50	8.40	8.20	3.60	3.60	4.10	6.30	6.30	5.60

(a) See paragraphs 12-16 of the Explanatory Notes.

TABLE 3. AVERAGE WEEKLY EARNINGS OF EMPLOYEES, STATES AND TERRITORIES - continued

Reference period - pay period ending on or before	MALES			FEMALES			PERSONS		
	Full-time adults		All males	Full-time adults		All females	Full-time adults		All employees
	Average weekly ordinary time earnings	Average weekly total earnings	Average weekly total earnings	Average weekly ordinary time earnings	Average weekly total earnings	Average weekly total earnings	Average weekly ordinary time earnings	Average weekly total earnings	Average weekly total earnings
WESTERN AUSTRALIA									
- dollars -									
1987-									
21 August	485.60	526.80	487.30	388.20	399.00	286.80	457.10	489.30	404.10
20 November	483.90	530.90	494.80	390.30	397.50	285.40	457.30	493.00	408.10
1988-									
19 February	496.30	543.80	506.10	394.50	403.50	297.30	464.90	500.50	417.60
20 May	499.20	546.60	509.90	403.30	412.70	297.90	470.20	506.10	418.80
19 August	506.00	552.30	510.30	408.60	417.00	299.90	475.70	510.20	418.40
18 November	519.90	570.50	527.70	410.70	420.30	306.90	484.20	521.30	428.90
Change -									
Quarterly	2.8	3.3	3.4	0.5	0.8	2.3	1.8	2.2	2.5
Annual	7.5	7.5	6.7	5.2	5.7	7.5	5.9	5.8	5.1
Standard errors(a)-									
Level	6.20	10.20	10.90	8.10	8.20	7.80	5.90	9.10	10.00
Change (quarterly)	2.30	7.40	7.50	5.10	5.20	4.10	2.40	6.50	6.80
TASMANIA									
1987-									
21 August	453.40	483.40	440.00	375.70	382.80	270.10	431.20	454.60	369.50
20 November	460.80	494.80	442.70	382.60	389.10	270.70	438.60	464.80	371.00
1988-									
19 February	467.90	505.20	462.80	390.90	399.20	286.20	445.50	474.40	389.90
20 May	471.80	512.50	460.00	401.40	408.50	289.30	452.10	483.40	390.30
19 August	485.20	522.40	475.50	402.50	409.80	291.50	461.40	489.90	398.80
18 November	498.30	532.60	483.70	418.00	423.40	307.20	476.20	502.60	413.10
Change -									
Quarterly	2.7	1.9	1.7	3.8	3.3	5.4	3.2	2.6	3.6
Annual	8.1	7.6	9.3	9.3	8.8	13.5	8.6	8.1	11.3
Standard errors(a)-									
Level	4.50	5.10	6.00	8.90	8.80	6.00	4.30	4.50	5.00
Change (quarterly)	4.20	4.50	4.50	4.10	4.20	5.00	3.50	3.70	4.20
NORTHERN TERRITORY									
1987-									
21 August	514.20	558.30	508.50	431.90	440.70	353.70	484.30	515.50	442.00
20 November	513.60	557.40	502.50	434.10	442.80	348.40	484.30	515.20	435.30
1988-									
19 February	514.90	563.60	517.30	454.60	465.60	374.90	492.80	527.60	455.50
20 May	510.60	560.10	512.10	445.40	456.80	365.00	486.20	521.50	447.20
19 August	521.60	566.50	522.40	445.70	457.10	374.20	493.60	526.20	459.10
18 November	529.20	576.90	525.80	465.80	479.50	387.60	504.80	539.30	464.20
Change -									
Quarterly	1.5	1.8	0.6	4.5	4.9	3.6	2.3	2.5	1.1
Annual	3.0	3.5	4.6	7.3	8.3	11.3	4.2	4.7	6.6
Standard errors(a)-									
Level	7.80	10.20	11.20	4.90	5.30	8.90	5.00	6.60	8.20
Change (quarterly)	4.90	7.70	8.20	3.60	4.00	4.90	3.20	5.20	5.70
AUSTRALIAN CAPITAL TERRITORY									
1987-									
21 August	555.90	581.20	524.00	419.30	426.70	344.90	501.80	520.00	441.20
20 November	562.20	589.50	535.40	425.90	433.70	347.00	509.10	528.90	448.00
1988-									
19 February	571.00	596.80	541.50	440.10	447.10	357.30	519.90	538.40	457.30
20 May	578.10	610.50	554.90	446.40	456.10	361.90	527.00	550.60	464.50
19 August	577.60	608.10	540.80	458.50	468.30	371.30	531.60	554.10	464.40
18 November	599.00	625.30	554.00	476.30	484.90	388.00	552.50	572.10	479.80
Change -									
Quarterly	3.7	2.8	2.4	3.9	3.6	4.5	3.9	3.2	3.3
Annual	6.6	6.1	3.5	11.8	11.8	11.8	8.5	8.2	7.1
Standard errors(a)-									
Level	7.20	6.90	11.30	3.70	3.70	7.10	4.80	4.70	9.10
Change (quarterly)	6.30	5.90	8.60	3.80	3.90	4.60	3.70	3.70	6.90

(a) See paragraphs 12-16 of the Explanatory Notes.

TABLE 4. AVERAGE WEEKLY TOTAL EARNINGS OF FULL-TIME ADULT EMPLOYEES, INDUSTRIES(a)
NOVEMBER
(\$)

Industry	Males		Females		Persons		Persons
	1987	1988	1987	1988	1987	1988	Standard
							<u>errors(b)</u>
							1988
Mining	739.00	781.60	479.80	520.20	720.30	757.40	11.10
Manufacturing	495.40	542.70	353.80	390.60	461.80	506.70	3.90
Food, beverages and tobacco	484.40	526.50	372.50	405.70	457.90	497.50	6.20
Textiles; Clothing and footwear	474.80	523.10	303.20	353.20	378.50	427.10	14.90
Paper, paper products, printing and publishing	546.70	579.70	392.70	425.60	503.40	539.10	9.80
Chemical, petroleum, and coal products	582.20	663.40	395.40	466.20	526.70	612.10	16.30
Metal products, machinery and equipment	495.10	548.50	362.20	392.90	474.10	522.10	6.00
Basic metal products	558.30	605.30	416.60	459.60	547.80	593.80	5.90
Fabricated metal products; other machinery and equipment	475.30	536.90	355.70	382.50	450.80	502.30	10.50
Transport equipment	483.70	525.50	361.10	399.40	469.00	509.40	5.00
Other manufacturing	456.60	497.90	345.40	370.20	437.00	472.80	9.60
Electricity, gas and water	528.10	560.90	398.40	429.10	516.80	549.30	5.50
Construction	513.00	568.50	349.70	411.30	495.60	552.90	14.80
Wholesale and retail trade	451.80	490.10	361.00	386.40	423.70	458.60	9.60
Wholesale trade	489.60	518.60	404.90	424.20	467.60	497.10	10.50
Retail trade	405.60	459.60	327.50	366.10	377.40	424.90	9.10
Transport and storage	536.00	564.70	411.30	420.60	519.50	542.00	6.50
Communication	477.60	524.80	403.10	449.20	461.60	508.60	0.10
Finance, property and business services	589.00	628.10	400.60	443.00	503.70	548.80	10.80
Public administration and defence	498.80	545.40	418.80	468.90	472.70	520.80	5.80
Community services	563.60	606.10	447.30	486.40	499.50	539.10	4.90
Recreation, personal and other services	457.70	465.20	366.60	382.40	424.20	434.70	13.70
Total all industries	516.30	558.90	401.90	439.60	479.70	520.20	2.60

(a) See paragraphs 7-8 of the Explanatory Notes. (b) See paragraphs 12-16 of the Explanatory Notes

APPENDIX A: GLOSSARY

Earnings

1. *Weekly ordinary time earnings* refers to one week's earnings of employees for the reference period attributable to award, standard or agreed hours of work. It is calculated before taxation and any other deductions (e.g. superannuation, board and lodging) have been made. Included in ordinary time earnings are award payments, overaward payments, penalty payments, shift and other allowances; commissions and retainers; bonuses and similar payments related to the reference period; payments under incentive or piecework; payments under profit-sharing schemes normally paid each pay period; payments for leave taken during the reference period; all worker's compensation payments made through the payroll; and salary payments made to directors. Excluded are overtime payments, retrospective pay, pay in advance, leave loadings, severance, termination and redundancy payments and other payments not related to the reference period.

2. *Weekly total earnings* of employees is equal to weekly ordinary time earnings plus weekly overtime earnings.

3. *Average weekly earnings* statistics represent average gross (before tax) earnings of employees and do not relate to average award rates nor to the earnings of the 'average person'. Estimates of average weekly earnings are derived by dividing estimates of weekly total earnings by estimates of employment. Changes in the averages may be affected not only by changes in the level of earnings of employees but also by changes in the overall composition of the labour force. There are several aspects which can contribute to compositional changes such as variations

in the proportions of part-time, casual and junior employees, variations in the occupational distribution within and across industries and variations in the distribution of employment between industries.

Employees

4. *Employees* refers to all wage and salary earners (as defined in paragraphs 4 and 5 of the Explanatory Notes) who received pay for any part of the reference period.

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

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

Other

7. *Reference period* for the survey refers to the last pay period ending on or before the third Friday of the middle month of the quarter. The reference date for the current survey is 18 November 1988.

8. *Sector*. Public sector includes local government authorities and all government departments, agencies and authorities created by, or reporting to the Commonwealth and State Parliaments. All remaining employees are classified as private sector.

APPENDIX B: EXPLANATORY NOTES

Introduction

1. This publication contains estimates of average weekly earnings for November 1988 based on information obtained from a sample survey of employers.

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

3. Preliminary estimates of average weekly earnings, Australia for November 1988 were published on 2 March 1989 in *Average Weekly Earnings, Australia, November 1988, Preliminary* (6301.0).

Scope of the survey

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

- members of the Australian permanent defence forces;
- employees of enterprises primarily engaged in agriculture, forestry, fishing and hunting;
- employees in private households employing staff;
- employees of overseas embassies, consulates, etc.;
- employees based outside Australia; and
- employees on workers' compensation who are not paid through the payroll.

5. Also excluded are the following persons who are not regarded as employees for the purposes of this survey:

- directors who are not paid a salary;
- proprietors/partners of unincorporated businesses; and
- self-employed persons such as subcontractors, owner/drivers, consultants and persons paid solely by commission without a retainer.

Survey design

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

Industry classification

7. Since 1981 additional data items have been collected in the survey each November. Preliminary estimates of average weekly earnings for full-time adult employees classified by industry are included in the November issue of *Average Weekly Earnings, States and Australia* (6302.0). Final estimates are released in the subsequent publication, *Average Earnings and Hours of Employees, Australia* (6304.0).

8. Industry is classified according to the *Australian Standard Industrial Classification (ASIC) 1983 Edition, Volume 1 - The Classification* (1201.0). The following table shows details of the ASIC industries used in the survey.

		ASIC code
Division	Sub-Division	Title
B		Mining
C		Manufacturing
	21	Food, beverages and tobacco
	23,24	Textiles; Clothing and footwear
	26	Paper, paper products, printing and publishing
	27	Chemical, petroleum and coal products
	29	Basic metal products
	31,33	Fabricated metal products; other machinery and equipment
	32	Transport equipment
	25,28,34	Other manufacturing(a)
D		Electricity, gas and water
E		Construction
F		Wholesale and retail trade
	47	Wholesale trade
	48	Retail trade
G		Transport and storage
H		Communication
I		Finance, property and business services
J		Public administration and defence(b)
K		Community services
L		Recreation, personal and other services(c)
		Total

(a) Includes wood, wood products and furniture (subdivision 25); glass, clay and other non-metallic mineral products (subdivision 28); leather, rubber and plastic products and manufacturing not elsewhere classified (subdivision 34). (b) Excludes permanent defence forces. (c) Excludes private households employing staff (subdivision 94).

NOTE: Division A (Agriculture, Forestry, Fishing and Hunting) is excluded from the survey.

Comparability of results

9. When comparisons are made between period to period movements in average weekly ordinary time earnings (AWOTE) for full-time adults and movements in the

Award Rates of Pay Indexes (ARPI) it is important to recognise the different coverage, scope, definitions and methodology used in the construction of each series. In particular, the AWOTE series includes a number of payments additional to award rates of pay used in compiling ARPI. Allowances covered under awards which are not industry or occupation wide in their application such as site, travelling, height and dirt allowances are excluded from ARPI but included in AWOTE. The AWOTE series also includes other payments, such as shift penalty payments and overaward pay. A significant number of employees are not covered by awards but are included in AWOTE. The AWOTE series is affected by compositional change in the labour force. However ARPI is not, because it is a fixed-weight index constructed from a representative 'basket' of occupations selected from the May 1985 Survey of Employee Earnings and Hours and subject to reselection and rebasing at infrequent intervals. Other factors affecting comparisons of the two series include seasonal influences on earnings and differences between the two series in the treatment of retrospective pay increases. A detailed description of the methodology, scope and definitions used in ARPI is published in *Award Rates of Pay Indexes, Australia* (6312.0).

10. It is also important to recognise that whilst average employee earnings can be derived from the Survey of Employment and Earnings (SEE) published in *Employed Wage and Salary Earners, Australia* (6248.0), these average earnings will not be comparable with those produced from the Survey of Average Weekly Earnings (AWE). In the AWE survey, information is obtained relating to a specified pay period, the last pay period ending on or before the third Friday of the middle month of the calendar quarter. The SEE collects the sum of employee earnings paid in all pay periods ending in a calendar quarter including payments to employees which are excluded from the scope of the AWE survey such as retrospective pay, pay in advance, leave loadings and severance, termination and redundancy payments. Whilst the quarterly earnings produced by the SEE are affected by the varying number of pay periods from quarter to quarter the AWE results are unaffected because of the selection of a specified pay period in the middle of a quarter. The SEE earnings data are also more subject to seasonal variations, particularly in the December and March quarters, due to the incidence of holidays taken in January being paid in advance and the earnings being reported in December quarter figures.

Historical series

11. The series was introduced in August 1981 when it replaced the average weekly earnings series based principally on information from payroll tax returns. Revised estimates of average weekly earnings for the period August 1981 to November 1983 were included in *Average Weekly Earnings, States and Australia, March Quarter 1984* (6302.0) published on 12 July 1984. Users who need a measure of the movement in earnings for a period which spans both the payroll tax based and employer survey series should refer to Table 3 in that publication which presents both series linked to a common index base (August 1981 = 100).

Reliability of estimates

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

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

14. An example of the use of a standard error is as follows. If the estimated average earnings was \$380.00 with a standard error of \$2.00, then there would be about two chances in three that a full enumeration would have given an estimate in the range \$378.00 to \$382.00 and about nineteen chances in twenty that it would be in the range \$376.00 to \$384.00.

15. An example of the use of a standard error for a quarterly change estimate is as follows. If the estimated standard error for a quarterly change estimate of average weekly earnings was \$1.00 and the quarterly change estimate between two quarters was \$1.50, then there would be about two chances in three that a full enumeration would have given a quarterly change estimate in the range +\$0.50 to +\$2.50 and about nineteen chances in twenty that it would be in the range -\$0.50 to +\$3.50.

16. Quarterly movements in estimates of average weekly earnings are considered to be statistically significant where they exceed two standard errors.

Related publications

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

Average Earnings and Hours of Employees, Australia (6304.0)—issued annually

Distribution and Composition of Employee Earnings and Hours, Australia (6306.0)—issued annually

Job Vacancies, Australia (6231.0)—issued quarterly

Overtime, Australia (6330.0)—issued quarterly

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)

Occasional Paper No. 1986/1: Statistics on Wages, Earnings, Income and Labour Costs—A Guide to Their Concepts, Measurement and Usage

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

The Labour Force, Australia (6203.0)—issued monthly.

18. 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

19. 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, floppy disk, computer printout or clerically extracted tabulation. Generally, a charge is made for providing unpublished information. Inquiries should be made to Information Services in the nearest ABS office.

Symbols and other usages

p preliminary

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

21. Percentage changes are calculated on the actual values and may differ from calculations based on rounded estimates.

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