

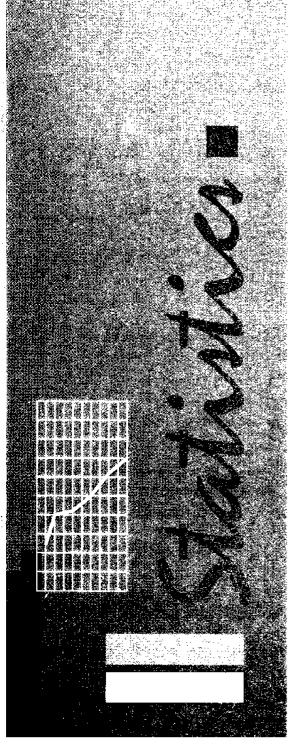


1995-96

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Interest Groups

Australia



ABS Catalogue No. 8639.0

NOTES

INTRODUCTION

This publication presents results for the financial year 1995-96 from an ABS survey of not for profit organisations in ANZSIC group 962, Interest Groups. This Group includes organisations which are mainly engaged in promoting the interests of employers or self-employed persons; employees and other community interests. This is the first survey specifically relating to these organisations although not for profit organisations have been included as part of many other ABS surveys particularly the recent survey of the Community Services sector which covered child care services and other community care services such as accommodation for the aged and residential and non-residential care services.

SYMBOLS AND OTHER USAGES

Australian Bureau of Statistics ABS

ANZSIC Australian and New Zealand Standard Industrial

Classification

FTE full-time equivalent

not available n.a.

not available for publication but included in totals where n.p.

applicable

RSE relative standard error

subject to sampling variability too high for most practical purposes

not applicable

nil or rounded to zero

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

INQUIRIES

For information about other ABS statistics and services, please refer to the back of this publication.

For further information about statistics in this publication please contact Service Industries Section on Canberra (02) 6252 5644.

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PREFACE

There are many not for profit organisations operating in the Australian economy across a wide range of industries. For interest groups, which are covered in this publication, all businesses are not for profit. In industries like community services which includes child care, accommodation for the aged, nursing homes, other residential and non-residential care services, there are significant numbers of not for profit organisations. Similarly, not for profit organisations are significant in some sports industries, clubs (hospitality), employment services and religious organisations. In other industries there are only a few such organisations, for example sheltered workshops in manufacturing and opportunity shops and the like in retailing.

The ABS is conducting surveys in many of these areas and attempting to identify the extent of not for profit activities. It is planned to bring all this data together in order to provide a more comprehensive picture of all not for profit activities in a publication to be released next year.

This publication presents statistics that were collected from a survey of organisations classified to Classes 9621, Business and Professional Associations; 9622, Labour Associations and; 9629, Interest Groups n.e.c., of the 1993 edition of the Australian and New Zealand Standard Industrial Classification (ANZSIC).

Class 9621 consists of units of associations mainly engaged in promoting the interests of employers or self-employed persons.

Class 9622 consists of units of associations, councils or unions mainly engaged in promoting the interests of employees.

Class 9629 consists of associations, clubs or organisations for the promotion of community interests n.e.c.. It also includes units of political parties.

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*.

Dennis Trewin Acting Australian Statistician

MAIN FEATURES

INTRODUCTION

This publication presents results in respect of the 1995-96 financial year of a sample survey of some 700 not for profit organisations mainly engaged in promoting either:

- the interests of employers or self-employed persons (such as business associations, professional organisations, Chambers of Commerce); or
- the interests of employees (industrial or trade unions); or
- community interests n.e.c. (consumer associations, automobile associations, political parties, etc).

SIZE OF THE INDUSTRY

It is estimated that there were 3,737 organisations (i.e. business units — refer to paragraph 3 of the Explanatory Notes) in the three selected not for profit industries at the end of June 1996; 999 in the business and professional associations industry, 276 in the labour associations industry and 2,462 in the interest groups n.e.c industry.

In respect of the labour associations industry it should be noted that the count of 276 organisations represents the number of trade unions and separately incorporated branches and divisions.

PERSONS WORKING

In 1995–96 there were 148,694 persons working in the three selected not for profit industries, with 101,622 of these being volunteers/unpaid workers. Full-time employees accounted for 55% (26,008 persons) of the 47,072 employees in these industries

The interest groups n.e.c. industry accounted for 67% of employees (31,721 persons) and 80% of volunteers (80,844 persons) with 2.5 volunteers assisting organisations in this industry per paid employee. Of the three, this industry had the lowest proportion of full-time employees at 44% (13,986 persons).

The business and professional associations industry and labour associations industry employed 10,702 and 4,649 persons respectively. Volunteers reported for these two industries were 15,557 and 5,221 respectively. Employees of these two industries had a higher full-time participation rate with 76% (8,143 persons) in the business and professional associations industry and 83% (3,879 persons) in the labour associations industry.

The high part-time rate in the interest groups n.e.c. industry is reflected in the labour costs per employee ratio with this industry averaging \$21,185 per employee compared with \$33,533 per employee for the business and professional associations industry and \$44,278 per employee for the labour associations industry.

MAIN FEATURES

MEMBERSHIP

In 1995–96, membership in the labour associations industry totalled 2,749,966 persons while individual members reported in the interest groups n.e.c. industry, which includes automobile associations, totalled 8,106,713 persons. Membership for the business and professional associations industry was 837,197 individual members and 150,754 organisational/corporate members.

Membership information presented in this publication represents the total number of members reported by organisations in the selected industries. As an individual or an organisation/corporation can be a 'member' of a number of different organisations, some may be counted more than once in the aggregated figures.

SOURCES OF INCOME

Membership/affiliation fees or levies was the main source of income for the business and professional associations industry (\$489 million or 48% of total income) with the sale of goods and services (\$272 million or 27% of total income) also being a major source of income.

The majority of income for the labour associations industry (\$427 million or 86% of total income) was derived from membership/affiliation fees or levies.

Income from the sale of goods and services was the main source of income for the interest groups n.e.c industry which accrued \$560 million (32%) of its income from this source. Other major sources of income were membership/affiliation fees or levies (\$406 million or 23%) and funding from Commonwealth Government, State and/or local governments (\$372 million or 21%).

Funding from Commonwealth Government, State and/or local governments for all industries accounted for a total of \$466 million. The majority of this government funding, \$372 million (80%) was received by the interest groups n.e.c. industry.

EXPENSES

Labour costs was the major individual expense for the three selected not for profit industries. Labour costs accounted for 45% (\$206 million) of expenses in the labour associations industry, with 10% of labour costs being attributable to employer contributions to superannuation. Labour costs in the interest groups n.e.c. industry was \$672 million (42%) and \$359 million (38%) in the business and professional associations industry.

KEY FIGURES

	Business and Professional Associations (ANZSIC 9621)	Labour Associations (ANZSIC 9622)	Interest Groups n.e.c. (ANZSIC 9629)
Organisations at end June (no.)	999	276	2 462
Employment at end June (no.)	10 702	4 649	31 72 1
Volunteers at end June (no.)	15 557	5 221	80 844
Membership at end June			
Individual members (no.)(a)	837 197	2 749 966	8 106 713
Organisational/corporate members (no.)(a)	150 754	n,a,	n.a.
Income			
From membership/affiliation fees or levies (\$'000)	488 729	426 770	406 116
Funding from Commonwealth Government, State and/or			
local governments (\$'000)	86 527	7 292	371 802
Sales of goods and services (\$'000)	271 985	16 245	560 176
Other (\$'000)	161 431	45 282	408 914
Total (\$'000)	1 008 671	495 590	1 747 006
Expenses			
Labour costs (\$'000)	358 871	205 849	672 007
Other (\$'000)	594 370	254 950	915 626
Total (\$'000)	953 241	460 799	1 587 633
Total assets (\$'000)	1 430 967	672 766	2 170 987
Total liabilities (\$'000)	378 935	187 727	680 987
(a) An individual or an organisation/corporation can be a 'member' of a	number of different organisa	ations.	

SOURCES OF INCOME

	Business and Professional Associations (ANZSIC 9621)	Labour Associations (ANZSIC 9622)	Interest Groups n.e.c. (ANZSIC 9629)
	\$1000	\$'000	\$'000
Income from membership/affiliation fees or levies	488 729	426 770	406 116
Funding from Commonwealth Government, State and/or local governments			
For operational costs	81 758	6 207	343 872
Provided for specific capital items	4 7 69	1 085	27 930
Total	86 527	7 292	371 802
Funding from non-government organisations	30 527	*673	*85 557
Other sources of income			
Fundraising	*6 826	*457	79 765
Sales of goods and services	271 985	16 245	560 176
Rent, leasing and hiring revenue	17 258	14 942	29 909
Income from interest and dividends	73 848	16 858	99 667
Other income	32 972	*12 351	114 016
Total income	1 008 671	495 590	1 747 006

ITEMS OF EXPENDITURE

	Business and Professional Associations (ANZSIC 9621)	Labour Associations (ANZSIC 9622)	Interest Groups n.e.c. (ANZSIC 9629)
	\$'000	\$'000	\$'000
Labour costs			
Wages and salaries	329 609	183 515	637 735
Employer contributions to superannuation	26 034	20 701	26 300
Workers compensation	3 228	1 632	7 972
Total	358 871	205 849	672 007
Other expenditure			
Insurance premiums	7 027	3 844	11 807
Purchases	*36 710	*2 988	153 195
Payments of memberships/affiliation fees	17 339	20 887	2 690
Grants and transfers paid	*21 886	*8 708	*27 344
Depreciation and amortisation	32 384	19 114	61 319
Other operating expenses	479 023	199 410	659 270
Total	594 370	254 950	915 626
Total expenses	953 241	460 79 9	1 587 633

4

	Business and Professional Associations (ANZSIC 9621)	Labour Associations (ANZSIC 9622)	Interest Groups n.e.c. (ANZSIC 9629,
	no.	no.	no
Employment at end June			
Full-time employees	8 143	3 879	13 986
Part-time/casual employees	2 559	770	17 735
Total employment	10 702	4 649	31 721
Total employment in terms of full-time-equivalents	9 113	4 269	20 113
Volunteers at end June	15 557	5 221	80 844
Membership at end June			
Individual members(a)	837 197	2 749 966	8 106 713
Organisational/corporate members(a)	150 754	n.a.	n.a

5 ASSETS, LIABILITIES AND CAPITAL EXPENDITURE

	Business and Professional Associations (ANZSIC 9621)	Labour Associations (ANZSIC 9622)	Interest Groups n.e.c. (ANZSIC 9629)
	\$'000	\$'000	\$'000
Assets			
Current assets including trading stock	572 707	232 617	693 022
Non-current assets	858 260	440 149	1 477 965
Total	1 430 967	672 766	2 170 987
Liabilities			
Current liabilities	269 919	136 709	504 758
Non-current liabilities	*109 016	51 018	176 229
Total	378 93 5	187 727	680 987
Capital expenditure	55 933	18 142	131 094

6 PERFORMANCE RATIOS

	Business and Professional Associations (ANZSIC 9621)	Labour Associations (ANZSIC 9622)	Interest Groups n.e.c. (ANZSIC 9629)
Employment ratios	(i i i i i i i i i i i i i i i i i i i	, <u></u>	0 0 12010 BOX297
Total income per person employed (\$'000)	94.3	106.6	55.1
Labour costs per employee (\$'000)	33.5	44.3	21.2
Volunteers per employee (no.)	1.5	1.1	2.5
Total assets per person employed (incl. trading stock) (\$'000)	133.7	144.7	68.4
Financial ratios			
Labour costs to total expenses (%)	38	45	42
Membership/affiliation fees to total income (%)	48	86	23
Sales of goods and services to total income (%)	27	3	32
Government funding to total income (%)	9	1	21

EXPLANATORY NOTES

SURVEY SCOPE AND METHODOLOGY

- This publication contains results from a survey of not for profit organisations for the reference year 1995-96. This is the first time the ABS has surveyed the not for profit organisations in ANZSIC group 962, Interest Groups. This Group includes organisations which are mainly engaged in promoting the interests of employers or self-employed persons; employees and other community interests.
- The survey included organisations classified to Classes 9621, 9622 and 9629 of the ANZSIC. These classes include organisations mainly engaged in promoting the interests of employers or self-employed persons; promoting the interests of employees and, the promotion of community interests n.e.c.. The latter also includes units of political parties.

STATISTICAL UNIT

3 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 for industry homogeneity, for which accounts are maintained. In nearly all cases it coincides with the legal entity operating the organisation (i.e. incorporated company or association, sole proprietor or partnership, trust, etc.). In the case of large diversified organisations, however, there may be more than one management unit, each coinciding with a 'division' or 'line of operations'. A division or line of organisation is recognised where separate and comprehensive accounts are compiled for it.

RELIABILITY OF ESTIMATES

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

SAMPLING ERROR

Since the estimates in this publication are based on information obtained from a sample drawn from units in the surveyed population, the estimates are subject to sampling variability, that is, they may differ from 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, which indicates the extent to which an estimate might have varied by chance because only a sample of units was included.

SAMPLING ERROR continued

- 6 There are about two chances in three that a sample estimate will differ by less than one standard error 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 standard errors.
- 7 Sampling variability can be measured by the relative standard error (RSE) which is obtained by expressing the standard error 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.
- **8** The table below contains estimates of RSE's for a selection of statistics presented in this publication.

7 RELATIVE STANDARD ERRORS, KEY FIGURES

	Business and Professional Associations (ANZSIC 9621)	Labour Associations (ANZSIC 9622)	Interest Groups n.e.c. (ANZSIC 9629)
	%	%	%
Organisations at end June	8	13	4
Employment at end June	9	7	8
Volunteers at end June	15	21	13
Membership at end June			
Individual members	1 4	15	14
Organisational/corporate members	20		
Income			
From membership/affiliation fees or levies	1 1	10	15
Funding from Commonwealth Government, State and/or local governments	18	17	8
Sales of goods and income from services	12	14	16
Other	8	17	13
Total	8	10	10
Expenses			
Labour costs	9	7	10
Other expenses	11	11	11
Total	10	9	10
Total assets	7	11	12
Total liabilities	11	11	15

9 As an example of the above, the estimate of employment at the end of June for Labour Associations is 4,649 persons and the RSE is 7%, giving a standard error of 325 persons. Therefore, there would be two chances in three that, if all units had been included in the survey, a figure within the range of 4,324 persons to 4,974 persons would have been obtained, and 19 chances in 20 that the figure would have been within the range of 3,999 persons to 5,299 persons (a confidence interval of 95%).

EXPLANATORY NOTES

SAMPLING ERROR continued

10 Where the RSE of an estimate included in this publication exceeds 25%, it has been annotated with an asterisk (*) as a warning to users.

NON-SAMPLING ERROR

11 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 error 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 used to compile the statistics.

REFERENCE PERIOD

12 Data contained in the tables of this publication relate to all organisations which operated in Australia at any time during the year ended 30 June 1996. Counts of organisations include only those organisations that were operating at 30 June 1996.

ORGANISATIONS CEASED DURING THE YEAR

13 A small number of organisations ceased operations during the 1995-96 reference period. It is normal ABS procedure to include the part-year contributions of these businesses in the survey output.

GLOSSARY

Casual employees Employees who were not entitled to either annual leave or sick leave.

Current assets Is the book value of current assets at the end of the financial year. This

> includes cash on hand, stocks and other accounts receivable. These are assets that would generally cease to exist or be used up within

12 months.

Current liabilities Is the book value of current liabilities at the end of the financial year.

> This includes provisions for taxation, leave and other accounts payable. and bank overdrafts. These are liabilities that would normally be due or

payable within 12 months of the end of the last period.

Depreciation and

These are the financial charges made to the accounts to reflect that part amortisation of the value of the asset which may be regarded as having been used up

in producing revenue in a particular accounting period.

Employees Employed persons aged 15 years and over who worked for wages or

salary.

Employer contributions to

superannuation funds

These are the contributions by the employer to superannuation funds,

including the employer productivity contribution.

Employment at end June This item includes full-time and part-time employees, employees absent

> on paid or prepaid leave, managerial and executive employees, permanent, temporary and casual employees and working directors of incorporated companies/associations and trusts. The item excludes

non-salaried directors.

Full-time employees Full-time employees are those working 35 hours or more per week.

Fundraising Includes takings from special events, donations and bequests.

Government funding for

operational costs

This item consists of project or program payments made by

Commonwealth Government, State and local governments in the form of operational funds for ongoing operations including wages and salaries,

rent and food.

Government funding for specific capital items

This item consists of project or program payments made by

Commonwealth Government, State and local governments in the form of

one-off capital funds to purchase equipment or property.

Grants and transfers to related and unrelated

organisations

This includes grants to researchers.

Industry Classified using the Australian and New Zealand Standard Industrial

> Classification (ANZSIC) 1993 (Cat. no. 1292.0). In this publication, industry relates to the predominant activity of the organisation as

recorded on the ABS's Business Register.

Interest and dividend income

Includes interest from deposits in banks and from loans and dividends received from shares.

Insurance expenses

Includes optional third-party and comprehensive motor vehicle insurance premiums, fire, general, accident and public liability premiums, directors' liability and professional indemnity insurance premiums.

Labour costs

These include wages and salaries, provision expenses for employee entitlements, employer contributions to superannuation and workers' compensation costs.

Membership/affiliation fees or levies

This item includes income received from both individuals and organisational/corporate members.

Non-current assets

Is the book value of non-current assets at the end of the financial year. These are assets of a long term (longer than 12 months) nature and include property, plant and machinery needed for normal operations, capitalised interest, and goodwill.

Non-current liabilities

Is the book value of non-current liabilities as at the end of the financial year. These are liabilities that are not due within the next financial period and include bank loans, debentures, and unsecured notes.

Non-government funding

Includes allocations from related organisations, grants and corporate sponsorship.

'Not for profit' organisations

This item refers to organisations whose status does not permit them to be a source of income, profit or other financial gain for the units that establish, control or finance them.

Organisations at end June

This is a count of management units operating at the end of June. A management unit is the highest level accounting unit within an organisation, having regard for industry homogeneity, for which accounts are maintained. (Refer to paragraph 4 of the Explanatory Notes for further information regarding management units.)

Other income

This item includes other non-operating income namely net profit (loss) on sales of fixed tangible assets.

Other operating expenses

This includes fringe benefit, payroll and land taxes, bank charges, electricity, gas and water charges, motor vehicle running expenses, postal and courier services, repair and maintenance expenses, audit and other accounting expenses, legal expenses, printing and stationery expenses, payments for staff training services, travelling, accommodation and entertainment expenses, payments for cleaning services and waste management and environmental protection expenses, rent, leasing and hiring expenses.

Payments of membership/affiliation fees or levies

Includes payments to organisations/peak bodies to which the organisation may be affiliated.

Part-time employees

Part-time employees are those who work less than 35 hours per week.

Part-time employees in terms of full-time equivalents (FTE) Involves converting total number of hours worked during the last pay period by all part-time/casual employees to the FTE hours as determined by the organisation's award rate.

Purchases

Includes purchases of materials, components, containers and packaging materials together with any purchases of goods for resale.

Rent, leasing and hiring income

This is revenue derived from the ownership of land, buildings, vehicles, machinery or equipment rented out for use by those other than the owners.

Sales of goods and income from services

This includes income from the sales of goods and the provision of services, income from conferences, seminars, consultancy fees and training courses.

Volunteers and unpaid workers

Volunteers are persons providing services without monetary payment or in kind. Included in this category are the volunteer component of boards of management, fundraising committee members and auxiliary members and workers not paid with the organisation's funds. Reimbursement of any costs incurred is not deemed to be paid work.

Wages and salaries

This item includes severance, termination and redundancy payments and provision expenses for employee entitlements.

Workers' compensation costs

These include insurance premiums/levies and non-payroll costs incurred by an organisation and not reimbursed by an insurance company.

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