

# **LABOUR COSTS**

**AUSTRALIA**

EMBARGO: 11:30AM (CANBERRA TIME) THURS 2 JULY 1998

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- For further information about these and related statistics, contact Ken Clarke on Perth 08 9360 5141, or any ABS office shown on the back cover of this publication.

## NOTES

### CHANGES IN THIS ISSUE

The format and tables in this issue have been revised in accordance with changes in Australian Bureau of Statistics (ABS) publication standards.

Compared with the 1993–94 publication, Public sector employer size data have been omitted along with superannuation coverage data for all employer size, public institutional sector and level of government.



### REVISIONS

There have been extensive adjustments to the private sector series in this publication. Detailed investigations have revealed that a large number of mainly small businesses which should be on the ABS Business Register are not there. As well as the omissions there are considerable lags in processing new businesses on to the Register. This has resulted in revisions of labour costs series for previously published 1993–94 estimates. Refer to paragraphs 25–27 of the Explanatory Notes.

Revisions to 1993–94 data have also incorporated minor amendments to some of the original data provided by respondents.



### NOTES ON ESTIMATES

Data for 1993–94 and 1996–97 appear in this publication, but care should be taken when assessing movements in published data between these two periods. This is due to the fact that, although a similar methodology is used from one year's survey to the next, an independent sample is selected for each reference period.



### SUPERANNUATION AND WORKERS' COMPENSATION

Public sector superannuation and workers' compensation payments funded directly from consolidated funds of the Commonwealth, States and Territories have been excluded from the labour cost items superannuation and workers' compensation. Estimates of net expenditure on superannuation by general government are shown separately in Appendix 1. Estimates of workers' compensation payments funded directly from consolidated funds are shown separately in Appendix 2.



### SAMPLING ERRORS

For information on sampling errors, see the Technical Notes on page 32 of this publication.

T. J. Skinner  
Acting Australian Statistician

## SUMMARY OF FINDINGS

### OVERVIEW

The Major Labour Costs Survey collects data on the main costs incurred by employers as a consequence of employing labour. Estimates of labour costs are produced for the private and public sectors including: employee earnings; employer payments for superannuation; workers' compensation; payroll tax and fringe benefits tax. Estimates of total labour costs and costs per employee in this publication are provided by State, industry, sector and employer size. Detailed information on the concepts, methods and data items can be found in the Explanatory Notes.

In recent years employer-funded superannuation has become an integral part of labour costs. In particular, the Superannuation Guarantee Legislation, introduced in July 1992, ensures that employers make contributions on behalf of employees earning more than \$450 per month. The legislation has resulted in significant increases in both the value of contributions and the number of employees covered by employer superannuation.

For workers' compensation, the main increases were in New South Wales, where average premium rates increased during the period, and Queensland, where legislative changes occurred extending the employer's liability from the first day of injury only to the first five days.

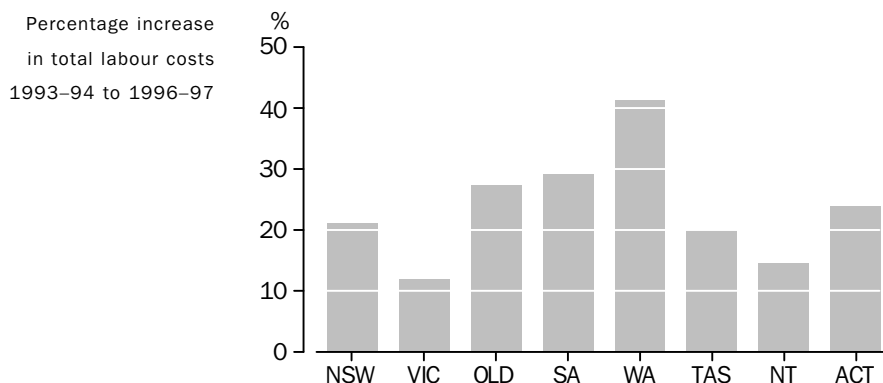
Variations in payroll tax can be attributed to changes in legislation where, for example, the point at which organisations become liable for tax may have increased but to a lesser extent than the increase in those components of earnings on which tax is applied. In some States and Territories the threshold for payroll tax did not increase at all between 1993–94 and 1996–97 and in most States and Territories the tax rate decreased slightly. Other factors affecting movements in payroll tax are changes in the structure and size of employing units.

Although fringe benefits tax remains the smallest component of total labour costs, it has increased significantly since 1993–94. This is due to growth in the provision of fringe benefits to employees as part of salary packaging.

### TOTAL COSTS

Total labour costs have risen 21.9% in the three years since 1993–94, increasing from \$202,378.9 million to \$246,627.1 million. The increase has been primarily in the private sector, where total labour costs have increased by 33.2% to \$181,463.4 million. Total labour costs in the public sector decreased slightly from \$66,096.9 million to \$65,163.7 million. This was largely caused by the privatisation of public trading and public financial enterprises in recent years. The main industries affected by the privatisations in the public sector were Finance and insurance with a fall of \$2,502.6 million (84.2%), Transport and storage, down \$1,925.4 million (32.8%) and Electricity, gas and water supply, down \$1,408.4 million (31.1%).

Of the States and Territories, Western Australia had the largest percentage increase in total labour costs (41.3% to \$24,215.5 million). Victoria had the smallest percentage increase (11.9%).



## SUMMARY OF FINDINGS

### COSTS PER EMPLOYEE

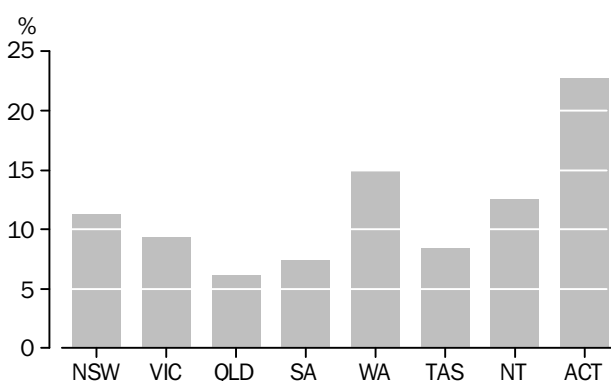
Total labour costs per employee increased from \$32,259 to \$35,435 (9.8%). Earnings per employee increased by \$2,340 and other costs by \$836. However, with the exception of payroll tax, the components of other costs per employee have increased at a greater rate than earnings. In particular, the cost per employee of fringe benefits tax increased by 66.7% during the three years, from \$237 to \$395 and both superannuation and workers' compensation increased significantly (27.3% and 22.3% respectively). See the table below.

	1993-94	1996-97	Change
	\$	\$	%
Earnings	28 530	30 870	8.2
Other labour costs	3 729	4 565	22.4
Superannuation	1 800	2 291	27.3
Payroll tax	1 104	1 160	5.1
Workers' compensation	588	719	22.3
Fringe benefits tax	237	395	66.7
<b>Total labour costs</b>	<b>32 259</b>	<b>35 435</b>	<b>9.8</b>

Private sector total labour costs per employee increased by 12.0% over the three-year period to 1996-97. In the public sector, the increase was 11.0%. Both earnings and other labour costs per employee increased at a greater rate in the private sector (10.2% and 26.3% respectively) than in the public sector (9.3% and 22.8% respectively).

Total labour costs per employee were highest in the Australian Capital Territory at \$43,543 (rising 22.7% since 1993-94) and lowest in Queensland at \$31,139 (rising 6.1% since 1993-94). The rise is due not only to increased earnings per employee in both the private and public sectors, but also a rise in employer superannuation contributions.

Percentage increase in total labour costs per employee 1993-94 to 1996-97



The Mining industry continued to have the highest total labour costs per employee of \$79,870 in 1996-97, a rise of 20.6%. Retail trade and Accommodation, cafes and restaurants recorded the lowest total labour costs per employee at \$19,758 and \$20,089 respectively. These industries tend to have a higher proportion of part-time and junior employees resulting in lower labour costs per employee.

The Cultural and recreational services industry recorded the largest percentage increase of 58.6%. The smallest percentage increase of 1.4% was in Education.

## SUMMARY OF FINDINGS

### EARNINGS AND OTHER LABOUR COSTS

Earnings increased by 20.0% for Australia over the period rising from \$178,984.2 million in 1993–94 to \$214,855.2 million in 1996–97. However, when expressed as a percentage of total labour costs, earnings comprised 87.1%, down from 88.4% in 1993–94. In the private sector earnings increased 31.0% from \$121,055.6 million to \$158,597.1 million. In the public sector, total earnings decreased 2.9% from \$57,928.6 million to \$56,258.1 million, due mainly to privatisation of some organisations. Of the States and Territories, Western Australia had the largest percentage increase in earnings of 39.3% from \$15,472.4 million to \$21,546.7 million and Victoria the lowest of 10.8% from \$47,561.3 million to \$52,714.1 million.

The other components of labour costs comprise 12.9% of total labour costs, (11.6% in 1993–94). Increases in employer superannuation contributions, workers' compensation and fringe benefits tax accounted for the changes in the composition of other labour costs (see table below). In the private sector other labour costs increased significantly more than in the public sector (50.2% and 9.0% respectively).

	PRIVATE SECTOR..		PUBLIC SECTOR...		PRIVATE AND PUBLIC	
	1993–94	1996–97	1993–94	1996–97	1993–94	1996–97
	%	%	%	%	%	%
Earnings	88.8	87.4	87.6	86.3	88.4	87.1
Other labour costs	11.2	12.6	12.4	13.7	11.6	12.9
Superannuation	4.9	5.9	6.9	8.1	5.6	6.5
Payroll tax	3.5	3.3	3.3	3.2	3.4	3.3
Workers' compensation	1.9	2.1	1.7	1.9	1.8	2.0
Fringe benefits tax	0.9	1.3	0.4	0.5	0.7	1.1
<b>Total labour costs</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

### SUPERANNUATION

There have been significant increases in both private and public sector superannuation in recent years. These increases can be attributed, in part, to the effect of the Superannuation Guarantee Legislation which has ensured that most employees, particularly the lower paid and those employed by smaller organisations, now have a degree of employer-funded superannuation. Other contributing factors include the increased incidence of employee salary sacrificing into employer funded superannuation, and increased employer contributions as part of workplace agreements. A significant component of the public sector increase in 1996–97 is due to individual Commonwealth general government organisations recording regular employer superannuation contributions in their budgets in respect of unfunded schemes. In the 1993–94 survey, individual Commonwealth general government agencies did not report these costs in respect of unfunded superannuation schemes, as they were not recorded in agency budgets.

The value of employer superannuation contributions increased by 41.2% since 1993–94, from \$11,295.0 million to \$15,948.6 million. On average, a sum of \$2,291 for every employee in the workforce was paid as superannuation contributions by employers in 1996–97, an increase of 27.3% since 1993–94.

In the public sector, employer superannuation comprised 8.1% of total labour costs compared to 6.9% in 1993–94. Superannuation in the private sector increased from 4.9% of total labour costs in 1993–94 to 5.9% in 1996–97.

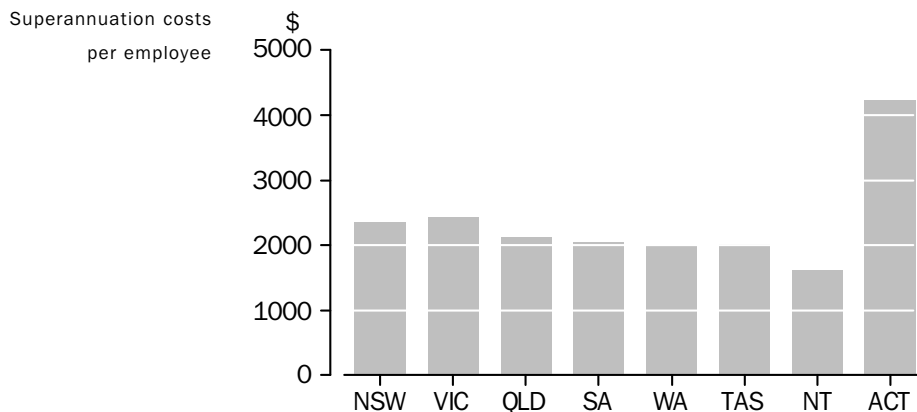
## SUMMARY OF FINDINGS

Those industries that have the largest superannuation contributions (expressed as a percentage of total labour costs) are: Government administration and defence (9.1%); Communication services (7.8%) and Education (7.8%).

Superannuation costs per employee in the public sector increased by 30.1% from \$2,744 to \$3,569, compared to the private sector increase of 33.3% from \$1,461 to \$1,948.

The following industries reported high levels of superannuation contributions per employee: Mining (\$4,407); Electricity, gas and water supply (\$4,234); Communication services (\$4,142) and Government administration and defence (\$3,943).

The graph below shows that superannuation costs per employee in the Australian Capital Territory are significantly higher than other States/Territories. The difference is due to the high average employer superannuation contribution in the public sector of \$6,457 per employee, based on higher average earnings per employee and the significant number of public sector employees based in the Australian Capital Territory.



Approximately 91.4% of all employees were covered by employer funded superannuation. While there have been some variation at the sector, State and industry levels, the coverage rate in 1996–97 does not differ significantly from that of 1993–94.

### WORKERS' COMPENSATION

At \$5,001.9 million, total workers' compensation costs in 1996–97 represented an increase of 35.6% since 1993–94. The largest increases in workers' compensation total costs by industry between 1993–94 and 1996–97 were recorded in: Property and business services (86.3% from \$175.4 million to \$326.5 million); Accommodation, cafes and restaurants (74.1% from \$99.2 million to \$172.7 million); Cultural and recreational services (65.4% from \$42.2 million to \$69.8 million); Education (64.4% from \$166.8 million to \$274.3 million); and Wholesale trade (61.7% from \$227.5 million to \$367.8 million). The only decrease was recorded in the Electricity, gas and water supply industry (12.5% from \$107.0 million in 1993–94 to \$93.6 million in 1996–97) reflecting a decrease in employment.

Workers' compensation costs per employee rose by 22.3% to \$719. Both the public and private sectors had similar rates of increase (24.7% and 23.2% respectively). However, private sector costs per employee (\$684) were less than those of the public sector (\$848).

The largest increases in workers' compensation costs per employee by industry between 1993–94 and 1996–97 were recorded in Property and business services (57.0% from \$272 per employee to \$427 per employee); Cultural and recreational services (56.6% from \$256 per employee to \$401 per employee) and Accommodation, cafes and restaurants (55.2% from \$290 per employee to \$450 per employee). The only decrease was recorded in the Transport and storage industry (1.2% from \$1,198 per employee in 1993–94 to \$1,184 per employee in 1996–97).

## SUMMARY OF FINDINGS

### PAYROLL TAX

At the Australian level, total payroll tax paid by employers increased by 16.6%. This is slightly lower than the 20.0% increase in earnings.

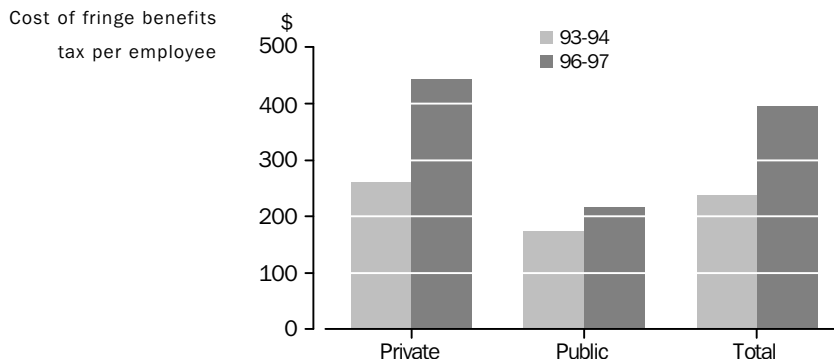
Tasmania had the largest percentage increase in payroll tax costs, an increase of \$47.3 million, or 36.0%, to \$178.6 million. Victoria, at 5.9%, had the smallest increase from \$2,016.6 million to \$2,136.1 million.

New South Wales had the highest costs per employee at \$1,420, an increase of 10.6% since 1993–94 and Australian Capital Territory the lowest at \$690. The largest percentage increase in payroll tax costs per employee was recorded by Northern Territory (27.0%). Estimates of payroll tax per employee are based on all employees rather than the employees of businesses that pay payroll tax.

In the private sector, payroll tax costs increased between 1993–94 and 1996–97 by 26.9% to \$5,997.4 million, while in the public sector costs decreased by 5.5% to \$2,076.9 million. The decrease in the public sector was largely due to privatisation of some organisations. Public sector payroll tax costs per employee (\$1,409) were higher than in the private sector (\$1,093).

### FRINGE BENEFITS TAX

The total fringe benefits tax paid in 1996–97 increased 84.6% to \$2,747.2 million and costs per employee increased to \$395 (66.7%). All States and Territories had significant increases in total costs with the largest being Western Australia which rose 129.1% to \$268.1 million. Victoria had the smallest increase, rising by \$226.4 million to \$655.2 million (52.8%). Fringe benefits tax paid in the private sector rose 102.3% which is significantly higher than in the public sector (10.9%). There were also marked differences between the average fringe benefits tax per employee in the private sector (\$443) and in the public sector (\$216).



Fringe benefits tax made up 1.1% of the total labour costs across all industries. The industries that recorded a fringe benefits tax of 2% or more of total labour costs were: Finance and insurance (4.1%), Mining (2.0%) and Wholesale trade (2.0%).

# LABOUR COSTS, States and Territories

<i>Labour cost</i>	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Australia</i>
TOTAL COSTS (\$m)									
<b>Earnings</b>									
1993-94	65 899.5	47 561.3	27 382.1	12 581.3	15 472.4	3 717.0	1 983.4	4 387.2	178 984.2
1996-97	78 156.1	52 714.1	34 613.0	16 078.9	21 546.7	4 347.2	2 223.1	5 176.0	214 855.2
<b>Other labour costs</b>									
Superannuation(a)									
1993-94	4 099.4	3 050.7	2 000.6	813.5	761.2	226.5	71.1	272.0	11 295.0
1996-97	5 657.4	4 092.7	2 671.8	1 148.7	1 357.2	324.9	112.0	583.9	15 948.6
Payroll tax									
1993-94	2 828.6	2 016.6	877.2	445.6	470.5	131.3	71.2	83.2	6 924.1
1996-97	3 404.8	2 136.1	994.5	555.7	617.4	178.6	91.9	95.3	8 074.3
Workers' compensation(b)									
1993-94	1 284.6	1 113.2	413.0	346.1	316.5	98.4	33.1	83.1	3 687.8
1996-97	2 057.5	1 018.7	731.5	479.3	426.0	144.2	34.0	110.6	5 001.9
Fringe benefits tax									
1993-94	640.0	428.8	171.8	68.8	117.0	14.4	17.8	29.2	1 487.8
1996-97	1 268.7	655.2	297.9	150.0	268.1	27.5	30.8	48.9	2 747.2
<i>Total</i>									
1993-94	8 852.6	6 609.2	3 462.6	1 673.9	1 665.2	470.6	193.2	467.5	23 394.7
1996-97	12 388.4	7 902.7	4 695.7	2 333.6	2 668.8	675.3	268.7	838.8	31 771.9
<b>Total labour costs</b>									
<b>1993-94</b>	<b>74 752.1</b>	<b>54 170.6</b>	<b>30 844.6</b>	<b>14 255.2</b>	<b>17 137.5</b>	<b>4 187.6</b>	<b>2 176.5</b>	<b>4 854.7</b>	<b>202 378.9</b>
<b>1996-97</b>	<b>90 544.5</b>	<b>60 616.7</b>	<b>39 308.7</b>	<b>18 412.5</b>	<b>24 215.5</b>	<b>5 022.5</b>	<b>2 491.9</b>	<b>6 014.8</b>	<b>246 627.1</b>
COSTS PER EMPLOYEE (\$)									
<b>Earnings</b>									
1993-94	29 915	28 930	26 060	26 958	27 679	25 590	29 102	32 076	28 530
1996-97	32 589	31 317	27 420	28 647	31 373	27 062	32 066	37 471	30 870
<b>Other labour costs</b>									
Superannuation(a)									
1993-94	1 861	1 856	1 904	1 743	1 362	1 559	1 044	1 988	1 800
1996-97	2 359	2 431	2 117	2 047	1 976	2 023	1 616	4 227	2 291
Payroll tax									
1993-94	1 284	1 227	835	955	842	904	1 044	609	1 104
1996-97	1 420	1 269	788	990	899	1 112	1 326	690	1 160
Workers' compensation(b)									
1993-94	583	677	393	742	566	677	486	607	588
1996-97	858	605	579	854	620	898	491	801	719
Fringe benefits tax									
1993-94	291	261	164	147	209	99	261	214	237
1996-97	529	389	236	267	390	171	444	354	395
<i>Total</i>									
1993-94	4 019	4 020	3 295	3 587	2 979	3 240	2 835	3 418	3 729
1996-97	5 166	4 695	3 720	4 158	3 886	4 204	3 876	6 072	4 565
<b>Total labour costs</b>									
<b>1993-94</b>	<b>33 933</b>	<b>32 950</b>	<b>29 355</b>	<b>30 545</b>	<b>30 658</b>	<b>28 830</b>	<b>31 937</b>	<b>35 494</b>	<b>32 259</b>
<b>1996-97</b>	<b>37 754</b>	<b>36 011</b>	<b>31 139</b>	<b>32 805</b>	<b>35 259</b>	<b>31 266</b>	<b>35 943</b>	<b>43 543</b>	<b>35 435</b>

(a) Costs funded directly from consolidated funds are shown in Appendix 1.

(b) Costs funded directly from consolidated funds are shown in Appendix 2.



LABOUR COSTS, Private Sector—States and Territories

<i>Labour cost</i>	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Australia</i>
TOTAL COSTS (\$m)									
<b>Earnings</b>									
1993–94	46 960.4	34 132.3	16 974.1	7 722.9	10 332.2	2 307.9	1 189.5	1 436.3	121 055.6
1996–97	59 320.5	40 410.3	25 002.0	11 841.6	15 935.9	2 868.9	1 354.4	1 863.4	158 597.1
<b>Other labour costs</b>									
Superannuation									
1993–94	2 835.7	1 787.4	954.9	384.3	520.6	132.3	49.7	75.7	6 740.4
1996–97	4 022.2	2 814.2	1 684.0	712.5	1 054.3	180.7	82.3	137.6	10 687.9
Payroll tax									
1993–94	1 957.4	1 464.2	493.1	266.8	370.0	87.6	35.5	50.9	4 725.5
1996–97	2 567.0	1 646.6	668.7	380.0	517.8	107.7	51.0	58.5	5 997.4
Workers' compensation									
1993–94	935.2	771.9	274.5	233.7	228.7	65.9	18.7	31.4	2 559.8
1996–97	1 549.3	794.5	546.7	378.2	328.4	89.7	20.8	44.7	3 752.2
Fringe benefits tax									
1993–94	544.2	363.2	117.7	45.3	100.9	10.2	8.1	* 11.1	1 200.7
1996–97	1 170.1	590.2	244.7	130.5	231.6	20.2	18.5	23.2	2 429.0
<i>Total</i>									
1993–94	6 272.5	4 386.7	1 840.2	930.0	1 220.1	296.1	111.9	169.0	15 226.4
1996–97	9 308.5	5 845.4	3 144.1	1 601.1	2 132.1	398.4	172.7	264.0	22 866.4
<b>Total labour costs</b>									
<b>1993–94</b>	<b>53 232.9</b>	<b>38 519.0</b>	<b>18 814.3</b>	<b>8 652.9</b>	<b>11 552.3</b>	<b>2 604.0</b>	<b>1 301.4</b>	<b>1 605.3</b>	<b>136 282.0</b>
<b>1996–97</b>	<b>68 629.1</b>	<b>46 255.8</b>	<b>28 146.1</b>	<b>13 442.8</b>	<b>18 068.0</b>	<b>3 267.2</b>	<b>1 527.1</b>	<b>2 127.4</b>	<b>181 463.4</b>
COSTS PER EMPLOYEE (\$)									
<b>Earnings</b>									
1993–94	27 882	26 940	23 829	23 460	25 227	22 761	25 176	22 851	26 237
1996–97	30 974	29 713	25 148	26 526	29 816	24 273	27 940	26 998	28 910
<b>Other labour costs</b>									
Superannuation									
1993–94	1 684	1 411	1 341	1 167	1 271	1 305	1 051	1 204	1 461
1996–97	2 100	2 069	1 694	1 596	1 973	1 529	1 698	1 994	1 948
Payroll tax									
1993–94	1 162	1 156	692	810	903	864	751	809	1 024
1996–97	1 340	1 211	673	851	969	912	1 053	848	1 093
Workers' compensation									
1993–94	555	609	385	710	558	650	396	499	555
1996–97	809	584	550	847	615	759	429	647	684
Fringe benefits tax									
1993–94	323	287	165	138	246	101	171	176	260
1996–97	611	434	246	292	433	171	382	336	443
<i>Total</i>									
1993–94	3 724	3 462	2 583	2 825	2 979	2 920	2 369	2 689	3 300
1996–97	4 860	4 298	3 163	3 587	3 989	3 371	3 562	3 825	4 168
<b>Total labour costs</b>									
<b>1993–94</b>	<b>31 606</b>	<b>30 402</b>	<b>26 413</b>	<b>26 285</b>	<b>28 206</b>	<b>25 681</b>	<b>27 544</b>	<b>25 539</b>	<b>29 538</b>
<b>1996–97</b>	<b>35 834</b>	<b>34 011</b>	<b>28 311</b>	<b>30 113</b>	<b>33 806</b>	<b>27 644</b>	<b>31 502</b>	<b>30 823</b>	<b>33 078</b>

# LABOUR COSTS, Public Sector—States and Territories

Labour cost	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Australia
TOTAL COSTS (\$m)									
<b>Earnings</b>									
1993–94	18 939.1	13 429.0	10 407.9	4 858.4	5 140.2	1 409.1	793.9	2 951.0	57 928.6
1996–97	18 835.6	12 303.7	9 611.0	4 237.3	5 610.8	1 478.4	868.7	3 312.6	56 258.1
<b>Other labour costs</b>									
Superannuation(a)									
1993–94	1 263.7	1 263.3	1 045.7	429.2	240.6	94.2	21.5	196.3	4 554.6
1996–97	1 635.2	1 278.5	987.8	436.2	302.9	144.2	29.7	446.3	5 260.7
Payroll tax									
1993–94	871.2	552.4	384.1	178.8	100.5	43.7	35.7	32.4	2 198.7
1996–97	837.8	489.6	325.8	175.7	99.6	70.8	40.9	36.8	2 076.9
Workers' compensation(b)									
1993–94	349.5	341.3	138.5	112.5	87.8	32.4	14.4	51.7	1 128.1
1996–97	508.3	224.2	184.7	101.2	97.6	54.6	13.2	65.9	1 249.7
Fringe benefits tax									
1993–94	95.8	65.6	* 54.1	23.4	16.1	4.2	9.7	18.1	287.1
1996–97	98.6	65.0	53.3	19.5	36.6	7.3	12.3	25.8	318.3
<b>Total</b>									
1993–94	2 580.1	2 222.5	1 622.5	743.9	445.0	174.5	81.3	298.5	8 168.3
1996–97	3 079.8	2 057.2	1 551.6	732.5	536.6	276.9	96.1	574.8	8 905.6
<b>Total labour costs</b>									
<b>1993–94</b>	<b>21 519.2</b>	<b>15 651.6</b>	<b>12 030.4</b>	<b>5 602.3</b>	<b>5 585.3</b>	<b>1 583.6</b>	<b>875.2</b>	<b>3 249.4</b>	<b>66 096.9</b>
<b>1996–97</b>	<b>21 915.4</b>	<b>14 360.9</b>	<b>11 162.6</b>	<b>4 969.8</b>	<b>6 147.5</b>	<b>1 755.3</b>	<b>964.8</b>	<b>3 887.4</b>	<b>65 163.7</b>
COSTS PER EMPLOYEE (\$)									
<b>Earnings</b>									
1993–94	36 518	35 618	30 754	35 332	34 399	32 130	37 975	39 920	34 903
1996–97	38 993	38 065	35 840	36 888	36 834	34 828	41 658	47 931	38 165
<b>Other labour costs</b>									
Superannuation(a)									
1993–94	2 437	3 351	3 090	3 121	1 610	2 148	1 028	2 656	2 744
1996–97	3 385	3 955	3 683	3 798	1 988	3 397	1 425	6 457	3 569
Payroll tax									
1993–94	1 680	1 465	1 135	1 300	673	996	1 707	438	1 325
1996–97	1 734	1 515	1 215	1 529	654	1 669	1 961	533	1 409
Workers' compensation(b)									
1993–94	674	905	409	818	588	740	690	699	680
1996–97	1 052	694	689	881	641	1 286	633	954	848
Fringe benefits tax									
1993–94	185	174	160	170	108	95	464	245	173
1996–97	204	201	199	169	240	172	590	373	216
<b>Total</b>									
1993–94	4 975	5 895	4 794	5 410	2 978	3 980	3 888	4 037	4 922
1996–97	6 376	6 365	5 786	6 377	3 523	6 524	4 608	8 317	6 042
<b>Total labour costs</b>									
<b>1993–94</b>	<b>41 493</b>	<b>41 513</b>	<b>35 548</b>	<b>40 742</b>	<b>37 378</b>	<b>36 110</b>	<b>41 863</b>	<b>43 958</b>	<b>39 825</b>
<b>1996–97</b>	<b>45 368</b>	<b>44 430</b>	<b>41 626</b>	<b>43 265</b>	<b>40 357</b>	<b>41 352</b>	<b>46 267</b>	<b>56 247</b>	<b>44 207</b>

(a) Costs funded directly from consolidated funds are shown in Appendix 1.

(b) Costs funded directly from consolidated funds are shown in Appendix 2.

# LABOUR COSTS AS A PERCENTAGE OF TOTAL, Sector—States and Territories

<i>Labour cost</i>	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Australia</i>
PRIVATE SECTOR (%)									
<b>Earnings</b>									
1993–94	88.2	88.6	90.2	89.3	89.4	88.6	91.4	89.5	88.8
1996–97	86.4	87.4	88.8	88.1	88.2	87.8	88.7	87.6	87.4
<b>Other labour costs</b>									
Superannuation									
1993–94	5.3	4.6	5.1	4.4	4.5	5.1	3.8	4.7	4.9
1996–97	5.9	6.1	6.0	5.3	5.8	5.5	5.4	6.5	5.9
Payroll tax									
1993–94	3.7	3.8	2.6	3.1	3.2	3.4	2.7	3.2	3.5
1996–97	3.7	3.6	2.4	2.8	2.9	3.3	3.3	2.8	3.3
Workers' compensation									
1993–94	1.8	2.0	1.5	2.7	2.0	2.5	1.4	2.0	1.9
1996–97	2.3	1.7	1.9	2.8	1.8	2.7	1.4	2.1	2.1
Fringe benefits tax									
1993–94	1.0	0.9	0.6	0.5	0.9	0.4	0.6	0.7	0.9
1996–97	1.7	1.3	0.9	1.0	1.3	0.6	1.2	1.1	1.3
<i>Total</i>									
1993–94	11.8	11.4	9.8	10.7	10.6	11.4	8.6	10.5	11.2
1996–97	13.6	12.6	11.2	11.9	11.8	12.2	11.3	12.4	12.6
<b>Total labour costs</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
PUBLIC SECTOR (%)									
<b>Earnings</b>									
1993–94	88.0	85.8	86.5	86.7	92.0	89.0	90.7	90.8	87.6
1996–97	85.9	85.7	86.1	85.3	91.3	84.2	90.0	85.2	86.3
<b>Other labour costs</b>									
Superannuation									
1993–94	5.9	8.1	8.7	7.7	4.3	5.9	2.5	6.0	6.9
1996–97	7.5	8.9	8.8	8.8	4.9	8.2	3.1	11.5	8.1
Payroll tax									
1993–94	4.0	3.5	3.2	3.2	1.8	2.8	4.1	1.0	3.3
1996–97	3.8	3.4	2.9	3.5	1.6	4.0	4.2	0.9	3.2
Workers' compensation									
1993–94	1.6	2.2	1.2	2.0	1.6	2.0	1.6	1.6	1.7
1996–97	2.3	1.6	1.7	2.0	1.6	3.1	1.4	1.7	1.9
Fringe benefits tax									
1993–94	0.4	0.4	0.5	0.4	0.3	0.3	1.1	0.6	0.4
1996–97	0.5	0.5	0.5	0.4	0.6	0.4	1.3	0.7	0.5
<i>Total</i>									
1993–94	12.0	14.2	13.5	13.3	8.0	11.0	9.3	9.2	12.4
1996–97	14.1	14.3	13.9	14.7	8.7	15.8	10.0	14.8	13.7
<b>Total labour costs</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

LABOUR COSTS AS A PERCENTAGE OF TOTAL, Sector—States & Territories *continued*

<i>Labour cost</i>	<i>New South Wales</i>	<i>Victoria</i>	<i>Queens- land</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Australia</i>
PRIVATE AND PUBLIC (%)									
<b>Earnings</b>									
1993–94	88.2	87.8	88.8	88.3	90.3	88.8	91.1	90.4	88.4
1996–97	86.3	87.0	88.1	87.3	89.0	86.6	89.2	86.1	87.1
<b>Other labour costs</b>									
Superannuation									
1993–94	5.5	5.6	6.5	5.7	4.4	5.4	3.3	5.6	5.6
1996–97	6.2	6.8	6.8	6.2	5.6	6.5	4.5	9.7	6.5
Payroll tax									
1993–94	3.8	3.7	2.8	3.1	2.7	3.1	3.3	1.7	3.4
1996–97	3.8	3.5	2.5	3.0	2.5	3.6	3.7	1.6	3.3
Workers' compensation									
1993–94	1.7	2.1	1.3	2.4	1.8	2.3	1.5	1.7	1.8
1996–97	2.3	1.7	1.9	2.6	1.8	2.9	1.4	1.8	2.0
Fringe benefits tax									
1993–94	0.9	0.8	0.6	0.5	0.7	0.3	0.8	0.6	0.7
1996–97	1.4	1.1	0.8	0.8	1.1	0.5	1.2	0.8	1.1
<i>Total</i>									
1993–94	11.8	12.2	11.2	11.7	9.7	11.2	8.9	9.6	11.6
1996–97	13.7	13.0	11.9	12.7	11.0	13.4	10.8	13.9	12.9
<b>Total labour costs</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

# LABOUR COSTS, Industry

EARNINGS..... OTHER LABOUR COSTS.....

	Total	As % of total labour costs	Super- annuation(a)	Payroll tax	Workers' compen- sation(b)	Fringe benefits tax	Total	As % of total labour costs	Total labour costs
Industry	\$m	%	\$m	\$m	\$m	\$m	\$m	%	\$m
TOTAL COSTS									
<b>Mining</b>									
1993-94	3 714.3	86.0	232.1	201.4	107.9	62.3	603.8	14.0	4 318.0
1996-97	5 438.9	85.2	352.1	301.1	158.8	130.0	941.9	14.8	6 380.8
<b>Manufacturing</b>									
1993-94	29 504.8	87.7	1 488.2	1 474.4	980.7	190.6	4 133.9	12.3	33 638.7
1996-97	33 542.9	85.8	2 184.5	1 707.9	1 208.1	465.7	5 566.2	14.2	39 109.1
<b>Electricity, gas and water supply</b>									
1993-94	3 903.4	84.0	395.9	216.0	107.0	22.8	741.7	16.0	4 645.1
1996-97	3 191.7	84.8	265.4	176.3	93.6	36.9	572.2	15.2	3 763.9
<b>Construction</b>									
1993-94	8 189.3	87.7	522.2	286.8	287.3	51.4	1 147.7	12.3	9 337.0
1996-97	11 366.5	87.6	797.8	274.2	454.1	81.5	1 607.7	12.4	12 974.2
<b>Wholesale trade</b>									
1993-94	13 537.6	88.4	785.2	553.4	227.5	206.3	1 772.3	11.6	15 309.9
1996-97	17 337.7	86.4	1 260.6	683.1	367.8	409.0	2 720.6	13.6	20 058.3
<b>Retail trade</b>									
1993-94	15 287.4	90.4	658.0	608.8	276.6	71.3	1 614.6	9.6	16 902.1
1996-97	18 018.1	89.1	1 069.9	605.9	384.3	137.5	2 197.6	10.9	20 215.7
<b>Accommodation, cafes and restaurants</b>									
1993-94	5 740.3	91.0	274.1	177.0	99.2	20.0	570.3	9.0	6 310.6
1996-97	6 926.3	89.9	376.1	198.9	172.7	29.2	776.9	10.1	7 703.1
<b>Transport and storage</b>									
1993-94	9 825.6	84.1	968.2	498.5	321.5	63.4	1 851.5	15.9	11 677.1
1996-97	12 038.6	86.0	872.8	579.4	363.6	142.5	1 958.3	14.0	13 996.9
<b>Communication services</b>									
1993-94	4 836.1	85.4	453.2	281.9	70.9	23.9	829.8	14.6	5 666.0
1996-97	5 787.5	84.7	533.1	365.7	82.0	61.7	1 042.5	15.3	6 829.9
<b>Finance and insurance</b>									
1993-94	11 047.3	86.0	731.2	620.9	63.3	387.2	1 802.6	14.0	12 849.9
1996-97	12 064.5	86.0	627.7	686.7	68.8	575.1	1 958.3	14.0	14 022.8
<b>Property and business services</b>									
1993-94	18 422.6	89.6	1 210.5	558.8	175.4	* 188.7	2 133.3	10.4	20 556.0
1996-97	23 852.7	87.6	1 923.2	751.4	326.5	375.4	3 376.6	12.4	27 229.2
<b>Government administration and defence</b>									
1993-94	13 259.1	88.7	1 053.2	278.7	270.4	93.1	1 695.3	11.3	14 954.4
1996-97	13 553.1	86.8	1 428.1	226.5	297.6	114.4	2 066.5	13.2	15 619.6
<b>Education</b>									
1993-94	15 081.4	89.1	933.4	700.3	166.8	38.6	1 839.1	10.9	16 920.5
1996-97	18 699.7	86.8	1 685.2	823.9	274.3	65.2	2 848.5	13.2	21 548.2
<b>Health and community services</b>									
1993-94	17 034.8	91.9	1 008.9	128.1	349.6	14.4	1 501.0	8.1	18 535.8
1996-97	20 344.1	89.9	1 602.3	201.9	465.4	20.3	2 289.9	10.1	22 634.0
<b>Cultural and recreational services</b>									
1993-94	2 857.0	90.2	163.4	86.0	42.2	* 19.3	310.9	9.8	3 167.9
1996-97	4 686.7	88.4	314.8	184.3	69.8	47.9	616.9	11.6	5 303.6
<b>Personal and other services</b>									
1993-94	6 743.0	88.8	417.3	253.3	141.7	34.7	846.9	11.2	7 589.9
1996-97	8 006.2	86.7	654.9	307.1	214.5	55.0	1 231.5	13.3	9 237.7
<b>All industries</b>									
1993-94	178 984.2	88.4	11 295.0	6 924.1	3 687.8	1 487.8	23 394.7	11.6	202 378.9
1996-97	214 855.2	87.1	15 948.6	8 074.3	5 001.9	2 747.2	31 771.9	12.9	246 627.1

(a) Costs funded directly from consolidated funds are shown in Appendix 1.

(b) Costs funded directly from consolidated funds are shown in Appendix 2.

## LABOUR COSTS, Private Sector—Industry

EARNINGS..... OTHER LABOUR COSTS.....

	<i>Earnings</i>	<i>As % of total labour costs</i>	<i>Super- annuation</i>	<i>Payroll tax</i>	<i>Workers' compen- sation</i>	<i>Fringe benefits tax</i>	<i>Total</i>	<i>As % of total labour costs</i>	<i>Total labour costs</i>
<i>Industry</i>	\$m	%	\$m	\$m	\$m	\$m	\$m	%	\$m
TOTAL COSTS									
<b>Mining</b>									
1993-94	3 580.1	86.2	214.9	192.5	101.7	62.0	571.0	13.8	4 151.1
1996-97	5 312.3	85.4	338.1	292.4	151.5	129.7	911.7	14.6	6 224.0
<b>Manufacturing</b>									
1993-94	29 051.2	87.7	1 463.2	1 454.5	962.8	189.4	4 070.0	12.3	33 121.2
1996-97	33 343.7	85.8	2 168.7	1 694.8	1 199.3	462.5	5 525.3	14.2	38 869.0
<b>Electricity, gas and water supply</b>									
1993-94	99.4	85.0	9.7	5.5	1.6	0.8	17.6	15.0	117.0
1996-97	550.9	85.5	40.1	33.0	9.8	10.4	93.2	14.5	644.1
<b>Construction</b>									
1993-94	7 374.8	88.1	435.4	255.2	258.4	47.6	996.6	11.9	8 371.4
1996-97	10 778.6	87.8	739.5	244.3	441.0	77.8	1 502.5	12.2	12 281.2
<b>Wholesale trade</b>									
1993-94	13 429.9	88.4	778.4	547.4	226.2	203.7	1 755.6	11.6	15 185.5
1996-97	17 315.7	86.4	1 258.9	682.3	367.4	408.0	2 716.5	13.6	20 032.2
<b>Retail trade</b>									
1993-94	15 278.3	90.4	657.4	608.4	276.5	71.3	1 613.6	9.6	16 891.9
1996-97	18 012.3	89.1	1 069.3	605.6	384.2	137.4	2 196.4	10.9	20 208.7
<b>Accommodation, cafes and restaurants</b>									
1993-94	5 721.8	91.0	273.0	175.9	98.6	19.9	567.4	9.0	6 289.2
1996-97	6 914.1	89.9	375.5	198.7	172.6	28.7	775.4	10.1	7 689.5
<b>Transport and storage</b>									
1993-94	5 080.3	87.5	286.3	234.9	170.4	37.1	728.8	12.5	5 809.0
1996-97	8 710.2	86.6	560.3	393.9	270.1	119.6	1 343.9	13.4	10 054.2
<b>Communication services</b>									
1993-94	247.8	90.5	12.9	6.7	4.0	2.4	26.0	9.5	273.8
1996-97	587.4	85.1	52.9	34.7	5.5	9.6	102.7	14.9	690.1
<b>Finance and insurance</b>									
1993-94	8 528.7	86.3	530.3	459.0	40.6	319.1	1 348.9	13.7	9 877.7
1996-97	11 665.7	86.1	595.2	664.1	65.1	562.9	1 887.4	13.9	13 553.0
<b>Property and business services</b>									
1993-94	16 558.5	89.7	1 053.1	515.6	157.0	* 179.5	1 905.1	10.3	18 463.6
1996-97	22 655.5	87.7	1 781.3	731.6	299.0	365.1	3 177.0	12.3	25 832.5
<b>Education</b>									
1993-94	2 654.3	92.8	149.7	** 15.9	22.6	* 19.1	207.3	7.2	2 861.6
1996-97	4 467.2	91.9	305.5	* 5.0	50.9	* 30.5	391.8	8.1	4 859.0
<b>Health and community services</b>									
1993-94	7 705.5	90.9	528.7	88.0	142.2	* 11.0	769.8	9.1	8 475.3
1996-97	10 278.2	89.2	906.0	137.0	189.6	* 14.2	1 246.8	10.8	11 525.0
<b>Cultural and recreational services</b>									
1993-94	1 901.1	90.2	107.3	58.9	26.2	* 15.0	207.3	9.8	2 108.3
1996-97	3 400.4	88.4	205.4	* 152.3	51.4	38.5	447.6	11.6	3 848.0
<b>Personal and other services</b>									
1993-94	3 843.8	89.7	* 240.3	* 107.2	71.2	* 22.9	441.6	10.3	4 285.4
1996-97	4 604.8	89.4	291.2	* 127.9	* 94.9	* 34.2	548.2	10.6	5 153.0
<b>All industries</b>									
1993-94	121 055.6	88.8	6 740.4	4 725.5	2 559.8	1 200.7	15 226.4	11.2	136 282.0
1996-97	158 597.1	87.4	10 687.9	5 997.4	3 752.2	2 429.0	22 866.4	12.6	181 463.4

## LABOUR COSTS, Public Sector—Industry

EARNINGS..... OTHER LABOUR COSTS.....

	Earnings	As % of total labour costs	Super- annuation(a)	Payroll tax	Workers' compen- sation(b)	Fringe benefits tax	Total	As % of total labour costs	Total labour costs
Industry	\$m	%	\$m	\$m	\$m	\$m	\$m	%	\$m
TOTAL COSTS									
<b>Electricity, gas and water supply</b>									
1993-94	3 804.0	84.0	386.3	210.5	105.3	22.0	724.1	16.0	4 528.2
1996-97	2 640.8	84.6	225.3	143.4	83.8	26.5	479.0	15.4	3 119.8
<b>Construction</b>									
1993-94	814.5	84.4	86.8	31.6	28.9	3.8	151.1	15.6	965.6
1996-97	587.9	84.8	58.4	29.9	13.2	3.7	105.2	15.2	693.1
<b>Transport and storage</b>									
1993-94	4 745.3	80.9	681.9	263.6	151.1	26.2	1 122.8	19.1	5 868.1
1996-97	3 328.4	84.4	312.5	185.5	93.5	22.9	614.4	15.6	3 942.7
<b>Communication services</b>									
1993-94	4 588.3	85.1	440.2	275.2	67.0	21.4	803.9	14.9	5 392.2
1996-97	5 200.0	84.7	480.2	331.0	76.5	52.1	939.8	15.3	6 139.9
<b>Finance and insurance</b>									
1993-94	2 518.6	84.7	201.0	161.9	22.7	68.1	453.7	15.3	2 972.3
1996-97	* 398.8	84.9	32.5	* 22.6	3.7	* 12.2	* 70.9	15.1	* 469.7
<b>Property and business services</b>									
1993-94	1 864.1	89.1	157.4	43.2	18.4	9.2	228.2	10.9	2 092.4
1996-97	1 197.2	85.7	141.9	19.9	27.5	10.4	199.6	14.3	1 396.8
<b>Government administration and defence</b>									
1993-94	13 259.1	88.7	1 053.2	278.7	270.4	93.1	1 695.3	11.3	14 954.4
1996-97	13 553.1	86.8	1 428.1	226.5	297.6	114.4	2 066.5	13.2	15 619.6
<b>Education</b>									
1993-94	12 427.1	88.4	783.7	684.4	144.3	19.5	1 631.8	11.6	14 058.9
1996-97	14 232.5	85.3	1 379.7	818.9	223.4	34.7	2 456.7	14.7	16 689.2
<b>Health and community services</b>									
1993-94	9 329.3	92.7	480.2	40.2	207.4	3.4	731.2	7.3	10 060.4
1996-97	10 065.9	90.6	696.3	64.9	275.8	6.1	1 043.0	9.4	11 108.9
<b>Cultural and recreational services</b>									
1993-94	955.9	90.2	56.1	27.1	16.0	4.4	103.7	9.8	1 059.6
1996-97	1 286.3	88.4	109.5	32.0	18.4	9.4	169.3	11.6	1 455.6
<b>Personal and other services</b>									
1993-94	2 899.2	87.7	177.0	146.1	70.5	11.7	405.3	12.3	3 304.5
1996-97	3 401.3	83.3	363.8	179.1	119.6	20.8	683.4	16.7	4 084.7
<b>All industries (c)</b>									
1993-94	57 928.6	87.6	4 554.6	2 198.7	1 128.1	287.0	8 168.3	12.4	66 096.9
1996-97	56 258.1	86.3	5 260.7	2 076.9	1 249.7	318.3	8 905.6	13.7	65 163.7

(a) Costs funded directly from consolidated funds are shown in Appendix 1.

(b) Costs funded directly from consolidated funds are shown in Appendix 2.

(c) Includes Mining, Manufacturing, Wholesale trade, Retail trade and Accommodation, cafes and restaurants.

# LABOUR COSTS PER EMPLOYEE, Industry

## OTHER LABOUR COSTS.....

Industry	Earnings	Super- annuation(a)	Payroll tax	Workers' compen- sation(b)	Fringe benefits tax	Total	Total labour costs
(\$)							
<b>Mining</b>							
1993-94	56 988	3 561	3 090	1 656	956	9 264	66 252
1996-97	68 080	4 407	3 768	1 987	1 628	11 790	79 870
<b>Manufacturing</b>							
1993-94	31 658	1 597	1 582	1 052	204	4 436	36 094
1996-97	34 479	2 245	1 756	1 242	479	5 722	40 200
<b>Electricity, gas and water supply</b>							
1993-94	43 071	4 369	2 383	1 180	252	8 184	51 255
1996-97	50 926	4 234	2 814	1 493	588	9 130	60 056
<b>Construction</b>							
1993-94	30 184	1 925	1 057	1 059	189	4 230	34 414
1996-97	32 585	2 287	786	1 302	234	4 609	37 194
<b>Wholesale trade</b>							
1993-94	32 501	1 885	1 328	546	495	4 255	36 756
1996-97	36 099	2 625	1 422	766	852	5 665	41 764
<b>Retail trade</b>							
1993-94	17 360	747	691	314	81	1 833	19 193
1996-97	17 610	1 046	592	376	134	2 148	19 758
<b>Accommodation, cafes and restaurants</b>							
1993-94	16 774	801	517	290	58	1 666	18 440
1996-97	18 063	981	519	450	76	2 026	20 089
<b>Transport and storage</b>							
1993-94	36 606	3 607	1 857	1 198	236	6 898	43 504
1996-97	39 204	2 842	1 887	1 184	464	6 377	45 582
<b>Communication services</b>							
1993-94	41 913	3 927	2 443	615	207	7 192	49 105
1996-97	44 965	4 142	2 841	637	479	8 099	53 065
<b>Finance and insurance</b>							
1993-94	37 301	2 469	2 096	214	1 307	6 086	43 387
1996-97	44 613	2 321	2 539	254	2 127	7 241	51 854
<b>Property and business services</b>							
1993-94	28 564	1 877	866	272	* 293	3 308	31 872
1996-97	31 180	2 514	982	427	491	4 414	35 594
<b>Government administration and defence</b>							
1993-94	32 275	2 564	678	658	227	4 127	36 401
1996-97	37 421	3 943	625	822	316	5 706	43 126
<b>Education</b>							
1993-94	30 873	1 911	1 433	341	79	3 765	34 637
1996-97	30 493	2 748	1 344	447	106	4 645	35 139
<b>Health and community services</b>							
1993-94	26 360	1 561	198	541	22	2 323	28 682
1996-97	28 086	2 212	279	643	28	3 161	31 247
<b>Cultural and recreational services</b>							
1993-94	17 321	* 991	* 521	* 256	* 117	* 1 885	19 206
1996-97	26 925	1 809	1 059	401	275	3 544	30 469
<b>Personal and other services</b>							
1993-94	28 141	1 741	1 057	591	145	3 534	31 675
1996-97	30 340	2 482	1 164	813	208	4 667	35 007
<b>All industries</b>							
1993-94	28 530	1 800	1 104	588	237	3 729	32 259
1996-97	30 870	2 291	1 160	719	395	4 565	35 435

(a) Costs funded directly from consolidated funds are shown in Appendix 1.

(b) Costs funded directly from consolidated funds are shown in Appendix 2.



# LABOUR COSTS PER EMPLOYEE, Private Sector—Industry

## OTHER LABOUR COSTS.....

Industry	Earnings	Super-annuation	Payroll tax	Workers' compensation	Fringe benefits tax	Total	Total labour costs
(\$)							
<b>Mining</b>							
1993-94	56 694	3 403	3 048	1 611	982	9 043	65 737
1996-97	67 972	4 326	3 741	1 939	1 660	11 665	79 637
<b>Manufacturing</b>							
1993-94	31 548	1 589	1 580	1 046	206	4 420	35 968
1996-97	34 457	2 241	1 751	1 239	478	5 710	40 167
<b>Electricity, gas and water supply</b>							
1993-94	33 290	3 231	1 853	548	252	5 884	39 174
1996-97	56 621	4 123	3 388	1 003	1 064	9 578	66 199
<b>Construction</b>							
1993-94	29 518	1 743	1 021	1 034	191	3 989	33 507
1996-97	32 163	2 207	729	1 316	232	4 484	36 647
<b>Wholesale trade</b>							
1993-94	32 464	1 882	1 323	547	492	4 244	36 708
1996-97	36 085	2 623	1 422	766	850	5 661	41 746
<b>Retail trade</b>							
1993-94	17 357	747	691	314	81	1 833	19 190
1996-97	17 609	1 045	592	376	134	2 147	19 757
<b>Accommodation, cafes and restaurants</b>							
1993-94	16 769	800	516	289	58	1 663	18 432
1996-97	18 059	981	519	451	75	2 025	20 084
<b>Transport and storage</b>							
1993-94	31 069	1 751	1 437	1 042	227	4 457	35 526
1996-97	36 680	2 360	1 659	1 137	504	5 659	42 339
<b>Communication services</b>							
1993-94	29 011	1 513	779	462	285	3 039	32 050
1996-97	32 696	2 944	1 931	307	533	5 714	38 410
<b>Finance and insurance</b>							
1993-94	38 677	2 405	2 081	184	1 447	6 117	44 794
1996-97	44 304	2 261	2 522	247	2 138	7 168	51 471
<b>Property and business services</b>							
1993-94	27 938	1 777	870	265	* 303	3 214	31 153
1996-97	30 753	2 418	993	406	496	4 313	35 066
<b>Education</b>							
1993-94	23 206	1 309	** 139	197	* 167	1 812	25 018
1996-97	23 510	1 608	* 26	268	161	2 062	25 572
<b>Health and community services</b>							
1993-94	22 226	1 525	254	410	* 32	2 220	24 447
1996-97	23 480	2 070	313	433	* 32	2 848	26 328
<b>Cultural and recreational services</b>							
1993-94	* 14 105	* 796	* 437	* 194	* 111	* 1 538	* 15 643
1996-97	23 518	1 420	* 1 053	355	266	3 096	26 614
<b>Personal and other services</b>							
1993-94	23 903	* 1 494	667	443	* 143	2 746	26 650
1996-97	25 314	1 601	* 703	522	* 188	3 013	28 327
<b>All industries</b>							
1993-94	26 237	1 461	1 024	555	260	3 300	29 538
1996-97	28 910	1 948	1 093	684	443	4 168	33 078

## LABOUR COSTS PER EMPLOYEE, Public Sector—Industry

## OTHER LABOUR COSTS.....

Industry	Earnings	Super-annuation(a)	Payroll tax	Workers' compensation(b)	Fringe benefits tax	Total	Total labour costs
(\$)							
<b>Electricity, gas and water supply</b>							
1993-94	43 404	4 408	2 402	1 202	252	8 263	51 667
1996-97	49 880	4 255	2 708	1 583	501	9 047	58 927
<b>Construction</b>							
1993-94	37 933	4 043	1 473	1 347	176	7 038	44 971
1996-97	42 907	4 259	2 182	959	273	7 674	50 581
<b>Transport and storage</b>							
1993-94	45 238	6 501	2 513	1 440	250	10 703	55 941
1996-97	47 817	4 490	2 665	1 343	328	8 827	56 644
<b>Communication services</b>							
1993-94	42 944	4 120	2 576	627	201	7 524	50 468
1996-97	46 956	4 336	2 989	691	470	8 487	55 442
<b>Finance and insurance</b>							
1993-94	33 291	2 656	2 140	300	900	5 997	39 287
1996-97	* 56 049	* 4 565	* 3 171	517	** 1 710	* 9 964	* 66 014
<b>Property and business services</b>							
1993-94	35 662	3 012	826	352	177	4 366	40 029
1996-97	42 294	5 012	701	970	367	7 051	49 345
<b>Government administration and defence</b>							
1993-94	32 275	2 564	678	658	227	4 127	36 401
1996-97	37 421	3 943	625	822	316	5 706	43 126
<b>Education</b>							
1993-94	33 217	2 095	1 829	386	52	4 362	37 578
1996-97	33 629	3 260	1 935	528	82	5 805	39 433
<b>Health and community services</b>							
1993-94	31 143	1 603	134	692	11	2 441	33 583
1996-97	35 122	2 430	226	962	21	3 639	38 761
<b>Cultural and recreational services</b>							
1993-94	31 685	1 860	898	532	146	3 436	35 121
1996-97	43 633	3 714	1 084	625	320	5 742	49 375
<b>Personal and other services</b>							
1993-94	36 786	2 245	1 854	895	149	5 143	41 929
1996-97	41 494	4 438	2 185	1 459	254	8 336	49 830
<b>All industries (c)</b>							
1993-94	34 903	2 744	1 325	680	173	4 922	39 825
1996-97	38 165	3 569	1 409	848	216	6 042	44 207

(a) Costs funded directly from consolidated funds are shown in Appendix 1.

(b) Costs funded directly from consolidated funds are shown in Appendix 2.

(c) Includes Mining, Manufacturing, Wholesale trade, Retail trade and Accommodation, cafes and restaurants.

## LABOUR COSTS, Proportions—Sector and industry

## OTHER LABOUR COSTS.....

Industry	Earnings %	Super- annuation %	Payroll tax %	Workers' compen- sation %	Fringe benefits tax %	Total %	Total labour costs %
PRIVATE							
Mining	85.4	5.4	4.7	2.4	2.1	14.6	100.0
Manufacturing	85.8	5.6	4.4	3.1	1.2	14.2	100.0
Electricity, gas and water supply	85.5	6.2	5.1	1.5	1.6	14.5	100.0
Construction	87.8	6.0	2.0	3.6	0.6	12.2	100.0
Wholesale trade	86.4	6.3	3.4	1.8	2.0	13.6	100.0
Retail trade	89.1	5.3	3.0	1.9	0.7	10.9	100.0
Accommodation, cafes and restaurants	89.9	4.9	2.6	2.2	0.4	10.1	100.0
Transport and storage	86.6	5.6	3.9	2.7	1.2	13.4	100.0
Communication services	85.1	7.7	5.0	0.8	1.4	14.9	100.0
Finance and insurance	86.1	4.4	4.9	0.5	4.2	13.9	100.0
Property and business services	87.7	6.9	2.8	1.2	1.4	12.3	100.0
Education	91.9	6.3	* 0.1	1.0	0.6	8.1	100.0
Health and community services	89.2	7.9	1.2	1.6	* 0.1	10.8	100.0
Cultural and recreational services	88.4	5.3	4.0	1.3	1.0	11.6	100.0
Personal and other services	89.4	5.7	* 2.5	1.8	0.7	10.6	100.0
<b>All industries</b>	<b>87.4</b>	<b>5.9</b>	<b>3.3</b>	<b>2.1</b>	<b>1.3</b>	<b>12.6</b>	<b>100.0</b>
PUBLIC							
Electricity, gas and water supply	84.6	7.2	4.6	2.7	0.9	15.4	100.0
Construction	84.8	8.4	4.3	1.9	0.5	15.2	100.0
Transport and storage	84.4	7.9	4.7	2.4	0.6	15.6	100.0
Communication services	84.7	7.8	5.4	1.2	0.8	15.3	100.0
Finance and insurance	84.9	6.9	4.8	* 0.8	2.6	15.1	100.0
Property and business services	85.7	10.2	1.4	2.0	0.7	14.3	100.0
Government administration and defence	86.8	9.1	1.5	1.9	0.7	13.2	100.0
Education	85.3	8.3	4.9	1.3	0.2	14.7	100.0
Health and community services	90.6	6.3	0.6	2.5	0.1	9.4	100.0
Cultural and recreational services	88.4	7.5	* 2.2	1.3	0.6	11.6	100.0
Personal and other services	83.3	8.9	4.4	2.9	0.5	16.7	100.0
<b>All industries (a)</b>	<b>86.3</b>	<b>8.1</b>	<b>3.2</b>	<b>1.9</b>	<b>0.5</b>	<b>13.7</b>	<b>100.0</b>
PRIVATE AND PUBLIC							
Mining	85.2	5.5	4.7	2.5	2.0	14.8	100.0
Manufacturing	85.8	5.6	4.4	3.1	1.2	14.2	100.0
Electricity, gas and water supply	84.8	7.1	4.7	2.5	1.0	15.2	100.0
Construction	87.6	6.1	2.1	3.5	0.6	12.4	100.0
Wholesale trade	86.4	6.3	3.4	1.8	2.0	13.6	100.0
Retail trade	89.1	5.3	3.0	1.9	0.7	10.9	100.0
Accommodation, cafes and restaurants	89.9	4.9	2.6	2.2	0.4	10.1	100.0
Transport and storage	86.0	6.2	4.1	2.6	1.0	14.0	100.0
Communication services	84.7	7.8	5.4	1.2	0.9	15.3	100.0
Finance and insurance	86.0	4.5	4.9	0.5	4.1	14.0	100.0
Property and business services	87.6	7.1	2.8	1.2	1.4	12.4	100.0
Government administration and defence	86.8	9.1	1.5	1.9	0.7	13.2	100.0
Education	86.8	7.8	3.8	1.3	0.3	13.2	100.0
Health and community services	89.9	7.1	0.9	2.1	0.1	10.1	100.0
Cultural and recreational services	88.4	5.9	3.5	1.3	0.9	11.6	100.0
Personal and other services	86.7	7.1	3.3	2.3	0.6	13.3	100.0
<b>All industries</b>	<b>87.1</b>	<b>6.5</b>	<b>3.3</b>	<b>2.0</b>	<b>1.1</b>	<b>12.9</b>	<b>100.0</b>

(a) Includes Mining, Manufacturing, Wholesale trade, Retail trade and Accommodation, cafes and restaurants.

# LABOUR COSTS, Employer Size—Private Sector

## OTHER LABOUR COSTS.....

<i>Employer size</i>	<i>Earnings</i>	<i>Super-annuation</i>	<i>Payroll tax</i>	<i>Workers' compensation</i>	<i>Fringe benefits tax</i>	<i>Total</i>	<i>Total labour costs</i>
TOTAL COSTS (\$m)							
<b>Less than 20 employees</b>							
1993-94	38 225.8	2 502.2	361.9	640.8	273.7	3 778.5	42 004.3
1996-97	50 981.2	4 423.1	358.1	1 118.1	435.9	6 335.2	57 316.4
<b>20-99 employees</b>							
1993-94	27 628.9	1 477.8	1 139.9	590.6	249.1	3 457.3	31 086.2
1996-97	37 718.7	2 368.5	1 462.3	924.7	659.7	5 415.2	43 133.9
<b>100 or more employees</b>							
1993-94	55 200.9	2 760.5	3 223.7	1 328.4	678.0	7 990.6	63 191.5
1996-97	69 897.2	3 896.3	4 177.0	1 709.4	1 333.4	11 116.0	81 013.1
<b>Total</b>							
<b>1993-94</b>	<b>121 055.6</b>	<b>6 740.4</b>	<b>4 725.5</b>	<b>2 559.8</b>	<b>1 200.7</b>	<b>15 226.4</b>	<b>136 282.0</b>
<b>1996-97</b>	<b>158 597.1</b>	<b>10 687.9</b>	<b>5 997.4</b>	<b>3 752.2</b>	<b>2 429.0</b>	<b>22 866.4</b>	<b>181 463.4</b>

## COSTS PER EMPLOYEE (\$)

<b>Less than 20 employees</b>							
1993-94	22 258	1 457	211	373	159	2 200	24 458
1996-97	23 235	2 016	163	510	199	2 887	26 122
<b>20-99 employees</b>							
1993-94	25 357	1 356	1 046	542	229	3 173	28 530
1996-97	29 799	1 871	1 155	731	521	4 278	34 078
<b>100 or more employees</b>							
1993-94	30 551	1 528	1 784	735	375	4 422	34 973
1996-97	34 499	1 923	2 062	844	658	5 487	39 986
<b>Total</b>							
<b>1993-94</b>	<b>26 238</b>	<b>1 461</b>	<b>1 024</b>	<b>555</b>	<b>260</b>	<b>3 300</b>	<b>29 538</b>
<b>1996-97</b>	<b>28 910</b>	<b>1 948</b>	<b>1 093</b>	<b>684</b>	<b>443</b>	<b>4 168</b>	<b>33 078</b>

## COSTS AS A PERCENTAGE OF TOTAL (%)

<b>Less than 20 employees</b>							
1993-94	91.0	6.0	0.9	1.5	0.7	9.0	100.0
1996-97	88.9	7.7	0.6	2.0	0.8	11.1	100.0
<b>20-99 employees</b>							
1993-94	88.9	4.8	3.7	1.9	0.8	11.1	100.0
1996-97	87.4	5.5	3.4	2.1	1.5	12.6	100.0
<b>100 or more employees</b>							
1993-94	87.4	4.4	5.1	2.1	1.1	12.6	100.0
1996-97	86.3	4.8	5.2	2.1	1.6	13.7	100.0
<b>Total</b>							
<b>1993-94</b>	<b>88.8</b>	<b>4.9</b>	<b>3.5</b>	<b>1.9</b>	<b>0.9</b>	<b>11.2</b>	<b>100.0</b>
<b>1996-97</b>	<b>87.4</b>	<b>5.9</b>	<b>3.3</b>	<b>2.1</b>	<b>1.3</b>	<b>12.6</b>	<b>100.0</b>

## LABOUR COSTS, Level of Government

## OTHER LABOUR COSTS.....

Level of government	Earnings	Super-annuation(a)	Payroll tax	Workers' compensation(b)	Fringe benefits tax	Total	Total labour costs
TOTAL COSTS (\$m)							
<b>Commonwealth</b>							
1993-94	14 707.7	1 167.9	515.4	211.5	117.6	2 012.3	16 720.0
1996-97	13 194.6	1 582.5	406.6	178.8	122.8	2 290.7	15 485.3
<b>State</b>							
1993-94	38 838.3	2 984.2	1 647.6	769.1	145.8	5 546.7	44 385.0
1996-97	38 672.0	3 287.7	1 646.2	904.1	155.2	5 993.2	44 665.2
<b>Local</b>							
1993-94	4 382.6	402.4	35.7	147.4	23.7	609.3	4 991.9
1996-97	4 391.5	390.5	24.1	166.7	40.3	621.6	5 013.1
<b>Total</b>							
<b>1993-94</b>	<b>57 928.6</b>	<b>4 554.6</b>	<b>2 198.7</b>	<b>1 128.1</b>	<b>287.1</b>	<b>8 168.3</b>	<b>66 096.9</b>
<b>1996-97</b>	<b>56 258.1</b>	<b>5 260.7</b>	<b>2 076.9</b>	<b>1 249.7</b>	<b>318.3</b>	<b>8 905.6</b>	<b>65 163.7</b>

## COSTS PER EMPLOYEE (\$)

<b>Commonwealth</b>							
1993-94	39 612	3 146	1 388	570	317	5 420	45 031
1996-97	45 040	5 402	1 388	611	419	7 820	52 859
<b>State</b>							
1993-94	34 405	2 644	1 460	681	129	4 914	39 319
1996-97	37 254	3 167	1 586	871	150	5 774	43 027
<b>Local</b>							
1993-94	27 469	2 522	224	924	149	3 819	31 289
1996-97	30 701	2 730	168	1 166	282	4 346	35 047
<b>Total</b>							
<b>1993-94</b>	<b>34 903</b>	<b>2 744</b>	<b>1 325</b>	<b>680</b>	<b>173</b>	<b>4 922</b>	<b>39 825</b>
<b>1996-97</b>	<b>38 165</b>	<b>3 569</b>	<b>1 409</b>	<b>848</b>	<b>216</b>	<b>6 042</b>	<b>44 207</b>

## COSTS AS A PERCENTAGE OF TOTAL (%)

<b>Commonwealth</b>							
1993-94	88.0	7.0	3.1	1.3	0.7	12.0	100.0
1996-97	85.2	10.2	2.6	1.2	0.8	14.8	100.0
<b>State</b>							
1993-94	87.5	6.7	3.7	1.7	0.3	12.5	100.0
1996-97	86.6	7.4	3.7	2.0	0.3	13.4	100.0
<b>Local</b>							
1993-94	87.8	8.1	0.7	3.0	0.5	12.2	100.0
1996-97	87.6	7.8	0.5	3.3	0.8	12.4	100.0
<b>Total</b>							
<b>1993-94</b>	<b>87.6</b>	<b>6.9</b>	<b>3.3</b>	<b>1.7</b>	<b>0.4</b>	<b>12.4</b>	<b>100.0</b>
<b>1996-97</b>	<b>86.3</b>	<b>8.1</b>	<b>3.2</b>	<b>1.9</b>	<b>1.5</b>	<b>13.7</b>	<b>100.0</b>

(a) Costs funded directly from consolidated funds are shown in Appendix 1.

(b) Costs funded directly from consolidated funds are shown in Appendix 2.

## LABOUR COSTS, Public Institutional Sector

## OTHER LABOUR COSTS.....

<i>Public institutional sector</i>	<i>Earnings</i>	<i>Super-annuation(a)</i>	<i>Payroll tax</i>	<i>Workers' compensation(b)</i>	<i>Fringe benefits tax</i>	<i>Total</i>	<i>Total labour costs</i>
TOTAL COSTS (\$m)							
<b>Public trading and financial enterprises</b>							
1993-94	15 134.3	1 660.1	897.4	353.9	129.6	3 041.0	18 175.3
1996-97	11 604.8	1 078.4	651.6	268.2	106.8	2 104.9	13 709.7
<b>General government</b>							
1993-94	42 794.3	2 894.4	1 301.3	774.2	157.5	5 127.4	47 921.7
1996-97	44 653.3	4 182.4	1 425.3	981.5	211.5	6 800.6	51 454.0
<b>Total</b>							
<b>1993-94</b>	<b>57 928.6</b>	<b>4 554.6</b>	<b>2 198.7</b>	<b>1 128.1</b>	<b>287.1</b>	<b>8 168.3</b>	<b>66 096.9</b>
<b>1996-97</b>	<b>56 258.1</b>	<b>5 260.7</b>	<b>2 076.9</b>	<b>1 249.7</b>	<b>318.3</b>	<b>8 905.6</b>	<b>65 163.7</b>

## COSTS PER EMPLOYEE (\$)

<b>Public trading and financial enterprises</b>							
1993-94	41 110	4 509	2 438	961	352	8 260	49 370
1996-97	47 778	4 440	2 683	1 104	440	8 666	56 444
<b>General government</b>							
1993-94	33 134	2 241	1 008	599	122	3 970	37 104
1996-97	36 269	3 397	1 158	797	172	5 524	41 793
<b>Total</b>							
<b>1993-94</b>	<b>34 903</b>	<b>2 744</b>	<b>1 325</b>	<b>680</b>	<b>173</b>	<b>4 922</b>	<b>39 825</b>
<b>1996-97</b>	<b>38 165</b>	<b>3 569</b>	<b>1 409</b>	<b>848</b>	<b>216</b>	<b>6 042</b>	<b>44 207</b>

## COSTS AS A PERCENTAGE OF TOTAL (%)

<b>Public trading and financial enterprises</b>							
1993-94	83.3	9.1	4.9	1.9	0.7	16.7	100.0
1996-97	84.6	7.9	4.8	2.0	0.8	15.4	100.0
<b>General government</b>							
1993-94	89.3	6.0	2.7	1.6	0.3	10.7	100.0
1996-97	86.8	8.1	2.8	1.9	0.4	13.2	100.0
<b>Total</b>							
<b>1993-94</b>	<b>87.6</b>	<b>6.9</b>	<b>3.3</b>	<b>1.7</b>	<b>0.4</b>	<b>12.4</b>	<b>100.0</b>
<b>1996-97</b>	<b>86.3</b>	<b>8.1</b>	<b>3.2</b>	<b>1.9</b>	<b>1.5</b>	<b>13.7</b>	<b>100.0</b>

(a) Costs funded directly from consolidated funds are shown in Appendix 1.

(b) Costs funded directly from consolidated funds are shown in Appendix 2.

## SUPERANNUATION COVERAGE, Sector

Category	PRIVATE.....		PUBLIC.....		PRIVATE AND PUBLIC	
	1993-94	1996-97	1993-94	1996-97	1993-94	1996-97
	%	%	%	%	%	%
STATE OR TERRITORY						
New South Wales	91.0	90.0	98.5	94.1	92.8	90.8
Victoria	89.5	91.3	97.9	98.0	91.4	92.6
Queensland	86.1	88.1	96.8	96.8	89.5	89.9
South Australia	88.0	90.8	98.4	99.0	91.1	92.4
Western Australia	87.6	89.3	89.3	98.8	88.0	91.4
Tasmania	90.2	90.6	98.3	98.1	92.6	92.6
Northern Territory	87.4	89.5	97.8	94.2	90.6	90.9
Australian Capital Territory	85.5	90.4	96.7	97.8	91.6	94.1
<b>Australia</b>	<b>89.2</b>	<b>90.0</b>	<b>97.1</b>	<b>96.6</b>	<b>91.3</b>	<b>91.4</b>
INDUSTRY						
Mining	96.3	98.9	n.p.	n.p.	96.4	99.0
Manufacturing	95.7	95.0	n.p.	n.p.	95.8	95.1
Electricity, gas and water supply	98.5	99.0	98.1	97.8	98.1	98.0
Construction	91.4	90.9	98.9	98.6	92.0	91.2
Wholesale trade	93.0	96.5	n.p.	n.p.	93.0	96.5
Retail trade	81.8	83.9	n.p.	n.p.	81.8	83.9
Accommodation, cafes and restaurants	87.5	88.8	n.p.	n.p.	87.5	88.8
Transport and storage	94.4	94.5	99.4	98.8	96.3	95.5
Communication services	88.5	92.4	98.5	99.7	97.7	98.7
Finance and insurance	84.2	96.4	99.8	* 99.2	88.2	96.5
Property and business services	90.0	88.7	99.6	99.8	90.8	89.2
Government administration and defence	n.a.	n.a.	96.8	96.8	96.8	96.8
Education	85.1	84.1	96.8	92.9	94.1	90.2
Health and community services	89.9	88.6	94.1	99.3	91.8	92.8
Cultural and recreational services	* 79.2	78.8	97.5	99.3	* 82.5	82.3
Personal and other services	88.2	85.0	99.6	95.8	92.0	88.3
<b>All industries</b>	<b>89.2</b>	<b>90.0</b>	<b>97.1 (a)</b>	<b>96.6 (a)</b>	<b>91.3</b>	<b>91.4</b>

(a) Includes Mining, Manufacturing, Wholesale trade, Retail trade and Accommodation, cafes and restaurants.

## EXPLANATORY NOTES

### INTRODUCTION

**1** This publication contains results of the Labour Costs Survey conducted for the 1996–97 financial year. This survey was run annually from 1985–86 to 1991–92 and again in 1993–94. The next survey is scheduled to be conducted for the 2001–02 financial year.

### SCOPE AND COVERAGE

**2** The concepts and definitions of labour costs used in this publication are based on the International Labour Organisation's *An Integrated System of Wages Statistics*. Labour costs are defined as all costs incurred by employers in the employment of labour; and costs are measured on a cash accounting basis, net of any reimbursements, subsidies or rebates.

**3** The Labour Costs Survey collects data on the following labour cost components:

- earnings (which include gross wages and salaries; severance, termination and redundancy payments; and the value of fringe benefits);
- superannuation;
- payroll tax;
- workers' compensation; and
- fringe benefits tax.

**4** Labour costs not covered by this survey include:

- training (see paragraph 7);
- costs associated with employee welfare services; and
- recruitment.

With the exception of training costs, these items are not considered to make a significant contribution to total labour costs.

**5** All employees who received pay in the reference period were represented in the survey, except those employed by:

- the Australian permanent defence forces;
- businesses primarily engaged in Agriculture, forestry and fishing;
- private households; and
- overseas embassies, consulates, etc.

**6** Excluded were 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.

**7** While the Labour Costs Survey does not cover training expenditure, these costs are covered by another ABS survey. The Training Expenditure Survey has been conducted for the 1989, 1990, 1993 and 1996 September quarters. Costs covered in this survey are for structured training provided by employers. The 1996 survey found that, on average, employers spent the equivalent of 2.6% of gross wages and salaries on structured training during the reference period. The corresponding figure for 1993 was 2.9%. For further information see *Employer Training Expenditure, Australia* (Cat. no. 6353.0).

### STATISTICAL UNIT

**8** The statistical unit for the Labour Costs Survey comprises all activities of a management unit (see paragraph 9 below) in a particular State or Territory. Each unit is classified to an industry which reflects the predominant activity of the management unit in the State or Territory. See paragraph 13 for more information on classification by industry.



## EXPLANATORY NOTES *continued*

### STATISTICAL UNIT *continued*

**9** The management unit is the highest-level accounting unit within a business or organisation for which financial accounts are maintained. In nearly all cases it coincides with the legal entity owning the business (i.e. company, partnership, trust, sole proprietor etc.). In the case of large diversified businesses, however, there may be more than one management unit, each coinciding with a 'division' or 'line of business'. A division or line of business is recognised where separate and comprehensive financial accounts are compiled for it.

### SURVEY METHODOLOGY AND DESIGN

**10** For the 1996–97 survey approximately 8,200 units were selected from the ABS Business Register, to ensure adequate industry and State representation. Of these, approximately 6,600 were in the private sector and 1,600 were in the public sector.

**11** The survey provides estimates of labour costs (i.e. earnings, superannuation, workers' compensation, payroll tax and fringe benefits tax) for the private and public sectors. The survey was conducted by mail.

**12** The statistical units were stratified by State and Territory, industry and employment size. For the public sector, level of government and general government/public enterprise status were also used as stratification variables.

### INDUSTRY CLASSIFICATION

**13** Industries in this publication are classified according to the Australian and New Zealand Standard Industrial Classification (ANZSIC); for more details refer to *Australian and New Zealand Standard Industrial Classification (ANZSIC), 1993* (Cat. no. 1292.0). Estimates in this publication are presented at the ANZSIC division level.

### STANDARD INSTITUTIONAL SECTOR CLASSIFICATION

**14** Institutional units are classified by broad economic functions according to the Standard Institutional Sector Classification of Australia (SISCA) which is a key component of the general national accounting framework; for more details refer to *Standard Institutional Sector Classification of Australia (SISCA), 1987* (Cat. no. 1218.0).

### EMPLOYER SIZE CLASSIFICATION

**15** Data presented in table 12 show the distribution of labour costs in the private sector over three size ranges of statistical units, as defined in paragraphs 8 and 9. Public sector data by employer size are no longer available.

### SUPERANNUATION

**16** For the Labour Costs Survey superannuation costs are the total employer superannuation contributions paid during the year on behalf of employees. During the reference period of the survey, legislation underlying the superannuation guarantee charge required that employers provide superannuation support of at least 6% of gross wages and salaries for all eligible employees. However, occasionally, some schemes are in surplus and these surpluses are used to offset the superannuation guarantee charge. In these cases, the employers' costs would be less than 6% for the reference period of the survey.

### PUBLIC SECTOR SUPERANNUATION

**17** Historically, public sector superannuation has been handled differently to that of the private sector. Public sector superannuation schemes can be either 'fully funded', i.e. where funds are set aside in advance to meet future liabilities, similar to most private sector schemes, or they can be 'unfunded', i.e. met on an 'emerging cost' basis where costs are met only as the liability becomes due. Increasingly, public sector schemes are of the fully funded type. In 1996–97 individual Commonwealth general government organisations recorded regular employer superannuation contributions in their budgets in respect of unfunded schemes. In the 1993–94 survey, individual Commonwealth general government agencies did not report these costs in respect of unfunded superannuation schemes, as they were not recorded in agency budgets.

## EXPLANATORY NOTES *continued*

### PUBLIC SECTOR SUPERANNUATION *continued*

**18** The differences mean that estimates of public sector superannuation in this publication are not directly comparable with those of the private sector.

**19** In addition, the costs of public sector superannuation can be met on two bases:

- Costs can be met from the annual budgets of individual agencies, although these employer superannuation contributions may not necessarily be paid directly into superannuation funds. Agency-funded employer superannuation contributions are included in the estimates presented in the main body of this publication under *superannuation*.
- Commonwealth Government and State Governments can meet the costs directly from consolidated funds. The costs paid out of consolidated funds are not collected in the Labour Costs Survey, but an estimate of net expenditure on superannuation by general government may be obtained from Appendix 1.

### EARNINGS

**20** This item is different to the item 'earnings' used in other ABS labour statistics publications. Earnings in the Labour Costs Survey comprises gross wages and salaries, severance, termination and redundancy payments, and the value of fringe benefits subject to fringe benefits tax. Gross wages and salaries excludes workers' compensation paid through the payroll, and is net of amounts reimbursed for employees on government employment programs.

### FRINGE BENEFITS

**21** Fringe benefits are non-cash remunerations (e.g. use of cars, low cost housing loans and accommodation) provided to employees as part of their employment packages. Fringe benefits tax is payable on the value of benefits provided although exemptions apply to some categories of employers and benefits, such as superannuation. The taxable value of fringe benefits and fringe benefits tax both relate to the year ended 31 March 1997.

### WORKERS' COMPENSATION

**22** Workers' compensation costs comprise, in general, the costs of insurance premiums paid plus any other costs not reimbursed by insurers. Premium rates are usually determined by considering the industry of the employer and the employer's previous claims history. Non-reimbursed costs may vary depending on the legislation which applies in each State, but can include wages and salaries, other costs such as medical and legal costs, and lump sum settlement payments. In addition, most States and Territories allow very large employers to self-insure, where, except in extreme circumstances, workers' compensation costs are carried by the employers themselves.

### PAYROLL TAX

**23** Employers whose wage and salary payments reach a specified level, as defined in each State's or Territory's payroll tax legislation, are liable to pay the tax. Employers may claim exemptions for some categories of employees. Religious and non-profit organisations are generally exempt from payroll tax.

### RELIABILITY OF ESTIMATES

**24** Estimates are subject to sampling and non-sampling errors. For more information refer to the Technical Notes.

### IMPROVEMENTS TO COVERAGE

**25** Detailed investigations have revealed that a large number of mainly small private sector businesses which should be on the ABS Business Register are not there. The inadvertent omission of these businesses occurred in small quantities over a number of years, although their cumulative effect is quite significant. Several factors have contributed to this omission. Information in the Register is primarily sourced from group employer registrations administered by the Australian Taxation Office. Audits on processing of this information revealed some past deficiencies in this updating process which have been addressed. Other businesses were incorrectly removed from the Register after feedback from ABS business surveys indicated they appeared to be no longer operating.

## IMPROVEMENTS TO COVERAGE

*continued*

**26** As well as the omissions from the Business Register, there are considerable lags in processing new businesses on to the Register, with consequent lags in their appearance in survey estimates. New estimation procedures have been introduced to allow businesses to be included in the estimates in the period in which they commenced operations.

**27** Procedures have now been developed to include estimates of the contribution of these businesses, resulting in significant upward adjustments to the previously published 1993–94 level estimates. For more details refer to *Information Paper: Improvements to ABS Economic Statistics, 1997* (Cat. no. 1357.0).

## COMPARABILITY WITH OTHER DATA SOURCES

**28** In some cases estimates given in this publication may differ slightly from those from other sources. These differences may be the result of sample or non-sample error, or may result from differences in scope, coverage, definitions or methodology used.

## RELATED PUBLICATIONS

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

*Information Paper: Improvements to ABS Economic Statistics, 1997*  
(Cat. no. 1357.0)—issued 1997

*Labour Statistics: Concepts, Sources and Methods, 1986*  
(Cat. no. 6102.0)—issued 1986

*Labour Statistics, Australia, 1997* (Cat. no. 6101.0)—issued 1997

*Average Weekly Earnings, Australia, Preliminary* (Cat. no. 6301.0)—issued quarterly

*Wage Cost Index, Australia*, (Cat. no. 6345.0)—issued quarterly

*Average Weekly Earnings, States and Australia* (Cat. no. 6302.0)—issued quarterly

*Weekly Earnings of Employees (Distribution), Australia*  
(Cat. no. 6310.0)—issued annually

*Job Vacancies and Overtime, Australia* (Cat. no. 6354.0)—issued quarterly

*Wage and Salary Earners, Australia* (Cat. no. 6248.0)—issued quarterly

*Employee Earnings and Hours, Australia* (Cat. no. 6306.0)—biennial, last issued May 1996

*Labour Force, Australia* (Cat. no. 6203.0)—issued monthly

*Labour Force Projections, Australia, 1995–2011* (Cat. no. 6260.0)—issued July 1994.

*Superannuation, Australia, November 1995* (Cat. no. 6319.0)—triennial, last issued Nov 1995

*Employer Training Expenditure, Australia* (Cat. no. 6353.0)—issued 1997

**30** Current publications produced by the ABS are listed in the *Catalogue of Publications and Products* (Cat. no. 1101.0). The ABS also issues, on Tuesdays and Fridays, a *Release Advice* (Cat. no. 1105.0) which lists publications to be released in the next few days. The Catalogue and Release Advice are available from any ABS office.

## UNPUBLISHED STATISTICS

**31** 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: photocopy, data tape, floppy disk, CD-ROM, computer printout or clerically extracted tabulation. Generally a charge is made for providing unpublished information. Refer to the Special Data Service on page 38 of this publication.

## EXPLANATORY NOTES *continued*

### ROUNDING

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

### SYMBOLS AND OTHER USAGES

ABS Australian Bureau of Statistics

ANZSIC Australian and New Zealand Standard Industrial Classification

SISCA Standard Institutional Sector Classification of Australia

n.a. not applicable

n.p. not published

\* subject to high relative standard error. See the Technical Notes

— nil or rounded to zero

## APPENDIX 1: Superannuation Costs in the Public Sector (excluding Local Government)

	COMMONWEALTH GOVERNMENT	STATE OR TERRITORY GOVERNMENT.....							
	Australia	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory
	\$m								
<b>General government(a)</b>									
1991–92	1 650	884	960	231	145	241	67	6	2
1993–94	2 000	1 017	1 453	300	489	212	93	9	6
1996–97	2 748	1 485	1 295	214	436	314	125	40	14
<b>Public enterprises(b)</b>									
1991–92	757	460	276	36	72	94	14	—	10
1993–94	644	305	492	35	49	66	12	—	11
1996–97	611	247	42	93	25	25	3	—	10
<b>Total</b>									
<b>1991–92</b>	<b>2 407</b>	<b>1 344</b>	<b>1 236</b>	<b>267</b>	<b>217</b>	<b>335</b>	<b>81</b>	<b>6</b>	<b>12</b>
<b>1993–94</b>	<b>2 644</b>	<b>1 322</b>	<b>1 945</b>	<b>335</b>	<b>538</b>	<b>278</b>	<b>105</b>	<b>9</b>	<b>17</b>
<b>1996–97</b>	<b>3 359</b>	<b>1 732</b>	<b>1 337</b>	<b>307</b>	<b>461</b>	<b>339</b>	<b>128</b>	<b>40</b>	<b>24</b>

(a) Source: ABS Government Finance Statistics.  
Refer to paragraphs below.

(b) Source: 1996–97 Labour Costs Survey.  
Includes public trading and financial enterprises.

**1** Superannuation in the public sector is financed using a number of methods, some superannuation costs being met directly from Commonwealth and State consolidated funds (refer to paragraphs 17–19 of the Explanatory Notes). These costs paid out of consolidated funds generally relate to pension payments to former employees, and have been excluded from the labour costs item *Superannuation* in the tables in the main body of this publication. While data included in these tables refer to only agency funded contributions, because of the variety of methods used to fund superannuation in the public sector, comparison between individual State data in the tables in the main body of this publication should be undertaken with caution.

**2** The above table is an attempt to provide a more complete picture of superannuation costs in the public sector (excluding local government), and to permit comparison to be made between States by providing a common framework using the ABS Government Finance Statistics (GFS). The table uses GFS sourced data for the general government sector, and output from the 1996–97 Labour Costs Survey for public trading and financial enterprises.

**3** GFS figures reported in the above table represent net expenditure on superannuation by general government to former employees and superannuation funds outside the general government sector. As a result, where monies for superannuation are retained within the general government sector as they are in Queensland, figures shown in this table may be significantly lower than figures shown elsewhere in this publication which reflect the sum of the total costs to the individual agencies concerned.

## APPENDIX 1: Superannuation Costs in the Public Sector (excluding Local Government) *continued*

**4** In the GFS collection, the superannuation costs of general government are calculated by adding employer contributions to superannuation schemes and outlays on pensions and lump sums paid to former employees, less any amounts received from employees, superannuation funds or other employers in respect of superannuation.

**5** The general government sector is made up of all government departments, offices and other bodies which provide services free of charge or at prices significantly below the cost of production. The sector also includes the central borrowing authorities of the State Governments, and covers all those government agencies which are not classified as public trading or financial enterprises. The main institutional units of the general government sector are the State and Commonwealth budget sectors. GFS data on general government were compiled on a cash accounting basis in accordance with the International Monetary Fund's recommendation.

**6** Data sources for GFS include the published accounting statements and reports of governments and their authorities plus additional dissections of reported transactions and balances. For the Commonwealth Government and State and Territory Governments, the primary data sources are:

- public accounts and ledger systems of the State and Territory Treasuries and the Commonwealth Department of Finance;
- annual reports of departments and authorities;
- budget papers; and
- reports of Auditors General.

**7** In making interstate comparisons, differences in administrative and accounting arrangements need to be taken into account. For example, in the Australian Capital Territory only a State level of government exists and a number of functions performed by it are undertaken by local government authorities in other jurisdictions. Interstate comparisons of data for State public trading enterprises may be significantly affected by differences in the mix of operations undertaken by the State and local governments.

**8** More information on the GFS collection and the treatment of superannuation can be found in the publication *Government Finance Statistics, Australia: Concepts, Sources and Methods* (Cat no. 5514.0). Statistical data on the revenues and expenditures of the Commonwealth, States and Territories and local government sectors is published in *Government Finance Statistics, Australia* (Cat. no. 5512.0).

## APPENDIX 2: Workers' Compensation Costs in the Public Sector (excluding Local Government)

	COMMONWEALTH GOVERNMENT	STATE OR TERRITORY GOVERNMENTS.....							
	Australia	New South Wales	Victoria	Queens- land	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory
	\$m								
<b>General government(a)</b>									
1991-92	98	96	232	38	56	37	11	8	10
1993-94	104	126	168	83	65	50	22	11	15
1996-97	91	307	130	84	68	64	44	11	28
<b>Public enterprises(a)(b)</b>									
1991-92	119	61	58	22	24	14	5	2	31
1993-94	107	108	73	8	18	15	3	—	5
1996-97	88	77	21	39	12	14	1	—	4
<b>Consolidated funded(c)</b>									
1991-92	116	45	49	—	(d)	—	—	—	—
1993-94	97	70	26	—	21	—	6	—	—
1996-97	77	21	—	10	10	—	—	—	—
<b>Total cost</b>									
<b>1991-92</b>	<b>333</b>	<b>202</b>	<b>339</b>	<b>60</b>	<b>80</b>	<b>51</b>	<b>16</b>	<b>10</b>	<b>41</b>
<b>1993-94</b>	<b>308</b>	<b>304</b>	<b>267</b>	<b>91</b>	<b>104</b>	<b>65</b>	<b>31</b>	<b>11</b>	<b>20</b>
<b>1996-97</b>	<b>256</b>	<b>405</b>	<b>151</b>	<b>133</b>	<b>90</b>	<b>78</b>	<b>45</b>	<b>11</b>	<b>32</b>

(a) Source: 1996-97 Labour Costs Survey, refer paragraph 1 below.

(b) Includes public trading and financial enterprises.

(c) Source: Workers' Compensation Boards, and relevant Treasury Departments, refer paragraph 2 below.

(d) Due to different survey methodologies, costs previously allocated to individual agencies have, for 1993-94 and 1996-97, been allocated to the 'centralised fund'.

**1** The above table provides details of workers' compensation costs paid by individual agencies, by sector and level of government. General government costs and public trading and financial enterprises costs are obtained from individual providers, and are consistent with data contained in the tables in the main body of the publication.

**2** The table also provides details of additional costs paid directly from consolidated funds. This data was obtained from Workers' Compensation Boards, and relevant Treasury Departments. These payments generally relate to liabilities incurred under prior Commonwealth and State legislation. Over time, liability costs incurred under prior legislation will be reduced to zero as outstanding claims are finalised. Additional payments to compensate agencies for benefit increases were included in consolidated funded costs for New South Wales during 1993-94.

## TECHNICAL NOTES

### RELIABILITY OF ESTIMATES

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 a sample. Efforts have been made to reduce non-sampling error by careful design of questionnaires, detailed checking of returns and quality control of processing.

### SAMPLING ERROR

The sampling error associated with any estimate can be estimated from the sample results. One measure of sampling error is given by the *standard error* which indicates the degree to which an estimate may vary from 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.

Another measure of the sampling variability is the relative standard error, which is obtained by expressing the standard error as a percentage of the estimate. Both the standard error and relative standard error are used to measure the reliability of estimates.

If the standard error of an estimate is large relative to the size of the estimate, the usefulness of that estimate is seriously impaired. For the tables in this publication, estimates with relative standard errors greater than 25% of the estimate have been labelled with an asterisk and should be used with caution.

Standard errors of estimates of level are shown in table A for sector by States and Territories, and table B for sector by industry.

An example of the use of a relative standard error is as follows: table 2 shows that the total labour costs for the private sector for Western Australia in 1996–97 is \$18,068 million. The relative standard error, as shown in the following table is 4.3%. This means that there are about two chances in three that a complete enumeration would have given a figure within 4.3% of \$18,068 million, i.e. within the range \$17,291 million to \$18,845 million.





# RELATIVE STANDARD ERRORS, Sector—States and Territories

## OTHER LABOUR COSTS.....

	<i>Earnings</i>	<i>Super-annuation</i>	<i>Payroll tax</i>	<i>Workers' compensation</i>	<i>Fringe benefits tax</i>	<i>Total</i>	<i>Total labour costs</i>
State and Territory	%	%	%	%	%	%	%

### PRIVATE SECTOR

New South Wales	3.5	4.8	5.1	5.1	7.3	4.2	3.6
Victoria	3.7	5.7	3.9	6.6	7.1	4.0	3.6
Queensland	4.3	6.2	6.5	6.4	6.8	5.1	4.3
South Australia	6.2	7.0	9.0	8.9	19.1	6.4	6.1
Western Australia	4.3	6.2	5.1	6.0	8.0	4.9	4.3
Tasmania	6.0	9.8	8.6	11.3	12.1	6.7	5.9
Northern Territory	5.0	6.3	8.6	6.2	11.6	5.8	5.0
Australian Capital Territory	5.7	7.4	10.0	6.6	13.2	6.7	5.7
<b>Australia</b>	<b>1.9</b>	<b>2.7</b>	<b>2.6</b>	<b>2.9</b>	<b>4.2</b>	<b>2.2</b>	<b>1.9</b>

### PUBLIC SECTOR

New South Wales	1.0	0.7	1.4	1.4	4.1	0.9	1.0
Victoria	2.4	2.3	1.6	1.6	3.8	1.8	2.3
Queensland	1.4	1.3	2.0	2.0	3.4	1.4	1.4
South Australia	1.3	1.7	1.6	1.6	5.6	1.4	1.3
Western Australia	5.9	6.4	2.2	2.2	7.7	4.1	5.8
Tasmania	0.8	0.8	0.8	0.8	2.0	0.7	0.8
Northern Territory	2.4	2.8	3.5	3.5	5.0	2.3	2.4
Australian Capital Territory							
<b>Australia</b>	<b>1.7</b>	<b>1.6</b>	<b>0.4</b>	<b>1.7</b>	<b>1.6</b>	<b>0.8</b>	<b>0.3</b>

### PRIVATE AND PUBLIC SECTOR

New South Wales	2.7	3.5	3.8	3.9	6.7	3.2	2.7
Victoria	2.9	4.0	3.0	5.1	6.4	3.0	2.8
Queensland	3.2	3.9	4.4	4.8	5.7	3.4	3.1
South Australia	4.5	4.4	6.2	7.0	16.7	4.4	4.5
Western Australia	3.5	5.0	4.3	4.6	7.0	4.0	3.5
Tasmania	4.0	5.5	5.2	7.0	8.9	4.0	3.8
Northern Territory	3.2	4.7	5.0	4.1	7.2	3.8	3.2
Australian Capital Territory	2.3	2.1	6.1	2.8	6.3	2.3	2.3
<b>Australia</b>	<b>1.4</b>	<b>1.8</b>	<b>2.0</b>	<b>2.2</b>	<b>3.7</b>	<b>1.6</b>	<b>1.4</b>

## RELATIVE STANDARD ERRORS, Sector—Industry

## OTHER LABOUR COSTS.....

	<i>Earnings</i>	<i>Super-annuation</i>	<i>Payroll tax</i>	<i>Workers' compensation</i>	<i>Fringe benefits tax</i>	<i>Total</i>	<i>Total labour costs</i>
Industry	%	%	%	%	%	%	%
PRIVATE SECTOR							
Mining	4.7	10.2	5.2	11.7	6.2	6.9	5.0
Manufacturing	3.8	7.0	4.7	6.2	7.8	4.8	3.8
Electricity, gas and water supply	3.1	3.0	5.3	1.1	14.2	4.8	3.3
Construction	7.9	9.9	10.9	9.9	16.5	8.1	7.8
Wholesale trade	6.8	8.0	9.6	9.0	11.7	7.5	6.8
Retail trade	4.0	6.0	5.3	4.9	15.3	4.8	4.0
Accommodation, cafes and restaurants	10.5	11.8	10.6	12.7	20.0	10.4	10.4
Transport and storage	6.2	9.4	6.7	8.3	15.2	7.0	6.2
Communication services	6.3	7.4	—	14.5	1.9	4.4	5.9
Finance and insurance	4.3	7.9	5.9	6.4	8.5	5.7	4.4
Property and business services	5.7	6.6	9.0	9.9	15.3	6.6	5.7
Education	14.2	17.4	46.5	9.2	28.4	16.2	14.4
Health and community services	6.3	10.3	21.0	7.3	32.4	8.6	6.3
Cultural and recreational services	14.0	14.5	29.5	7.8	19.9	17.5	14.3
Personal and other services	18.9	22.3	39.3	27.5	30.6	24.9	19.4
<b>All industries</b>	<b>1.9</b>	<b>2.7</b>	<b>2.6</b>	<b>2.9</b>	<b>4.2</b>	<b>2.2</b>	<b>1.9</b>
PUBLIC SECTOR							
Electricity, gas and water supply	2.2	2.0	2.0	1.9	3.2	2.0	2.2
Construction	0.3	0.3	—	0.6	0.4	0.3	0.3
Transport and storage	2.7	2.7	2.3	1.8	6.9	2.5	2.7
Communication services	—	—	—	—	—	—	—
Finance and insurance	30.0	24.0	38.6	20.2	33.5	28.8	29.8
Property and business services	8.4	9.3	19.2	4.8	18.6	9.2	8.5
Government administration and defence	2.7	1.7	4.6	1.5	3.3	1.7	2.6
Education	0.4	0.3	0.4	0.3	1.8	0.3	0.4
Health and community services	0.8	1.1	1.8	1.6	2.5	1.1	0.9
Cultural and recreational services	19.4	21.9	21.9	17.1	8.3	16.1	18.9
Personal and other services	0.5	0.3	0.5	0.4	0.8	0.3	0.5
<b>All industries(a)</b>	<b>0.8</b>	<b>0.7</b>	<b>0.8</b>	<b>0.6</b>	<b>2.0</b>	<b>0.6</b>	<b>0.8</b>

(a) Includes Mining, Manufacturing, Wholesale trade, Retail trade and Accommodation, cafes and restaurants.

## G L O S S A R Y

<b>Earnings</b>	Amounts paid to employees during the reference year for gross wages and salaries, severance, termination and redundancy payments, and the value of fringe benefits provided, net of amounts reimbursed for employees on government employment programs. Workers' compensation payments paid through the payroll are excluded from earnings.
<b>Employees</b>	The average of the number of wage and salary earners who received pay for a specified pay period in August, November, February and May of the reference year.
<b>Employees covered by superannuation</b>	The percentage of employees for whom employers paid superannuation contributions during the reference period.
<b>Employer size</b>	To derive estimates of employer size, each of the approximately 6,600 private sector employer units is allocated a size classification based on the average number of employees actually reported for the reference dates in August, November, February and May. The size classification reflects the size of a unit in each State or Territory and not necessarily its size Australia wide. Employer size estimates for the public sector are not available.
<b>Fringe benefits</b>	The provision of goods and services subject to fringe benefits tax in respect of employees as defined in the legislation. See paragraph 21 of the Explanatory Notes.
<b>Fringe benefits tax</b>	Fringe benefits tax is payable in respect of most fringe benefits provided by employers to employees. Generally, tax is payable on the gross taxable value of the benefits in the fringe benefits tax year, 1 April to 31 March. Not all organisations who provide fringe benefits to their employees are required to pay fringe benefits tax.
<b>General government</b>	Public sector enterprises mainly engaged in the production of goods and services, outside the normal market mechanisms, providing these goods and services to the general public. The cost of operations is often financed from public revenues (e.g. government departments).
<b>Gross wages and salaries</b>	<p>Amounts paid to employees during the reference year and comprises:</p> <ul style="list-style-type: none"> <li>▪ payments for time worked;</li> <li>▪ annual, sick and other leave payments;</li> <li>▪ payments for public holidays; and</li> <li>▪ leave loading payments.</li> </ul> <p>Included are ordinary time and overtime earnings; overaward payments; penalty payments, shift and other remunerative allowances; retainers and commissions paid to employees who received a salary; bonuses and similar payments; payments under incentive, piecework or profit sharing schemes; advance and retrospective payments; salaries and fees paid to company directors and members of boards who received a salary.</p> <p>Excluded are reimbursements of expenses, e.g. travel, entertainment, meals etc. and drawings from profits by directors or office holders. Also excluded are amounts of wages and salaries reimbursed under government employment programs and workers' compensation payments paid through the payroll,</p>
<b>Industry</b>	Classified according to the Australian and New Zealand Standard Industrial Classification (ANZSIC) (see paragraph 13 of the Explanatory Notes).

## G L O S S A R Y *continued*

<b>Labour costs</b>	Costs incurred by employers in the employment of labour. See paragraphs 3–4 of Explanatory Notes.
<b>Other labour costs</b>	Labour costs other than earnings of employees. Included are: <ul style="list-style-type: none"> <li>▪ superannuation;</li> <li>▪ payroll tax;</li> <li>▪ workers' compensation; and</li> <li>▪ fringe benefits tax.</li> </ul>
<b>Payroll tax</b>	The amount of tax paid during the reference year in respect of the gross wages and salaries of employees, net of any rebates. Payroll tax assessed for payments to contractors and other persons not considered employees are excluded.
<b>Public financial enterprises</b>	Public sector enterprises actively involved in financial market transactions such as borrowing and lending. Excluded are those public bodies whose funds flow directly to or from general government revenue.
<b>Public sector</b>	Comprises units of the General government, Public trading enterprises and Public financial enterprises. See Sector.
<b>Public trading enterprises</b>	Public sector enterprises predominantly engaged in the production of goods and services with an intention of maximising profits and financial returns with most operating costs being derived from trading activities.
<b>Reference period for the number of employees</b>	The last pay period ending on or before the third Friday in August, November, February and May of the reference year.
<b>Reference period</b>	The year ended 30 June 1997. Information collected relates to labour costs paid during the year, i.e. cash accounting basis. For businesses which commenced or ceased operation during the year, the costs relate to the amounts paid during the period the business operated.
<b>Salary sacrificing</b>	Salary sacrificing arrangements arise when an employee forgoes part of the salary he/she would otherwise receive in return for some other benefits provided by the employer. An employee, particularly in the highest tax bracket, may be able to reduce his/her tax bill by sacrificing salary for other employment-related benefits. Most salary sacrificed benefits attract employer fringe benefits tax. Salary sacrificed into employer funded superannuation does not.
<b>Sector</b>	Public sector includes local government authorities and all government departments, agencies and authorities created by, or reporting to, the Commonwealth Parliament and State Parliaments. All remaining employees are classified as private sector.
<b>Severance, termination and redundancy payments</b>	Lump sum payments made to employees, on termination of employment, for unused leave and eligible termination payments, including severance and redundancy payments. Includes amounts paid into industry termination funds.
<b>Standard institutional sector</b>	Institutional sector is classified according to the Standard Institutional Sector Classification of Australia 1987 (SISCA) (see paragraph 14 of the Explanatory Notes).

## GLOSSARY *continued*

- .....
- Superannuation** Employer-funded contributions to superannuation funds on behalf of employees. Due to the different funding arrangements adopted in the public and private sectors, estimates of superannuation are not directly comparable between the sectors. See paragraphs 17–19 of Explanatory Notes.
- Workers' compensation** The cost to the employer in providing workers' compensation cover for employees. There are three ways to meet these costs:
- a The majority of employers pay a premium to an insurer. In this case, workers' compensation costs are considered to comprise:
    - premiums paid during the reference year including the component that covers the employee for common law damages; and
    - any workers' compensation costs not reimbursed by the insurer including 'make-up' and 'excess' pay.
  - b Some larger employers may become 'self-insurers' and cover most costs themselves. Workers' compensation costs are considered to comprise:
    - lump sum payments and payments made as part of employee earnings;
    - premiums paid during the year to offset liability at common law for workers' compensation; and
    - any other costs, including common law costs not reimbursed by the insurer, such as legal, accounting, medical and administrative costs.
  - c In the public sector, some workers' compensation costs are paid from consolidated funds. In most cases these payments relate to liabilities incurred under prior legislation. The consolidated funded amounts have not been shown in the tables in this publication, but are shown separately in Appendix 2.
- .....

## SPECIAL DATA SERVICE

### INTRODUCTION

A large range of unpublished data is available from the Labour Costs Survey on request. These data can be produced for clients as customised reports. The variables are listed below.

### HOW TO PLACE AN ORDER

Firstly, determine the variables (see following) that you require estimates for. A covering letter indicating these requirements and the intended uses of the data requested should be addressed to:

Labour Statistics Centre  
Output Group  
Australian Bureau of Statistics  
GPO Box K881  
PERTH WA 6001

### CONTACT OFFICER

If you wish to discuss individual requests, especially in regard to the reliability of estimates for particular cross-classifications and the charges involved, please telephone Ken Clarke on Perth 08 9360 5141.

### VARIABLES

The following variables are available from this survey (subject to the reliability of the estimates):

#### Labour cost type

Earnings  
Gross wages and salaries  
Fringe benefits (taxable amount)  
Severance, termination and redundancy payments  
Payroll tax  
Superannuation  
Workers' compensation  
Fringe benefits tax

#### Units of measure

Total cost (\$million)  
Cost per employee (\$)  
Cost as a percentage of total labour costs  
Costs as a percentage of earnings

#### States and Territories

New South Wales  
Victoria  
Queensland  
South Australia  
Western Australia  
Tasmania  
Northern Territory  
Australian Capital Territory  
Australia

#### Sector

Private sector  
Public sector

VARIABLES *continued*

Level of government

Commonwealth

State

Local

Public institutional sector (SISCA)

Public trading enterprises

Public financial enterprises

General government

Industry (ANZSIC classification)

ANZSIC Division (1-digit code—as shown in this publication)

ANZSIC Subdivision (2-digit codes)

Employer unit size (private sector only)

0–9 employees

0–19 employees

10–19 employees

20–49 employees

20–99 employees

50–99 employees

100–499 employees

100 or more employees

500 or more employees

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