

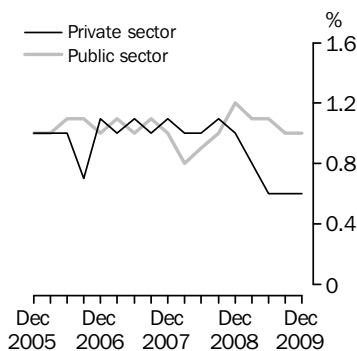
LABOUR PRICE INDEX

AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) WED 24 FEB 2010

WPI—Quarterly changes: Trend (a)

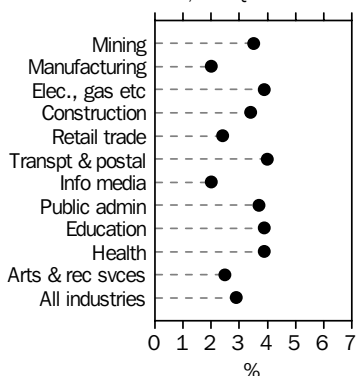
Total hourly rates of pay excluding bonuses



(a) See Explanatory Notes paras 46-47, 50

WPI—Annual change: original

Total hourly rates of pay excluding bonuses
For selected industries, Dec Qtr 2009



KEY FIGURES

	Sep Qtr 2009 to Dec Qtr 2009 % change	Dec Qtr 2008 to Dec Qtr 2009 % change
Wage Price Index (WPI)		
Total hourly rates of pay excluding bonuses		
Trend(a)		
Australia	0.6	3.0
Sector		
Private	0.6	2.6
Public	1.0	4.2
Original		
Australia	0.7	2.9
Sector		
Private	0.5	2.5
Public	1.0	4.1

(a) See Explanatory Notes paragraphs 46-47, 50

KEY POINTS

TOTAL HOURLY RATES OF PAY EXCLUDING BONUSES

QUARTERLY CHANGE (SEP QTR 2009 TO DEC QTR 2009)

- The index for all employee jobs in Australia increased by 0.6%, in trend terms.
- The increases in indexes (in original terms) at the industry level ranged from 0.2% for Accommodation and food services; Rental, hiring and real estate services; and Professional, scientific and technical services to 1.2% for Electricity, gas, water and waste services.

ANNUAL CHANGE (DEC QTR 2008 TO DEC QTR 2009)

- The increase in the trend index through the year to December quarter 2009 for all employee jobs in Australia was 3.0%.
- Increases in the original indexes through the year to December quarter 2009 at the industry level ranged from 1.9% for Accommodation and food services; Rental, hiring and real estate services; and Administrative and support services to 4.0% for Transport, postal and warehousing.

INQUIRIES

For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or Kathryn Parlor on Perth (08) 9360 5151.

NOTES

FORTHCOMING ISSUES

<i>ISSUE (Quarter)</i>	<i>RELEASE DATE</i>
March 2010	19 May 2010
June 2010	18 August 2010
September 2010	17 November 2010
December 2010	23 February 2011

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CHANGES IN THIS ISSUE

From the December quarter 2009, data are no longer collected from micro businesses. Micro businesses are businesses with an employment size of 0-4. See paragraph 22 of the Explanatory Notes for more detail. The introduction of this change does not impact what the LPI measures.

The distribution of employers' expenditure on wages and salaries, as provided in Appendix 1, is updated in the December quarter each year. An explanation of the use of employers' expenditure data is provided in paragraphs 30 and 31 of the Explanatory Notes. The December quarter 2009 update has sourced estimates from the 2008 Survey of Employee Earnings and Hours to ensure the most contemporary information on employer expenditure patterns is used in the compilation of the wage price index. Previous updates have sourced estimates from the Major Labour Costs Survey.

NEW INDEX REFERENCE BASE

From the September quarter 2009, all index numbers have been calculated on a new reference base of 2008-09, that is, the numbers in each index series have been reset to equal 100.0 for the financial year 2008-09. Period-to-period percentage changes may differ slightly to those previously published due to re-referencing and rounding. These differences do not constitute a revision. See Appendix 2 for more detail.

ABS DATA AVAILABLE ON REQUEST

Original indexes are compiled for various combinations of state/territory, sector and broad industry group. Indexes not included in this publication may be made available on request by telephoning Kathryn Parlor on Perth (08) 9360 5151 or email labour.price.index@abs.gov.au.

DATA REFERENCES

Data referenced in the Key Points and Commentary are available from the tables shown in this publication or in the corresponding tables of this publication on the ABS website <<http://www.abs.gov.au>>.

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ABBREVIATIONS

ABS Australian Bureau of Statistics
LPI labour price index
WPI wage price index

Trevor Sutton
Acting Australian Statistician

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COMMENTARY

AUSTRALIA/SECTOR (TREND)

In the December quarter 2009, the Private sector wage price index rose by 0.6% compared to 1.0% for the Public sector, with the All sectors index recording a quarterly movement of 0.6%. The All sectors quarterly movement of 0.6% was the lowest in the history of the series and was the fourth quarter in a row where a quarterly movement below 1.0% was recorded.

Public sector movements were greater than the Private sector for both the quarter and the year through to December quarter 2009. The difference between the Public sector through the year change (4.2%) and the Private sector through the year change (2.6%) was the greatest in December quarter 2009 since the commencement of the series in September quarter 1997.

STATE/TERRITORY (ORIGINAL)

The highest quarterly movement was recorded by the Northern Territory (1.2%) and the lowest by New South Wales (0.4%). Through the year increases ranged from 2.4% for South Australia to 3.7% for both Tasmania and the Australian Capital Territory.

The Private sector for each state and territory recorded a lower quarterly increase in the December quarter 2009 than in the December quarter 2008. The lowest quarterly increase in the Private sector in the December quarter 2009 was recorded by New South Wales (0.4%). The highest quarterly increase was recorded by Victoria and Tasmania (0.8%).

In New South Wales and Victoria, the Private sector December quarter 2009 through the year movement was the lowest recorded since the commencement of the series.

In the Public sector, the Northern Territory recorded the highest quarterly and through the year movements of all states and territories in the December quarter 2009 (2.2% and 4.8% respectively). Tasmania recorded the lowest quarterly movement (0.3%). The lowest through the year movement in the December quarter 2009 for the Public sector was 2.9% in South Australia.

INDUSTRY (ORIGINAL)

In the December quarter 2009, Electricity, gas, water and waste services recorded the highest All sectors quarterly movement of any industry (1.2%). Accommodation and food services; Rental, hiring and real estate services; and Professional, scientific and technical services recorded the lowest quarterly movement (all 0.2%).

Increases through the year ranged from 1.9% for Accommodation and food services; Rental, hiring and real estate services; and Administrative and support services to 4.0% for Transport, postal and warehousing.

The Private sector quarterly change for each industry in the December quarter 2009 was lower than that recorded in the December quarter 2008. The through the year movements continued to indicate an easing in wages growth in the Private sector.

In the Public sector, quarterly movements in the December quarter 2009 ranged from 0.4% for Professional, scientific and technical services to 1.3% for Electricity, gas, water and waste services.

COMMENTARY *continued*

NATIONAL MINIMUM WAGE INCREASES

There has been some variation in the date of effect and timing of Australian Fair Pay Commission Wage Setting Decisions. The 2006 decision had a date of effect of 1 December 2006, and its impact was seen in the March quarter 2007 wage price index. The 2007 and 2008 decisions each had a date of effect of 1 October and affected the December quarter wage price index in those years.

In July 2009 the Australian Fair Pay Commission decision was to make no change to minimum wage rates. Therefore, the wage increases that might have been expected to affect the December quarter 2009 wage price index did not occur.

WAGE PRICE INDEX: TOTAL HOURLY RATES OF PAY EXCLUDING BONUSES, Sector

Period	ORIGINAL			SEASONALLY ADJUSTED (a)			TREND (b)		
	Private	Public	All Sectors	Private	Public	All Sectors	Private	Public	All Sectors
INDEX NUMBERS (c)									
2006									
December	91.7	91.9	91.8	91.7	91.9	91.8	91.8	91.8	91.8
2007									
March	92.7	92.8	92.8	92.7	92.7	92.7	92.7	92.8	92.7
June	93.5	93.4	93.5	93.7	93.7	93.7	93.7	93.7	93.7
September	94.7	94.9	94.8	94.6	94.7	94.6	94.6	94.7	94.6
December	95.7	95.7	95.7	95.7	95.6	95.6	95.6	95.6	95.6
2008									
March	96.6	96.5	96.6	96.6	96.4	96.5	96.6	96.4	96.6
June	97.6	97.0	97.5	97.7	97.3	97.6	97.6	97.3	97.6
September	98.7	98.3	98.6	98.6	98.2	98.5	98.7	98.3	98.6
December	99.8	99.7	99.8	99.8	99.6	99.7	99.7	99.5	99.6
2009									
March	100.5	100.7	100.5	100.5	100.6	100.5	100.5	100.6	100.5
June	101.0	101.4	101.1	101.1	101.7	101.3	101.1	101.7	101.3
September	101.8	102.8	102.0	101.7	102.7	102.0	101.7	102.7	102.0
December	102.3	103.8	102.7	102.3	103.7	102.6	102.3	103.7	102.6
CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR (%)									
2007									
December	4.4	4.1	4.2	4.4	4.0	4.1	4.1	4.1	4.1
2008									
March	4.2	4.0	4.1	4.2	4.0	4.1	4.2	3.9	4.2
June	4.4	3.9	4.3	4.3	3.8	4.2	4.2	3.8	4.2
September	4.2	3.6	4.0	4.2	3.7	4.1	4.3	3.8	4.2
December	4.3	4.2	4.3	4.3	4.2	4.3	4.3	4.1	4.2
2009									
March	4.0	4.4	4.0	4.0	4.4	4.1	4.0	4.4	4.0
June	3.5	4.5	3.7	3.5	4.5	3.8	3.6	4.5	3.8
September	3.1	4.6	3.4	3.1	4.6	3.6	3.0	4.5	3.4
December	2.5	4.1	2.9	2.5	4.1	2.9	2.6	4.2	3.0
CHANGE FROM PREVIOUS QUARTER (%)									
2007									
December	1.1	0.8	0.9	1.2	1.0	1.1	1.1	1.0	1.1
2008									
March	0.9	0.8	0.9	0.9	0.8	0.9	1.0	0.8	1.0
June	1.0	0.5	0.9	1.1	0.9	1.1	1.0	0.9	1.0
September	1.1	1.3	1.1	0.9	0.9	0.9	1.1	1.0	1.0
December	1.1	1.4	1.2	1.2	1.4	1.2	1.0	1.2	1.0
2009									
March	0.7	1.0	0.7	0.7	1.0	0.8	0.8	1.1	0.9
June	0.5	0.7	0.6	0.6	1.1	0.8	0.6	1.1	0.8
September	0.8	1.4	0.9	0.6	1.0	0.7	0.6	1.0	0.7
December	0.5	1.0	0.7	0.6	1.0	0.6	0.6	1.0	0.6

(a) See Explanatory notes paragraphs 38–45,50.

(c) Reference base of each index: 2008–09 = 100.0.

(b) See Explanatory notes paragraphs 46–47,50.

WAGE PRICE INDEX: TOTAL HOURLY RATES OF PAY EXCLUDING BONUSES,
All Sectors: **Original**

<i>Period</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>	Australia
INDEX NUMBERS (a)									
2005-06	89.4	89.4	88.1	88.4	85.8	88.5	88.7	88.8	88.7
2006-07	92.8	92.6	92.1	91.9	89.9	92.4	92.1	92.4	92.3
2007-08	96.4	96.2	96.0	96.2	95.1	95.9	95.7	96.3	96.2
2008-09	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2006									
December	92.3	92.1	91.7	91.5	89.3	91.7	91.5	91.9	91.8
2007									
March	93.3	93.1	92.7	92.6	90.2	93.0	92.5	92.9	92.8
June	93.9	93.8	93.5	93.1	91.7	93.7	93.5	93.6	93.5
September	95.2	94.7	94.6	94.8	93.4	94.7	94.2	95.0	94.8
December	95.9	95.7	95.7	95.9	94.6	95.5	95.1	96.0	95.7
2008									
March	96.8	96.6	96.5	96.8	95.5	96.3	95.9	96.7	96.6
June	97.6	97.6	97.1	97.4	96.8	97.1	97.5	97.3	97.5
September	98.7	98.7	98.6	98.5	98.1	98.5	98.3	98.6	98.6
December	99.7	99.8	99.6	99.9	99.9	99.6	99.7	99.5	99.8
2009									
March	100.5	100.5	100.6	100.6	100.7	100.7	100.8	100.6	100.5
June	101.2	101.0	101.1	101.0	101.3	101.2	101.2	101.3	101.1
September	102.2	101.7	102.1	101.7	102.1	102.6	101.9	102.3	102.0
December	102.6	102.5	102.8	102.3	102.9	103.3	103.1	103.2	102.7
CHANGE FROM PREVIOUS FINANCIAL YEAR (%)									
2006-07	3.8	3.6	4.5	4.0	4.7	4.3	3.9	4.1	4.0
2007-08	3.9	3.9	4.2	4.7	5.8	3.8	3.9	4.2	4.2
2008-09	3.8	4.0	4.2	3.9	5.2	4.3	4.5	3.9	4.0
CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR (%)									
2007									
December	3.9	3.9	4.4	4.8	5.9	4.1	3.9	4.5	4.2
2008									
March	3.8	3.8	4.1	4.5	5.9	3.5	3.7	4.1	4.1
June	3.9	4.1	3.9	4.6	5.6	3.6	4.3	4.0	4.3
September	3.7	4.2	4.2	3.9	5.0	4.0	4.4	3.8	4.0
December	4.0	4.3	4.1	4.2	5.6	4.3	4.8	3.6	4.3
2009									
March	3.8	4.0	4.2	3.9	5.4	4.6	5.1	4.0	4.0
June	3.7	3.5	4.1	3.7	4.6	4.2	3.8	4.1	3.7
September	3.5	3.0	3.5	3.2	4.1	4.2	3.7	3.8	3.4
December	2.9	2.7	3.2	2.4	3.0	3.7	3.4	3.7	2.9
CHANGE FROM PREVIOUS QUARTER (%)									
2007									
December	0.7	1.1	1.2	1.2	1.3	0.8	1.0	1.1	0.9
2008									
March	0.9	0.9	0.8	0.9	1.0	0.8	0.8	0.7	0.9
June	0.8	1.0	0.6	0.6	1.4	0.8	1.7	0.6	0.9
September	1.1	1.1	1.5	1.1	1.3	1.4	0.8	1.3	1.1
December	1.0	1.1	1.0	1.4	1.8	1.1	1.4	0.9	1.2
2009									
March	0.8	0.7	1.0	0.7	0.8	1.1	1.1	1.1	0.7
June	0.7	0.5	0.5	0.4	0.6	0.5	0.4	0.7	0.6
September	1.0	0.7	1.0	0.7	0.8	1.4	0.7	1.0	0.9
December	0.4	0.8	0.7	0.6	0.8	0.7	1.2	0.9	0.7

(a) Reference base of each index: 2008-09 = 100.0.

WAGE PRICE INDEX: TOTAL HOURLY RATES OF PAY EXCLUDING BONUSES,
Private Sector: **Original**

<i>Period</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>	Australia
INDEX NUMBERS (a)									
2005-06	89.5	89.5	88.4	88.6	85.6	88.8	87.6	89.1	88.8
2006-07	92.8	92.6	92.3	92.0	89.6	92.5	90.9	92.5	92.2
2007-08	96.3	96.3	96.0	96.4	95.2	96.0	95.6	96.1	96.2
2008-09	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2006									
December	92.3	92.1	91.9	91.6	88.9	92.0	90.1	91.9	91.7
2007									
March	93.2	93.1	92.9	92.5	90.0	93.1	91.3	93.1	92.7
June	94.0	93.8	93.7	93.2	91.4	93.7	93.0	93.8	93.5
September	95.0	94.8	94.5	95.1	93.5	94.7	93.9	94.9	94.7
December	95.8	95.8	95.7	96.0	94.7	95.9	95.0	96.0	95.7
2008									
March	96.6	96.8	96.6	96.9	95.6	96.2	95.9	96.6	96.6
June	97.7	97.9	97.3	97.5	97.1	97.1	97.4	97.0	97.6
September	98.9	98.7	98.5	98.6	98.5	98.4	98.4	98.4	98.7
December	99.7	99.9	99.7	99.9	99.9	100.1	99.9	99.6	99.8
2009									
March	100.4	100.4	100.6	100.6	100.6	100.6	100.5	100.7	100.5
June	101.0	101.0	101.2	100.9	101.0	100.9	101.2	101.3	101.0
September	101.8	101.5	102.0	101.6	101.8	102.6	101.7	101.7	101.8
December	102.2	102.3	102.5	102.3	102.4	103.4	102.2	102.3	102.3
CHANGE FROM PREVIOUS FINANCIAL YEAR (%)									
2006-07	3.6	3.5	4.4	3.8	4.7	4.1	3.8	3.8	3.8
2007-08	3.8	4.0	4.0	4.8	6.2	3.8	5.1	4.0	4.3
2008-09	3.9	3.8	4.1	3.8	5.0	4.2	4.7	4.0	4.0
CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR (%)									
2007									
December	3.8	4.0	4.1	4.8	6.5	4.2	5.4	4.5	4.4
2008									
March	3.6	4.0	4.0	4.8	6.2	3.3	5.0	3.8	4.2
June	3.9	4.4	3.8	4.6	6.2	3.6	4.7	3.4	4.4
September	4.1	4.1	4.2	3.7	5.3	3.9	4.8	3.7	4.2
December	4.1	4.3	4.2	4.1	5.5	4.4	5.2	3.8	4.3
2009									
March	3.9	3.7	4.1	3.8	5.2	4.6	4.8	4.2	4.0
June	3.4	3.2	4.0	3.5	4.0	3.9	3.9	4.4	3.5
September	2.9	2.8	3.6	3.0	3.4	4.3	3.4	3.4	3.1
December	2.5	2.4	2.8	2.4	2.5	3.3	2.3	2.7	2.5
CHANGE FROM PREVIOUS QUARTER (%)									
2007									
December	0.8	1.1	1.3	0.9	1.3	1.3	1.2	1.2	1.1
2008									
March	0.8	1.0	0.9	0.9	1.0	0.3	0.9	0.6	0.9
June	1.1	1.1	0.7	0.6	1.6	0.9	1.6	0.4	1.0
September	1.2	0.8	1.2	1.1	1.4	1.3	1.0	1.4	1.1
December	0.8	1.2	1.2	1.3	1.4	1.7	1.5	1.2	1.1
2009									
March	0.7	0.5	0.9	0.7	0.7	0.5	0.6	1.1	0.7
June	0.6	0.6	0.6	0.3	0.4	0.3	0.7	0.6	0.5
September	0.8	0.5	0.8	0.7	0.8	1.7	0.5	0.4	0.8
December	0.4	0.8	0.5	0.7	0.6	0.8	0.5	0.6	0.5

(a) Reference base of each index: 2008-09 = 100.0.

WAGE PRICE INDEX: TOTAL HOURLY RATES OF PAY EXCLUDING BONUSES,
Public Sector: **Original**

Period	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Australia
INDEX NUMBERS (a)									
2005-06	89.1	89.2	87.5	87.9	86.7	87.9	90.1	88.6	88.5
2006-07	93.0	92.7	91.5	91.8	90.6	92.0	93.7	92.4	92.3
2007-08	96.6	95.6	95.9	95.9	94.6	95.8	95.9	96.3	96.0
2008-09	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2006									
December	92.5	92.6	91.1	91.3	90.4	91.0	93.5	92.0	91.9
2007									
March	93.4	93.3	92.1	92.7	90.9	92.7	94.1	92.8	92.8
June	93.9	93.8	92.8	93.0	92.6	93.5	94.2	93.5	93.4
September	95.7	94.4	94.9	93.8	93.2	94.6	94.7	95.1	94.9
December	96.1	95.3	95.7	95.8	94.3	94.9	95.3	95.9	95.7
2008									
March	97.3	95.9	96.3	96.9	95.1	96.5	95.8	96.7	96.5
June	97.4	96.6	96.7	97.1	95.9	97.1	97.6	97.4	97.0
September	98.2	98.4	98.8	98.0	97.0	98.6	98.1	98.7	98.3
December	99.7	99.8	99.5	99.7	100.0	98.8	99.6	99.5	99.7
2009									
March	100.7	100.8	100.8	100.9	101.0	100.7	101.0	100.5	100.7
June	101.4	101.0	101.0	101.5	102.1	101.9	101.3	101.2	101.4
September	103.5	102.4	102.4	102.1	103.0	102.7	102.2	102.7	102.8
December	104.0	103.2	103.7	102.6	104.7	103.0	104.4	103.8	103.8
CHANGE FROM PREVIOUS FINANCIAL YEAR (%)									
2006-07	4.4	3.9	4.6	4.4	4.6	4.6	4.0	4.3	4.3
2007-08	4.0	3.1	4.8	4.5	4.4	4.2	2.3	4.2	4.1
2008-09	3.5	4.7	4.3	4.3	5.7	4.4	4.3	3.8	4.2
CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR (%)									
2007									
December	3.9	2.9	5.0	4.9	4.3	4.3	1.9	4.2	4.1
2008									
March	4.2	2.8	4.6	4.5	4.6	4.1	1.8	4.2	4.0
June	3.7	3.0	4.2	4.4	3.6	3.9	3.6	4.2	3.9
September	2.6	4.2	4.1	4.5	4.1	4.2	3.6	3.8	3.6
December	3.7	4.7	4.0	4.1	6.0	4.1	4.5	3.8	4.2
2009									
March	3.5	5.1	4.7	4.1	6.2	4.4	5.4	3.9	4.4
June	4.1	4.6	4.4	4.5	6.5	4.9	3.8	3.9	4.5
September	5.4	4.1	3.6	4.2	6.2	4.2	4.2	4.1	4.6
December	4.3	3.4	4.2	2.9	4.7	4.3	4.8	4.3	4.1
CHANGE FROM PREVIOUS QUARTER (%)									
2007									
December	0.4	1.0	0.8	2.1	1.2	0.3	0.6	0.8	0.8
2008									
March	1.2	0.6	0.6	1.1	0.8	1.7	0.5	0.8	0.8
June	0.1	0.7	0.4	0.2	0.8	0.6	1.9	0.7	0.5
September	0.8	1.9	2.2	0.9	1.1	1.5	0.5	1.3	1.3
December	1.5	1.4	0.7	1.7	3.1	0.2	1.5	0.8	1.4
2009									
March	1.0	1.0	1.3	1.2	1.0	1.9	1.4	1.0	1.0
June	0.7	0.2	0.2	0.6	1.1	1.2	0.3	0.7	0.7
September	2.1	1.4	1.4	0.6	0.9	0.8	0.9	1.5	1.4
December	0.5	0.8	1.3	0.5	1.7	0.3	2.2	1.1	1.0

(a) Reference base of each index: 2008-09 = 100.0.

WAGE PRICE INDEX: TOTAL HOURLY RATES OF PAY EXCLUDING BONUSES,
Sector by Industry—Index numbers(a): **Original**

Industry	FINANCIAL YEAR				QUARTER				
	2005-06	2006-07	2007-08	2008-09	Dec Qtr 2008	Mar Qtr 2009	Jun Qtr 2009	Sep Qtr 2009	Dec Qtr 2009
	PRIVATE								
Mining	84.5	89.5	94.7	100.0	99.3	100.6	101.6	102.1	102.8
Manufacturing	89.2	92.4	96.5	100.0	99.9	100.3	100.8	101.5	101.9
Electricity, gas, water and waste services	87.7	91.7	95.6	100.0	99.9	100.7	101.1	102.2	103.2
Construction	87.3	91.5	95.5	100.0	99.4	100.4	101.6	102.2	102.9
Wholesale trade	89.4	92.7	96.1	100.0	99.6	100.2	101.2	101.7	102.1
Retail trade	89.5	92.2	96.2	100.0	100.1	100.7	100.9	101.7	102.5
Accommodation and food services	92.0	94.4	97.1	100.0	99.9	100.8	101.0	101.6	101.8
Transport, postal and warehousing	88.3	91.8	95.6	100.0	99.6	100.9	101.2	102.7	103.7
Information media and telecommunications	90.4	93.8	97.1	100.0	99.9	100.3	100.7	101.4	101.7
Financial and insurance services	89.0	92.6	96.2	100.0	100.0	100.4	100.7	101.1	101.9
Rental, hiring and real estate services	89.7	92.6	96.7	100.0	100.2	100.6	100.6	101.6	101.8
Professional, scientific and technical services	86.9	90.8	94.9	100.0	99.5	100.3	101.4	102.1	102.3
Administrative and support services	89.0	91.8	96.0	100.0	99.9	100.5	100.6	101.5	101.7
Public administration and safety	89.8	93.1	97.3	100.0	99.9	100.5	100.9	101.7	102.5
Education and training	87.9	91.2	95.3	100.0	98.8	101.3	102.0	102.6	102.8
Health care and social assistance	89.4	92.9	96.6	100.0	100.0	100.6	101.0	101.9	102.7
Arts and recreation services	89.0	92.4	96.3	100.0	100.2	100.4	100.9	101.6	102.6
Other services	90.5	93.2	96.7	100.0	99.9	100.5	100.9	101.3	102.0
<i>All industries</i>	88.8	92.2	96.2	100.0	99.8	100.5	101.0	101.8	102.3
PUBLIC									
Electricity, gas, water and waste services	87.7	92.1	95.8	100.0	99.9	100.8	101.2	102.6	103.9
Professional, scientific and technical services	88.7	93.1	97.1	100.0	99.1	101.3	101.4	102.4	102.8
Public administration and safety	88.4	92.0	95.9	100.0	99.9	100.6	101.2	102.9	103.7
Education and training	88.6	92.4	96.0	100.0	99.2	100.7	101.6	102.0	103.1
Health care and social assistance	88.3	92.7	96.2	100.0	99.6	101.1	101.3	103.7	104.8
<i>All industries(b)</i>	88.5	92.3	96.0	100.0	99.7	100.7	101.4	102.8	103.8
ALL SECTORS									
Mining	84.5	89.5	94.7	100.0	99.3	100.6	101.6	102.1	102.8
Manufacturing	89.1	92.4	96.5	100.0	99.9	100.3	100.8	101.5	101.9
Electricity, gas, water and waste services	87.7	92.0	95.8	100.0	99.8	100.7	101.2	102.5	103.7
Construction	87.3	91.5	95.6	100.0	99.4	100.4	101.6	102.2	102.8
Wholesale trade	89.4	92.7	96.1	100.0	99.6	100.2	101.2	101.7	102.1
Retail trade	89.5	92.3	96.3	100.0	100.1	100.7	100.9	101.7	102.5
Accommodation and food services	92.0	94.4	97.1	100.0	99.9	100.8	101.0	101.6	101.8
Transport, postal and warehousing	88.5	92.0	95.7	100.0	99.7	100.8	101.2	102.7	103.7
Information media and telecommunications	90.4	93.4	97.0	100.0	99.9	100.3	100.8	101.6	101.9
Financial and insurance services	88.9	92.4	96.2	100.0	99.9	100.3	100.7	101.2	102.0
Rental, hiring and real estate services	89.6	92.6	96.7	100.0	100.3	100.6	100.7	102.0	102.2
Professional, scientific and technical services	87.0	91.0	95.1	100.0	99.5	100.5	101.4	102.1	102.3
Administrative and support services	89.0	91.8	96.0	100.0	99.9	100.5	100.6	101.5	101.8
Public administration and safety	88.5	92.1	95.9	100.0	99.9	100.7	101.2	102.8	103.6
Education and training	88.4	92.1	95.8	100.0	99.1	100.9	101.7	102.2	103.0
Health care and social assistance	88.9	92.9	96.4	100.0	99.8	100.8	101.1	102.7	103.7
Arts and recreation services	89.4	92.7	96.4	100.0	100.3	100.5	101.0	101.9	102.8
Other services	90.4	93.2	96.7	100.0	100.0	100.4	100.8	101.4	102.0
All industries	88.7	92.3	96.2	100.0	99.8	100.5	101.1	102.0	102.7

(a) Reference base of each index: 2008-09 = 100.0

(b) Includes those industries not separately listed.

WAGE PRICE INDEX: TOTAL HOURLY RATES OF PAY EXCLUDING BONUSES,
Sector by Industry—Percentage changes: **Original**

Industry	FROM PREVIOUS FINANCIAL YEAR			FROM CORRESPONDING QUARTER OF PREVIOUS YEAR			FROM PREVIOUS QUARTER			
	2006-07	2007-08	2008-09	Dec Qtr 2007	Dec Qtr 2008	Dec Qtr 2009	Mar Qtr 2009	Jun Qtr 2009	Sep Qtr 2009	Dec Qtr 2009
PRIVATE										
Mining	6.0	5.8	5.7	5.1	6.3	3.5	1.3	1.0	0.5	0.7
Manufacturing	3.7	4.4	3.6	4.4	4.3	2.0	0.4	0.5	0.7	0.4
Electricity, gas, water and waste services	4.6	4.3	4.6	3.9	5.0	3.3	0.8	0.4	1.1	1.0
Construction	4.9	4.4	4.7	4.3	4.6	3.5	1.0	1.2	0.6	0.7
Wholesale trade	3.8	3.6	4.1	3.1	4.3	2.5	0.6	1.0	0.5	0.4
Retail trade	3.0	4.3	4.0	5.0	3.9	2.4	0.6	0.2	0.8	0.8
Accommodation and food services	2.6	2.9	3.0	3.5	2.9	1.9	0.9	0.2	0.6	0.2
Transport, postal and warehousing	4.0	4.1	4.6	3.9	4.8	4.1	1.3	0.3	1.5	1.0
Information media and telecommunications	3.8	3.5	3.0	3.3	3.2	1.8	0.4	0.4	0.7	0.3
Financial and insurance services	4.1	3.8	4.0	3.7	4.5	1.9	0.4	0.3	0.4	0.8
Rental, hiring and real estate services	3.2	4.5	3.4	5.2	3.6	1.6	0.4	0.0	1.0	0.2
Professional, scientific and technical services	4.5	4.6	5.3	4.2	5.5	2.8	0.8	1.1	0.7	0.2
Administrative and support services	3.1	4.6	4.2	4.4	5.0	1.8	0.6	0.1	0.9	0.2
Public administration and safety	3.7	4.5	2.8	5.7	2.8	2.6	0.6	0.4	0.8	0.8
Education and training	3.8	4.5	4.9	4.2	5.0	4.0	2.5	0.7	0.6	0.2
Health care and social assistance	4.0	3.9	3.5	4.6	3.6	2.7	0.6	0.4	0.9	0.8
Arts and recreation services	3.8	4.3	3.8	5.1	4.2	2.4	0.2	0.5	0.7	1.0
Other services	3.0	3.8	3.4	3.9	3.8	2.1	0.6	0.4	0.4	0.7
All industries	3.8	4.3	4.0	4.4	4.3	2.5	0.7	0.5	0.8	0.5
PUBLIC										
Electricity, gas, water and waste services	5.0	4.1	4.4	4.3	4.8	4.0	0.9	0.4	1.4	1.3
Professional, scientific and technical services	4.9	4.3	3.0	4.3	2.3	3.7	2.2	0.1	1.0	0.4
Public administration and safety	4.1	4.2	4.3	4.4	4.5	3.8	0.7	0.6	1.7	0.8
Education and training	4.3	3.8	4.2	3.8	4.1	3.9	1.5	0.9	0.4	1.1
Health care and social assistance	5.0	3.8	4.0	3.6	3.8	5.2	1.5	0.2	2.4	1.1
All industries(a)	4.3	4.1	4.2	4.1	4.2	4.1	1.0	0.7	1.4	1.0
ALL SECTORS										
Mining	6.0	5.8	5.7	5.1	6.3	3.5	1.3	1.0	0.5	0.7
Manufacturing	3.7	4.4	3.7	4.4	4.3	2.0	0.4	0.5	0.7	0.4
Electricity, gas, water and waste services	4.8	4.1	4.4	4.2	4.7	3.9	0.9	0.5	1.3	1.2
Construction	4.8	4.5	4.6	4.4	4.5	3.4	1.0	1.2	0.6	0.6
Wholesale trade	3.8	3.6	4.1	3.1	4.3	2.5	0.6	1.0	0.5	0.4
Retail trade	3.0	4.3	3.9	5.1	3.8	2.4	0.6	0.2	0.8	0.8
Accommodation and food services	2.6	2.9	3.0	3.5	2.9	1.9	0.9	0.2	0.6	0.2
Transport, postal and warehousing	4.0	4.0	4.5	4.0	4.5	4.0	1.1	0.4	1.5	1.0
Information media and telecommunications	3.3	3.9	3.0	3.6	3.2	2.0	0.4	0.5	0.8	0.3
Financial and insurance services	4.0	4.0	4.0	4.0	4.4	2.1	0.4	0.4	0.5	0.8
Rental, hiring and real estate services	3.3	4.4	3.4	5.1	3.7	1.9	0.3	0.1	1.3	0.2
Professional, scientific and technical services	4.6	4.5	5.2	4.2	5.2	2.8	1.0	0.9	0.7	0.2
Administrative and support services	3.1	4.6	4.2	4.4	5.0	1.9	0.6	0.1	0.9	0.3
Public administration and safety	4.0	4.2	4.3	4.4	4.5	3.7	0.8	0.5	1.6	0.8
Education and training	4.2	4.0	4.4	3.9	4.4	3.9	1.8	0.8	0.5	0.8
Health care and social assistance	4.5	3.8	3.8	3.9	3.7	3.9	1.0	0.3	1.6	1.0
Arts and recreation services	3.7	4.0	3.7	4.8	4.2	2.5	0.2	0.5	0.9	0.9
Other services	3.0	3.8	3.4	4.0	4.0	2.0	0.4	0.4	0.6	0.6
All industries	4.0	4.2	4.0	4.2	4.3	2.9	0.7	0.6	0.9	0.7

(a) Includes those industries not separately listed.

Period	ORDINARY TIME HOURLY RATES			TOTAL HOURLY RATES		
	Private	Public	All Sectors	Private	Public	All Sectors
INDEX NUMBERS (a)						
2005-06	88.5	88.4	88.5	88.5	88.4	88.5
2006-07	91.9	92.2	92.0	91.9	92.2	92.0
2007-08	96.2	96.0	96.1	96.2	96.0	96.1
2008-09	100.0	100.0	100.0	100.0	100.0	100.0
2006						
December	91.5	91.8	91.6	91.5	91.9	91.6
2007						
March	92.2	92.8	92.3	92.2	92.8	92.3
June	93.2	93.4	93.2	93.2	93.3	93.2
September	94.6	94.7	94.6	94.6	94.7	94.6
December	95.7	95.6	95.7	95.7	95.6	95.7
2008						
March	96.7	96.5	96.7	96.7	96.5	96.7
June	97.6	97.0	97.4	97.6	97.0	97.4
September	98.8	98.2	98.7	98.8	98.3	98.7
December	99.8	99.7	99.7	99.8	99.7	99.7
2009						
March	100.3	100.8	100.5	100.3	100.7	100.5
June	101.1	101.3	101.2	101.1	101.3	101.2
September	101.7	102.8	102.0	101.7	102.8	102.0
December	102.5	103.8	102.8	102.4	103.8	102.8
CHANGE FROM PREVIOUS FINANCIAL YEAR (%)						
2006-07	3.8	4.3	3.9	3.8	4.3	4.0
2007-08	4.6	4.1	4.5	4.6	4.1	4.5
2008-09	4.0	4.2	4.1	4.0	4.2	4.1
CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR (%)						
2007						
December	4.6	4.1	4.5	4.6	4.0	4.5
2008						
March	4.9	4.0	4.8	4.9	4.0	4.8
June	4.7	3.9	4.5	4.7	4.0	4.5
September	4.4	3.7	4.3	4.4	3.8	4.3
December	4.3	4.3	4.2	4.3	4.3	4.2
2009						
March	3.7	4.5	3.9	3.7	4.4	3.9
June	3.6	4.4	3.9	3.6	4.4	3.9
September	2.9	4.7	3.3	2.9	4.6	3.3
December	2.7	4.1	3.1	2.6	4.1	3.1
CHANGE FROM PREVIOUS QUARTER (%)						
2007						
December	1.2	1.0	1.2	1.2	1.0	1.2
2008						
March	1.0	0.9	1.0	1.0	0.9	1.0
June	0.9	0.5	0.7	0.9	0.5	0.7
September	1.2	1.2	1.3	1.2	1.3	1.3
December	1.0	1.5	1.0	1.0	1.4	1.0
2009						
March	0.5	1.1	0.8	0.5	1.0	0.8
June	0.8	0.5	0.7	0.8	0.6	0.7
September	0.6	1.5	0.8	0.6	1.5	0.8
December	0.8	1.0	0.8	0.7	1.0	0.8

(a) Reference base of each index: 2008-09 = 100.0.

<i>Period</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>	Australia
INDEX NUMBERS (a)									
2005-06	89.4	89.4	88.2	88.4	85.9	88.5	88.6	88.7	88.7
2006-07	92.8	92.6	92.1	91.8	89.9	92.4	92.2	92.4	92.2
2007-08	96.4	96.2	96.0	96.3	95.1	95.9	95.7	96.3	96.1
2008-09	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2006									
December	92.3	92.2	91.7	91.4	89.3	91.7	91.6	91.9	91.8
2007									
March	93.3	93.1	92.7	92.4	90.3	93.0	92.5	92.9	92.7
June	93.9	93.8	93.5	93.1	91.7	93.7	93.6	93.6	93.5
September	95.1	94.7	94.6	94.8	93.4	94.7	94.2	95.0	94.7
December	95.9	95.8	95.7	96.0	94.6	95.5	95.1	96.0	95.6
2008									
March	96.8	96.7	96.5	96.9	95.6	96.3	95.9	96.7	96.5
June	97.7	97.7	97.1	97.4	96.8	97.1	97.5	97.3	97.4
September	98.7	98.7	98.6	98.4	98.1	98.5	98.3	98.6	98.6
December	99.7	99.8	99.7	99.9	99.9	99.6	99.7	99.5	99.7
2009									
March	100.5	100.5	100.6	100.7	100.7	100.7	100.8	100.6	100.6
June	101.2	101.0	101.1	101.0	101.3	101.2	101.2	101.3	101.1
September	102.3	101.7	102.1	101.7	102.1	102.6	101.9	102.3	102.0
December	102.6	102.5	102.8	102.3	102.9	103.2	103.1	103.2	102.6
CHANGE FROM PREVIOUS FINANCIAL YEAR (%)									
2006-07	3.8	3.6	4.4	3.9	4.7	4.3	4.0	4.1	3.9
2007-08	3.9	3.9	4.2	4.8	5.8	3.8	3.8	4.2	4.1
2008-09	3.8	3.9	4.2	3.9	5.2	4.3	4.5	3.9	4.1
CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR (%)									
2007									
December	3.9	3.9	4.4	5.0	5.9	4.1	3.8	4.5	4.1
2008									
March	3.8	3.9	4.1	4.9	5.9	3.5	3.7	4.1	4.1
June	4.0	4.2	3.9	4.6	5.6	3.6	4.2	4.0	4.2
September	3.8	4.2	4.2	3.8	5.0	4.0	4.4	3.8	4.1
December	4.0	4.2	4.2	4.1	5.6	4.3	4.8	3.6	4.3
2009									
March	3.8	3.9	4.2	3.9	5.3	4.6	5.1	4.0	4.2
June	3.6	3.4	4.1	3.7	4.6	4.2	3.8	4.1	3.8
September	3.6	3.0	3.5	3.4	4.1	4.2	3.7	3.8	3.4
December	2.9	2.7	3.1	2.4	3.0	3.6	3.4	3.7	2.9
CHANGE FROM PREVIOUS QUARTER (%)									
2007									
December	0.8	1.2	1.2	1.3	1.3	0.8	1.0	1.1	1.0
2008									
March	0.9	0.9	0.8	0.9	1.1	0.8	0.8	0.7	0.9
June	0.9	1.0	0.6	0.5	1.3	0.8	1.7	0.6	0.9
September	1.0	1.0	1.5	1.0	1.3	1.4	0.8	1.3	1.2
December	1.0	1.1	1.1	1.5	1.8	1.1	1.4	0.9	1.1
2009									
March	0.8	0.7	0.9	0.8	0.8	1.1	1.1	1.1	0.9
June	0.7	0.5	0.5	0.3	0.6	0.5	0.4	0.7	0.5
September	1.1	0.7	1.0	0.7	0.8	1.4	0.7	1.0	0.9
December	0.3	0.8	0.7	0.6	0.8	0.6	1.2	0.9	0.6

(a) Reference base of each index: 2008-09 = 100.0.

WAGE PRICE INDEX: ORDINARY TIME HOURLY RATES OF PAY EXCLUDING BONUSES,
Sector by Industry—Index numbers(a): **Original**

Industry	FINANCIAL YEAR				QUARTER				
	2005-06	2006-07	2007-08	2008-09	Dec Qtr 2008	Mar Qtr 2009	Jun Qtr 2009	Sep Qtr 2009	Dec Qtr 2009
	PRIVATE								
Mining	84.4	89.5	94.6	100.0	99.3	100.6	101.6	102.1	102.9
Manufacturing	89.2	92.5	96.6	100.0	99.8	100.3	100.9	101.5	102.0
Electricity, gas, water and waste services	87.5	91.6	95.5	100.0	99.9	100.8	101.2	102.2	103.3
Construction	87.0	91.2	95.5	100.0	99.4	100.5	101.6	102.2	102.9
Wholesale trade	89.3	92.7	96.1	100.0	99.6	100.2	101.2	101.8	102.1
Retail trade	89.6	92.2	96.2	100.0	100.1	100.7	100.9	101.7	102.5
Accommodation and food services	92.0	94.4	97.1	100.0	99.9	100.8	101.0	101.6	101.8
Transport, postal and warehousing	88.4	91.8	95.7	100.0	99.5	100.9	101.3	102.7	103.8
Information media and telecommunications	90.4	93.8	97.1	100.0	99.9	100.3	100.7	101.4	101.7
Financial and insurance services	89.0	92.6	96.1	100.0	100.0	100.4	100.7	101.1	101.9
Rental, hiring and real estate services	89.6	92.6	96.7	100.0	100.2	100.7	100.6	101.6	101.8
Professional, scientific and technical services	86.9	90.8	94.9	100.0	99.5	100.3	101.4	102.2	102.3
Administrative and support services	88.9	91.7	96.0	100.0	99.9	100.5	100.6	101.5	101.7
Public administration and safety	89.8	93.1	97.3	100.0	99.9	100.5	100.9	101.7	102.4
Education and training	87.9	91.2	95.3	100.0	98.8	101.3	102.0	102.6	102.8
Health care and social assistance	89.4	93.0	96.6	100.0	100.0	100.6	101.0	101.8	102.7
Arts and recreation services	89.0	92.3	96.3	100.0	100.2	100.4	100.9	101.6	102.6
Other services	90.3	93.1	96.7	100.0	99.9	100.5	100.9	101.3	101.9
<i>All industries</i>	88.9	92.2	96.2	100.0	99.8	100.5	101.1	101.8	102.3
PUBLIC									
Electricity, gas, water and waste services	87.6	92.0	95.7	100.0	99.9	100.8	101.2	102.6	103.8
Professional, scientific and technical services	88.7	93.1	97.1	100.0	99.1	101.3	101.4	102.4	102.8
Public administration and safety	88.4	92.0	95.8	100.0	99.9	100.6	101.2	102.9	103.7
Education and training	88.6	92.4	96.0	100.0	99.2	100.7	101.6	102.0	103.1
Health care and social assistance	88.3	92.7	96.2	100.0	99.7	101.1	101.3	103.7	104.8
<i>All industries(b)</i>	88.5	92.3	96.0	100.0	99.7	100.7	101.3	102.8	103.7
ALL SECTORS									
Mining	84.4	89.5	94.6	100.0	99.3	100.6	101.6	102.1	102.9
Manufacturing	89.2	92.5	96.6	100.0	99.9	100.3	100.8	101.5	102.0
Electricity, gas, water and waste services	87.6	91.8	95.7	100.0	99.9	100.8	101.2	102.4	103.6
Construction	87.0	91.3	95.6	100.0	99.4	100.5	101.6	102.2	102.9
Wholesale trade	89.3	92.7	96.1	100.0	99.6	100.2	101.2	101.8	102.1
Retail trade	89.5	92.1	96.2	100.0	100.1	100.7	100.8	101.6	102.5
Accommodation and food services	92.0	94.4	97.1	100.0	99.9	100.8	101.0	101.6	101.8
Transport, postal and warehousing	88.6	92.0	95.7	100.0	99.7	100.8	101.2	102.7	103.8
Information media and telecommunications	90.4	93.4	97.0	100.0	99.9	100.3	100.8	101.6	101.9
Financial and insurance services	88.9	92.4	96.2	100.0	99.9	100.3	100.7	101.2	102.0
Rental, hiring and real estate services	89.5	92.6	96.6	100.0	100.2	100.6	100.7	102.0	102.2
Professional, scientific and technical services	87.0	91.0	95.1	100.0	99.5	100.4	101.4	102.2	102.4
Administrative and support services	88.9	91.8	96.0	100.0	99.9	100.5	100.6	101.5	101.8
Public administration and safety	88.5	92.1	95.9	100.0	99.9	100.7	101.2	102.8	103.6
Education and training	88.4	92.1	95.8	100.0	99.1	100.9	101.7	102.2	103.0
Health care and social assistance	88.9	92.9	96.4	100.0	99.8	100.8	101.1	102.7	103.7
Arts and recreation services	89.4	92.7	96.4	100.0	100.3	100.5	101.0	101.9	102.8
Other services	90.3	93.1	96.7	100.0	99.9	100.5	100.9	101.3	102.0
All industries	88.7	92.2	96.1	100.0	99.7	100.6	101.1	102.0	102.6

(a) Reference base of each index: 2008-09 = 100.0

(b) Includes those industries not separately listed.

Industry	FROM PREVIOUS FINANCIAL YEAR			FROM CORRESPONDING QUARTER OF PREVIOUS YEAR			FROM PREVIOUS QUARTER			
	2006-07	2007-08	2008-09	Dec Qtr 2007	Dec Qtr 2008	Dec Qtr 2009	Mar Qtr 2009	Jun Qtr 2009	Sep Qtr 2009	Dec Qtr 2009
PRIVATE										
Mining	6.0	5.8	5.7	4.9	6.4	3.6	1.3	1.0	0.5	0.8
Manufacturing	3.7	4.5	3.5	4.5	4.1	2.2	0.5	0.6	0.6	0.5
Electricity, gas, water and waste services	4.6	4.3	4.7	4.2	5.0	3.4	0.9	0.4	1.0	1.1
Construction	4.9	4.7	4.7	4.9	4.6	3.5	1.1	1.1	0.6	0.7
Wholesale trade	3.8	3.6	4.1	3.1	4.3	2.5	0.6	1.0	0.6	0.3
Retail trade	3.0	4.3	4.0	5.0	3.9	2.4	0.6	0.2	0.8	0.8
Accommodation and food services	2.6	2.9	3.0	3.5	2.9	1.9	0.9	0.2	0.6	0.2
Transport, postal and warehousing	3.8	4.3	4.5	4.2	4.6	4.3	1.4	0.4	1.4	1.1
Information media and telecommunications	3.8	3.5	3.0	3.3	3.2	1.8	0.4	0.4	0.7	0.3
Financial and insurance services	4.1	3.8	4.1	3.7	4.5	1.9	0.4	0.3	0.4	0.8
Rental, hiring and real estate services	3.3	4.5	3.4	5.2	3.6	1.6	0.5	-0.1	1.0	0.2
Professional, scientific and technical services	4.5	4.5	5.4	4.2	5.5	2.8	0.8	1.1	0.8	0.1
Administrative and support services	3.1	4.7	4.2	4.4	5.0	1.8	0.6	0.1	0.9	0.2
Public administration and safety	3.7	4.5	2.8	5.5	2.9	2.5	0.6	0.4	0.8	0.7
Education and training	3.8	4.5	4.9	4.2	5.0	4.0	2.5	0.7	0.6	0.2
Health care and social assistance	4.0	3.9	3.5	4.6	3.6	2.7	0.6	0.4	0.8	0.9
Arts and recreation services	3.8	4.3	3.8	5.3	4.2	2.4	0.2	0.5	0.7	1.0
Other services	3.1	3.9	3.4	4.0	3.8	2.0	0.6	0.4	0.4	0.6
<i>All industries</i>	3.8	4.3	4.0	4.4	4.3	2.5	0.7	0.6	0.7	0.5
PUBLIC										
Electricity, gas, water and waste services	4.9	4.1	4.5	4.3	4.8	3.9	0.9	0.4	1.4	1.2
Professional, scientific and technical services	4.9	4.3	3.0	4.3	2.3	3.7	2.2	0.1	1.0	0.4
Public administration and safety	4.1	4.1	4.4	4.3	4.6	3.8	0.7	0.6	1.7	0.8
Education and training	4.3	3.8	4.2	3.8	4.1	3.9	1.5	0.9	0.4	1.1
Health care and social assistance	5.1	3.7	4.0	3.6	3.9	5.1	1.4	0.2	2.4	1.1
<i>All industries(a)</i>	4.3	4.0	4.2	4.0	4.3	4.0	1.0	0.6	1.5	0.9
ALL SECTORS										
Mining	6.0	5.8	5.7	4.9	6.4	3.6	1.3	1.0	0.5	0.8
Manufacturing	3.7	4.5	3.5	4.5	4.2	2.1	0.4	0.5	0.7	0.5
Electricity, gas, water and waste services	4.8	4.2	4.5	4.3	4.8	3.7	0.9	0.4	1.2	1.2
Construction	4.9	4.7	4.7	4.9	4.5	3.5	1.1	1.1	0.6	0.7
Wholesale trade	3.8	3.6	4.1	3.1	4.3	2.5	0.6	1.0	0.6	0.3
Retail trade	2.9	4.4	4.0	5.1	3.9	2.4	0.6	0.1	0.8	0.9
Accommodation and food services	2.6	2.9	3.0	3.5	2.9	1.9	0.9	0.2	0.6	0.2
Transport, postal and warehousing	3.9	4.0	4.5	4.0	4.5	4.1	1.1	0.4	1.5	1.1
Information media and telecommunications	3.3	3.8	3.1	3.5	3.3	2.0	0.4	0.5	0.8	0.3
Financial and insurance services	4.0	4.0	4.0	4.0	4.4	2.1	0.4	0.4	0.5	0.8
Rental, hiring and real estate services	3.5	4.3	3.5	5.0	3.7	2.0	0.4	0.1	1.3	0.2
Professional, scientific and technical services	4.6	4.4	5.2	4.2	5.2	2.9	0.9	1.0	0.8	0.2
Administrative and support services	3.2	4.6	4.2	4.4	5.0	1.9	0.6	0.1	0.9	0.3
Public administration and safety	4.1	4.2	4.3	4.4	4.5	3.7	0.8	0.5	1.6	0.8
Education and training	4.2	4.0	4.4	3.9	4.4	3.9	1.8	0.8	0.5	0.8
Health care and social assistance	4.5	3.8	3.8	3.9	3.7	3.9	1.0	0.3	1.6	1.0
Arts and recreation services	3.7	4.0	3.7	4.8	4.2	2.5	0.2	0.5	0.9	0.9
Other services	3.2	3.9	3.4	4.0	3.8	2.1	0.6	0.4	0.4	0.7
All industries	3.9	4.1	4.1	4.1	4.3	2.9	0.9	0.5	0.9	0.6

(a) Includes those industries not separately listed.

EXPLANATORY NOTES

INTRODUCTION

1 This publication contains indexes measuring changes in the price of labour in the Australian labour market.

2 The methodology used to construct the wage, non-wage and labour price indexes (LPI) is similar to that used for other price indexes such as the Consumer Price Index. In the LPI, index numbers are compiled using information collected from a representative sample of employee jobs within a sample of employing organisations. Individual indexes are compiled for various combinations of state/territory, sector (private/public) and broad industry group. Industry is classified according to the *Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006* (cat. no. 1292.0). Prior to September quarter 2009, the ANZSIC 1993 version of the classification was used. Wage price indexes for broad occupation groups have been discontinued with the last data in the series relating to the September quarter 2008. Appendix 3 of the December quarter 2008 edition of this publication outlines where to find historical data for occupation based indexes. That appendix also contains a concordance between the old and new publication tables as a result of these series ceasing. For more detailed information on the methodology used in the construction of the LPI, refer to *Labour Price Index: Concepts, Sources and Methods* (cat. no. 6351.0.55.001).

PUBLISHED INDEXES

3 Four wage price indexes are constructed and published quarterly. These indexes were first compiled for the September quarter 1997, and cover:

- ordinary time hourly rates of pay excluding bonuses index
- ordinary time hourly rates of pay including bonuses index
- total hourly rates of pay excluding bonuses index
- total hourly rates of pay including bonuses index.

In these indexes the term 'bonuses' refers to bonuses and commissions.

4 Four non-wage price indexes are constructed. These are financial year indexes and were first compiled for the 2001–02 financial year. The non-wage indexes cover:

- annual and public holiday leave
- superannuation
- payroll tax
- workers' compensation.

5 From the individual wage and non-wage components a labour price index can be constructed. Two versions of the labour price index are produced and, like the non-wage price indexes, they are financial year indexes (first compiled for 2001–02):

- labour price index excluding bonuses
- labour price index including bonuses.

6 The full set of LPI's is updated annually in the September quarter LPI publication. In all other quarters a summary LPI table is published as an appendix to the publication.

DESIGN OF THE INDEXES

BROAD DESCRIPTION

7 The wage, non-wage and labour price indexes measure changes over time in the price of labour unaffected by changes in the quality or quantity of work performed. A range of procedures have been developed to identify and measure quality and quantity changes and ensure that only pure price changes are reflected in the indexes.

8 Price-determining characteristics of the jobs are detailed in fixed pricing specifications and any changes in labour payments due to changes in the pricing specifications do not contribute to index movements. The following are examples of changes in price-determining characteristics which are not reflected in index movements:

- changes in the nature of work performed (e.g. different tasks or responsibilities)
- changes in the quantity of work performed (e.g. the number of hours worked)

EXPLANATORY NOTES *continued*

BROAD DESCRIPTION *continued*

- changes in the characteristics of the job occupant (e.g. age, apprenticeship year, successful completion of training or a qualification, grade or level, experience, length of service, etc.)
- changes in the location where the work is performed.

9 Changes in the price of labour resulting from changes in the composition of the labour market are also excluded from index movements. To achieve this, price movements for each segment of the labour market (defined by state/territory, sector and industry) are combined using expenditure weights that remain constant between successive weighting base periods.

WAGE PRICE INDEXES

10 The *ordinary time hourly rates of pay indexes* that *exclude bonuses* measure quarterly changes in ordinary time hourly wage and salary rates. Changes in rates of pay reflected in these indexes (i.e. pure price changes) arise from a range of sources including award variations, changes in pay scales, enterprise and workplace agreements, minimum wage setting, individual contracts and informal arrangements.

11 These indexes are not affected by changes in:

- penalty payments for overtime, shifts, weekends and public holidays (which fluctuate depending on the number of hours paid at penalty rates)
- allowances (which fluctuate according to how much work is performed under special work conditions e.g. height, dirt, heat allowances)
- bonus payments (which may, or may not, relate to an individual's work performance).

These payments are specifically excluded when calculating ordinary time hourly wage and salary rates.

12 The effect of rolling ordinary time penalty payments and allowances into ordinary time hourly rates is excluded from these indexes. However, when overtime penalty payments are rolled into ordinary time hourly rates, the ordinary time indexes will increase accordingly.

13 The *total hourly rates of pay indexes* that *exclude bonuses* are based on a weighted combination of ordinary time hourly wage and salary rates (described in paragraphs 10 and 11) and overtime hourly rates. As a result, the total hourly indexes reflect changes in both the ordinary time and overtime hourly rates. However, the effect of changes in the amount of overtime paid at each overtime rate is not shown in these indexes.

14 Only those indexes that *exclude bonuses and commissions* are pure price indexes because bonus and commission payments can reflect changes in the quality of work performed. No attempt is made to remove this quality element from the indexes that include bonuses and commissions.

15 A review of the treatment of bonuses and commissions resulted in methodological changes in the March quarter 2006. Details of these changes and the likely impact on the indexes that include bonuses and commissions can be found in each of the 2006 editions of this publication.

NON-WAGE PRICE INDEXES

16 The *annual and public holiday leave index* is calculated using both ordinary time hourly wage and salary rates, and the amount of annual and public holiday leave offered by employers. Pure price changes in either of these variables will reflect in the index. The index specifically prices leave *entitlements* and therefore will not show changes due to fluctuations in the actual amount of leave taken by job occupants.

17 The *superannuation index* is calculated using ordinary time hourly wage and salary rates, and the rate of superannuation that is paid by employers. Pure price changes in either of these variables will be reflected in the index. Superannuation payments equal to and above the legislated minimum specified in the *Superannuation Guarantee Act*

EXPLANATORY NOTES *continued*

NON-WAGE PRICE INDEXES

continued

1992 are included in the index. Amounts that are salary sacrificed to superannuation are included in the wage price indexes and not the superannuation index.

18 The *payroll tax and workers' compensation indexes* are calculated differently to the other wage and non-wage indexes. As these costs are both levied at the employer level, the indexes are calculated using total payroll information rather than rates of pay data. The separate indexes are derived by applying either payroll tax rates/thresholds or workers' compensation premium rates to the total payroll data. The indexes reflect pure price changes in total payroll and either changes in the payroll tax rates/thresholds or workers' compensation premium rates.

19 Data quality concerns exist in relation to the workers' compensation premium rates for the ACT private sector. Until these concerns are resolved, these data will be imputed based on industry averages across Australia. Workers' compensation index numbers for the ACT private sector will not be published separately.

LABOUR PRICE INDEXES

20 Two labour price indexes (one including bonuses and one excluding them) are constructed from the individual wage and non-wage components. As with the wage price indexes, only the labour price index that excludes bonuses is a pure price index because bonuses tend to reflect, at least partly, changes in the quality of work performed.

SCOPE AND COVERAGE

21 The target population of employers for the LPI is all employing organisations in Australia (private and public sectors) except:

- enterprises primarily engaged in agriculture, forestry or fishing
- private households employing staff
- foreign embassies, consulates, etc.

22 A sample redesign of the LPI was undertaken and the outcome implemented from December quarter 2009. A result of this review was to stop collecting data on a quarterly basis from micro businesses (0-4 employment). The size and frequency of pay changes for jobs in micro businesses was found to be the same as businesses with employment greater than five. Therefore, micro businesses are now treated as being out of coverage of the LPI but remain in scope through their continued inclusion in the expenditure weights used in compiling the LPI. The introduction of this change does not impact what the LPI is measuring.

23 All employee jobs in the target population of employers are in scope of the LPI, except the following:

- Australian permanent defence force jobs
- non-salaried directors
- proprietors/partners of unincorporated businesses
- persons paid by commission only
- working proprietors/owner managers of Pty Ltd companies
- employees on workers' compensation who are not paid through the payroll
- 'non-maintainable' jobs (i.e. jobs that are expected to be occupied for less than six months of a year)
- jobs for which wages and salaries are not determined by the Australian labour market (e.g. most employees of Community Development Employment Programs, or jobs where the remuneration is set in a foreign country).

24 As such, full-time, part-time, permanent, casual, managerial and non-managerial jobs are in scope of the LPI. Costs incurred by employers for work undertaken by self-employed persons such as consultants and subcontractors are out-of-scope of the LPI, as they do not relate to employee jobs.

EXPLANATORY NOTES *continued*

DATA COLLECTION

25 Information for the wage price indexes is collected each quarter by mail questionnaires from a sample survey of private and public sector employers selected from the ABS Business Register. The survey reference date is the last pay period ending on or before the third Friday of the middle month of the quarter, except for bonuses which are collected in respect to those paid during the three month period ending on the third Friday of the middle month of the quarter. In the first quarter they participate in the survey, each employer selects a sample of jobs from their workplace(s) using sampling instructions provided by the ABS, and provides information for these jobs, including detailed pricing specifications. In subsequent quarters they are asked to provide details of payments made to the current occupants of these same jobs. It is essential that the same jobs are priced in successive quarters, whether the individual job occupants are the same or not. Approximately 18,000 matched jobs are priced each quarter from the selected employers.

26 The sampling method retains the highest possible common sample of employers over time, and retains the same sampled jobs within those employers where possible. However, it is also necessary to ensure the LPI continues to be relevant and representative over time. For these reasons, the employer sample is refreshed annually (for the December quarter) in a way that ensures a high proportion of common selections while allowing new employers to be represented in the sample. Refreshing the sample also allows the ABS to control the length of time that small businesses are included in the sample.

27 Between each annual refresh of the employer sample, a small number of employee jobs will be lost from the survey sample because of the closure of some businesses. In addition, some jobs in continuing businesses will be replaced in the sample because of restructuring and other job changes.

28 Annual leave and superannuation information is collected from the same job sample as that used to construct the wage price indexes. However, data are only collected annually as part of the June quarter LPI survey. Changes in the job sample due to factors such as the annual refreshing of the employer sample, together with the requirement of pricing the same jobs in successive years, reduces the number of matched jobs used to calculate the annual and public holiday leave index and the superannuation index compared with the matched jobs underlying the wage price indexes.

29 Information from administrative and other ABS data sources is used to construct the payroll tax and workers' compensation indexes, as well as the public holiday component of the annual and public holiday leave index.

WEIGHTING

30 In the LPI, as with other price indexes, expenditure weights are used to combine elementary aggregates into broader level indexes. Expenditure weights reflect changes in the distribution of the number of employee jobs among industries, states/territories and sectors, as well as changes in labour cost relativities. These weights are derived from independent estimates of labour costs for each elementary aggregate. The estimates are sourced from other ABS surveys. The main source of estimates for updating expenditure weights in LPI is the Survey of Major Labour Costs (MLC). However, due to the time that has elapsed since the last MLC survey was conducted, estimates from the 2008 Survey of Employee Earnings and Hours have been used in the December quarter 2009 update. The use of an alternative source was considered necessary to ensure the most contemporary pattern of employer expenditure for labour among each segment of the labour market (elementary aggregate) was used. Appendix 1 shows the distribution of employers' expenditure on wages and salaries, updated in December quarter 2009.

EXPLANATORY NOTES *continued*

WEIGHTING *continued*

31 To facilitate comparison of index numbers over time, the published indexes are not re-referenced (i.e. reset to 100.0) each time this re-weighting occurs. Instead, the series based on the old expenditure weights and that based on the new weights are linked via an arithmetic calculation, which is referred to as chaining. This provides a continuous series from the commencement of the index, while incorporating the updated expenditure weights.

INTERPRETATION OF INDEX NUMBERS

32 Index numbers in this publication measure changes in the price of labour between the commencement of the series and a later period. Index number levels cannot be compared across states/territories as they do not provide comparative information on the relative levels of labour costs. Similarly, index number levels cannot be compared across sectors or industries. The usefulness of index numbers stems from the fact that index numbers for any two periods can be used to directly calculate the change or movement in the price of labour between the two periods. These *movements* can be compared across states/territories, sectors or industries.

PERCENTAGE CHANGE AND ROUNDING

33 The published index numbers have been rounded to one decimal place, and the percentage changes (also rounded to one decimal place) are calculated from the rounded index numbers. In some cases, this can result in the percentage change for the total level of a group of indexes being outside the range of the percentage changes for the component level indexes. Seasonally adjusted and trend quarterly estimates are calculated from unrounded original indexes and then rounded to one decimal place.

INDEX MOVEMENTS

34 Movements in indexes from one period to another can be expressed either as changes in index points or as percentage changes. In this publication, percentage changes are calculated to illustrate three different kinds of movements in indexes:

- movements between consecutive quarters
- movements between corresponding quarters of consecutive years (i.e. changes 'through the year')
- movements between consecutive financial years.

35 The following example illustrates the method of calculating changes in index points and percentage changes between any two periods:

<i>Total hourly rates of pay excluding bonuses, All Sectors, Australia</i>	
	Index numbers, trend (see table 1)
December quarter 2009	102.6
<i>less</i> December quarter 2008	99.6
Change in index points	3.0
Percentage change	$3.0/99.6 \times 100 = 3.0\%$

FINANCIAL YEAR INDEXES

36 Index numbers for financial years are calculated as simple (arithmetic) averages of the four quarterly index numbers for the financial year. As the wage price indexes were first produced for the September quarter 1997, the first financial year index number that can be calculated is for 1997–98. Consequently, the first percentage change between financial years that can be calculated is between 1997–98 and 1998–99. The following example illustrates the method of calculating the financial year index number for 2008–09:

<i>Total hourly rates of pay excluding bonuses, Australia</i>	
	Index numbers, original (see table 2)
September quarter 2008	98.6
<i>plus</i> December quarter 2008	99.8
<i>plus</i> March quarter 2009	100.5
<i>plus</i> June quarter 2009	101.1
Financial year 2008–09	$400/4 = 100.0$

EXPLANATORY NOTES *continued*

FINANCIAL YEAR INDEXES

continued

SEASONALLY ADJUSTED INDEXES

37 Percentage changes between the index numbers for any two financial years can be calculated using the method outlined in paragraph 35 above.

38 Seasonally adjusted estimates are derived by estimating and removing systematic calendar related effects from the original series. In most economic data these calendar related effects are a combination of the classical seasonal influences (e.g. the effect of the weather, social traditions or administrative practices) plus other kinds of calendar related variation, such as trading day, Easter or the proximity of significant days in the year (e.g. Christmas). In the seasonal adjustment process, both seasonal and other calendar related factors evolve over time to reflect changes in activity patterns. The seasonally adjusted estimates still reflect the sampling and non-sampling errors to which the original estimates are subject.

39 The *total hourly rates of pay excluding bonuses index* is the only index of the LPI that is seasonally adjusted. Institutional effects largely drive the seasonality of this index. Important factors in determining this seasonality are the timing of effect of agreements, the length of these agreements, and the timing of significant wage hearings that impact on rates of pay. A significant institutional change in wage setting arrangements can affect the relative level (or trend) and seasonality of the index.

40 Prior to 2006, the Australian Industrial Relations Commission (AIRC) handed down annual Safety Net Review (SNR) decisions which set federal full-time minimum award rates. Since the commencement of the WPI, the SNR contributed to the relative level of the wage price index. Most of its impact on the wage price index was in the September and December quarters each year. This impact contributed to the level of seasonality for those quarters. As a result of industrial relations changes associated with WorkChoices, the AIRC ceased its annual SNR decisions and the setting of federal minimum wage rates became the responsibility of the Australian Fair Pay Commission (AFPC). There was therefore no SNR decision in 2006.

41 The AFPC's first decision was handed down on 26 October 2006 with a date of effect of 1 December 2006. The impact on the wage price index of the first AFPC ruling was mainly in the March quarter of 2007. This has resulted in changes in the size and timing of wage increases reported. These changes have impacted on the seasonality of the wage price index.

42 To account for this, the ABS has applied both a trend and a seasonal break in compiling the seasonally adjusted estimates for the September quarter 2006.

43 It will take some time before the seasonality of the new wage setting mechanisms can be determined. Seasonally adjusted estimates may be revised more than is usual as additional observations become available.

CONCURRENT SEASONAL ANALYSIS

44 The LPI uses a concurrent seasonal adjustment methodology to derive the adjustment factors. This method uses the original time series available at each reference period to estimate seasonal factors for the current and previous quarters. Concurrent seasonal adjustment is technically superior to the more traditional method of reanalysing seasonal patterns once each year because it uses all available data to fine tune the estimates of the seasonal component each quarter. With concurrent analysis, the seasonally adjusted series are subject to revision each quarter as the estimates of the seasonal factors are improved. In most instances, the only noticeable revisions will be to the combined adjustment factors for the previous quarter and for the same quarter in the preceding year as the reference quarter (i.e. if the latest quarter is Q_t then the most significant revisions will be to Q_{t-1} and Q_{t-4}).

EXPLANATORY NOTES *continued*

ARIMA MODELLING

45 More recently, the ABS has implemented improved methods of producing seasonally adjusted estimates, focused on the application of Autoregressive Integrated Moving Averages (ARIMA) modelling techniques. ARIMA modelling is a technique that can be used to extend original estimates beyond the end of a time series. The extended values are temporary, intermediate values, that are used internally to improve seasonal adjustment. They do not affect the original estimates and are discarded at the end of the seasonal adjustment process. The use of ARIMA modelling generally results in a reduction in revisions to the seasonally adjusted estimates when subsequent data becomes available. ARIMA modelling in the LPI was introduced in June quarter 2008. For more information on the details of ARIMA modelling see the feature article 'Use of ARIMA modelling to reduce revisions' in the October 2004 issue of *Australian Economic Indicators* (cat. no. 1350.0).

TREND ESTIMATES

46 Trend is a measure of the underlying direction of a series. The ABS trend estimates for the wage price index are derived by applying a 7-term Henderson-weighted moving average to all quarters of the respective seasonally adjusted indexes except the first three and last three quarters. Trend estimates are created for these quarters by applying surrogates of the 7-term Henderson weighted moving average to the seasonally adjusted indexes, tailored to each time series. In general, trend estimates give a better indication of underlying behaviour than the seasonally adjusted estimates. Please refer to the ABS Information Paper, *A Guide to Interpreting Time Series - Monitoring Trends* (cat. no. 1349.0).

47 The ABS has undertaken an assessment of the SNR contribution to the relative level (or trend) of the wage price index. Over the life of the wage price index, the SNR has had a cumulative contribution to the level of the index. This cumulative contribution terminated after June 2006. As a result, there has been a break in the WPI trend series. Updated trend estimates were not produced in the September quarter 2006 to March quarter 2008 editions of the Labour Price Index, Australia due to insufficient data, however the series has now been reinstated.

REFERENCE BASE PERIOD

48 The reference base period of an index series is that period for which the value of the index is set to 100.0. It is most commonly a year but can also be a different length of time, ranging from two or three years down to a single quarter. It often coincides with the weighting base for the series, but this is not essential. The September quarter 1997 was used as the original reference base for the wage price indexes as it was the first quarter for which data was available. With the introduction of the non-wage indexes, the reference base was changed to 2003–04.

49 With the implementation of the Australian and New Zealand Standard Industrial Classification 2006, all indexes are presented on a reference base of 2008–09. An explanation of the re-referencing process is included in Appendix 2.

REVISIONS TO INDEXES

50 Original index numbers will be released as final figures at the time they are first published. Revisions will only occur in exceptional circumstances. Trend and seasonally adjusted indexes for some quarters will be revised as extra quarters are included in the series analysed for seasonal influences (see paragraphs 38 to 47).

RELATED PUBLICATIONS

51 Users may also wish to refer to the following publications which are available free

EXPLANATORY NOTES *continued*

RELATED PUBLICATIONS

continued

on the ABS website <<http://www.abs.gov.au>>:

Labour Price Index: Concepts, Sources and Methods, (cat. no. 6351.0.55.001)

Information Paper: Update on ANZSIC 2006 Implementation for Labour Price

Index, Australia, 2009, (cat. no. 6345.0.55.001)

Consumer Price Index, Australia, (cat. no. 6401.0)

House Price Indexes, Eight Capital Cities, (cat. no. 6416.0)

International Trade Price Indexes, Australia, (cat. no. 6457.0)

Producer Price Indexes, Australia, (cat. no. 6427.0)

Australian Consumer Price Index: Concepts, Sources and Methods,

(cat. no. 6461.0)

Producer and International Trade Price Indexes: Concepts, Sources and Methods,

(cat no. 6429.0)

Australian Labour Market Statistics, (cat. no. 6105.0)

52 Current publications and other products released by the ABS are listed on the ABS website <<http://www.abs.gov.au>>. The ABS also issues a daily Release Advice on the website which details products to be released in the week ahead.

ABS DATA AVAILABLE ON REQUEST

53 As well as the statistics included in this and related publications, the ABS may have other relevant data available on request. Inquiries should be made to Kathryn Parlor on Perth (08) 9360 5151 or the National Information and Referral Service on 1300 135 070.

APPENDIX 1 DISTRIBUTION OF EXPENDITURE ON WAGES

AS UPDATED DECEMBER
QUARTER 2009

A1 DISTRIBUTION OF EMPLOYERS' TOTAL EXPENDITURE ON WAGES (a) (b)

	Private	Public	Total
	%	%	%
Australia by sector			
Australia	77.8	22.2	100.0
Sector by State/Territory			
New South Wales	33.9	30.5	33.1
Victoria	24.9	20.1	23.8
Queensland	19.9	20.7	20.1
South Australia	5.7	7.0	5.9
Western Australia	12.0	10.2	11.6
Tasmania	1.4	2.6	1.7
Northern Territory	0.8	1.9	1.1
Australian Capital Territory	1.4	7.0	2.6
Australia	100.0	100.0	100.0
Sector by broad industry group(c)			
Mining	3.4	(d)	2.6
Manufacturing	13.6	(d)	10.6
Electricity, gas and water and waste services	0.8	3.7	1.4
Construction	10.2	(d)	8.1
Wholesale trade	6.8	(d)	5.3
Retail trade	8.7	(d)	6.8
Accommodation and food services	4.1	(d)	3.2
Transport, postal and warehousing	4.8	(d)	4.7
Information media and telecommunications	2.8	(d)	2.4
Finance and insurance services	7.6	(d)	6.1
Rental, hiring and real estate services	2.1	(d)	1.8
Professional, scientific and technical services	11.4	2.0	9.3
Administration and support services	6.5	(d)	5.1
Public administration and safety	0.9	36.6	8.8
Education and training	3.8	27.2	9.0
Health care and social assistance	7.6	22.6	10.9
Arts and recreation services	1.1	(d)	1.0
Other services	3.7	(d)	2.9
All industries	100.0	100.0	100.0

- (a) See paragraphs 30-31 of the Explanatory Notes.
 (b) Components may not sum to 100.0 due to rounding.
 (c) Classified according to the *Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006* (cat. no. 1292.0).
 (d) For the public sector, these industries are combined and included in the 'All Industries' total.

APPENDIX 2 RE-REFERENCING THE WAGE PRICE INDEX

REFERENCE BASE

The reference base of an index series is that period for which the value of the index is set to 100.0. With the introduction of the 2006 edition of ANZSIC, all indexes are now presented on a reference base of 2008–09. Since the September quarter 2004, the LPI has used a reference base of 2003–04 = 100.0. Prior to this time the reference base for the wage price indexes was September quarter 1997. This was the first quarter for which data was available.

CONVERTING A SERIES TO THE NEW REFERENCE BASE

The conversion of series from the old base to the new base involves a rescaling of the index numbers. The conversion factor that should be applied to the index numbers is calculated by obtaining the ratio of the index numbers on the old and new bases for the new reference period.

The conversion factor is calculated using the *unrounded* index number for the 2008–09 financial year. The calculation of financial year indexes is outlined in paragraph 35 of the Explanatory Notes.

For example, for the *total hourly rates of pay excluding bonuses index* for Australia, an arithmetic conversion factor is obtained as follows:

Index number for financial year 2008–09 (on base 2003–04 = 100.0) is 121.775

Index number for financial year 2008–09 (on base 2008–09 = 100.0) is 100.0

Conversion factor = $100/121.775 = 0.8212$

The factor may be multiplied by any *total hourly rates of pay excluding bonuses index* number for Australia on the old reference base to give the corresponding number on the new reference base. The procedure shown in the above example may be followed in respect of any specific index series for which index numbers have been published on the old reference base, with the exception of industry index series. It is not appropriate to convert the ANZSIC 1993 industry series on the 2003–04 reference base in previous issues to the 2008–09 reference base using this method.

ROUNDING

Index numbers and percentage changes are always published to one decimal place, with the percentage changes being calculated from the rounded index numbers. Index numbers for periods longer than a single quarter (e.g. for financial years) are calculated as the simple arithmetic average of the relevant rounded quarterly index numbers. The conversion factor described above is applied to the rounded index numbers.

A consequence of re-referencing price indexes can be that period to period percentage changes calculated using re-referenced index number series may differ slightly from those calculated using the original series. These differences do not constitute a revision of the index but simply reflect the effect of rounding.

CONVERTING THE RE-REFERENCED SERIES BACK TO THE PREVIOUS BASE

The conversion of series from the new base to the old base also involves a rescaling of the index numbers. The rescaling factor is obtained by taking the inverse of the previously described scaling factor.

For example, for the *total hourly rates of pay excluding bonuses index* for Australia, the rescaling factor is obtained as follows:

Index number for financial year 2008–09 (on base 2003–04 = 100.0) is 121.775

Index number for financial year 2008–09 (on base 2008–09 = 100.0) is 100.0

Conversion factor = $121.775/100 = 1.2178$

The factor may be multiplied by any *total hourly rates of pay excluding bonuses index* number for Australia on the new reference base to give the corresponding number on the old reference base. As mentioned above, the industry price index series in previous issues should not be converted due to the use of two different industry classifications.

Conversion factors for most of the published *total hourly rates of pay excluding bonuses indexes* are provided in table A2. Additional factors can be obtained using the formulas above or by contacting Kathryn Parlor on Perth (08) 9360 5151.

APPENDIX 2 RE-REFERENCING THE WAGE PRICE INDEX *continued*

CONVERSION FACTORS

A2 FACTORS USED TO CONVERT INDEX NUMBERS, from old reference base (2003–04 financial year = 100.0)— to new reference base (2008–09 financial year = 100.0)

	<i>Private</i>	<i>Public</i>	<i>All sectors</i>
<i>Australia</i>	0.8242	0.8122	0.8212
Sector by State/Territory			
New South Wales	0.8349	0.8119	0.8292
Victoria	0.8294	0.8259	0.8285
Queensland	0.8155	0.8055	0.8128
South Australia	0.8294	0.8071	0.8234
Western Australia	0.7842	0.8013	0.7880
Tasmania	0.8236	0.8021	0.8165
Northern Territory	0.8120	0.8300	0.8195
Australian Capital Territory	0.8302	0.8105	0.8173
Sector by Industry(a)			
Mining	0.7720	..	0.7720
Manufacturing	0.8263	..	0.8248
Electricity, gas, water and waste services	0.8073	0.7940	0.7988
Construction	0.7885	..	0.7895
Wholesale trade	0.8328	..	0.8328
Retail trade	0.8395	..	0.8393
Accommodation and food services	0.8660	..	0.8660
Transport, postal and warehousing	0.8270	..	0.8255
Information media and telecommunications	0.8493	..	0.8455
Financial and insurance services	0.8213	..	0.8195
Rental, hiring and real estate services	0.8393	..	0.8358
Professional, scientific and technical services	0.8058	0.8180	0.8068
Administrative and support services	0.8395	..	0.8395
Public administration and safety	0.8303	0.8110	0.8118
Education and training	0.8030	0.8043	0.8045
Health care and social assistance	0.8208	0.8200	0.8203
Arts and recreation services	0.8353	..	0.8358
Other services	0.8365	..	0.8365

.. not applicable

(a) Classified according to the *Australian and New Zealand Standard Industrial Classification (ANZSIC) 2006* (cat. no. 1292.0)

APPENDIX 3 SUMMARY OF NON-WAGE AND LABOUR PRICE INDEXES

NON-WAGE AND LABOUR
PRICE INDEXES

A3 NON-WAGE AND LABOUR PRICE INDEXES(a), Sector

	INDEX NUMBERS(b)				CHANGE FROM PREVIOUS FINANCIAL YEAR (%)		
	2005-06	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09
ANNUAL AND PUBLIC HOLIDAY LEAVE							
Private	91.4	95.1	100.5	100.0	4.0	5.7	-0.5
Public	90.0	93.9	99.3	100.0	4.3	5.8	0.7
All sectors	91.1	94.7	100.3	100.0	4.0	5.9	-0.3
SUPERANNUATION							
Private	88.7	92.2	96.4	100.0	3.9	4.6	3.7
Public	88.5	92.3	96.4	100.0	4.3	4.4	3.7
All sectors	88.6	92.3	96.4	100.0	4.2	4.4	3.7
PAYROLL TAX							
Private	90.7	93.8	98.0	100.0	3.4	4.5	2.0
Public	91.3	94.6	98.0	100.0	3.6	3.6	2.0
All sectors	90.8	94.0	98.0	100.0	3.5	4.3	2.0
WORKERS' COMPENSATION							
Private	112.2	106.1	101.1	100.0	-5.4	-4.7	-1.1
Public	108.2	105.7	100.5	100.0	-2.3	-4.9	-0.5
All sectors	111.3	106.0	101.0	100.0	-4.8	-4.7	-1.0
LABOUR PRICE INDEX EXCLUDING BONUSES							
Private	89.5	92.8	96.6	100.0	3.7	4.1	3.5
Public	89.1	92.7	96.4	100.0	4.0	4.0	3.7
All sectors	89.4	92.8	96.6	100.0	3.8	4.1	3.5

(a) Refer to paragraphs 3-6 of Explanatory Notes for a description of the indexes.

(b) Reference base of each index: 2008-09 = 100.0

GLOSSARY

Annual and public holiday leave index	Measures changes in the price of annual and public holiday leave (see Explanatory Notes paragraph 16).
Bonuses	Payments made to a job occupant that are in addition to regular wages and salaries and which generally relate to the job occupant's, or the organisation's, performance. In the LPI, the term 'bonuses' refers to bonuses and commissions.
Elementary aggregates	The finest aggregations of jobs, in terms of state/territory, sector and industry group, for which expenditure weights are available.
Employee job	A job for which the occupant receives remuneration in wages, salary, payment in kind, or piece rates.
Employer	Organisation with one or more employees.
Expenditure weights	A measure of the relative importance of each elementary aggregate, based on employers' total expenditure on the LPI component being considered (e.g. wages and salaries, superannuation, etc.). Expenditure weights are used to combine elementary aggregate indexes into broader level indexes.
Index number	Measures the ratio of the price of labour between the commencement of the index series and a later period.
Industry	Classified according to the <i>Australian and New Zealand Standard Industrial Classification (ANZSIC), 2006</i> (cat. no. 1292.0).
Labour price index	Measures changes in the price of labour. Includes wages and salaries, overtime, bonuses (only in the labour price including bonuses index), annual and public holiday leave, superannuation, payroll tax and workers' compensation (see Explanatory Notes paragraph 20).
Ordinary time hourly rates of pay index	Measures quarterly change in ordinary time hourly rates of pay (see Explanatory Notes paragraphs 10 and 11).
Ordinary time hours	Award, standard or agreed hours of work paid for at the ordinary rate.
Overtime hours	The number of hours paid for in excess of ordinary time hours.
Payroll tax index	Measures changes in the price of payroll tax (see Explanatory Notes paragraph 18).
Reference base period	The period for which an index series is given the value of 100.0. The current reference base for the LPI is the 2008–09 financial year.
Reference date	The reference date for this survey is the last pay period ending on or before the third Friday of the middle month of the quarter, except for bonuses which are collected in respect to those paid during the three month period ending on the third Friday of the middle month of the quarter.
Sector	Public sector comprises local government authorities and all government departments and agencies created by, or reporting to, the Commonwealth, or state/territory parliaments. The private sector comprises all organisations not classified as public sector.
Seasonal adjustment	Process of removing systematic calendar related effects from the original series (see Explanatory Notes paragraphs 38–45, 50).
Superannuation index	Measures changes in the price of superannuation (see Explanatory Notes paragraph 17).
Total hourly rates of pay index	Measures quarterly change in combined ordinary time and overtime hourly rates of pay (see Explanatory Notes paragraph 13).
Trend	A measure of the underlying direction of a series (see Explanatory Notes paragraphs 46–47, 50).
Wage price index	Measures changes in the price of wages.
Weighting base	The period to which the expenditure weights relate.

GLOSSARY *continued*

Workers' compensation index Measures changes in the price of workers' compensation (see Explanatory Notes paragraphs 18 and 19).

FOR MORE INFORMATION . . .

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PHONE 1300 135 070

EMAIL client.services@abs.gov.au

FAX 1300 135 211

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