

**SENATE EMPLOYMENT, WORKPLACE RELATIONS AND EDUCATION
LEGISLATION COMMITTEE**

**2006-2007 BUDGET SENATE ESTIMATES HEARING
29TH AND 30TH MAY 2006
EMPLOYMENT AND WORKPLACE RELATIONS PORTFOLIO**

QUESTIONS ON NOTICE

Outcome 2: Higher productivity, higher pay workplace

Output Group 2.1: Workplace relations policy and analysis

Output 2.1.1: Workplace relations policy advice

Question Number: W132-07

Question:

Senator Wong asked in writing:

In response to W714-06 you said that the 'final consumption expenditure - household' for March 1996 was 84.7. a) Is this statistic correct? b) Please table the page of the source document from which this number is taken, with the relevant statistic highlighted.

Answer:

(a) The 84.7 figure quoted as the implicit price deflator for final consumption expenditure - household for the March quarter 1996 was correct at the time the response was prepared.

However, the ABS data used in the Department's answer to W714-06 are seasonally adjusted and are subject to revision and/or seasonal re-analysis in subsequent quarters. Hence the revised calculations provided previously by the Department in its answer to W714-06 were only valid until the September quarter 2005 data were released.

As a consequence of the ongoing process of revision and/or seasonal re-analysis, the implicit price deflator for final consumption expenditure - household for the March quarter 1996 now stands at 85.3 (as at the March quarter 2006).

(b) Table 1 is an extract of the spreadsheet which contains the 84.7 figure quoted as the implicit price deflator for final consumption expenditure - household for the March quarter 1996. As explained above, these data are seasonally adjusted and subject to revision and/or seasonal re-analysis in subsequent quarters. Consequently, table 2 provides the corresponding data as at the March quarter 2006 (latest). The key figures in each table are highlighted. Please note that the final column in both tables presents the real wages calculation made by the Department.

Table 1: ABS Australian National Accounts (Cat. No. 5206.0). Extract of AusStats time-series spreadsheets table 12 (implicit price deflator for final consumption expenditure – household) and table 41 (average non-farm compensation per employee) as at June quarter 2005.

	Implicit price deflator for final consumption expenditure - households (a)	Average non-farm compensation per employee (\$) (b)	Real average non-farm compensation per employee (June 2005 dollars) (c)
Mar.1996	84.7	8,665.0	10,465.5
Jun.1996	85.2	8,762.0	10,520.6
Sep.1996	85.4	8,920.0	10,685.2
Dec.1996	85.9	8,954.0	10,663.5
Mar.1997	86.3	9,075.0	10,757.5
Jun.1997	86.3	9,253.0	10,968.5
Sep.1997	86.8	9,189.0	10,829.9
Dec.1997	87.3	9,254.0	10,844.0
Mar.1998	87.6	9,323.0	10,887.5
Jun.1998	87.8	9,424.0	10,980.4
Sep.1998	87.8	9,542.0	11,117.8
Dec.1998	88.0	9,626.0	11,190.2
Mar.1999	88.3	9,657.0	11,188.1
Jun.1999	88.6	9,786.0	11,299.2
Sep.1999	88.7	9,863.0	11,375.3
Dec.1999	89.1	9,928.0	11,398.8
Mar.2000	89.6	10,008.0	11,426.5
Jun.2000	90.3	10,033.0	11,366.3
Sep.2000	92.7	10,108.0	11,154.8
Dec.2000	93.3	10,229.0	11,215.7
Mar.2001	94.2	10,355.0	11,245.4
Jun.2001	95.1	10,507.0	11,302.5
Sep.2001	95.3	10,588.0	11,365.7
Dec.2001	96.2	10,654.0	11,329.6
Mar.2002	96.7	10,723.0	11,344.0
Jun.2002	97.2	10,867.0	11,437.2
Sep.2002	98.0	10,975.0	11,456.6
Dec.2002	98.6	10,977.0	11,388.9
Mar.2003	99.3	11,027.0	11,360.1
Jun.2003	99.2	11,181.0	11,530.4
Sep.2003	99.4	11,238.0	11,565.9
Dec.2003	99.8	11,367.0	11,651.7
Mar.2004	100.0	11,542.0	11,807.5
Jun.2004	100.5	11,600.0	11,807.8
Sep.2004	101.0	11,708.0	11,858.7
Dec.2004	101.6	11,801.0	11,882.3
Mar.2005	101.9	11,913.0	11,959.8
Jun.2005	102.3	12,025.0	12,025.0

Source: (a) ABS, AusStats (Cat No 5206.0), table 12. (b) ABS, AusStats (Cat No 5206.0), table 41.

(c) Please note that this column presents the real wages calculation made by the Department.

Note: All data above are seasonally adjusted.

Table 2: ABS Australian National Accounts (Cat. No. 5206.0). Extract of AusStats time-series spreadsheets table 12 (implicit price deflator for final consumption expenditure – household) and table 41 (average non-farm compensation per employee) as at March quarter 2006.

	Implicit price deflator for final consumption expenditure - households (a)	Average non-farm compensation per employee (\$) (b)	Real average non-farm compensation per employee (March 2006 dollars) (c)
Mar.1996	85.3	9,133.0	11,167.3
Jun.1996	85.5	9,237.0	11,268.1
Sep.1996	85.8	9,347.0	11,362.4
Dec.1996	86.4	9,440.0	11,395.7
Mar.1997	86.8	9,499.0	11,414.1
Jun.1997	86.9	9,750.0	11,702.2
Sep.1997	87.3	9,711.0	11,602.0
Dec.1997	87.8	9,741.0	11,571.6
Mar.1998	88.2	9,740.0	11,517.9
Jun.1998	88.5	9,855.0	11,614.4
Sep.1998	88.4	9,973.0	11,766.8
Dec.1998	88.7	10,050.0	11,817.5
Mar.1999	88.7	10,105.0	11,882.2
Jun.1999	89.0	10,278.0	12,044.9
Sep.1999	89.2	10,295.0	12,037.8
Dec.1999	89.6	10,447.0	12,161.0
Mar.2000	90.0	10,591.0	12,273.8
Jun.2000	90.7	10,533.0	12,112.4
Sep.2000	92.7	10,653.0	11,986.1
Dec.2000	93.3	10,794.0	12,066.6
Mar.2001	94.1	10,956.0	12,143.6
Jun.2001	95.0	11,088.0	12,173.5
Sep.2001	95.2	11,155.0	12,221.3
Dec.2001	96.2	11,254.0	12,201.6
Mar.2002	96.7	11,320.0	12,209.7
Jun.2002	97.2	11,489.0	12,328.2
Sep.2002	98.0	11,577.0	12,321.2
Dec.2002	98.7	11,525.0	12,178.9
Mar.2003	99.4	11,604.0	12,176.0
Jun.2003	99.4	11,792.0	12,373.3
Sep.2003	99.4	11,898.0	12,484.5
Dec.2003	99.8	11,939.0	12,477.3
Mar.2004	100.2	12,068.0	12,561.8
Jun.2004	100.6	12,124.0	12,569.9
Sep.2004	101.0	12,332.0	12,734.9
Dec.2004	101.6	12,364.0	12,692.6
Mar.2005	101.7	12,468.0	12,786.7
Jun.2005	102.3	12,549.0	12,794.3
Sep.2005	103.1	12,756.0	12,904.5
Dec.2005	103.7	12,954.0	13,029.0
Mar.2006	104.3	13,045.0	13,045.0

Source: (a) ABS, AusStats (Cat No 5206.0), table 12. (b) ABS, AusStats (Cat No 5206.0), table 41.

(c) Please note that this column presents the real wages calculation made by the Department.

Note: All data above are seasonally adjusted.