



Fair Work
Commission

Statistical report— Annual Wage Review 2021–22

Version 2
18 March 2022



Statistical report— Annual Wage Review 2021–22

All Australian Bureau of Statistics (ABS) data in this Report are seasonally adjusted, unless otherwise noted.

All data expressed in \$ units are in nominal terms, unless otherwise noted.

All gross domestic product (GDP) and gross value added (GVA) measures used in this Report are expressed in real terms from chain volume estimates, unless otherwise noted.

This report uses unit record data from the Household, Income and Labour Dynamics in Australia (HILDA) Survey conducted by the Melbourne Institute of Applied Economic and Social Research at the University of Melbourne on behalf of the Australian Government Department of Social Services (DSS), with data collection conducted by Roy Morgan Research. The findings and views reported in this paper, however, are those of the authors and should not be attributed to the Australian Government, DSS, or any of DSS' contractors or partners. DOI: [10.26193/3QRFMZ](https://doi.org/10.26193/3QRFMZ).

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- Overview; Tables 1.1, 2.1–2.2, 3.1, 7.2; and
- Charts 1.1–1.2, 1.4–1.5, 1.7, 2.1, 2.3, 3.1.

ABS, *Labour Force, Australia*, February 2022

- Overview; Tables 2.2, 6.1–6.2; and
- Charts 6.1, 6.3, 6.5–6.6, 6.11.

ABS, *Business Conditions and Sentiments*, February 2022

- Tables 3.7–3.11; and
- Charts 3.9–3.15, 3.17–3.19.



ABS, *Weekly Payroll Jobs and Wages in Australia*, week ending 12 February 2022

- Charts 5.3–5.4, 6.9–6.10.

ABS, *Labour Account, Australia*, December 2021

- Table 6.3; and
- Chart 6.12.

ABS, *Household Impacts of COVID-19 Survey*, February 2022

- Table 6.11.

Department of Education, Skills and Employment, *Monthly Leading Indicator of Employment*, March 2022

- Chart 14.1.

RBA, *Minutes of Monetary Policy Meeting of the Reserve Bank Board*, March 2022

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List of abbreviations

Abbreviation	Description
ABS	Australian Bureau of Statistics
AAWI	Average annualised wage increase
AWE	Average Weekly Earnings
AWOTE	Average Weekly Ordinary Time Earnings
C4	Engineering Association Level I, <i>Metal, Engineering and Associated Industries Award 1998</i> ; from 1 January 2010 the <i>Manufacturing and Associated Industries and Occupations Award 2010</i> ; and from 29 May 2020 the <i>Manufacturing and Associated Industries and Occupations Award 2020</i>
C10	Engineering Tradesperson Level I, <i>Metal, Engineering and Associated Industries Award 1998</i> ; from 1 January 2010 the <i>Manufacturing and Associated Industries and Occupations Award 2010</i> ; and from 29 May 2020 the <i>Manufacturing and Associated Industries and Occupations Award 2020</i>
C14	Engineering/Production Employee Level 1, <i>Metal, Engineering and Associated Industries Award 1998</i> ; from 1 January 2010 the <i>Manufacturing and Associated Industries and Occupations Award 2010</i> ; and from 29 May 2020 the <i>Manufacturing and Associated Industries and Occupations Award 2020</i>
COE	Characteristics of Employment
COVID-19	Coronavirus disease 2019
CPI	Consumer Price Index
EEH	Employee Earnings and Hours
FMW	Federal Minimum Wage
FOB	Free on board
FT	Full time
FWCFB	Fair Work Commission Full Bench
GDP	Gross domestic product
GVA	Gross value added



IMF	International Monetary Fund
JSP	JobSeeker Payment
LCI	Living Cost Index
n/a	Not available
NMW	National minimum wage
NSA	Newstart Allowance
OECD	Organisation for Economic Co-operation and Development
PT	Part time
PL	Poverty line
PPP	Purchasing Power Parity
ppt	Percentage point
Pw	Per week
RBA	Reserve Bank of Australia
RNNDI	Real net national disposable income
UK	United Kingdom
US	United States
WAD	Workplace Agreements Database
WPI	Wage Price Index



Overview

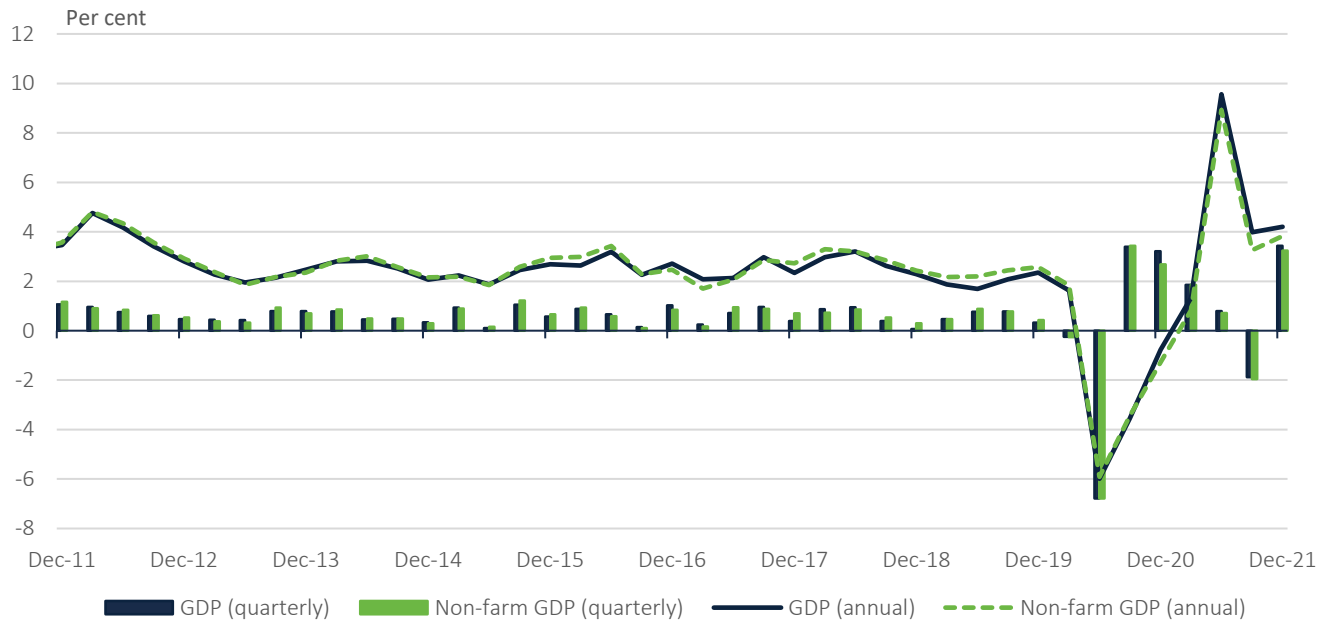
Indicator	Measure	Latest	5-year average
		Dec qtr 2021	
GDP	Annual % change	4.2	2.1
RNNDI	Annual % change	3.7	3.0
GDP per capita	Annual % change	4.0	1.0
RNNDI per capita	Annual % change	3.5	1.9
Labour productivity	Annual % change	2.0	0.9
Labour productivity (market sector)	Annual % change	2.0	0.9
Real unit labour costs	Annual % change	-0.3	-0.7
Household saving ratio	Proportion	13.6	9.6
Profits	Annual % change	13.0	9.5
Non-mining profits	Annual % change	-0.4	6.3
Profits share	%	29.9	28.3
Wages share	%	50.3	51.8
AAWI	%	2.7^^	2.6^^
AWOTE	Annual % change	2.2^	2.7^
WPI	Annual % change	2.3	2.1
CPI	Annual % change	3.5	2.0
Underlying inflation	Annual % change	2.7	1.8
LCI employee	Annual % change	2.6	1.4
		2020–21	
Non-mining investment (market sector)#	Annual % change	4.1	2.9
		February 2022	
Employment*	Annual % change	3.0	2.1
Full-time employment*	Annual % change	4.1	2.4
Part-time employment*	Annual % change	0.8	1.5
Hours worked*	Annual % change	2.8	1.7
Unemployment rate*	%	4.0	5.5
Underemployment rate*	%	6.6	8.8
Participation rate***	%	67.0	66.5
Participation rate (age-adjusted)**^^^	%	66.8	66.1
Employment to population ratio***	%	64.1	62.8
Employment to population ratio (age-adjusted)**^^^	%	63.7	62.3
Youth unemployment rate*	%	9.3	12.2

Note: #Calculated as percentage change in non-mining (market) gross fixed capital formation. *Due to a temporary suspension in the trend series, data are expressed in seasonally adjusted terms. **The age-adjusted participation rate and employment to population ratio are calculated using 10-year age groups for January 2022, with the proportion of the population held fixed at January 2017. The 5-year averages are calculated based on the data in Chart 6.2. Data are in original terms. *** Data are in original terms and the 5-year averages are calculated based on the data in Chart 6.2. ^ November 2021. ^^ September quarter 2021. ^^ January 2022.

Source: ABS, *Australian National Accounts: National Income, Expenditure and Product*, December 2021; ABS, *Australian System of National Accounts*, 2020–21 financial year; ABS, *Average Weekly Earnings, Australia*, November 2021; ABS, *Business Indicators, Australia*, December 2021; ABS, *Consumer Price Index, Australia*, December 2021; ABS, *Labour Force, Australia*, February 2022; ABS, *Labour Force, Australia, Detailed*, January 2022; ABS, *Selected Living Cost Indexes, Australia*, December 2021; ABS, *Wage Price Index, Australia*, December 2021; Attorney-General's Department, *Trends in Federal Enterprise Bargaining*, September quarter 2021.

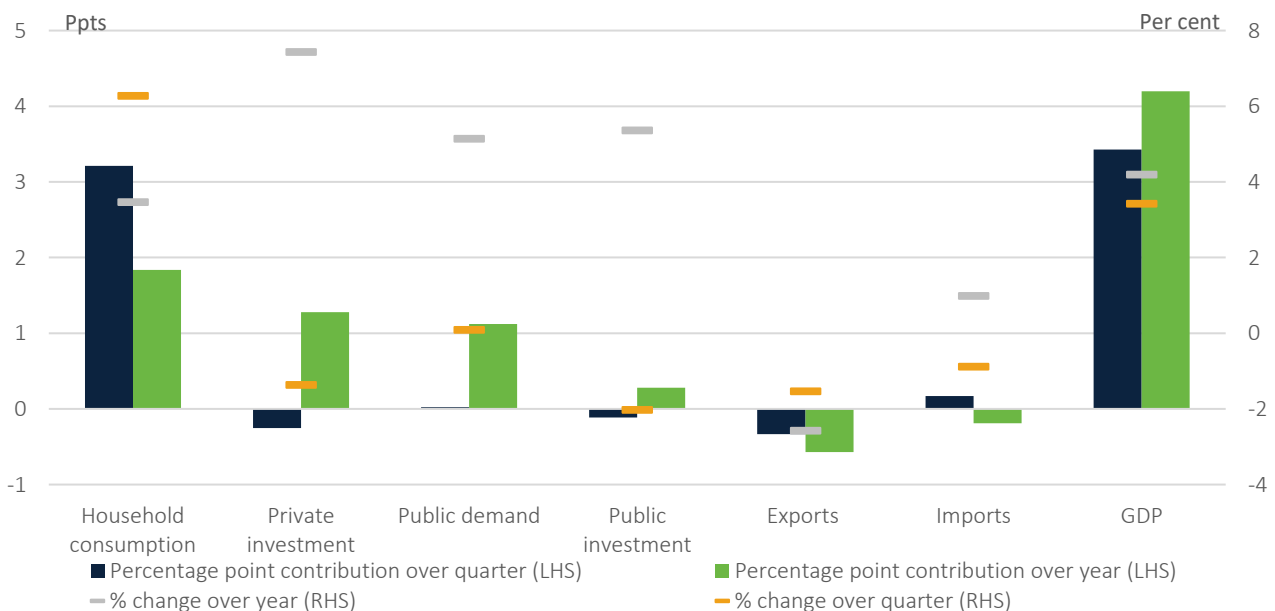
1. Economic growth

Chart 1.1: Economic growth, annual and quarterly growth rates



Source: ABS, *Australian National Accounts: National Income, Expenditure and Product*, December 2021.

Chart 1.2: Components of GDP growth, December quarter 2021

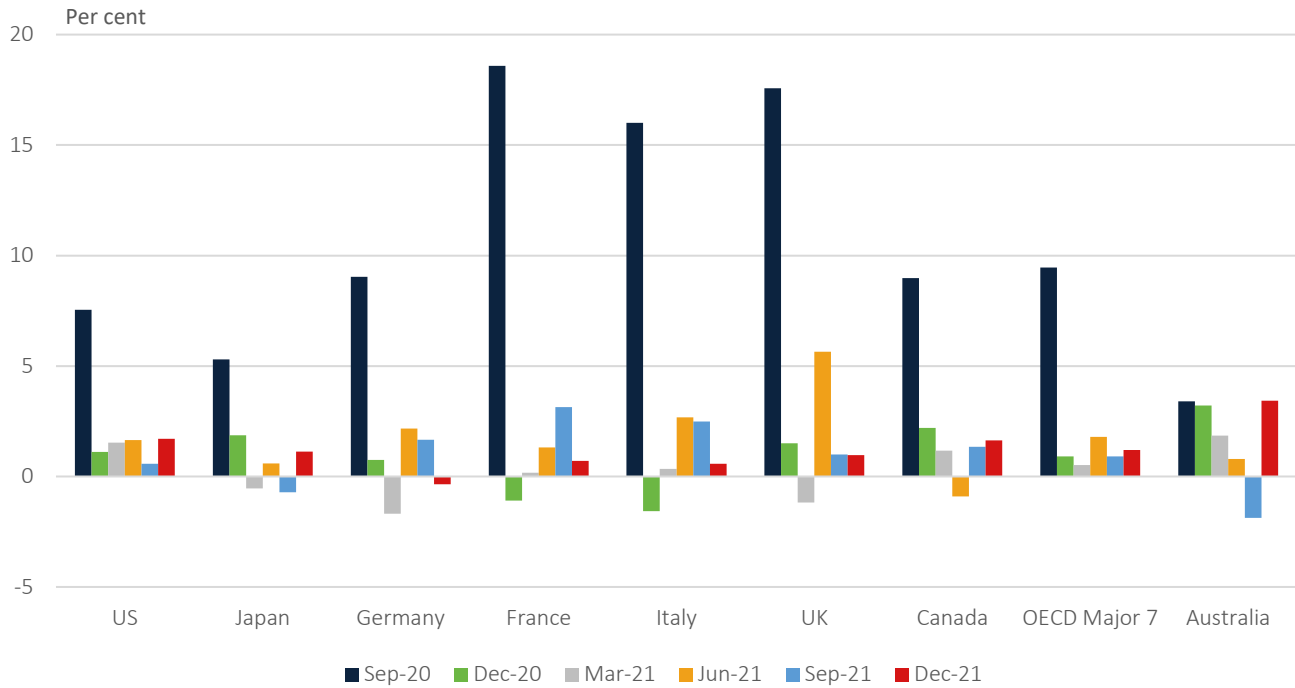


Note: Household consumption refers to 'Household final consumption expenditure', Investment refers to 'Gross fixed capital formation', and Public demand refers to 'General government final consumption expenditure'. Contributions may not add to total GDP growth due to rounding.

Source: ABS, *Australian National Accounts: National Income, Expenditure and Product*, December 2021.



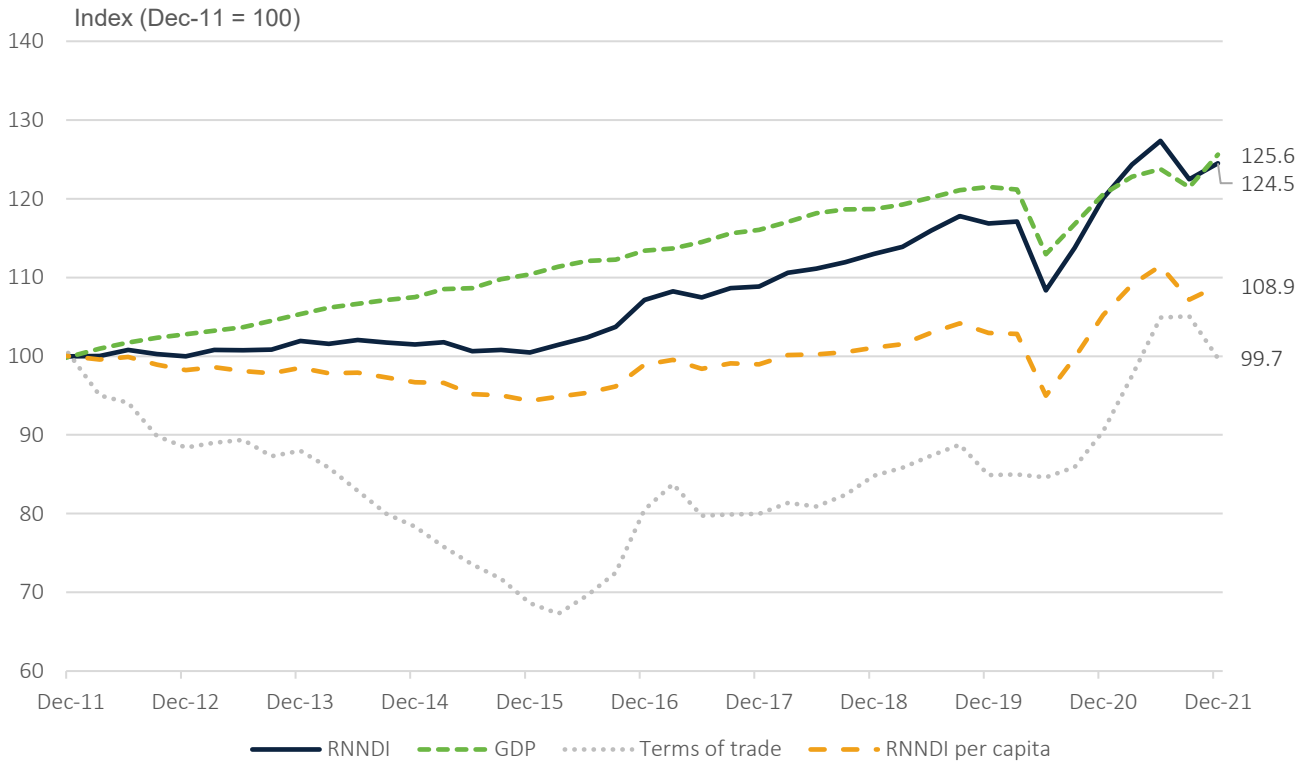
Chart 1.3: International comparisons of quarterly GDP growth rates



Source: OECD (2022), *Quarterly GDP (indicator)*, <<http://data.oecd.org/gdp/quarterly-gdp.htm>>.



Chart 1.4: Real net national disposable income, real GDP and the terms of trade, index

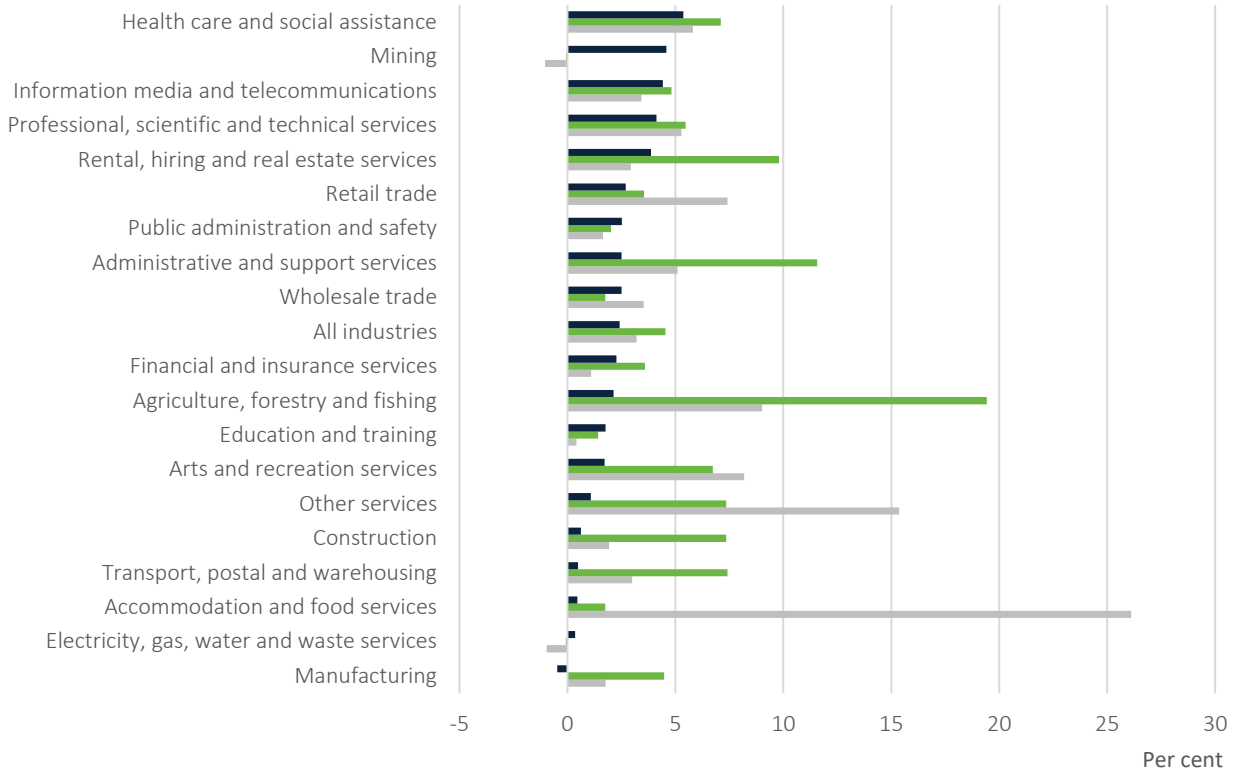


Note: Real net national disposable income (RNNDI) takes into account the impact of changes in prices of exports relative to imports, the real impact of income flows between Australia and the rest of the world, and the consumption of fixed capital. Income flows between Australia and the rest of the world are fairly smooth over time and changes tend to have little impact on short-term movements in RNNDI. The consumption of fixed capital tends to stall growth in RNNDI but, for the most part, the impact on short-term movement is small. See ABS, *Real net national disposable income - a new national accounts measure*, Feature article in ABS, *Australian National Accounts: National Income, Expenditure and Product*, December 2001.

Source: ABS, *Australian National Accounts: National Income, Expenditure and Product*, December 2021.



Chart 1.5: Gross value added by industry, average annual growth over decade, growth over year to the December quarter 2021 and growth in the December quarter 2021

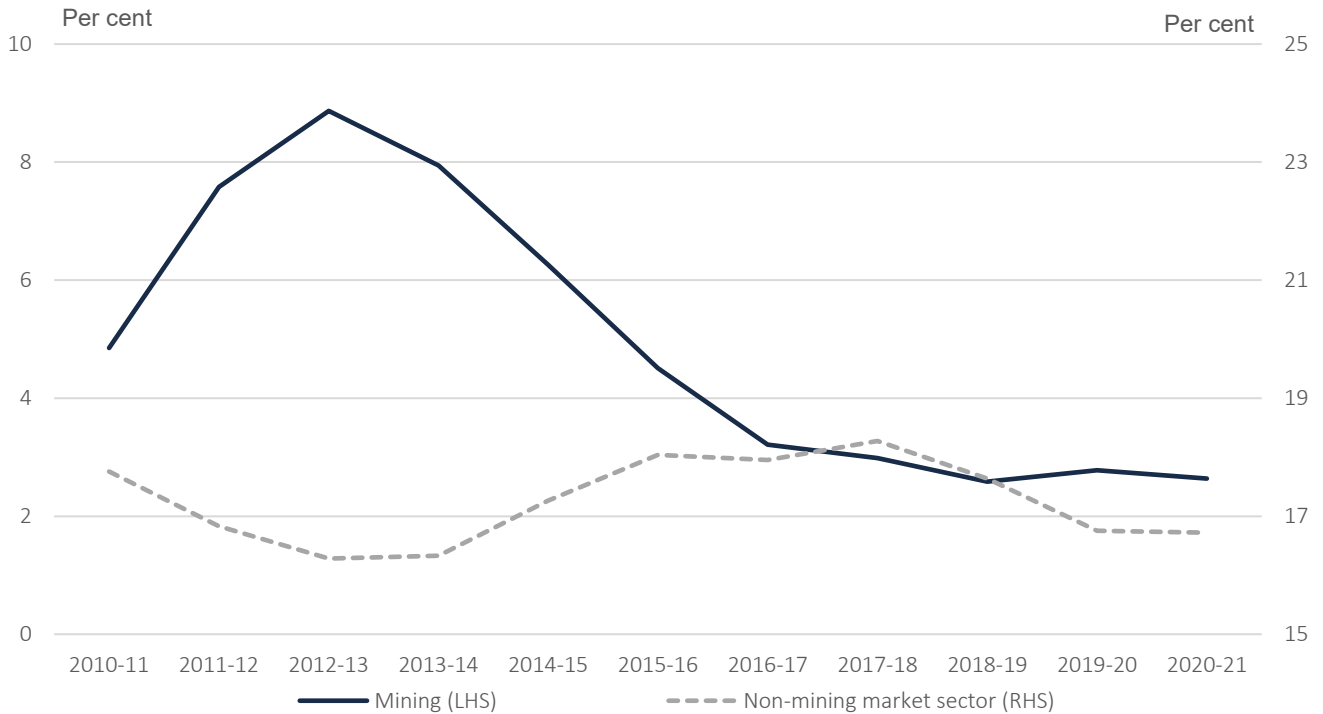


■ Average annual change December qtr 2011 to December qtr 2021 ■ Over the year to December qtr 2021 ■ December qtr 2021

Source: ABS, *Australian National Accounts: National Income, Expenditure and Product*, December 2021.



Chart 1.6: Gross fixed capital formation share of GDP



Note: All data are expressed in nominal and annual terms. Non-mining market sector excludes Education and training, Public administration and safety, Health care and social assistance and Mining, but includes ownership of dwellings.

Source: ABS, *Australian System of National Accounts*, 2020–21 financial year.



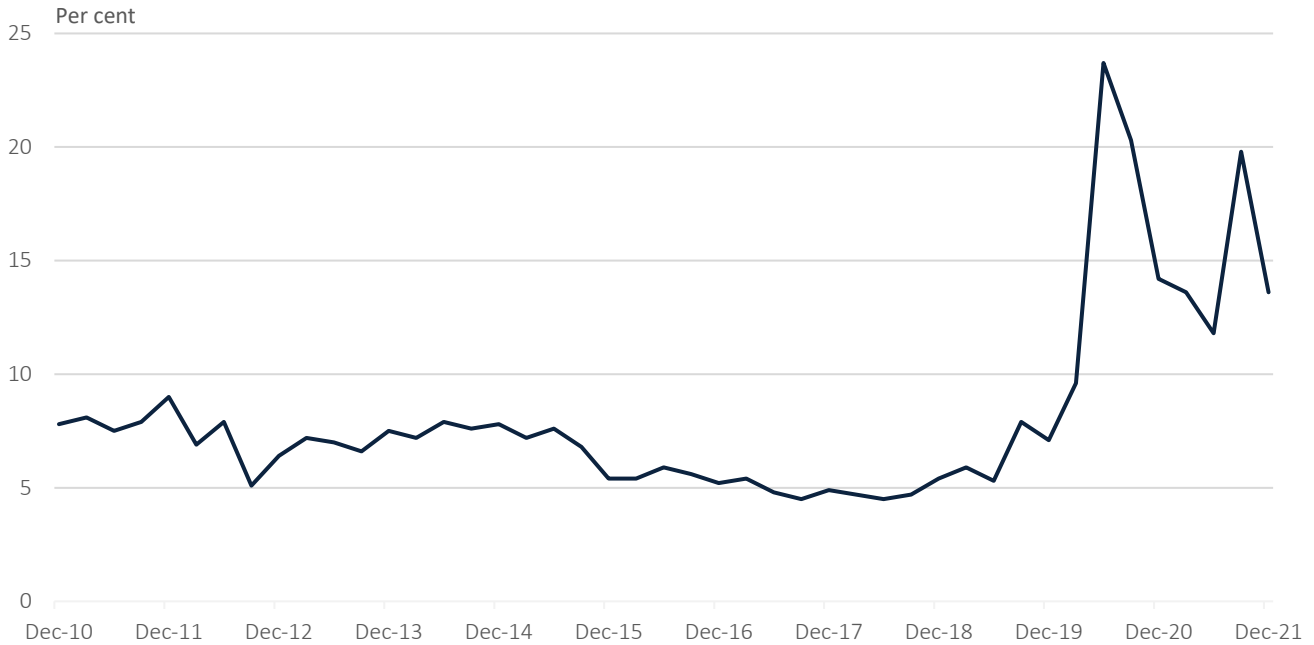
Table 1.1: Gross value added, by industry

	December qtr 2020	September qtr 2021	December qtr 2021
	(\$m)	(\$m)	(\$m)
Agriculture, forestry and fishing	12 512	13 706	14 942
Mining	49 633	50 129	49 606
Manufacturing	28 002	28 747	29 254
Electricity, gas, water and waste services	11 692	11 798	11 684
Construction	34 022	35 834	36 525
Wholesale trade	19 615	19 278	19 959
Retail trade	21 855	21 067	22 630
Accommodation and food services	9639	7777	9808
Transport, postal and warehousing	19 972	20 828	21 453
Information media and telecommunications	11 393	11 547	11 942
Financial and insurance services	38 269	39 217	39 645
Rental, hiring and real estate services	13 850	14 773	15 207
Professional, scientific and technical services	36 297	36 362	38 281
Administrative and support services	15 417	16 365	17 199
Public administration and safety	27 885	27 988	28 448
Education and training	24 419	24 662	24 765
Health care and social assistance	38 404	38 875	41 132
Arts and recreation services	3712	3662	3962
Other services	8028	7471	8619
All industries	468 670	474 737	489 910

Source: ABS, *Australian National Accounts: National Income, Expenditure and Product*, December 2021.

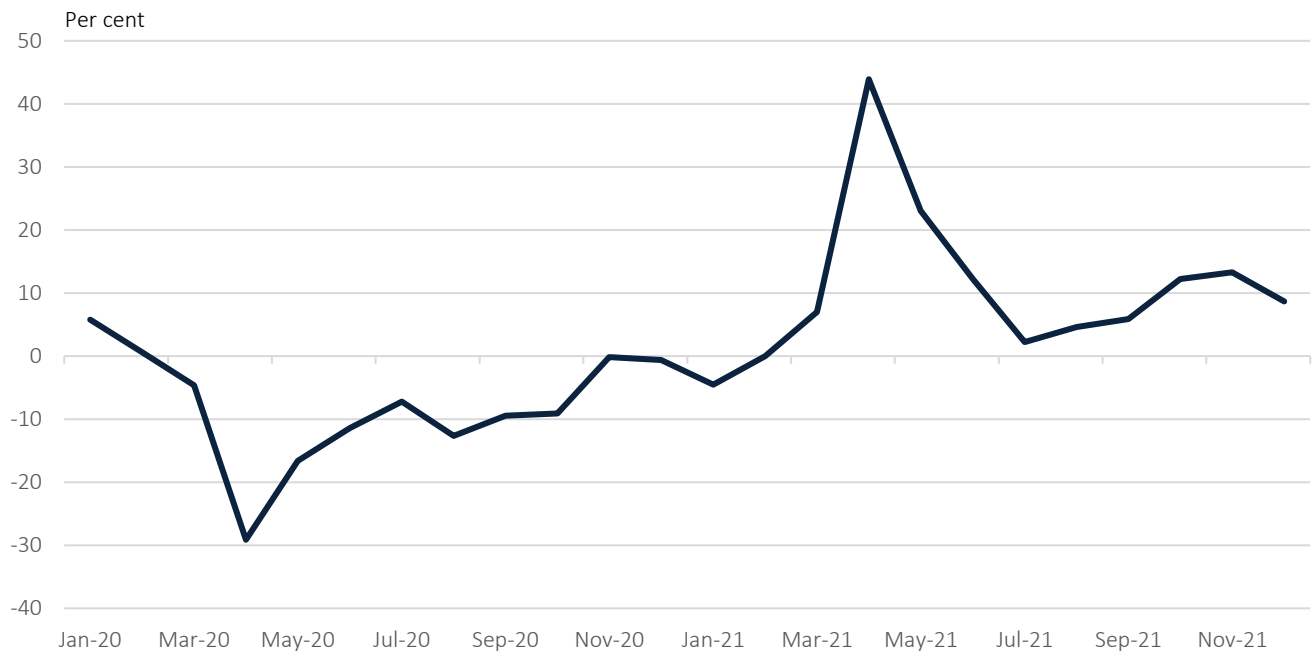


Chart 1.7: Household savings ratio



Source: ABS, *Australian National Accounts: National Income, Expenditure and Product*, December 2021.

Chart 1.8: Household spending, annual growth, current price, calendar adjusted

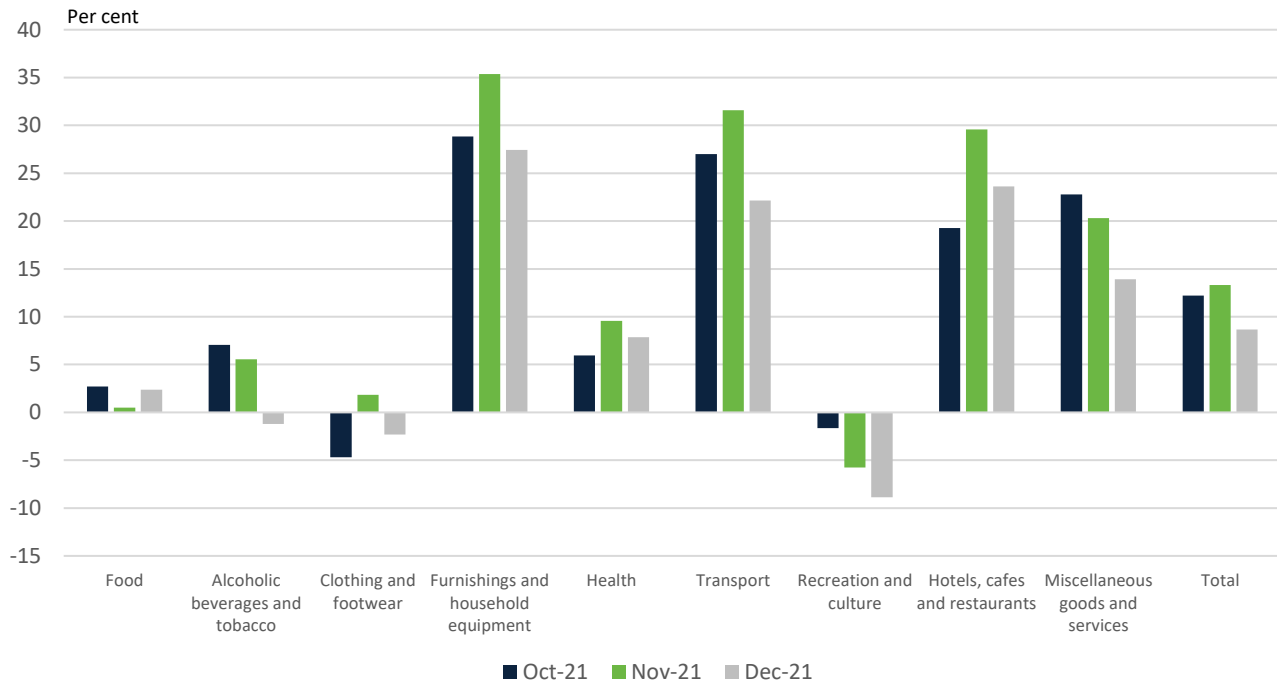


Note: Calendar adjusted estimates account for trading day impacts and length of month. As the indicator time series lengthens, seasonally adjusted estimates will become available.

Source: ABS, *Monthly household spending indicator*, December 2021.



Chart 1.9: Household spending by spending category, annual growth, current price



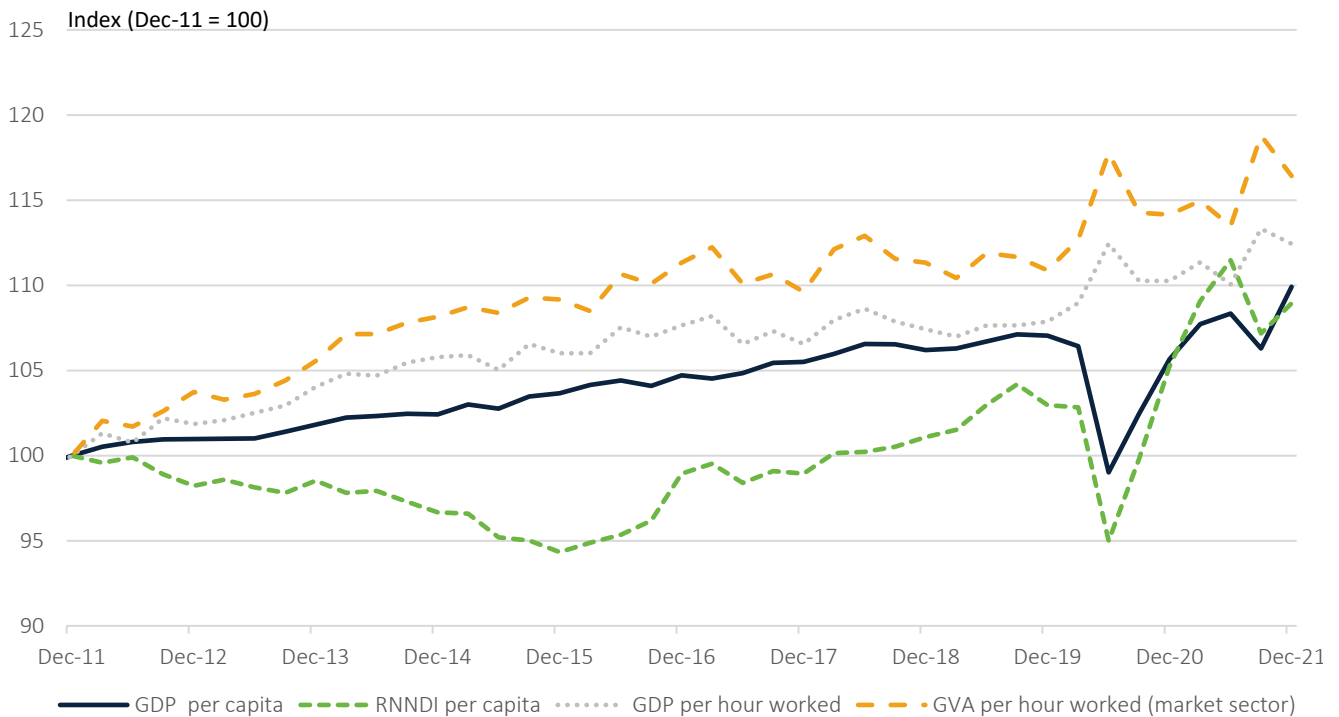
Note: Calendar adjusted estimates account for trading day impacts and length of month. As the indicator time series lengthens, seasonally adjusted estimates will become available. Until such time, it is advised to focus on the through the year movements.

Source: ABS, *Monthly household spending indicator*, December 2021.



2. Productivity

Chart 2.1: Measures of productivity, indexes—Dec-11 = 100



Note: Labour productivity is measured as real GDP per hour worked. Gross value added measures the value of output at basic prices minus the value of intermediate consumption at purchasers' prices. The market sector includes all industries except for Public administration and safety, Education and training and Health care and social assistance.

Source: ABS, *Australian National Accounts: National Income, Expenditure and Product*, December 2021.



Table 2.1: Measures of productivity, growth rate over the year

	GDP per capita	RNNDI per capita	GDP per hour worked	GVA per hour worked—market sector
Quarter	(% change)	(% change)	(% change)	(% change)
Dec-11	1.9	4.0	2.6	3.0
Dec-12	1.0	-1.8	1.9	3.7
Dec-13	0.8	0.3	2.1	1.7
Dec-14	0.6	-1.9	1.7	2.5
Dec-15	1.2	-2.4	0.2	0.9
Dec-16	1.0	4.9	1.5	2.0
Dec-17	0.7	0.0	-1.0	-1.5
Dec-18	0.7	2.2	0.8	1.5
Dec-19	0.8	1.9	0.4	-0.4
Dec-20	-1.3	2.2	2.2	3.0
Dec-21	4.0	3.5	2.0	2.0

Note: The percentage change is calculated in relation to the corresponding quarter of the previous year.

Source: ABS, *Australian National Accounts: National Income, Expenditure and Product*, December 2021.



Table 2.2: Productivity growth and its components, growth rate over the year

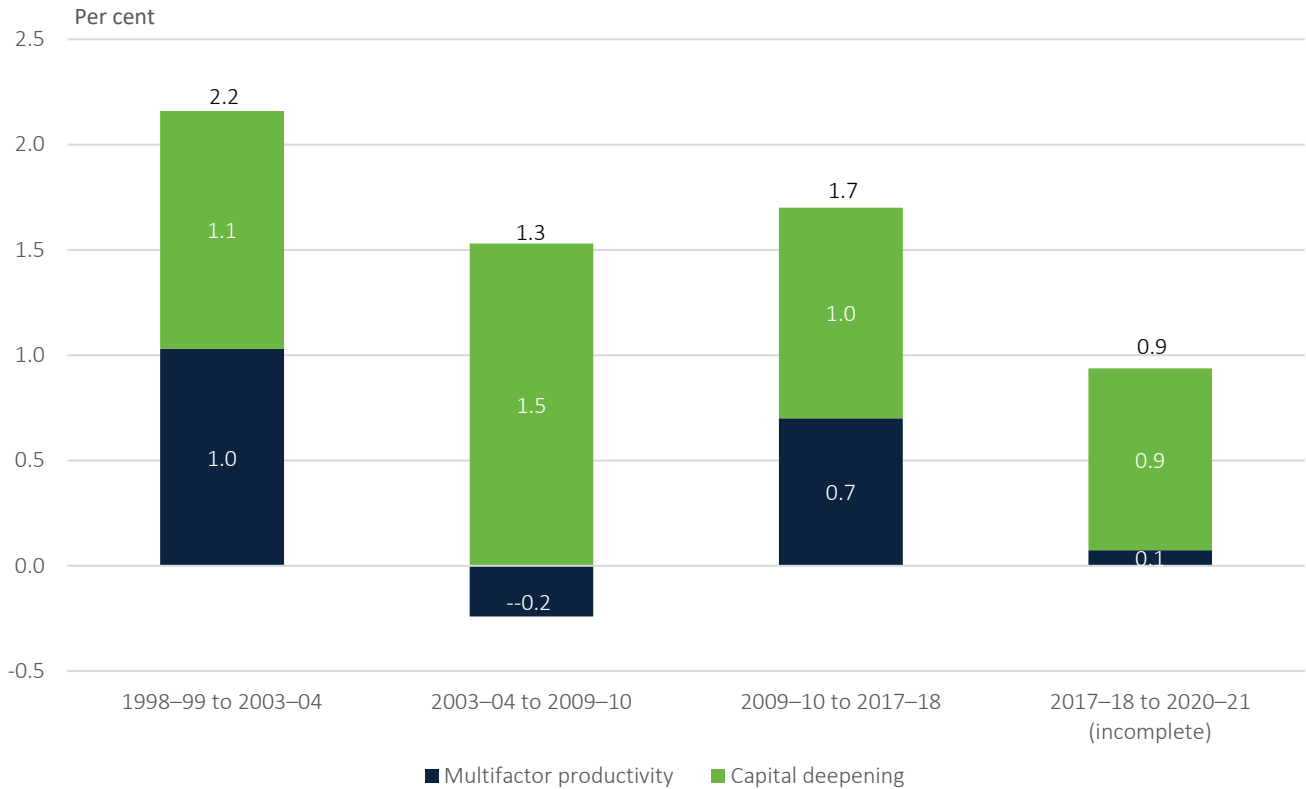
Quarter	National Accounts						Labour Force
	Total			Market Sector			Hours worked
	GDP	Hours worked	GDP/hour worked	GVA	Hours worked	GVA/hour worked	Hours worked
	(% change)	(% change)	(% change)	(% change)	(% change)	(% change)	(% change)
Dec-11	3.5	0.8	2.6	4.0	0.8	3.0	1.2
Dec-12	2.8	0.9	1.9	3.6	0.0	3.7	0.5
Dec-13	2.5	0.3	2.1	2.3	0.6	1.7	0.5
Dec-14	2.1	0.4	1.7	2.2	-0.3	2.5	0.2
Dec-15	2.7	2.5	0.2	2.6	1.6	0.9	2.7
Dec-16	2.7	1.2	1.5	2.2	0.3	2.0	1.0
Dec-17	2.3	3.4	-1.0	2.4	4.0	-1.5	3.2
Dec-18	2.3	1.4	0.8	1.8	0.3	1.5	1.7
Dec-19	2.3	2.0	0.4	2.1	2.5	-0.4	1.5
Dec-20	-0.8	-3.0	2.2	-2.2	-5.0	3.0	-1.8
Dec-21	4.2	2.2	2.0	5.0	2.9	2.0	2.0

Note: The percentage changes are calculated in relation to the corresponding quarter of the previous year. Due to a temporary suspension in the trend series, hours worked data from the Labour Force are expressed in seasonally adjusted terms.

Source: ABS, *Australian National Accounts: National Income, Expenditure and Product*, December 2021; ABS, *Labour Force, Australia*, February 2022.



Chart 2.2: Productivity cycles, average annual growth in the market sector



Note: Multifactor productivity is measured as output per combined unit of labour and capital. Capital deepening is the component of labour productivity growth which is due to the increase in the amount of capital that each unit of labour has to work with. Labour productivity is represented by the numbers above the bars and is the sum of multifactor productivity and capital deepening. Due to rounding, the sum of multifactor productivity and capital deepening may not equal labour productivity. The current productivity cycle from 2017-18 is incomplete.

Source: ABS, *Australian System of National Accounts*, 2020-21 financial year; ABS, *Estimates of Industry Multifactor Productivity*, 2020-21 financial year.



Table 2.3: Average annual change in labour and multifactor productivity by industry

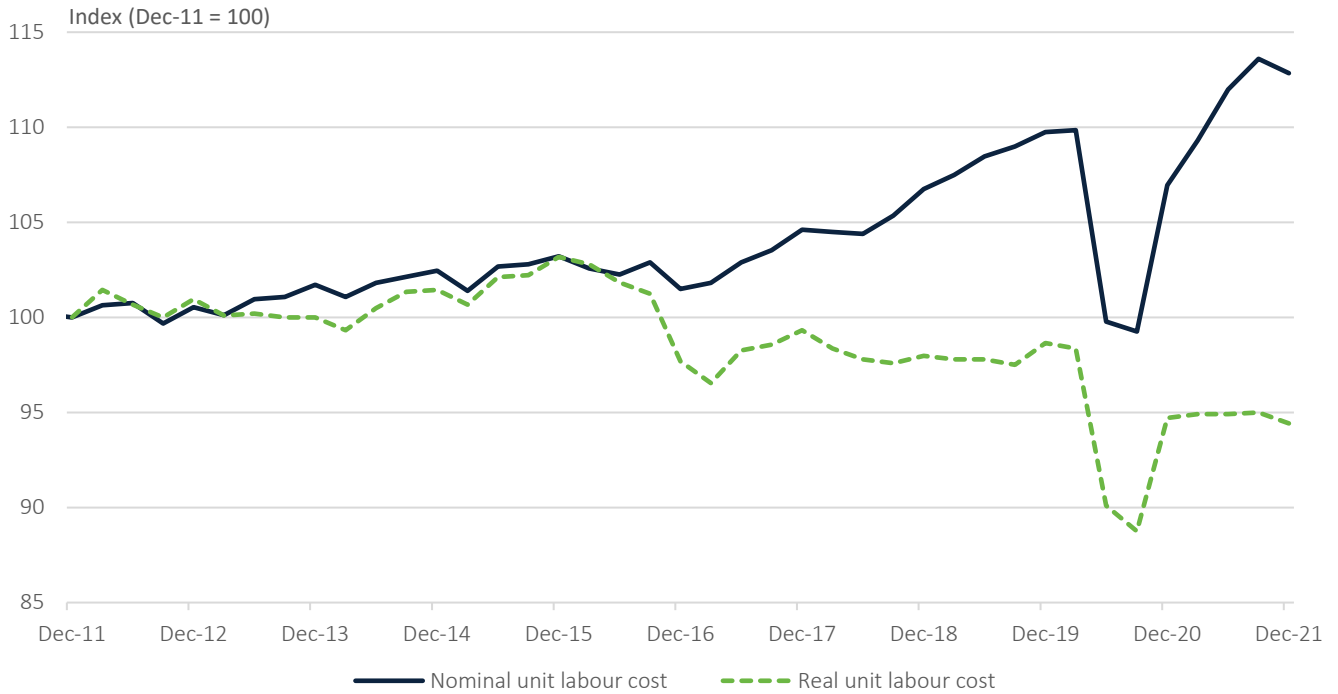
	2010–11 to 2020–21		2015–16 to 2020–21	
	Labour productivity	Multifactor productivity	Labour productivity	Multifactor productivity
	(% change)	(% change)	(% change)	(% change)
Agriculture, forestry and fishing	1.9	0.5	4.5	1.9
Mining	3.2	0.4	1.2	1.4
Manufacturing	0.6	0.5	0.2	0.5
Electricity, gas, water and waste services	-1.1	-1.7	-2.8	-2.4
Construction	0.6	-0.2	-0.4	-1.4
Wholesale trade	2.6	2.1	1.1	1.1
Retail trade	2.3	1.6	1.9	1.4
Accommodation and food services	-0.2	-0.1	-1.0	-1.1
Transport, postal and warehousing	-0.1	-1.2	-2.0	-2.8
Information, media and telecommunications	3.8	1.9	4.0	1.7
Financial and insurance services	0.3	1.0	-1.9	-0.2
Rental, hiring and real estate services	2.3	1.5	1.2	-0.3
Professional, scientific and technical services	1.5	1.1	1.9	1.5
Administrative and support services	0.6	0.6	1.2	1.1
Arts and recreation services	0.8	-0.1	-0.3	-1.2
Other services	1.2	0.2	1.6	0.4
Market sector industries	1.6	0.6	0.9	0.4

Note: Data are expressed in original terms. The market sector includes all industries except for Public administration and safety, Education and training and Health care and social assistance.

Source: ABS, *Estimates of Industry Multifactor Productivity*, 2020–21 financial year.



Chart 2.3: Unit labour costs, index

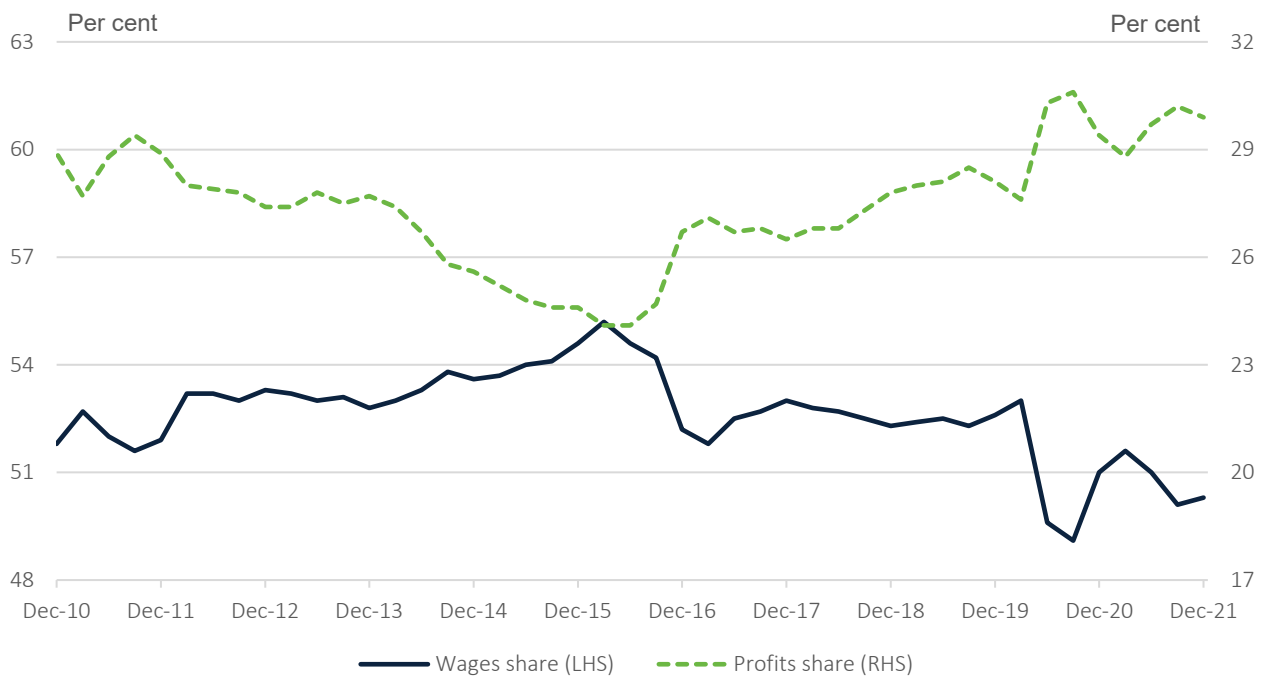


Source: ABS, *Australian National Accounts: National Income, Expenditure and Product*, December 2021.



3. Business competitiveness and viability

Chart 3.1: Profits and wages shares of total factor income



Note: Profits share represents the returns to capital in the process of production, and is expressed as total corporation gross operating surplus as a proportion of total factor income. Wages share represents the returns to labour in the process of production, and is expressed as total compensation of employees as a proportion of total factor income.

Source: ABS, *Australian National Accounts: National Income, Expenditure and Product*, December 2021.



Table 3.1: Profits and wages shares of total factor income, year on year growth rates

	Wages share of total factor income	Total compensation of employees	Profits share of total factor income	Total corporation gross operating surplus	Gross mixed income	Gross mixed income
Quarter	(%)	(% change)	(%)	(% change)	(%)	(% change)
Dec-11	51.9	6.6	28.9	6.6	9.0	3.9
Dec-12	53.3	4.3	27.4	-3.9	8.7	-2.3
Dec-13	52.8	3.5	27.7	5.8	8.7	5.2
Dec-14	53.6	2.9	25.6	-6.4	9.7	13.3
Dec-15	54.6	3.1	24.6	-2.7	9.4	-1.8
Dec-16	52.2	2.1	26.7	15.8	10.0	12.8
Dec-17	53.0	5.3	26.5	3.0	9.3	-2.9
Dec-18	52.3	4.7	27.8	11.2	8.9	0.7
Dec-19	52.6	5.2	28.1	5.7	8.4	-1.4
Dec-20	51.0	2.1	29.4	10.5	9.2	16.3
Dec-21	50.3	5.3	29.9	8.5	9.7	11.7

Note: Wages share is the compensation of employees expressed as a proportion of total factor income. Compensation of employees is defined as the total remuneration, in cash or in kind, payable by an enterprise to an employee in return for work done by the employee. Compensation of employees is not payable in respect of unpaid work undertaken voluntarily, including the work done by members of a household within an unincorporated enterprise owned by the same household. Compensation of employees excludes any taxes payable by the employer on the wage and salary bill (e.g. payroll tax).

Profits share represents the returns to capital in the process of production and is expressed as total corporation gross operating surplus as a proportion of total factor income. Gross operating surplus is defined as the operating surplus accruing to all enterprises, except unincorporated enterprises, from their operations in Australia. It is the excess of gross output over the sum of intermediate consumption, compensation of employees, and taxes less subsidies on production and imports. It is calculated before deduction of consumption of fixed capital, dividends, interest, royalties and land rent, and direct taxes payable, but after deducting the inventory valuation adjustment. Gross operating surplus is also calculated for general government and is equal to general government's consumption of fixed capital.

Gross mixed income is defined as the surplus or deficit accruing from production by unincorporated enterprises. It includes elements of both compensation of employees (returns on labour inputs) and operating surplus (returns on capital inputs).

The percentage change is calculated in relation to the corresponding quarter in the previous year.

Source: ABS, *Australian National Accounts: National Income, Expenditure and Product*, December 2021.



Table 3.2: Wages share of total factor income, mining and non-mining industries

	Mining		Non-mining	
	(%)	(% change)	(%)	(% change)
Jun-11	17.2	-3.1	56.1	1.1
Jun-12	21.0	3.8	55.9	-0.2
Jun-13	25.6	4.7	55.7	-0.2
Jun-14	23.1	-2.5	56.1	0.4
Jun-15	28.1	5.0	55.8	-0.3
Jun-16	29.6	1.6	56.3	0.5
Jun-17	19.7	-10.0	55.7	-0.6
Jun-18	18.2	-1.5	56.2	0.5
Jun-19	15.4	-2.8	56.9	0.8
Jun-20	15.4	0.0	56.3	-0.6
Jun-21	14.3	-1.1	55.3	-1.1

Note: Wages share is the compensation of employees expressed as a proportion of total factor income.

Source: ABS, *Australian System of National Accounts*, 2020–21 financial year.

Table 3.3: Company gross operating profits, mining and non-mining industries, growth rates

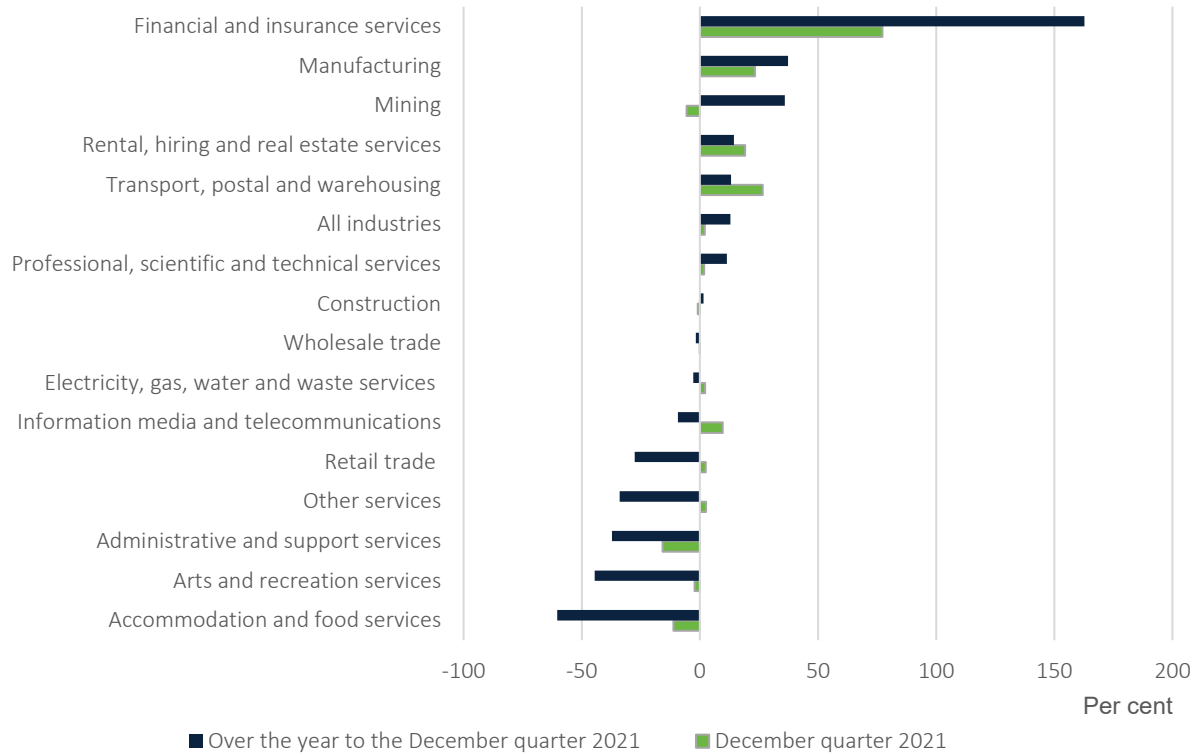
	Mining	Non-mining	Total
	(%)	(%)	(%)
Dec-11	4.4	1.2	2.3
Dec-12	-27.1	3.4	-7.4
Dec-13	37.0	1.3	11.2
Dec-14	-20.5	1.3	-6.2
Dec-15	-16.1	2.4	-3.0
Dec-16	78.0	10.7	27.6
Dec-17	2.3	6.2	4.8
Dec-18	28.0	2.9	11.5
Dec-19	7.8	0.8	3.6
Dec-20	3.2	23.5	15.2
Dec-21	36.0	-0.4	13.0
5 years to Dec-21*	14.7	6.3	9.5
10 years to Dec-21*	8.9	5.0	6.5

Note: *Average annual growth rates.

Source: ABS, *Business Indicators, Australia*, December 2021.



Chart 3.2: Growth in gross operating profits, current prices, by industry



Source: ABS, *Business Indicators, Australia*, December 2021.



Table 3.4: Gross operating profits, current prices, by industry

	December quarter 2020	September quarter 2021	December quarter 2021
	(\$ million)	(\$ million)	(\$ million)
Agriculture, forestry and fishing	n/a	n/a	n/a
Mining	40 735	58 719	55 386
Manufacturing	9184	10 224	12 609
Electricity, gas, water and waste services	4115	3915	4002
Construction	6894	7072	7005
Wholesale trade	8719	8577	8576
Retail trade	7787	5506	5643
Accommodation and food services	2996	1336	1186
Transport, total and warehousing	5132	4590	5811
Information media and telecommunications	5194	4294	4711
Financial and insurance services	703	1042	1847
Rental, hiring and real estate services	6092	5848	6971
Professional, scientific and technical services	6791	7439	7571
Administrative and support services	2159	1609	1355
Public administration and safety	n/a	n/a	n/a
Education and training	n/a	n/a	n/a
Health care and social assistance	n/a	n/a	n/a
Arts and recreation services	1961	1113	1088
Other services	2630	1691	1736
All industries	111 092	122 976	125 496

Note: n/a = not available.

Source: ABS, *Business Indicators, Australia*, December 2021



Table 3.5: Profit margins, small and all businesses

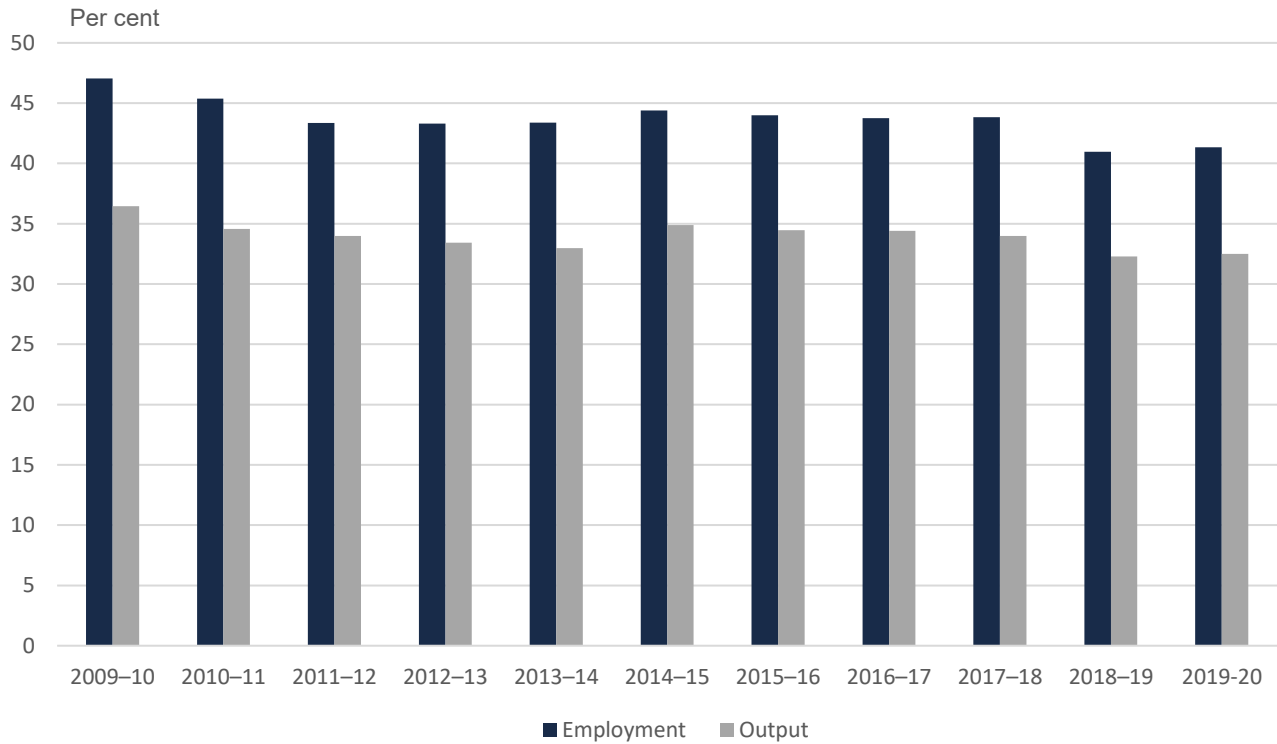
	Average over the 5 years to 2019–20		2019–20	
	Small	All	Small	All
	(%)	(%)	(%)	(%)
Agriculture, forestry and fishing	19.7	17.0	14.6	13.3
Mining	–0.2	21.5	32.6	32.4
Manufacturing	10.0	7.4	10.8	7.0
Electricity, gas, water and waste services	11.1	11.6	12.8	9.1
Construction	13.6	10.0	16.6	11.2
Wholesale trade	3.6	3.7	4.8	4.5
Retail trade	7.0	4.2	8.1	4.6
Accommodation and food services	6.0	6.8	5.8	6.2
Transport, postal and warehousing	15.4	8.3	18.1	5.0
Information media and telecommunications	13.0	6.5	21.0	1.9
Financial and insurance services	n/a	n/a	n/a	n/a
Rental, hiring and real estate services	58.2	51.7	46.7	37.8
Professional, scientific and technical services	21.0	25.0	23.7	25.3
Administrative and support services	16.5	7.9	18.9	8.3
Public administration and safety (private)	12.9	7.0	12.5	7.4
Education and training (private)	22.7	15.8	23.4	14.5
Health care and social assistance (private)	39.2	23.6	43.8	21.0
Arts and recreation services	21.6	12.7	24.5	11.0
Other services	18.0	13.5	19.4	14.1
Total selected industries	17.7	12.2	18.8	12.5

Note: Profit margins are operating profits before tax divided by sales and service income. Small businesses employ less than 20 people (including non-employing businesses). Total selected industries excludes Financial and insurance services. n/a = not available.

Source: ABS, *Australian Industry*, 2019–20 financial year.



Chart 3.3: Small business share of private sector output and employment

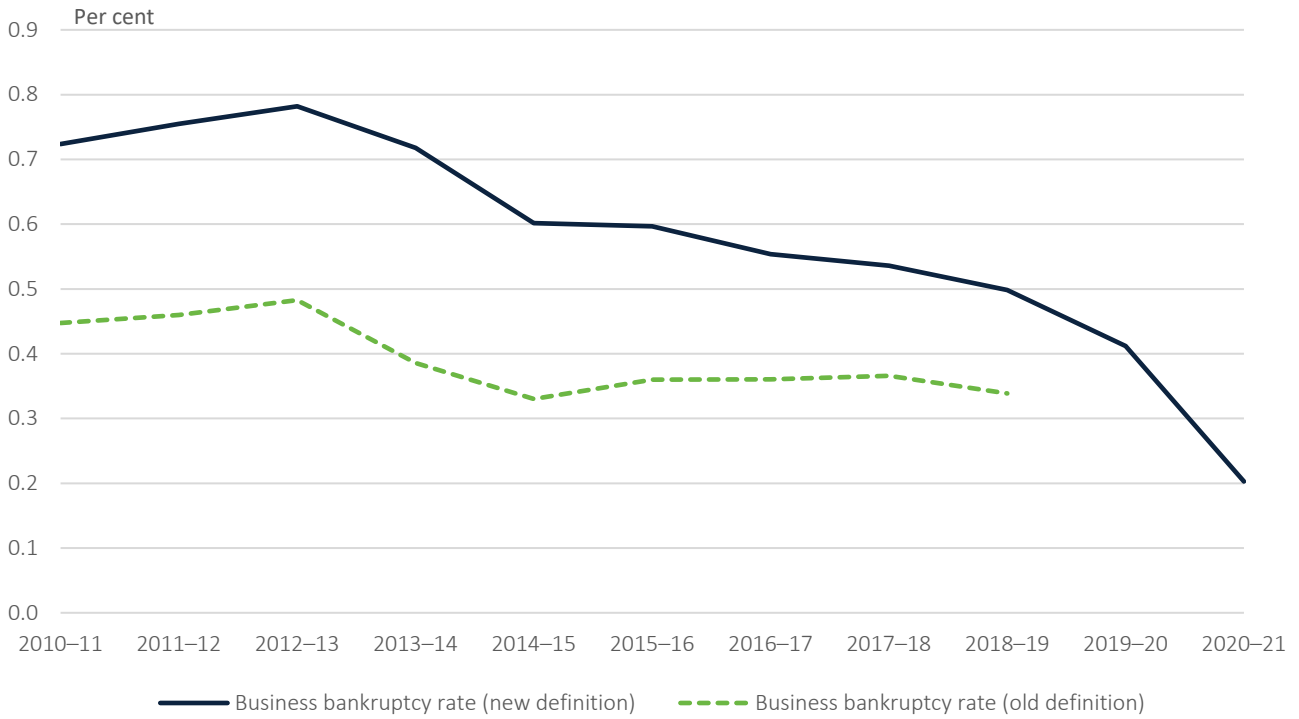


Note: Small businesses are those that employ less than 20 employees (including non-employed businesses).

Source: ABS, *Australian Industry*, 2019-20 financial year.



Chart 3.4: Business bankruptcy rates



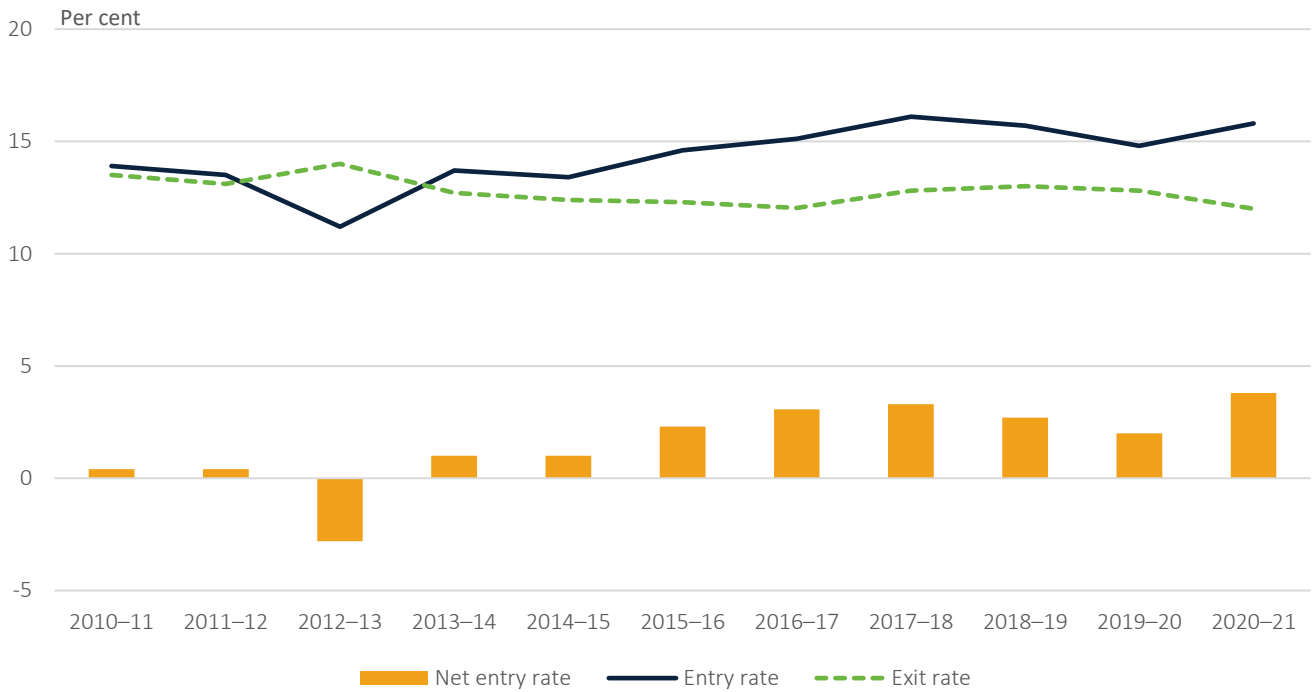
Note: The bankruptcy rate is the 'number of business-related bankruptcies divided by the number of owner managers of an unincorporated enterprise. The business bankruptcy rate is adopted from Bickerdyke I, Lattimore R, and Madge A (2000), *Business Failure and Change: An Australian Perspective*, Productivity Commission Staff Research Paper, Ausinfo, Canberra. Data are expressed in original terms.

The method of defining a business-related bankruptcy changed in 2020. A business-related bankruptcy was previously identified if the *main cause* of bankruptcy was from a business-related case. Under the new definition, a business-related case can be reported as *one of many* reasons causing bankruptcy and the debtor must have operated a business in the last 5 years. Data from 2007-08 has been revised to reflect this change.

Source: ABS, *Labour Force, Australia, Detailed*, January 2021; Australian Financial Security Authority, *Quarterly personal insolvency statistics*, December quarter 2021, <<https://www.afsa.gov.au/about-us/statistics/quarterly-personal-insolvency-statistics>>.



Chart 3.5: Business entry, exit and net entry rates

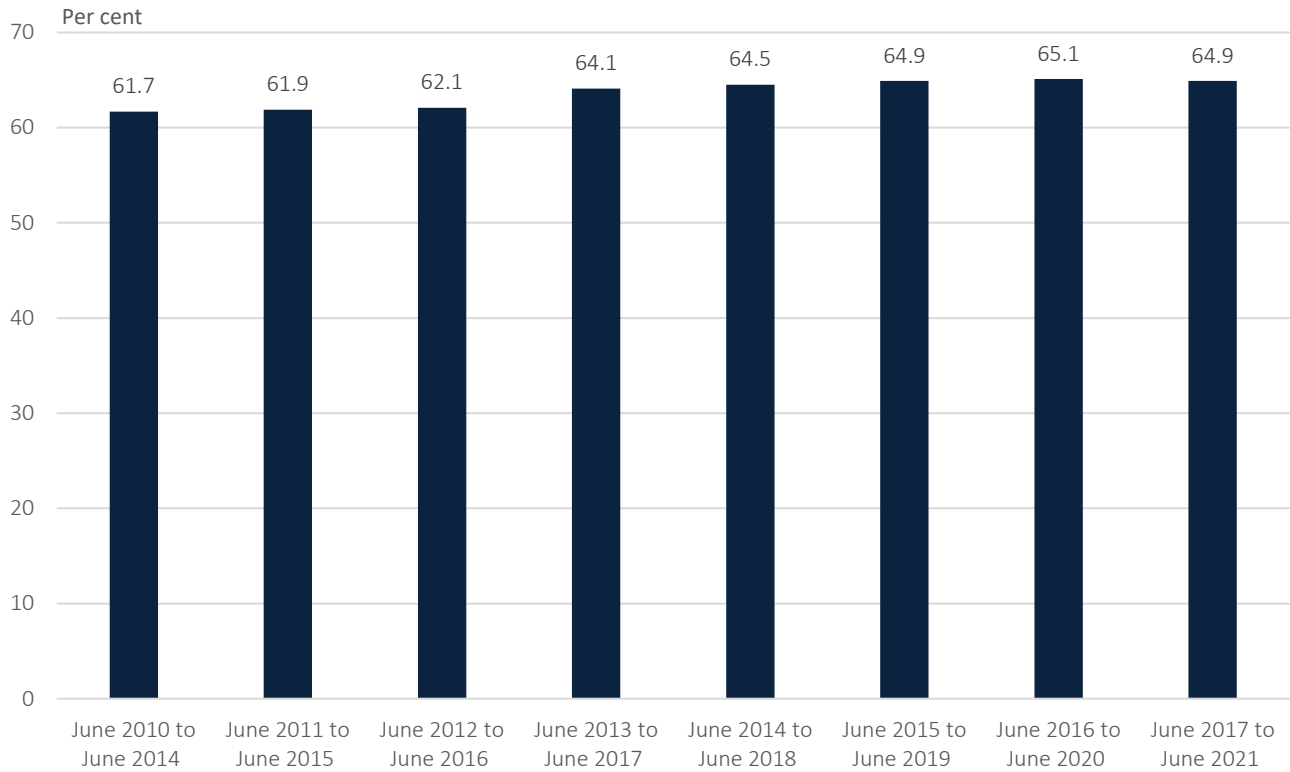


Note: Entry rates are business entries in the financial year as a proportion of total businesses operating at the start of the financial year. Exit rates are total business exits in the financial year as a proportion of total businesses operating at the start of the financial year. Net entry rates are the difference between the entry and exit rates and represent the percentage growth in the number of businesses over the respective financial year.

Source: ABS, *Counts of Australian Businesses, Including Entries and Exits*, various.



Chart 3.6: Business survival rates



Note: A surviving business is defined as a business which was actively trading in the first period and continued to be trading in the second period.

Source: ABS, Counts of Australian Businesses, Including Entries and Exits, various.



Table 3.6: Business entry and exit rates by industry

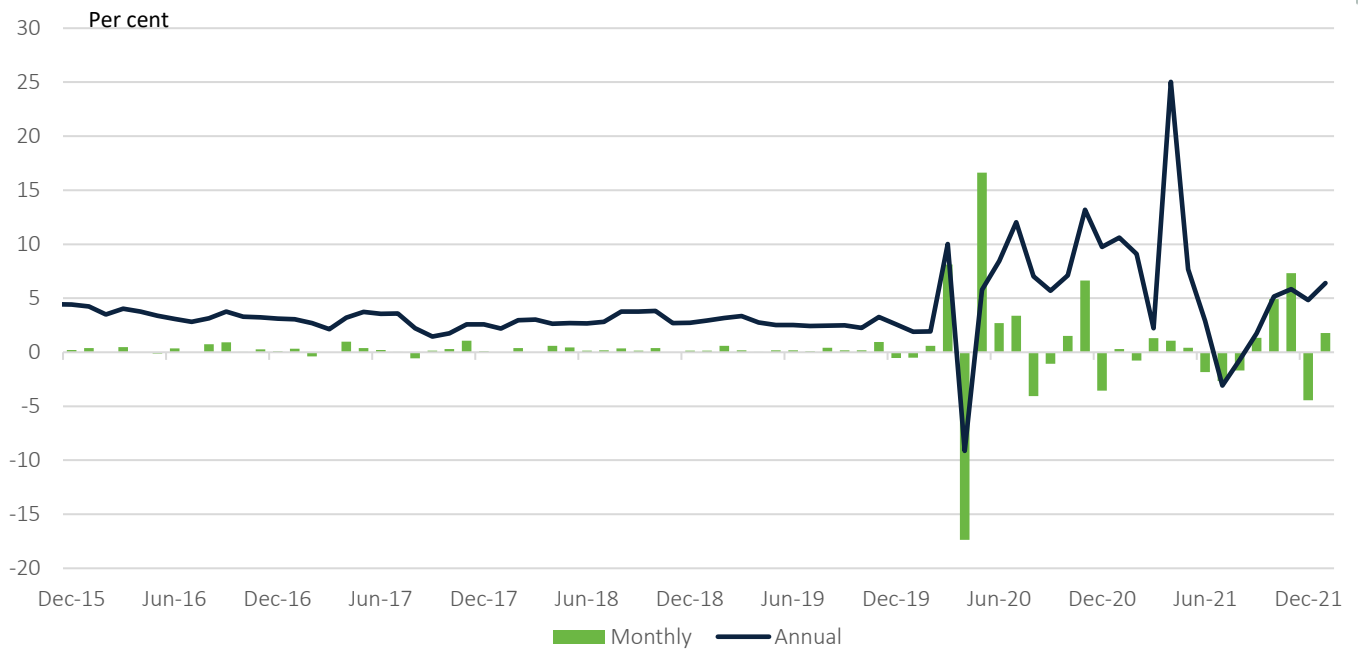
	2017–18			2020–21		
	Proportion of businesses (June 2018)	Entry rate	Exit rate	Proportion of businesses (June 2021)	Entry rate	Exit rate
	(%)	(%)	(%)	(%)	(%)	(%)
Agriculture, forestry and fishing	8.0	7.2	8.1	7.2	8.2	7.4
Mining	0.4	11.7	12.1	0.3	12.5	12.1
Manufacturing	3.8	11.8	11.3	3.6	13.2	9.9
Electricity, gas, water and waste services	0.3	17.6	12.4	0.3	16.3	11.5
Construction	17.4	17.1	14.1	17.1	17.1	12.8
Wholesale trade	3.6	13.6	12.9	3.4	14.5	11.6
Retail trade	6.1	13.9	13.6	6.0	18.2	11.9
Accommodation and food services	4.4	18.2	16.2	4.4	17.9	12.8
Transport, postal and warehousing	8.0	33.6	16.8	8.1	18.6	21.4
Information media and telecommunications	1.0	18.2	15.4	1.0	17.8	13.2
Financial and insurance services	4.6	15.7	12.6	4.7	16.4	11.6
Rental, hiring and real estate services	11.6	11.3	9.4	11.4	12.0	8.8
Professional, scientific and technical services	12.9	16.7	13.3	13.2	16.6	11.8
Administrative and support services	4.2	21.3	15.6	4.5	20.3	15.1
Public administration and safety	0.3	20.7	18.1	0.3	16.5	18.0
Education and training	1.4	18.0	13.8	1.5	17.7	12.0
Health care and social assistance	6.1	13.1	8.6	6.6	15.2	8.0
Arts and recreation services	1.3	17.0	13.1	1.4	17.1	11.7
Other services	4.5	16.2	12.6	4.8	17.9	10.6
All industries	100.0	16.1	12.8	100.0	15.8	12.0

Note: Entry rates are business entries in the financial year as a proportion of total businesses operating at the start of the financial year. Exit rates are total business exits in the financial year as a proportion of total businesses operating at the start of the financial year. The data for those business that were not able to be classified to an industry are not presented but are included in the all industries total. Of all businesses that were actively trading as at June 2018 and June 2021, 0.3 per cent and 0.1 per cent, respectively, were not classified to an industry.

Source: ABS, *Counts of Australian Businesses, Including Entries and Exits*, July 2017 to June 2021.

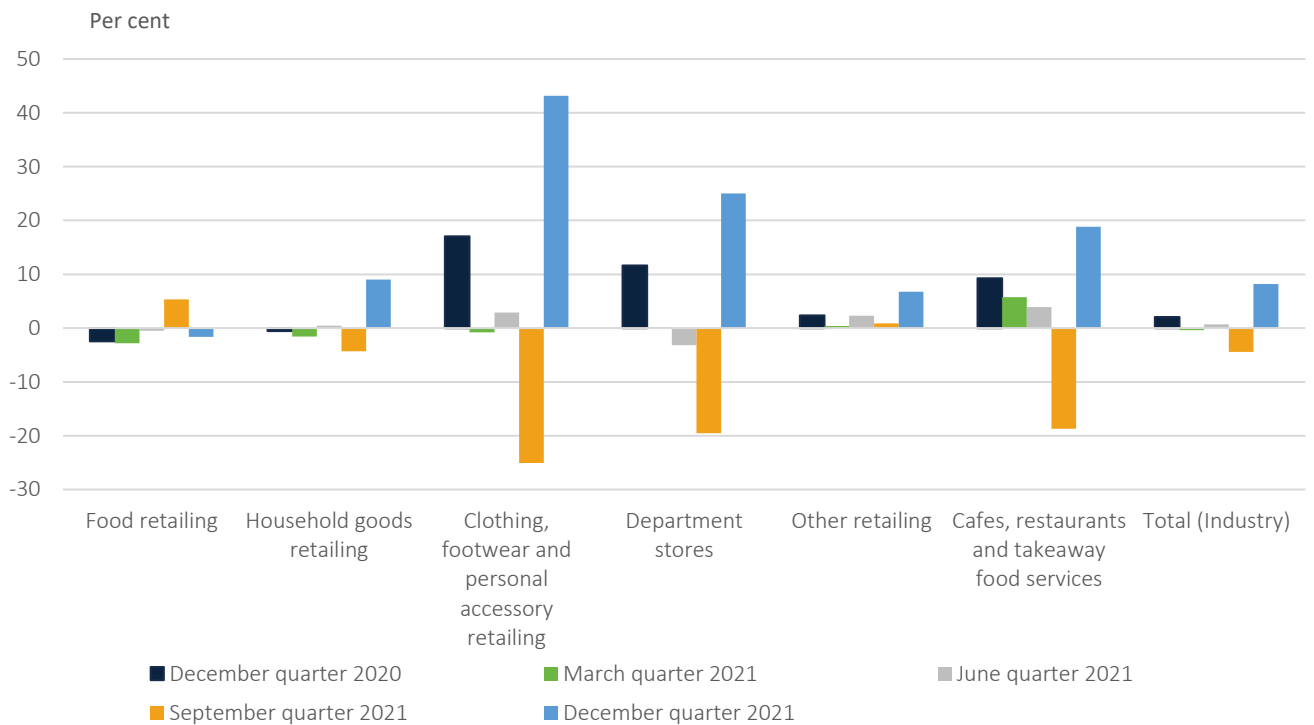


Chart 3.7: Monthly retail turnover growth, current prices



Source: ABS, *Retail Trade, Australia*, January 2022.

Chart 3.8: Change in quarterly retail turnover, by industry group

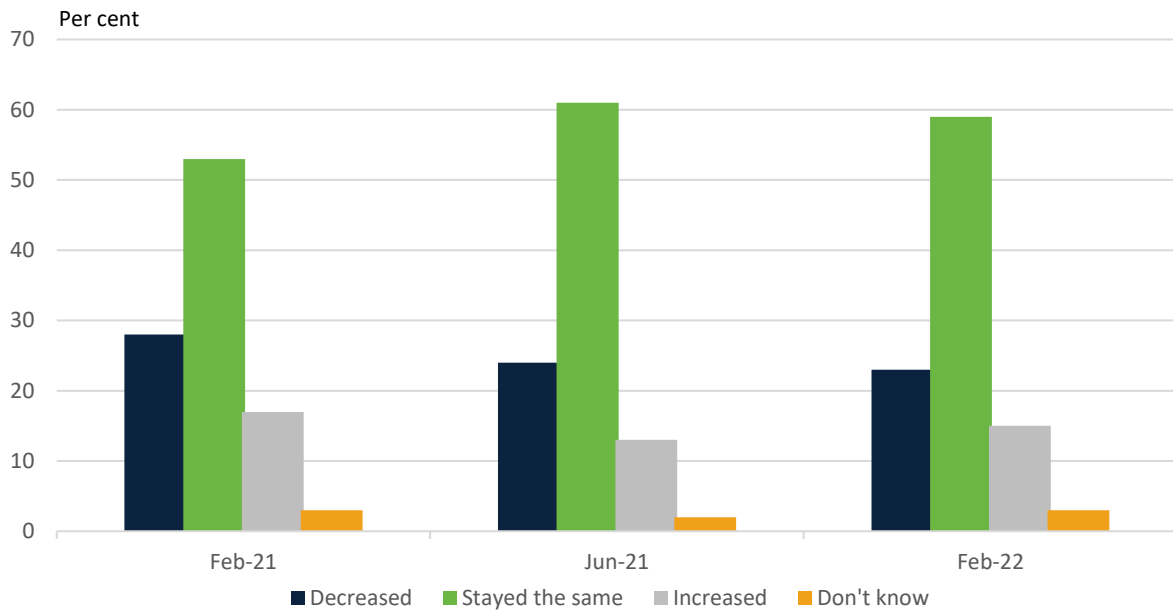


Note: Data are expressed in chain volume terms. * Data are in current prices.

Source: ABS, *Retail Trade, Australia*, January 2022.



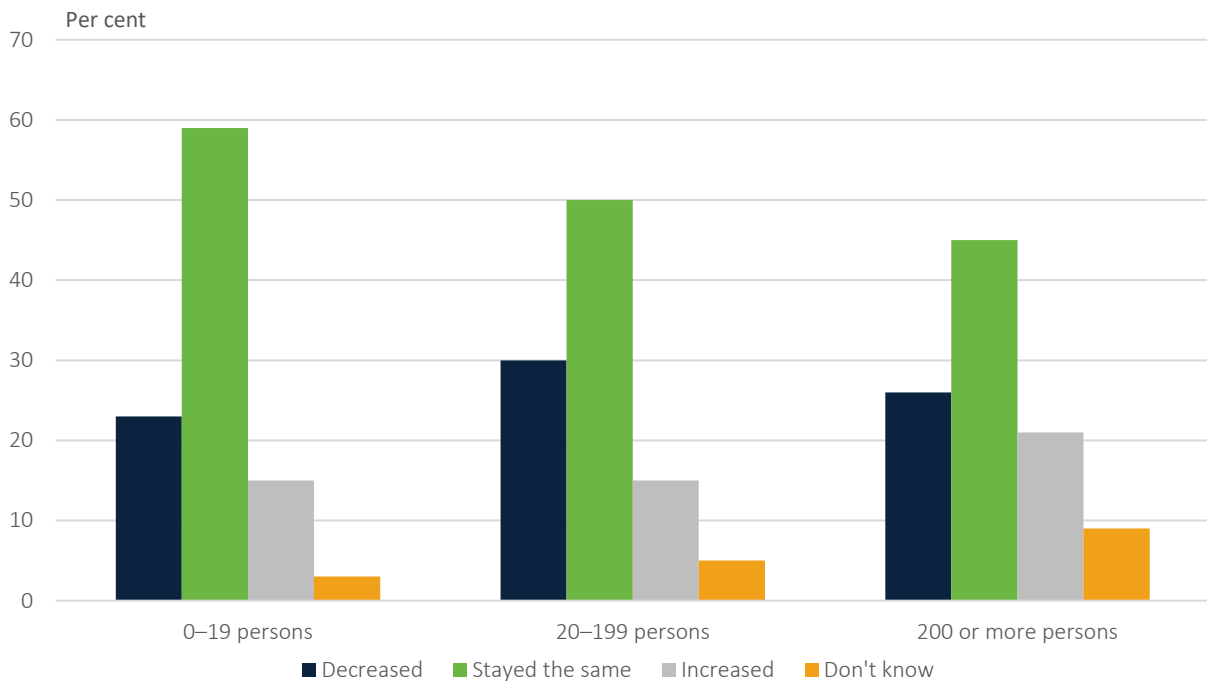
Chart 3.9: Change in business revenue over the last month, February 2021 to February 2022



Note: Proportions are of all businesses.

Source: ABS, *Business conditions and sentiments*, February 2022.

Chart 3.10: Change in business revenue over the last month, by employment size, February 2022

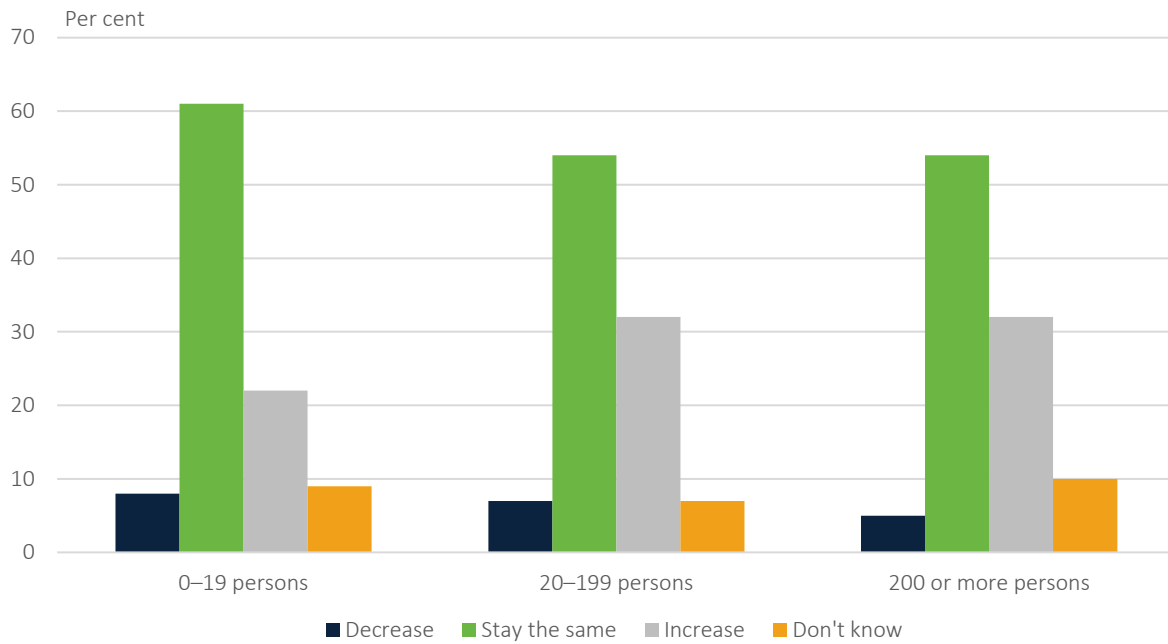


Note: Proportions are of all businesses.

Source: ABS, *Business conditions and sentiments*, February 2022.



Chart 3.11: Expected change in business revenue over the next month, by employment size, February 2022



Note: Proportions are of all businesses.

Source: ABS, *Business conditions and sentiments*, February 2022.



Table 3.7: Changes in business revenue and operating expenses over the last month, by industry, February 2022

	Revenue				Expenses			
	Decreased (%)	Stayed the same (%)	Increased (%)	Don't know (%)	Decreased (%)	Stayed the same (%)	Increased (%)	Don't know (%)
Agriculture, forestry and fishing	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mining	26	56	16	2	4	66	26	5
Manufacturing	37	39	18	6	1	34	65	0
Electricity, gas, water and waste services	18	69	14	0	0	67	33	0
Construction	17	76	6	0	6	54	40	0
Wholesale trade	24	64	7	5	10	54	32	5
Retail trade	39	46	15	0	5	68	26	0
Accommodation and food services	46	24	26	4	5	37	53	4
Transport, postal and warehousing	13	79	7	0	0	43	50	6
Information media and telecommunications	30	57	12	0	16	63	21	0
Financial and insurance services	16	78	6	0	21	73	6	0
Rental, hiring and real estate services	10	58	28	5	5	66	29	0
Professional, scientific and technical services	19	65	13	3	0	76	24	0
Administrative and support services	6	70	15	9	1	40	54	4
Public administration and safety	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Education and training	15	48	29	8	1	63	32	4
Health care and social assistance	23	47	26	5	5	67	28	0
Arts and recreation services	41	39	15	5	6	41	53	0
Other services	29	50	17	4	8	50	41	0
All industries	23	59	15	3	5	58	36	1

Note: n/a = not available. Proportions are of all businesses in each industry.

Source: ABS, *Business Conditions and Sentiments*, February 2022.



Table 3.8: Expected change in business revenue and operating expenses over the next month, by industry, February 2022

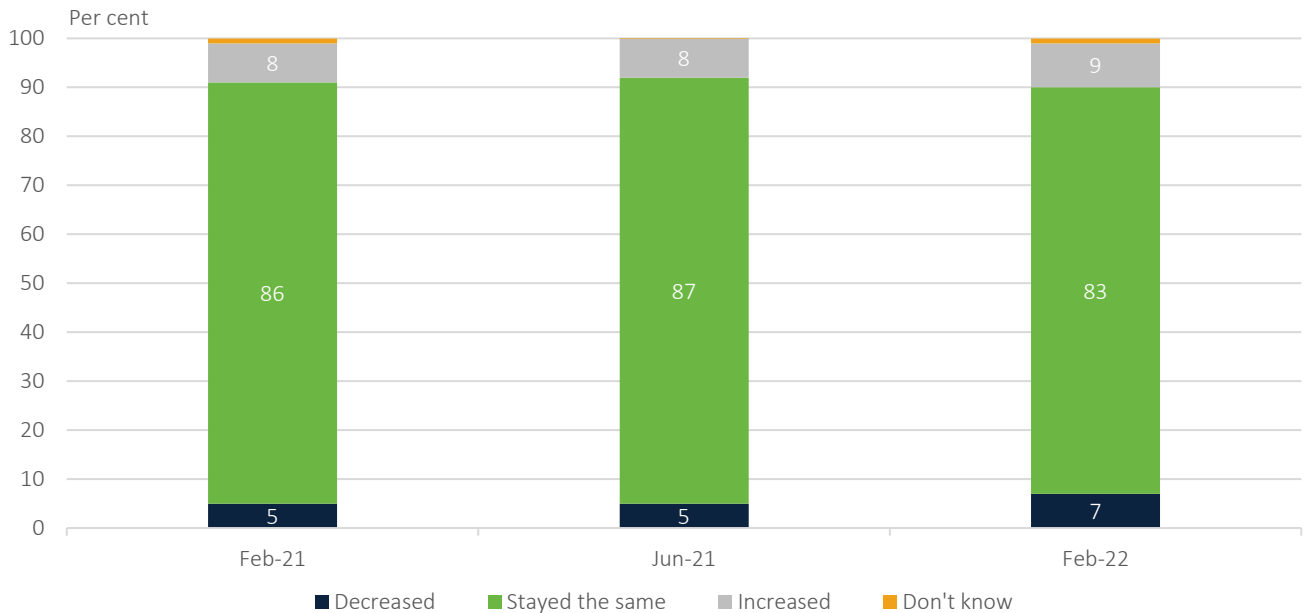
	Revenue				Expenses			
	Decreased	Stayed the same	Increased	Don't know	Decreased	Stayed the same	Increased	Don't know
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Agriculture, forestry and fishing	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mining	8	66	20	5	4	64	27	5
Manufacturing	12	39	31	18	0	51	48	1
Electricity, gas, water and waste services	4	81	10	5	1	85	14	0
Construction	6	71	15	9	6	54	29	11
Wholesale trade	17	49	25	9	0	62	33	4
Retail trade	24	56	14	6	0	64	25	10
Accommodation and food services	9	54	24	13	0	72	19	9
Transport, postal and warehousing	0	74	19	6	0	44	38	18
Information media and telecommunications	6	62	17	15	0	88	7	5
Financial and insurance services	0	78	22	0	5	74	21	0
Rental, hiring and real estate services	1	71	19	9	1	71	24	5
Professional, scientific and technical services	10	52	30	8	3	86	8	3
Administrative and support services	5	48	25	22	1	57	21	22
Public administration and safety	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Education and training	9	58	30	4	4	68	24	4
Health care and social assistance	5	67	24	4	9	84	7	0
Arts and recreation services	10	53	31	6	1	54	35	10
Other services	0	63	33	4	0	67	29	4
All industries	8	61	23	9	3	67	23	7

Note: n/a = not available. Proportions are of all businesses in each industry.

Source: ABS, *Business Conditions and Sentiments*, February 2022.



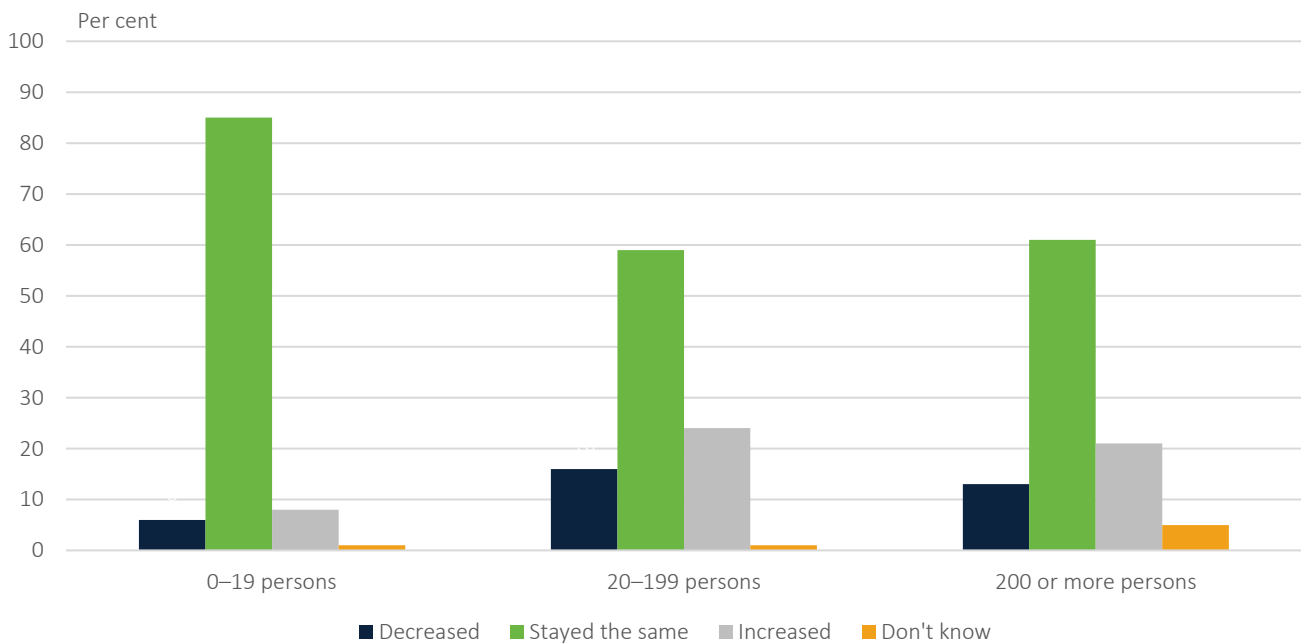
Chart 3.12: Change in the number of employees over the last month, February 2021 to February 2022



Note: Proportions are of all businesses. Data labels for those who 'Don't know' the change in employees over the last month are not presented.

Source: ABS, *Business Conditions and Sentiments*, February 2022; ABS, *Business Conditions and Sentiments*, June 2021; ABS, *Business Conditions and Sentiments*, February 2021.

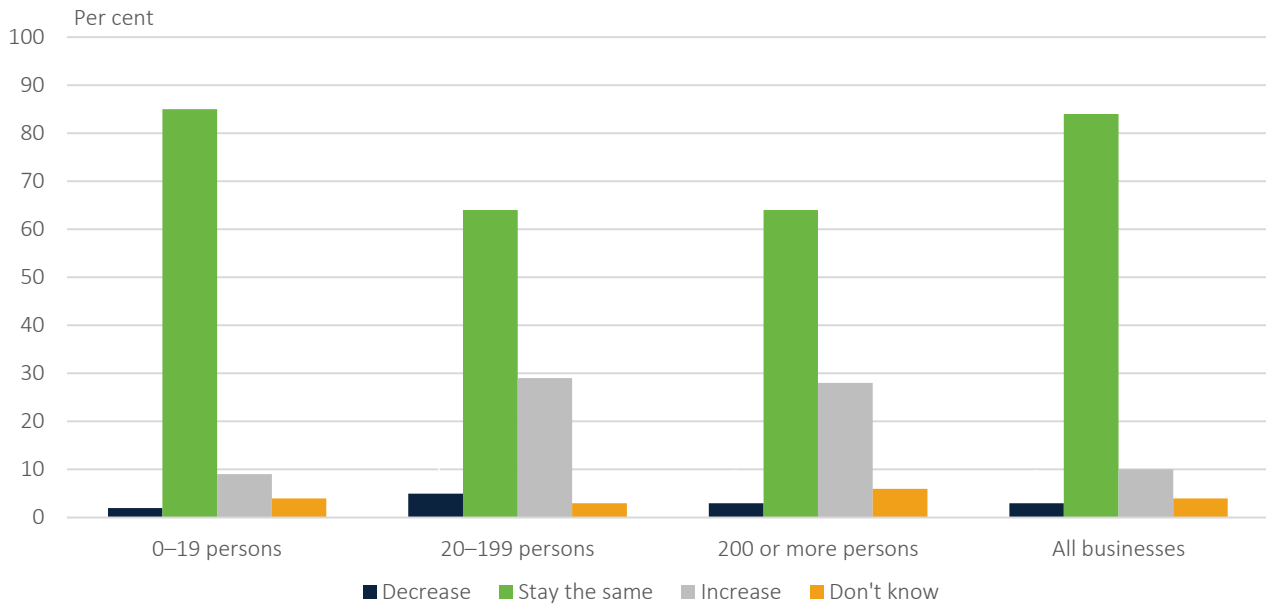
Chart 3.13: Change in the number of employees over the last month, by employment size, February 2022



Note: Proportions are of all businesses.

Source: ABS, *Business Conditions and Sentiments*, February 2022.

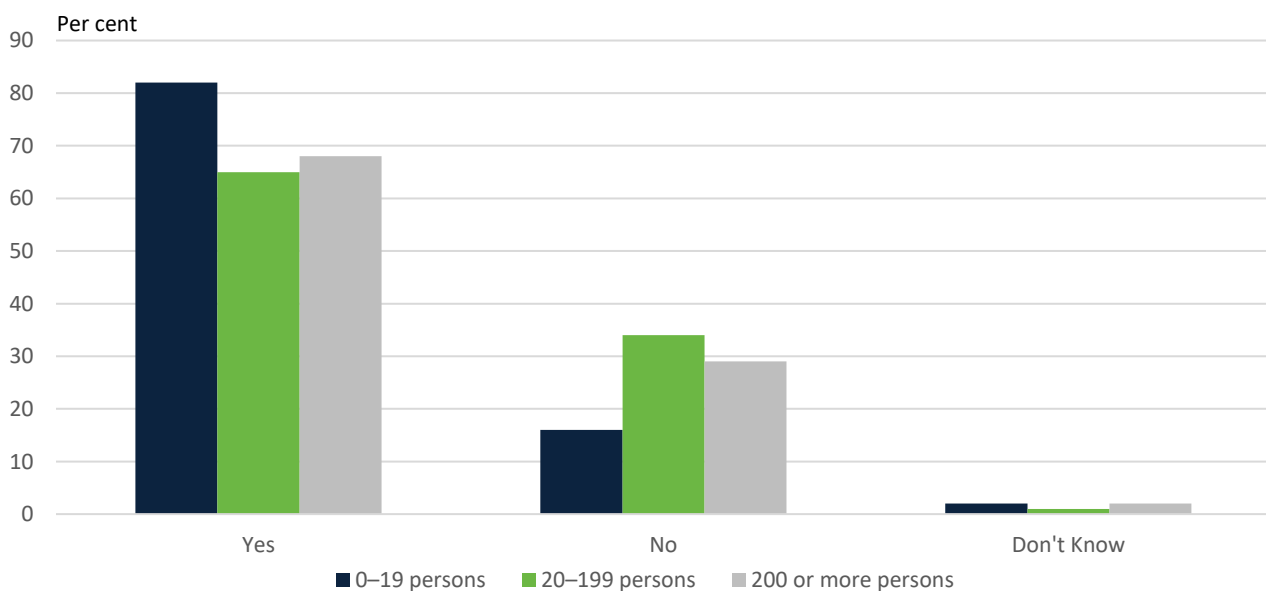
Chart 3.14: Expected change in the number of employees over the next month, by employment size, February 2022



Note: Proportions are of all businesses.

Source: ABS, *Business Conditions and Sentiments*, February 2022.

Chart 3.15: Whether businesses have a sufficient number of employees based on current operations, by employment size, February 2022



Note: Proportions are of all businesses.

Source: ABS, *Business Conditions and Sentiments*, February 2022.



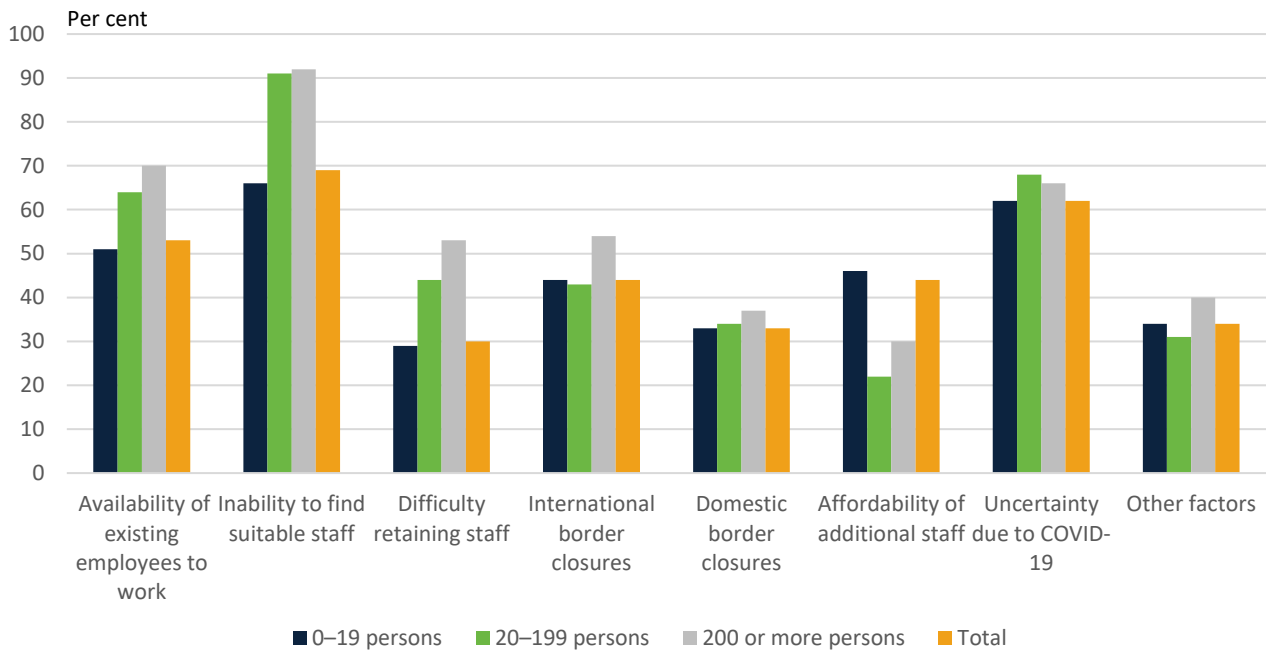
Table 3.9: Whether businesses have a sufficient number of employees based on current operations, by industry, February 2022

	Yes (%)	No (%)	Don't know (%)
Agriculture, forestry and fishing	n/a	n/a	n/a
Mining	79	21	0
Manufacturing	80	20	0
Electricity, gas, water and waste services	90	10	0
Construction	91	9	0
Wholesale trade	82	18	0
Retail trade	82	13	5
Accommodation and food services	70	21	9
Transport, postal and warehousing	89	2	9
Information media and telecommunications	99	1	0
Financial and insurance services	93	7	0
Rental, hiring and real estate services	74	26	0
Professional, scientific and technical services	75	22	3
Administrative and support services	75	25	0
Public administration and safety	n/a	n/a	n/a
Education and training	78	22	0
Health care and social assistance	93	7	0
Arts and recreation services	69	31	0
Other services	71	29	0
All industries	81	17	2

Note: n/a = not available. Proportions are of all businesses in each industry.

Source: ABS, *Business Conditions and Sentiments*, February 2022.

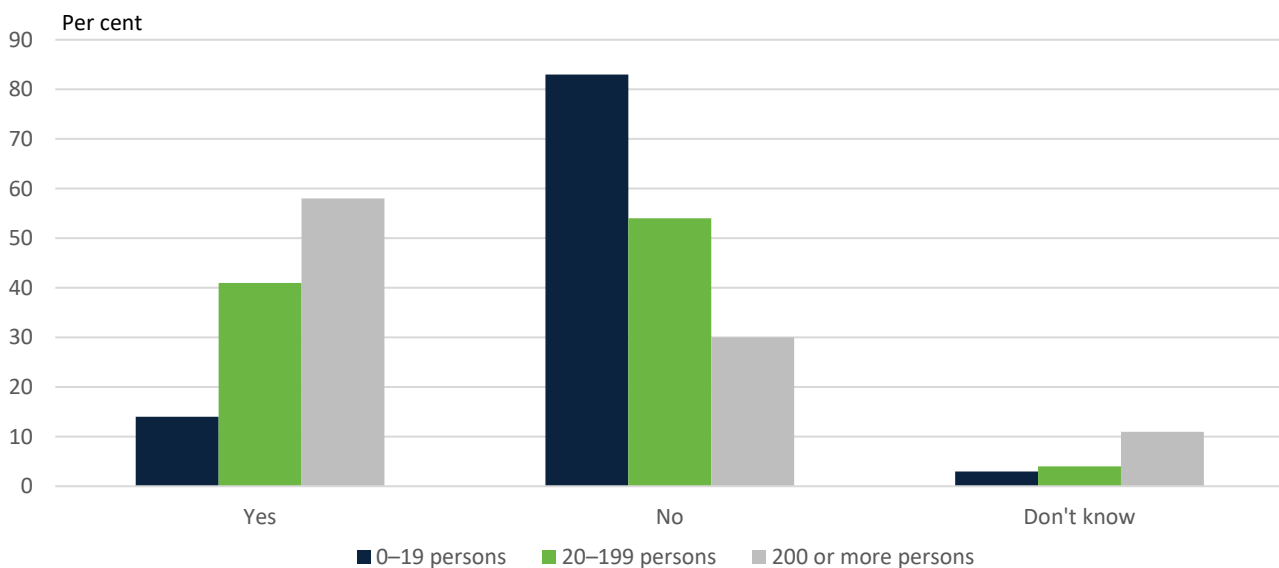
Chart 3.16: Factors influencing staffing levels for businesses that do not have sufficient employees, by employment size, January 2022



Note: Businesses can select more than one response.

Source: ABS, *Business Conditions and Sentiments*, January 2022.

Chart 3.17: Whether existing employees are unavailable due to factors related to COVID-19, by employment size, February 2022



Note: Proportions are of all employing businesses.

Source: ABS, *Business Conditions and Sentiments*, February 2022.



Table 3.10: Whether existing employees are unavailable due to factors related to COVID-19, by industry, February 2022

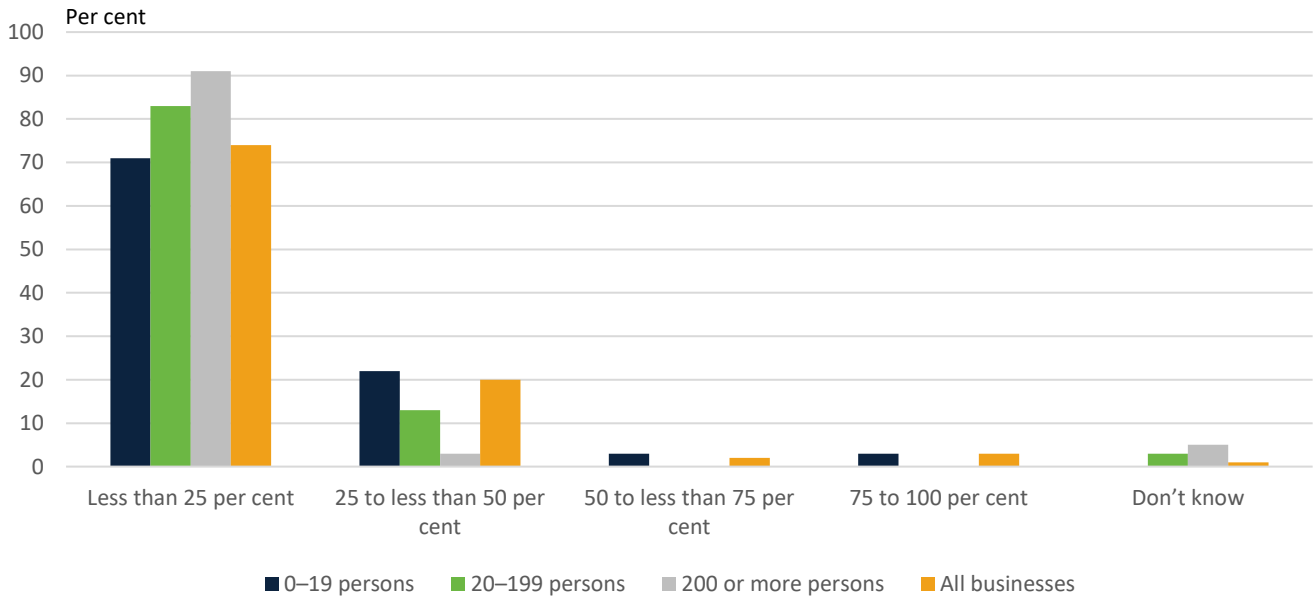
	Yes (%)	No (%)	Don't know (%)
Agriculture, forestry and fishing	n/a	n/a	n/a
Mining	13	86	1
Manufacturing	16	83	1
Electricity, gas, water and waste services	5	93	2
Construction	23	77	0
Wholesale trade	12	87	0
Retail trade	19	81	0
Accommodation and food services	18	77	4
Transport, postal and warehousing	2	98	1
Information media and telecommunications	22	77	1
Financial and insurance services	1	93	6
Rental, hiring and real estate services	8	86	6
Professional, scientific and technical services	1	92	7
Administrative and support services	37	63	1
Public administration and safety	n/a	n/a	n/a
Education and training	24	76	0
Health care and social assistance	21	70	9
Arts and recreation services	19	71	10
Other services	19	80	0
All industries	13	86	1

Note: Proportions are of all employing businesses.

Source: ABS, *Business Conditions and Sentiments*, February 2022.



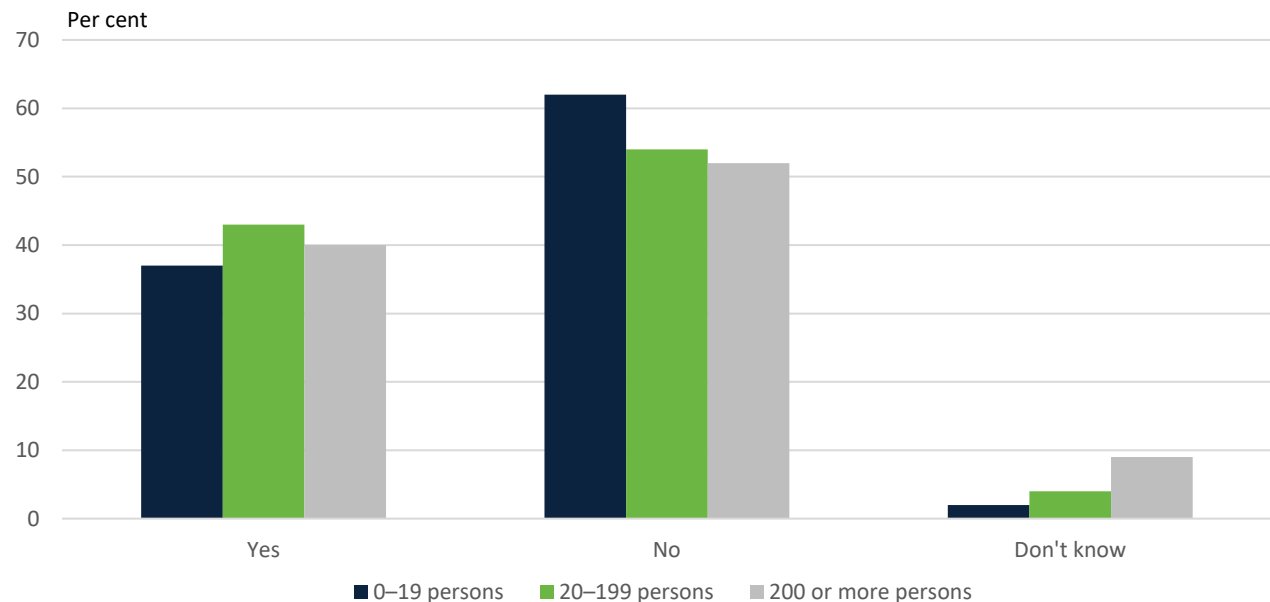
Chart 3.18: Proportion of workforce of affected businesses that are impacted by COVID-19 and unable to work, by employment size, February 2022



Note: Proportions are of all employing businesses with existing employees unavailable to work due to COVID-19.

Source: ABS, *Business Conditions and Sentiments*, February 2022.

Chart 3.19: Businesses currently experiencing supply chain disruptions, by employment size, February 2022



Note: Proportions are of all businesses.

Source: ABS, *Business Conditions and Sentiments*, February 2022.



Table 3.11: Businesses currently experiencing supply chain disruptions, by industry, February 2022

	Yes (%)	No (%)	Don't know (%)
Agriculture, forestry and fishing	n/a	n/a	n/a
Mining	37	62	2
Manufacturing	58	41	1
Electricity, gas, water and waste services	24	71	4
Construction	43	57	0
Wholesale trade	57	43	0
Retail trade	65	35	0
Accommodation and food services	48	47	4
Transport, postal and warehousing	13	80	6
Information media and telecommunications	31	63	5
Financial and insurance services	11	84	5
Rental, hiring and real estate services	29	71	0
Professional, scientific and technical services	24	73	3
Administrative and support services	18	77	4
Public administration and safety	n/a	n/a	n/a
Education and training	27	73	0
Health care and social assistance	36	64	0
Arts and recreation services	26	74	0
Other services	42	58	0
All industries	37	62	2

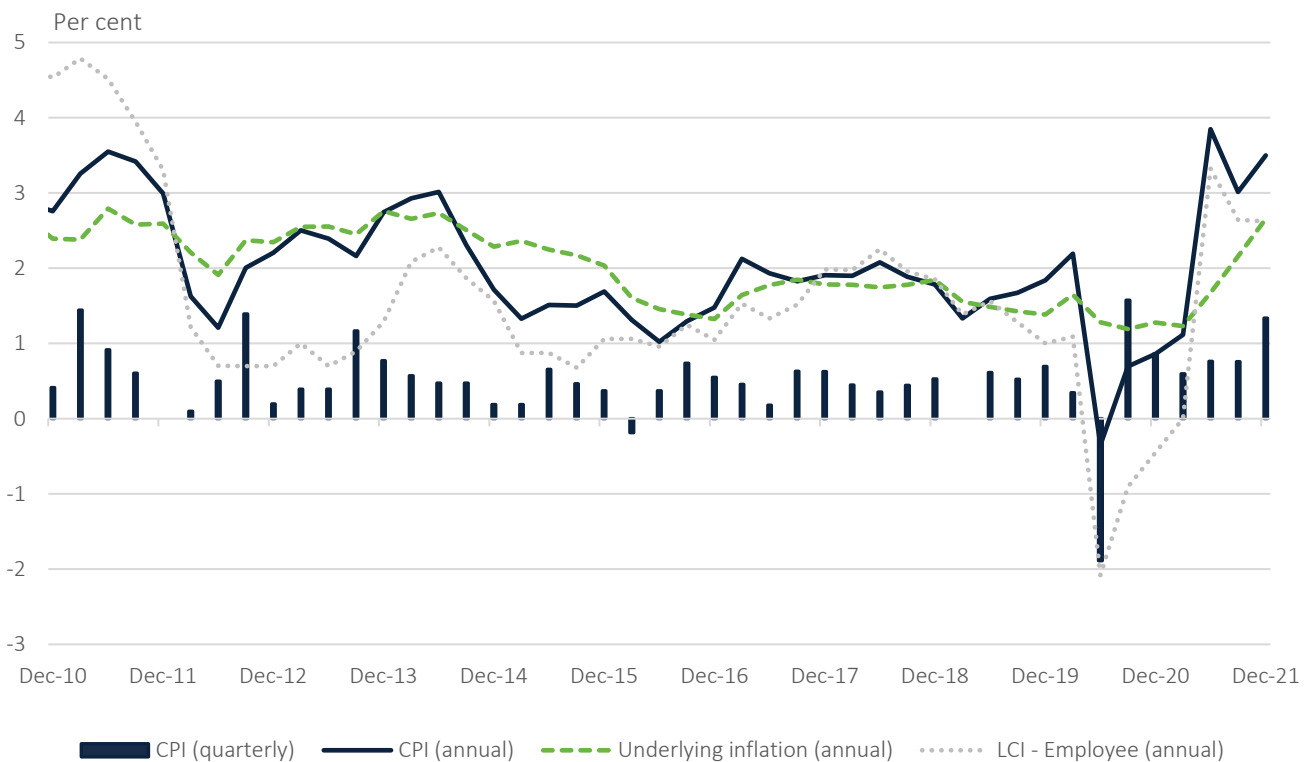
Note: Proportions are of all businesses.

Source: ABS, *Business Conditions and Sentiments*, February 2022.



4. Inflation

Chart 4.1: Measures of inflation—Consumer Price Index, underlying inflation and Living Cost Index for employee households, growth rates



Note: Consumer Price Index (CPI) measures quarterly changes in the price of a ‘basket’ of goods and services which account for a high proportion of expenditure by the CPI population group (i.e. metropolitan households). The Living Cost Index (LCI) for employee households measures the change in the price of a ‘basket’ of goods and services which is based on the expenditure of employee households whose principal source of income comes from wages and/or salaries. CPI and LCI data are expressed in original terms.

Underlying inflation is calculated as the average of the trimmed mean and weighted median. The trimmed mean is calculated by ordering the CPI expenditure class components by their price change in the quarter and taking the expenditure weighted average of the middle 70 per cent of these price changes. The weighted median is the price change of the component in the middle of this ordering.

Source: ABS, *Consumer Price Index, Australia*, December 2021; ABS, *Selected Living Cost Indexes, Australia*, December 2021.



Table 4.1: Consumer Price Index, underlying inflation, Living Cost Index for employee households, index and growth rate over the year

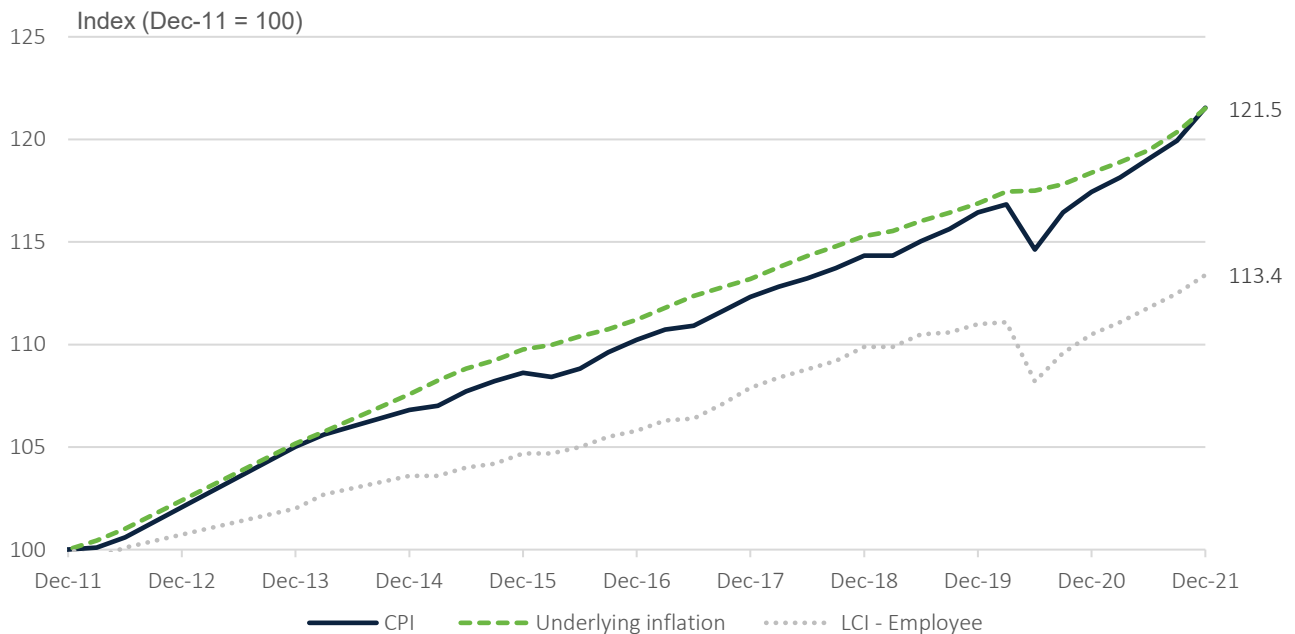
Quarter	Consumer Price Index	Consumer Price Index	Underlying inflation	Underlying inflation	Employee LCI	Employee LCI
	(Index)	(% change)	(Index)	(% change)	(Index)	(% change)
Dec-11	100.0		100.0		100.0	
Dec-12	102.2	2.2	102.3	2.3	100.7	0.7
Dec-13	105.0	2.7	105.2	2.8	102.0	1.3
Dec-14	106.8	1.7	107.6	2.3	103.6	1.6
Dec-15	108.6	1.7	109.8	2.0	104.7	1.1
Dec-16	110.2	1.5	111.2	1.3	105.8	1.0
Dec-17	112.3	1.9	113.2	1.8	107.9	2.0
Dec-18	114.3	1.8	115.3	1.8	109.9	1.9
Dec-19	116.4	1.8	116.9	1.4	111.0	1.0
Dec-20	117.4	0.9	118.4	1.3	110.5	-0.5
Dec-21	121.5	3.5	121.5	2.7	113.4	2.6

Note: CPI and the LCI data are expressed in original terms. The percentage change is calculated in relation to the corresponding quarter in the previous year. Underlying inflation is the average of the trimmed mean and weighted median.

Source: ABS, *Consumer Price Index, Australia*, December 2021; ABS, *Selected Living Cost Indexes, Australia*, December 2021.



Chart 4.2: Consumer Price Index, underlying inflation and Living Cost Index for employee households, cumulative growth rates



Note: CPI and the LCI data are expressed in original terms. Underlying inflation is the average of the trimmed mean and weighted median.

Source: ABS, *Consumer Price Index, Australia*, December 2021; ABS, *Selected Living Cost Indexes, Australia*, December 2021.

Table 4.2: Measures of underlying inflation, growth rates over the year

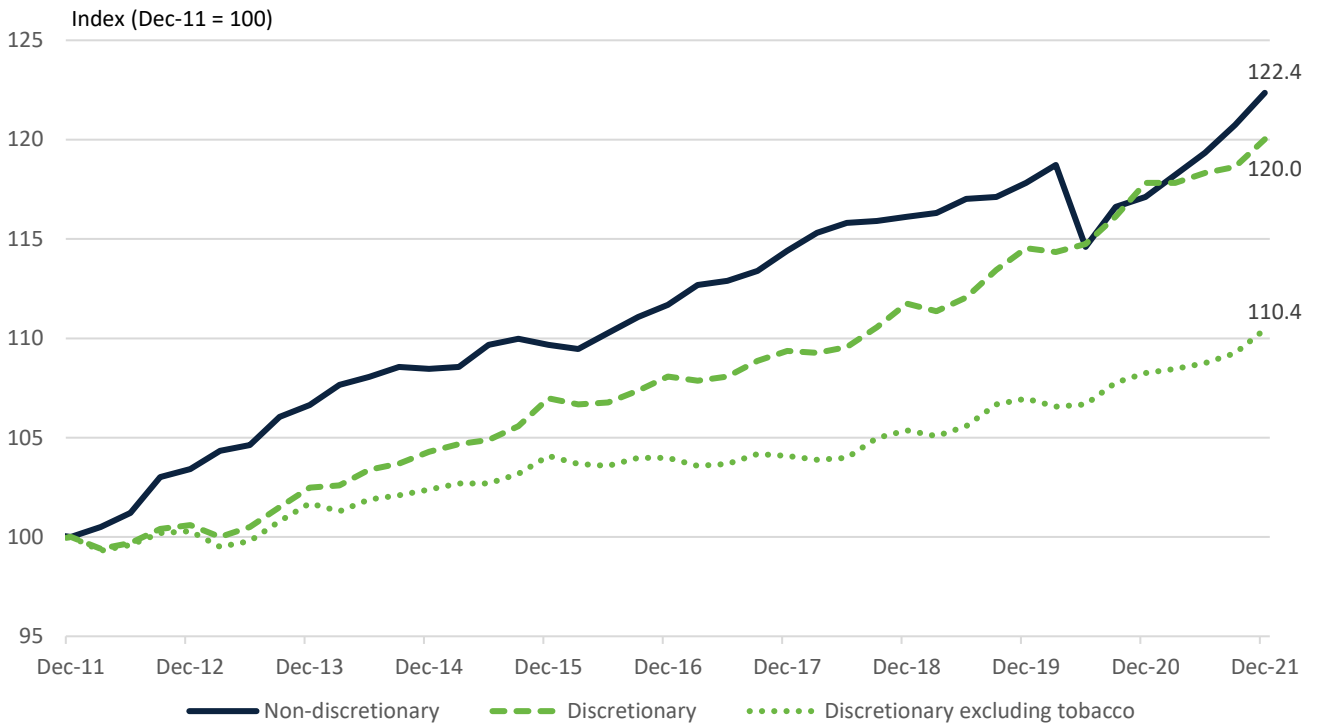
Quarter	Trimmed mean	Weighted median
	(% change)	(% change)
Dec-11	2.7	2.5
Dec-12	2.2	2.5
Dec-13	2.7	2.9
Dec-14	2.2	2.4
Dec-15	2.1	2.0
Dec-16	1.5	1.2
Dec-17	1.7	1.9
Dec-18	1.8	1.9
Dec-19	1.5	1.2
Dec-20	1.2	1.4
Dec-21	2.6	2.7

Note: The trimmed mean is calculated by ordering the CPI expenditure class components by their price change in the quarter and taking the expenditure weighted average of the middle 70 per cent of these price changes. The weighted median is the price change of the component in the middle of this ordering. The percentage change is calculated in relation to the corresponding quarter in the previous year.

Source: ABS, *Consumer Price Index, Australia*, December 2021.



Chart 4.3: Non-discretionary and discretionary inflation, cumulative growth rates



Note: The ABS define non-discretionary expenditure as goods or services that are purchased because they meet a basic need (food, shelter, healthcare), are required to maintain current living standards, or are a legal obligation. Discretionary expenditure includes goods or services that could be considered as 'optional' purchases.

Source: ABS, *Consumer Price Index, Australia*, December 2021.



Table 4.3: Non-discretionary and discretionary inflation, growth rates over the year

Quarter	Non-discretionary	Discretionary	Discretionary excluding tobacco
	(% change)	(% change)	(% change)
Dec-11	4.2	1.5	1.2
Dec-12	3.4	0.6	0.3
Dec-13	3.1	1.9	1.4
Dec-14	1.7	1.7	0.7
Dec-15	1.1	2.6	1.7
Dec-16	1.8	1.0	-0.1
Dec-17	2.4	1.2	0.1
Dec-18	1.5	2.2	1.2
Dec-19	1.5	2.5	1.5
Dec-20	-0.6	2.9	1.2
Dec-21	4.5	1.9	2.0

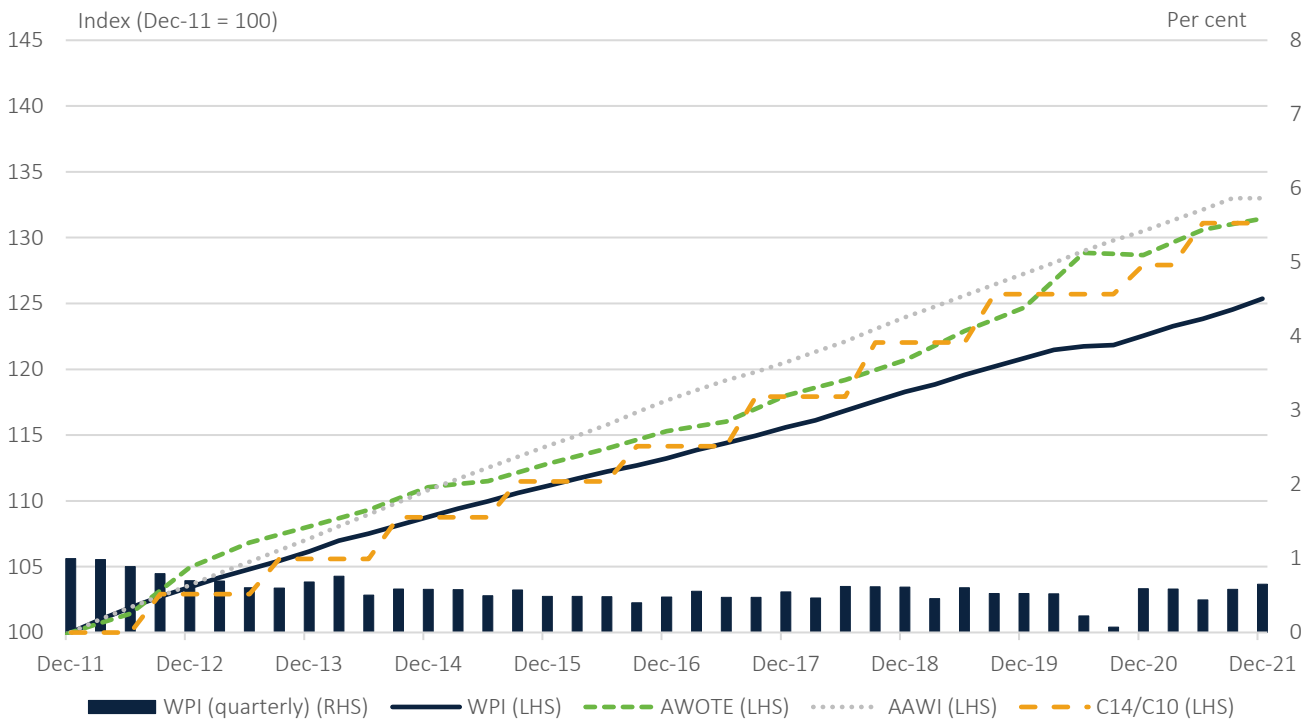
Note: The ABS define non-discretionary expenditure as goods or services that are purchased because they meet a basic need (food, shelter, healthcare), are required to maintain current living standards, or are a legal obligation. Discretionary expenditure includes goods or services that could be considered as 'optional' purchases.

Source: ABS, *Consumer Price Index, Australia*, December 2021.



5. Wages

Chart 5.1: Measures of nominal wages growth, quarterly and cumulative growth rates, index



Note: The Wage Price Index (WPI) is an index for total hourly rates of pay excluding bonuses that is unaffected by changes in the quality or quantity of work performed. Average weekly ordinary time earnings (AWOTE) is calculated by dividing estimates of weekly ordinary time earnings by estimates of the number of employees. Ordinary time earnings refer to earnings attributable to award, standard or agreed hours of work. It is calculated before taxation and other deductions such as superannuation. It also excludes payments which are not related to the reference period such as overtime, leave loading and redundancy payments. AWOTE estimates refer to full-time adult employees, where an adult is defined as those who are 21 years or over as well as employees who, although under 21 years of age, are paid at the full adult rate for their occupation. AWOTE data are published half-yearly in May and November and a quarterly series has been derived. AWOTE data are expressed in original terms. Average annualised wage increase (AAWI) measures the average percentage increase in the base rates of pay across federal enterprise agreements approved in each quarter. It does not take into account payments such as allowances, bonuses and increases linked to productivity. The AAWI index is calculated by first deriving a quarterly rate. The C14 and the C10 are minimum award rates set under the *Manufacturing and Associated Industries and Occupations Award 2010* and the *Manufacturing and Associated Industries and Occupations Award 2020*.

Source: ABS, *Average Weekly Earnings, Australia*, November 2021; ABS, *Wage Price Index, Australia*, December 2021; Attorney-General’s Department, *Trends in Federal Enterprise Bargaining*, September quarter 2021, <<https://www.ag.gov.au/industrial-relations/enterprise-agreements-data/Pages/trends-in-federal-enterprise-bargaining.aspx>>; *Manufacturing and Associated Industries and Occupations Award 2010*, *Manufacturing and Associated Industries and Occupations Award 2020*.



Table 5.1: Measures of nominal wages growth, growth rate over the year

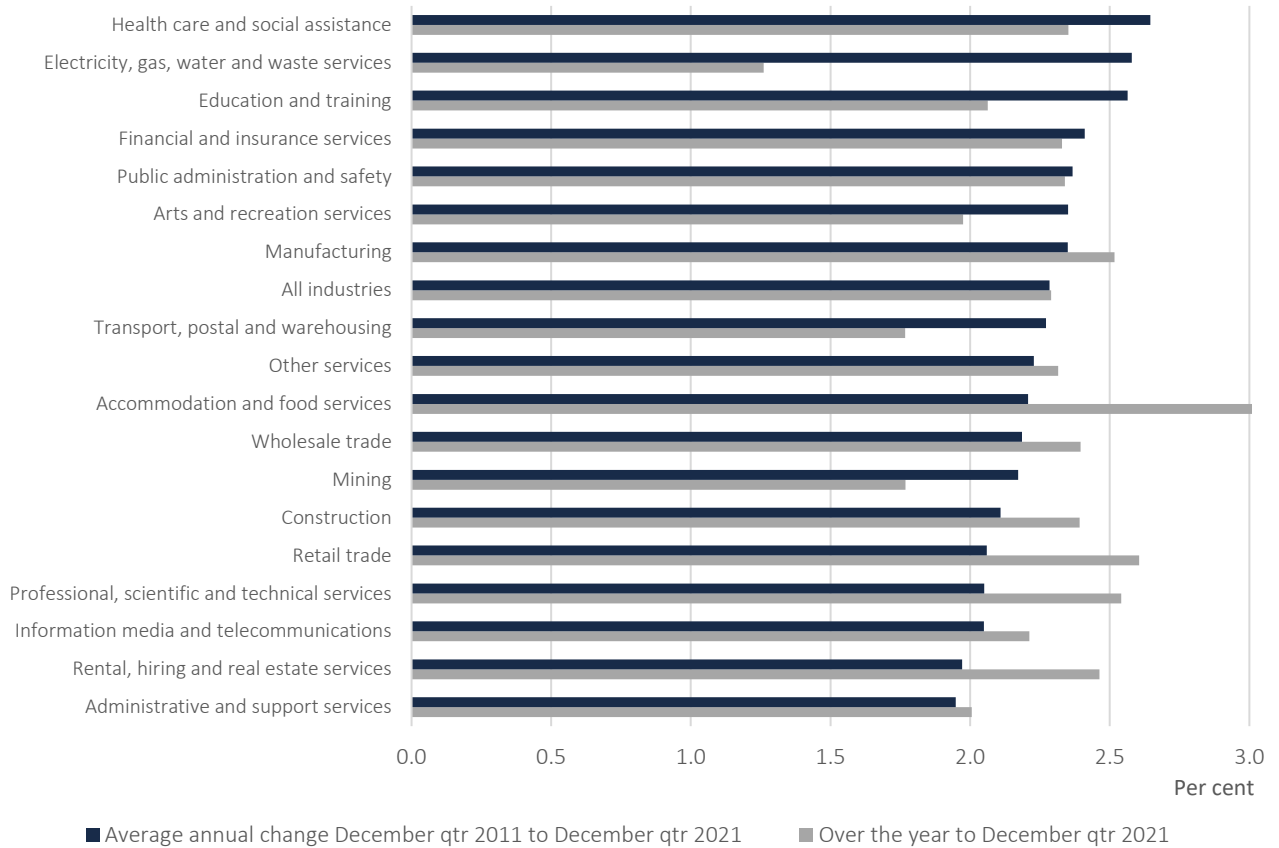
Year ended (Quarter)	WPI (% change)	AWOTE[^] (% change)	C14 (% change)	C10 (% change)	AAWI (% change)
Dec-11	3.6	4.3	3.4	3.4	3.7
Dec-12	3.4	5.0	2.9	2.9	3.2
Dec-13	2.6	2.9	2.6	2.6	3.4
Dec-14	2.5	2.8	3.0	3.0	3.4
Dec-15	2.2	1.6	2.5	2.5	3.0
Dec-16	1.9	2.2	2.4	2.4	3.1
Dec-17	2.1	2.4	3.3	3.3	2.5
Dec-18	2.4	2.3	3.5	3.5	2.9
Dec-19	2.1	3.3	3.0	3.0	2.7
Dec-20	1.4	3.2	1.8*	1.8*	2.2
Dec-21	2.3	2.2	2.5	2.5	n/a

Note: See Chart 5.1 for information on each measure of nominal wages growth. n/a = not available. * Actual increase was 1.75 per cent. [^]Data are presented for November of each year.

Source: ABS, *Average Weekly Earnings, Australia*, November 2021; ABS, *Wage Price Index, Australia*, December 2021; Attorney-General's Department, *Trends in Federal Enterprise Bargaining*, September quarter 2021, <<https://www.ag.gov.au/industrial-relations/enterprise-agreements-data/Pages/trends-in-federal-enterprise-bargaining.aspx>>; *Manufacturing and Associated Industries and Occupations Award 2010, Manufacturing and Associated Industries and Occupations Award 2020*.



Chart 5.2: Wage Price Index by industry, average annual growth over decade and growth over year to December quarter 2021



Note: Data are expressed in original terms.

Source: ABS, *Wage Price Index, Australia*, December 2021.



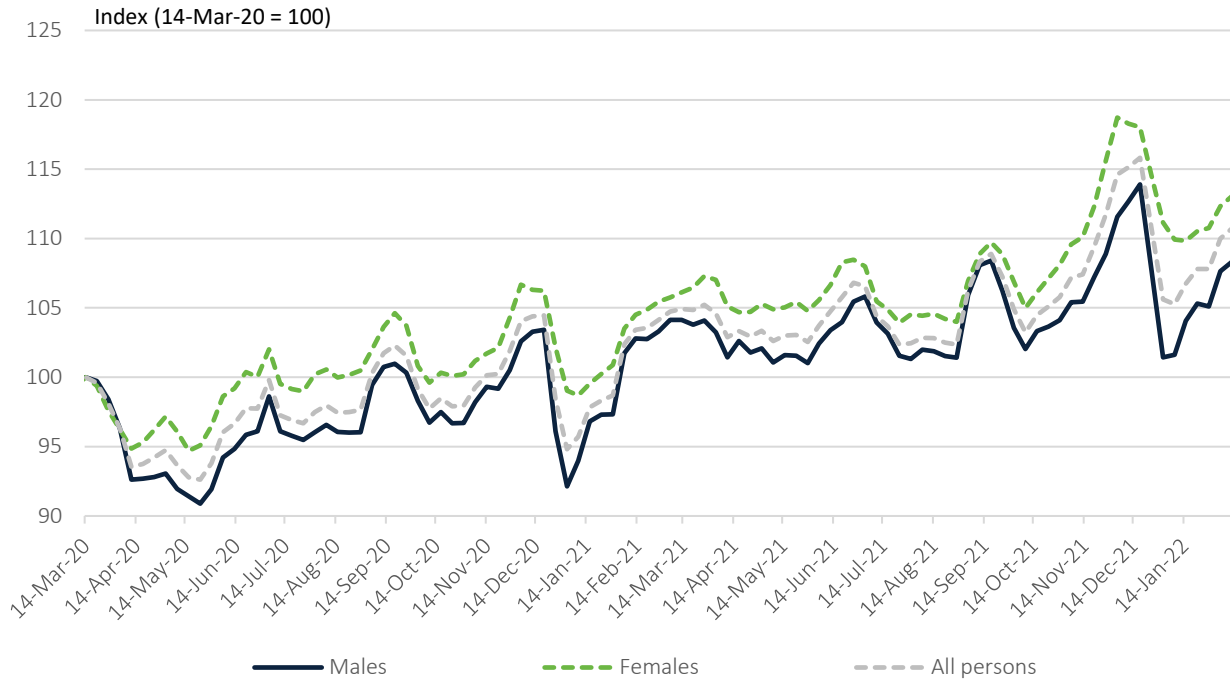
Table 5.2: Average hourly total cash earnings for full-time non-managerial employees paid at the adult rate, by industry and method of setting pay, May 2021

	Award only	Collective agreement	Individual arrangement	Ratio of average hourly earnings in Award only to Collective agreement	Ratio of average hourly earnings in Award only to Individual arrangement
	(\$)	(\$)	(\$)	(%)	(%)
Mining	29.30	61.20	66.90	0.48	0.44
Manufacturing	28.50	43.30	40.30	0.66	0.71
Electricity, gas, water and waste services	32.60	53.60	57.40	0.61	0.57
Construction	32.50	53.30	43.80	0.61	0.74
Wholesale trade	27.30	36.50	43.10	0.75	0.63
Retail trade	28.70	29.50	38.50	0.97	0.75
Accommodation and food services	29.60	31.10	35.50	0.95	0.83
Transport, postal and warehousing	33.50	46.40	40.00	0.72	0.84
Information media and telecommunications	32.90	47.50	57.90	0.69	0.57
Finance and insurance services	36.10	49.30	59.30	0.73	0.61
Rental, hiring and real estate services	30.40	43.40	40.90	0.70	0.74
Professional, scientific and technical services	34.00	47.00	55.10	0.72	0.62
Administrative and support services	32.00	44.70	46.00	0.72	0.70
Public administration and safety	49.30	49.80	48.40	0.99	1.02
Education and training	40.80	52.50	44.10	0.78	0.93
Health care and social assistance	42.30	51.10	41.40	0.83	1.02
Arts and recreation services	28.60	37.90	47.00	0.75	0.61
Other services	32.00	42.30	37.50	0.76	0.85
All industries	35.20	48.80	46.80	0.72	0.75

Source: ABS, *Employees Earnings and Hours, Australia*, May 2021.



Chart 5.3: Change in total wages, by gender, 14 March 2020 to 12 February 2022

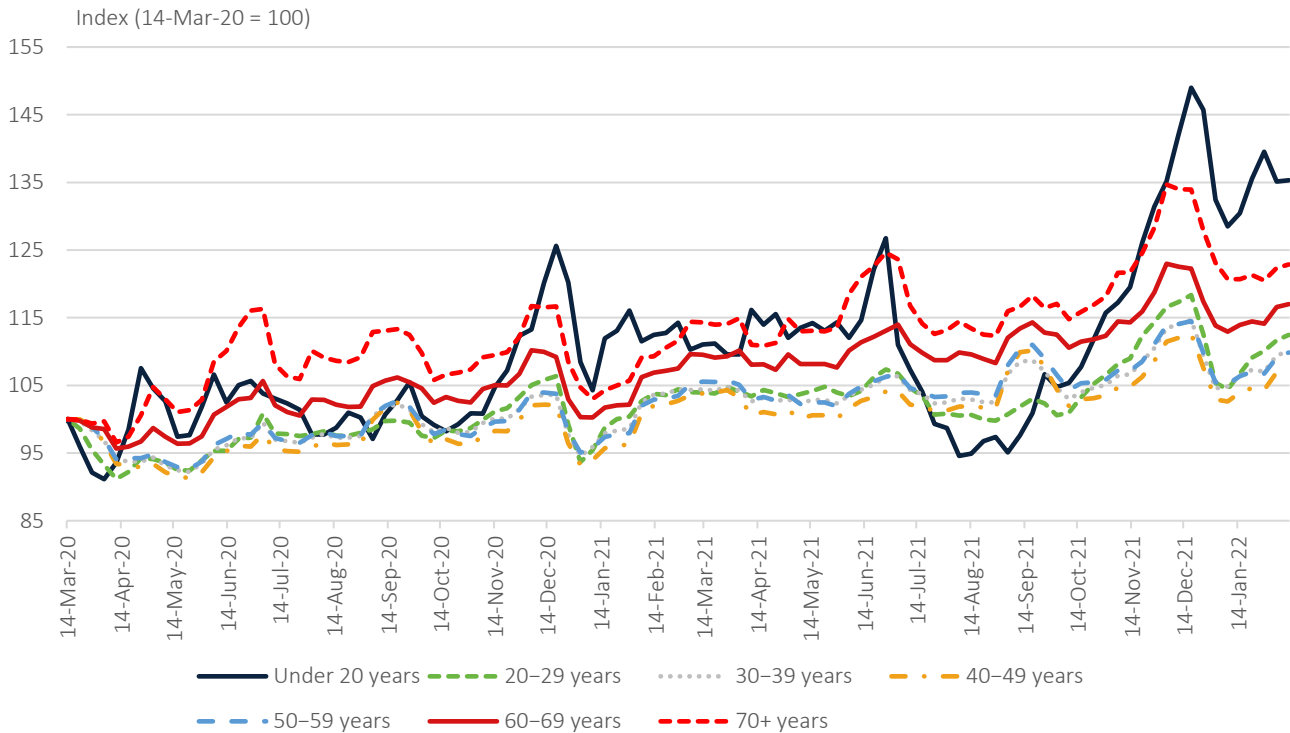


Note: Wages data are more sensitive to period-to-period changes in reporting than jobs data and are therefore subject to greater revisions over time. They are also subject to a greater degree of seasonality. Records where the characteristic is unknown (i.e. sex) are included in the all persons index total and can result in independent movement from the component indexes.

Source: ABS, *Weekly Payroll Jobs and Wages in Australia*, Week ending 12 February 2022.



Chart 5.4: Change in total wages, by age, 14 March 2020 to 12 February 2022



Note: Wages data are more sensitive to period-to-period changes in reporting than jobs data and are therefore subject to greater revisions over time. They are also subject to a greater degree of seasonality.

Source: ABS, *Weekly Payroll Jobs and Wages in Australia*, Week ending 12 February 2022.



6. Labour market

Table 6.1: Employment, monthly hours worked and unemployment

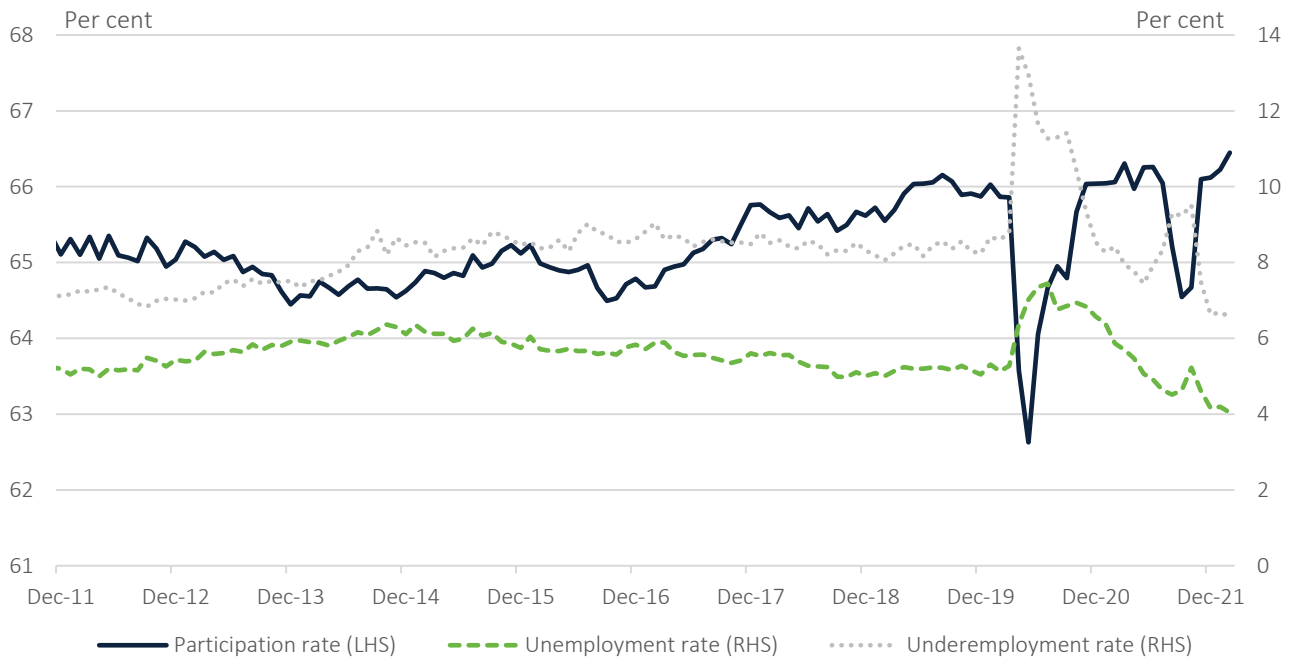
Year ended	Employed persons	Monthly hours worked	Unemployed persons	Unemployment rate	Employed persons	Monthly hours worked	Unemployed persons	Unemployment rate
(Month)	('000s)	('000s)	('000s)	(%)	(% change)	(% change)	(% change)	(ppt change)
Dec-11	11 230.4	1 589 175.8	615.9	5.2	0.6	1.2	7.5	0.3
Dec-12	11 394.6	1 602 720.0	655.0	5.4	1.5	0.9	6.3	0.2
Dec-13	11 416.2	1 604 382.6	716.3	5.9	0.2	0.1	9.4	0.5
Dec-14	11 594.7	1 602 416.4	754.5	6.1	1.6	-0.1	5.3	0.2
Dec-15	11 901.8	1 651 878.8	725.7	5.7	2.6	3.1	-3.8	-0.4
Dec-16	12 030.5	1 674 962.1	745.3	5.8	1.1	1.4	2.7	0.1
Dec-17	12 443.2	1 721 982.3	739.1	5.6	3.4	2.8	-0.8	-0.2
Dec-18	12 711.5	1 747 810.0	669.7	5.0	2.2	1.5	-9.4	-0.6
Dec-19	12 966.8	1 784 029.7	689.1	5.0	2.0	2.1	2.9	0.0
Dec-20	12 866.1	1 753 569.3	905.9	6.6	-0.8	-1.7	31.5	1.5
Dec-21	13 266.3	1 822 231.7	575.5	4.2	3.1	3.9	-36.5	-2.4
Feb-22	13 372.0	1 813 366.0	563.3	4.0	3.0	2.8	-30.3	-1.8

Note: The unemployment rate is the number of unemployed persons expressed as a percentage of the labour force. All measures are calculated for persons aged 15 years and over. The percentage change and percentage point (ppt) change are calculated in relation to the corresponding month in the previous year. Due to a temporary suspension in the trend series, data are expressed in seasonally adjusted terms.

Source: ABS, *Labour Force, Australia*, February 2022.



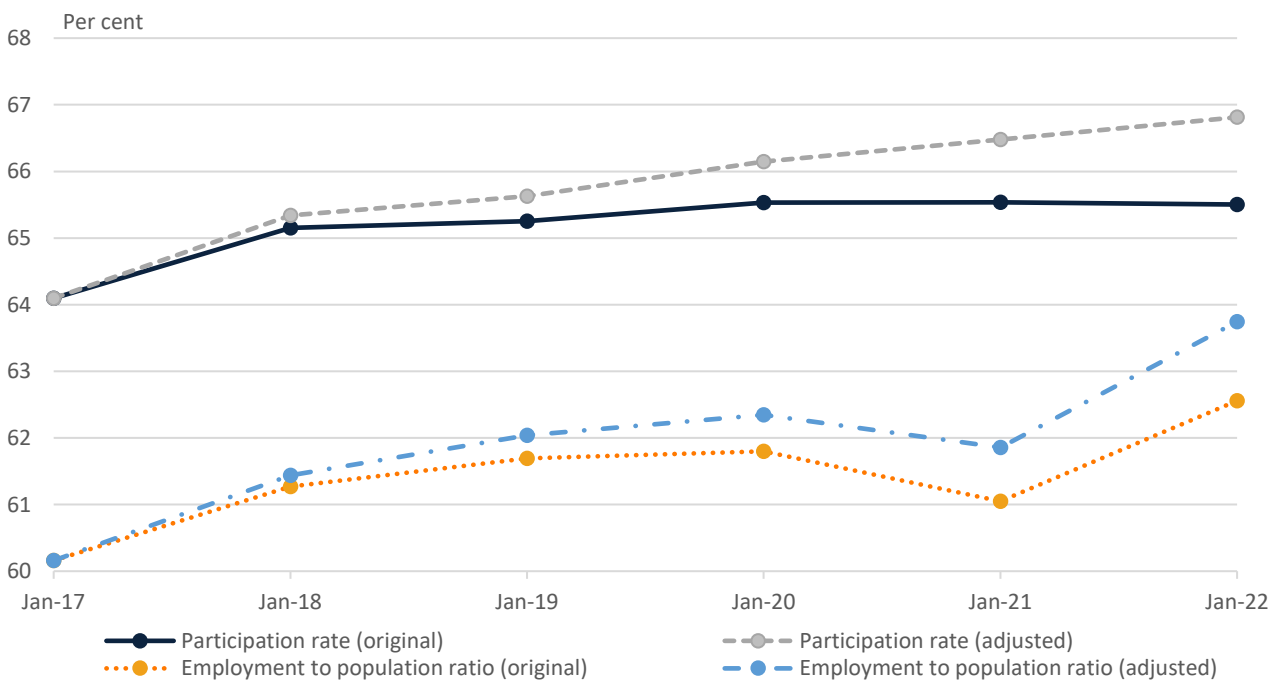
Chart 6.1: Unemployment, underemployment and participation rates



Note: Due to a temporary suspension in the trend series, data are expressed in seasonally adjusted terms.

Source: ABS, *Labour Force, Australia*, February 2022.

Chart 6.2: Age-adjusted participation rate and age-adjusted employment to population ratio



Note: Data are expressed in original terms with only the January figure of each year shown. The age-adjusted participation rate is calculated using 10-year age groups, with the proportion of the population in each age group held fixed at January 2017 levels.

Source: ABS, *Labour Force, Australia, Detailed*, January 2022.



Chart 6.3: Employed persons and monthly hours worked, growth rate over the year



Note: Due to a temporary suspension in the trend series, data are expressed in seasonally adjusted terms.

Source: ABS, *Labour Force, Australia*, February 2022.

Table 6.2: Average monthly hours worked, by full-time/part-time status, change over the year

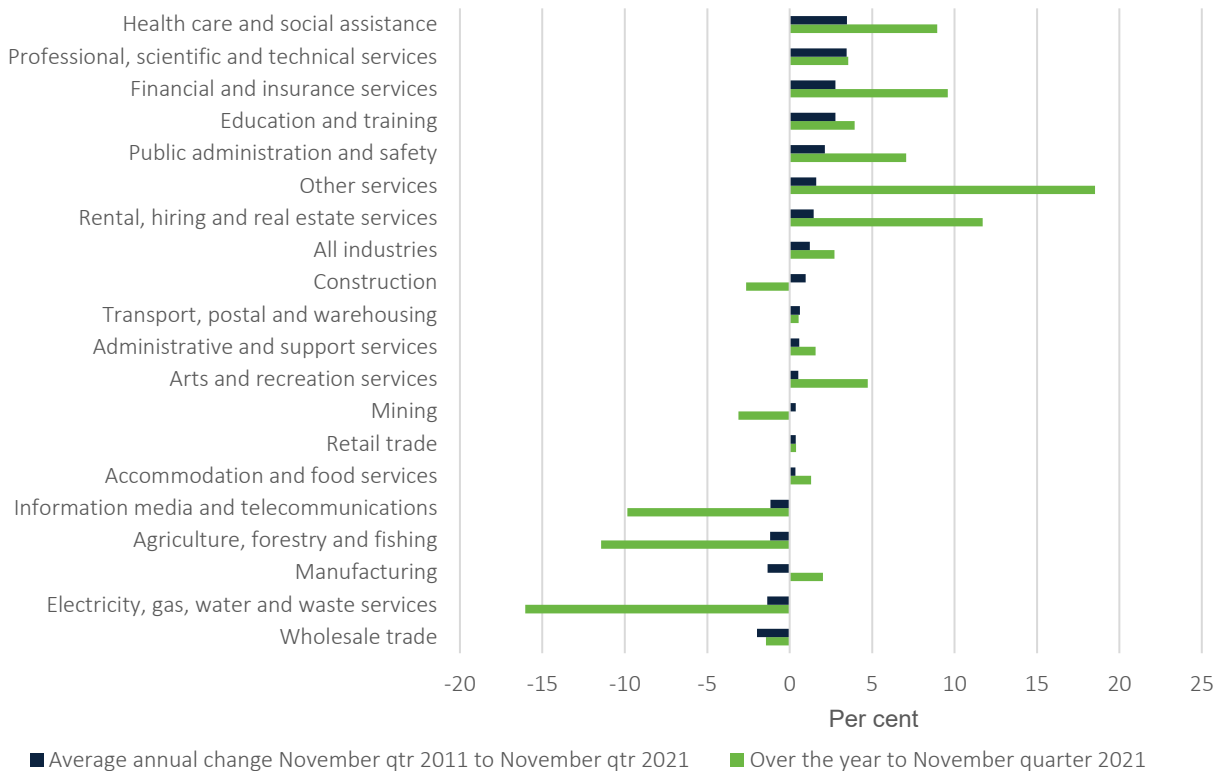
Month	Average monthly hours worked (full-time)	Change in average monthly hours worked (full-time)	Average monthly hours worked (part-time)	Change in average monthly hours worked (part-time)
Dec-11	171.2	1.1	70.6	-0.1
Dec-12	170.4	-0.8	70.5	-0.1
Dec-13	171.2	0.8	71.5	1.0
Dec-14	167.7	-3.5	71.9	0.4
Dec-15	168.6	0.9	72.4	0.5
Dec-16	169.9	1.4	73.3	0.9
Dec-17	168.5	-1.4	73.0	-0.2
Dec-18	167.0	-1.5	74.0	1.0
Dec-19	167.4	0.4	73.8	-0.2
Dec-20	165.5	-1.9	74.5	0.7
Dec-21	165.5	0.0	75.7	1.1
Feb-22	163.1	-1.7	74.4	0.8

Note: The change in average hours is calculated in relation to the corresponding month in the previous year. Due to a temporary suspension in the trend series, data are expressed in seasonally adjusted terms.

Source: ABS, *Labour Force, Australia*, February 2022.



Chart 6.4: Change in hours worked by industry, average annual growth over decade and growth over year to February quarter 2021



Note: All data are expressed in original terms.

Source: ABS, *Labour Force, Australia, Detailed*, January 2022.



Table 6.3: Employment by industry for selected periods

	Employed persons					Average annual growth rates	Annual growth rates			Filled jobs
	('000s)					(%)	(%)			('000)
	Nov-11	Nov-18	Nov-19	Nov-20	Nov-21	Nov-11 to Nov-21	Nov-19	Nov-20	Nov-21	Dec-21
Agriculture, forestry and fishing	319.4	333.0	319.0	343.1	316.1	-0.1	-4.2	7.6	-7.9	453.9
Mining	242.1	256.5	252.0	264.4	271.3	1.1	-1.7	4.9	2.6	197.3
Manufacturing	939.1	914.0	928.7	847.3	864.3	-0.8	1.6	-8.8	2.0	911.3
Electricity, gas, water and waste services	154.0	154.1	151.8	153.3	134.1	-1.4	-1.4	1.0	-12.5	124.7
Construction	1004.7	1161.3	1189.7	1173.1	1143.6	1.3	2.4	-1.4	-2.5	1167.1
Wholesale trade	437.0	409.9	380.9	369.7	359.0	-1.9	-7.1	-2.9	-2.9	550.2
Retail trade	1181.3	1277.8	1255.4	1285.7	1281.3	0.8	-1.8	2.4	-0.3	1444.3
Accommodation and food services	761.8	904.5	923.3	826.6	849.5	1.1	2.1	-10.5	2.8	1177.0
Transport, postal and warehousing	563.7	653.1	654.2	651.4	655.3	1.5	0.2	-0.4	0.6	661.7
Information media and telecommunications	210.1	224.8	212.1	196.0	192.5	-0.9	-5.7	-7.6	-1.8	178.6
Financial and insurance services	424.7	443.8	465.1	484.9	528.4	2.2	4.8	4.3	9.0	472.3
Rental, hiring and real estate services	192.7	216.5	218.9	208.4	235.5	2.0	1.1	-4.8	13.0	290.5
Professional, scientific and technical services	864.5	1078.0	1153.1	1182.3	1226.6	3.6	7.0	2.5	3.8	1208.9
Administrative and support services	391.6	414.6	440.0	451.6	448.3	1.4	6.1	2.6	-0.7	1032.1
Public administration and safety	734.5	835.6	840.2	876.2	921.7	2.3	0.5	4.3	5.2	763.7
Education and training	852.1	1042.6	1069.8	1097.8	1115.6	2.7	2.6	2.6	1.6	1040.5
Health care and social assistance	1336.3	1686.3	1778.9	1757.4	1900.1	3.6	5.5	-1.2	8.1	2013.7
Arts and recreation services	207.2	243.6	254.3	235.3	234.3	1.2	4.4	-7.5	-0.4	270.2
Other services	443.4	490.2	504.0	468.7	543.8	2.1	2.8	-7.0	16.0	550.9
All industries	11 249.2	12 703.2	12 955.0	12 847.0	13 190.8	1.6	2.0	-0.8	2.7	14 508.9

Note: Due to a temporary suspension in the trend series, data are expressed in seasonally adjusted terms. *Filled jobs as at December quarter 2021.

Source: ABS, *Labour Force, Detailed*, January 2022; ABS, *Labour Account Australia*, December 2021.



Table 6.4: Employment by occupation, '000s

	Nov-11	Nov-12	Nov-13	Nov-14	Nov-15	Nov-16	Nov-17	Nov-18	Nov-19	Nov-20	Nov-21
Managers	1462.3	1417.3	1481.5	1514.0	1542.4	1569.7	1556.6	1590.9	1548.7	1609.6	1790.1
Professionals	2402.2	2531.0	2518.8	2620.9	2751.0	2812.7	2934.0	3013.0	3203.3	3318.6	3371.0
Technicians and trades workers	1656.5	1662.4	1671.1	1700.7	1738.2	1692.1	1788.0	1788.7	1812.7	1775.4	1779.3
Community and personal service workers	1078.6	1099.4	1148.3	1147.6	1244.2	1260.8	1349.5	1359.2	1407.8	1305.7	1422.3
Clerical and administrative workers	1693.3	1669.4	1642.5	1620.0	1659.5	1644.8	1653.2	1803.5	1804.2	1789.3	1760.5
Sales workers	1036.4	1073.5	1093.3	1104.8	1153.1	1125.1	1169.9	1116.8	1107.2	1080.0	1113.3
Machinery operators and drivers	784.6	778.2	776.5	757.7	725.6	775.9	798.6	839.2	854.5	807.3	841.1
Labourers	1125.5	1147.1	1114.0	1116.1	1121.3	1172.9	1203.8	1230.4	1257.7	1196.2	1153.1

Note: All data are expressed in original terms.

Source: ABS, *Labour Force, Detailed*, January 2022.

Table 6.5: Employment by occupation, annual percentage changes

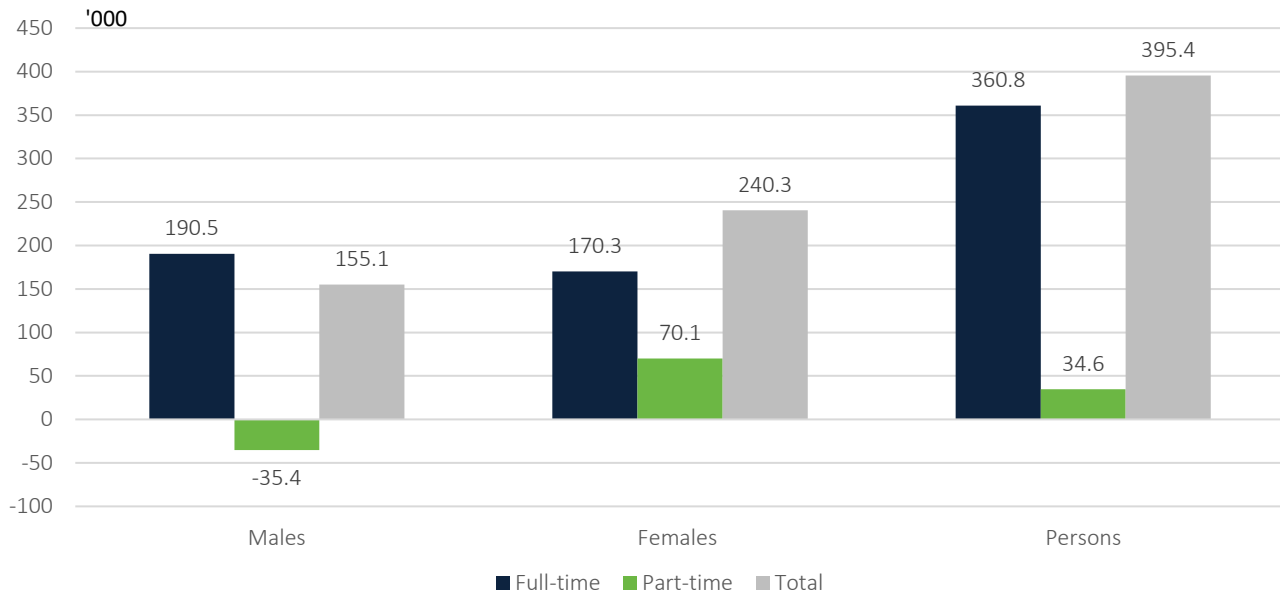
	Nov-12	Nov-13	Nov-14	Nov-15	Nov-16	Nov-17	Nov-18	Nov-19	Nov-20	Nov-21
Managers	-3.1	4.5	2.2	1.9	1.8	-0.8	2.2	-2.6	3.9	11.2
Professionals	5.4	-0.5	4.1	5.0	2.2	4.3	2.7	6.3	3.6	1.6
Technicians and trades workers	0.4	0.5	1.8	2.2	-2.6	5.7	0.0	1.3	-2.1	0.2
Community and personal service workers	1.9	4.4	-0.1	8.4	1.3	7.0	0.7	3.6	-7.3	8.9
Clerical and administrative workers	-1.4	-1.6	-1.4	2.4	-0.9	0.5	9.1	0.0	-0.8	-1.6
Sales workers	3.6	1.8	1.1	4.4	-2.4	4.0	-4.5	-0.9	-2.5	3.1
Machinery operators and drivers	-0.8	-0.2	-2.4	-4.2	6.9	2.9	5.1	1.8	-5.5	4.2
Labourers	1.9	-2.9	0.2	0.5	4.6	2.6	2.2	2.2	-4.9	-3.6

Note: The annual percentage change is calculated in relation to the corresponding quarter in the previous year. All data are expressed in original terms.

Source: ABS, *Labour Force, Detailed*, January 2022.



Chart 6.5: Change in full-time, part-time and total employment by gender, February 2021 to February 2022



Note: Due to a temporary suspension in the trend series, data are expressed in seasonally adjusted terms.

Source: ABS, *Labour Force, Australia*, February 2022.

Table 6.6: Employment to population ratio, total and by full-time/part-time status, persons 20–64 years

Month	Full-time	Change over year (ppts)	Part-time	Change over year (ppts)	Total	Change over year (ppts)
Dec-11	56.4		19.3		75.7	
Dec-12	56.1	-0.3	19.5	0.2	75.6	0.0
Dec-13	54.9	-1.2	20.0	0.4	74.8	-0.8
Dec-14	55.2	0.3	20.0	0.0	75.2	0.3
Dec-15	55.7	0.5	20.3	0.3	76.0	0.8
Dec-16	55.0	-0.6	20.9	0.6	75.9	-0.1
Dec-17	56.0	1.0	21.2	0.2	77.2	1.3
Dec-18	56.2	0.2	21.3	0.1	77.5	0.3
Dec-19	56.6	0.3	21.5	0.2	78.0	0.5
Dec-20	55.8	-0.7	21.4	0.0	77.2	-0.8
Dec-21	58.3	2.5	21.2	-0.2	79.5	2.3
Jan-22	57.2	2.2	20.8	0.1	78.0	2.3

Note: The employment to population ratio is the number of employed persons expressed as a percentage of the civilian population. Change over year (ppts) calculates the percentage point change from the corresponding month in the previous year. All data are expressed in original terms.

Source: ABS, *Labour Force, Australia, Detailed*, January 2022.



Table 6.7: Employment to population ratio for males, total and by full-time/part-time status, 20–64 years

Month	Full-time	Change over year (ppts)	Part-time	Change over year (ppts)	Total	Change over year (ppts)
Dec-11	72.7		9.9		82.6	
Dec-12	72.5	-0.2	10.1	0.2	82.6	0.0
Dec-13	70.8	-1.7	10.5	0.4	81.3	-1.3
Dec-14	71.2	0.4	10.4	-0.1	81.6	0.3
Dec-15	71.3	0.0	10.9	0.5	82.2	0.5
Dec-16	70.4	-0.9	11.5	0.6	81.8	-0.4
Dec-17	71.0	0.7	11.6	0.1	82.6	0.8
Dec-18	70.8	-0.2	12.0	0.4	82.8	0.2
Dec-19	70.5	-0.3	12.4	0.4	82.9	0.1
Dec-20	69.6	-0.9	12.3	0.0	81.9	-1.0
Dec-21	72.1	2.5	11.8	-0.5	84.0	2.1
Jan-22	70.9	2.2	11.5	-0.7	82.4	1.6

Note: The employment to population ratio is the number of employed persons expressed as a percentage of the civilian population. Change over year (ppts) calculates the percentage point change from the corresponding month in the previous year. All data are expressed in original terms.

Source: ABS, *Labour Force, Australia, Detailed*, January 2022.

Table 6.8: Employment to population ratio for females, total and by full-time/part-time status, 20–64 years

Month	Full-time	Change over year (ppts)	Part-time	Change over year (ppts)	Total	Change over year (ppts)
Dec-11	40.1		28.6		68.8	
Dec-12	39.9	-0.3	28.9	0.2	68.7	-0.1
Dec-13	39.2	-0.7	29.3	0.4	68.5	-0.3
Dec-14	39.4	0.2	29.5	0.2	68.8	0.4
Dec-15	40.3	1.0	29.6	0.2	69.9	1.1
Dec-16	40.0	-0.4	30.2	0.6	70.2	0.2
Dec-17	41.4	1.4	30.5	0.3	71.9	1.7
Dec-18	41.9	0.5	30.4	-0.1	72.3	0.4
Dec-19	42.9	1.0	30.4	-0.1	73.2	0.9
Dec-20	42.3	-0.5	30.3	-0.1	72.6	-0.6
Dec-21	44.8	2.4	30.3	0.1	75.1	2.5
Jan-22	43.9	2.2	29.8	0.9	73.7	3.1

Note: The employment to population ratio is the number of employed persons expressed as a percentage of the civilian population. Change over year (ppts) calculates the percentage point change from the corresponding month in the previous year. All data are expressed in original terms.

Source: ABS, *Labour Force, Australia, Detailed*, January 2022.



Table 6.9: Participation rate by gender, 20–64 years

Month	Participation rate - male	Participation rate - male (ppt change)	Participation rate - female	Participation rate - female (ppt change)	Participation rate - total	Participation rate - total (ppt change)
Dec-11	85.9		72.0		78.9	
Dec-12	86.4	0.5	72.0	0.0	79.1	0.2
Dec-13	85.8	-0.6	71.9	0.0	78.8	-0.3
Dec-14	85.8	0.0	72.5	0.6	79.1	0.3
Dec-15	86.2	0.4	73.6	1.1	79.8	0.7
Dec-16	86.0	-0.2	73.7	0.1	79.8	0.0
Dec-17	86.7	0.7	75.3	1.5	80.9	1.1
Dec-18	86.4	-0.3	75.3	0.1	80.8	-0.1
Dec-19	86.6	0.2	76.2	0.9	81.3	0.5
Dec-20	86.9	0.3	76.8	0.6	81.8	0.5
Dec-21	86.9	0.0	77.6	0.9	82.2	0.4
Jan-22	85.8	-0.3	76.7	1.6	81.2	0.6

Note: The participation rate is the number of persons in the labour force expressed as a percentage of the civilian population. The percentage point change is calculated in relation to the corresponding month in the previous year. All data are expressed in original terms.

Source: ABS, *Labour Force, Australia, Detailed*, January 2022.

Table 6.10: Long-term unemployment

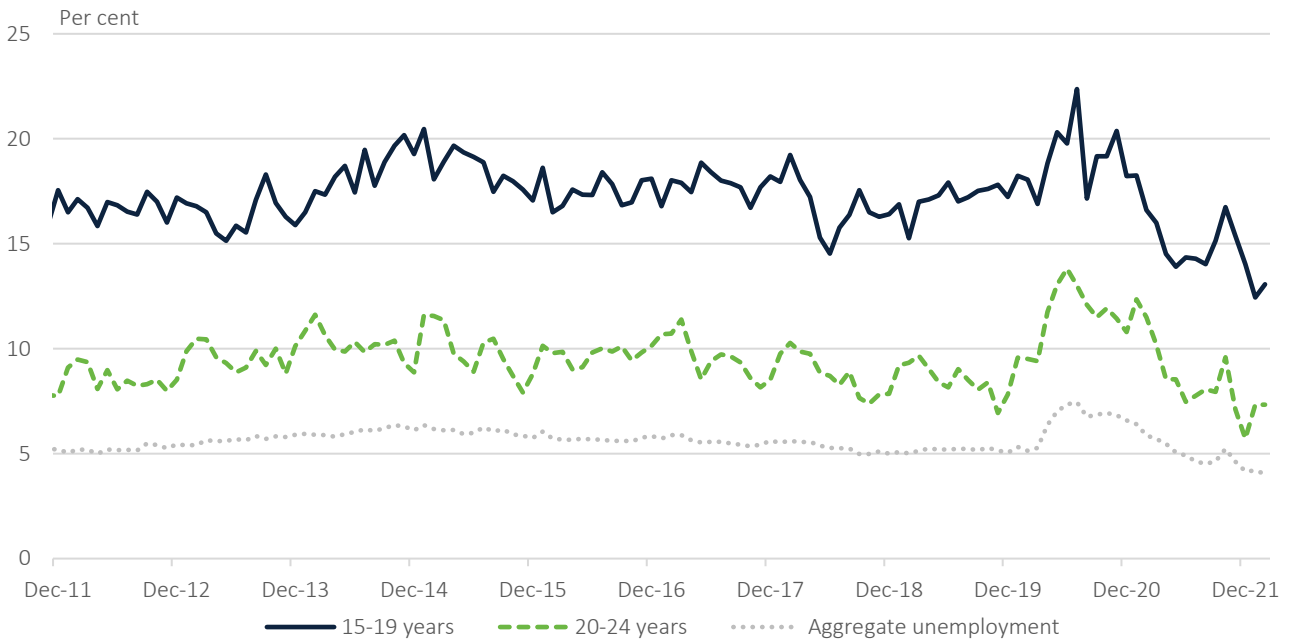
Month	Long-term unemployed ('000s)	Change over year (%)	Long-term unemployment ratio (%)
Dec-11	110.1	-1.7	17.9
Dec-12	120.4	9.3	18.4
Dec-13	154.0	27.9	21.5
Dec-14	175.1	13.7	23.2
Dec-15	158.0	-9.7	21.8
Dec-16	173.9	10.1	23.3
Dec-17	176.0	1.2	23.8
Dec-18	149.7	-14.9	22.4
Dec-19	176.5	17.9	25.6
Dec-20	198.8	12.7	22.0
Dec-21	147.3	-25.9	25.6
Jan-22	151.5	-30.3	26.1

Note: Due to a temporary suspension in the trend series, aggregate data are expressed in seasonally adjusted terms. The long-term unemployed refers to the number of persons unemployed for 52 weeks or more. The long-term unemployment ratio refers to the number of long-term unemployed persons expressed as a percentage of the total unemployed population. The percentage change is calculated in relation to the corresponding month in the previous year. For information on the reasons for long-term unemployment, see Table 15 in the ABS' *Participation, Job Search and Mobility*.

Source: ABS, *Labour Force, Australia, Detailed*, January 2022.



Chart 6.6: Unemployment rates for 15–19 year olds and 20–24 year olds

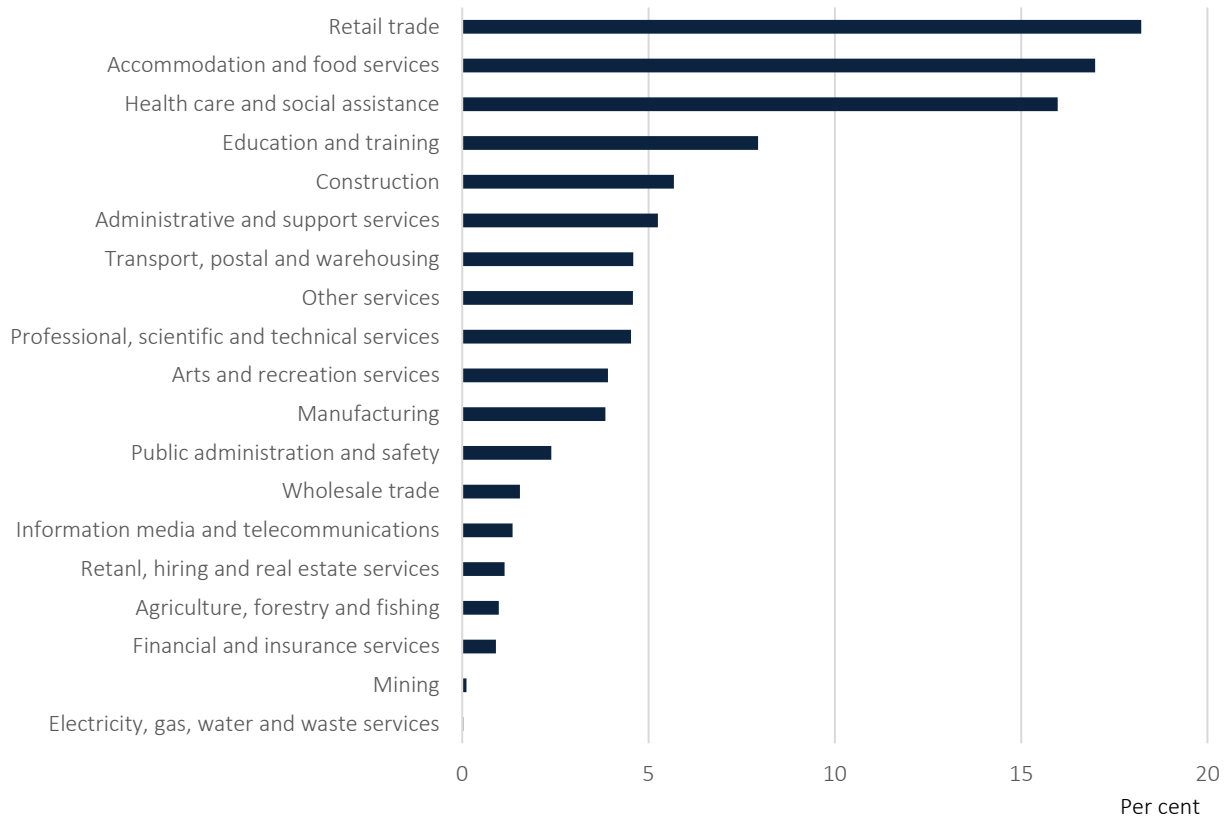


Note: Due to a temporary suspension in the trend series, aggregate unemployment and unemployment rate for 15–19 year olds are expressed in seasonally adjusted terms. Unemployment rate for 20–24 year olds is expressed in original terms.

Source: ABS, Labour Force, Australia, February 2022.



Chart 6.7: Proportion of all underemployed persons, by industry, November 2021

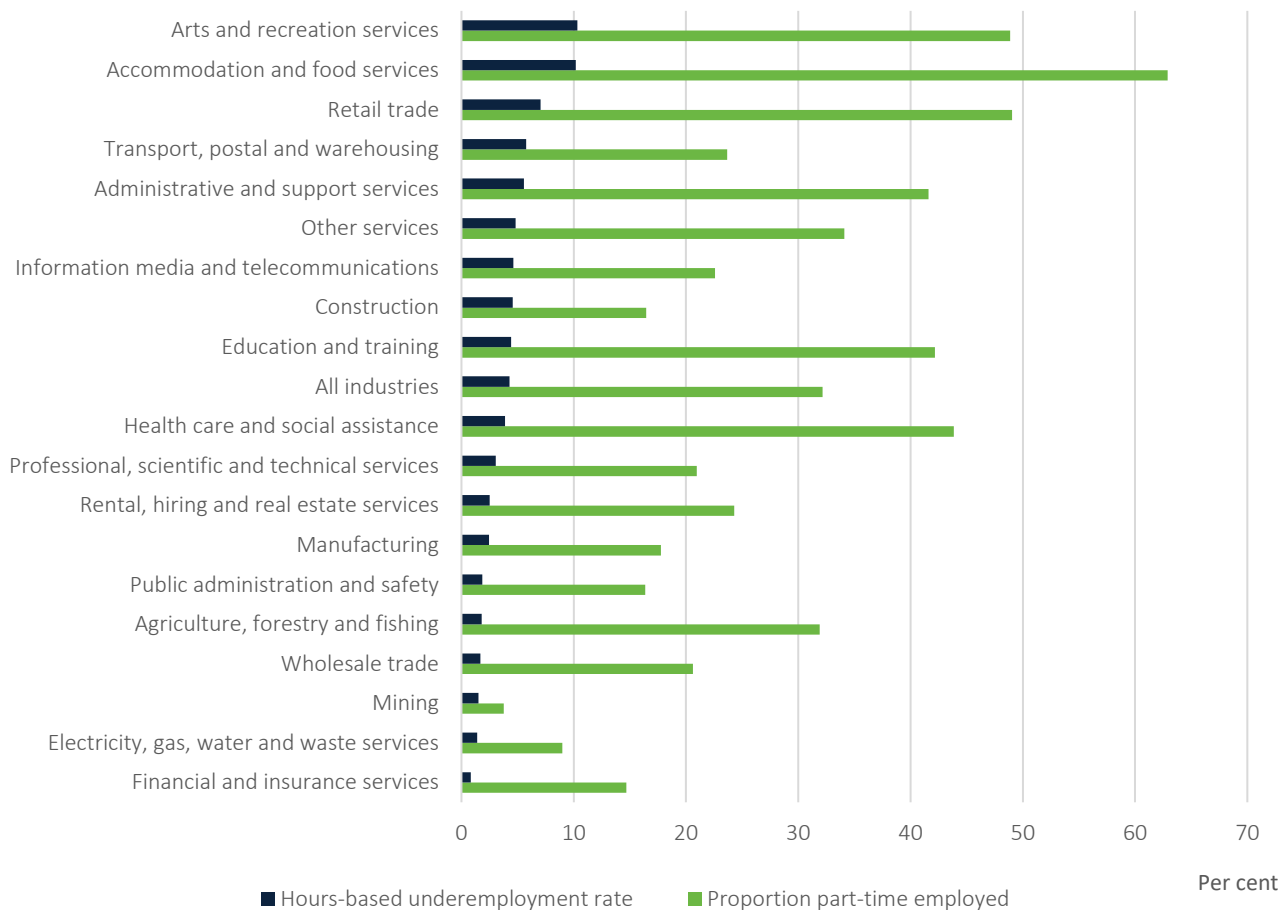


Note: Data are in original terms.

Source: ABS, Labour Force, Australia, Detailed, January 2022.



Chart 6.8: Hours-based underemployment rate and proportion employed part time, by industry, 2020–21

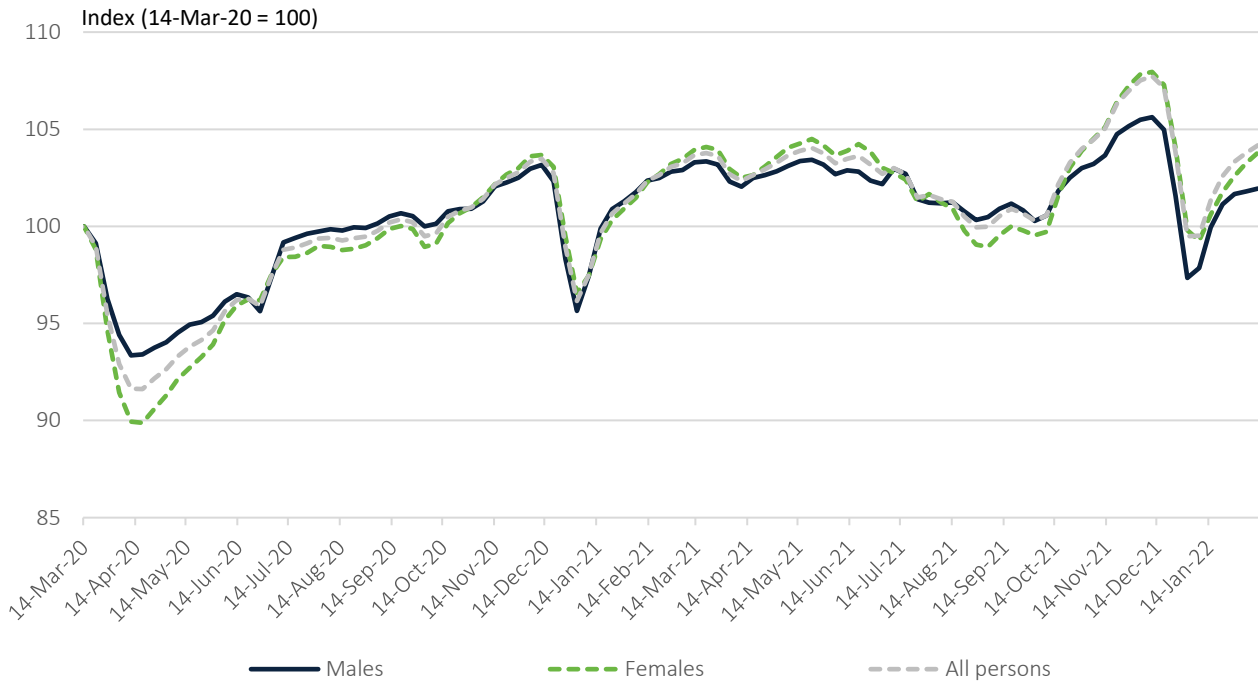


Note: The hours-based underemployment rate is calculated as the number of additional hours sought by underemployed persons expressed as a percentage of the total available hours of labour supply. The total available hours of labour supply are defined as the number of hours actually worked in all jobs plus the number of hours sought by the underemployed persons. Hours sought by unemployed persons are not included. Hours sought but not worked is taken from the Labour Force Survey. Proportion of those employed part-time by industry is calculated at the May quarter 2021.

Source: ABS, *Labour Account Australia*, December 2021; ABS, *Labour Force, Australia, Detailed*, January 2022.



Chart 6.9: Change in payroll jobs, by sex, 14 March 2020 to 12 February 2022

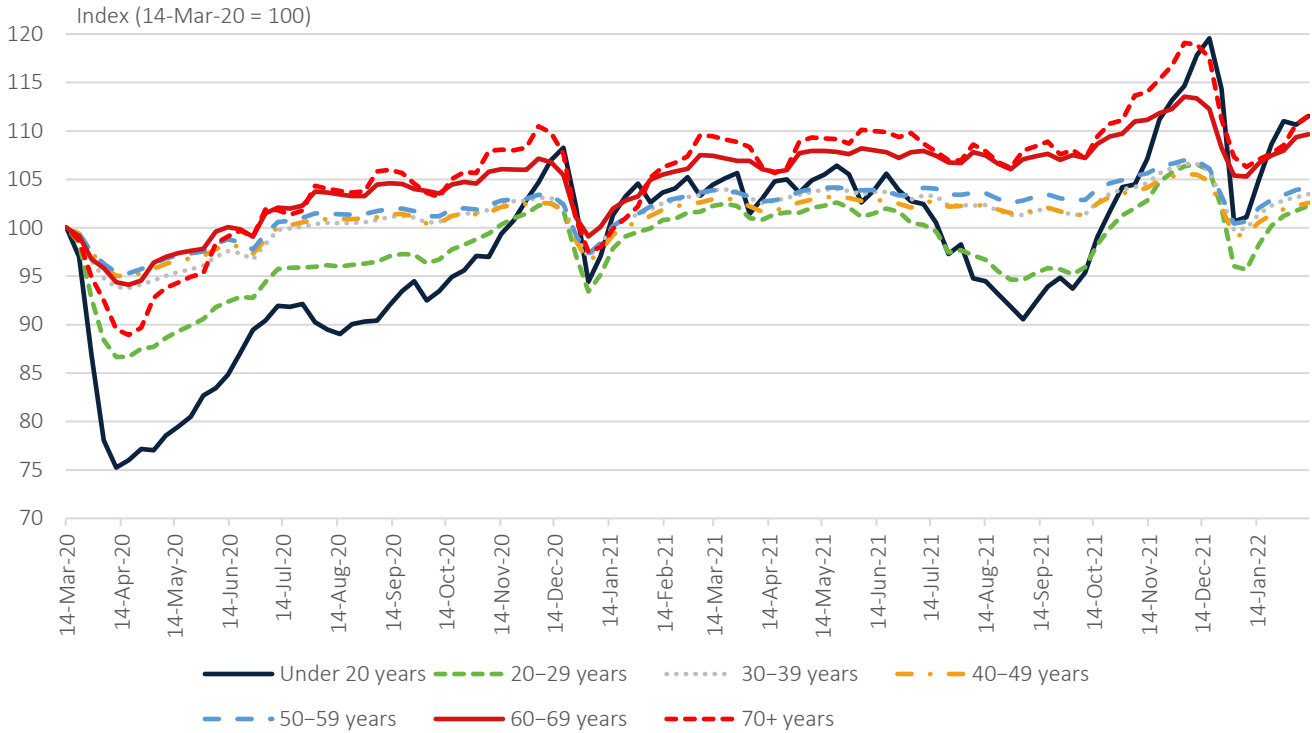


Note: Records where the characteristic is unknown (i.e. sex) are included in the all persons index total and can result in independent movement from the component indexes.

Source: ABS, *Weekly Payroll Jobs and Wages in Australia*, Week ending 12 February 2022.

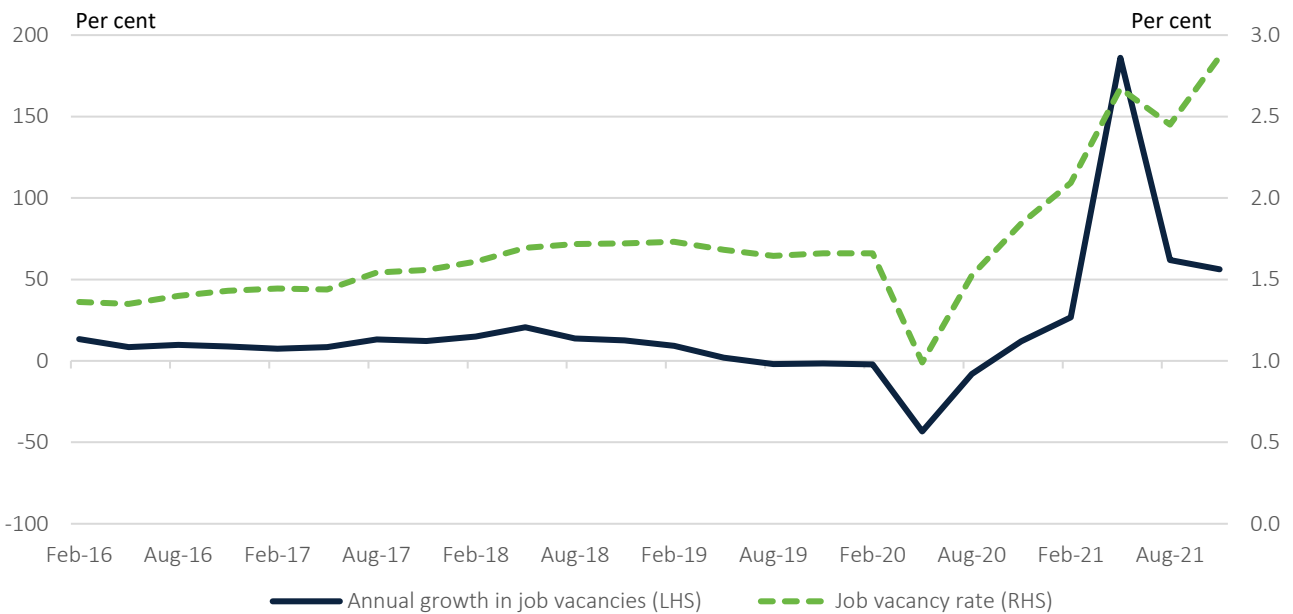


Chart 6.10: Change in payroll jobs, by age, 14 March 2020 to 12 February 2022



Source: ABS, *Weekly Payroll Jobs and Wages in Australia*, Week ending 12 February 2022.

Chart 6.11: Job vacancies, annual growth and job vacancy rate

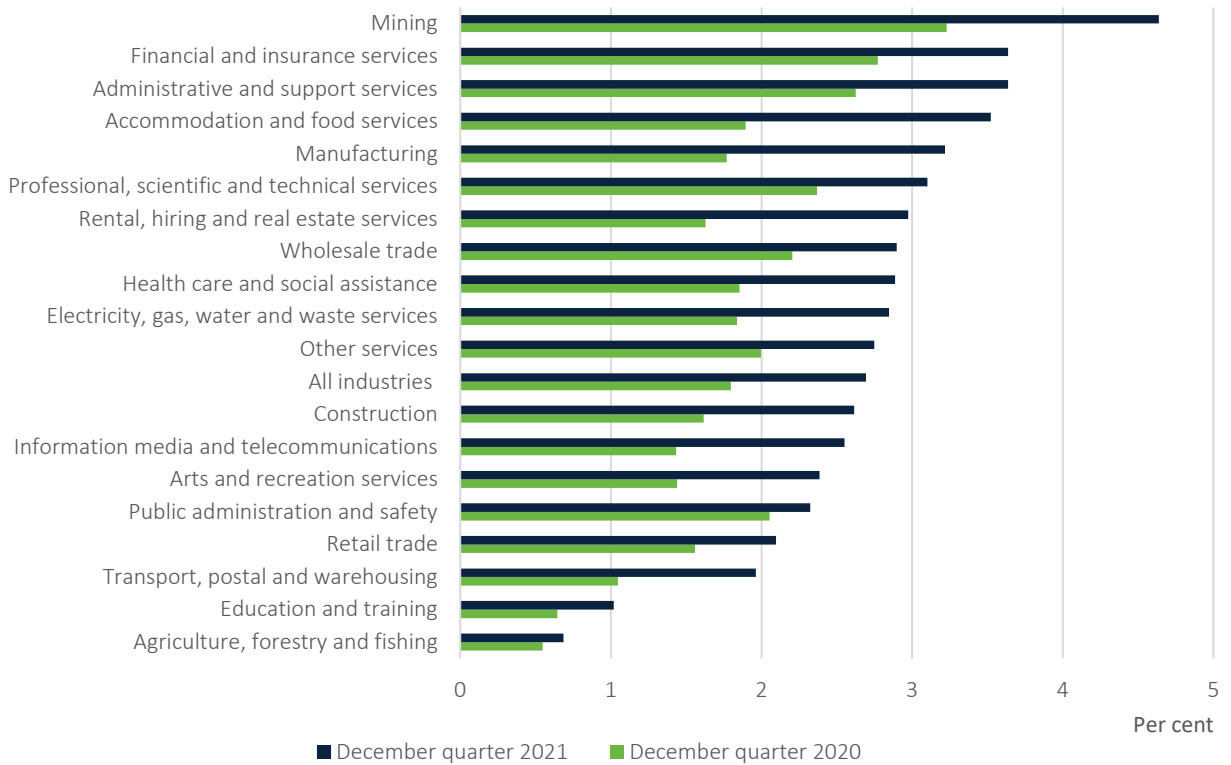


Note: The ABS define the job vacancy rate as job vacancies as a proportion of the labour force.

Source: ABS, *Job Vacancies, Australia*, November 2021; ABS, *Labour Force, Australia*, February 2022.



Chart 6.12: Proportion of vacant jobs (job vacancy rate), by industry, December quarters 2021 and 2020



Note: The proportion of vacant jobs is defined as the number of 'unfilled jobs' as a proportion of the number of 'total jobs'.

Source: ABS, *Labour Account Australia*, December 2021.



Table 6.11: Household impacts of COVID-19

Month	February 2022
Current job status***	(%)
Has a job	67.9
Currently working paid hours	65.8
Not currently working any paid hours	2.2
Does not have a paid job*	11.0
Retired or permanently unable to work	20.3
How job situation of household changed in the last four weeks due to the COVID-19 pandemic	(%)
Job situation changed for one or more selected reasons**	26.3
Unable to work for a period of time	6.2
Worked reduced hours	4.9
Worked increased hours	5.2
Worked a different pattern of hours	4.3
Worked from home	14.0
Different to normal work responsibilities	4.5
No changes	73.5
Why job situation of household changed in the last four weeks due to the COVID-19 pandemic**	(%)
Positive COVID-19 test	10.3
COVID-like symptoms	4.7
Close contact of someone with COVID-19	15.6
Awaiting test results	4.9
Concerns about COVID-19	24.2
Caring responsibilities	7.2
Workplace closed	13.2
Workplace has reduced demand	16.0
Workplace has increased demand	19.7
Work colleagues are absent	20.1
Vaccine requirement in workplace	6.6
Other changes	16.4

Note: * includes all people without a paid job (excluding those retired and unable to work) and should be considered only a loose approximation for the combined 'unemployed' and 'not in the labour force' groups.

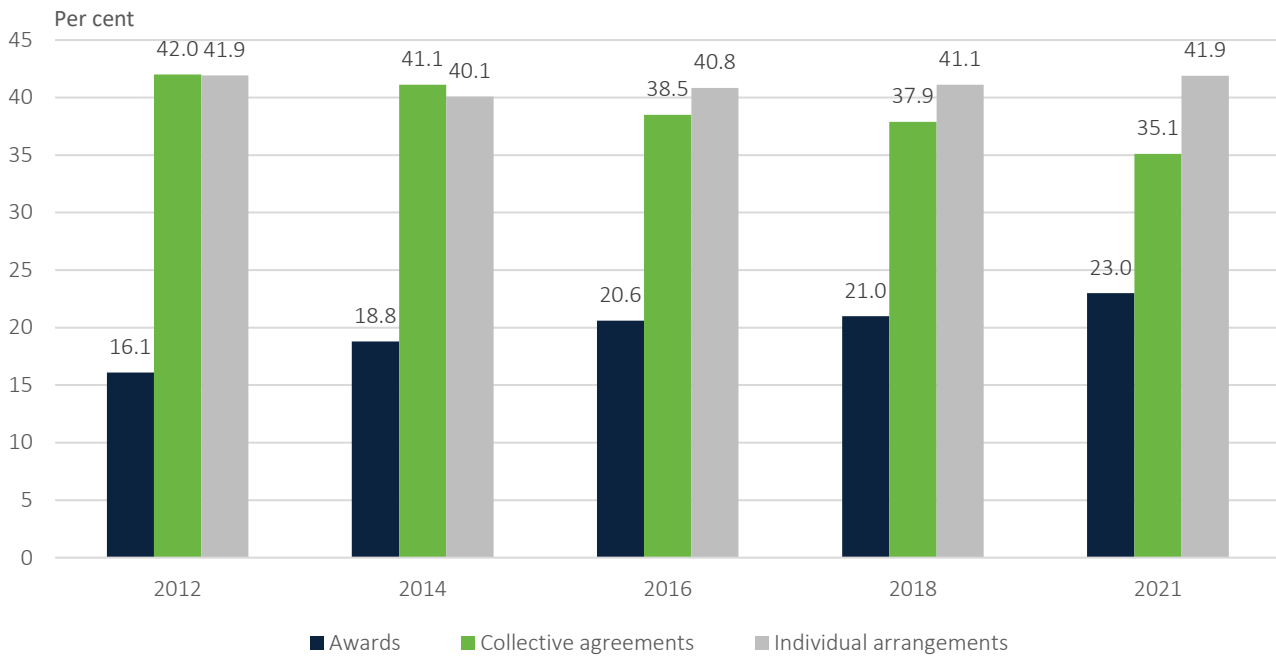
** More than one response may have been reported. Components are not able to be added together to produce a total. Where more than one response was reported the respondent is counted only once in the aggregated total.

*** Refers to the respondent's self-reported job status, and is not directly comparable to Australia's official labour force measures.

Source: ABS, *Household Impacts of COVID-19 Survey*, February 2022.

7. Award reliance

Chart 7.1: Method of setting pay



Note: Awards refers to the proportion of employees in an industry that are paid exactly the award rate and are not paid more than that rate of pay. As defined by the ABS, individual arrangements include registered or unregistered individual agreements and owner managers of incorporated businesses. Estimates of the proportion of employees on awards and collective agreements in 2016 have been revised on the basis of the 2018 conceptual treatment of these methods of payment. Owner managers of incorporated businesses comprised the following proportion of all employees: 2012 = 3.3%; 2014 = 3.4%; 2016 = 3.6%; 2018 = 3.8%; 2021 = 4.1 %.

Source: ABS, 'A Guide to Understanding Employee Earnings and Hours Statistics', Feature Article, in *Employee Earnings and Hours, Australia, May 2018*; ABS, *Employee Earnings and Hours, Australia*, various.



Table 7.1: Award reliance by industry

	2012	2014	2016*	2018*	2021
	(%)	(%)	(%)	(%)	(%)
All industries	16.1	18.8	22.4	22.5	23.0
Mining	0.6	0.8	0.1	0.9	1.1
Manufacturing	11.3	15.7	17.7	20.8	19.1
Electricity, gas, water and waste services	4.3	6.9	6.5	4.1	5.8
Construction	10.6	13.7	19.7	16.6	13.4
Wholesale trade	8.1	11.9	16.8	16.1	10.0
Retail trade	25.6	28.5	34.5	30.1	29.6
Accommodation and food services	44.8	42.8	42.7	44.9	60.4
Transport, postal and warehousing	7.3	10.9	11.9	12.7	12.6
Information media and telecommunications	5.7	5.2	5.5	7.1	7.3
Financial and insurance services	4.7	5.0	3.6	5.2	5.1
Rental, hiring and real estate services	20.9	22.1	27.2	29.4	22.1
Professional, scientific and technical services	6.0	9.9	9.3	8.0	5.7
Administrative and support services	29.0	37.3	42.0	41.3	42.4
Public administration and safety	6.9	12.8	15.2	10.9	13.0
Education and training	6.8	5.1	8.5	10.0	7.8
Health care and social assistance	19.0	22.3	27.8	31.7	33.3
Arts and recreation services	19.7	22.0	26.2	22.5	26.6
Other services	24.6	25.1	34.3	38.1	38.1

Note: * Only presented for non-managerial employees in 2016 and 2018 as data for all employees by method of setting pay and industry are not available. Estimates of the proportion of employees on awards and collective agreements in 2016 have been revised on the basis of the 2018 conceptual treatment of these methods of payment.

Award reliance refers to the proportion of employees in an industry that are paid exactly the award rate and are not paid more than that rate of pay.

Source: ABS, 'A Guide to Understanding Employee Earnings and Hours Statistics', Feature Article, in *Employee Earnings and Hours, Australia*, May 2018; ABS, *Employee Earnings and Hours, Australia*, various.



Table 7.2: Economic indicators by award-reliant industries

	Accommodation and food services	Administrative and support services	Other services	Health care and social assistance	Retail trade	All industries
Percentage of employees reliant on award wages, May 2021 ^a	60.4	42.4	38.1	33.3	29.6	23.0
Gross value added: percentage growth over the year to December quarter 2021	1.8	11.6	7.4	7.1	3.5	4.5
Company gross operating profits: percentage growth over the year to December quarter 2021 ^b	-60.4	-37.2	-34.0	n/a	-27.5	13.0
Business entry rate, over year to June 2021	17.9	20.3	17.9	15.2	18.2	15.8
Business exit rate, over year to June 2021	12.8	15.1	10.6	8.0	11.9	12.0
Wage Price Index: percentage growth over the year to December quarter 2021 ^a	3.5	2.0	2.3	2.4	2.6	2.3
Percentage annual wage growth under new collective agreements September quarter 2021	2.0	4.4	2.8	2.1	3.1	2.7
Employment: percentage increase over the year to November quarter 2021	2.8	-0.7	16.0	8.1	-0.3	2.7
Hours worked: percentage increase over the year to November quarter 2021	1.3	1.6	18.5	9.0	0.4	2.7

Note: (a) All industries excludes Agriculture, forestry and fishing; (b) All industries excludes Education and training, Health care and social assistance and some subdivisions of Finance and insurance services. n/a = not available.

The award-reliant industries selected are the five industries with the highest proportion of employees reliant on award rates of pay according to the Employee Earnings and Hours 2021 survey. The WPI and actual hours worked data are expressed in original terms. Due to a temporary suspension in the trend series, employment data are expressed in seasonally adjusted terms.

Entry rates are business entries in the financial year as a proportion of total businesses operating at the start of the financial year. Exit rates are total business exits in the financial year as a proportion of total businesses operating at the start of the financial year.

Source: ABS, *Australian National Accounts: National Income, Expenditure and Product*, December 2021; ABS, *Business Indicators, Australia*, December 2021; ABS, *Counts of Australian Businesses, including Entries and Exits*, July 2017 to June 2021; ABS, *Employee Earnings and Hours, Australia*, May 2021; ABS, *Labour Force, Australia, Detailed*, January 2022, ABS, *Wage Price Index, Australia*, December 2021; Attorney-General's Department, *Trends in Federal Enterprise Bargaining*, September quarter 2021, <<https://www.ag.gov.au/industrial-relations/enterprise-agreements-data/Pages/trends-in-federal-enterprise-bargaining.aspx>>.



8. Relative living standards

Table 8.1: NMW relative to median weekly earnings of full-time employees

Month	NMW	Median earnings of full-time employees in main job	Ratio of NMW to median earnings in main job
	(\$)	(\$)	(%)
Aug-11	589.30	1100	53.6
Aug-12	606.40	1150	52.7
Aug-13	622.20	1153	54.0
Aug-14	640.90	1208	53.1
Aug-15	656.90	1233	53.3
Aug-16	672.70	1250	53.8
Aug-17	694.90	1284	54.1
Aug-18	719.20	1344	53.5
Aug-19	740.80	1380	53.7
Aug-20	753.80	1430	52.7
Aug-21	772.60	1500	51.5

Note: Median earnings refers to the level of earnings that divides the distribution into two groups of equal size, one having earnings above and the other below that amount. The median is less affected by outliers and skewed data than the mean. The median earnings data reflects revised estimates as result from a rebenchmarking of estimates. Median earnings are presented to the nearest dollar.

Source: ABS, *Characteristics of Employment, Australia*, various; FWA/FWC decisions.



Table 8.2: Two-thirds of median weekly earnings

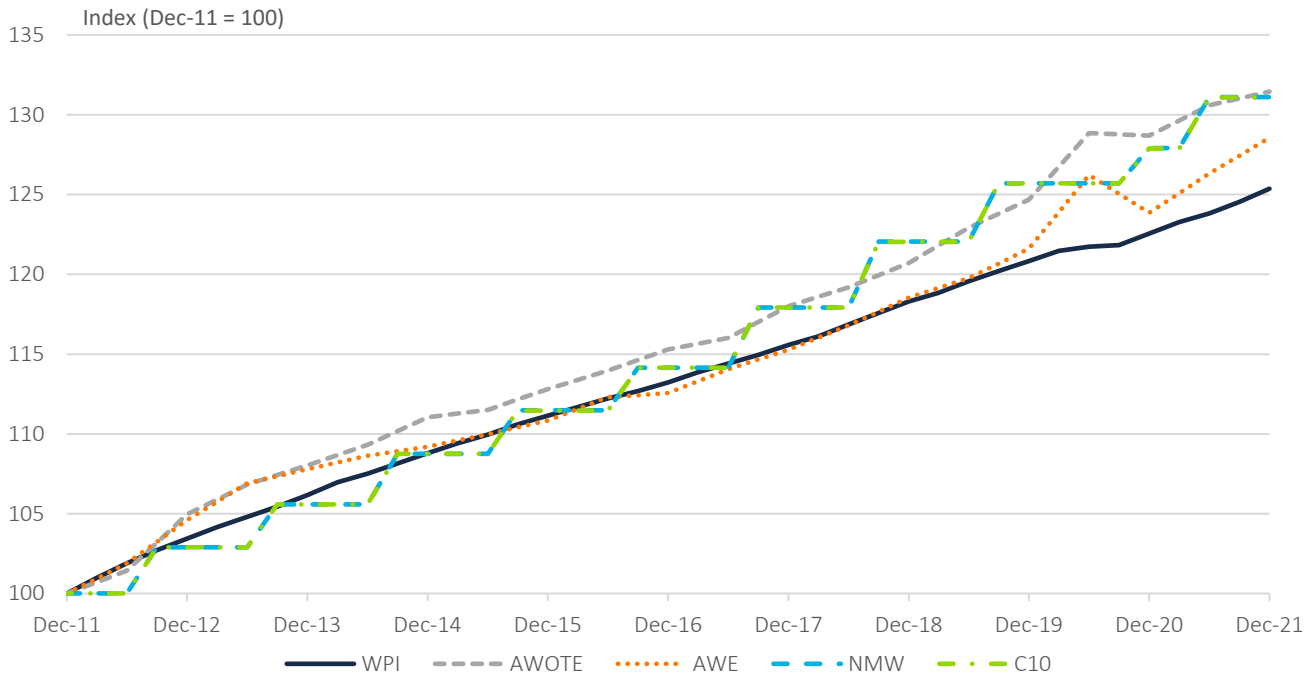
Year	COE (\$)	EEH (\$)
2012	766.67	808.00
2013	768.67	n/a
2014	805.50	879.33
2015	822.10	n/a
2016	833.33	917.33
2017	856.00	n/a
2018	896.00	973.33
2019	920.00	n/a
2020	953.33	n/a
2021	1000.00	1062.00

Note: Data for both measures of median weekly earnings include amounts salary sacrificed. Weekly earnings from the COE are earnings in the main job for full-time employees and are for August of each year. Weekly earnings from the EEH are weekly total cash earnings for full-time non-managerial adult employees. The figures are for May of each year. n/a = not available.

Source: ABS, *Characteristics of Employment, Australia*, various; ABS, *Employee Earnings and Hours, Australia*, various.



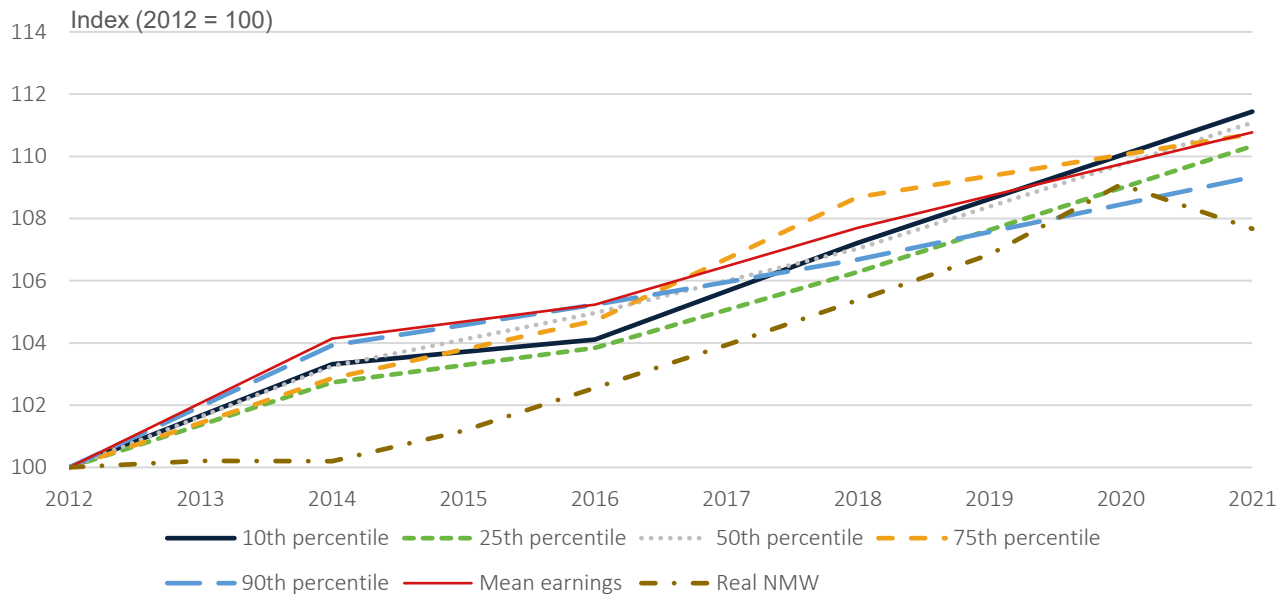
Chart 8.1: Growth in NMW, C10, AWOTE, AWE and WPI, index



Note: This chart reflects available data for the period December quarter 2010 to March quarter 2021. See Chart 5.1 for information on the WPI and AWOTE. Average weekly earnings (AWE) is the gross (before tax) earnings of employees (excluding salary sacrifice). AWOTE and AWE are published half-yearly for May and November, hence, a quarterly series has been derived. AWOTE and AWE data are expressed in original terms. The C10 are minimum award rates set under the *Manufacturing and Associated Industries and Occupations Award 2010*. In the Annual Wage Review 2019–20, the operative date of the variation to the C10 rate was on 1 November 2020.

Source: ABS, *Average Weekly Earnings, Australia*, November 2021; ABS, *Wage Price Index, Australia*, December 2021; *Manufacturing and Associated Industries and Occupations Award 2010*; *Manufacturing and Associated Industries and Occupations Award 2020*.

Chart 8.2: Real weekly total earnings (full-time adult non-managerial employees) by percentile and the real NMW, index



Note: Earnings data for 2014, 2016, 2018, and 2021 are based on full-time non-managerial employees paid at the adult rate.

Source: ABS, *Consumer Price Index, Australia*, December 2021; ABS, *Employee Earnings and Hours, Australia*, various; *Manufacturing and Associated Industries and Occupations Award 2010*; *Manufacturing and Associated Industries and Occupations Award 2020*.

Table 8.3: Ratio of selected percentiles to the mean and median of real weekly total earnings (full-time adult non-managerial employees)

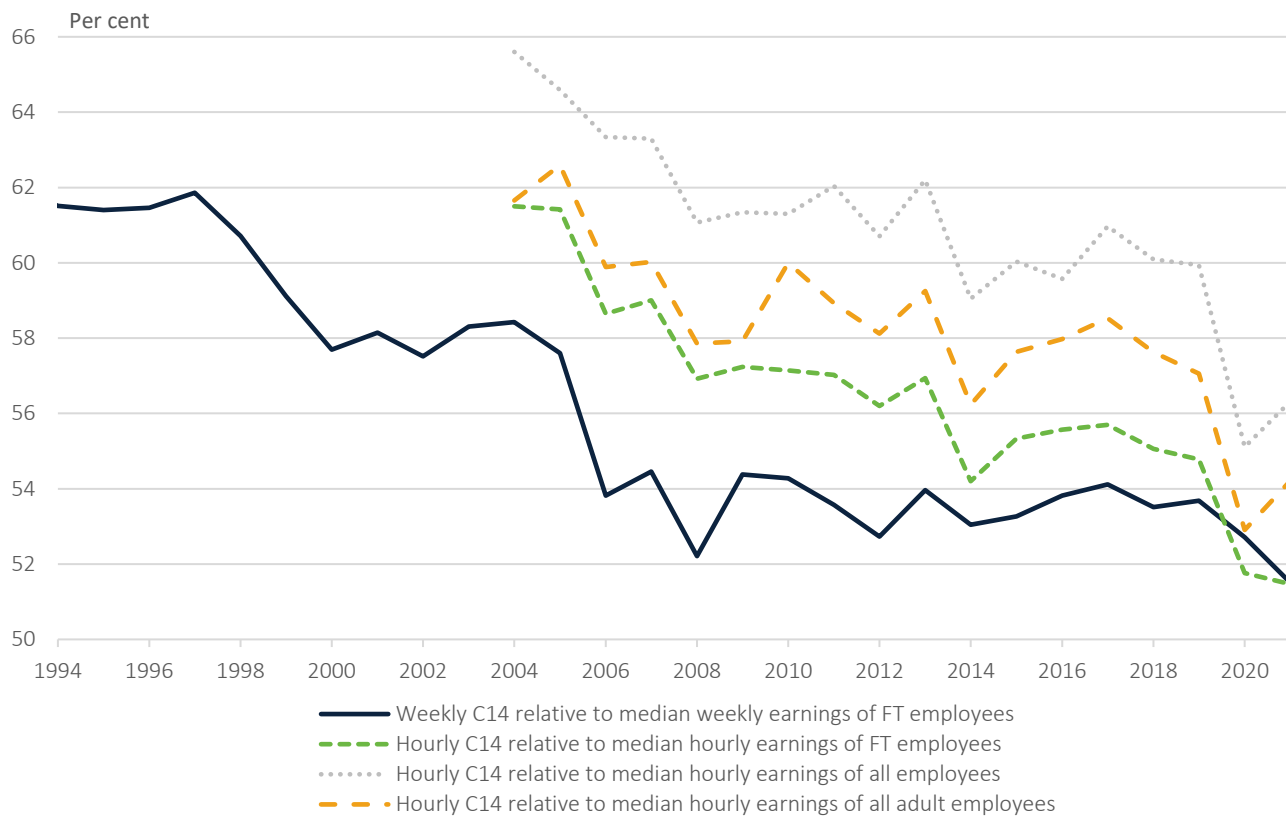
	2012	2014	2016	2018	2021
Ratio of selected percentiles to mean real earnings					
10 th percentile	0.56	0.56	0.55	0.56	0.56
25 th percentile	0.68	0.67	0.67	0.67	0.68
50 th percentile	0.88	0.87	0.88	0.88	0.88
75 th percentile	1.19	1.18	1.18	1.20	1.19
90 th percentile	1.57	1.57	1.57	1.56	1.55
Ratio of selected percentiles to median real earnings					
10 th percentile	0.63	0.63	0.63	0.64	0.64
25 th percentile	0.77	0.77	0.76	0.76	0.76

Note: Earnings data for 2014, 2016, 2018, and 2021 are based on full-time non-managerial employees paid at the adult rate. Median earnings refer to the level of earnings that divides the distribution into two groups of equal size, one having earnings above and the other below that amount. The median is less affected by outliers and skewed data than the mean.

Source: ABS, *Employee Earnings and Hours, Australia*, various.



Chart 8.3: C14 rate relative to median earnings of employees in main job



Note: Median earnings are measured in August of each year. Following the amendments to the *Workplace Relations Act 1996* (Cth) taking effect in 2006, the Federal Minimum Wage (FMW) was set at \$12.75 per hour, equivalent to \$484.50 per week. The C14 rate in 2020 reflects the amount as at 1 November 2020 (\$753.80). Earnings are for employees including owner managers of incorporated enterprises.

Median earnings from 2004 onwards are taken from the COE survey, with median hourly earnings of adult employees sourced from unpublished COE data. The median earnings data reflect revised estimates as a result of rebenchmarking.

Source: ABS, *Characteristics of Employment, Australia*, various; ABS, *Employee Earnings, Benefits and Trade Union Membership, Australia*, various; ABS, *Weekly Earnings of Employees (Distribution), Australia*, various; *Metal, Engineering and Associated Industries Award 1998*; *Manufacturing and Associated Industries and Occupations Award 2010*; *Manufacturing and Associated Industries and Occupations Award 2020*.



Table 8.4: Nominal disposable income of selected NMW-reliant households

Household type	Disposable income	Change		
	July 2021	July 2020 to July 2021	July 2020 to July 2021	July 2016 to July 2021
	(\$pw)	(\$pw)	(%)	(%)
Single adult	697.23	15.33	2.2	15.0
Single parent working FT, 1 child	970.35	18.01	1.9	11.0
Single parent working PT, 1 child	643.97	11.71	1.9	8.0
Single parent working FT, 2 children	1081.09	18.99	1.8	9.3
Single parent working PT, 2 children	754.71	12.69	1.7	6.1
Single-earner couple (with NSA/JSP)	924.92	-291.20	-23.9	15.9
Single-earner couple	710.74	13.82	2.0	13.6
Single-earner couple, 1 child (with NSA/JSP)	1114.33	-227.80	-17.0	12.0
Single-earner couple, 1 child	970.35	18.01	1.9	11.0
Single-earner couple, 2 children (with NSA/JSP)	1231.98	-219.90	-15.1	10.9
Single-earner couple, 2 children	1081.09	18.99	1.8	9.3
Dual-earner couple	1083.53	24.72	2.3	14.9
Dual-earner couple, 1 child	1270.72	21.77	1.7	10.6
Dual-earner couple, 2 children	1381.46	22.75	1.7	9.1
CPI			3.8	9.4

Note: The percentage change in the CPI over July 2020 to July 2021 and July 2016 to July 2021 were calculated with reference to the June quarter. CPI data are expressed in original terms.

Assumptions: Single-earner households earn 100 per cent of the weekly NMW. Single parents working part time (PT) earn 50 per cent of the weekly NMW, those working full time (FT) earn 100 per cent. Dual-earner households comprise one partner earning 100 per cent of the NMW, the other earns 50 per cent. Applicable NMW rates per week are: \$672.70 in July 2016; \$753.80 in July 2020 and \$772.60 in July 2021.

Tax/transfer parameters as at July each year. Disposable income includes all available income transfers, unless otherwise specified. Children are aged 8–12 years and attending primary school. Households paying sufficient rent to receive maximum Rent Assistance where applicable. From 20 March 2020 the Newstart Allowance (NSA) was replaced by the JobSeeker Payment (JSP). Single-earner couples are modelled in two scenarios: 1) the non-earning partner is in the labour force and receiving proportional rates of NSA or JSP and 2) the non-earning partner is not in the labour force and therefore not in receipt of NSA or JSP. Recipients of JSP in July 2020 also received the Coronavirus Supplement at \$550 per fortnight. A person who was in receipt of JSP or Family Tax Benefit between 12 March 2020 and 13 April 2020 were also eligible to receive a tax-free \$750 Economic Support Payment. This has not been modelled, but if applied, the single-earner couple (with JSP) household and households with children would have received a further \$14.42 per week in disposable income on average. The Coronavirus Supplement and the Economic Support Payment ceased from March 2021. Single-parent households and secondary earners in dual-earner households are not seeking further work and not in receipt of income support. The disposable income of households receiving the JobKeeper Payment from their employer as their income has not been modelled.

Households with children receive the fixed value of the Schoolkids Bonus in 2013–2016. Disposable incomes for households with children for 2013 to 2016 reflect the average weekly rate of Schoolkids Bonus instalments in the given year. In 2013 the Schoolkids Bonus accounted for a weekly average of \$7.88 per child in the disposable income for all households with children modelled (excepting dual earner households earning AWOTE as they were not eligible for this transfer). The Schoolkids Bonus was not payable from 2017.

Source: ABS, *Consumer Price Index, Australia*, December 2021; Fair Work Commission modelling.



Table 8.5: Modelling the 2021 NMW increase, wage increase retained and components of change in disposable income of selected NMW-reliant households, July 2021

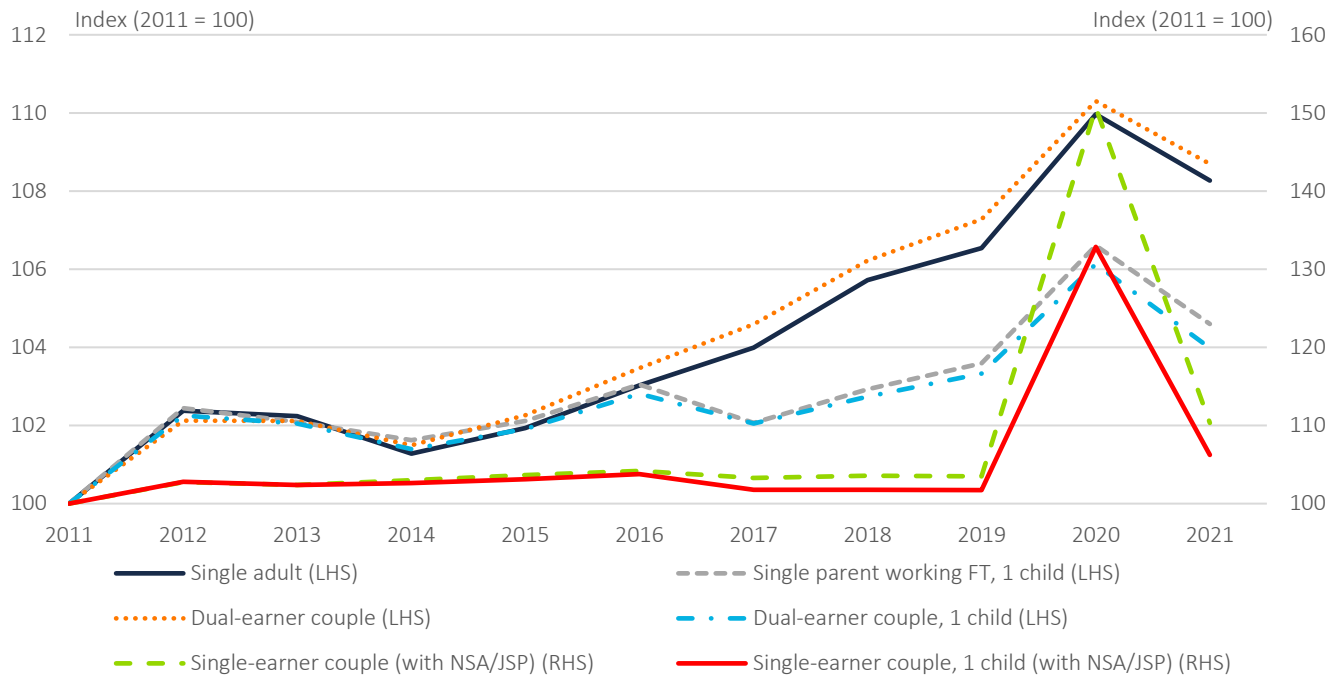
Household type	Change in disposable income	Components of change			NMW increase retained
		Wage increase	Taxes	Transfers	
		(\$ pw)	(\$)	(\$)	
Single adult	15.32	18.80	-3.48	0.00	81.5
Single parent working FT, 1 child	15.70	18.80	-3.10	0.00	83.5
Single parent working PT, 1 child	9.40	9.40	0.00	0.00	100.0
Single parent working FT, 2 children	15.70	18.80	-3.10	0.00	83.5
Single parent working PT, 2 children	9.40	9.40	0.00	0.00	100.0
Single-earner couple (with NSA/JSP)	3.44	18.80	-4.08	-11.28	18.3
Single-earner couple	13.82	18.80	-4.98	0.00	73.5
Single-earner couple, 1 child (with NSA/JSP)	5.69	18.80	-4.08	-9.03	30.3
Single-earner couple, 1 child	15.70	18.80	-3.10	0.00	83.5
Single-earner couple, 2 children (with NSA/JSP)	6.06	18.80	-3.71	-9.03	32.2
Single-earner couple, 2 children	15.70	18.80	-3.10	0.00	83.5
Dual-earner couple	24.72	28.20	-3.48	0.00	87.7
Dual-earner couple, 1 child	17.22	28.20	-3.48	-7.50	61.1
Dual-earner couple, 2 children	17.22	28.20	-3.48	-7.50	61.1

Note: Tax/transfer parameters as at July 2021. The NMW increase retained is calculated as the change in disposable income as a proportion of the wage increase. Other assumptions as per Table 8.4.

Source: Fair Work Commission modelling.



Chart 8.4: Growth in real weekly household disposable income for selected NMW-reliant households, index



Note: Tax/transfer parameters and NMW rate as at July of each year. Other assumptions as per Table 8.4. Between July 2013 and July 2014, the income-free threshold for NSA increased.

Real weekly household disposable income is adjusted with reference to the June quarter CPI.

Source: ABS, *Consumer Price Index, Australia*, December 2021; Fair Work Commission modelling.



Table 8.6: Ratio of disposable income of selected households earning various wage rates to a 60 per cent median income poverty line

Household type	September 2016					September 2020					September 2021				
	60% median income PL (\$ pw)	Disposable income as a ratio of 60% median income PL				60% median income PL (\$ pw)	Disposable income as a ratio of 60% median income PL				60% median income PL (\$ pw)	Disposable income as a ratio of 60% median income PL			
		C14	C10	C4	AWOTE		C14	C10	C4	AWOTE		C14	C10	C4	AWOTE
Single adult	519.36	1.17	1.32	1.51	2.25	614.14	1.09	1.25	1.44	2.16	630.93	1.11	1.26	1.45	2.11
Single parent working FT, 1 child	675.17	1.29	1.41	1.54	1.95	798.38	1.18	1.30	1.43	1.80	820.21	1.18	1.30	1.43	1.78
Single parent working PT, 1 child	675.17	0.88	0.96	1.05	1.40	798.38	0.78	0.86	0.95	1.30	820.21	0.79	0.86	0.95	1.28
Single parent working FT, 2 children	830.98	1.19	1.29	1.40	1.73	982.62	1.07	1.17	1.28	1.56	1009.49	1.07	1.17	1.27	1.54
Single parent working PT, 2 children	830.98	0.86	0.92	0.99	1.27	982.62	0.75	0.81	0.88	1.17	1009.49	0.75	0.81	0.88	1.16
Single-earner couple (with NSA/JSP)	779.04	1.03	1.03	1.04	1.50	921.20	1.17	1.24	1.32	1.60	946.39	0.99	1.01	1.02	1.43
Single-earner couple	779.04	0.80	0.89	1.01	1.50	921.20	0.74	0.84	0.96	1.44	946.39	0.75	0.85	0.97	1.43
Single-earner couple, 1 child (with NSA/JSP)	934.85	1.07	1.07	1.11	1.41	1105.45	1.11	1.17	1.24	1.30	1135.67	0.99	1.01	1.03	1.28
Single-earner couple, 1 child	934.85	0.93	1.02	1.11	1.41	1105.45	0.85	0.94	1.03	1.30	1135.67	0.86	0.94	1.03	1.28
Single-earner couple, 2 children (with NSA/JSP)	1090.66	1.02	1.03	1.06	1.32	1289.69	1.04	1.09	1.15	1.19	1324.95	0.94	0.96	0.97	1.17
Single-earner couple, 2 children	1090.66	0.91	0.98	1.06	1.32	1289.69	0.82	0.89	0.98	1.19	1324.95	0.82	0.89	0.97	1.17
Dual-earner couple	779.04	1.21	1.38	1.58	2.36	921.20	1.13	1.30	1.50	2.27	946.39	1.14	1.32	1.51	2.25
Dual-earner couple, 1 child	934.85	1.23	1.32	1.44	1.97	1105.45	1.12	1.22	1.32	1.89	1135.67	1.12	1.22	1.32	1.87
Dual-earner couple, 2 children	1090.66	1.16	1.24	1.34	1.69	1289.69	1.04	1.13	1.21	1.62	1324.95	1.04	1.13	1.20	1.61



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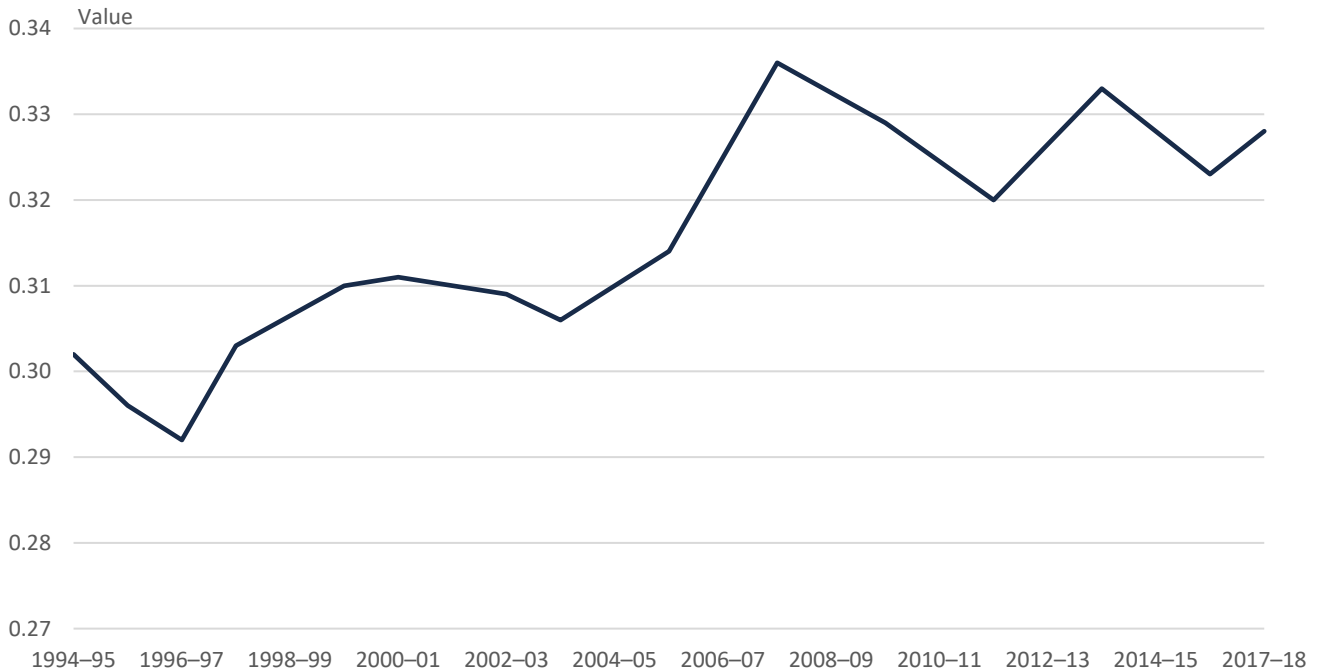
Note: Poverty lines are based on estimates of median equivalised household disposable income in 2015–16 for September 2016 and 2017–18 for September 2020 and September 2021, and adjusted for movements in household disposable income per head as calculated by the Melbourne Institute of Applied Economic and Social Research, and adjusted for household composition using the modified OECD equivalence scale. The C14, C10 and C4 are minimum award rates set under the *Manufacturing and Associated Industries and Occupations Award 2010*. AWOTE data are expressed in original terms.

Assumptions: Tax-transfer parameters as at September 2016, September 2020 and July 2021. Wage rates for 2016: C14 = \$672.70 pw, C10 = \$783.30 pw, C4 = \$940.90 and AWOTE of full-time adult employees = \$1533.40 pw. Wage rates for 2020: C14 = \$740.80 pw, C10 = \$862.50 pw, C4 = \$1036.10 pw, AWOTE of full-time adult employees = \$1711.60. Wage rates for 2021: C14 = \$772.60 pw, C10 = \$899.50 pw, C4 = \$1080.60 pw and AWOTE of full-time adult employees = \$1748.40. In the Annual Wage Review 2019–20 the variation to C14, C10 and C4 operated from 1 November 2020. Other assumptions as per Table 8.4.

Source: ABS, *Average Weekly Earnings, Australia*, November 2021; ABS, *Household Income and Wealth, Australia*, 2015–16 financial year; ABS, *Household Income and Wealth, Australia*, 2017–18 financial year; Fair Work Commission modelling; *Manufacturing and Associated Industries and Occupations Award 2010*; Melbourne Institute of Applied Economic and Social Research, *Poverty Lines: Australia*, September quarter 2021



Chart 8.5: Gini coefficient of equivalised household disposable income



Note: Estimates presented for 2007-08 onwards are not directly comparable with estimates for previous cycles due to improvements made to measuring income introduced in the 2007-08 cycle. Estimates for 2003-04 and 2005-06 have been recompiled to reflect those improvements; however, not all components introduced in 2007-08 were available for earlier cycles.

Source: ABS, *Household Income and Wealth, Australia*, 2017-18 financial year.



9. Real wages and the cost of living

Chart 9.1: Real value of the NMW, index



Note: Only percentage increases have been awarded since the Annual Wage Review 2010–11, hence, the real increase across all modern award minimum wage rates has been the same across the period. For the purpose of analysis, only the NMW is presented.

Source: ABS, *Consumer Price Index, Australia*, March 2021; Fair Work Australia/FWC decisions .

Table 9.1: Real national minimum wage and percentage change, December quarter 2021 dollars

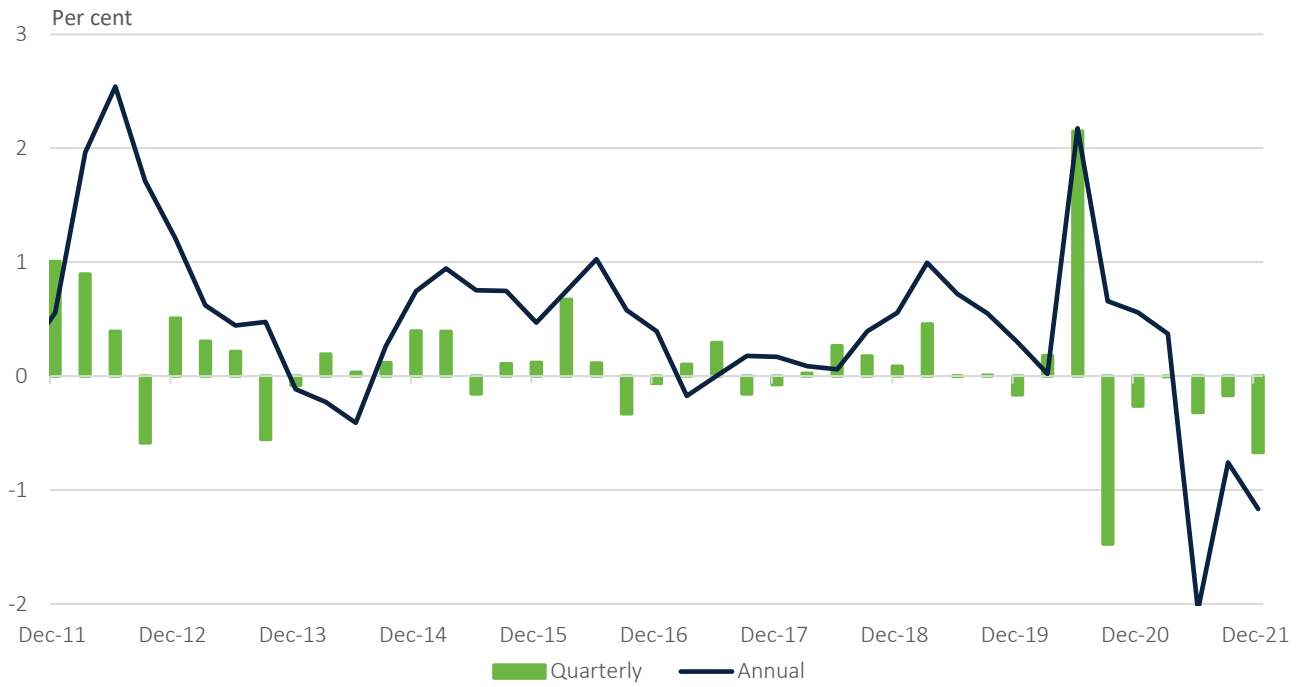
Year	Real national minimum wage (\$)	Change (%)
Dec-11	716.25	0.4
Dec-12	721.14	0.7
Dec-13	720.16	-0.1
Dec-14	729.28	1.3
Dec-15	735.07	0.8
Dec-16	741.80	0.9
Dec-17	751.93	1.4
Dec-18	764.58	1.7
Dec-19	773.31	1.1
Dec-20	780.17	0.9
Dec-21	772.60	-1.0
Change over decade	56.35	7.9

Note: Real minimum wage calculated from NMW and CPI (original data) from the December quarter of each year.

Source: ABS, *Consumer Price Index, Australia*, December 2021; Fair Work Australia/FWC decisions.



Chart 9.2: Real WPI growth



Source: ABS, *Wage Price Index, Australia*, December 2021; ABS, *Consumer Price Index, Australia*, December 2021.



10. Enterprise bargaining

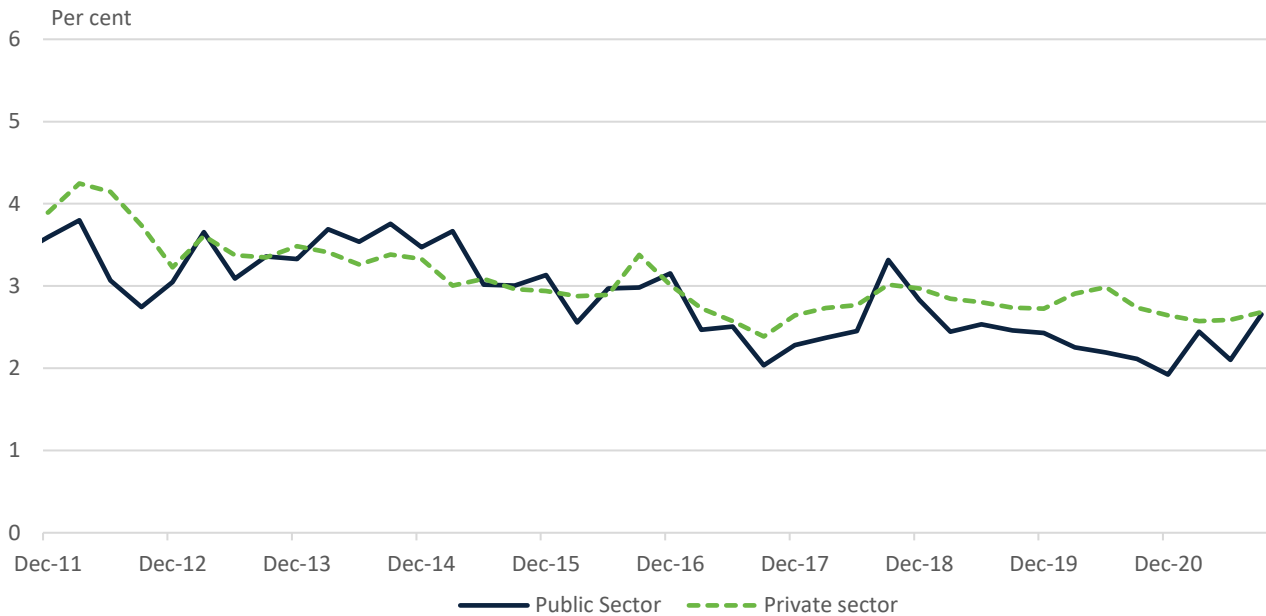
Chart 10.1: Number of agreements approved in the quarter by sector, index



Source: Attorney-General's Department, *Trends in Federal Enterprise Bargaining*, September quarter 2021, <<https://www.ag.gov.au/industrial-relations/enterprise-agreements-data/Pages/trends-in-federal-enterprise-bargaining.aspx>>.

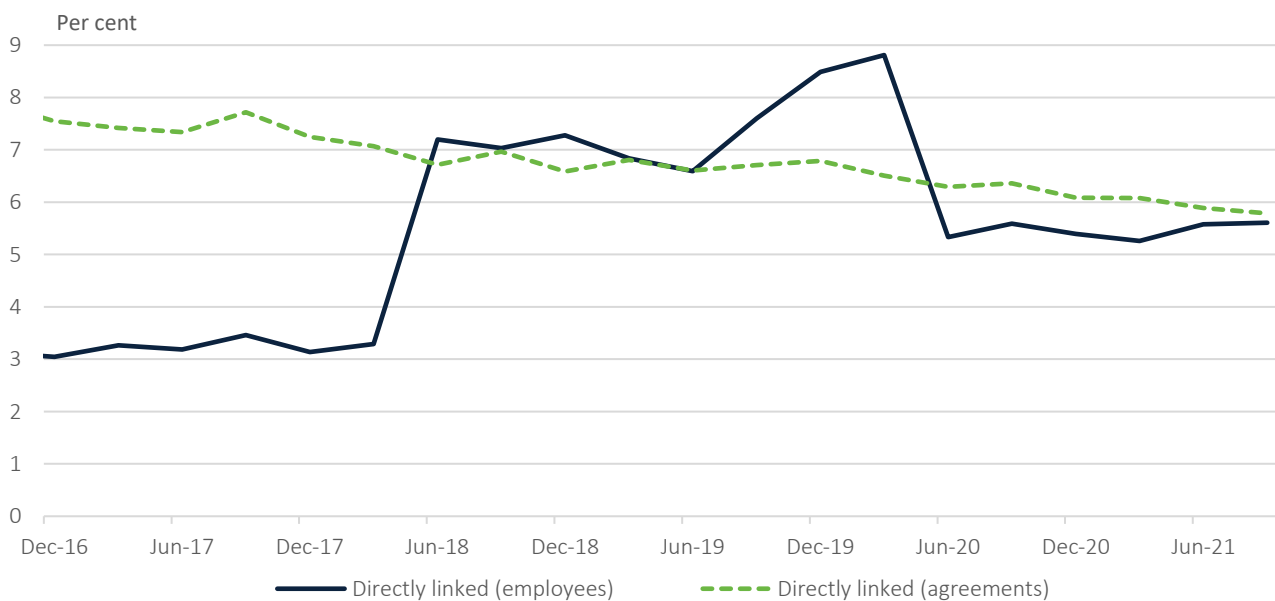


Chart 10.2: AAWI for agreements approved in the quarter by sector



Source: Attorney-General's Department, *Trends in Federal Enterprise Bargaining*, September quarter 2021, <<https://www.ag.gov.au/industrial-relations/enterprise-agreements-data/Pages/trends-in-federal-enterprise-bargaining.aspx>>.

Chart 10.3: Proportion of employees covered by current agreements which are directly linked to the Annual Wage Review decision



Source: Attorney-General's Department, *Workplace Agreements Database*, September quarter 2021.



11. Equal remuneration

Table 11.1: Estimates of the gender pay gap

Measure	Male earnings	Female earnings	Gender pay gap
	(\$)	(\$)	(%)
AWOTE (November 2021)	1846.50	1591.20	13.8
EEH adult hourly ordinary time cash earnings (May 2018)*	42.07	35.66	15.2
EEH full-time non-managerial adult hourly ordinary time cash earnings (May 2021)	47.50	43.30	8.8

Note: AWOTE refer to full-time adult employees. The gender pay gap is calculated as the difference between female's and male's earnings, expressed as a percentage of male's earnings.

* Earnings are deflated by a casual loading of 25 per cent.

Source: ABS, *Average Weekly Earnings, Australia*, November 2021; ABS, *Microdata: Employee Earnings and Hours, Australia*, May 2018; ABS, *Employee Earnings and Hours, Australia*, May 2021.



12. Indicators of financial stress

Table 12.1: Financial stress experienced by all employee households

	2016	2017	2018	2019	2020
Financial stress indicators	(%)	(%)	(%)	(%)	(%)
Unable to raise \$3000/\$4000* in a week for something important	4.7	4.5	5.0	4.8	4.6
Could not pay electricity, gas or telephone bills on time	7.3	7.3	7.4	7.4	4.9
Could not pay the mortgage or rent on time	3.4	2.9	4.0	4.0	3.2
Pawned or sold something	2.3	2.2	2.5	2.8	1.9
Went without meals	1.5	1.6	2.0	2.3	1.4
Could not afford to heat home	1.2	1.6	1.7	1.8	1.0
Sought assistance from welfare/community organisation	0.9	1.0	1.1	1.1	1.3
Sought financial help from friends or family	6.8	6.1	7.3	7.3	3.9
Any stress	14.5	13.4	14.7	15.2	12.1
Low stress (1–2)	10.9	9.9	10.5	10.7	9.6
Moderate stress (3–4)	2.8	2.6	3.1	3.5	1.8
High stress (5 or more)	0.8	0.9	1.1	1.0	0.7
Observations	4996	5011	4988	5117	4970

Note: Employee households are those households whose main source of income is from wages or salary. Both partners in a couple family household, the lone parent in a lone parent household and the lone person of a lone person household must report financial stress for that particular household to be considered as such. Observations from multi-family households, other related family households and group households are excluded. *Amount is \$3000 for Waves 16 to 19, and \$4000 for Wave 20.

Source: *Household, Income and Labour Dynamics in Australia Survey, Waves 16–20.*



Table 12.2: Financial stress experienced by low-paid employee households

	2016	2017	2018	2019	2020
Financial stress indicators	(%)	(%)	(%)	(%)	(%)
Unable to raise \$3000/\$4000* in a week for something important	10.8	12.9	13.3	12.2	9.6
Could not pay electricity, gas or telephone bills on time	13.2	14.6	15.4	16.4	10.0
Could not pay the mortgage or rent on time	6.8	5.6	7.9	9.6	6.1
Pawned or sold something	4.9	4.5	4.7	6.4	4.8
Went without meals	3.0	2.8	3.8	5.5	3.1
Could not afford to heat home	2.7	3.4	4.1	3.9	2.2
Sought assistance from welfare/community organisation	2.1	2.6	3.9	2.6	3.8
Sought financial help from friends or family	13.6	11.3	13.9	14.2	9.0
Any stress	27.4	28.2	29.0	31.6	24
Low stress (1–2)	18.7	20.2	18.1	20.3	18.3
Moderate stress (3–4)	6.7	6.0	7.8	9.1	3.6
High stress (5 or more)	2.0	2.0	3.1	2.2	2.1
Observations	972	1023	981	1022	1011

Note: Employee households are those households whose main source of income is from wages or salary. Both partners in a couple family household, the lone parent in a lone parent household and the lone person of a lone person household must report financial stress for that particular household to be considered as such. Observations from multi-family households, other related family households and group households are excluded. Low-paid employee households are defined as those households in the bottom quintile of equivalised disposable household income for employee households. Disposable household income is equivalised using the 'modified OECD' method where each person in the household is given a score (1 for the first adult, 0.5 for subsequent adults and 0.3 for each child under the age of 15) and the income is divided by the sum of these scores. *Amount is \$3000 for Waves 16 to 19, and \$4000 for Wave 20.

Source: *Household, Income and Labour Dynamics in Australia Survey, Waves 16–20.*



13. Budget standards

Table 13.1: Updated budget standards estimates, low-paid single person (per week)

Budget category	Budget priced at latter half of 2013		Budget updated using CPI June 2016			Budget updated using CPI December 2021		
	\$	Index [^]	\$	Index [^]	% change from 2013	\$	Index	% change from 2016
Food	60.19	101.1	61.80	103.8	2.7	68.47	115.0	10.8
Clothing and Footwear	11.05	100.2	10.81	98.0	-2.2	10.36	94.0	-4.1
Household goods and services	77.11	101.9	79.23	104.7	2.7	84.98	112.3	7.3
Transport	81.59	103.1	77.71	98.2	-4.8	92.23	116.6	18.7
Health	6.40	109.5	7.33	125.5	14.6	8.55	146.3	16.6
Personal Care	14.99	104.4	15.59	108.6	4.0	17.42	121.3	11.7
Recreation	28.49	101.1	29.04	103.1	2.0	31.15	110.6	7.3
Education	0.00	108.8	0.00	124.6	14.5	0.00	139.7	12.1
Budget standards	279.82	–	281.51	–	0.6	313.15	–	11.2
Weekly rental costs*	nd	–	315.80*	110.2*	–	318.95	111.30	1.0
Grossed-up budget standards	nd	–	597.31	–	–	632.11	–	5.8

Note: Data for the December quarter 2021 are updated based on indexes from June quarter 2016. [^]Based on CPI indexes at Table B.2 in Saunders P & Bedford M (2017). *March quarter 2016 rent figures used in Saunders & Bedford (2017: 87). The index figure for the December quarter 2021 is inflated from the March quarter 2016. Nd = not derived.

Source: Saunders P & Bedford M (2017), *New Minimum Income for Healthy Living Budget Standards for Low-Paid and Unemployed Australians*, SPRC Report 11/17, Social Policy Research Centre, UNSW Sydney, Table 5.7; ABS, *Consumer Price Index, Australia*, December 2021.



14. Forecasts

Table 14.1: Mid-year Economic and Fiscal Outlook 2021–22, international GDP growth forecasts

	2020 (outcomes)	2021 (forecasts)	2022 (forecasts)	2023 (forecasts)
World	–3.1	5¼	4½	3½
Major trading partners*	–1.6	6	4½	3¾

Note: World growth rates are calculated using GDP weights based on purchasing power parity (PPP), while growth rates for major trading partners are calculated using goods and services export trade weights. * Growth rates for major trading partners are estimates in 2020 rather than outcomes.

Source: Australian Government (2021), *Mid-year Economic and Fiscal Outlook 2021–22*, December, p. 22.

Table 14.2: IMF real GDP growth projections

	2021 (estimates)	2022 (projections)	2023 (projections)
Australia	4.2	4.1	2.5
Advanced economies	5	3.9	2.6
World	5.9	4.4	3.8

Note: Year-on-year percentage changes shown. World and domestic economy growth rates are calculated using GDP weights based on PPP.

Source: IMF (2022), *World Economic Outlook Update*, January, <<https://www.imf.org/en/Publications/WEO/Issues/2022/01/25/world-economic-outlook-update-january-2022>>.



Table 14.3: 2021–22 Budget, domestic economy forecasts^(a)

	Outcomes ^(b)	Forecasts	
	2020–21	2021–22	2022–23
Real gross domestic product	1.5	3¼	3½
Household consumption	1.0	1¼	5½
Dwelling investment	3.2	6	–2
Total business investment ^(c)	–1.5	7½	8
Mining investment	–1.4	4	8
Non-mining investment	–1.5	8½	8
Private final demand ^(c)	1.2	3¼	5
Public final demand ^(c)	5.8	7½	3¼
Change in inventories ^(d)	0.7	–¾	¼
Gross national expenditure	3.2	3¼	5
Exports of goods and services	–8.3	2½	4½
Imports of goods and services	–2.9	3½	12½
Net exports ^(d)	–1.4	–¾	–1½
Nominal gross domestic product	4.4	6½	1¼
Prices and wages			
Consumer price index ^(e)	3.8	2¾	2½
Wage price index ^(f)	1.7	2¼	2¾
GDP deflator	2.9	2¾	–2
Labour market			
Participation rate ^(g)	66.1	66	66¼
Employment ^(f)	6.5	1	2
Unemployment rate ^(g)	5.1	4½	4¼
Balance of payments			
Terms of trade ^(h)	10.4	0	–18
Current account balance (per cent of GDP)	3.4	1½	–4¼
Net overseas migration ⁽ⁱ⁾	–100 000	–41 000	180 000

Note: The detailed forecasts for the domestic economy are based on several technical assumptions. The exchange rate is assumed to remain around its recent average level — a trade-weighted index of around 64 and a \$US exchange rate of around 77 US cents. Interest rates are assumed to move broadly in line with market expectations. World oil prices (Malaysian Tapis) are assumed to remain around US\$65/barrel. Population growth is around 0.1 per cent in 2020–21, 0.2 per cent in 2021–22 and 0.8 per cent in 2022–23.

(a) Percentage change on preceding year unless otherwise indicated.

(b) Calculated using original data unless otherwise indicated.

(c) Excluding second-hand asset sales from the public sector to the private sector.

(d) Percentage point contribution to growth in GDP.

(e) Through-the-year growth rate to the June quarter.

(f) Seasonally adjusted, through-the-year growth rate to the June quarter.

(g) Seasonally adjusted rate for the June quarter.

(h) The detailed forecasts are underpinned by price assumptions for key commodities: Iron ore spot price assumed to decline to US\$55/tonne free-on-board (FOB) by the end of the June quarter 2022; metallurgical coal spot price assumed to decline to US\$130/tonne FOB; and thermal coal spot price assumed to decline to US\$60/tonne FOB.

(i) The figure for 2020-21 consists of three quarters of preliminary actuals and one quarter of forecasts.

Source: Australian Government (2021), *Mid-year Economic and Fiscal Outlook 2021–22*, December, p. 28.



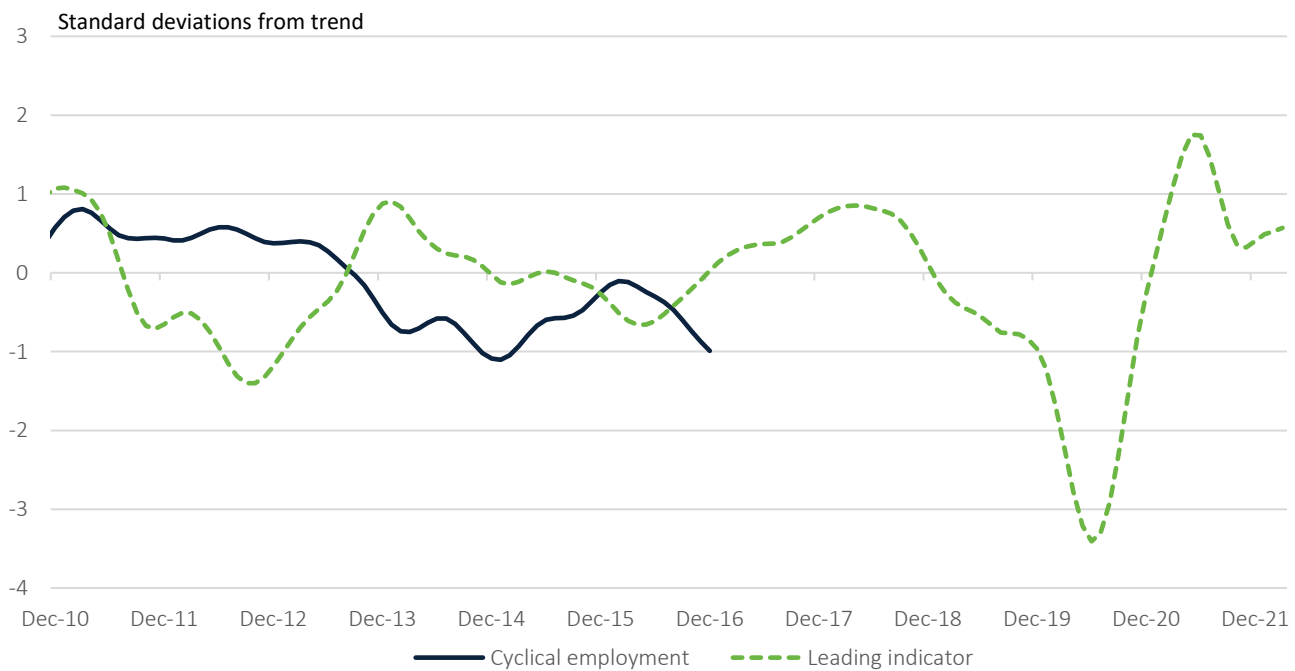
Table 14.4: RBA economy forecasts, growth rates

	Dec-21	Jun-22	Dec-22	Jun-23	Dec-23	Jun-24
Gross domestic product	5	5	4¼	2½	2	2
Unemployment rate*	4.7	4	3¾	3¾	3¾	3¾
Consumer price index	3.5	3¾	3¾	2¾	2¾	2¾
Trimmed mean inflation	2.6	3¾	2¾	2¾	2¾	2¾

Note: Percentage changes are for the year-ended. *Average rate in the quarter. Forecasts finalised on 2 February. Forecast assumptions—trade-weighted index of 60, Australian dollar at US\$0.71, Brent crude oil price at US\$85 per barrel, population growth broadly in line with the profile set out in the Australian Government’s 2021–22 Mid-year Economic and Fiscal Outlook; cash rate in line with market pricing ; and other elements of the Bank’s monetary stimulus are in line with the announcement made following the February 2022 Board meeting. Forecasts are rounded to the nearest quarter point. Lighter shaded regions are historical data.

Source: RBA (2022), *Statement on Monetary Policy*, February, p. 56.

Chart 14.1: Department of Education, Skills and Employment’s Leading Indicator of Employment, monthly leading indicator of employment



Note: The leading indicator has been transformed with revisions to the historical data. In addition, the cyclical employment series (derived from a centred six-year trend rate) has been temporarily suspended until more certainty emerges in the underlying trend in labour market activity.

Source: Department of Education, Skills and Employment, *Monthly Leading Indicator of Employment – Mar 2022*, <<https://www.dese.gov.au/employment-research-and-statistics/leading-indicator-employment-monthly-reports/leading-indicator-employment-latest-release/historical-data-leading-indicator-employment>>.



15. Costs of child care services

In its statement of 1 November 2013 in relation to the research program for the Annual Wage Review 2013–14, the Expert Panel noted that:

The Statistical Report will also refer to data on costs of child care services by providing a link to the relevant chapter in the ‘Report on Government Services’ produced by the Productivity Commission. [2013 FWCFB 8514, Attachment A, p. 3]

A link to Part B, *Child care, education and training*, from the latest Report on Government Services 2022 is provided here: <https://www.pc.gov.au/research/ongoing/report-on-government-services/2022/child-care-education-and-training>



16. Minutes of the Monetary Policy Meetings of the Reserve Bank Board and Statements on Monetary Policy

Minutes of 6 July 2021 Monetary Policy Meeting

<https://www.rba.gov.au/monetary-policy/rba-board-minutes/2021/2021-07-06.html>

Minutes of 3 August 2021 Monetary Policy Meeting

<https://www.rba.gov.au/monetary-policy/rba-board-minutes/2021/2021-08-03.html>

Minutes of 7 September 2021 Monetary Policy Meeting

<https://www.rba.gov.au/monetary-policy/rba-board-minutes/2021/2021-09-07.html>

Minutes of 5 October 2021 Monetary Policy Meeting

<https://www.rba.gov.au/monetary-policy/rba-board-minutes/2021/2021-10-05.html>

Minutes of 2 November 2021 Monetary Policy Meeting

<https://www.rba.gov.au/monetary-policy/rba-board-minutes/2021/2021-11-02.html>

Minutes of 7 December 2021 Monetary Policy Meeting

<https://www.rba.gov.au/monetary-policy/rba-board-minutes/2021/2021-12-07.html>

Minutes of 1 February 2022 Monetary Policy Meeting

<https://www.rba.gov.au/monetary-policy/rba-board-minutes/2022/2022-02-01.html>

Minutes of 1 March 2022 Monetary Policy Meeting

<https://www.rba.gov.au/monetary-policy/rba-board-minutes/2022/2022-03-01.html>

Statement on Monetary Policy—August 2021

<https://www.rba.gov.au/publications/smp/2021/aug/>



Fair Work
Commission

Statement on Monetary Policy—November 2021

<https://www.rba.gov.au/publications/smp/2021/nov/>

Statement on Monetary Policy—February 2022

<https://www.rba.gov.au/publications/smp/2022/feb/>



17. Business surveys

In the Annual Wage Review 2015–16 Decision, the Expert Panel noted that:

Official statistics on the situation of small business come with a substantial time lag. We accept that in these circumstances, the information provided by business surveys is useful. In particular, we note the assessment by the Australian Government and the RBA that information from the main business surveys (by ACCI, NAB and Sensis) have proved to be quite reliable predictors of output and employment growth. [2016 FWCFB 3500 at para. 298]

A link to each business survey referenced above is provided below:

NAB Quarterly Business Survey–December 2021

<https://business.nab.com.au/wp-content/uploads/2022/02/NAB-Quarterly-Business-Survey-December-2021.pdf>

NAB Quarterly Business Survey–September 2021

<https://business.nab.com.au/wp-content/uploads/2021/10/NAB-Quarterly-Business-Survey-September-2021-1.pdf>

Australian Chamber-Westpac Survey of Industrial Trends–December 2021

<https://www.australianchamber.com.au/wp-content/uploads/2021/12/ACCIWestpac2021Q4.pdf>

Australian Chamber-Westpac Survey of Industrial Trends–September 2021

https://www.australianchamber.com.au/wp-content/uploads/2021/09/AusChamberWestpac2021Q3_Report.pdf

Sensis Business Index–Spring 2020

<https://irp-cdn.multiscreensite.com/535ef142/files/uploaded/Spring%202020%20SBI%20report.pdf>

Sensis Business Index–August 2020

<https://irp-cdn.multiscreensite.com/535ef142/files/uploaded/August%202020%20SBI%20Report%20Final2.pdf>



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ABS, *Business Indicators, Australia*, December 2021.

ABS, *Business Conditions and Sentiments*, February 2021.

ABS, *Business Conditions and Sentiments*, June 2021.

ABS, *Business Conditions and Sentiments*, January 2022.

ABS, *Characteristics of Employment, Australia*, various.

ABS, *Consumer Price Index, Australia*, December 2021.

ABS, *Counts of Australian Businesses, Including Entries and Exits*, various.

ABS, *Employee Earnings and Hours, Australia*, various.

ABS, *Employee Earnings, Benefits and Trade Union Membership, Australia*, various.

ABS, *Estimates of Industry Multifactor Productivity*, 2020-21 financial year.

ABS, *Household Impacts of COVID-19 Survey*, February 2022.

ABS, *Household Income and Wealth, Australia*, various.

ABS, *Job Vacancies, Australia*, November 2021.

ABS, *Labour Account Australia*, December 2021.

ABS, *Labour Force, Australia*, February 2022.



ABS, *Labour Force, Australia, Detailed*, January 2022.

ABS, *Monthly household spending indicator*, December 2021.

ABS, *Retail Trade, Australia*, January 2022.

ABS, *Selected Living Cost Indexes, Australia*, December 2021.

ABS, *Wage Price Index, Australia*, December 2021.

ABS, *Weekly Payroll Jobs and Wages in Australia*, Week ending 12 February 2022.

Attorney-General's Department, *Trends in Federal Enterprise Bargaining*, September quarter 2021.

Attorney-General's Department, *Workplace Agreements Database*, September quarter 2021.

Australian Financial Security Authority, *Quarterly personal insolvency statistics*, December quarter 2021, <<https://www.afsa.gov.au/about-us/statistics/quarterly-personal-insolvency-statistics>>.

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Household, Income and Labour Dynamics in Australia Survey, Waves 16–20.

IMF (2022), *World Economic Outlook Update*, January, <<https://www.imf.org/en/Publications/WEO/Issues/2022/01/25/world-economic-outlook-update-january-2022>>.

Melbourne Institute of Applied Economic and Social Research, *Poverty Lines: Australia*, September quarter 2021.

OECD (2022), *Quarterly GDP (indicator)*, viewed 28 February 2022, <<http://data.oecd.org/gdp/quarterly-gdp.htm>>.

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[2013] FWCFB 8514, Attachment A, p. 3.