



Department of Consumer  
and Employment Protection  
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Labour Relations Division

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# Foreword

Western Australia's resilient labour market continued to lead the nation in the March 2008 quarter - most notably through sustained low unemployment, high total employment and comparably high participation rates.

Strong labour demand across most industries contributed to Western Australia's low unemployment rate. Western Australia recorded its highest employment figures in 30 years with total employment reaching 1,132,000 in March 2008.

Western Australia's tight labour market has contributed to moderate wages growth – the State's Wage Price Index increased by 1.0 per cent in the March quarter 2008.

Average Weekly Ordinary Time Earnings in WA rose by 3.7 per cent in the February quarter 2008 – an increase from 2.4 per cent in the previous quarter.

Inflation in Perth continued to track marginally above the national average during the reporting period. The Perth CPI rose by 1.4 per cent in the March quarter 2008, up from the 0.8 per cent recorded in the previous quarter. The annual inflation rate for Perth for the year to March 2008 was 4.3 per cent, slightly higher than the corresponding national rate of 4.2 per cent.

The number of working days lost per thousand employees in Western Australia increased to 6.9 in the March quarter 2008 – well above the corresponding national figure of 4.6. Western Australia accounted for 6,800 of the reported 42,800 total days lost throughout Australia in the March quarter 2008.

The Western Australian Industrial Relations Commission registered seven industrial agreements in the March quarter 2008 – resulting in an average annualised wage increase per employee of 4.2 per cent. All agreements registered for the quarter related to public sector employment.

## Summary of key Western Australian results for the March quarter 2008

Indicator	Result
Average Weekly Ordinary Time Earnings	3.7 per cent
Wage Price Index	1.0 per cent
Consumer Price Index	1.4 per cent
Gender Pay Gap	27.9 per cent
Unemployment rate	3.3 per cent
Industrial disputes (days lost per thousand employees)	6.9
Number of industrial agreements registered	7
Average annualised wage increase per employee for agreements registered	4.2 per cent

# Contents

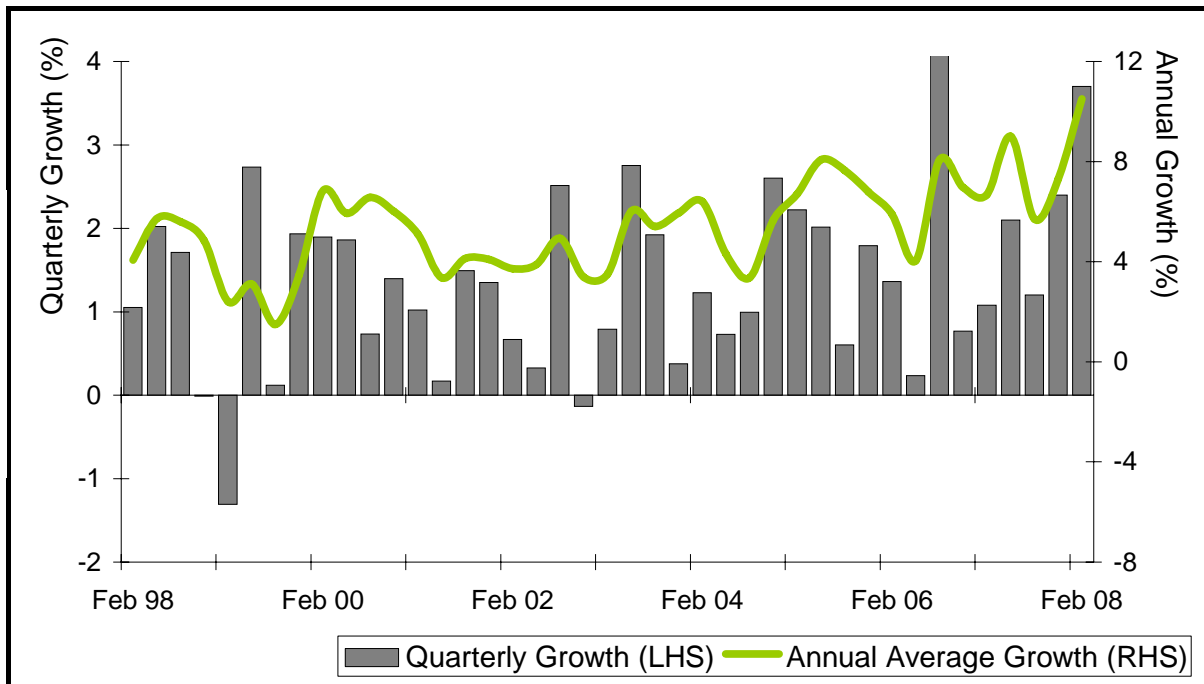
<b>FOREWORD .....</b>	<b>2</b>
<b>CONTENTS.....</b>	<b>3</b>
<b>CONTENTS.....</b>	<b>3</b>
<b>WAGES.....</b>	<b>4</b>
<i>Average Weekly Ordinary Time Earnings.....</i>	<i>4</i>
<i>Wage Price Index.....</i>	<i>5</i>
<i>Real Wages .....</i>	<i>6</i>
<i>Gender Pay Gap.....</i>	<i>7</i>
<b>INFLATION .....</b>	<b>8</b>
<i>Consumer Price Index.....</i>	<i>8</i>
<b>EMPLOYMENT .....</b>	<b>9</b>
<i>Employment Growth .....</i>	<i>9</i>
<i>Unemployment.....</i>	<i>10</i>
<i>Youth Unemployment .....</i>	<i>10</i>
<i>Participation Rate .....</i>	<i>11</i>
<b>INDUSTRIAL CONFLICT.....</b>	<b>12</b>
<i>Industrial Disputes .....</i>	<i>12</i>
<b>AGREEMENT MAKING .....</b>	<b>13</b>
<i>Industrial Agreements.....</i>	<i>13</i>

# Wages

## Average Weekly Ordinary Time Earnings

Average Weekly Ordinary Time Earnings (AWOTE) in Western Australia rose to \$1260.10 per week in the February quarter 2008. This represents a 3.7 per cent increase for the quarter and a 10.5 per cent increase during the year to February 2008. Nationally, AWOTE grew by 1.1 per cent for the quarter and 4.8 per cent during the year.

AWOTE • Western Australia • seasonally adjusted



Source: ABS Cat. 6302.0

WA continues to record the highest average earnings amongst all Australian states. In contrast, Tasmanian workers earned less (on average) than workers in other States, recording an AWOTE of \$1020.20 per week in the February quarter 2008.

AWOTE • state comparison • seasonally adjusted

State	AWOTE August Qtr 2007	Quarterly growth (per cent)	Annual growth (per cent)
WA	\$1260.10	3.7	10.5
NSW	\$1152.80	0.7	3.3
VIC	\$1095.70	1.4	4.4
QLD	\$1052.80	0.6	4.2
SA	\$1042.00	- 0.3	4.2
TAS	\$1020.20	0.7	3.6
AUS	\$1124.00	1.1	4.8

Source: ABS Cat. 6302.0

## Wage Price Index

Western Australia's Wage Price Index (WPI) increased by 1.0 per cent in the March quarter 2008, down from the 1.3 per cent increase recorded in the previous quarter.

Nationally, the WPI increased by 0.9 per cent, down from the 1.0 per cent increase recorded in the previous quarter.

### Quarterly WPI • state comparison by sector • original data (per cent)

Sector	WA	NSW	VIC	QLD	SA	TAS	AUS
All	1.0	1.0	1.0	0.8	0.9	0.9	0.9
Private	1.0	0.9	1.0	0.9	0.9	0.3	0.9
Public	0.8	1.2	0.6	0.6	1.1	1.7	0.8

Source: ABS Cat. 6345.0

In the 12 months to March 2008, the annual WPI growth rate in WA was 5.9 per cent, up 0.2 percentage points from the annual increase recorded in the previous quarter. This was driven by a 6.2 per cent increase in the private sector.

Nationally, the annual WPI growth rate was 4.1 per cent, down 0.1 per cent from the annual increase recorded in the previous quarter.

### Annual WPI • state comparison by sector • original data (per cent)

Sector	WA	NSW	VIC	QLD	SA	TAS	AUS
All	5.9	3.7	3.7	4.1	4.6	3.6	4.1
Private	6.2	3.7	4.0	4.0	4.8	3.3	4.2
Public	4.7	4.1	2.7	4.5	4.4	4.1	3.9

Source: ABS Cat. 6345.0

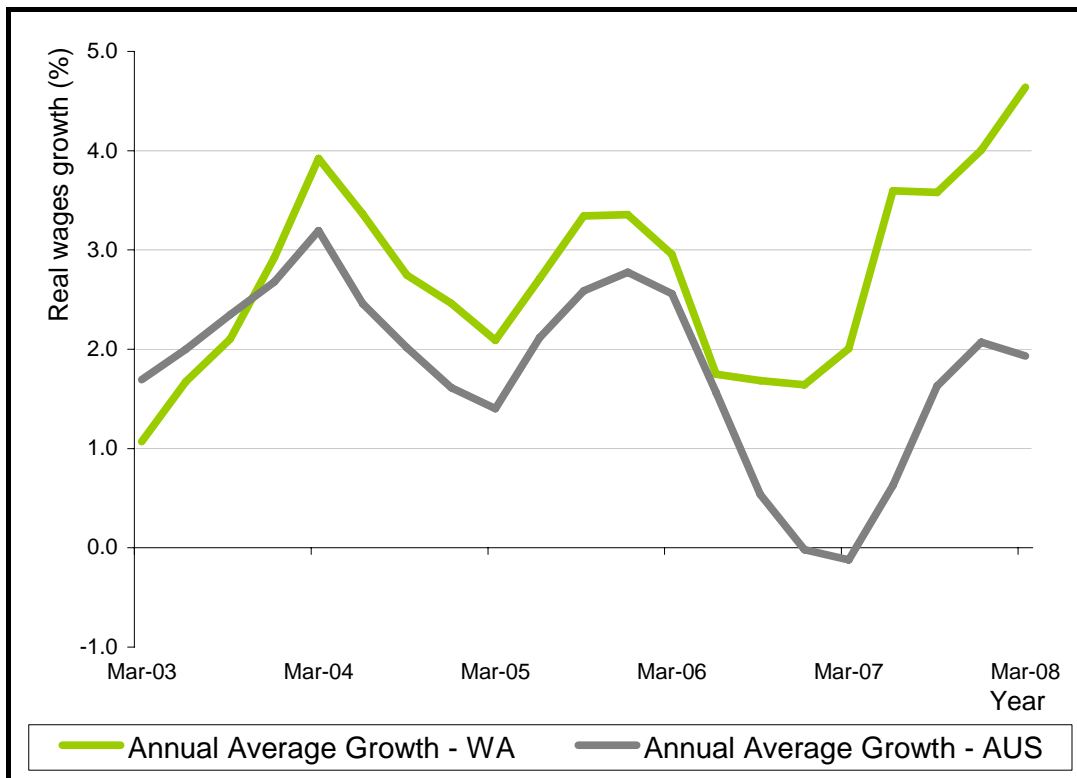
## Real Wages

Real wages growth compares AWOTE figures with the Consumer Price Index (CPI) to determine the growth or decline of wages in real terms.

In the March quarter 2008 the annual average rate of real wages growth in WA increased from 4.00 per cent to 4.64 per cent. During the same period, Australian real wages growth decreased from 2.07 per cent to 1.93 per cent in annual average terms.

Western Australia has now recorded 26 consecutive quarters of positive real wages growth.

Average annual real wages growth • Western Australia and Australia



Source: ABS Cat. 6302.0, 6410.0

Average annual real wages growth • Western Australia and Australia

Quarter	Western Australia (per cent)	Australia (per cent)
June 2007	3.60	0.63
September 2007	3.58	1.63
December 2007	4.00	2.07
March 2008	4.64	1.93

Source: ABS Cat. 6302.0, 6410.0

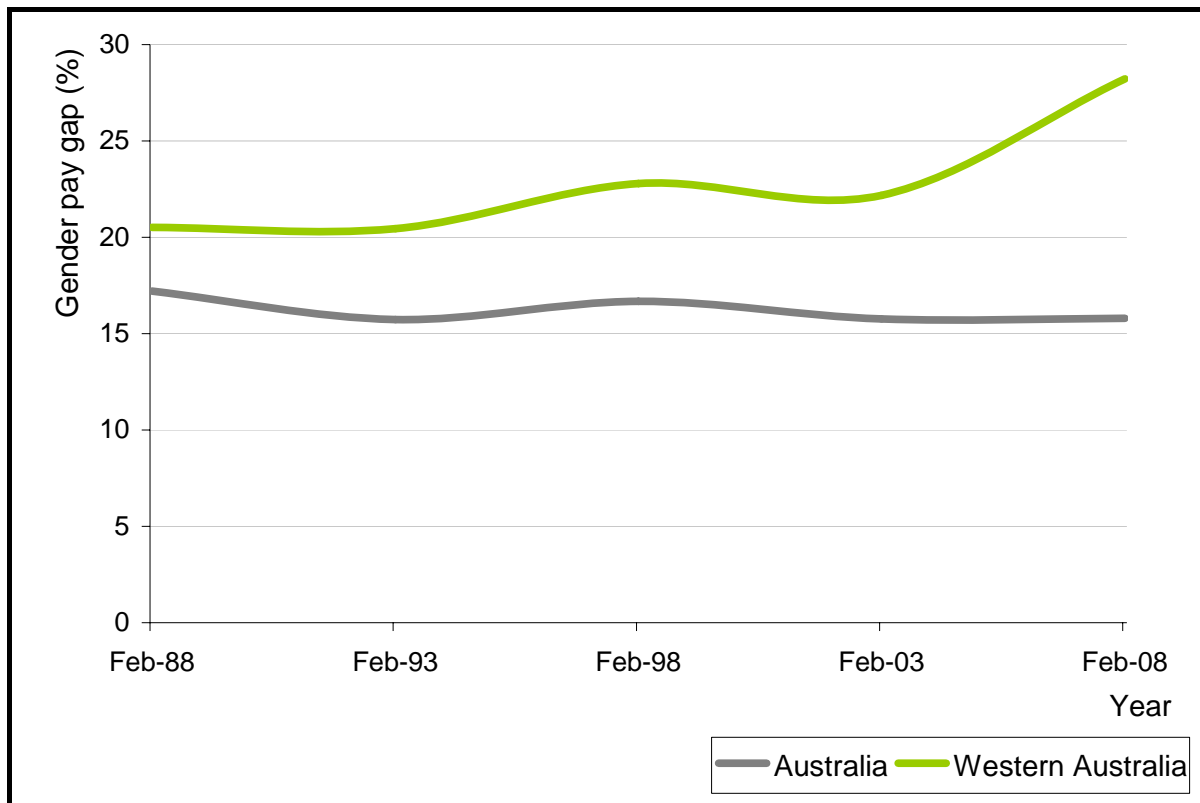
## Gender Pay Gap

The gender pay gap (GPG) refers to the difference in average earnings of men and women. The GPG is calculated using AWOTE data, thereby excluding part time and casual employees, and overtime payments.

The GPG in WA was 27.9 per cent in the March quarter 2008. This represents an increase of 0.5 percentage points from the December quarter 2007 (27.4 per cent).

The national average GPG was 15.6 per cent. This represents a decrease of 0.3 percentage points from the previous quarter (15.9 per cent).

Gender pay gap • Western Australia and Australia



Source: ABS Cat. 6302.0

Gender pay gap • state comparison

Quarter	WA	NSW	VIC	QLD	SA	TAS	AUS
November 2007	27.4	15.2	14.8	13.6	14.6	9.4	15.9
February 2008	27.9	14.8	14.1	12.9	15.0	9.2	15.6
Percentage change	+0.5	-0.4	-0.7	-0.7	+0.4	-0.2	-0.3

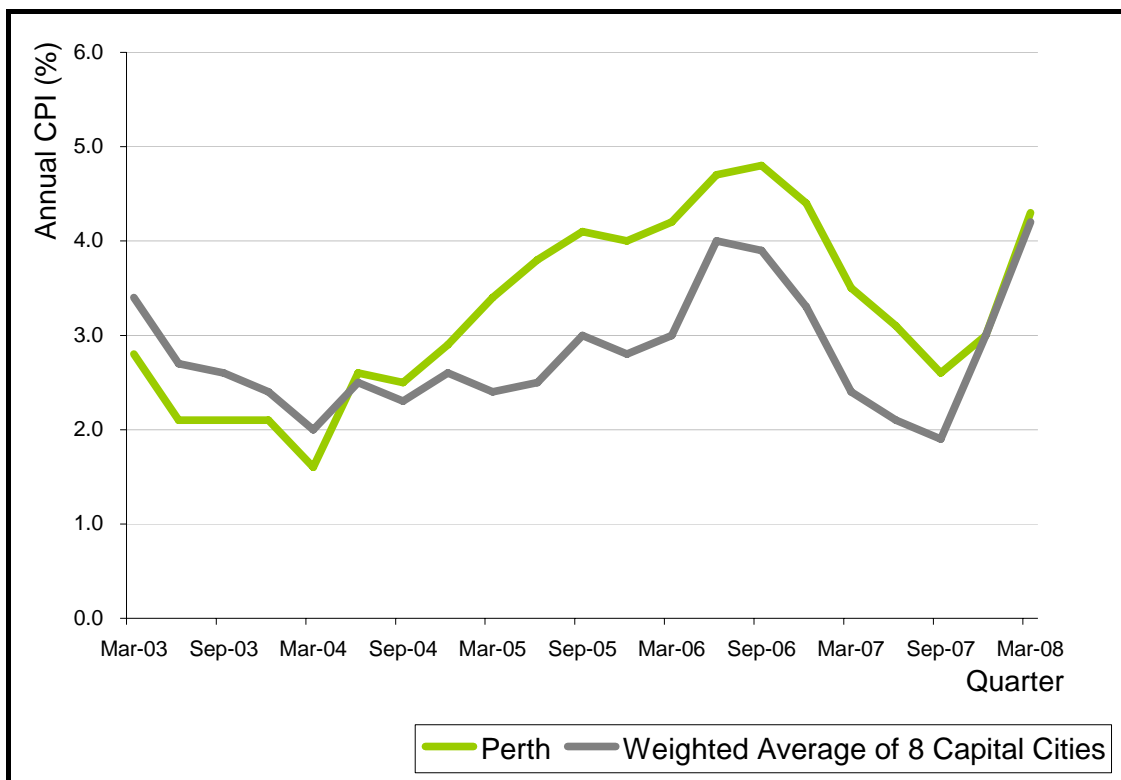
# Inflation

## Consumer Price Index

The quarterly Consumer Price Index (CPI) for Perth was 1.4 per cent for the March quarter 2008 - an increase from the December quarter 2007 rate of 0.8 per cent. The quarterly CPI increased in all capital cities for the March quarter 2008.

The annual CPI for Perth for the year to March 2008 was 4.3 per cent - up from the 3.0 per cent recorded in the year to December 2007. The corresponding rate across the eight capital cities was 4.2 per cent - up from the 3.0 per cent recorded in the year to December 2007.

CPI • Perth and national average • seasonally adjusted (per cent)



Source: ABS Cat. 6401.0

CPI • Australian capital cities • seasonally adjusted (per cent)

Location	Quarterly growth	Annual growth
Perth	1.4	4.3
Sydney	1.4	3.9
Melbourne	1.3	4.4
Brisbane	1.3	4.8
Adelaide	1.5	4.5
Hobart	1.3	3.8
Darwin	0.9	3.9
Canberra	1.4	4.6
Average of eight capitals	1.3	4.2

Source: ABS Cat. 6401.0

# Employment

## Employment Growth

By the end of the March quarter 2008, total employment in Western Australia had grown to 1,132,000 persons on a seasonally adjusted basis. Of the total workforce 818,300 persons (or 72.3 per cent) were employed on a full time basis, while 313,700 persons (or 27.7 per cent) were employed on a part time basis.

Full time employment in Western Australia rose by 5.0 per cent in the year to March 2008, while part time employment remained steady.

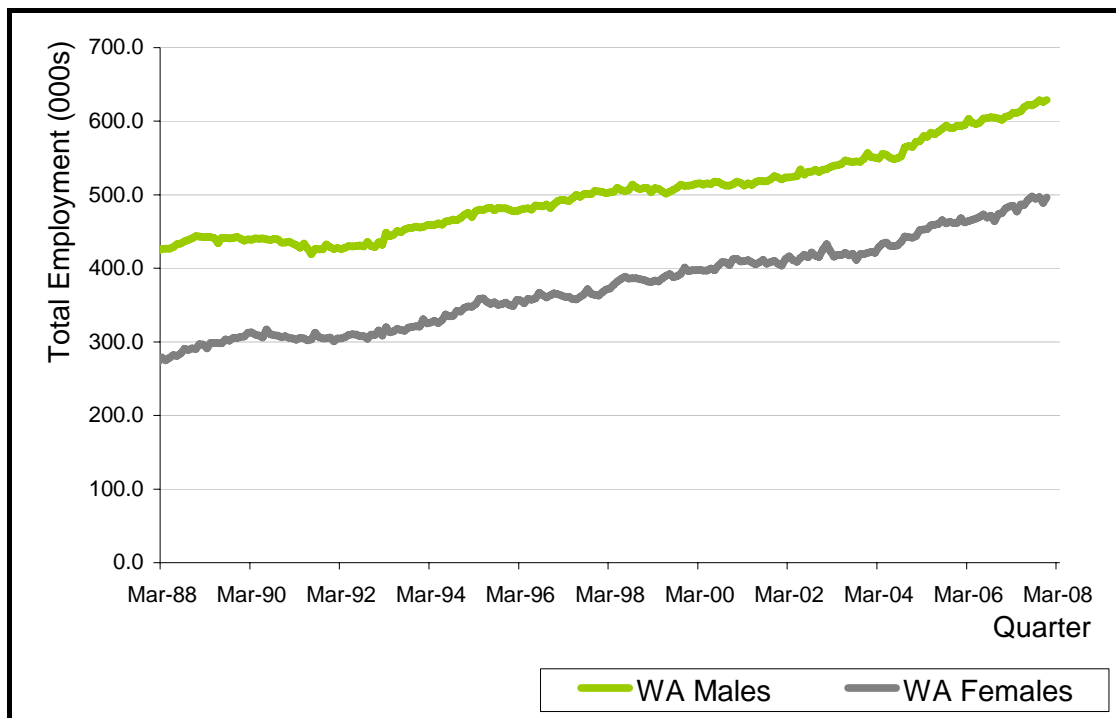
In March 2008 there were 633,400 employed males in Western Australia - an increase of 20,600 (or 3.4 per cent) from a year earlier. At the same time there were 498,600 employed females in Western Australia - an increase of 13,300 (or 2.7 per cent) from a year earlier.

Employment growth by sex • Western Australia • seasonally adjusted

Demographic	March 2007	March 2008	Annual increase (per cent)
Males	612,800	633,400	3.4
WA Females	485,300	498,600	2.7
Total	1,098,100	1,132,000	3.1

Source: ABS Cat. 6202.0

Employment growth by sex • Western Australia • seasonally adjusted



Source: ABS Cat. 6202.0

## Unemployment

In the March quarter 2008 the seasonally adjusted unemployment rate in Western Australia stood at 3.4 per cent in January, 2.8 per cent in February and 3.3 per cent in March. This was the lowest of all States.

Nationally, the seasonally adjusted unemployment rate was 4.1 per cent in January, 4.0 per cent in February and 4.1 per cent in March.

### Unemployment rate • state comparison • seasonally adjusted (per cent)

State	January 2008	February 2008	March 2008
WA	3.4	2.8	3.3
NSW	4.5	4.2	4.3
VIC	4.5	4.1	4.3
QLD	3.4	3.6	3.6
SA	4.6	4.5	4.6
TAS	5.0	5.1	4.8
AUS	4.1	4.0	4.1

Source: ABS Cat. 6202.0

## Youth Unemployment

The youth unemployment rate measures the proportion of 15-19 year olds in the labour force looking for full time work in any given month.

In the March quarter 2007 Western Australia maintained the lowest youth unemployment rate for the states - recording figures of 11.1 per cent in January, 7.6 per cent in February and 9.8 per cent in March.

Nationally, the youth unemployment rate was 14.1 per cent, 13.5 per cent and 13.2 per cent respectively during the same period.

### Youth unemployment rate • state comparison • original data (per cent)

State	January 2008	February 2008	March 2008
WA	11.1	7.6	9.8
NSW	15.5	14.9	15.3
VIC	14.8	14.6	12.5
QLD	11.1	12.0	11.8
SA	16.2	16.8	14.9
TAS	18.3	15.7	14.2
AUS	14.1	13.5	13.2

Source: ABS Cat. 6202.0

## Participation Rate

The participation rate measures the proportion of the civilian population aged 15 and over participating in the labour force.

In the March quarter 2008 WA maintained a high level of labour force participation, recording figures of 68.9 per cent in January, 68.2 per cent in February and 68.3 per cent in March.

### Participation rate • state comparison • seasonally adjusted (per cent)

State	January 2008	February 2008	March 2008
WA	68.9	68.2	68.3
NSW	63.5	63.5	64.1
VIC	65.4	65.0	64.5
QLD	66.6	67.0	66.9
SA	62.6	62.9	63.0
TAS	61.0	60.7	60.0
AUS	65.2	65.2	65.2

Source: ABS Cat. 6202.0

### Participation rate by sex • state comparison • seasonally adjusted (per cent)



Source: ABS Cat. 6202.0

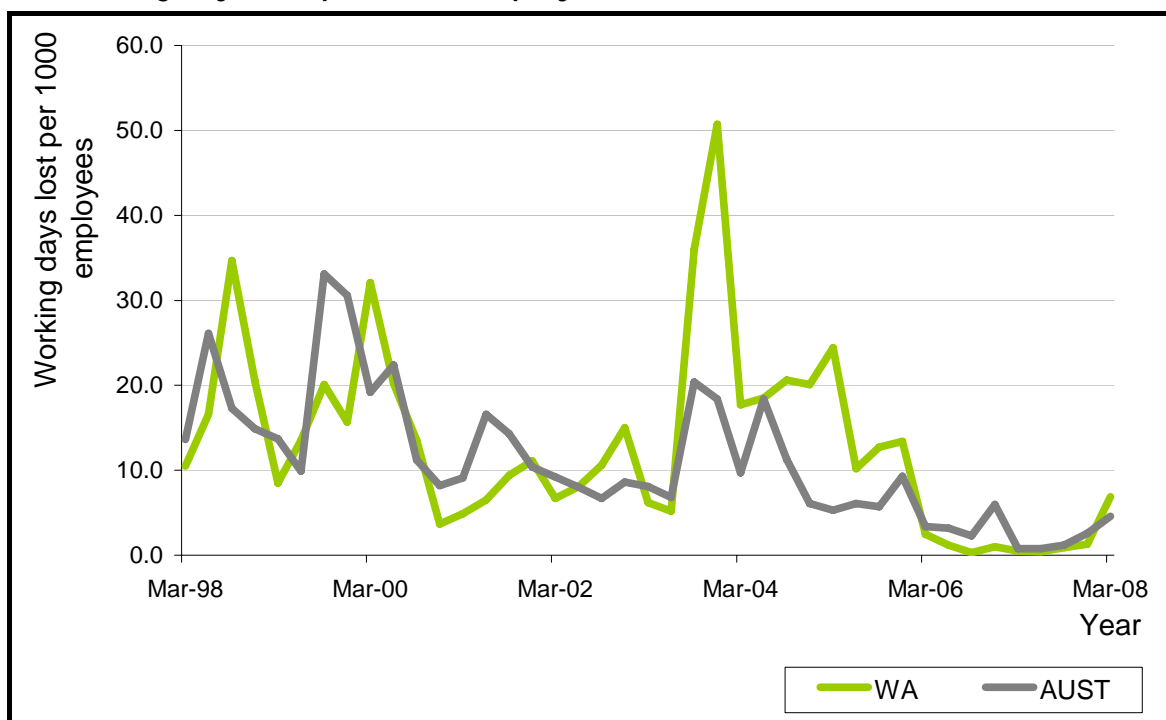
# Industrial Conflict

## Industrial Disputes

The Australian Bureau of Statistics publishes quarterly figures on industrial disputation. The key indicator working days lost per thousand employees is averaged over the quarter and figures for total working days lost are aggregated for each quarter.

The level of industrial disputation in Western Australia increased in the March quarter 2008 - but remained low by historical standards. The number of working days lost per thousand employees in Western Australia rose to 6.9 in the March quarter 2008, up from the December quarter 2007 figure of 1.3.

Working days lost per 1000 employees • Western Australia and Australia



Source: ABS Cat. 6321.0.55.001

Industrial disputes • state and territory comparison<sup>1</sup>

State	Working days lost per 1000 employees	Total working days lost
WA	6.9	6,800
NSW	na	na
VIC	na	na
QLD	0.1	100
SA	0.2	100
TAS	0.9	200
NT	6.2	600
ACT	0.1	0
AUS	4.6	42,800

Source: ABS Cat. 6321.0.55.001

<sup>1</sup> The Australian Bureau of Statistics was unable to provide data for New South Wales and Victoria in the March quarter 2008.

# Agreement Making

## Industrial Agreements

In the March quarter 2008 the Western Australian Industrial Relations Commission (WAIRC) registered a total of seven industrial agreements, covering 12,524 employees. This compares to a total of ten industrial agreements registered in the December quarter 2007, covering a total of 6,016 employees.

All industrial agreements registered in the March quarter 2008 related to public sector employment.

Only three agreements registered during this period contained quantifiable wage outcomes. The average annualised wage increase (AAWI) **per employee** for the March quarter 2008 was 4.2 per cent – a marginal increase of 0.1 per cent from the December quarter 2007.

The AAWI **per agreement** was 4.6 per cent – moderately higher than the 4.1 per cent recorded in the December quarter 2007.

AAWI **per employee** is considered a better measure of wage outcomes from collective agreements, as it is weighted to take account of the number of employees covered by each agreement

Quarterly wage outcomes can be volatile. Collective agreements covering a large number of employees can distort the overall AAWI **per employee** figure. For instance, in this quarter one industrial agreement with a quantifiable wage outcome covered 12,500 employees - whilst the remaining two accounted for only 24 employees.

Industrial agreements registered with the WAIRC

Quarter	Number of agreements registered	Number of employees covered	AAWI per employee
June quarter 2007	27	13492	3.5
September quarter 2007	19	4028	4.1
December quarter 2007	10	6016	4.1
March quarter 2008	7	12524	4.2

Source: Labour Relations DOCEP Database