

# Wage Price Index – September Quarter 2018

## ABS Cat. No. 6345.0

Publication Release Date: 14 November 2018 | Brief Release Date: 14 November 2018 | Next Brief Release Date: 20 February 2019

### ACT Wage Price Index grew by 0.8 per cent in the September Quarter 2018

#### ACT (Original)<sup>1</sup>

The Wage Price Index (WPI)<sup>2</sup> increased by 0.8 per cent in the September quarter 2018. Through the year<sup>3</sup> to the September quarter 2018, WPI increased by 2.2 per cent.

In the September quarter 2018, public sector WPI increased by 0.7 per cent and private sector WPI increased by 0.9 per cent. Through the year to the September quarter 2018, public sector WPI increased by 2.0 per cent, while private sector WPI increased by 2.2 per cent.

#### National (Seasonally adjusted)

The Wage Price Index increased by 0.6 per cent in the September quarter 2018. Through the year to the September quarter 2018, WPI increased by 2.3 per cent.

In the September quarter 2018, public sector WPI increased by 0.6 per cent and private sector WPI increased by 0.5 per cent. Through the year to the September quarter 2018, public sector WPI increased by 2.5 per cent and private sector WPI increased by 2.1 per cent.

### Wage Price Index, ACT and Australia, September Quarter 2018

	Index <sup>(a)</sup>	Change (%)	
		Quarterly	tty <sup>3</sup>
<b>ACT — Original</b>			
Private	128.2	0.9	2.2
Public	128.0	0.7	2.0
<b>Total</b>	<b>128.2</b>	<b>0.8</b>	<b>2.2</b>
<b>Australia — Seasonally Adjusted</b>			
Private	128.9	0.5	2.1
Public	132.6	0.6	2.5
<b>Total</b>	<b>129.8</b>	<b>0.6</b>	<b>2.3</b>

Source: ABS Cat. No. 6345.0; (a) Reference period of each index is 2008-09 = 100.0

### Commentary

In the **September quarter 2018**, the ACT's WPI growth of 0.8 per cent was the highest quarterly outcome in four years, though was still the third-weakest of all jurisdictions. The ACT's result was driven by both growth in private sector WPI (up 0.9 per cent) and public sector WPI (up 0.7 per cent). ACT private sector WPI recorded the highest quarterly growth since the September quarter 2016 while ACT public sector WPI growth was the highest since the June quarter 2016.

<sup>1</sup> Data for states and territories is available in original terms only; original data should be used with caution due to its volatility.

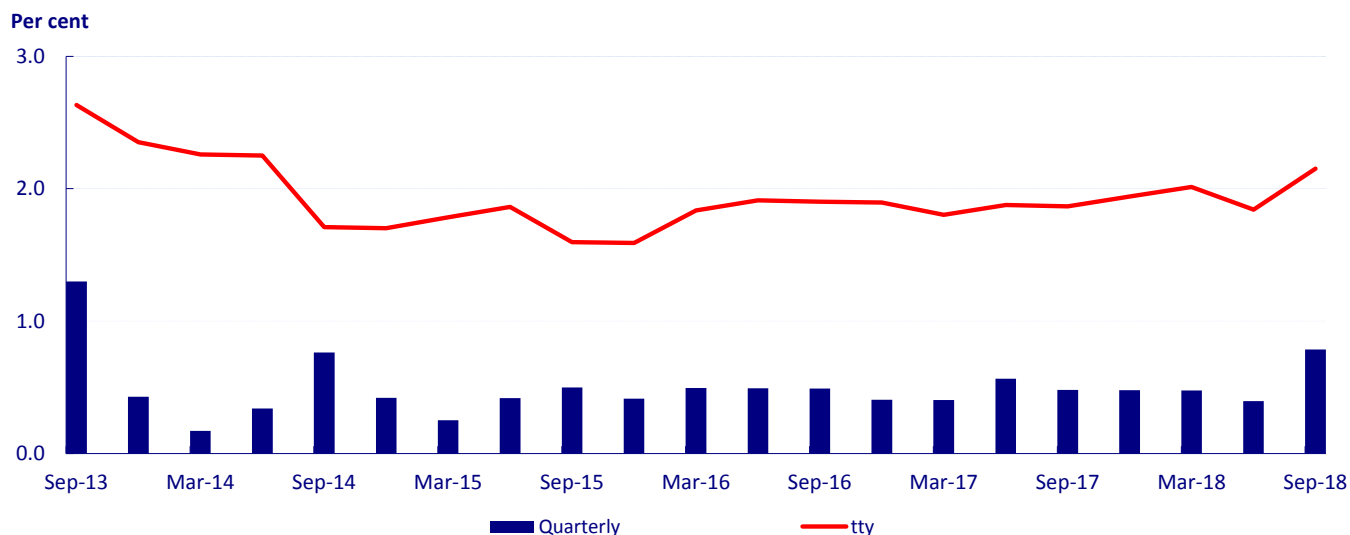
<sup>2</sup> Total hourly rates of pay excluding bonuses.

<sup>3</sup> Through the year (tty) is the percentage change from the same quarter in the previous year.

In **through the year terms**, the ACT's growth of 2.2 per cent was the highest since the June quarter 2014, though was still the third weakest result of any jurisdiction. ACT private sector WPI grew by 2.2 per cent through the year. ACT public sector WPI grew by 2.0 per cent through the year to the September quarter 2018, though has now been below the national through the year growth rate for over five years.

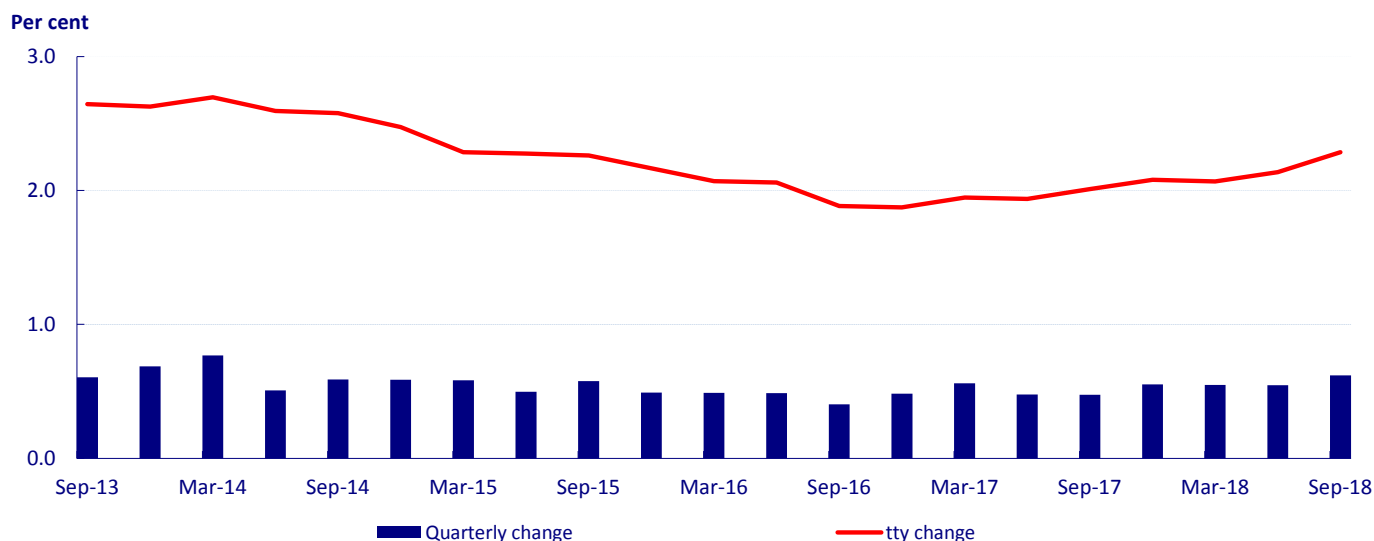
A key factor affecting wages growth in the ACT is that as of February 2018, new Commonwealth public sector wage agreements must limit wages growth to no higher than 2 per cent per annum, for the foreseeable future.

### Wage Price Index — ACT (Original Data)



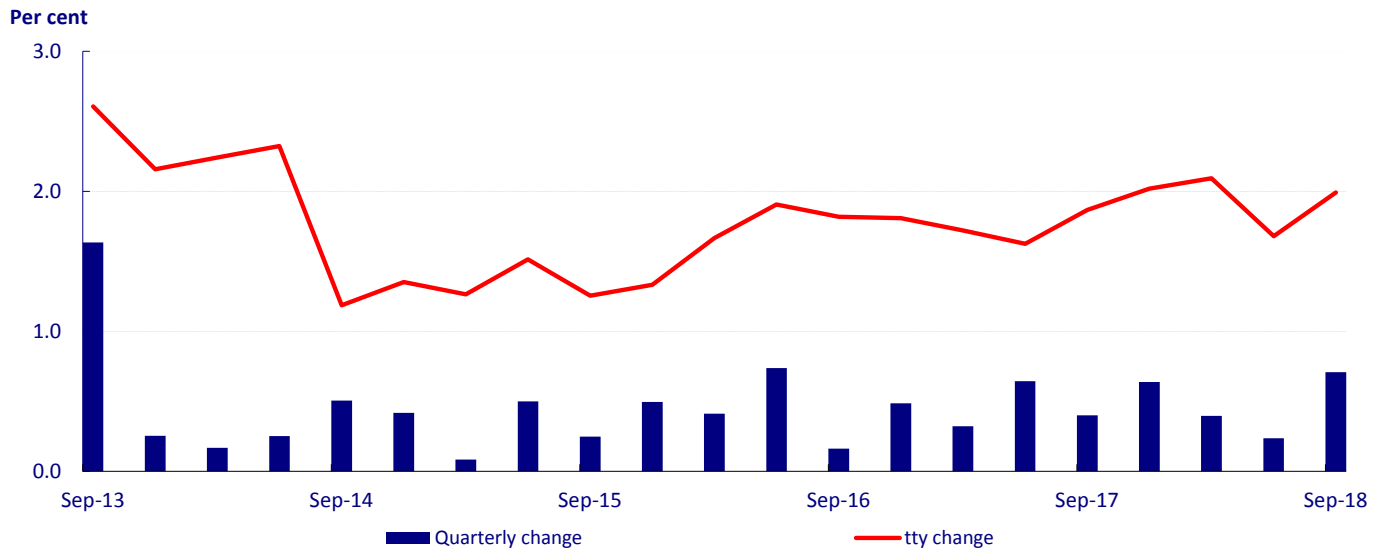
Source: ABS Cat. No. 6345.0

### Wage Price Index — Australia (Seasonally Adjusted Data)



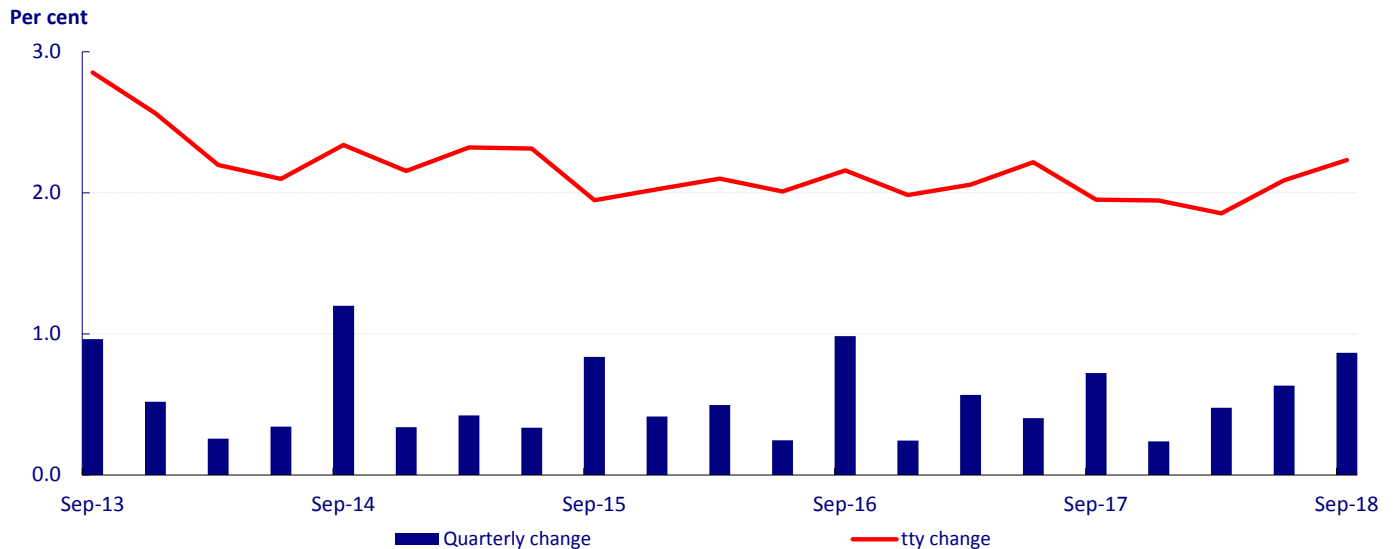
Source: ABS Cat. No. 6345.0

## ACT Wage Price Index — Public Sector (Original Data)



Source: ABS Cat. No. 6345.0

## ACT Wage Price Index — Private Sector (Original Data)



Source: ABS Cat. No. 6345.0

### Definition

The WPI is a price index which measures changes over time in wages and salaries for employee jobs, unaffected by changes in the quality or quantity of work performed. Changes in wages and salaries resulting from changes in the composition of the labour market are excluded from the WPI movements.

### Weighting

The weights used to compile the WPI were updated in the December quarter 2016 using expenditure on wages and salaries from the 2016 Survey of Employee Earnings and Hours. The weighting data are adjusted for price change to represent current period values.