

For Information

PROJECT 4/381

THE LABOUR FORCE SURVEY

History

The Labour Force Survey has been conducted Australia-wide since February 1964. Between February 1964 and November 1977 it was conducted quarterly and has been carried out monthly since February 1978.

Objectives and uses

The survey is concerned with measuring the characteristics of Australia's civilian population and the changes in these characteristics over time. It is particularly important as a means of monitoring the relationships between the "employed", "unemployed" and "not in the labour force" groups within the community.

Employment and unemployment data are important economic indicators and as such, are used by Commonwealth and State governments, business, arbitration authorities and industrial tribunals, the media, and university and other research workers to provide a better understanding of the current economic situation. Although the unemployment figures from this survey are currently given most emphasis by the media, the true performance of the economy could not be measured adequately without figures representing *all* groups within the population.

Survey details

The Labour Force Survey is based on a multi-stage area sample of private dwellings (about 33,000 houses, flats, etc.) and non-private dwellings (hotels, motels, etc.) and covers about two-thirds of one per cent of the population of Australia.

The information is obtained monthly from the occupants of selected dwellings by carefully chosen and specially trained interviewers. The information is collected during two consecutive interview weeks, the first of which commences on the Monday between the 6th and 12th of each month. The information obtained relates to the week before the interview week (i.e. the Survey Week).

Dwellings are usually rotated out of the sample after eight months (eight consecutive surveys) and the sample is revised for growth as required. The sample is completely reselected after each Population Census.

Scope

The Labour Force Survey includes all persons aged 15 years and over except:

- (a) Members of the permanent defence forces;
- (b) Certain diplomatic personnel of overseas governments, customarily excluded from Census and estimated populations;
- (c) Overseas residents in Australia; and
- (d) Members of non-Australian defence forces (and their dependents) stationed in Australia.

Coverage

The Labour Force Survey measures the characteristics of persons in the labour force. Therefore all persons must stand a chance of selection. The multi-stage sample design allows progressively smaller areas and finally dwellings to be selected in such a way as to ensure that each dwelling stands a chance of selection. Interviewers then apply "Coverage" rules at each dwelling to ensure that each person is associated with one and only one dwelling.

Responsibility for the Labour Force Survey

Manpower Household Surveys Section in Central Office undertakes output processing to produce estimates, tabulation of estimates and publication preparation. This section and the corresponding section in each State/Territory Office then disseminates the estimates, using published and unpublished data.

Definitions

The labour force category to which a person is assigned depends on the actual activity undertaken during the survey week (i.e. whether working, looking for work, etc.) during the survey week. Definitions conform closely to the international standard definitions specified by the International Labour Organisation (I.L.O.) and may be found in the Explanatory Notes to the monthly bulletin "The Labour Force Australia" (Catalogue No. 6203.0).

Information collected

A wide range of data is collected from the survey including the following:

- Demographic characteristics (e.g. age, sex, marital status, birthplace and date of arrival in Australia, and family type);
- Labour force category (i.e. "employed", "unemployed", or "not in the labour force");
- For employed persons, "industry and occupation" (quarterly), "hours worked", "reasons for full-time workers working less than 35 hours", and "details of under-employment";
- For unemployed persons, "duration of unemployment", "industry and occupation of last full-time job", "active steps taken to find work", and "whether looking for full-time or part-time work";
- For persons not in the labour force, whether "looking for work", etc.

Data are currently produced on a National, State, and within States, on a Capital City Statistical Division and "Rest of State" basis. Regional estimates of the labour force are now being published on a regular basis (quarterly). Information Paper—"Release of Regional Labour Force Statistics" (6262.0) contains more information about the release of regional data. The publication of regional estimates has proved popular with users, resulting in increased demand for information.

Sampling or standard error

Since this collection is a sample survey, the results will be subject to sampling/standard error, which is a measure of the variability that occurs by chance because a sample, rather than the entire population, is surveyed. The standard error is applied in the following way:

Suppose we are using a sample to measure a certain characteristic x . The sample gives a result of x with a standard error of s . We can be 66 per cent confident that a census value would have been within the range $x \pm s$ and 95 per cent confident that the census value would have been within the range $x \pm 2s$.

Now suppose that in period 'a' the survey result is x_a and in period 'b' the survey result is x_b , that is, the estimated change in the characteristic is $x_b - x_a$, then the standard error of the estimate of this change or movement can be calculated. Since the objective of the Labour Force Survey is to measure change in labour force characteristics, a desirable aim is to minimise this standard error of movement. Because of the error, all changes in figures (e.g. increase/decrease in employment levels from one period to another) are generally not regarded as significant unless the difference is at least two standard errors.

Non-sampling error

The imprecision due to sampling variability, which is measured by the standard error should not be confused with inaccuracies which may occur because of imperfections in reporting by respondents, errors made in collection such as in recording and coding of data, and errors made in processing the data. Inaccuracies of this kind are referred to as the non-sampling error and they may occur in any collection whether it is a sample or a full count.

Every effort is made to reduce the non-sampling error to a minimum by careful questionnaire design aided by pilot testing, intensive training and retraining of interviewers and processing staff, continual field supervision of interviewers and efficient operation procedures.

Monthly supplementary surveys

The Monthly Labour Force Survey provides a convenient vehicle for the conduct of regular national "Supplementary" surveys on a wide variety of topics as approved by the Population Survey Planning Committee (PSPC) in Central Office. Questions on these topics are combined with Labour Force questions on a single questionnaire. Supplementary survey results are published separately but an indication of some of the surveys recently conducted may be found in the bulletin, "The Labour Force, Australia" (Catalogue No. 6203.0).

October each year is set aside for the conduct of supplementary surveys specific to each State. Topics are sought from State Government Departments and Authorities and, if endorsed by the State Statistical Coordinating Committee are submitted to the Population Survey Planning Committee (PSPC) in Central Office for approval. Development, testing, tabulation and publication functions as well as normal collection and processing are State responsibilities.

Publications

Monthly

6202.0 The Labour Force, Australia, Preliminary
 6203.0 The Labour Force, Australia
 6201.2 The Labour Force, Victoria

Quarterly

6201.1 The Labour Force (Including Regional Estimates), New South Wales
 6202.2 The Labour Force, Victorian Regions
 6201.3 The Labour Force, Queensland
 6204.3 The Labour Force: Regional Estimates, Queensland
 6201.4 The Labour Force, South Australia
 6201.5 The Labour Force, Regional Estimates, Western Australia

Information papers

6232.0 Questionnaires Used in the Labour Force Survey
 6262.0 Release of Regional Labour Force Statistics
 6263.0 Comparison of Employment Estimates from the Labour Force Survey and the Survey of Employment and Earnings.

Telephone contact numbers

Published statistics	52-6627
Unpublished statistics	52-6525

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