

LABOUR STATISTICS IN BRIEF
FACT SHEET 1

Labour statistics are of importance and interest from both economic and social perspectives. This fact sheet provides a brief overview of data available from the ABS relating to the Australian labour market.

Key Facts

Table 1 provides a comparison of key labour statistics over a 10-year period. Over this period, the number of employed people increased by 17%, from 10.4 million in 2007 to 12.2 million; however, this increase was smaller than the increase to the civilian population (persons aged 15 years and over), and as such, the employment to population ratio decreased.

The labour force includes the total number of employed and unemployed persons. From 2007 to 2017, total labour force participation remained around 65%; however, the male participation rate decreased by 1.8 percentage points, while the female participation rate increased by 1.7 percentage points.

In 2017, on average 31.7% of employed persons were employed part-time, up from 28.3% in 2007. The shift to part-time employment was greater for males than females, with the proportion of males in part-time employment increasing 3.5 percentage points.

Over the same period, the underemployment rate also increased from 6.3% in 2007 to 8.6% in 2017. While this may be driven by the increasing number of persons in part-time work, the average hours worked per week by full-time employees decreased from 45.6 hours to 44.9 hours.

In 2017, the annual average unemployment rate was 1.2 percentage points higher than that of 2007, at 5.6%. In both years, the unemployment rate was higher for females.

Total job vacancies in November 2017 were 210,800, which was an increase throughout the year of 16.8%. In comparison to November 2007, with 179,700 job vacancies, this was an annual increase of 12.4%. Job vacancies were higher in 2017 for both private and public sectors, with the largest growth in the private sector, up 19.1%.

In the twelve months to May 2017, full-time adult average weekly ordinary time earnings trend estimates increased by 1.8% to \$1,543.80. The full-time adult average weekly total earnings in May 2017 were \$1,608.40, a rise of 2.1% from the same time the previous year. In comparison, the earnings measured in May 2007 were a lower value; however, there was a greater increase throughout the year. Full-time adult ordinary time earnings trend estimates rose by 4.7%, while full-time adult total earnings rose by 4.4%.

Average Weekly Earnings provides the headline series for levels of earnings, whereas the Wage Price Index (WPI) is a timely indicator for changes in the rates of pay. The WPI measures the change over time in the price of wages and salaries, unaffected by changes in the quality or quantity of work performed, to ensure only pure price changes are reflected in the index. In the December quarter 2017, the WPI through the year for all sectors grew 2.1%. The change in the Consumer Price Index (CPI) over the same period was a rise of 1.9%. By comparison, in the 12 months leading to the December quarter 2007, the WPI rose 4.2% while CPI rose by 3.0%.

Footnote:

- Please note that seasonally adjusted and trend estimates produced before and after the May 2012 edition are not directly comparable and these historical series before the May 2012.

Table 1: Key Facts

		ANNUAL AVERAGE	
		2007	2017
Civilian Population (Aged 15 years and over)	'000	16 742.1	19 915.7
Labour Force Participation			
Males	%	72.5	70.7
Females	%	58.1	59.8
Persons	%	65.2	65.1
Employment			
Males	'000	5 732.4	6 529.1
Females	'000	4 701.8	5 719.7
Persons	'000	10 434.3	12 248.8
Employment/population ratio	%	62.3	61.5
Part-time employment: proportion of total employment			
Males	%	15.0	18.5
Females	%	44.5	46.8
Persons	%	28.3	31.7
Unemployment			
Unemployed			
Males	'000	241.4	381.9
Females	'000	236.2	343.9
Persons	'000	477.6	725.7
Unemployment rate			
Males	%	4.0	5.5
Females	%	4.8	5.7
Persons	%	4.4	5.6
Underemployment rate			
Males	%	4.7	6.7
Females	%	8.3	10.7
Persons	%	6.3	8.6
Average hours worked per week (actual hours)			
Full-time	hours	45.6	44.9
Part-time	hours	20.7	20.6
Persons	hours	32.6	31.9
		NOV 2007	NOV 2017
Job Vacancies (Trend Estimates)			
Public sector	'000	18.7	19.0
Private sector	'000	161.0	191.8
Total	'000	179.7	210.8
		MAY 2007	MAY 2017
Average Weekly Earnings (Trend Estimates) ¹			
Full-time adult ordinary time earnings			
Males	\$	1 140.20	1 638.30
Females	\$	959.40	1 387.10
Persons	\$	1 076.00	1 543.80
Full-time adult total earnings	\$	1 123.90	1 608.40
All employees total earnings	\$	862.00	1 177.70
		12 MONTHS TO DEC QTR 2007	12 MONTHS TO DEC QTR 2017
Changes in Wages and Prices (Original Estimates)			
Wage price index, total hourly rate of pay excluding bonuses	%	4.2	2.1
Consumer price index, all groups	%	3.0	1.9

Sources: Labour Force, Australia (cat. no. 6202.0); Labour Price Index/Wage Price Index, Australia (cat. no. 6345.0); Consumer Price Index, Australia (cat. no. 6401.0); Average Weekly Earnings, Australia (cat. no. 6302.0); Job Vacancies, Australia (cat. no. 6354.0)

Employment

Table 2 shows the industry, occupation and employment type for employed persons in both 2007 and 2017. In both years, employed persons were most likely to be Professionals, Clerical Administrative Workers or Technicians and Trades Workers by occupation, and work in the Retail Trade, Health Care and Social Assistance or Construction industries. However, the ranking of these top occupations and industries were different in the two years.

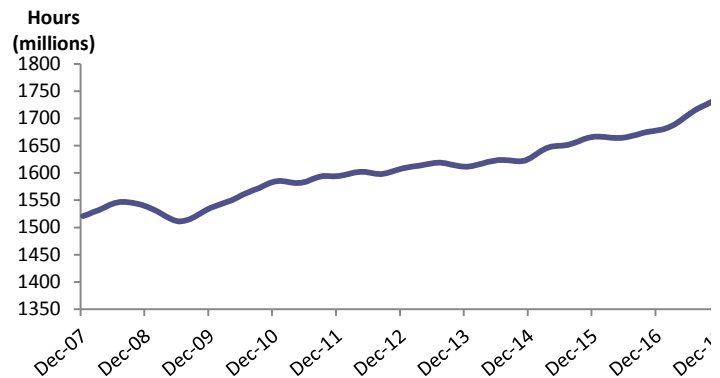
In August 2016, there were 11.8 million employed persons, of whom around eight-in-ten were employees and one-in-ten were owner managers of unincorporated enterprises (OMUEs). Most employees (75%) had paid leave entitlements, while 2.5 million (25%) were without paid leave entitlements.

Over the past ten years the proportion of employed persons working part-time has increased around 3.1 percentage points, from 28.4% in December 2007 to 31.5% in December 2017 (Figure 2), however has been trending down over the past year.

Part-time employment as a proportion of total employment increased dramatically following the Global Financial Crisis (GFC) of 2008. At the same time there was a decrease in aggregate monthly hours worked, from 1545 million hours in July 2008 to 1513 million hours the following year (Figure 1).

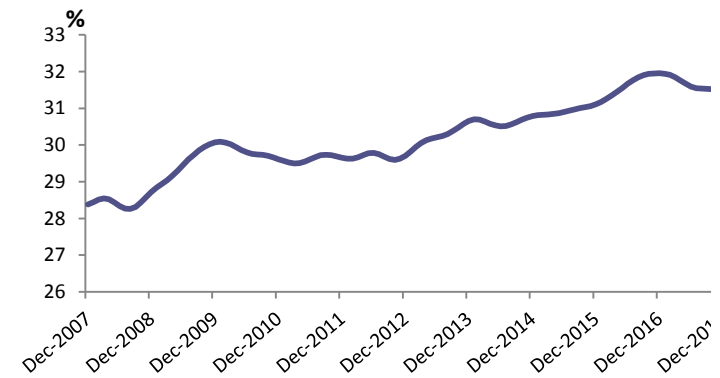
Since July 2009, total aggregate monthly hours worked has increased steadily by almost 200 million hours, an increase of around 13%.

Figure 1: Aggregate Monthly Hours Worked (Trend Estimates)



Source: Labour Force, Australia (cat. no. 6202.0)

Figure 2: Part-Time Employment as a Proportion of Total Employment (Trend Estimates)



Source: Labour Force, Australia (cat. no. 6202.0)

Table 2: Industry, Occupation and Employment Type

	ANNUAL AVERAGE				ANNUAL AVERAGE			
	2007		2017		2007		2017	
	'000	%	'000	%	'000	%	'000	%
Industry								
Agriculture, Forestry and Fishing	345.6	3.3	315.6	2.6				
Mining	136.0	1.3	218.3	1.8				
Manufacturing	1 027.7	9.9	891.6	7.3				
Electricity, Gas, Water and Waste Services	104.3	1.0	135.8	1.1				
Construction	936.4	9.0	1 131.8	9.2				
Wholesale Trade	386.7	3.7	377.3	3.1				
Retail Trade	1 196.9	11.5	1 254.6	10.2				
Accommodation and Food Services	695.6	6.7	882.6	7.2				
Transport, Postal and Warehousing	536.2	5.2	629.9	5.1				
Information Media and Telecommunications	240.7	2.3	214.9	1.8				
Financial and Insurance Services	404.3	3.9	431.8	3.5				
Rental, Hiring and Real Estate Services	198.4	1.9	210.4	1.7				
Professional, Scientific and Technical Services	744.5	7.2	1 022.6	8.3				
Administrative and Support Services	353.5	3.4	415.6	3.4				
Public Administration and Safety	637.1	6.1	770.9	6.3				
Education and Training	762.4	7.3	1 005.1	8.2				
Health Care and Social Assistance	1 070.2	10.3	1 617.0	13.2				
Arts and Recreation Services	190.8	1.8	229.8	1.9				
Other Services	440.1	4.2	506.0	4.1				
Total	10 407.6	100.0	12 261.5	100.0				
Occupation								
Managers					1 336.9	12.8	1 551.6	12.7
Professionals					2 114.9	20.3	2 905.0	23.7
Technicians and Trades Workers					1 585.8	15.2	1 738.3	14.2
Community and Personal Service Workers					903.1	8.7	1 306.3	10.6
Clerical and Administrative Workers					1 618.4	15.5	1 657.2	13.5
Sales Workers					988.0	9.5	1 116.9	9.1
Machinery Operations and Drivers					714.4	6.9	775.5	6.3
Labourers					1 146.2	11.0	1 210.7	9.9
Total					10 407.6	100.0	12 261.5	100.0
					AUGUST 2006		AUGUST 2016	
					'000	%	'000	%
Employment Type								
Employees								
With paid leave entitlements					6 180.3	60.8	7 353.2	62.1
Without paid leave entitlements					2 003.2	19.7	2 460.9	20.8
Total employees					8 183.5	80.5	9 811.7	82.9
Owner Managers								
Of incorporated enterprises					686.8	6.8	826.9	7.0
Of unincorporated enterprises					1 269.7	12.5	1 193.1	10.1
Total					10 168.0	100.0	11 831.7	100.0

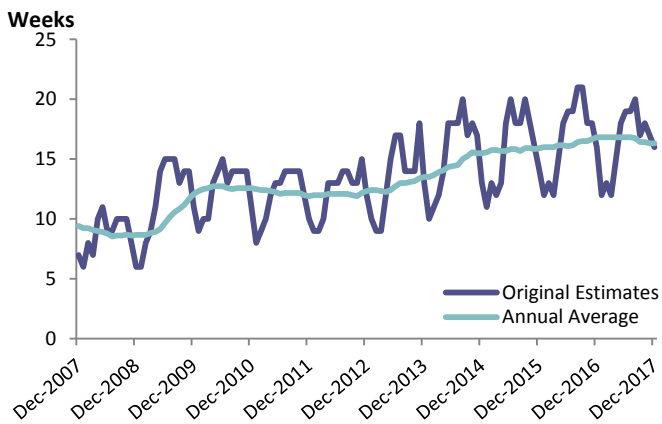
Sources: Labour Force, Australia, Detailed, Quarterly (cat. no. 6291.0.55.003); Characteristics of Employment, Australia (6333.0)

Unemployment

While trend unemployment has been decreasing over the past few years, it has not returned to its pre-GFC level. The annual average unemployment rate for 2017 was 5.6%, which was 1.2 percentage points higher than the annual average for 2007.

In addition, unemployed persons in 2017 were without work for longer periods. The average duration of job search by unemployed persons increased to 46.5 weeks in 2017 from 34.4 weeks in 2007, and the median duration of job search reached 20 weeks in 2017 from an average of 10 weeks in 2007. However, Figure 3 shows that the original estimates of median duration of job search has cyclical peaks and troughs throughout the year.

Figure 3: Median Duration of Unemployment



Source: Labour Force, Australia, Detailed – Electronic Delivery (cat. no.6291.0.55.001)

Long-term job-seekers, also referred to as long-term unemployed, are those unemployed persons who have not worked for 52 weeks or longer. In 2017, one-in-four unemployed people were long-term job-seekers, compared to one-in-six in 2007 (Table 3).

Table 3: Duration of Unemployment

	ANNUAL AVERAGE			
	2007		2017	
	'000	%	'000	%
Under 52 weeks				
Under 4 weeks	142.0	29.7	147.1	20.3
4 – 13 weeks	130.4	27.3	172.3	23.7
13 – 26 weeks	76.0	15.9	121.5	16.7
26 – 52 weeks	55.7	11.7	114.7	15.8
Total under 52 weeks	404.2	84.6	555.5	76.5
52 weeks and over				
52 – 104 weeks	35.9	7.5	80.3	11.1
104 weeks and over	37.5	7.9	89.9	12.4
Total 52 weeks and over	73.4	15.4	170.2	23.5
Total	477.6	100.0	725.7	100.0

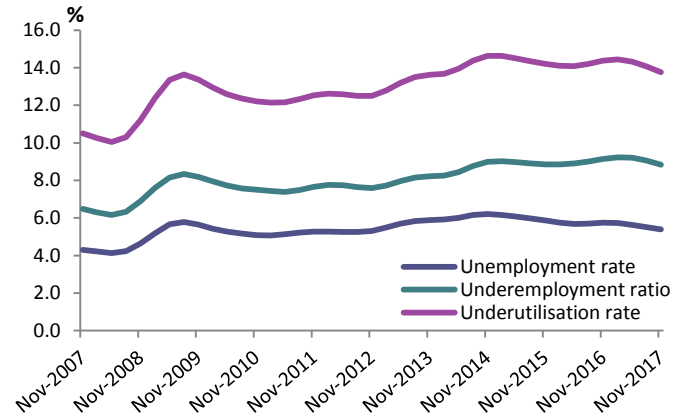
Source: Labour Force, Australia, Detailed – Electronic Delivery (cat no.6291.0.55.001)

Underutilisation

In addition to unemployment figures, the ABS produces measures of underutilisation, which give a broader perspective on spare capacity in the labour market. The underutilised population is made up of those who are unemployed as well as those underemployed, that is, those currently employed, but are willing to work more hours.

The ABS measures labour underutilisation using two approaches: headcount measures and volume measures. Headcount measures relate to the number people whose labour is not being fully used. Figure 4 shows that the headcount measures of underemployment and underemployment usually track alongside each other. However, since August 2014, the gap between these two rates has increased.

Figure 4: Labour Force Underutilisation rates (Trend Estimates)



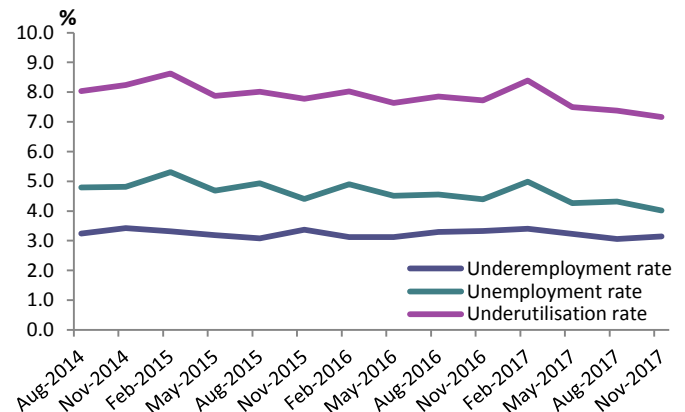
Source: Labour Force, Australia (cat. no. 6202.0)

Whether people are unemployed or underemployed, people have different preferences for the number of hours of work. Volume measures relate to the number of hours sought and additional hours preferred by individuals, or in other words, the number of potential hours of labour that are not being used. They provide us with a picture of the amount of additional capacity of hours of labour supply, and the potential to contribute to the production of goods and services. For this reason, volume measures of underutilisation are particularly relevant for analysing spare capacity, even more than headcount measures.

Figures 4 and 5 show that while the difference between the number of unemployed and underemployed is increasing, the numbers of hours sought by these groups have remained relatively steady. This suggests the increasing number of underemployed persons are generally seeking a low number of hours.

The volume unemployment rate in November 2017 was 1.4 percentage points lower than the headcount unemployment rate, while the volume underemployment rate was 5.7 percentage points lower than the headcount rate.

Figure 5: Volume Measures of Underutilisation (Original Estimates)



Source: Labour Force, Australia, Detailed, Quarterly (cat. no. 6291.0.55.003)

Education and Work

In May 2017, it was estimated that, of the 18 million people aged 15-74 years in Australia, 10.8 million (60%) have attained at least one non-school qualification. The proportion of people with a non-school qualification equated to two-thirds (68%) of total employed people, half (50%) of total unemployed people, and 42% of total people not in the labour force.

Of those with a non-school qualification, the most common highest qualifications were a Certificate III/IV (30%) or Bachelor degree (30%), followed by the Advanced Diploma/Diploma (16%).

Persons aged 15-74 with a non-school qualification had a higher participation rate (79.8%) and lower unemployment rate (4.1%) than those without a non-school qualification (58.4% and 8.2% respectively).

The proportion of population with a Bachelor degree had the lowest unemployment rate (3.0%), while those with a Postgraduate Degree had the highest participation rate (85.0%).

Table 4: Education and Work, Persons aged 15-74 years, May 2017

	Number ('000)	Unemployment Rate (%)	Participation Rate (%)
Level of highest non-school qualification			
Postgraduate Degree	1 099.0	3.6	85.0
Graduate Diploma/ Graduate Certificate	508.0	3.1	80.0
Bachelor Degree	3 248.2	3.0	82.8
Advanced Diploma/Diploma	1 743.1	4.0	78.3
Certificate III/IV	3 282.0	4.3	78.9
Certificate I/II	431.5	13.2	65.1
Certificate n.f.d.	112.5	3.8	78.8
Total with a non-school qualification	10 756.6	4.1	79.8
Total without a non-school qualification	7 285.9	8.2	58.4
Total	18 041.2	5.4	71.1

Source: Education and Work, Australia (cat. no.6227.0)

Workplace Relations

Workplace relations can be regarded as the relationships and interactions in the labour market between employers and employees (and their representatives), and the intervention in these relations by governments, government agencies and tribunals (e.g. the Fair Work Commission).

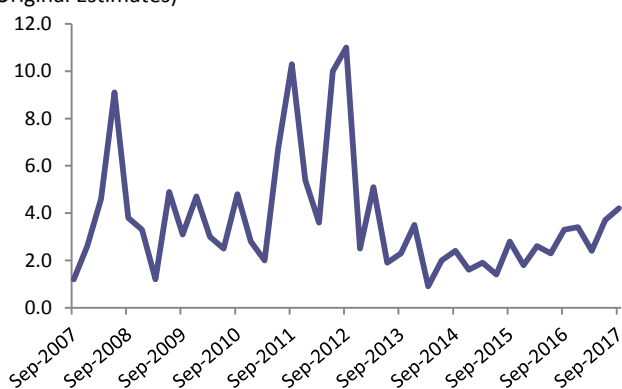
Industrial Disputes

Industrial disputes comprise strikes, which are a withdrawal from work by a group of employees; and lockouts, which are a refusal by an employer or group of employers to permit some or all of their employees to work.

The number of working days lost in 2017 has increased in comparison to 2007; however, there have been a number of peaks and troughs over the 10 year period (see Figure 2).

Figure 6: Working days lost per thousand employees

(Original Estimates)



Source: Industrial Disputes, Australia (cat. no. 6321.0.55.001)

During the year ended September 2017, there were 156 disputes and 148,900 working days lost. While year ended September 2007 totalled 151 disputes and 79,600 working days lost.

Table 5: Industrial Disputes

	YEAR ENDED SEPTEMBER	
	2007	2017
Working days lost per thousand employees	8.8	13.7
Working days lost ('000)	79.6	148.9

Source: Industrial Disputes, Australia (cat. no. 6321.0.55.001)

Methods of Setting Pay

Statistical measures relating to how employees' pay is set are used to monitor the effects of industrial and workplace relations reforms and wages policy. The most recent measure of Methods of Setting Pay (May 2016) indicated that Employees on an Award or Collective agreement accounted for 59.2% of all employees. Employees paid by Individual arrangement accounted for 37.3% of all employees with the remaining 3.6% of employees being Owner managers of incorporated enterprises.

Table 6: Methods of Setting Pay, May 2016

	Male '000	Female '000	Persons '000
Award or Collective Agreement	2 604.2	3 398.3	6 002.5
Individual Arrangement	2 146.6	1 636.0	3 782.6
Owner Manager of Incorporated Enterprise	257.8	104.1	361.9
All methods of setting pay	5 008.6	5 138.4	10 147.0

Source: Employee Earnings and Hours, Australia (cat. no. 6306.0)

For more information

- Labour Statistics: Concepts, Sources and Methods, Feb 2018 (cat. no. 6102.0.55.001)
- Labour Force, Australia, Dec 2017 (cat. no. 6202.0)
- Labour Force, Australia, Detailed – Electronic Delivery, Dec 2017 (cat. no. 6291.0.55.001)
- Labour Force, Australia, Detailed, Quarterly, Nov 2017 (cat. no. 6291.0.55.003)
- Wage Price Index, Australia, Sep 2017 (cat. no. 6345.0)
- Consumer Price Index, Australia, Sep 2017 (cat. no. 6401.0)
- Average Weekly Earnings, Australia, May 2017 (cat. no. 6302.0)
- Job Vacancies, Australia, Nov 2017 (cat. no. 6354.0)
- Characteristics of Employment, Australia, August 2016 (cat. no. 6333.0)
- Education and Work, Australia, May 2017 (cat. no. 6227.0)
- Industrial Disputes, Australia, Sep 2017 (cat. no. 6321.0.55.001)
- Employee Earnings and Hours, Australia, May 2016 (cat. no. 6306.0)

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