

To: Cc: Bcc:

Subject: Update: Refocusing 6202.0.55.003 towards being a major rebenchmarking release

This message will be sent with a digital signature.

---- Forwarded by 47E /Staff/ABS on 15/02/2019 02:39 PM -----

From: @rba.gov.au>
To: Bjorn Jarvis <bjorn.jarvis@abs.gov.au>

Cc: PSG Labour Force Survey WDB ABD Survey WDB ADD Survey</

@abs.gov.au>,

47F @rba.gov.au>

Date: 05/03/2018 04:30 PM

Subject: RE: Update: Refocusing 6202.0.55.003 towards being a major rebenchmarking release

[SEC=UNCLASSIFIED]

Thanks Bjorn. Sounds sensible to me.

Best.

47F

From: Bjorn Jarvis [mailto:bjorn.jarvis@abs.gov.au]

Sent: Monday, 5 March 2018 4:22 PM

To: 47F

Cc: PSG Labour Force Survey WDB; 47E ; 47E

Subject: Update: Refocusing 6202.0.55.003 towards being a major rebenchmarking release

Hi 47F

In next Thursday's release of 6202.0.55.003 we plan to announce that this release will be "refocused" towards being a major rebenchmarking release. This means that while we would continue to rebenchmark Labour Force estimates on a quarterly basis, this additional pre-release would just be reserved for major rebenchmarking events. In other quarters the outcomes of the rebenchmarking would just be reflected in 6202.0, back in line with the approach taken in all other statistical releases that the ABS produces.

Since we began publishing 6202.0.55.003 on a quarterly basis we have heard from a broad range of stakeholders that this extra release is creating some confusion around which estimates are the official 6202.0 estimates, and creating an additional and low-value briefing overhead. This refocusing will address those concerns, while still ensuring it provides a valuable reference for major rebenchmarking events.



Kind regards,

Bjorn Jarvis

Labour and Income Branch | Macroeconomic Statistics Division | Australian Bureau of Statistics

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REFOCUSING 6202.0.55.003 TOWARDS MAJOR REBENCHMARKING

QUARTERLY REBENCHMARKING AND THE MAGNITUDE OF REVISIONS

Since August 2015, Labour Force estimates have been 'rebenchmarked' on a quarterly basis, following an approach summarised in the article 'Rebenchmarking of Labour Force Series', published in the February 2015 issue of *Labour Force*, *Australia* (cat. no. 6202.0).

To assist users in assessing the impact of revisions resulting from quarterly rebenchmarking, the ABS began producing a complete set of timeseries spreadsheets in *Labour Force, Australia - Rebenchmarked Estimates* (cat. no. 6202.0.55.003), and published these a week before the first issue of *Labour Force, Australia* (cat. no. 6202.0) was released using the new benchmarks.

The below table shows that the magnitude of the revisions to benchmarks in 6202.0.55.003, compared with the 6202.0 published estimate a few weeks earlier, have been minimal, even for the states and territories with relatively greater population change, such as Western Australia. Employed persons estimates are generally revised on average by less than 0.1 per cent, and the headline rates by a small change at the second or third decimal place.

Table 1. Average magnitude of revisions (in absolute terms) to the most recent estimate in the 2016-17 year: 6202.0 compared to 6202.0.55.003

	NSW	Vic.	Qld.	SA	WA	Tas.	
Employed persons (%)	0.067	0.066	0.029	0.068	0.152	0.031	(
Employment to population ratio (ppts)	0.008	0.023	0.004	0.010	0.013	0.005	(
Unemployment rate (ppts)	0.002	0.003	0.001	0.002	0.001	0.002	(
Participation rate (ppts)	0.009	0.026	0.004	0.011	0.014	0.004	(

REFOCUSING THE 6202.0.55.003 TOWARDS MAJOR REBENCHMARKING RELEASES

Since the magnitude of revisions resulting from quarterly rebenchmarking are minor, the 6202.0.55.003 release will be refocused from a quarterly release to a periodic release, used to communicate the outcomes of major rebenchmarking processes. This aligns with the use of this release, which has been very minimal outside of major rebenchmarking processes.

The release of *Labour Force, Australia - Rebenchmarked Estimates, January 2018* (cat. no. 6202.0.55.003) will therefore be the last quarterly release of this publication, and the next issue of this periodic release will therefore be *Labour Force, Australia - Rebenchmarked Estimates, October 2018* (cat. no. 6202.0.55.003), which will include the outcomes of the major rebenchmarking of Labour

Force estimates to final 2016-based population estimates.

Quarterly rebenchmarking will continue, and will be reflected in the February, May, August and November issues of *Labour Force, Australia* (cat. no. 6202.0).

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Date: 07/02/2018 12:52 PM

Subject: RE: Labour Force - NSW and Victoria [SEC=UNCLASSIFIED]

Thanks 47E and all others that helped,

We've found this helpful in thinking about where the key differences are between NSW and VIC outcomes.

These were our main takeaways from it:

- (There seems to be an important difference in migrant outcomes, with migrants to NSW being both more likely to participate and having lower unemployment rates than their VIC counterparts. We presume this reflects some combination of (i) VIC having a higher share of student migrants, and (ii) the higher cost of living in Sydney. But maybe it reflects something else we would have to investigate this more.
- Migrant flows aside, there remains a puzzle why NSW has a persistently lower participation rate than VIC, and in recent years why the unemployment rate has been lower in NSW.
- Poor employment outcomes in VIC outside of Melbourne may be part of the reason that the VIC unemployment rate has underperformed over recent years, but it is not clear if this is a major or a minor contributor to the result. The sharper recent decline in the NSW unemployment rate remains a bit of puzzle that we will continue to investigate.

Happy to discuss your views on this or ideas for further analysis anytime.

Thanks again for engaging with us on this. It will remain an ongoing area of interest – it feels like there is a relatively large focus on regional labour market stories at the moment, but perhaps this is always the case. We'll let you know if we make any breakthroughs.

Best,

From: 47E @abs.gov.au]
Sent: Thursday, 25 January 2018 2:42 PM
To: 47E

Cc: Bjorn Jarvis; 47E ; 47E ; PSG Labour Force Survey WDB

Subject: Labour Force - NSW and Victoria

Hi 47F and 47F

As promised, I have attached below some analysis we have undertaken looking at the differences in the Victorian and NSW Labour markets. As you would know there is a fair amount of detail that could be looked at, but we have focussed on 2 aspects:

- Differences in Labour market outcomes for persons in Australia/Overseas noting that both States have had reasonably high intakes of overseas arrivals (see word document attached below)
- Growth in capital city vs regional and how that has changed over time (Excel data attached)

For the Capital City vs Regional Employment growth, there are a few things that are worth noting:

- The correlation analysis ("Correlation" tab) shows hows strongly correlated each of the four regions are. However we thought it was interesting that in Victoria, the regional areas have become less correlated with the capital city over the past 3 years when compared to NSW.
- This change in correlation is evident when looking at the indexed growth in employment (charts 2 and 2a) where you can see how different the employment growth has been in the regional areas of Victoria.



I hope this is useful for you. There is a lot more detail we can drill into but hopefully this sheds some light and we would be keen to stay connected on this, particularly if there is any work you are doing at the bank.

Feel let me know if you would more information and we are more than happy to organise a quick discussion to go through it if it would be useful.

47E

Director

Labour Household Surveys | Macroeconomic Statistics Division | Australian Bureau of Statistics

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Document 3



<u>To</u>: /Staff/ABS@ABS, Cc: /Staff/ABS@ABS,

Bcc:

Subject: Fw: Paper on measuring gig workers

Bjorn Jarvis/Staff/ABS - Monday 18/02/2019 01:47 PM

This message will be sent with a digital signature

From: Bjorn Jarvis/Staff/ABS

To: @rba.gov.au>

/Staff/ABS@ABS, 47E Cc: /Staff/ABS@ABS

05/09/2018 09:33 AM Date:

Subject: Re: Paper on measuring gig workers

Thanks 47F - really appreciate you sending this through.

This is definitely something we've talked about in the context of content in a more adaptive supplementary survey program - particularly the interplay between first and second jobs when it comes to characteristics of employment.

It's also where having a time series of LEED data will help, when it's released in a couple of weeks, to explore the extent to which jobs worked by owner managers of unincorporated enterprises, as second jobs, are increasing over time.

Cheers.

Bjorn Jarvis

Program Manager

Labour Statistics Branch | Macroeconomic Statistics Division | Australian Bureau of Statistics

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Hi Bjorn I thought this just-released NBE...

05/09/2018 08:02:47 AM

From: @rba.gov.au>

"Bjorn Jarvis (bjorn.jarvis@abs.gov.au)" <bjorn.jarvis@abs.gov.au> To:

Date: 05/09/2018 08:02 AM

Paper on measuring gig workers [SEC=UNCLASSIFIED] Subject:

Hi Bjorn

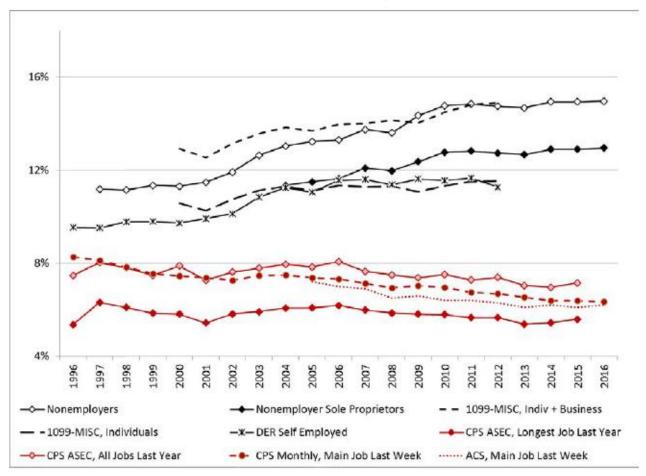
I thought this just-released NBER <u>article</u> may be of interest. It suggests that administrative data may provide a different read (i.e. more consistent with the anecdotal evidence) to that observed in the household survey data on 'gig economy' workers. Graph below suggests a rising trend for self-employed in the US using tax data, compared to a declining trend for self-employment in the household survey measures. The authors suggest one way to rectify this is to ask more probing questions in the household surveys. Given the sup surveys are in the process of some change, I

thought it might be useful.

Thanks



Figure 1: Household Survey and Administrative Data Self-employment Rates, 1996-2016



Document 4

<u>To</u> : 47E	/Staff/ABS@ABS,
From: 47E	:: Labour Account release note and questions /Staff/ABS - Friday 15/02/2019 01:31 PM will be sent with a digital signature
History:	This message has been replied to.
Forwarded	/Staff/ABS on 15/02/2019 01:30 PM
From: To: Cc: Date:	@rba.gov.au> ####################################
Subject:	RE: Labour Account release note and questions [SEC=UNCLASSIFIED]
Hi 47E ,	
Thank you ve	ry much for your explanation. It is very helpful.
Regards,	
From: 47E	@abs.gov.au]
Sent: Wedne To: 47F	sday, 2 January 2019 3:56 PM @rba.gov.au>
Cc: 47E	@abs.gov.au>; @abs.gov.au>
Subject: Re: I	Labour Account release note and questions [SEC=UNCLASSIFIED]
Hi 47F ,	

Firstly to your question about secondary jobs.

There were no changes to the way in which the total number of secondary jobs were calculated for the 2011 to 2013 period. As discussed over the phone at the end of last year, it was also difficult for us to find any real world explanation for movements given the passage of time, other than potentially the election.

In terms of the difference between the June and September issues, we included the following paragraph in the Explanatory Notes section of the September publication. The second last dot point relates to how the distribution of secondary jobs across industries changed from the June to the September issue.

CHANGES IN THIS ISSUE

- 4 Data in the four quadrants of the Labour Account, both quarterly and annual, have been revised from the four quadrants of the Labour Account, both quarterly and annual, have been revised from the four quadrants.
- 5 Revisions may be attributable to a range of factors, including:
 - Revisions to quarterly source data, including:
 - · revisions to data from the Labour Force Survey,
 - · revisions to Overseas Arrivals and Departures data, and
 - · revisions to data from the quarterly Australian National Accounts.
 - Incorporating updated annual source data, including:
 - data from the 2016-17 Economic Activity Survey,
 - data from the 2017-18 Survey of Employment and Earnings,
 - · data from the 2016-17 Supply and Use tables,
 - · data relating to industry of sponsor for 2017-18 for sponsored short term non-residents, and
 - data from the August 2017 Characteristics of Employment Survey and the February 2018 Presented
 - Improvements to the industry distribution of secondary jobs. These improvements relate to the formatter.
 - · data from the Linked Employer-Employee Database are now available for periods from 2013
 - data are now extracted from the Linked Employer-Employee Database for multiple points th end of a financial year. This has improved the industry distribution of secondary jobs by mor industry allocations, and
 - data are now taken from the Linked Employer-Employee Database relating to the industry of improved the industry distribution of secondary jobs by accounting for differences in industry than allocating all secondary jobs held by an individual to the industry of their second job.
 - Seasonal factors for quarterly seasonally adjusted and trend data have been refined with the ad-
- 6 To see the impact of these updates, refer to Table 22. Quarterly Revisions.

In terms of the differences in treatment or classification of labour hire workers between the LFS, business surveys and the Labour Account, the following are the key points to note:

- The household estimate of filled jobs in the Labour Account for each industry is based predominantly on the LFS. Industry coding of employed persons in the LFS is based on self-reported information provided by the survey respondent, including their knowledge of the main activity undertaken by and the name of their employer. This information may also be provided by the "responsible adult" in each household on behalf of other members of the household.
- The business side estimate of filled jobs in the Labour Account is based on a combination of business based surveys, including the Quarterly Business Indicators Survey, Economic Activity Survey and Survey of Employment and Earnings (public sector). Industry in business based collections is determined by the classification of each Type of Activity Unit on the ABS Business Register, which is predominantly related to the Australian Business Number of the relevant business.
- The business and household side estimates of filled jobs for each industry are confronted and reconciled as part of the Labour Accounts balancing process.
- There is a larger than average discrepancy between the business and household based

- estimates of filled jobs in the Labour Account in Division N "Administrative and Support Services", whereby the number of filled jobs measured from the business side is much larger than the number of filled jobs measured from the household side.
- During the balancing process, the Labour Accounts team balanced Division N "Administrative and Support Services" to the business side. This is because we think that respondents are misreporting the industry that they are working in in the LFS when it comes to Labour Hire arrangements we think they are reporting they work for the industry they are being "hired to", for example construction or mining, rather than the Labour Hire firm they are actually being "hired from" and who importantly are paying their wages and salaries. By contrast, the Labour Hire firm itself should be classified to Division N on the ABS business register and would have such people included in their counts of employees.

Finally, I understand a colleague from the Labour Household Statistics Section has been in touch regarding Labour Hire data from the Characteristics of Employment Survey for 2018.

Please let me know if I can be of any further assistance.

Kind regards,

47E

Assistant Director

Labour Market Section | Macroeconomic Division | Australian Bureau of Statistics

(P)

47E

(E)

47E

(B)

47E

(C)

Hi 47E ,

I hope you had a great holiday.

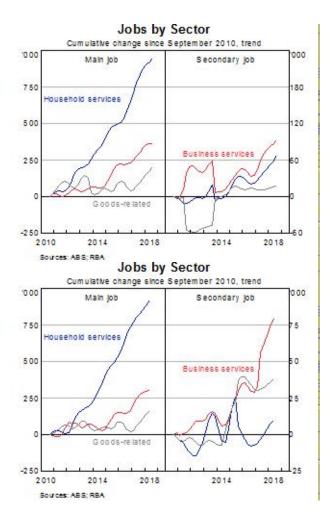
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Thank you for taking the time to talk with us about the questions we had on the secondary jobs data . We have two follow-up questions on that and hope you can share your thoughts . We also have an unrelated question on Labour Hire firms below. None of these questions are urgent.

Secondary Jobs Question

- 1). The cumulative change of secondary jobs in the business services sector is almost symmetrical to the change of secondary jobs in the goods-related sector between 2011 and 2013 (Graph 1). We discussed the potential for there to have been one-off events during this period, such as an election, but we are curious about any other possible drivers (e.g., classification changes).
- 2). The graph was not like this using the data released in June 2018 (Graph 2). Was there any change in the approach that contributed to the difference?

Graph 1 Graph 2



Labour Hire Question

We would like to be able to say something about which industries people work in when they are paid by, or placed temporarily by, a labour hire firm. This question is partly about the Characteristics of Employment data, so we weren't sure whether we should pass this question on to another team – please let us know!

Our current understanding is that if an LFS survey respondent reported themselves as working in a construction firm but they are paid by a labour hire firm, then they will be classified as working in the Administration & Support industry in the Labour Account and in the Construction industry in LFS. This is useful in a way, because it provides both perspectives.

There was information available in the August 2016 Characteristics of Employment release on the share of employment within each industry paid by a labour hire firm (see graph), but not in the recent release. We are wondering:

1) 22

2) How should we interpret this data? If the Characteristics of Employment data is based on the LFS, then will it accurately capture the 'end-use industry' of the labour (whereas the Labour Account would be allocating all of these individuals to Admin & Support)?



Thank you. Regards,

| Economist | Prices, Wages and Labour Markets
| RESERVE BANK OF AUSTRALIA | 65 Martin Place, Sydney NSW 2000
| w: www.rba.gov.au





----- Forwarded by 475 /Staff/ABS on 15/02/2019 03:53 PM -----

From: @rba.gov.au>

#77E @abs.gov.au>
Date: 11/12/2018 05:19 PM

Subject: RE: Questions about labour account data [SEC=UNCLASSIFIED]

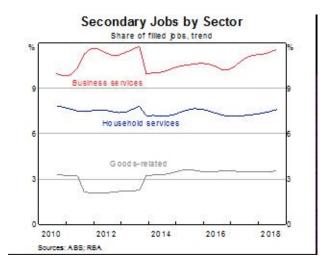
Great, thanks 47E

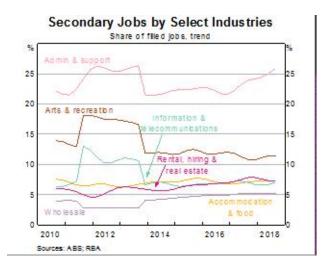
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Our specific questions are about the secondary jobs data: (i) to see if there is any interesting detail you can share about the increase recently in the aggregate, and (ii) to understand better what is causing the fluctuations we are seeing at an industry level between 2011 and 2013 (see graphs below).

Thanks again,

47F





From: 47E @abs.gov.au]

Sent: Tuesday, 11 December 2018 5:06 PM **To:** 47F @rba.gov.au>

Cc: 47E @abs.gov.au>;

@abs.gov.au>

Subject: Re: Questions about labour account data [SEC=UNCLASSIFIED]

Hi 47F

4/E

47E

Assistant Director

Australian Bureau of Statistics

(M) 47E (W) 47E

(E) 47E @abs.gov.au (W) www.abs.gov.au

" ---11/12/2018 04:49:53 PM---Hi 47E , We've been busily digesting the new Labour Account release, and had some questions about

Labour Account release, and had some questions about

From: 47F @rba.gov.au>
To: 47E @abs.gov.au>

@rba.gov.au>

@rba.gov.au>

@rba.gov.au>, 47F @rba.gov.au>,

@rba.gov.au> Date: 11/12/2018 04:49 PM

Subject: Questions about labour account data [SEC=UNCLASSIFIED]

Hi 47E ,

We've been busily digesting the new Labour Account release, and had some questions about the secondary jobs data.

Thanks,

Thanks,

Senior Economist | Prices, Wages and Labour
RESERVE BANK OF AUSTRALIA | 65 Martin Place, Sydney NSW 2000

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----- Forwarded by 475 /Staff/ABS on 15/02/2019 03:56 PM -----

From: @rba.gov.au>
To: "Bjorn Jarvis" <bjorn.jarvis@abs.gov.au>

Cc: @rba.gov.au>, 47F @rba.gov.au>, 47F @rba.gov.au>, 47F @abs.gov.au>

Date: 17/01/2019 10:18 AM

Subject: RE: Draft 'Box' on industry employment in the Labour Account [SEC=UNCLASSIFIED]

Thanks 47F , Bjorn and 47F ! These comments are extremely helpful.

Sorry for the slow reply, we were thinking more about the 'LFS estimates of industry employment remain valuable' comment. To clarify:

- There is no scepticism here (that I am aware of) about the Labour Account estimates being methodologically superior. So I am personally optimistic that we will not want to be tracking both estimates at some point when the Labour Account estimates are longer run and relatively stable from release to release.
- That said, there is always some chance of push back 476 at the point where data is being "taken away". Perhaps this might come from
 - o a view that in some cases the 'incorrect' information about the employer's industry in the LFS may still be informative (however, we should be able to see this household perspective in the unbalanced part of the Labour Accounts), or
 - \circ $\,\,$ a desire to dig into a level of disaggregation that doesn't currently exist in the Labour Account, or
 - the slightly better timeliness of the LFS quarterly, relative to the Labour Account.

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Best,

47F

From: Bjorn Jarvis [mailto:bjorn.jarvis@abs.gov.au]

Sent: Monday, 14 January 2019 9:42 PM To: 47F

Cc:
47F
@rba.gov.au>;
47F
@rba.gov.au>;

47/ =
@abs.gov.au>;
@abs.gov.au>

Subject: Re: Draft 'Box' on industry employment in the Labour Account [SEC=UNCLASSIFIED]

Hi 47F

Thanks for the opportunity to comment on this.

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We also had a question around "The LFS estimates of industry employment remain valuable, as they offer an important household-based perspective." Once we have a backcasted Labour Account series back to the early 1990s available, would the ongoing value of the household-based data be around undertaking state and territory and socio-demographic analysis of employment by industry, or would you still see that it would be valuable to have high level LFS industry aggregates as an extra indicator series?

Cheers,

Bjorn Jarvis

Program Manager

Labour Statistics Branch | Macroeconomic Statistics Division | Australian Bureau of Statistics

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(E) bjorn.jarvis@abs.gov.au (W) www.abs.gov.au

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" ---11/01/2019 03:56:24 PM---Bjorn and 47E As I think you are aware, we are planning to include a short feature 'Box' on the

Date: 11/01/2019 03:56 PM

Subject: Draft 'Box' on industry employment in the Labour Account [SEC=UNCLASSIFIED]

Document 7



----- Forwarded by 47E //Staff/ABS on 15/02/2019 03:54 PM -----

From: @rba.gov.au>

To: @abs.gov.au>

Cc: @abs.gov.au>,

@abs.gov.au>

Date: 04/01/2019 11:18 AM

Subject: RE: Labour Account release note and questions [SEC=UNCLASSIFIED]

Hi 47E

Good morning. We have a question on the discrepancy between the LA and LFS estimates in the admin & support industry.

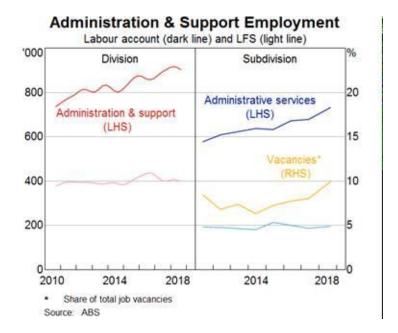
We expect that the difference is mainly due to labour hire employees. But when comparing the level difference between the LA and LFS estimates in the admin & support industry (approximately 500,000) with the total number of employed persons who are paid by labour hire firms but actually work in the industries other than admin & support (around 102,400 using the 2018 COE data), we are surprised that the labour hire employees only account for a small part of difference between the two measures.

It will be much appreciated if you can share your thoughts on other possible reasons other than the differences in scope of the two measures.

Thank you.

Regards,

47F



From: 47F

Sent: Wednesday, 2 January 2019 4:32 PM

To: 47E @abs.gov.au>
Cc: 47E @abs.gov.au>;

@abs.gov.au>

Subject: RE: Labour Account release note and questions [SEC=UNCLASSIFIED]

Hi 47E

Thank you very much for your explanation. It is very helpful.

Regards,

47F

From: 47E @abs.gov.au]

Sent: Wednesday, 2 January 2019 3:56 PM

To: 47F @rba.gov.au>

Cc: 47E @abs.gov.au>;

@abs.gov.au>

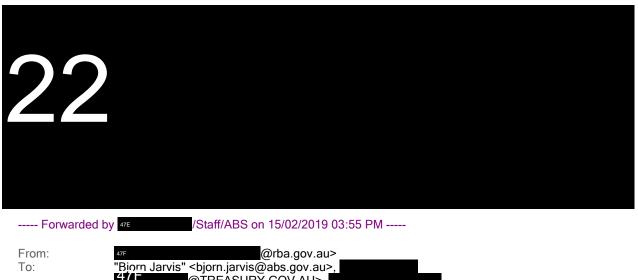
Subject: Re: Labour Account release note and questions [SEC=UNCLASSIFIED]

⊣i 47F



Firstly to your question about secondary jobs.

There were no changes to the way in which the total number of secondary jobs were calculated for the 2011 to 2013 period. As discussed over the phone at the end of last year, it was also difficult for us to



@TREASURY.GOV.AU>, @jobs.gov.au>, 47F @jobs.gov.au>, @rba.gov.au>, 47F @rba.gov.au>, @rba.gov.au> Cc: @abs.gov.au>, @abs.gov.au>, 47E Date: 09/01/2019 09:20 AM

RE: A quick note on public and private sector data - given the AFR article Subject:

[SEC=UNCLASSIFIED]

Thanks Bjorn, and others – this is really useful.

We would strongly support the addition of a public-private employment/jobs split to the Labour Account. It is not ideal at the moment to be endorsing the Labour Account for industry level employment trends but then not be able to use the same data to discuss the public-private split.

*1*7E

From: Bjorn Jarvis [mailto:bjorn.jarvis@abs.gov.au]

Sent: Wednesday, 9 January 2019 9:07 AM

TO 47F	@TREAS	SURY.GOV.AU>;		
47 F	@jobs.gov.au>; 47F		@jobs.gov.au>;	
47 F	@rba.gov.au>; 475	@rba.gov.au>		
CC: 47E		@abs.gov.au>; 47E		@abs.gov.au>;
47E	@abs.gov	.au>		

Subject: A quick note on public and private sector data - given the AFR article [DLM=For-Official-Use-Only]

Hi everyone,

Just a quick email in relation to the AFR article from today, titled 'Public sector props up job creation through 2018'.

team were consulted around the public and private sector employment data yesterday,

with our usual advice being to refer to 6248.0.55.002 reflected in the AFR article (given the strength of SEE data and the fact that sector coding in household survey data is even more challenging than industry coding):

The ABS said that the labour force survey "has greater variability and standard errors and is not considered the best source of ABS data in this area". However, the employment and earnings survey they recommended is annual and will not be released for another six months.

We're keen to explore replacing these products with Labour Account products, ideally this year. That would mean that analysts would still have quarterly data, rather than waiting for annual SEE data, but considerably better data.

47E

Schedule 2, Part II, Division 2

17E

Kind regards,

Bjorn Jarvis

Program Manager

Labour Statistics Branch | Macroeconomic Statistics Division | Australian Bureau of Statistics

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