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Labour Stats 1 Unemployment

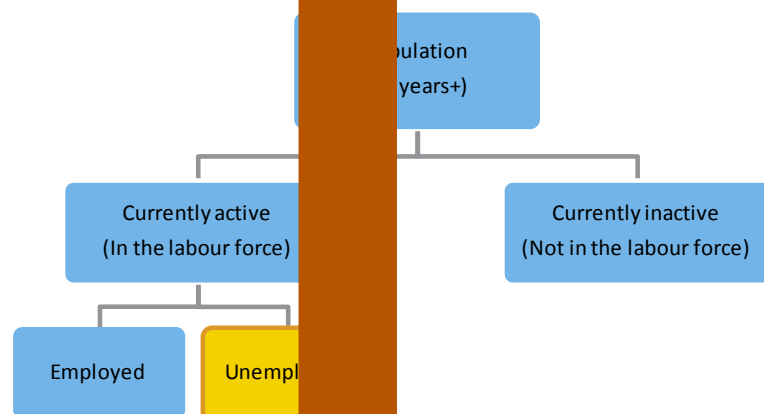
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Statistics and Mapping

Introduction

This guide provides a brief overview of unemployment, an introduction to some of the key concepts and terminology, and lists some of the data sources. This is one in a series of Quick Guides related to labour statistics, designed to provide a basic understanding of Australian labour market data. Other guides include [labour force](#) and [employment](#), which are available from the [Parliamentary Library](#) website.

In the labour force framework, unemployed people form part of the currently active population, who along with the employed constitute the labour force (see diagram below).

[Labour force framework](#)



Source: ABS, [Labour Statistics: Concepts, sources and methods, 2013](#), Cat. no. 6102.0.55.001

Who are unemployed people?

The [International Labour Organization \(ILO\)](#) describes unemployed people as those who are: without work; seeking work (in a recent period); and currently available for work. The concept of 'without work' is used to distinguish unemployed people from the employed. A person must not have undertaken any work at all (not even for one hour) during the reference period, nor can they have been temporarily absent from a job or enterprise.

How is unemployment measured?

The Australian Bureau of Statistics (ABS) conducts a monthly [Labour Force Survey](#). This household survey is designed to produce key estimates of unemployment (and employment) from a sample of approximately 56,000 people. The survey's definition of unemployment closely aligns with international standards and guidelines.

[Unemployed persons](#) are defined as all persons aged 15 years and over who were not employed during the reference week and:

- had actively looked for work and were available to work (in the reference week), or
- were waiting to start a new job.

Note that the *Labour Force Survey* excludes some groups of people, including those living in institutions, members of permanent defence forces, certain diplomatic personnel, and overseas residents. More information is available from the [ABS](#).

Active steps to find work

The concept of 'actively looking for work' requires a person to have undertaken at least one active step in the search for work at any time in the four weeks up to the end of the reference week. Steps include:

- registering with an employment agency
- applying for jobs with employers
- checking workplaces to see if there are any jobs available
- placing or answering newspaper advertisements, and
- seeking assistance from friends or relatives to find a job.

Steps taken towards the establishment of an enterprise for self-employment are also considered to be active. A general declaration of being 'in search of work' is not sufficient for someone to be classified as unemployed.

Waiting to start a new job

In recognition that not all job seekers are able to immediately start their new job once offered, anyone expecting to start a new job within four weeks from the end of the reference week is classified as unemployed if they were available to start work during the reference week.

What are the key measures?

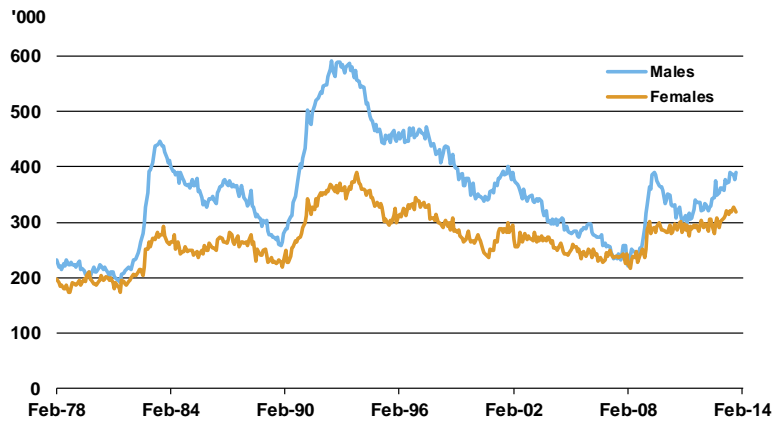
The number of unemployed people (head count)

Each month the [ABS](#) estimates the number of unemployed people, releasing original, seasonally adjusted and trend data. Data is available on unemployed people by age, sex, social marital status, state or territory of residence, educational attendance, and duration of unemployment.

Changes in the number of unemployed people (increases or decreases in the number of 'jobseekers') are sometimes mistakenly referred to as gains or losses of jobs. While the loss of a job certainly may lead to a person being classified as unemployed, it is whether or not they are employed that is being measured.

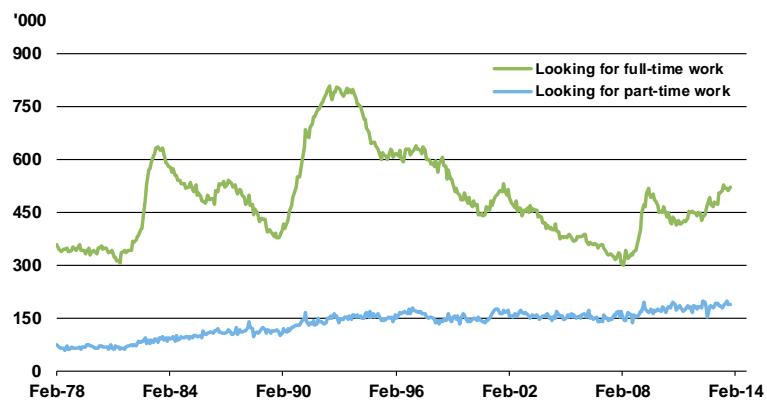
Graph 1 provides changes in the number of unemployed people by sex from the start of the data series until October 2013 (seasonally adjusted). Graph 2 provides the numbers of unemployed people by the type of work they were seeking, either full-time or part-time.

1. Unemployed persons by sex - seasonally adjusted



Source: ABS, [Labour force, October 2013](#), Cat. no. 6202.0

2. Unemployed persons by type of work sought - seasonally adjusted

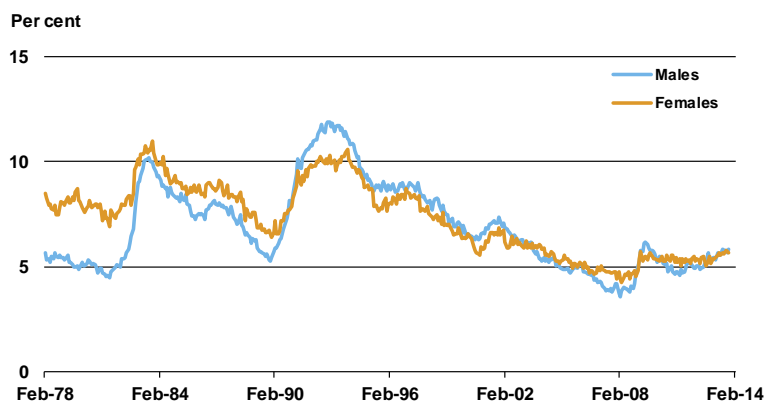


Source: ABS, [Labour force, October 2013](#), Cat. no. 6202.0

Unemployment rate

The [rate](#) is unemployed people expressed as a proportion of the labour force (in the same age group). This key measure is used to assess the availability of jobs in the labour market. A high rate therefore reflects that there are more people actively looking for work than there are jobs available. Graph 3 provides the unemployment rate by sex from the start of the data series until October 2013 (seasonally adjusted).

3. Unemployment rate by sex - seasonally adjusted



Source: ABS, [Labour force, October 2013](#), Cat. no. 6202.0

Long-term unemployed

Unemployed people who have not worked for 52 weeks or longer are classified as long-term unemployed.

The longer people are unemployed, the harder it may be to return to, or gain, employment. In a 2011 article, the [ABS](#) suggest that long-term unemployment may lead to an erosion of social or workplace networks, skills, confidence or motivation.

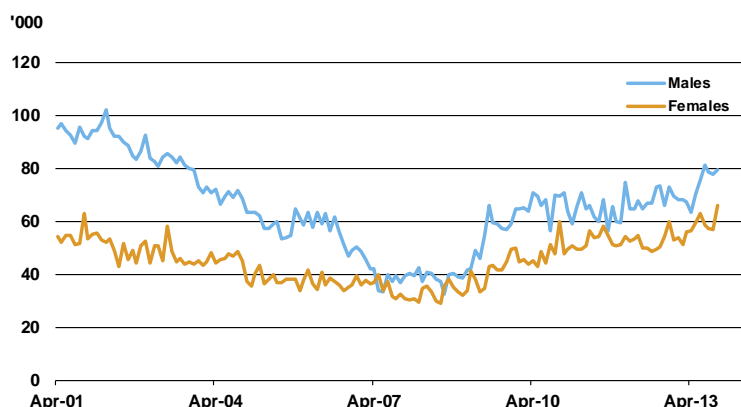
Duration of unemployment

To measure the [duration of unemployment](#), the ABS focuses on the period of time that has elapsed since an unemployed person:

- began looking for work (and was available to work), or
- last worked for two weeks or more.

The period is measured up to the end of the reference week and, where both situations apply, the shorter of the two periods is used as the duration. Brief periods of work (less than two weeks) during the job seeking period are disregarded. Graph 4 provides changes in the number of long-term unemployed people by sex from the start of the data series until October 2013 (seasonally adjusted).

4. Long-term unemployed people by sex – seasonally adjusted



Source: ABS, [Labour force, detailed – electronic delivery, October 2013](#), Cat. no. 6291.0.55.001

Long-term unemployment ratio

The long-term unemployment ratio expresses the number of people unemployed for 52 weeks or more as a proportion of all unemployed people. Time series data is available from the Parliamentary Library's [Monthly Statistical Bulletin](#), see '1.4 Long-term unemployment'.

Young unemployed

A separate Quick Guide on [youth unemployment](#) is available from the [Parliamentary Library](#) website. The guide contains information on various measures that may be used to assess youth unemployment, including: the youth unemployment rate; youth unemployment ratio; full-time youth unemployment rate; youth unemployment/fully active ratio; ratio of youth-to-adult unemployment rates; and share of unemployed youth in total unemployment. It also contains a detailed list of ABS sources for youth labour force data.

Summary of available data sources

The ABS produces labour force estimates through the monthly *Labour Force Survey*. Labour data is also available from a range of supplementary and multi-purpose household surveys, social surveys and some business surveys. Key indicators are available from: [Labour force](#), Cat. no. 6202.0; [Labour force, detailed – electronic delivery](#), Cat. no. 6291.0.55.001; and [Labour force, detailed, quarterly](#), Cat. no. 6291.0.55.003.

The Statistics and Mapping Section of the Parliamentary Library provide regular updates on unemployed persons based on ABS data in the [Monthly Statistical Bulletin](#), see:

- 1.2 Unemployment
- 1.4 Long-term unemployment
- 1.5 Youth unemployment, and
- 8.3 International comparisons – unemployment rates.

Regional data

Regional estimates of unemployment are released by the ABS in:

- [Labour force, detailed – electronic delivery](#), Cat. no. 6291.0.55.001 – see Table 16 and Data Cubes RM1, RM2 and RM3. Also available are estimates by Capital city/Balance of State – see Data Cubes LM1 and LM2.
- [Labour force, detailed, quarterly](#), Cat. no. 6291.0.55.003 – see Data Cubes UQ1, UQ2 and UQ3.

The ABS is also responsible for collecting and disseminating results from the five-yearly *Census of Population and Housing*. The [Basic Community Profile](#) series provides selected labour force data for small statistical areas (e.g. Commonwealth and State Electoral Divisions) including male and female unemployment rates, and whether a person was looking for full-time or part-time work.

The Labour Market Research and Analysis Branch of the Department of Employment releases regional labour force data in the quarterly publication [Australian regional labour markets](#). Estimates include unemployment, employment, the unemployment rate, employment rate and participation rate.

The Parliamentary Library's [Small Area Labour Market Data](#) webpage provides estimates of unemployment based on the following geography:

Statistical Region

- Unemployment rate, all persons
- Full-time unemployment rate, teenage (15 to 19 years)
- Full-time unemployment rate, 15 to 24 years
- Unemployment rate, 15 to 24 years

More information on [youth unemployment](#) is provided in a separate Quick Guide, which is available from the [Parliamentary Library](#) website.

Statistical Local Areas (SLAs)

- Unemployed persons
- Unemployment rate

(Commonwealth) Electoral Divisions

- Unemployment rate
- Unemployed persons

More information on Statistical Region Structures is available from the ABS publication [Australian Standard Geographical Classification \(ASGC\)](#), Cat. no. 1216.0.

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