

Select Committee on Job Security
ANSWERS TO QUESTIONS ON NOTICE
Australian Bureau of Statistics

Division: Labour Statistics Branch
Topic: Select Committee on Job Security
Senator: Tony Sheldon

Question:

1. In response to the committee's first interim report, the Attorney-General's Department submitted that it:

... is working with the Australian Bureau of Statistics (ABS) to enhance collection of industrial relations related data, including workers engaged in the 'gig' or 'on-demand' economy, casual workers and award-reliant workers. The Department is currently undertaking preliminary scoping work with the ABS on workers engaged in the gig economy. See [Supplementary submission 75.1](#)

a) What can you tell us about the enhanced collection of workforce data referred to by the Department in its supplementary submission? What additional areas will be captured? Or how will the data differ?

b) How will the ABS address gaps in the data, especially for on-demand platform (or gig) workers?

2. Has work become less secure over the last 40 years and what are key indicators? Please provide graphs/tables.

3. How significant is the increase in part-time employment over this time? How and why has it increased? Please provide graphs/tables.

4. Does the ABS Labour Force Survey data capture an accurate picture of insecure and precarious work? Why/why not? What other sources of ABS data might capture a more accurate picture?

5. If the Labour Account data on Labour Hire/Labour supply services is more reliable/accurate than the Labour Force Survey data on labour hire, why is the Labour Force data still the primary data source used when stating the number of labour hire workers?

6. Could the existing Labour Account data be used to determine the size of the on-demand platform workforce in Australia? If so, how? Can you provide an estimate? Please provide graphs or tables.

7. We understand the collection method for independent contractor data in the Characteristics of Employment survey is similar to that for labour hire, which is that it requires the respondent to self-identify as a contractor.

a) Is this correct? If not, could you briefly explain the methodology?

b) Could the Labour Account data provide a more accurate count of independent contractors than the Labour Force Survey data or Characteristics of Employment?

8. How does ABS data match up/compare with **other sources** of data on independent contractors – such as tax office data on the number of applications for ABNs? And the figures provided by companies like Uber as to how many drivers they have engaged?

9. Does current ABS data show that the number of independent contractors in Australia has remained stable over the course of the pandemic (2020-2021), even though there has reportedly been a growth in jobs in the platform sector? Or does ABS data show an increase? Please provide graphs.

10. You recently reported an increase in multiple job holding. How has it increased? Please provide graphs/tables.

11. How is multiple job holding counted by the ABS, and are the methods used capturing all multiple job holders? What are the limitations of the data?

Answer:

1. a) The Government provided \$2.8 million over four years to the ABS in the 2020-21 Mid-Year Economic and Fiscal Outlook to collect additional information on industrial relations related topics from people (through the annual Characteristics of Employment supplement to the Labour Force Survey) and businesses (through the two-yearly Survey of Employee Earnings and Hours).

The ABS is in the early stages of developing additional questions for the Characteristics of Employment supplement on casual conversion (converting from casual to non-casual employee jobs with an employer), questions to better understand people working as casuals for longer periods of time and questions around on-demand/digital platform work and its nature and extent.

For the Survey of Employee Earnings and Hours, the ABS will produce additional information on specific awards employees are paid under. It will also explore whether it is feasible to collect additional information around casual conversion from employers, ahead of the 2025 survey.

All of these data will be new data.

b) The ABS will be undertaking additional data collection activities to address data gaps. For on-demand/digital platform workers, this will include additional questions added to the Characteristics of Employment supplement.

2. The ABS does not produce measures of how secure work is.

3. Part-time employment has increased over the past 40 years, rising from around 15% of employment in the late 1970s to around 32% before the start of the COVID pandemic.

There are a range of reasons commonly attributed to this increase over time, such as increasing female employment and a greater use of part-time work by people transitioning into the labour market (often paired with education) and by people transitioning to retirement.

4. The Labour Force Survey and its supplementary topic of Characteristics of Employment provide an accurate and detailed picture of working arrangements and earnings, and how they

are changing over time. The ABS asks a broad range of questions, from a large sample of people, and with a high response rate. This ensures ABS produces a broad range of accurate information.

The ABS does not produce a measure of insecure or precarious work but produces a broad range of information from the Characteristics of Employment supplement to understand the nature of working arrangements in Australia and how they are changing over time, for a range of characteristics (sex, age, location, etc).

5. The best source of information on labour hire as a working arrangement in Australia is the annual Characteristics of Employment supplement. This provides information on whether employees were registered with a labour hire firm or an employment agency, and also whether they were paid by a labour hire firm or an employment agency.

The data is published in <https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/working-arrangements/latest-release#labour-hire>.

The ABS Labour Account is the best source of industry-level labour market information.

6. The ABS Labour Account would not be the best source for information on the on-demand/digital platform workforce.

Adding additional questions into the Characteristics of Employment supplement is the best approach for producing information on whether people are undertaking on-demand/digital platform work and the nature and extent of this work. This will provide information across all key on-demand platforms and also information that can be directly reconciled and compared with other information on working arrangements.

7. a) The ABS asks a series of questions which are used to determine whether someone is an independent contractor in their main job, including whether they self-identify as an independent:

1. Do you work as an independent contractor in your job?
2. Do you receive a pay slip/advice?
3. Do you/Does your business invoice or bill clients/employers?
4. Excluding wages and salary, are you able to make drawings from your employer/business?

The 'Forms of Employment Framework', which categorises people as Independent contractors, Other business operators, and Employees, draws upon all of these questions, and not just the first question.

Further information on this categorisation approach can be found in <https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/working-arrangements/aug-2021#independent-contractors>.

b) The ABS Labour Account would not be the best source for information on independent contractors.

The Characteristics of Employment supplement provides the best picture of working arrangements and earnings, including people working as independent contractors.

8. The Characteristics of Employment supplement has specific questions to understand the working and payment arrangements of independent contractors and other business operators in their main job.

Other data sources, including administrative data and data held by companies, don't have similar detailed information on working and payment arrangements and therefore won't provide directly comparable insights. Those other data sources also don't include hours worked information across all of the jobs that a person works, from which to identify what is a main job or a secondary job.

The Characteristics of Employment supplement provides a measure of the number of people who were independent contractors in their main job. The additional questions being developed around on-demand/digital platform work will identify whether anyone was doing work through these platforms in any of their jobs.

In developing additional questions for the Characteristics of Employment supplement, the ABS will undertake a range of comparisons with other data sources.

9. The Characteristics of Employment supplement provides a measure of the number of people who were independent contractors in their main job. The additional questions being developed around on-demand/digital platform work will identify whether anyone was doing work through these platforms in any job (that is, main or secondary jobs).

The Characteristics of Employment data shows there were around 1.0 million people working as independent contractors in their main job in August 2019 (prior to the pandemic) and in August 2020 and August 2021 (during the pandemic).

- August 2019: 1.05 million people of around 12.9 million employed people
- August 2020: 1.03 million people of around 12.6 million employed people
- August 2021: 1.00 million people of around 13.0 million employed people

10. The ABS Labour Account provides the best measure of multiple job holding. The most recent data showed that 5.8% of people worked multiple jobs in September quarter 2021, down from a high of 6.2% in June quarter 2021.

A graph can be produced from seasonally adjusted data in Table 1 of the ABS Labour Account release.

11. The ABS Labour Account uses survey information on working arrangements to determine the extent of multiple job holding in the labour market. It also uses industry information from the annual ABS Jobs in Australia release to inform the industry allocation of secondary jobs that are worked by multiple job holders.

The ABS is confident the Labour Account provides a comprehensive picture of the number of multiple job holders and the industries in which main and secondary jobs are worked. Longitudinal Labour Force microdata and Jobs in Australia data provide complementary data sources for people looking to understand the demographic characteristics of multiple job holders and the combination of industries that multiple job holders work across.