

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

2017 - 2018

Division/Agency: Australian Bureau of Statistics

Question No: 32

Topic: Labour Statistics

Reference: Hansard page 83 (31 May 2017)

Senator: Xenophon, Nick

Question:

Senator XENOPHON: I have a short line of questioning and, unusually for me, it is going to be a very friendly line of questioning. The mission statement of the ABS is that 'we assist and encourage informed decision-making, research and discussion within governments and the community, by providing a high quality, objective and responsive national statistical service'. That is pretty axiomatic. I want to go to the issue of labour statistics. I think this goes back to 2006—concepts, sources and methods for labour stats. A matter that I think I have touched on previously is the definitions of employment used in ABS household surveys. The labour force survey gives a number of definitions of who is employed, including all persons 15 years of age and over who during the reference week worked for one hour or more, worked for one hour or more without payment in a family business or farm, or were employees who were not at work and who were at work for several weeks.

I will focus on the one hour a week. I am happy for you to take the details of this question on notice. I understand that this was changed a number of years ago to be in line with international definitions of employment. In terms of providing useful information for policy makers, for public debate, for governance and for parliamentarians, by and large, if you work one hour a week that is not going to cut it in terms of meeting your commitments for your mortgage or a whole range of measures. I think you know where I am going with this. Have you as the Australian Statistician, or has the Bureau of Statistics considered having another pathway of measuring employment that would be seen to be more realistic and to reflect the social impact of people being unemployed in the genuine sense? You measure underemployment, but I query the usefulness of the one hour figure, which I understand is something that we adopted because of an international norm a number of years ago.

Mr Kalisch: I will take that on notice as to when that was introduced. My understanding is that the international definition for employment and consequently unemployment has been pretty much in place for decades.

Answer:

The 1 hour threshold has been used since 1960 for the entire duration of the quarterly Labour Force Survey. This has enabled effective comparisons over time, with other macroeconomic statistics, and with other countries.

Since 1960, the ABS has produced an extensive range of information on employed persons and their characteristics, to provide useful macroeconomic, microeconomic and social statistics for policy makers to effectively understand and monitor the Australian labour market.