

## Senate estimates: opening statement from the Australian Bureau of Statistics

I would like to make a short opening statement on the topic of Labour Force Statistics.

In our most recent release of the monthly Labour Force publication we took the step of not applying our usual seasonal adjustment factors. We have not done this before. We did it because over the last 3 months we have not seen the usual seasonal pattern in the numbers. For example, if we had applied the previously observed seasonal factors to the September data, there would have been an unprecedented movement in the seasonally adjusted number of people employed full-time. This, coupled with other unusual movements in estimates over the past three months, led us to the conclusion that setting the seasonal factors to 1 would produce the best set of labour force estimates.

We appreciate that the production of high quality labour force numbers is essential. We are undertaking a review in an effort to understand why the numbers are behaving as they are. The investigation is drawing on the expertise within the ABS and internationally. We are looking carefully and systematically. We will, as always, be very transparent about what we find and any adjustments we make.

I won't speculate on the cause. The September publication outlined the various aspects we are considering. Mr Harper would be pleased to elaborate if you wish.

There has been some speculation that a lack of resources has been a factor. Producing core economic statistics to a high quality is a top priority for the ABS. We would not under-resource these important statistics - we would reduce lower priority activities before we cut corners on major economic indicators. The labour force program was not impacted by any of the recent work program reductions - indeed, we cut some statistics precisely so that we could maintain quality for the remaining program.

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