

BCEC

Bankwest Curtin Economics Centre

LABOUR MARKET UPDATE

Providing monthly updates and expert insights and analysis around key labour market indicators.

The national recovery takes a sickie

As speculation mounts around the national unemployment rate breaking through the 4 per cent barrier and the potential implications for wages growth, the unemployment rate for Australia held steady at 4.2 per cent in January. However, our assessment is that the effects of the Omicron outbreak outside of WA obscured an underlying tightening of labour market conditions.

Employment grew by a modest 12,900 jobs (or 0.1 per cent) while the participation rate edged higher to 66.2 per cent. In total, the number of full-time jobs fell by 17,000 while the number of part-time jobs grew by 30,000. The big change was in the aggregate number of hours worked, which dropped by 8.8 per cent from December. This far overshadows the changes in the number of part-time jobs, and will reflect reduced hours for workers across the board. As foreshadowed in last month's MLMU, this likely reflects friction in labour market as illnesses and preventative measures associated with Omicron frustrate employers' hiring intentions, workers' labour supply intentions and the matching of the two.

Separate analyses of data from the January labour force survey by the ABS revealed there were 744,000 people working fewer or zero hours due to illness, injury or sick leave, around three times the number we would normally expect in January. The January survey related to the first two weeks of the month and nationally the number of new daily COVID cases peaked in the second week of that reference period. As the number of active cases will peak with a lag, impacts are likely to persist into next month's figures, with the survey taken with respect to the first two weeks of February, before the recovery hopefully resumes in March.

WA next in line for Omicron fall-out

Western Australia's unemployment rose from 3.4 per cent to 3.7 per cent in January, despite a solid 8,800 increase in the number of people employed and particularly strong growth for females in part-time work. The unemployment rate rose as a result of almost 14,000 people entering the labour force, pushing the state's labour force back over the 1.5 million mark and to a new record of 1,507.8 thousand.

The strength of labour demand in WA can be seen in the participation rate jumping 0.7 of a percentage point to 69.7 per cent, just shy of its all-time high of 69.9 per cent recorded in December of 2008. The female participation rate did set a new all-time high in January of 64.6 per cent, leap-frogging the previous record of 64.2 per cent set in November of last year.

Unlike the rest of Australia, there was no spike in WA in the number of people working fewer hours due to illness in January. Total hours worked in WA also increased by 1.7 per cent, defying the national trend (down 8.8 per cent). The February labour force survey reference period was behind us before the daily number of local infections of Omicron in WA surpassed the 100 mark. Hence we can expect another strong showing in the February figures, but need to brace ourselves starting from March for some of the fall-out from the Omicron outbreak that has been witnessed in other states, notably a reduction in hours worked and a rise in absences due to illness. Both NSW and Victoria saw falls in hours worked of over 13 per cent last month as their case numbers peaked.



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Nationwide employment rises again, despite Omicron threat

The trend of nationwide employment growth over the course of 2021 has continued into early 2022, albeit of a lesser magnitude, as the month of January saw employment rise nationally by 12,900 (0.1 per cent). Strong gains in QLD and WA served to offset falls in the eastern states struggling with the Omicron outbreak. The number of employed people in Australia reached another record high of approximately 13.25 million people in January 2022, edging out the previous record of 13.24 million set last month.

Part-time work recorded encouraging growth in January, with an additional 30,000 jobs added this month. The gains in part-time work were driven by strong contributions from QLD (+11,200 jobs), WA (+9,400), the ACT (+4,600) and NSW (+4,300), with the largest falls in part-time work being recorded in TAS (-2,700) and the NT and SA (-1,600 each).

In contrast, full-time employment fell by 17,000 jobs in January, heavily influenced by Omicron outbreaks in NSW and VIC, which saw the two states lose 27,100 and 15,300 full-time jobs, respectively. SA (-5,700) and WA (-600) also recorded full-time employment losses over the month. Only QLD (+6,000), the NT (+2,000), TAS (+1,400) and the ACT (+100) recorded a rise in full-time work this month.

Table 1: Employment changes: states and territories

	Employed Persons ('000)	Change from:		Change from December 2021 ('000)		Change (%) from January 2021			
		December 2021 ('000)	Rank	January 2021 (%)	Rank	Full-Time	Part-time	Full-Time	Part-time
Australia	13,255.0	+12.9	1	+2.8%	1	-17.0	+30.0	+3.3%	+1.7%
NSW	4,137.2	-22.8	8	+1.6%	5	-27.1	+4.3	+1.9%	+0.9%
VIC	3,455.7	-15.6	7	+1.9%	4	-15.3	-0.3	+1.5%	+2.9%
QLD	2,684.0	+17.4	1	+3.8%	2	+6.2	+11.2	+5.6%	+0.2%
SA	875.3	-7.3	6	+3.6%	3	-5.7	-1.6	+3.6%	+3.6%
WA	1,452.1	+8.8	2	+6.1%	1	-0.6	+9.4	+7.0%	+4.4%
TAS	259.1	-1.4	5	+1.0%	6	+1.4	-2.7	+3.8%	-3.7%
NT	131.9	+0.4	4	+0.5%	7	+2.0	-1.6	-0.3%	+3.0%
ACT	231.9	+4.7	3	-1.2%	8	+0.1	+4.6	-2.6%	+3.0%

Notes: Seasonally adjusted values are used.

Source: BANKWEST CURTIN ECONOMICS CENTRE | Australian Bureau of Statistics Cat No 6202.0

Ratio of unemployed persons to job vacancies falls in January

The ratio of unemployed people to job vacancies in Australia fell for the third consecutive month in January 2022, decreasing by 0.1 persons to 2.2 unemployed persons for every one job vacancy, as job vacancies increased at a higher rate than unemployed persons.

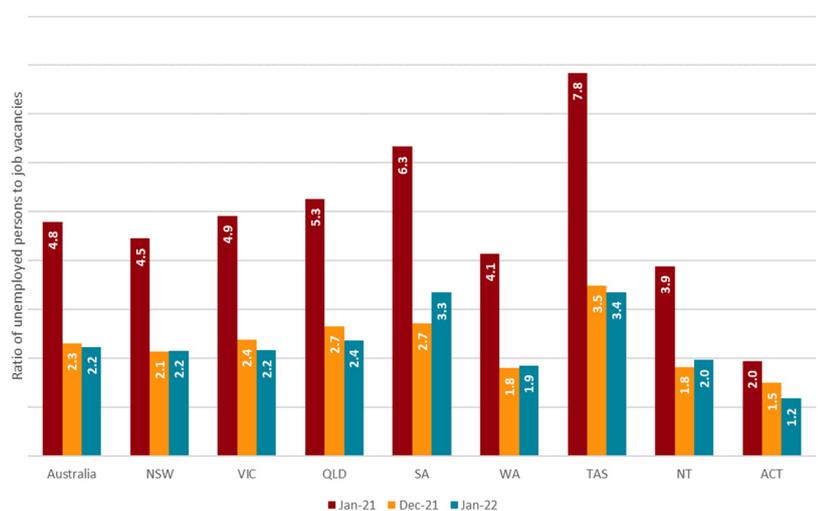
The number of unemployed people for each job vacancy fell in four states and territories over the month, led by QLD and the ACT (-0.3 persons each), along with VIC (-0.2 persons) and TAS (-0.1 persons). In contrast, the largest rise was recorded in SA (+0.6 persons), followed by minor gains in the NT, WA and NSW (+0.1 persons each).

The drop in the number of unemployed people per job vacancy was largely a result of an increase in job vacancies, which rose by nearly 11,000 in January, led by NSW (+3,500 job advertisements), VIC (+3,300) and QLD (+2,500), with only minor falls recorded in SA, NT and TAS, all below 1.5 per cent.

This rise in job vacancies negated the slight rise in national unemployment in January, which rose by 5,600 persons over the month. The rise in national unemployment was primarily driven by NSW (+8,800), SA (+8,100) and WA (+5,100), whilst QLD (-8,400) and VIC (-6,900) recorded a decrease in unemployment in January.

The ACT continues to hold the lowest ratio at 1.2 unemployed persons per job vacancy, but labour markets remain tight in WA (with 1.9 unemployed people per vacancy) and the NT (2.0 persons). Future updates will reveal whether WA's ongoing skills shortages eases with borders opening on 3 March. Overall, the number of unemployed people for each job vacancy has fallen substantially since January 2021, with the ratio of unemployed persons falling from 4.8 persons to 2.2 persons nationally over the year.

Figure 1: Ratio of unemployed persons per job vacancy



Notes: Seasonally adjusted values are used.

Source: BANKWEST CURTIN ECONOMICS CENTRE | Australian Bureau of Statistics Cat No 6202.0 and Australian Government National Skills Commission.

Average hours worked slides due to Omicron, but WA holds firm

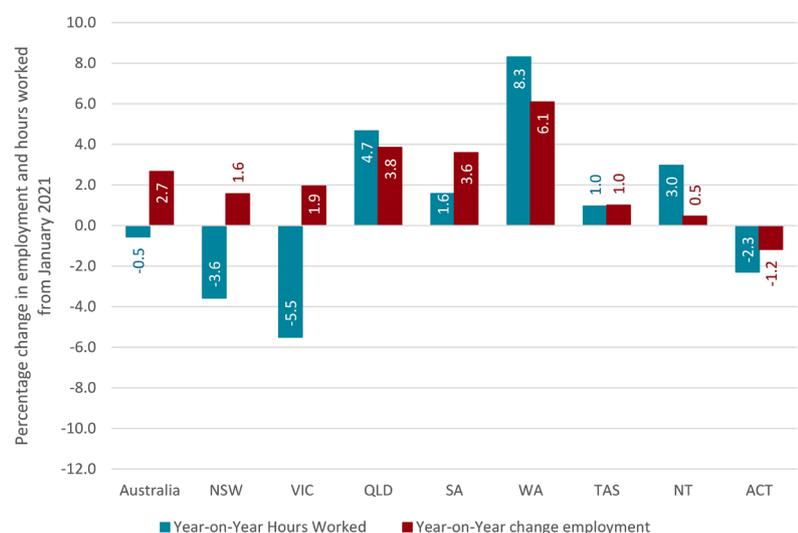
One of the biggest stories to emerge from the latest ABS release is the precipitous fall in average hours worked across the country in January 2022, particularly in the eastern states. This has resulted in the nationwide number of hours worked falling to 0.5 per cent lower than January 2021. The number of jobs on year-on-year measures fared slightly better, remaining 2.7 per cent higher than this time last year, but employment still dropped in the majority of states and territories in January 2022.

Looking to year-on-year measures, NSW and VIC have the largest falls in hours worked compared to this time last year at 3.6 and 5.5 per cent respectively, owing to a sharp drop in hours worked this month as a large proportion of workers took sick or annual leave due to the onset of the Omicron variant in January. The ACT also has lower hours worked compared to January 2021, down 2.3 per cent. In contrast, WA has an extremely strong year-on-year performance, with hours worked exceeding January 2021's total by 8.3 per cent, followed by QLD (+4.7 per cent), the NT (+3.0 per cent) and SA (+1.6 per cent).

Year-on-year employment presents an encouraging nationwide picture, with all states and territories except for the ACT (-1.2 per cent) exceeding job totals for January 2021. Leading the pack in employment compared to last year is WA (+6.1 per cent), followed by QLD (+3.8 per cent) and SA (+3.6 per cent).

In overall terms, WA leads the nation in both hours worked (8.3%) and employment growth (6.1%) since January 2021 by a strong margin. QLD, SA, TAS and the NT join WA as the only states and territories to currently have higher year-on-year hours worked and employment.

Figure 2: Change in employment and hours worked since January 2021



Notes: Seasonally adjusted values are used.

Source: BANKWEST CURTIN ECONOMICS CENTRE | Australian Bureau of Statistics Cat No. 6202.0.

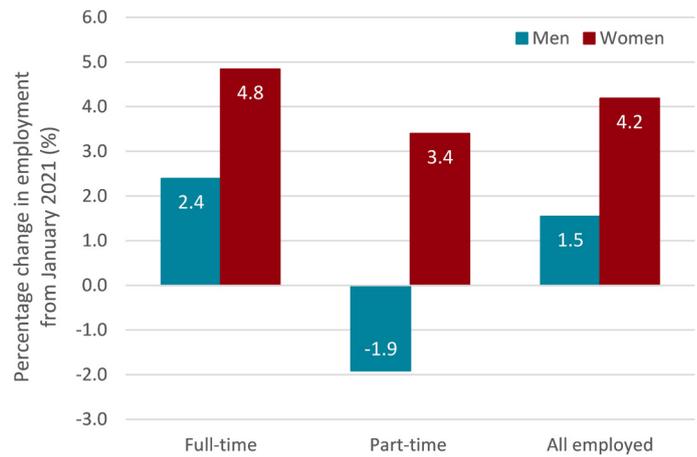
Employment counts have risen more for women...

Women gained 57,000 new part-time jobs in the month to January 2022, which means that the number of women working part-time is now 3.4 per cent higher than in January 2021. In contrast, men's part-time work dropped by nearly 27,000 jobs during January, causing men's part-time employment to slip 1.9 per cent lower than this time last year.

Full-time jobs painted a similar picture. Women's full-time employment rose marginally in January 2022, by an additional 9,600 full-time jobs. However, cumulative increases over the past year means that the number of women in full-time employment is 4.8 per cent higher than in January 2021. Men's full-time employment struggled in January as 26,700 jobs were lost, resulting in a 0.5ppt fall to be 1.1 per cent higher than at the onset of the pandemic in March 2020.

The overall number of women in employment looks to have held up since the onset of the pandemic, with total employment for women rising by 4.2 per cent compared to the same time last year compared to an increase of 1.5 per cent for men. However, the number of hours worked in each job has dropped substantially for both women and men, in both full-time and part-time jobs. This shows that just looking at employment counts will only give a partial picture of the health or otherwise of the Australian labour market.

Figure 3: Change in employment since January 2021 by gender



Notes: Seasonally adjusted values are used.
Source: BANKWEST CURTIN ECONOMICS CENTRE | Australian Bureau of Statistics Cat No 6202.0

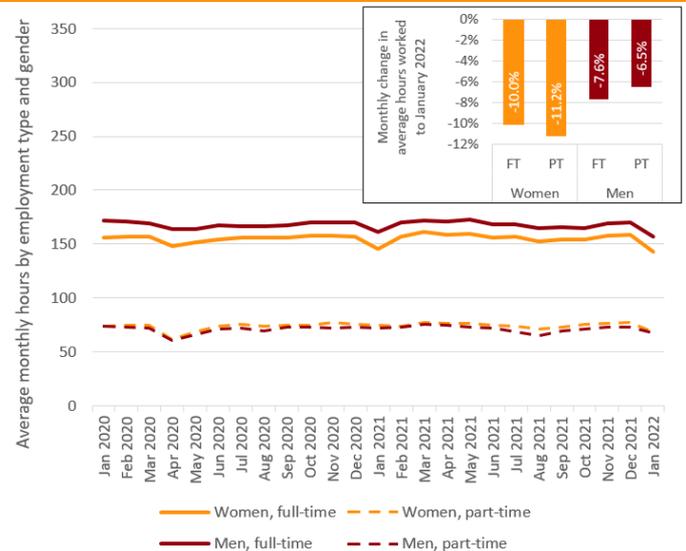
But the average monthly hours worked in each job has fallen

Full-time and part-time hours fell substantially in January as Omicron began to take hold in Australia, particularly for women and to a lesser extent for men. Average monthly hours worked fell by 10 per cent in the space of a single month for women working full-time, and 11.2 per cent for women in part-time work. For men, the drop in average monthly hours was slightly lower but still high, falling by 7.6 per cent in full-time work, and 6.5 per cent in part-time work.

In terms of aggregate hours worked, women lost a total of 74,200 hours of work going into January; the largest drop seen since the start of the pandemic. Of those hours, 53,900 of them were in full-time work, and an additional 20,200 were in part-time work. This is in spite of an increasing employment rate for women in January; with the ABS noting that more leave hours were taken in January than usual, again, likely due to sick leave allocations being utilized in the peak of the Omicron wave of COVID-19.

For men, around 85,200 total hours were lost in January; even more than the total hours lost in transition from March to April 2020 when the pandemic first hit the Australian labour market. Of these hours, 77,000 were concentrated in full-time work, whilst only 8,200 were in part-time work. This is a lower percentage loss in hours worked compared to women, but is nevertheless indicative of the effects of Omicron on the labour market in January.

Figure 4: Average monthly hours worked: by gender and job status



Notes: Seasonally adjusted values are used.
Source: BANKWEST CURTIN ECONOMICS CENTRE | Australian Bureau of Statistics Cat No 6202.0

Participation rates among women rise in early 2022

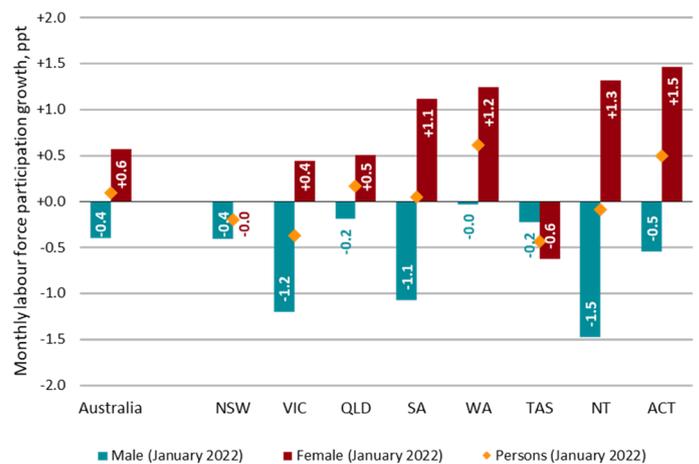
The national labour force participation rate rose by 0.1ppt in January, rising to 66.2 per cent due to an increase of over 18,500 persons in Australia's labour force compared to December 2021. The labour force participation rate continues to move closer to the record high of 66.3 per cent set in March 2021.

Notably, women's participation rose by 0.6ppt in January, in comparison to a fall of 0.4ppt for men. For women, all states and territories except for TAS (-1.1ppt) recorded a rise in participation, led by the NT (+4.1ppt), WA (+1.6ppt) and VIC (+1.5ppt). For men, participation fell in 6 out of 8 states and territories, with the heaviest losses recorded in the ACT (-3.0ppt), NSW (-1.3ppt) and QLD (-1.1ppt).

Despite the national participation rise, only three out of eight states and territories recorded an overall rise in participation in January, namely WA (+0.6ppt), the ACT (+0.5ppt) and QLD (+0.2ppt), whilst SA recorded no change. For WA, the gains in participation amounted to a strong increase in the labour force of nearly 14,000 persons as the labour market was not impacted by the Omicron variant. In contrast, VIC and TAS (-0.4ppt each), NSW (-0.2ppt) and the NT (-0.1ppt) all recorded a fall in participation over the month.

On year-on-year measures, the nationwide participation rate in January 2022 is 0.1ppt higher than it was a year ago (66.1%). However, there has been a shift in the gender balance of the Australian labour force. The labour force participation rate among women rose 0.9 ppt to 62.1 per cent over the year to January, while men's participation fell 0.7ppt to 70.4 per cent since this time last year. This means that the overall gender participation rate gap between men and women has decreased by an impressive 1.6ppt to 8.4ppt over the last year.

Figure 5: Monthly change in labour force participation



Notes: Seasonally adjusted values are used. Figures show change from December 2021 to January 2022.
Source: BANKWEST CURTIN ECONOMICS CENTRE | Australian Bureau of Statistics Cat No 6202.0

Unemployment remains unchanged in January

The national unemployment rate held firm at 4.2 per cent in January, with the number of unemployed people in Australia rising marginally by 5,600 to 580,000 over the month. The unemployment rate remains the nation's lowest in over 13 years.

The unchanged national unemployment rate this month is likely due to steady labour market activity on the back of large unemployment rate falls in previous months. Additionally, the presence of the Omicron variant in the eastern states will have played a role in restricting some people from finding work in January.

Unemployment rates fell in five out of eight states and territories in January, with the ACT (-1.3ppt), the NT (-0.4ppt) and QLD (-0.3ppt) leading the way. In contrast, unemployment rates rose in SA (+0.9ppt), WA (+0.3ppt) and NSW (+0.2ppt).

The ACT now has the lowest unemployment rate across the nation at 3.2 per cent, followed by WA (3.7 per cent), TAS and the NT (3.8 per cent each). All states and territories posted unemployment rates below 4.5 per cent in January, with the exception of SA (4.8 per cent).

Table 2: Unemployment changes: states and territories

	Unemployment Rate	Rank	Change (ppt) from:		Unemployed ('000)	Change ('000) from:	
			December 2021	January 2021		December 2021	January 2021
Australia	4.2%	--	0.0	-2.2	580.0	▲+5.6	▼-301.6
NSW	4.2%	6	▲+0.2	-1.8	180.4	▲+8.8	▼-78.1
VIC	4.1%	5	▼-0.1	-2.2	146.7	▼-6.9	▼-81.5
QLD	4.4%	7	▼-0.3	-2.6	122.2	▼-8.4	▼-73.1
SA	4.8%	8	▲+0.9	-2.1	43.7	▲+8.0	▼-18.7
WA	3.7%	2	▲+0.3	-2.6	55.7	▲+5.1	▼-35.5
TAS	3.8%	3	▼-0.1	-2.2	10.2	▼-0.5	▼-6.3
NT	3.8%	4	▼-0.4	-1.7	5.2	▼-0.6	▼-2.5
ACT	3.2%	1	▼-1.3	-1.1	7.6	▼-3.1	▼-2.9

Notes: Seasonally adjusted values are used. State and territory numbers of unemployed people do not sum to figures for Australia due to ABS seasonal adjustment methods.

Source: BANKWEST CURTIN ECONOMICS CENTRE | Australian Bureau of Statistics Cat No 6202.0

Underemployment ratio rises marginally

The national underemployment ratio (the share of those employed who wish to work more) rose 0.1ppt to 7 per cent in January 2022.

However, despite the national rise in underemployment, five states and territories recorded a fall in underemployment, led by QLD (-0.6ppt), VIC, the NT and SA (-0.5ppt each). In contrast, the majority of underemployment gains were recorded by WA (+0.7ppt), along with NSW (+0.2ppt).

Over the month, men saw a fall in underemployment of 0.1ppt to 5.8ppt, whilst women recorded a rise of 0.2ppt to 8.3ppt. The rise in women's underemployment can be primarily attributed to a reduction in working hours in NSW, reflected by a 0.5ppt increase in women's underemployment in January. Despite this, six out of eight states and territories recorded a fall in women's underemployment for the month, suggesting January could simply be a blip.

Underemployment has improved for all states compared to the same month last year, with the underemployment ratio having fallen by 1.7ppt for men over the year to January 2021, and by 2.1ppt for women. VIC (-2.9ppt) and SA (-2.6ppt) led the way in the fall in underemployment for men, followed by TAS and the NT (-2.0ppt each). For women, the underemployment ratio fell the most in VIC (-2.6ppt), and NSW and QLD (-2.4ppt each). Women continue to face higher underemployment ratios in all but one of the states and territories.

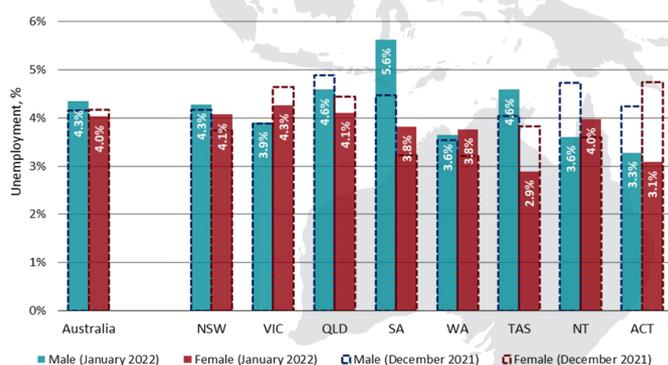
Figure 6: Underemployment ratio by gender: states and territories



Notes: Seasonally adjusted values are used.

Source: BANKWEST CURTIN ECONOMICS CENTRE | Australian Bureau of Statistics Cat No 6202.0

Figure 7: Unemployment by state and gender: January 2022



Notes: Seasonally adjusted values are used.

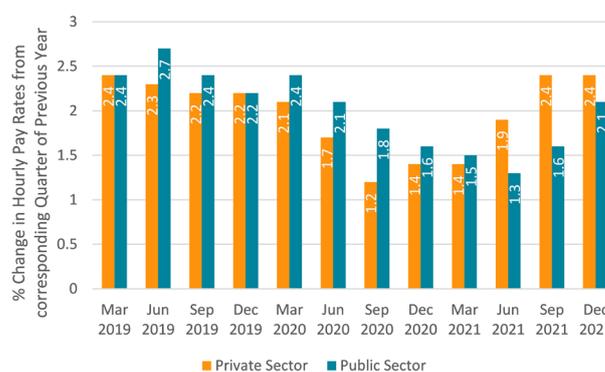
Source: BANKWEST CURTIN ECONOMICS CENTRE | Australian Bureau of Statistics Cat No 6202.0

The national unemployment rate fell 0.1ppt to 4.0 percent for women, and rose 0.2ppt to 4.3ppt for men in January as jobs became slightly more difficult to find, particularly in the eastern states. Total unemployment rose marginally by 5,600 persons in January, which hopefully reflects a temporary effect of Omicron with the downward trend resuming in coming months.

Unemployment was mixed across states and territories for both men and women in January 2021. For men, four out of eight states saw a rise in unemployment, led by SA (+1.2ppt) and TAS (+0.5ppt), with no change recorded in VIC. In contrast, men saw large falls in unemployment in both the NT (-1.1ppt) and the ACT (-1.0ppt).

For women, four out of eight states saw a fall in unemployment, with the ACT (-1.7ppt), TAS (-0.9ppt) and VIC (-0.4ppt) leading the way. On the other hand, the largest increases in unemployment for women were recorded in SA and WA (+0.6ppt each), along with the NT (+0.4ppt) and NSW (+0.3ppt).

Figure 8: Growth in private and public sector wages: 2019 to 2022



Notes: Figure shows Seasonally adjusted values are used.

Source: BANKWEST CURTIN ECONOMICS CENTRE | Australian Bureau of Statistics Cat No 6345.0

Private sector wages have grown nationally by 2.4 per cent over the year to December 2021 according to ABS quarterly wage index data. This continues the upward pressure on wages since the middle of 2021.

The initial phase of the COVID-19 lockdown restrictions led to a general economic slowdown and reduced labour demand, and this manifested in a slowdown in private sector wages growth up to September 2020.

However, the story in the private sector over the course of 2021 has been far more one of wages growth. This has been driven by a combination of recovering economic activity, growing labour and limited worker mobility leading to skills shortages for many business across the country.

Growth in public sector wages is also returning, with wages restraints being eased in many states across the country. Hourly pay rates for public sector workers rose by 2.1 per cent over the year to December 2021, which continues the public sector wages growth over the second half of 2021.

Youth unemployment drops alongside youth participation

The national youth unemployment rate fell by 0.4ppt to 9.0 per cent over the month to January, with this decrease in unemployment being driven by a falling participation rate among 15-24 year olds, which fell by around 0.7 percentage points.

Approximately 62,800 fewer young Australians were employed in January, with drops primarily being recorded in QLD, which recorded an unemployment rate fall of -0.7 percentage points, but also saw their total workers fall by 4,800 with falling participation. In the territories, the NT (-100 workers, -5.9ppt unemployment) and the ACT (+3,400 workers, -5.5ppt unemployment) also recorded falling unemployment. Yet, even in the NT, the falling unemployment rate could be attributed to a falling participation rate.

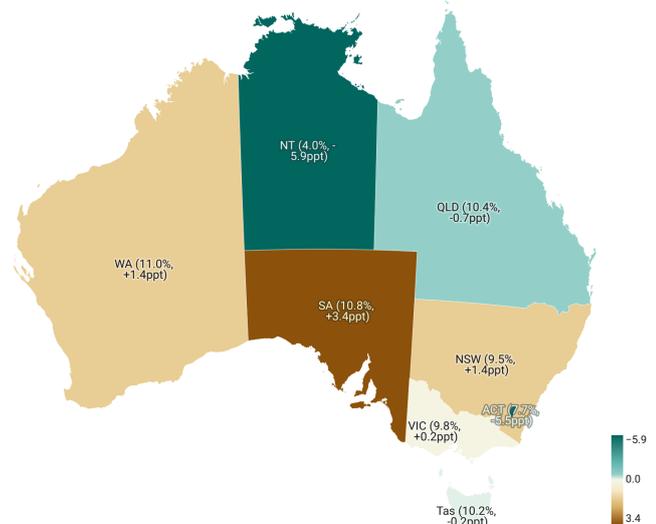
WA's youth unemployment increased by 1.4 percentage points this month, with a decrease of 4,200 workers and a participation rate drop of 0.3 percentage points. SA recorded the largest increase in youth unemployment, which shot up by 3.4 percentage points and saw a reduction of 10,200 workers, as well as participation rate drop of 2.5 per cent.

WA now has the highest level of youth unemployment, at 11 per cent, followed closely by SA, with 10.8 per cent of the youth labour force unable to find work. QLD (10.4 per cent) and TAS (10.2 per cent) were in a close third and fourth place as well. In contrast, the NT, with their large drop, had the lowest youth unemployment rate, at 4 per cent; followed by the ACT, which had 7.7 per cent unemployment. NSW had the lowest youth unemployment out of any states, at 9.5 per cent.

Youth unemployment is still well below where it was in January 2021, having fallen from 15.4 to 9.0 per cent on a year-on-year basis. All states and territories have lower youth unemployment rates compared to last year as well. Leading the year-to-date youth unemployment rate statistics is SA (down 8.5ppt), along with the NT (down 7.5ppt), and with QLD and NSW tied for third place (both down 5.1ppt).

Figure 9: Youth unemployment: monthly change, states and territories

Youth unemployment rate - Australia: (9.0%, -0.4ppt)



Source: Bankwest Curtin Economics Centre | Authors' calculations from ABS labour force data • Created with Datawrapper

Average monthly hours falling under the weight of Omicron

The impacts of Omicron have been strongly evident when looking at the average monthly hours worked across the country. Overall average monthly hours fell by 8.8 per cent in January, with a large share of the workforce either taking sick leave to cover Omicron infections or potentially limiting their exposure to work environments and settings. To put the issue into perspective, WA recorded the largest increase in average hours worked, rising by 1.0 per cent to 140.9 hours worked on average in January. This compares to a drop of 13 per cent in NSW, with working times falling by 18.1 hours on average to 120.9 hours per month.

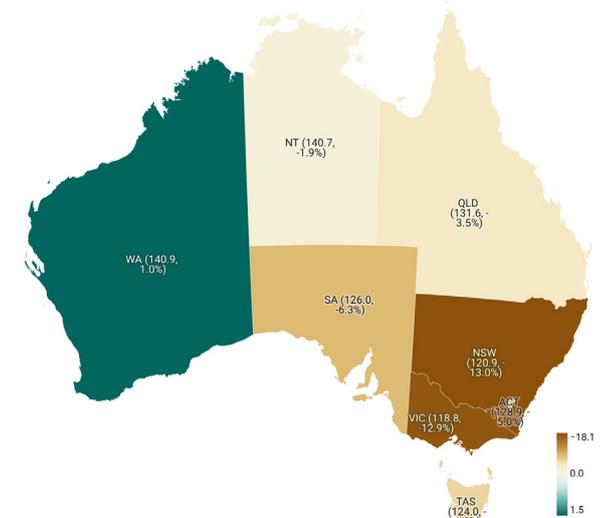
Outside of NSW, VIC also recorded strong reductions in hours worked, falling by 12.9 per cent to 118.8 hours worked on average, the lowest average for monthly hours worked out of any state or territory. SA recorded the next largest fall, by 6.3 per cent to 126 hours worked. Average hours also fell 5 per cent in the ACT, to 128.9 hours worked.

WA returned the highest average hours worked in January 2022 at 140.9 hours monthly hours per worker. This moves WA ahead of the NT by a margin of 0.2 hours, followed by QLD in a relatively distant third place, which recorded 131.6 hours on average.

Compared to the same time last year, average monthly hours worked are down by 3.2 per cent. The NT saw the largest annual increase, rising by 2.5 per cent compared to last year, whilst WA recorded the largest annual increase of the states, rising by 2.1 per cent compared to last year. The largest annual decrease was recorded in VIC, falling 7.3 per cent, followed by NSW with a 5.1 per cent drop.

Figure 10: Monthly hours worked: states and territories

Average monthly hours - Australia: AUS (125.2, -8.8%)



Source: Bankwest Curtin Economics Centre | Authors' calculations from ABS labour force data • Created with Datawrapper

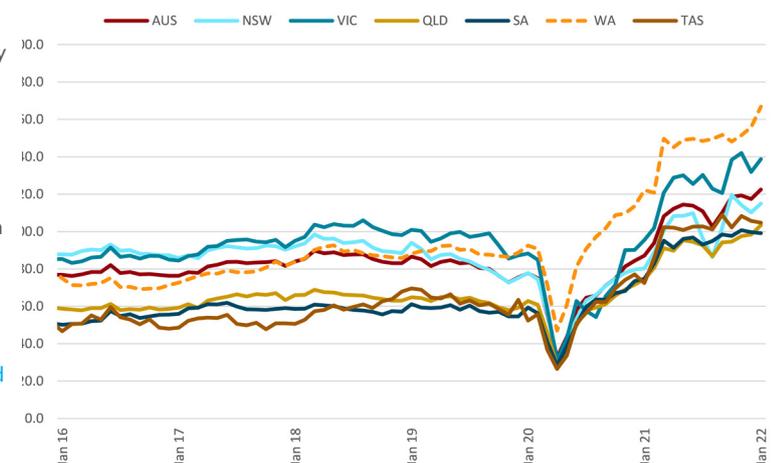
National vacancy rate up big for the new year

National vacancies rose by 4.3 per cent in January, with Omicron seemingly having no net negative impact on the number of vacancies across the country. The national index now sits at 122.5, 40.6 per cent higher than it was in January 2021, and once again higher than it has ever been in history.

In the eastern states, vacancies remained generally fairly high, with VIC recording an increase in vacancies of 5.2 per cent, and in NSW by another 4.4 per cent. Possibly Omicron has contributed to this by making it more difficult for employers to fill existing vacancies. However, WA recorded the largest increase in vacancies out of all states and territories, increasing by 7 per cent. In the territories, the ACT also saw an increase of 5.4 per cent; and the NT a 1.5 per cent drop. QLD also saw strong growth; increasing by 5.1 per cent, whilst SA and TAS recorded small decreases of -0.5 and -0.9 per cent, respectively.

On year to date measures, job advertisements are well ahead of where they were in January 2021, with a total of around 74,800 more jobs being advertised nationally, and all states and territories once again recording an increase in year-on-year figures. VIC once again recorded the largest year-on-year increase compared to January 2021 (+45.2 per cent, 21,000 more advertisements). The next highest increase was recorded in TAS once again (+44.6 per cent), whilst the ACT recorded the lowest increase (+19.2 per cent) and SA recorded the lowest increase of all states (+32.6 per cent, 3,200 more advertisements).

Figure 11: Change in Internet Vacancy Index - January 2016 to January 2022



Notes: Seasonally Adjusted values are used. ACT and NT figures not shown. Source: BANKWEST CURTIN ECONOMICS CENTRE | Australian Government National Skills Commission.

Job vacancies growing for most occupations Table 3: Internet vacancies by State and Major Occupation Group

Internet vacancy trends for January appear to be almost the opposite of what they were in December, with a general increase in advertised positions for all occupations save for community and personal service workers, who saw a 2 per cent national decrease in vacancies.

WA in particular seems to be following the national trend, with increases in demand concentrated in sales workers (+12 per cent), labourers (+11 per cent) and technicians and trade workers (+9 per cent). The decrease in advertised vacancies for community and service workers was relatively small however (-1 per cent), potentially reflecting the impact of border restrictions on the hospitality and tourism sector.

The national trend was also followed in the eastern states. In NSW, the largest increases in advertised vacancies were seen in sales workers and machine operators (both +8 per cent), with the largest decrease being seen, again, in community and personal service workers (-3 per cent). In VIC, managers were in high demand, with vacancies rising by 10 per cent across the state. Followed by clerical and administration workers (+8 per cent), with a 3 per cent drop recorded for both community and personal service workers, and labourers.

Community and personal service workers saw the largest drop out of any state or territory in SA, where vacancies fell by 10 per cent, followed by the NT with a 9 per cent drop. In contrast, machinery operators and drivers were in very high demand in SA, with vacancies rising by 18 per cent.

Major Occupation Group	Australia	NSW	VIC	QLD	SA	WA	TAS	NT	ACT
Managers	+7%	+4%	+10%	+5%	-2%	+7%	+7%	-2%	+13%
Professionals	+3%	+2%	+6%	+6%	+2%	+4%	+1%	-2%	+1%
Technicians And Trade Workers	+4%	+6%	+3%	+2%	-1%	+9%	+2%	-8%	+1%
Community And Personal Service Workers	-2%	-3%	-3%	-2%	-10%	-1%	-5%	-9%	-5%
Clerical And Administrative Workers	+5%	+5%	+8%	+4%	-5%	+8%	-4%	-8%	+1%
Sales Workers	+8%	+8%	+4%	+9%	+4%	+12%	+4%	+16%	+12%
Machinery Operators And Drivers	+10%	+8%	+6%	+11%	+18%	+8%	+0%	+8%	+11%
Labourers	+3%	+2%	-3%	+9%	-1%	+11%	-6%	-1%	+1%
Total	+4%	+4%	+5%	+5%	-0%	+7%	-1%	-2%	+5%

Notes: Seasonally Adjusted values are used. ACT and NT figures not shown.

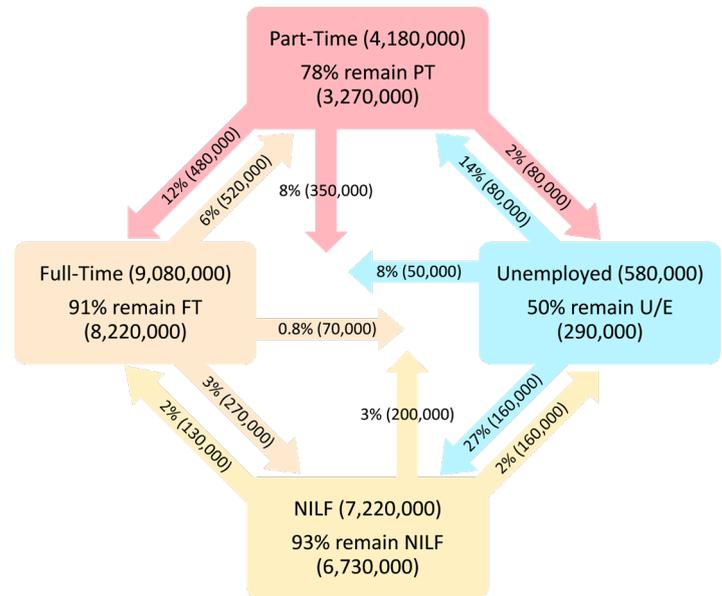
Source: BANKWEST CURTIN ECONOMICS CENTRE | Australian Government National Skills Commission.

Two-thirds of new labour force entrants secure work

Despite a rising participation rate, figures based on the matched December 2021 and January 2022 sample show a net outflow of around 290,000 persons out of the labour force in January 2022, with 490,000 persons leaving NILF status, whilst 780,000 entered it. The largest share of workers leaving the labour force came from part-time work (350,000 workers, 8 per cent of part-time workers), compared to 3 per cent of full-time workers. Unemployed persons saw the largest of their own share leaving the labour force (160,000 workers, 27 per cent of unemployed persons), while 14 per cent of unemployed persons in December transitioned into part-time work and 8 per cent into full-time work. Exactly one-half of unemployed persons from December remained unemployed in January. Of those who entered the labour force in November, around 130,000 (27 per cent) moved into a full-time job while 200,000 (41 per cent) found part-time work.

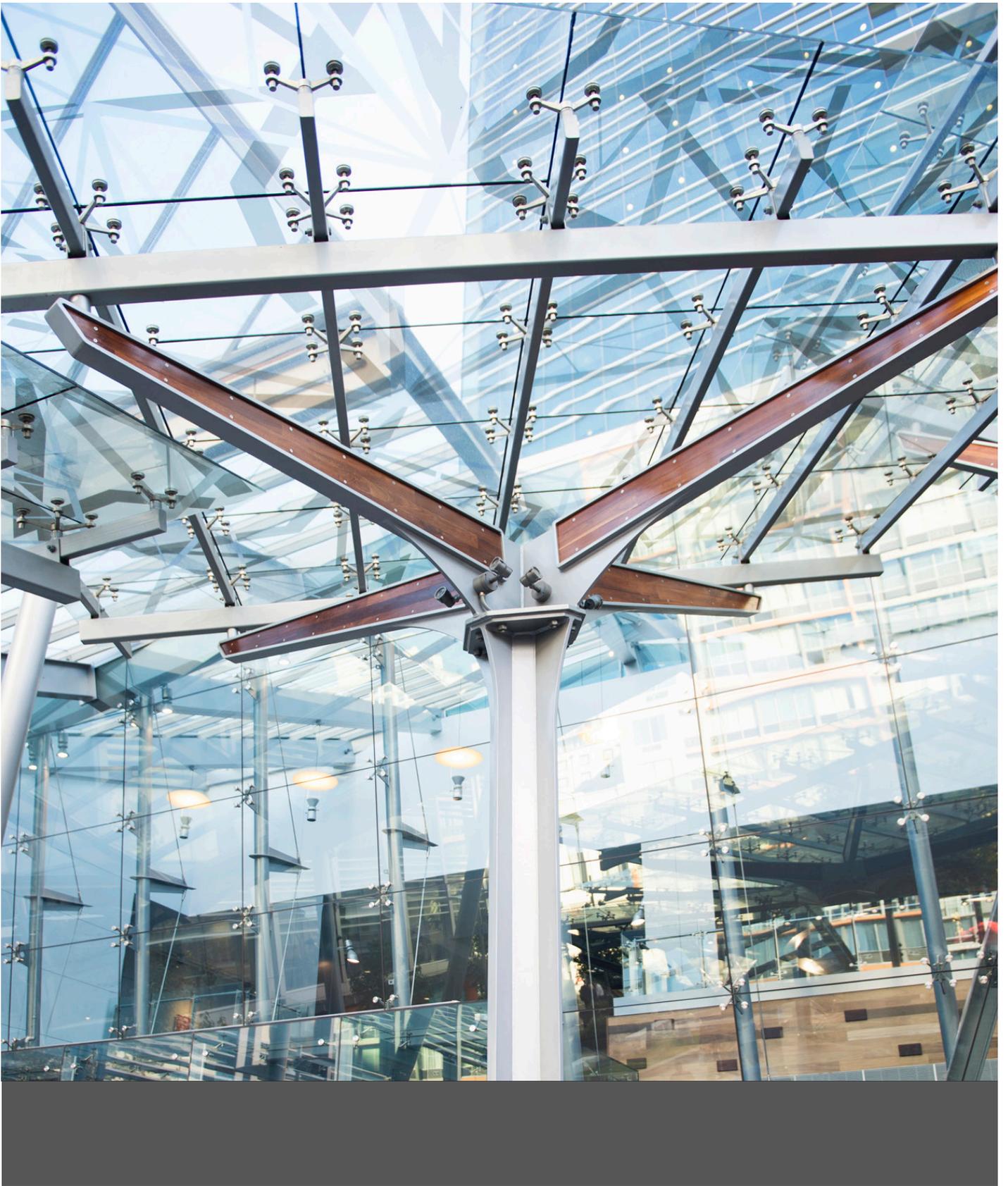
480,000 people moved from part-time to full-time employment during December 2021, equivalent to around 12 per cent of those who were in part-time employment at the end of December. This is slightly lower than the movement recorded from November to December (13% from part-time into full-time, 570,000 workers), which lends further evidence to the fact that workers are struggling to find full-time work as Omicron strikes; especially now that more workers have moved from full-time to part-time (6 per cent, 520,000 workers) than the other way around.

Figure 12: Labour force flows - December 2021 to January 2022



Notes: The ABS labour market flows series is based on a matched sample of respondents who are present in the labour force survey in two consecutive months. Just over 78% of ABS survey respondents in January 2022 were also present in the December 2021 survey. This chart includes indicative percentage flows across labour market states, with indicative counts (scaled to reflect approximate population totals) shown in parentheses. Due to rounding and scaling, figures will not match totals from elsewhere in this MLMU.

Source: BANKWEST CURTIN ECONOMICS CENTRE | Australian Bureau of Statistics Cat No 6202.0, Table 23 & Pivot table GM1



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