

BCEC

Bankwest Curtin Economics Centre

LABOUR MARKET UPDATE

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

The other side of the summit ...

After eight months of very strong jobs growth driving the national unemployment rate down to 3.5 per cent in June 2022, the July and now August figures suggest the labour market may have reached a peak in the current cycle. In July, employment fell by 40,900 jobs but a fall in participation pushed the unemployment rate down to a record low 3.4 per cent. The most recent August figures essentially reversed that, recovering 33,500 of the lost jobs but with a rise in participation restoring the unemployment rate back at 3.5 per cent.

We always advise not to read too much into one month's figures. Now two consecutive months of lack-lustre employment growth have left the total number of persons in employment 7,500 lower than in June. We'll have a better idea of what to read into that with the release of next month's labour force survey figures, not just because of the added data point, but also because the Australian Bureau of Statistics have flagged they will reinstate their trend estimates, which were suspended due to fluctuations in the estimates due to the pandemic.

Internet vacancies also recovered from last month's dip, to remain at very high levels, suggesting labour demand remains robust. The National Jobs and Skills Summit, held at the beginning of September, focussed on addressing skills shortages and lifting participation and wages, particularly women's participation, and reducing the gender wage gap. A key outcome was an agreement to increase the skilled immigration intake and fast-track visa processing to address skills shortages. Recent weeks have also seen stronger demands for state public sector wage increases, including industrial action in several sectors.

Meanwhile, the Reserve Bank has made clear it will continue to tighten monetary policy as much as is needed to reign in inflation, and in all likelihood that will require a softening of the labour market. It all points to some interesting months ahead, but we anticipate some easing of labour demand and the national unemployment rate moving back towards 4.0 per cent by the end of 2022.

WA also holds steady

There were few notable results from August's labour force survey estimates for Western Australia. Total employment was marginally higher, with a small drop in full-time employment of 900 jobs offset by rising part-time employment. Declining participation saw the state's unemployment rate fall from 3.2 per cent to 3.1 per cent, again the lowest in the country bar for the ACT.

Total employment in WA now stands essentially unchanged over the five months from March 2022. Vacancies continue to push record levels, so it is likely that this slowdown in jobs growth reflects employers struggling to fill vacancies due to labour and skills shortages rather than labour demand reaching a plateau. The recent BCEC report, *Bridging the Gap: Population, Skills and Labour Market Adjustment in WA*, highlighted the added challenges WA employers face in filling vacancies and in attracting workers from interstate. WA stands to be one of the main beneficiaries of the agreement reached at the National Jobs and Skills Summit to increase the cap on international skilled migration numbers.



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Agriculture working hours return to 2021 levels with flood Recovery

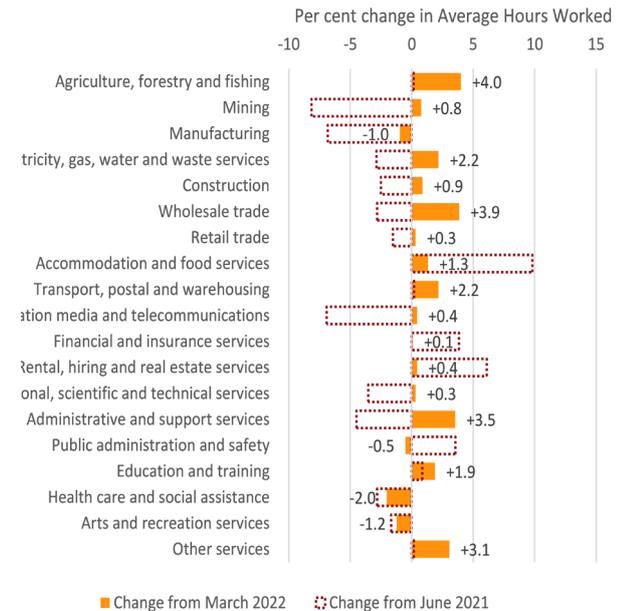
With average monthly hours worked per worker taking a notable hit in WA this month (See Figure 9), the headline figure for this issue of the MLMU looks into how national average working hours have changed on a per-industry basis, comparing quarterly average hours data for June 2022 to data on average hours worked in March 2022 and June 2021, with a focus on understanding the general trends in hours worked over the past quarter and year, and how that may reflect in the monthly change in hours worked for August.

Notably, despite many industries having seen a quarterly increase in hours worked between March and June 2022, the majority of Australia's industries have seen a decrease in average hours worked over the year; with the largest year-on-year decrease being a notable 8.1 per cent decrease in average hours worked in mining. Part of this is employment driven, as total persons employed in mining increased by 16.7 per cent over the same period. This would likely also mean reduced average hours worked in WA in particular, thanks to the the large role of mining in the WA economy.

Looking at quarterly changes, one industry that has seen a noticeable decrease in average hours worked is health care and social services; with hours worked having fallen by 2 per cent in June 2022 compared to March 2022. This is not necessarily a negative figure; as there has been an increase in roughly 35,000 additional health care and social services jobs over the same period; indicating that the reduction in average hours worked may be a result of vacancies being filled to address staff shortages and high work loads.

In terms of increases, accommodation and food services saw the largest year-on-year increase, rising by 9.8 per cent no doubt due to the impact of lockdowns over east on hospitality working hours in 2021. Meanwhile, agriculture saw the largest increase over the quarter to June 2022, followed closely by wholesale trade (+4ppt and +3.9ppt, respectively). This quarterly increase in agriculture hours was accompanied by a 0.4 per cent increase in employment over the same period. To the extent this marks an increase in domestic agricultural production it would be a welcome development, given concerns around global food security in light of geopolitical tensions, and recent supply-chain issues leading to negative impacts on cost of living for many Australians.

Figure 1: Average hours worked, by industry, June 2022



Notes: Seasonally adjusted values are used.

Source: BANKWEST CURTIN ECONOMICS CENTRE | Australian Bureau of Statistics Cat No. 6150.0.55.003

Nationwide employment sees small increase, driven by full-time growth

33,500 more workers became employed over the month to August 2022, a significant rebound from the decrease of 40,900 observed in the previous month. Interestingly, this major increase was primarily driven by SA; where employment increased by a notable 10,200; the largest increase in SA since November 2021. The eastern states, on the other hand, displayed mixed performance; with employed persons in NSW increasing by the next highest amount of 4,100 persons, whilst employed persons in VIC saw the largest decrease over the month, with 800 less employed persons.

Part- and full-time work again moved in conflicting directions this month; with total full-time employment increasing by 58,800 workers, whilst 25,300 less workers were employed part-time. These major shifts were primarily driven by changes in NSW; where 73,900 more workers were employed full-time, and 69,800 less workers were employed part-time.

Outside of NSW, SA saw its increase in employed persons primarily being driven by the largest increase in part-time employed persons out of all the states (+13,900 part-time employees). QLD meanwhile had the second highest increase in full-time workers (+11,900 employees). Shifts in employed persons in WA were somewhat constrained; with full-time employees falling by 900, and part-time employees increasing by 1,800, leading to a net increase of 900 employed persons.

All states and territories have continued to record net improvements in full-time employment over the year (+5.8% national increase), however, a few states recorded a net decrease in part-time employed persons compared to August 2021 (+1.4% national increase). NSW, in particular, recorded the largest per-cent improvement in full-time employment, rising 8.1 per cent over the 12 months, followed by the NT with a 7.6 per cent increase and QLD with a 7.1 per cent increase. NSW also recorded the largest increase in part-time employment, rising by 8.4 per cent, followed by SA with a 2 per cent increase. The largest decrease in part-time employment was recorded in TAS, with a 5.1 per cent fall. WA followed behind with a 4.1 per cent decrease in part-time employment, offsetting a 6.8 per cent increase in full-time employment over the year to August 2022.

Table 1: Employment changes – states and territories

	Employed Persons ('000)	Change from:				Change from July 2022 ('000)		Change (%) from August 2021	
		July 2022 ('000)	Rank	August 2021 (%)	Rank	Full-Time	Part-time	Full-Time	Part-time
Australia	13,592.1	+33.5	---	▲+4.4%	---	+58.8	-25.3	▲+5.8%	▲+1.4%
NSW	4,278.8	+4.1	2	▲+8.2%	1	+73.9	-69.8	▲+8.1%	▲+8.4%
VIC	3,525.2	-0.8	8	▲+0.8%	8	-13.4	+12.6	▲+2.6%	▼-2.9%
QLD	2,775.4	+1.4	4	▲+5.2%	2	+11.9	-10.5	▲+7.1%	▲+1.2%
SA	893.5	+10.2	1	▲+2.2%	5	-3.7	+13.9	▲+2.4%	▼+2.0%
WA	1,471.5	+0.9	6	▲+3.2%	4	-0.9	+1.8	▲+6.8%	▼-4.1%
TAS	264.1	-0.2	7	▲+0.9%	7	-2.5	+2.3	▲+4.7%	▼-5.1%
NT	135.3	+1.3	5	▲+4.2%	3	+0.8	+0.5	▲+7.6%	▼-6.2%
ACT	236.8	+3.4	3	▲+1.9%	6	+1.8	+1.6	▲+2.1%	▲+1.4%

Notes: Seasonally adjusted values are used.

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

Three-in-a-row ratio as unemployment rises alongside vacancies

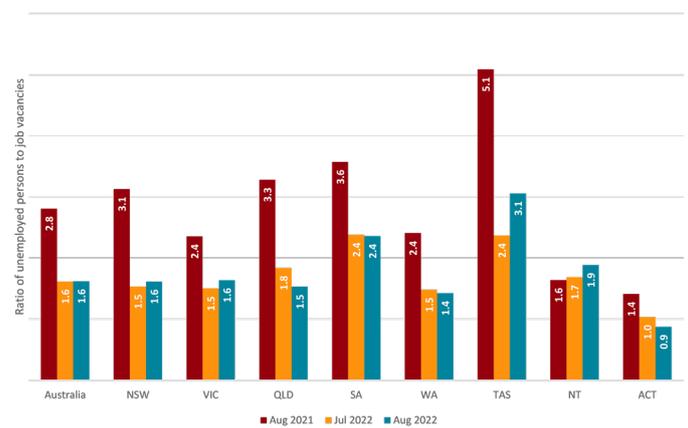
The number of unemployed people per job vacancy provides a useful indication of labour market tightness, and the difficulties faced by businesses in filling advertised roles. The ratio of unemployed persons to online vacancies sat at 1.6 once again in August 2022 for the third month in a row, with a small rise in unemployment corresponding with a small rebound in the vacancy rate.

The largest fall in the unemployed to job vacancies ratio in August was observed in QLD, where it dropped 0.3 points, unemployment seeing a fall as vacancies in the state rose. QLD's drop of 0.3 was enough to offset minor increases observed in the other eastern states; as well as a 0.7 point increase observed in TAS.

The lowest ratio out of the states was observed in the ACT, with 0.9 unemployed persons per job vacancy; a 0.1 point drop from last month, followed by WA, where the ratio also fell 0.1 points to 1.4 unemployed persons per vacancy; with falling unemployment coinciding with an increase in vacancies.

Already at very high levels, vacancies saw a small rally this month alongside a rising participation rate. However, with another 0.5 percentage point rise in interest rates in early September, it seems like just a matter of time before tightening monetary policy starts to bite and brings labour demand down.

Figure 2: 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.

Part-time hours slashed for women

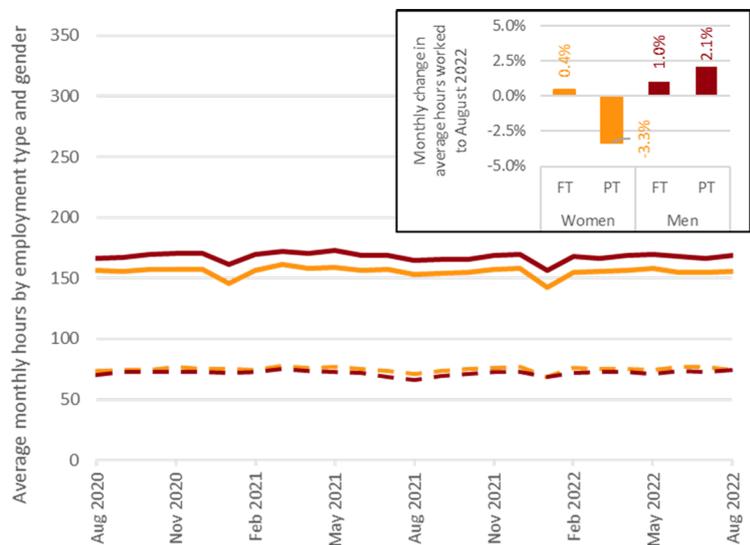
Men saw growth in the amount of both part- and full-time hours they worked over the month of August (+1% hours worked full-time, +2.1% hours worked part-time); but a minor 0.4 per cent increase in hours worked for full-time women wasn't enough to offset a notable 3.3 per cent decrease in women's part-time hours.

Average hours for full-time workers increased by 1.3 hours over the month to August 2022, with growth in full-time hours outpacing growth in full-time employed persons. Meanwhile, the strong decrease in hours worked for part-time women drove the figure for national part-time hours worked down by an almost equal amount, rounding to a 1.3 hour decrease.

Full-time male employees worked an average of 168.4 hours per month in August 2022, 12.8 more hours than women working full-time (155.6 average monthly hours worked); a 1-hour increase in the gap between the two compared to July 2022. Meanwhile, the gap between average hours worked for men and women in part-time roles shrunk to just a 0.3 hour difference; with men working 74.2 hours on average, and women 74.5 hours.

Looking to year-on-year measures, average monthly hours for full-time workers have seen an increase, rising by 1.7 per cent for women and 2.2 per cent for men. Coinciding with an increase in employed persons for both men and women in full-time work, this serves as an additional indicator of increased demand for full-time workers. Year-on-year performance was also fairly positive in the part-time area, with women recording a 4.8 per cent increase and men a staggering 11.8 per cent year-on-year increase; which is reflective of the particularly low average hours for men in part-time work of August last year.

Figure 3: Monthly percentage change in hours worked



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

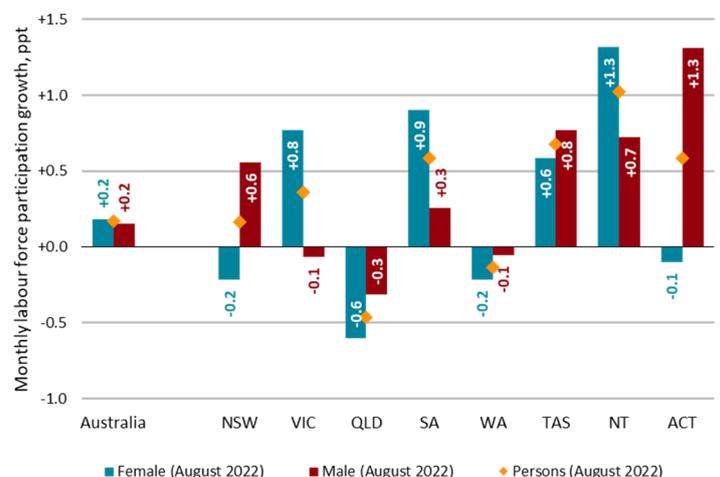
Participation rates rise back up, but will that continue?

National labour force participation saw a respectable increase of 0.2 percentage points over the month of August, nullifying concerns around the increase in the unemployment rate. Both men and women saw an increase of 0.2 percentage points; though for men that was by rounding up, and for women by rounding down. Growth in men's participation was primarily driven by a 0.6 percentage point rise in NSW; whilst for women it was by a stronger 0.8 percentage point rise in VIC.

WA defied the national trend once again in August, with labour force participation falling by 0.1ppt for men to 75.2 per cent, whilst women's participation fell by 0.2 ppt to 63.4 per cent. Nonetheless, WA continued to have the highest level of men's participation, as well as now the highest level of women's participation out of all the states.

As noted previously, the decrease in the participation rate observed in July 2022 turned out not to be the start of any ongoing trend. However, with interest rates continuing to rise alongside the inflation rate, a decrease in labour demand in the future is beginning to look increasingly likely, which may lead to the participation rate stabilizing or even falling slightly as the labour market contracts.

Figure 4: Monthly change in labour force participation



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

National unemployment rises - but in a good way

Australia's unemployment rate saw a minor increase of 0.1 percentage points to 3.5 per cent this month. However, recall this small rise is from a 50-year low of 3.4 per cent recorded in July, and must be considered evidence of ongoing strength in the labour market given it coincided with a small participation rate rise as well as rising levels of employed persons.

Increasing unemployment rates were primarily driven by a notable 0.6 percentage point rise in VIC; with 21,300 more persons becoming unemployed. The opposite was true in QLD; which recorded the largest unemployment decrease of 0.6 percentage points, alongside 15,800 less unemployed persons. Whilst VIC's increase coincided with a rise in the participation rate, QLD recorded the largest fall in participation out of all the states over the month.

Outside of the two extremes, WA recorded a 0.1 percentage point decrease in the unemployment rate, alongside a marginal fall in the participation rate. SA, on the other hand, seemed to display the most positive result overall; with a 0.1 percentage point decrease in the unemployment rate alongside a rising participation rate, indicating labour demand is heating up in that state.

WA, as is usual nowadays, recorded the lowest unemployment rate out of all the states, at just 3.1 per cent. It was followed in a close second by Queensland, where unemployment fell from 3.8 to 3.2 per cent. The ACT has the lowest rate at 2.7 per cent. Meanwhile, out of all the states and territories, SA recorded the highest level of unemployment, sitting at 3.9 per cent. In year-on-year terms, the national unemployment rate is down 1 percentage point in August 2022 compared to August 2021, driven by a 2 percentage point unemployment decrease in QLD, followed by a 1.3 percentage point decrease observed in both NSW and WA.

Table 2: Unemployment changes: states and territories

	Unemployment Rate		Change (ppt) from:		Unemployed ('000)	Change ('000) from:	
	August 2022	Rank	July 2022	August 2021	August 2022	July 2022	August 2021
Australia	3.5%	--	▲+0.1	-1.0	487.7	▲+14.0	▼-132.5
NSW	3.4%	4	▲+0.1	-1.3	152.8	▲+8.5	▼-43.9
VIC	3.7%	5	▲+0.6	-0.3	134.0	▲+21.3	▼-10.8
QLD	3.2%	3	▼-0.6	-2.0	92.7	▼-15.8	▼-50.9
SA	3.9%	6	▼-0.1	-0.9	36.3	▼-1.0	▼-8.0
WA	3.1%	2	▼-0.1	-1.3	47.4	▼-1.6	▼-17.9
TAS	4.9%	8	▲+1.2	-0.4	13.6	▲+3.6	▼-1.0
NT	4.5%	7	▲+1.0	+1.1	6.4	▲+1.5	▲+1.8
ACT	2.7%	1	▼-0.6	-0.8	6.6	▼-1.5	▼-1.9

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 down ever so slightly

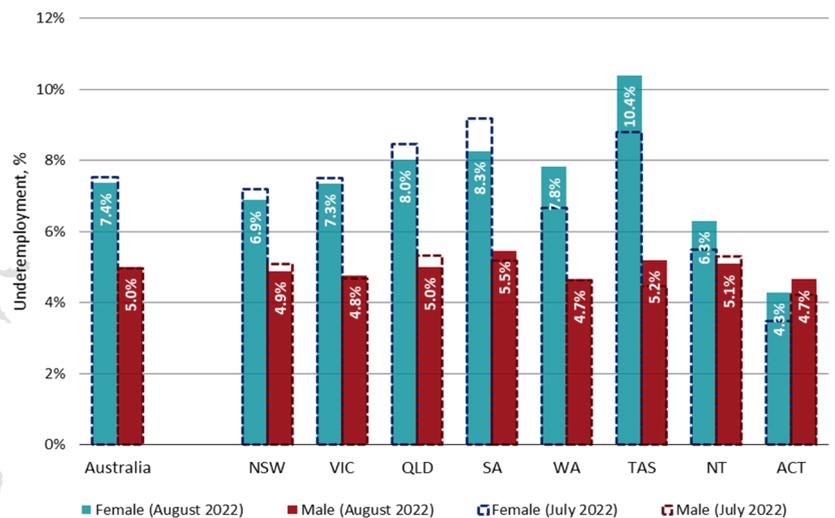
National underemployment saw a marginal decrease in August 2022 alongside the increase in hours worked, primarily being driven by a 0.1 percentage point decrease in underemployment for women to 7.4 per cent, whilst men's underemployment remained constant at 5 per cent.

Mixed changes in underemployment across the states and territories resulted men's underemployment remaining steady over the month; with VIC and SA recording minor increases in underemployment (+0.1 and +0.3 ppt, respectively), whilst NSW and QLD recorded decreases (-0.2 and -0.3 ppt, respectively).

Women meanwhile saw several notable decreases in underemployment along the east to south coast, with NSW, VIC, QLD, and particularly SA all recording decreases in women's underemployment over the month (-0.3, -0.2, -0.4, and -0.9 ppt respectively). However, WA recorded a particularly notable 1.2 point increase in women's underemployment; which was likely driven by the 1.9 per cent decrease in average hours worked observed in the state over August.

Women and men both continue to have an underemployment rate well below what was observed in August 2021, with it having fallen by 3.2 percentage points for women and 4 percentage points for men. In WA, compared to August 2021 underemployment has fallen by 1 percentage point for men, and 2 percentage points for women, despite the large increase in underemployment observed in August 2022.

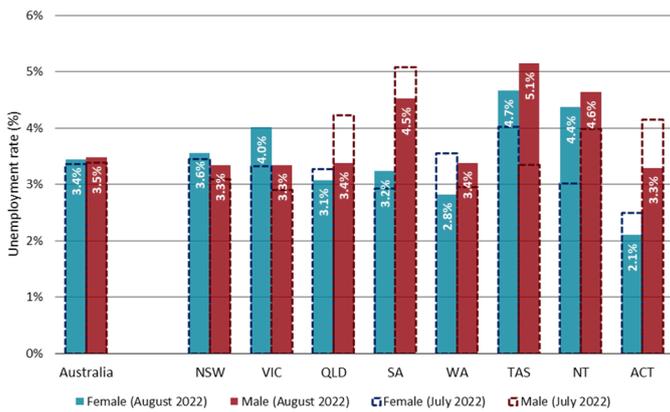
Figure 5: Underemployment ratio by gender: state and territories



Notes: Seasonally adjusted values are used.

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

Figure 6: Women's unemployment down in WA - from participation



Notes: Seasonally adjusted values are used

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

The national unemployment rate increased 0.1ppt to 3.5 per cent for men and remained stable at 3.4 per cent for women in August 2022.

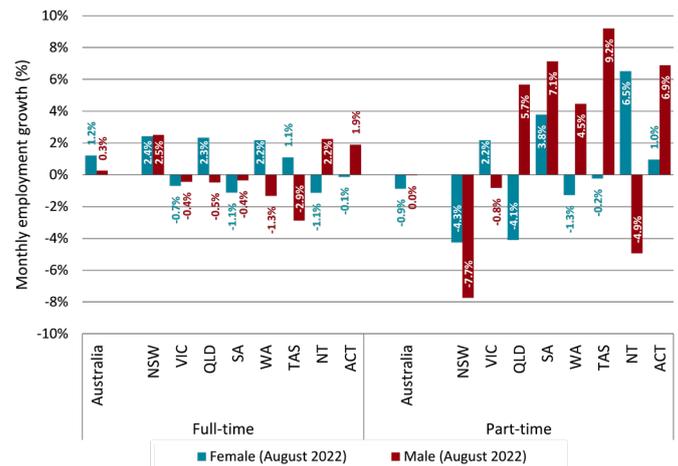
At the state level, the unemployment rate for men increased in NSW (+0.3 percentage points), VIC (+0.4 percentage points), WA (+0.4 percentage points), and TAS (1.8 percentage points). Meanwhile, QLD and SA saw a decrease in unemployment for men, with a contraction of 0.9 and 0.7 percentage points, respectively. In QLD's case, this isn't necessarily a positive indicator, as the participation rate for men in the state fell alongside unemployment; though SA saw participation rise alongside falling unemployment.

Simultaneously, women saw an increase in unemployment rates in NSW (+0.3ppt), SA (+0.3 ppt), TAS (+0.6ppt), and VIC (+0.7ppt). QLD and WA helped counterbalance these increases as they changed course from the increasing unemployment observed in July 2022, with a 0.4 and 0.7 percentage point decrease, respectively. The rate of 2.8 per cent is the second lowest unemployment rate ever recorded for WA women in the current series, behind the 2.7 per cent recorded in April of this year.

In annual terms, national unemployment compared to August 2021 contracted for both women and men, with unemployment rates falling by 1 and 1.2 percentage points, respectively. The biggest falls in men's unemployment rates were primarily from the east; VIC and QLD both falling by 1.9 percentage points; whilst in WA men's unemployment fell by 1.2 points compared to August 2021.

Meanwhile, whilst women saw their unemployment rate decrease in many states compared to August 2021, in WA in particular a decrease of 1.3 percentage points would need to be partially attributed to a year-on-year participation decrease.

Figure 7: Contraction in part-time roles for men in WA



Notes: Seasonally adjusted values are used. Figures show growth from July 2022 to August 2022. ACT and NT values are generally more volatile than other states.

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

In a reverse from last month, women and men both saw an increase in employment in full-time work over August, with men seeing a 0.3 per cent increase in employment, and women a stronger 1.2 per cent increase. Likewise, part-time employment fell for both men and women, with women recording a 0.9 per cent decrease in part-time roles, and men a marginal decrease.

A dramatic decrease in part-time employment in NSW (-4.3 per cent for women, -7.7 per cent for men) was the major contributor to falling national part-time employment. This dramatic decrease was compounded with a 4.1 per cent fall in women's part-time employment in QLD, but was partially offset by strong growth in women's employment in SA and VIC (+3.8% and +2.2%, respectively).

In WA, full-time employment was relatively neutral, with women recording a 2.2 per cent increase in employment, which was somewhat offset by a 1.3 per cent decrease in men's full-time employment. Meanwhile, part-time work trended in the opposite direction, with part-time employment for women falling 1.3 per cent, and increasing by 4.5 per cent for men.

Youth unemployment skyrockets, and participation falls with it

Cementing this month as an opposite to last month, youth unemployment shot up by 1.4 percentage points, increasing in all six states and in the NT; particularly in VIC (+2.9 ppt). As last month's labour market update noted, youth unemployment typically follows similar trends to adult unemployment; but August's 1.4ppt jump in youth unemployment eclipsed the minor 0.1ppt increase in the overall unemployment rate. However, the 0.9ppt fall to a 7.0 per cent youth unemployment rate in July marked the lowest rate recorded since the series began in 1978. August's 8.4 per cent rate still marks the sixth lowest figure recorded.

Further to that, this increase coincided with a fall in the youth participation rate, which dropped by a further 1.8 percentage points nationally; the largest state-wide decrease being observed in NSW, where participation fell by 2.8 percentage points.

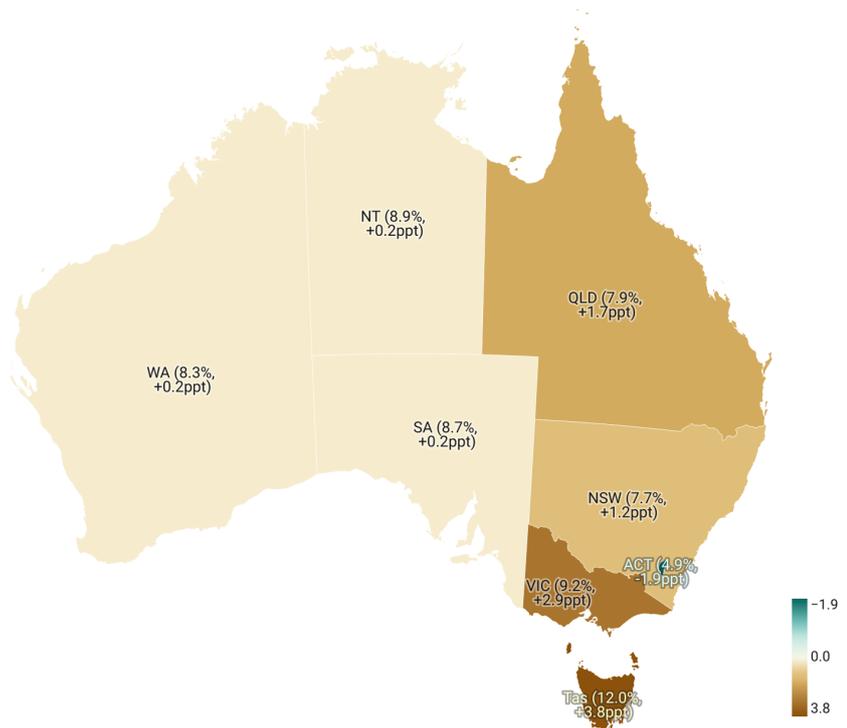
These combined factors indicate that there has been some easing of a very tight youth labour market over the month of August. The end of school holidays alone cannot be blamed for this, as most of the impacts of it would be mitigated through seasonal adjustments.

The ACT was the only part of Australia to observe a decrease in youth unemployment (1.9ppt), but that was associated with a 6.3 percentage point fall in the youth participation rate.

In WA, youth unemployment increased by a relatively small amount, rising only 0.2 percentage points, alongside an also relatively minor 0.7 percentage point decrease in participation.

Figure 8: Youth unemployment: monthly change, states and territories

Youth unemployment rate Australia: (8.4%, +1.4ppt)



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

Hours cut back in WA as workforce moves to part-time

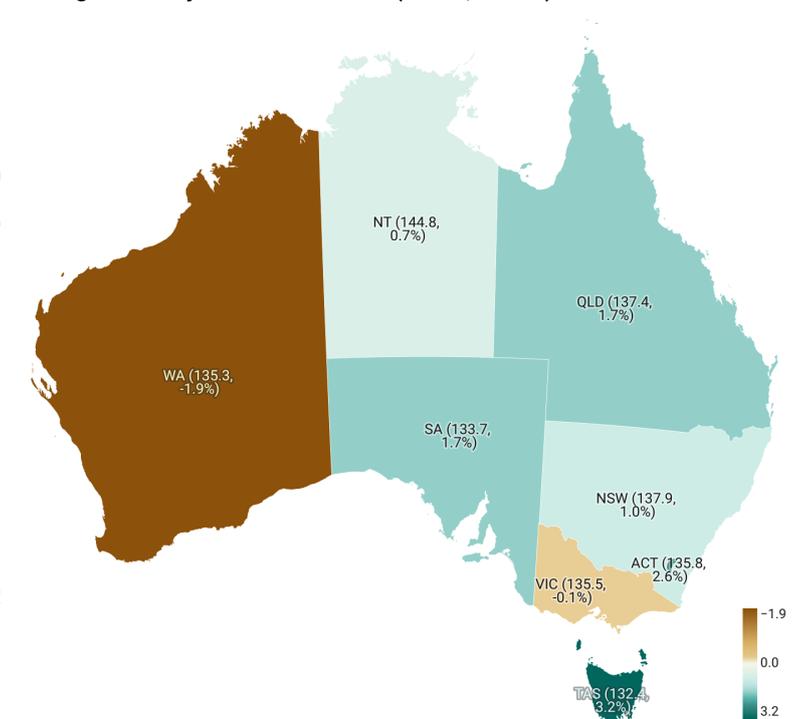
The national average hours worked per worker over August 2022 was 136.5 hours worked per month, a 0.5 per cent increase from July 2022. States that recorded significant increases included the likes of QLD and SA, where in both cases average hours worked rose by 1.7 per cent, totalling to an average of 135.1 and 131.5 average hours per month, respectively.

These increases in hours worked were counterbalanced by the observed decrease in average hours worked in WA, which saw a drop of 1.9 per cent. This was likely driven by the swing from full- to part-time employment observed in the state. Meanwhile, VIC experienced a small decrease by 0.1 per cent in hours worked on average. Workers in NSW worked the most hours on average compared to the other states, with 137.9 hours worked, with QLD close behind at 137.4 hours.

On yearly terms, average hours worked increased nationally by 3.4 per cent in the year to August 2022, with many states and territories recording a boom in hours worked that was only offset by a notable 2.4 per cent decrease in average hours worked in WA, which is likely linked to the notable year-on-year decrease in national hours worked in mining. SA also observed a 1.3 per cent fall in average hours compared to August 2021. Average hours worked increased the most in NSW, rising 8.2 per cent over the year, followed by a 3.8 per cent increase in QLD.

Figure 9: Average monthly hours worked: states and territories

Average monthly hours - Australia (136.5, +0.5%)



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

Internet vacancies rally; but for how long?

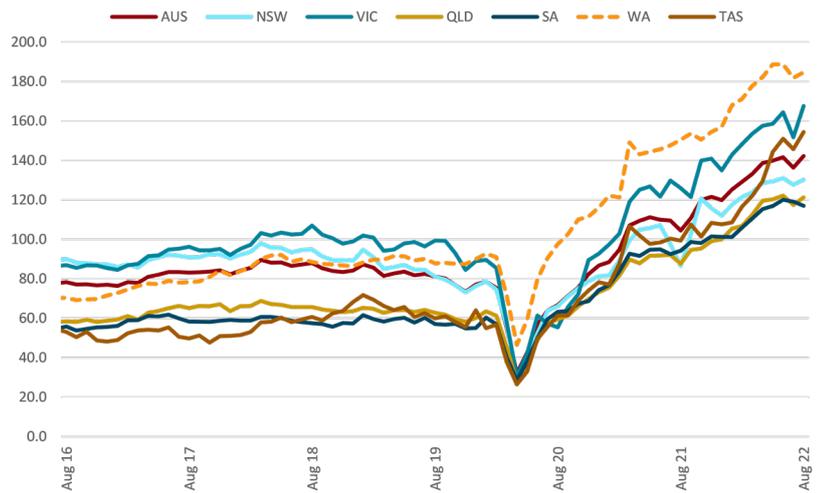
The national vacancies index rallied by 4.2 per cent in August of 2022, leading to the highest increase since January 2022, following the 3.7 per cent decrease observed in July 2022. The largest increase out of all states was a 10.5 per cent increase observed in VIC, rising to an index of 167.6 (the largest increase in the state since October of 2021).

As for WA, vacancies for August increased by 1.6 per cent with an index of 184.6, after having been preceded by July's 3.7 per cent contraction. Compared to the net increase observed nationally over the two months, this could be indicative that labour demand in WA is slowing down, despite the small increase this month. SA is the only state to have experienced a decrease in online vacancies, with the state's index falling 1.8 per cent over the last month – the third contraction this year.

The national vacancy index was 36.3 percent higher in August 2022 than in August 2021. TAS experienced the largest year-on-year increase of 55.3 per cent over the year, followed by NSW with a 50.5 percent increase. The small increase in vacancies this month from what are already very high levels may serve as an indicator that the current strength in the labour market will persist into September.

With vacancies generally seen as a leading indicator of changes in employment, both the National Skills Commission's Internet Vacancies Index reported here, and the quarterly Australian Bureau of Statistics' series for August, due to be released next month, will be watched carefully for signs of rising interest rates impacting on the labour market.

Figure 10: Change in Internet Vacancy Index: August 2016 to August 2022



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

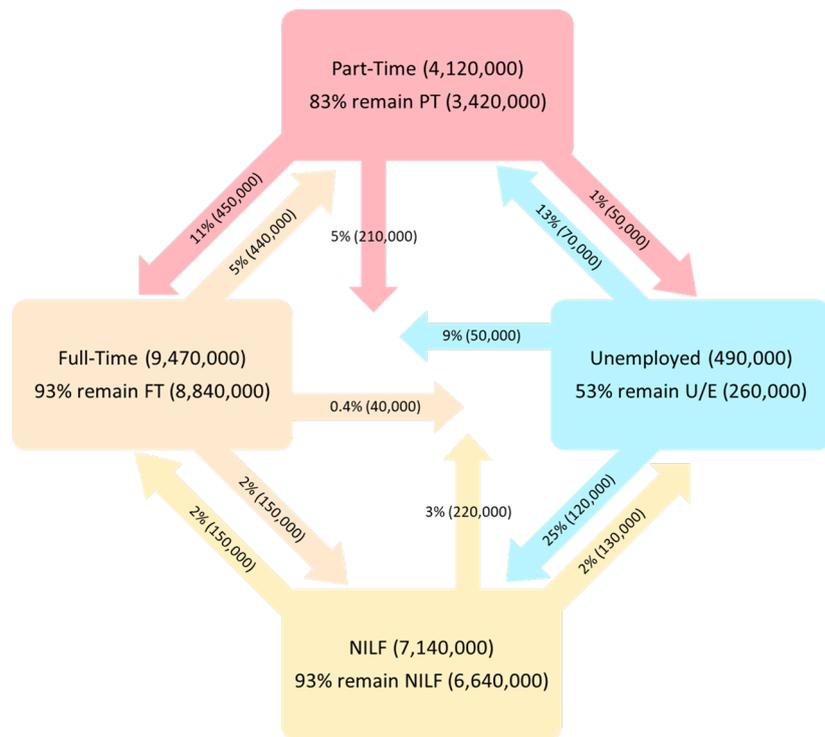
Rate of people being matched to jobs stalls as unemployment rises

Corresponding with the increasing participation rate, there was a rough inflow of around 20,000 workers from NILF status between July and August 2022; with around 500,000 workers entering the labour force compared to the 480,000 that left it. Most entrants into the labour force gravitated towards part-time work (+220,000 persons), with a smaller share going into full-time work and a minority struggling to find jobs and moving into unemployment (+150,000 and +130,000 respectively).

In terms of the flows between unemployment and NILF status, there was a net inflow of persons from outside the labour market looking to begin work, with 10,000 more persons moving into unemployment from NILF compared to the other way around.

However, compared to last month, net outflows from unemployment into part- and full-time work (+20,000 and +10,000 persons, respectively) were lower, showing that the matching process out of unemployment has slowed. The matched sample shows 490,000 persons in unemployment in July, up by 20,000 from the previous month. Consistent with the 0.1 percentage point increase in the national unemployment rate, flows out of unemployment slowed in August, with 53 per cent of unemployed persons remaining there in August. Although this is higher compared to the 47 per cent recorded in the previous month, it still represents a relatively high turnover of the pool of unemployed in historical terms.

Figure 11: AUS labour force flows: July 2022 to August 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 per cent of ABS survey respondents in July 2022 were also present in the August 2022 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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