The Australian Labour Account: Methods, benefits and learnings

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Australian Labour Market

- Household Survey
- Business Survey
- Admin data
- Labour Accounts
Why create a labour account?

Filled jobs - Business vs household sources, March 2022

Source: Australian Bureau of Statistics, unpublished data
Why create a Labour Account?

- Household surveys data
- Business surveys data
- Admin data
Why create a Labour Account?

- Household surveys data
- Business surveys data
- Admin data

Labour Account
The Australian Labour Account

People  Jobs  Hours  Payments
The Australian Labour Account

People
- Employed
- Unemployed
- Underemployed

Jobs
- Filled jobs
- Vacant jobs
- Main and secondary jobs

Hours
- Hours worked
- Hours paid

Payments
- Labour income
- Labour costs to businesses

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Define the identify equations

- How do the outputs relate to each other?

Example:

\[
\text{Hours worked} + \text{Hours sought but not worked} = \text{Available hours of labour supply}
\]
Identity relationships within the Australian Labour Account
Compiling the Australian Labour Account

1. Harmonization
   - Data sources
   - Modelling

2. Balancing
   - Exploiting statistical strengths
Benefits of the Labour Account

- Provides a framework through which existing data can be confronted and integrated
- Helps users make sense of seemingly inconsistent labour-related data
- Provide new insights through the combination of various data sources and modelling
- Provide a set of consistent labour-related statistics, conceptually aligned with the National Accounts
Of all jobs in Australia, what proportion are vacant?

- Requires count of total job vacancies
- Requires count of total jobs
Example use case of the Labour Account

- Total jobs = Filled jobs + Vacant jobs

- Proportion of vacant jobs = Vacant jobs / Total jobs

ABS Labour Force Survey + various ABS business surveys

ABS Job Vacancy Survey
Example use case of the Labour Account

Harmonise scope:

**Filled jobs**
- Add missing populations, e.g., jobs held by short-term non-residents; workers under 15 years of age; Defence Force personnel
- Use business survey employment data to improve industry breakdown

**Vacant jobs**
- Estimate vacancies for the excluded industry (Agriculture, forestry and fishing) using job advertisements data.
Vacant jobs as a percentage of all jobs

Vacant jobs as a proportion of all jobs, seasonally adjusted

Source: Australian Bureau of Statistics, Labour Account Australia March 2022
Multiple job holding by industry

Employed people and multiple job holders, seasonally adjusted

Quarterly change %


-20 -10  0  10  20

Multiple job holders

Employed people

Source: Australian Bureau of Statistics, Labour Account Australia March 2022

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Main and secondary jobs

Source: Australian Bureau of Statistics, Labour Account Australia March 2022

Secondary jobs can be held by people who have their main job in the same or a different industry.
Lessons Learned

Substantial time and resources needed to devise frameworks and methods
- No “one size fits all” international approach
- Dependent on available data sources and purpose

Multi-source design is reliant on wide range of input data
- Risks and challenges associated with this

Difficulties in modelling data during unusual conditions (COVID-19)
Lessons Learned

- Demand for timely and more granular data
- Finding the right balance: Detailed outputs vs robustness
- Need to explain role and demonstrate relative value - given the existing range of statistics
- Benefits in revisiting and reviewing models and methods