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**UNEMPLOYMENT IN QUEENSLAND  
DIMENSIONS AND TRENDS**

**BACKGROUND INFORMATION BRIEF NO 29**

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## **ABSTRACT**

*This paper explores the dimensions and trends of unemployment in Queensland for the years 1985 to 1995. It examines the definition of unemployment, statistical sources and measurement problems. It investigates the extent of unemployment among full-time and part-time workers, males and females, youth, workers with different levels of educational attainment and persons in particular occupations, industries, regions, electorates and local labour markets. The duration of unemployment, long-term unemployment and hidden unemployment are also examined. The paper concludes with an interstate comparison of unemployment.*



# 1. INTRODUCTION

This paper explores the dimensions and trends of unemployment in Queensland. The period covered is between 1985 and 1995.

Much of the debate on unemployment has focused at the national rather than the state or local level. There are good reasons for this:

- The Commonwealth Government has most control over macroeconomic policy.
- It is responsible for paying unemployment benefits.
- Policies to combat unemployment require action at both national and state levels.
- There have been a number of recent Commonwealth Government initiatives to combat unemployment. In December 1993, the Commonwealth Government released a discussion paper, *Restoring Full Employment*<sup>1</sup>. It detailed the choices and trade-offs that Australia would need to make to restore full employment and offered a range of ideas for alleviating the problem of long-term unemployment. In May 1994, this was followed by the *Working Nation White Paper*<sup>2</sup>. It detailed the specific policies that the Government would undertake in order to alleviate unemployment.

However, despite the importance of the Federal Government, state governments are key players in any attempt to combat unemployment. This is because:

- Unemployment is first felt at the state and local level.
- At the state level, state governments are the largest single employers of labour. They can influence the level of unemployment by their hiring and firing decisions and by how efficiently they use their employees.<sup>3</sup>

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<sup>1</sup> Committee on Employment Opportunities, *Restoring Full Employment*, AGPS, December 1993.

<sup>2</sup> Australia, Parliament, House of Representatives, *Working Nation: The White Paper on Employment and Growth, (2 Volumes)*, AGPS, 1994.

<sup>3</sup> In May 1994, there were 192 900 state public sector employees in Queensland. They represented 20.0 per cent of all employees. The number of Commonwealth Government employees was 44 900 or 4.7 per cent of the Queensland total. See Australian Bureau of Statistics, *Employed Wage and Salary Earners Australia*, Catalogue Number 6248.0, March Quarter, 1994, p.10.

- At the state level, state governments are large spenders. They spend much of the revenue collected by the Federal Government. They have control over how their own revenue raising is spent and can influence the level of unemployment by how efficiently and in which areas their funds are spent.<sup>4</sup>
- A large proportion of employees are covered by state awards. The states can influence the level of unemployment through the industrial relations and wages policies that they promote.<sup>5</sup>
- The states are important players in the area of microeconomic reform. They have control over the delivery of many key areas of government expenditure, such as education and vocational training. The content and not just the amount of expenditure on education and training is an important factor in any attempt to reduce unemployment.
- The states have their own policies to combat unemployment through specific programs and through their own state budgets.

However, before one can evaluate the causes of unemployment and what can be done at the state level, an understanding of its extent is necessary.

This paper examines unemployment in Queensland, how it is defined and the various sources of statistics. It investigates the extent of unemployment among particular groups, such as full-time and part-time workers, males and females, youth, persons with different levels of educational attainment, and persons in particular occupations, industries, regions, electorates and local labour markets. The duration of unemployment and the extent of long-term unemployment in Queensland are also examined, as is the extent of hidden unemployment. The paper concludes with an inter-state comparison of unemployment so as to examine how Queensland has fared in relation to other states.

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<sup>4</sup> In 1993-94, in Queensland, the final consumption expenditure of State and Local government was \$8 253 million. The figure for Commonwealth Government consumption spending in Queensland was \$3 211 million. State and local government gross fixed capital expenditure was \$1 781 million compared to the Commonwealth Government's \$94 million. See Queensland Treasury, *Queensland State Accounts*, June Quarter, 1994, p.47.

<sup>5</sup> For example, in May 1990 about 57.3 per cent of all employees in Queensland were covered by state awards. See ABS, *Award Coverage, Australia*, May 1990, Cat. No. 6315.0, p.5.

## **2. DEFINITIONS, STATISTICAL SOURCES AND MEASUREMENT PROBLEMS**

A knowledge of the various sources of statistics and how unemployment is measured is essential to understanding the extent of unemployment in Queensland, and whether the official statistics on unemployment understate the actual level of unemployment or give a misleading indication as to its severity.

### **2.1 The ABS Labour Force Survey**

The most widely used measure of unemployment in Queensland is derived from the Australian Bureau of Statistics' monthly Labour Force Survey.

The labour force is defined as the number of persons employed plus the number of persons unemployed. Unemployment rates are defined as the number of unemployed persons expressed as a percentage of the labour force.

When using unemployment rate data from this source, the following limitations have to be considered:

- The unemployment rate statistics are obtained from a sample of the population. They are not a full enumeration of the unemployed.
- The statistics are likely to understate the actual level of unemployment because of the way in which employment and unemployment are defined.
- The statistics favour the recording of full-time as opposed to part-time employment.
- The unemployment rate statistics are affected by changes in the labour force participation rate.

Each of these points is elaborated below.

#### *2.1.1 Sample Survey*

The unemployment rate statistics published monthly by the Australian Bureau of Statistics are obtained from its Labour Force Survey. This is obtained from a sample, not a full enumeration, of the Australian population. Each month, specially trained interviewers obtain information on the labour force status of the occupants of selected dwellings. About 29 000 private, and an additional number of non-private dwellings (such as hotels and motels), are visited. About one half of one per cent of the Australian population is surveyed. This amounts to about 85 000 persons out of a population of about 17 million. This is a particularly large sample by survey standards.

Because the statistics are from a sample survey, they are subject to sampling error. This results when the population in the sample differs from the population that is being surveyed. It affects the accuracy of both the level and movements in unemployment rates. The relatively large size of the ABS Labour Force Survey reduces the risk that the sampling errors will be high. In general, the more disaggregated the unemployment statistic, the smaller will be the sample size, and the greater the likelihood that sampling error will affect its reliability.

### 2.1.2 Definitions

The ABS defines unemployed persons as those who, during the reference week:

- were aged 15 years and over; and
- were not "employed"; and
- had actively looked for work (either full or part-time) at any time in the last 4 weeks; and
- were available for work.

The full definition is:

*Persons aged 15 and over who were not employed during the reference week, and:*

- (a) *had actively looked for full-time or part-time work at any time in the four weeks up to the end of the reference week and:*
  - (1) *were available for work in the reference week, or would have been available except for temporary illness (i.e. lasting for less than four weeks to the end of the reference week); or*
  - (2) *were waiting to start a new job within four weeks from the end of the reference week and would have started in the reference week if the job had been available then; or*
- (b) *were waiting to be called back to a full-time or part-time job from which they had been stood down without pay for less than four weeks up to the end of the reference week (including the whole of the reference week) for reasons other than bad weather or plant breakdown.<sup>6</sup>*

The reference week is the week prior to the one in which the interview was conducted.

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<sup>6</sup> ABS, *The Labour Force, Australia*, Cat. No. 6203.0, January 1995, p.56.

Employed persons are defined as:

*Persons aged 15 and over who, during the reference week:*

- (a) *worked for one hour or more for pay, profit, commission or payment in kind in a job or business, or on a farm (comprising employees, employers and own account workers); or*
- (b) *worked for one hour or more without pay in a family business or on a farm (i.e. contributing family workers); or*
- (c) *were employees who had a job but were not at work and were: on paid leave; on leave without pay for less than four weeks up to the end of the reference week; stood down without pay because of bad weather or plant breakdown at their place of employment for less than four weeks up to the end of the reference week; on strike or locked out; on workers' compensation and expected to be returning to their job; or receiving wages or salary while undertaking full-time study; or*
- (d) *were employers, own account workers or contributing family workers who had a job, business or farm, but were not at work.*<sup>7</sup>

The definition of employed persons is of great importance to the measurement of unemployment. It means that persons who worked for at least one hour during the reference week are considered to be employed and thus cannot be counted in the unemployment statistics.

One of the consequences of this definition is that it results in lower levels of recorded unemployment and higher levels of recorded employment (especially part-time employment) than would be the case if a less restrictive definition was used.

The impact on the unemployment rate of changes in the definition of the number of hours worked before one can be termed unemployed can be illustrated by looking at the case of persons who might consider themselves to be unemployed but who are defined by the ABS as contributing family workers.

Prior to April 1986, persons who, during the reference week, worked for 15 hours or more without pay in a family business or on a farm were defined as employed.

In April 1986, when the definition was changed from 15 hours to one hour, it caused the Australian unemployment rate to fall from 7.6 per cent to 7.1 per cent for males, and from 9.6 per cent to 9.4 per cent for females. The unemployment rate for persons fell from 8.5 per cent to 8.4 per cent.<sup>8</sup> At the time, the ABS reported that:

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<sup>7</sup> ABS, Cat. No. 6203.0, January 1995, p.53.

<sup>8</sup> ABS, Cat. No. 6203.0, February 1987, pp.12-13.

*This new definition aligns the Australian labour force concepts with a set of changed international definitions adopted by the International Labour Office at the 13th Conference of Labour Statisticians in October, 1982.<sup>9</sup>*

The ABS definition of "actively looking for work" is also likely to underestimate the actual level of unemployment.

"Actively looking for work" is defined as:

*...any activity which includes writing, telephoning or applying in person to an employer; answering a newspaper advertisement for a job; checking factory or Commonwealth Employment Service noticeboards; checking or registering with any other employment agency; advertising or tendering for work; and contacting friends or relatives.<sup>10</sup>*

Persons whose only activity is browsing the newspapers for jobs are not considered to be "actively looking for work". Thus, they are not included in the unemployment rate figures. Because they are not actively looking for work, the ABS does not even consider these persons as being in the labour force. However, there may be good reasons as to why some people are "not actively looking for work". For example, there might not be any jobs available at the time or they may feel that they are not qualified to fill the jobs that are available. The effect of the "actively seeking work" requirement is to lower the recorded level of unemployment below what would be the case if a less restrictive definition was used.

### *2.1.3 Full-Time and Part-Time Classification*

The ABS statistics also favour the recording of some part-time employment as full-time employment.

Part-time workers are defined as:

*...employed persons who usually worked less than 35 hours a week and who did so during the reference period.<sup>11</sup>*

Full-time workers are defined as:

*...employed persons who usually worked 35 hours or more per week in all jobs and others who, although usually working less than 35 hours a week, worked 35 hours or more in the survey week.<sup>12</sup>*

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<sup>9</sup> ABS, Cat. No. 6203.0, February 1987, p.4.

<sup>10</sup> ABS, Cat. No. 6203.0, January 1995, Glossary, p.53.

<sup>11</sup> ABS, Cat. No. 6203.0, January 1995, Glossary, p.55.

<sup>12</sup> ABS, Cat. No. 6203.0, January 1995, Glossary, p.54.

#### *2.1.4 Labour Force Participation Rates*

The labour force participation rate is the number of persons in the labour force expressed as a percentage of that group's civilian population aged 15 and over.

Where possible, unemployment rate statistics should be viewed in conjunction with their corresponding labour force participation rates.

Unemployment rates and labour force participation rates tend to move together (but in opposite directions). When unemployment rates are high or rising, the labour force participation rates tend to fall as increased numbers of persons withdraw from the labour force because they cannot find employment.

When unemployment rates are low or falling, labour force participation rates tend to rise as increased numbers are encouraged, by the greater availability of work, to re-enter the labour force.

Unemployment rate statistics can also be affected by changes in the labour force participation rate. Reductions in the unemployment rate may occur because of a fall in the labour force participation rate rather than any increase in the number of persons finding employment.

The labour force participation rate for particular groups also has a trend component which indicates possible employment difficulties for persons who are entering the labour force in increasing numbers. One such trend has been the rise in the labour force participation rate for females.



### 3. UNEMPLOYMENT IN QUEENSLAND: FULL-TIME/PART-TIME

Table 1 contains statistics on unemployed persons in Queensland. An examination of this Table reveals that between 1985 and 1995 the Queensland unemployment rate fell from 11.1 to 9.2 per cent. This fall did not occur consistently throughout the period. The unemployment rate fell between 1985 and 1990. It rose between 1990 and 1993, and then fell between 1993 and 1995.

The fall in the unemployment rate occurred against a background of a large increase in Queensland's labour force participation rate. This rose from 58.7 per cent in January 1985 to 63.4 per cent in January 1995.

An examination of the statistics contained in Table 1 reveals that the decline in the aggregate unemployment rate over this period masks a number of important features.

- The majority of unemployed persons were persons seeking full-time work. For example, in 1995, of the 146 500 unemployed persons in Queensland, 82 per cent were seeking full-time work and 18 per cent were seeking part-time work.
- Throughout the period persons seeking full-time work had appreciably higher unemployment rates than persons seeking part-time work.
- The unemployment rates for persons seeking full-time work fell by less than that of persons seeking part-time work; 14.0 per cent and 26.8 per cent respectively.
- The gap between the two unemployment rates also widened over the period. In 1985, the difference between the unemployment rate for persons seeking full-time work and the unemployment rate for persons seeking part-time work was 1.7 percentage points. By 1995, this had increased to 2.7 percentage points.
- Part-time employment grew by more than full-time employment; 117.8 per cent and 33.1 per cent respectively.
- Full-time employment, as a percentage of total employment, fell from 84 per cent in 1985 to 77 per cent in 1995. Part-time employment as a percentage of total unemployment rose from 16 per cent in 1985 to 23 per cent in 1995.

The problem with the expansion of part-time employment was that not all persons who took up part-time work did so voluntarily. Thus, the creation of one extra part-time job should not be considered the equivalent of one extra full-time job, although it is clear that some sections of the labour force had a preference for part-time over full-time employment.



#### 4. MALE AND FEMALE UNEMPLOYMENT

In January 1995, of the 146 500 unemployed persons in Queensland, 87 600 were males and 58 800 were females. Males represented 59.8 per cent, and females 40.2 per cent, of the total unemployed. The unemployment rate for males was 9.5 per cent of the male workforce. The unemployment rate for females was 8.8 per cent of the female workforce.

An examination of the statistics contained in Tables 2 and 3 reveals the following trends for the 1985 to 1995 period.

- Males suffered a deterioration in their unemployment rate relative to females. Between 1985 and 1995 the percentage fall in female unemployment rate was greater than that for males; 18.5 per cent and 15.9 per cent respectively.
- The unemployment rate for males seeking full-time work fell by a greater percentage than the unemployment rate for females seeking full-time work; 18.6 per cent and 3.4 per cent respectively.
- The unemployment rate for males seeking part-time work rose by 3.4 per cent while the unemployment rate for females seeking part-time work fell by 38.5 per cent.
- Before 1991, males generally had a lower unemployment rate than females. After 1991, males had a higher unemployment rate than females.
- The unemployment rate for males seeking part-time work was appreciably higher than that for females. This reflected the greater ability of females to secure part-time employment and the greater propensity of females seeking part-time work to drop out of the labour market when there were no jobs available.
- Male employment grew by less than female employment for total, full-time and part-time employment. For example, between 1985 and 1995, total employment grew by 69.4 per cent for females and only 30.8 per cent for males. Female full-time employment grew by 43.8 per cent while male full-time employment grew by only 25.9 per cent. Female part-time employment grew by 120.7 per cent while male part-time employment grew by 109.0 per cent.
- Males' share of employment fell and females' share of employment rose in all categories of employment. For example, females increased their share of total employment from 36.4 per cent of all jobs in 1985 to 42.1 per cent of all jobs in 1995. Whereas in 1985 females accounted for 28.9 per cent of all full-time employment, by 1995 they accounted for 31.2 per cent. Whereas in 1985 females accounted for 76.4 per cent of all part-time employment, by 1995 they accounted for 77.4 per cent. However, whereas in 1995 part-time jobs accounted for 15.9 per cent of all jobs, in 1995 they accounted for 23.6 per cent of all jobs. Thus, females increased their share of all jobs in Queensland, partly because female employment grew by more than male employment in the traditionally male area of full-time work, and partly because part-time work, which was traditionally done by females, grew by more than full-time work.

- Females increased their share of the labour force. Between 1985 and 1995, the female labour force increased by 65.7 per cent, while the male labour force increased by only 30.8 per cent. In January 1985 females accounted for 36.3 per cent of the total labour force. By 1995, they accounted for 41.9 per cent of the total. In January 1985, males accounted for 63.7 per cent of the total labour force. By January 1995, they accounted for 58.1 per cent of the total.
- Males experienced a fall in their labour force participation rate. In 1985, it was 75.5 per cent. By 1995, it had fallen to 74.3 per cent.
- Females experienced a rise in their labour force participation rate. In 1985, it was 42.2 per cent. By 1995, it had risen to 52.6 per cent.

These trends in labour force participation rates were an Australia-wide phenomenon and did not only occur in Queensland. They also existed prior to 1985.

The fall in the male labour force participation rate in Australia has been attributed to factors such as:

- an increase in the proportion of males staying on at school because of high rates of unemployment; and,
- an increase in the proportion of males (such as those close to retirement age) who had been discouraged by high rates of male unemployment from continuing in the labour force.<sup>13</sup>

The rise in the female labour force participation rate has been attributed to factors such as:

- fewer births and smaller family sizes, that increased the length of time that females spent in the workforce;
- the greater attractiveness and availability of part-time work for females;
- increased levels of education for females, that made it easier for females to secure employment; and
- declining real family incomes, forcing more married females to enter the labour force.<sup>14</sup>

The trend increase in labour force participation rates for females and the tendency for participation rates to increase as labour market conditions improve suggests that further increases in female job growth may not lead to any large improvement in female relative to male unemployment rates.

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<sup>13</sup> A.J. Kaspura (ed), *Labour Force Participation in Australia: The Proceedings of a Conference 29-30 April 1982*, Bureau of Labour Market Research, Monograph Series, No.1, AGPS, Canberra, 1984.

<sup>14</sup> C. Young, *Balancing Families and Work: A Demographic Study of Women's Labour Force Participation*, Department of Employment, Education and Training, AGPS, Canberra, 1970, and

M. Hoy (ed), *Women in the Labour Force: Proceedings of a Conference 12-13 August 1982*, Bureau of Labour Market Research, Monograph Series, No.4, AGPS, Canberra, 1984.





## 5. HIDDEN UNEMPLOYMENT: DISCOURAGED JOB-SEEKERS

It was argued in section two of this paper that the published unemployment statistics may not give an accurate indication of the extent of hidden unemployment in Queensland. This is because the ABS requires that persons must be actively seeking work in order to be considered as unemployed. However, there are many persons who cease to actively look for work because there are either no jobs available, or no jobs which they are qualified to fill. These persons stop being part of the "recorded" labour force until they resume their job search.

The ABS defines discouraged job-seekers as:

*persons who wanted to work, were available to work, but whose main reason for not taking active steps to find work was that they believed that they could not find work because:*

- *they were considered to be too young or too old by employers, or*
- *difficulties with language or ethnic background, or*
- *lacked the necessary schooling, training, skills or experience, or*
- *no jobs in their locality or line of work, or*
- *no jobs available at all.*<sup>15</sup>

An examination of the statistics contained in Table 4 reveals that the majority of the discouraged job-seekers were females. In September 1993, of the 24 000 "discouraged job-seekers" in Queensland, 80 per cent were females and 20 per cent were males. Females formed a greater proportion of the "discouraged workforce" because of their greater propensity to drop out of the labour market when there were no jobs available.

Table 5 shows the effects on the State's unemployment rate when the number of discouraged job seekers were added to the State's unemployment and labour force figures to arrive at an adjusted unemployment rate figure that included discouraged job-seekers.

For the years 1992 and 1993, the inclusion of discouraged job-seekers in the unemployment rate statistics added between 1.5 and 2.5 percentage points to the unemployment rate for females and approximately 0.5 of a percentage point to the unemployment rate for males.

These increases were sufficient to reverse the published unemployment rate position of males compared to females. Whereas the published unemployment rate figures show males having a higher unemployment rate than females, when discouraged job-seekers are included in the ranks of the unemployed, the adjusted figures show females having a higher unemployment rate than males. Given these findings, the discussion in section 4, that compared the male and female unemployment rate experience in Queensland since 1985, has to be treated with caution.

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<sup>15</sup> ABS, *Persons Not in the Labour Force, Australia*, Cat. No. 6220.0, Glossary.

**Table 4 DISCOURAGED JOB-SEEKERS: QUEENSLAND ('000)**

<b>September</b>	<b>Males</b>	<b>Females</b>	<b>Persons</b>
1990	np	np	16.0
1991	np	np	23.7
1992	4.4	14.0	18.5
1993	4.8	19.3	24.0

np - not published

Source: ABS, *Persons Not in the Labour Force, Australia*, Cat. No. 6220.0.

**Table 5 UNEMPLOYMENT RATES AND DISCOURAGED JOB-SEEKERS: QUEENSLAND (%)**

<b>September</b>	<b>1990</b>	<b>1991</b>	<b>1992</b>	<b>1993</b>
<b>MALES:</b>				
Published Unemployment Rate	np	np	10.3	11.0
Published plus Discouraged Unemployment Rate	np	np	10.7	11.5
<b>FEMALES:</b>				
Published Unemployment Rate	np	np	9.7	9.7
Published plus Discouraged Unemployment Rate	np	np	11.2	12.2
<b>PERSONS:</b>				
Published Unemployment Rate	8.9	9.3	10.1	10.5
Published plus Discouraged Unemployment Rate	9.0	10.8	11.1	11.8

np - not published

Sources: ABS, *Persons Not in the Labour Force, Australia*, Cat. No. 6220.0.  
 ABS, *The Labour Force Queensland*, Cat. No. 6201.3.

## 6. DURATION OF UNEMPLOYMENT

One of the misleading features of aggregate unemployment statistics is that they do not give any indication of the length of time persons have been unemployed.

The Australian Bureau of Statistics defines unemployment duration as:

*The period from the time the person began looking for work and was stood down, to the end of the survey week. Thus the survey measures current (and continuing) periods of unemployment rather than completed spells. For persons who may have been looking for work while still employed, the duration of the current period of unemployment is defined as the period from the time last worked full-time, for two weeks or more, to the end of the reference week.<sup>16</sup>*

There are two ways of measuring the duration of unemployment. One is by calculating the average duration for a particular group. It is obtained by dividing the aggregate number of weeks a group has been unemployed by the number of persons in that group. This figure is subject to bias in that persons with very long periods of unemployment push up the average. This can result in an unrepresentatively high unemployment duration figure being recorded.

The second approach is to calculate the median duration of unemployment. This is a more representative figure than the average duration of unemployment. The median duration of unemployment is the duration which divides unemployed persons into two equal groups, one comprising persons whose duration of unemployment is above the median and the other, persons whose duration is below it.

In November 1984, the median duration of unemployment in Queensland was:

- 26 weeks for males;
- 13 weeks for females; and
- 19 weeks for persons.

In November 1994, it was:

- 28 weeks for males;
- 19 weeks for females; and
- 26 weeks for persons.

An examination of the statistics in Table 6 shows that, between 1984 and 1994, the median duration of unemployment exhibited the following characteristics:

- It rose over the period. It thus tended to offset the beneficial effects of the fall in unemployment rates in Queensland between January 1985 and 1995.

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<sup>16</sup> ABS, *The Labour Force, Australia*, Cat. No. 6203.0, January 1995, Glossary, p.53.

- It increased for both males and females.
- It increased more for females than it did for males.

Throughout this period, males had a generally higher median duration of unemployment than females. This reflected the greater propensity of females to secure part-time work or to drop out of the labour force altogether when their unemployment duration increased.

The difference between the male and female median duration of unemployment narrowed from 13 weeks in 1984 to 6 weeks in 1994.

The duration of unemployment appeared to be loosely linked to the state of the labour market. Thus, when the unemployment rate fell between 1984 and 1989, the median duration of unemployment also fell; from 19 weeks in 1984 to 11 weeks in 1989. When the unemployment rate rose between 1989 and 1994, the median duration of unemployment also rose; from 11 weeks in 1989 to 26 weeks in 1994.

**Table 6 UNEMPLOYED PERSONS: MEDIAN DURATION OF UNEMPLOYMENT, QUEENSLAND (WEEKS)**

<b>As At November</b>	<b>Males</b>	<b>Females</b>	<b>Persons</b>
1984	26	13	19
1985	26	12	19
1986	22	13	18
1987	22	15	20
1988	14	12	13
1989	13	8	11
1990	12	13	13
1991	22	17	20
1992	30	26	26
1993	31	25	26
1994	28	19	26

Source: ABS, *The Labour Force, Queensland*, Cat. No. 6201.3.

## 7. LONG-TERM UNEMPLOYMENT

The long-term unemployed are defined as persons who have been unemployed for 52 weeks or over. They represent the extreme end of the unemployment duration continuum.

In November 1994, approximately 40 000 Queenslanders had been unemployed for at least one year or over. They represented almost 30 per cent of unemployed persons (see Table 7).

Between 1984 and 1994, the incidence of long-term unemployment, defined as the percentage of the unemployed who were long-term unemployed, exhibited the following trends:

- It increased from 25.3 per cent of all unemployed persons in 1984 to 29.3 per cent in 1994, and thus tended to partly offset the beneficial effects of the fall in the unemployment rate in Queensland between 1985 and 1995.
- It increased more for females than it did for males. The incidence of long-term unemployment amongst unemployed females rose from 18.7 per cent in 1984 to 24.6 per cent in 1994, an increase of 31.6 per cent. The incidence of long-term unemployment amongst unemployed males rose from 29.6 per cent in 1984 to 32.6 per cent in 1994, an increase of 10.1 per cent.
- Throughout the period it was higher for males than it was for females. For example, in 1994, 32.6 per cent of all unemployed males were long-term unemployed compared to 24.6 per cent of all unemployed females (see Table 7).

As with the median duration of unemployment figures, the incidence of long-term unemployment was closely related to the general rate of unemployment. It was low when the unemployment rate was low and high when the unemployment rate was high.

The Australian Bureau of Statistics has conducted a study of the long-term unemployed in Australia.<sup>17</sup> It found that between August 1973 and August 1993, the number of long-term unemployed persons as a percentage of the total labour force (the long-term unemployment rate) rose from 0.1 per cent in 1973 to 3.9 per cent in 1993. Over the same period, the proportion of persons who were long-term unemployed rose from 3.6 per cent to 36.5 per cent.<sup>18</sup>

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<sup>17</sup> ABS, *Australia's Long-Term Unemployed: A Statistical Profile*, Cat. No. 6255.0.

<sup>18</sup> ABS, Cat. No. 6255.0, pp.3-8.

**Table 7 LONG TERM<sup>a</sup> AND TOTAL UNEMPLOYED PERSONS:  
QUEENSLAND ('000)**

As At November	Unemployed Males			Unemployed Females			Unemployed Persons		
	Long Term (‘000)	Total (‘000)	Lon g Ter m (%)	Long Term (‘000)	Total (‘000)	Lon g Ter m (%)	Long Term (‘000)	Total (‘000)	Long Term (%)
1984	18.9	63.9	29.6	7.6	40.7	18.7	26.5	104.6	25.3
1985	19.0	54.9	34.6	6.7	41.9	16.0	25.7	98.8	26.0
1986	16.1	61.2	26.3	8.9	46.3	19.2	25.0	107.6	23.2
1987	17.4	62.9	27.5	10.2	42.8	23.8	27.6	105.8	26.1
1988	14.6	49.1	29.7	7.4	40.6	18.2	22.1	89.7	24.6
1989	11.5	44.6	25.8	6.5	40.9	15.9	18.0	85.5	21.1
1990	14.0	72.5	19.3	6.3	46.2	13.6	20.3	118.7	17.1
1991	21.3	77.3	27.6	10.5	51.5	20.4	31.8	128.8	24.7
1992	28.1	93.3	30.1	18.7	58.8	31.8	46.8	152.0	30.8
1993	31.2	87.5	35.6	18.1	67.0	27.0	49.4	154.5	32.0
1994	25.1	77.0	32.6	13.9	56.6	24.6	39.1	133.5	29.3

a - Defined as persons who have been unemployed for 52 weeks and over.

Source: ABS, *The Labour Force, Queensland*, Cat. No. 6201.3.

The Australian Bureau of Statistics commented that:

*The last two decades have seen the emergence and growth of long-term unemployment as*

*a persistent labour market phenomenon.*<sup>19</sup>

It stated that:

*The economic and social consequences associated with high levels of long-term unemployment are significant.*<sup>20</sup>

Long-term unemployment:

- made macroeconomic management more difficult;
- was self-reinforcing as prolonged spells of unemployment made the unemployed less employable (the long-term unemployment trap);
- was associated with high personal and social costs for individuals because of the centrality of work to people's income and well being; and
- was not evenly distributed throughout the community and thus profoundly entrenched labour market inequalities.<sup>21</sup>

The Australian Bureau of Statistics profile of the long-term unemployed is instructive.

*It was higher for males than for females.* For example, in August 1993, the long-term unemployment rate in Australia was 4.5 per cent for males and 3.1 per cent for females. The incidence of long-term unemployment amongst unemployed males was 39.4 per cent while the figure for unemployed females was 31.9 per cent.<sup>22</sup>

*The incidence of long-term unemployment rose with age.* For males it rose from 17.5 per cent of unemployed males aged 15-19, to 60.9 per cent of those aged 60 and over. For females it rose from 16.6 per cent for those aged 15-19 to 41.7 of those aged 60 and over.

For males, the long-term unemployment rate was concentrated amongst the 20-24 year olds at 6.4 per cent and amongst the over 55's at over 7.0 per cent. For females, the highest long-term unemployment rate was 5.2 per cent for the 20-24 year old group.

The Australian Bureau of Statistics considered that part of the reason why long-term unemployment rates were higher for males than for females was because females were more likely than males to drop out of the labour force when they experienced long

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<sup>19</sup> ABS, Cat. No. 6255.0, p.1.

<sup>20</sup> ABS, Cat. No. 6255.0, p.1.

<sup>21</sup> ABS, Cat. No. 6255.0, p.1.

<sup>22</sup> ABS, Cat. No. 6255.0, p.11.

periods of unemployment.<sup>23</sup>

*It had a state and regional component.* For example, in August 1993, Victoria and Tasmania had the highest long-term unemployment rates at 5.2 and 5.4 per cent and the highest incidence of long-term unemployment at 42.3 and 40.9 per cent respectively.<sup>24</sup> Queensland's long-term unemployment rate was cited as 3.3 per cent, which was below the national average of 3.9 per cent. Its incidence of long-term unemployment was 31.0 per cent (below the national average of 36.5 per cent).

The state figures also appeared to have a marked metropolitan/non-metropolitan dimension. For some states, the non-metropolitan areas had higher long-term unemployment rates than metropolitan areas. For example, the long-term unemployment rate for Sydney was 3.0 per cent, while the balance for New South Wales was 5.2 per cent. For Brisbane, the long-term unemployment rate was 2.7 per cent, while the balance for Queensland was 3.8 per cent.

Particular regions also fared worse than others. The highest long-term unemployment rate was in outer Western Melbourne at 8.6 per cent, followed by the Western Adelaide region at 7.7 per cent; the Richmond-Tweed and Mid-North Coast region of New South Wales at 7.6 per cent; and the Wide-Bay Burnett region of Queensland at 7.0 per cent.<sup>25</sup>

*It was concentrated amongst migrants from non-English speaking backgrounds.* The long-term unemployment rate for persons born in non-English speaking countries was 7.3 per cent compared to 2.9 per cent for those born outside Australia in English speaking countries, and 3.4 per cent for those born in Australia.<sup>26</sup>

*It was concentrated amongst persons with low levels of educational attainment.* For example, persons without post school qualifications had a long-term unemployment rate of 5.5 per cent, and a long-term unemployment incidence of 37.5 per cent. Persons with post school qualifications had a long-term unemployment rate of 2.9 per cent and a long-term unemployment incidence of 32.3 per cent.<sup>27</sup>

The problem of long-term unemployment was not unique to Australia. The Australian Bureau of Statistics found that in 1991, the proportion of unemployed persons who were long-term unemployed was: Australia 24.9%, Belgium 61.6%, France 37.2%, Germany 45.4%, Netherlands 43.0%, New Zealand 21.3%, United Kingdom 28.1%. However the incidence of long-term unemployment in Canada was only 7.2 %, the United States 6.3% and Sweden 4.6%.<sup>28</sup>

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<sup>23</sup> ABS, Cat. No. 6255.0, p.10.

<sup>24</sup> ABS, Cat. No. 6255.0, p.17.

<sup>25</sup> ABS, Cat. No. 6255.0, p.19.

<sup>26</sup> ABS, Cat. No. 6255.0, p.23.

<sup>27</sup> ABS, Cat. No. 6255.0, p.54.

<sup>28</sup> ABS, Cat. No. 6255.0, p.54.

## 8. UNEMPLOYMENT BY AGE

The aggregate unemployment rate statistics in Queensland masked important differences in unemployment rates by age.

Unemployment in Queensland was highly correlated with age - the younger the age group, the higher the unemployment rate (see Table 8).

In November 1994, the unemployment rate for persons aged 15-19 years was 17.9 per cent or 9.6 percentage points above the state average. The unemployment rate amongst the 20-24 years old was 11.2 per cent or 2.9 percentage points above the state average. The unemployment rate for persons aged 25-44 years was 7.3 per cent or 1.0 percentage points below the state average. The unemployment rate for persons aged 45 and over was 5.6 per cent or 3.7 percentage points below the state average.

The 15-19 and the 20-24 years old age groups made up 19.2 per cent and 18.2 per cent respectively of the total number of unemployed, yet their labour force shares were only 8.9 per cent and 13.5 per cent respectively.

The labour force participation rate for the 15-19 years old population was 59.5 per cent compared to 81.9 per cent for the 20-24 years old age group and 80.5 per cent for the 25-44 years old age group. This was because a greater percentage of the 15-19 years old civilian population was still at school.

The labour force participation rate for those aged 45 years and over was only 45.0 per cent. This was partly because a large percentage of persons in this age group had voluntarily withdrawn from the workforce by taking early retirement and partly because of the large hidden unemployment amongst this group.

An examination of unemployment rate figures over the 1984 to 1994 period, contained in Table 9, shows that youth unemployment rates were consistently high over this period. In 1992 the unemployment rate for the 15-19 years old age group peaked at 20.8 per cent.

Between 1984 and 1994, the unemployment rate fell in percentage terms for all age groups except for those aged 45 and over. It fell by 8.7 per cent for persons aged 15-19, by 22.0 per cent for persons aged 20-24, and by 1.4 per cent for persons aged 25-44. It rose by 3.7 per cent for persons aged 45 and over.

**Table 8 UNEMPLOYMENT BY AGE: QUEENSLAND, NOVEMBER 1994**

Age	Unemploy ed ( <b>'000</b> )	Labour Force ( <b>'000</b> )	Unemployme nt Rate (%)	Participati on Rate (%)
15-24	50.0	360.4	13.9	71.2
15-19	25.7	143.2	17.9	59.5
20-24	24.4	217.2	11.2	81.9
25-44	57.9	788.4	7.3	80.5
45 & over	25.6	456.2	5.6	45.0
Total	133.5	1 605 0	8.3	64.2

Source: ABS, *The Labour Force, Queensland*, Cat. No. 6201.3.

**Table 9 UNEMPLOYMENT RATES BY AGE GROUP: QUEENSLAND 1984-1994 (%)**

As At Novemb er	15-24	15-19	20-24	25-44	45+	Total
1984	16.7	19.6	14.4	7.4	5.4	9.4
1985	14.2	18.7	10.4	6.6	5.2	8.3
1986	14.4	16.7	12.7	6.7	7.0	8.8
1987	14.8	18.0	12.1	7.1	5.4	8.6
1988	11.6	13.3	10.1	5.5	4.5	6.8
1989	10.9	13.7	8.6	4.6	4.2	6.1
1990	14.4	18.3	11.3	6.7	5.4	8.2
1991	15.5	19.5	12.5	7.3	5.8	8.9
1992	17.2	20.8	14.8	8.6	6.6	10.1
1993	16.2	20.2	13.6	9.0	6.8	10.0
1994	13.9	17.9	11.2	7.3	5.6	8.3

Source: ABS, *The Labour Force, Queensland*, Cat. No. 6201.3.

## **9. UNEMPLOYMENT BY LEVEL OF EDUCATIONAL ATTAINMENT**

High unemployment rates were also associated with low levels of educational attainment. The latest available figures published for Queensland are for February 1991 (Table 10).

These figures show that unemployment rates rose as the level of educational attainment fell. The unemployment rate for persons with degrees was 5.6 percentage points below the state average of 10.6 per cent. Persons with degrees had lower unemployment rates than persons with trade qualifications. Persons with trade qualifications had lower unemployment rates than persons with certificates or diplomas. The latter had lower unemployment rates than persons whose highest level of educational qualification was attendance at secondary school. Persons who attended the highest level of secondary school had lower unemployment rates than those who attended secondary school but did not attend the highest level. The latter had lower unemployment rates than those who never attended school; although in this case, the numbers in the ABS survey were too small for the latter's unemployment rate to be considered statistically significant.

Low labour force participation rates were also associated with low levels of educational attainment. Persons with degrees had a labour force participation rate of 80.9 per cent. Persons without post-school qualifications had a labour force participation rate of only 66 per cent. This suggests that there was a greater amount of hidden unemployment for those with low levels of educational attainment than for those with high levels of educational attainment.

**Table 10 LABOUR FORCE STATUS BY EDUCATIONAL ATTAINMENT:  
PERSONS AGED 15 TO 69 YEARS, QUEENSLAND, FEBRUARY 1991**

	<b>Unemploy ed (‘000)</b>	<b>Unemploye nt Rate (%)</b>	<b>Participati on Rate (%)</b>	<b>Labour Force (‘000)</b>
<b>With Post-School Qualifications</b>	51.9	8.2	80.9	631.1
Degree	6.1	5.0	81.1	121.5
Trade	17.7	7.5	84.8	234.3
Certificate or Diploma	26.4	9.8	76.9	268.3
Other	1.7	*24.1	70.6	7.1
<b>Without Post-School Qualifications</b>	89.4	11.8	66.0	754.3
Attending Highest Level of Secondary School	23.3	10.6	78.0	220.4
Did Not Attend Highest Level of Secondary School	65.5	12.4	62.3	529.1
Never Attended School	0.2	*15.1	23.2	*1.2
<b>Still At School</b>	8.6	25.3	33.3	33.9
<b>TOTAL</b>	149.8	10.6	70.1	1 419.3

\* - Not Statistically Significant (sample too small to provide reliable results)

Sources: ABS, *Labour Force Status and Educational Attainment, Australia*, February 1991, Cat. No. 6235.0.

ABS, *The Labour Force, Queensland*, Cat. No. 6201.3.

## 10. UNEMPLOYMENT BY OCCUPATION

An examination of the occupations of unemployed persons reveals that unemployment in Queensland was concentrated most heavily in the unskilled and semiskilled areas.

In November 1994, of the total number of unemployed workers who had worked full-time for at least two weeks in the last two years: 33.7 per cent were labourers; 21.0 per cent were salespersons; 16.6 per cent were tradespersons; 5.5 per cent were clerks; 8.9 per cent were plant and machine operators; 3.8 per cent were managers and administrators; 2.2 per cent were para-professionals; and 2.2 per cent were professionals (see Table 11).

In November 1994, the unemployment rate amongst unemployed persons who had worked full-time for two weeks or more in the last two years was: 8.5 per cent for labourers and related workers; 5.6 per cent for plant and machine operators; 5.1 per cent for salespersons and service workers; 4.7 per cent for tradespersons; and 2.9 per cent for clerks. The unemployment rate amongst managers and administrators, professionals and para-professionals was less than 2 per cent (see Table 12). Labourers and related workers had unemployment rates almost 9 times that of professionals and almost 5 times that of managers and administrators and para-professionals.

Between 1986 and 1994, out of all the occupational groups, labourers and related workers had the highest rate of unemployment.

Between 1986 and 1994, the occupational groups that did not experience a fall in unemployment rate were salespersons and personal service workers, and plant and machine operators and drivers.

The unemployment rates for para-professionals, professionals and managers and administrators have to be treated with caution because the samples were too small for the figures to be reliable.

**Table 11 UNEMPLOYED PERSONS<sup>a</sup> AND OCCUPATION OF LAST FULL-TIME JOB: QUEENSLAND ('000)**

Occupation	As At November		
	1986	1990	1994
Managers and Administrators	*	*2.7	*2.6
Professionals	*	1.6	*1.5
Para-Professionals	*	1.7	*1.5
Tradespersons	12.0	13.4	11.2
Clerks	6.0	6.0	7.3
Salespersons and Personal Service Workers	9.4	14.7	14.2
Plant and Machine Operators and Drivers	4.6	6.7	6.6
Labourers and Related Workers	24.6	27.6	22.8
Total Persons Worked Full-Time in Last 2 Yrs	61.6	75.2	67.6
Total Unemployed	107.6	118.7	133.5

a - persons who had worked full-time for 2 weeks or more in the last 2 years

\* - not statistically significant

Source: ABS, *The Labour Force, Queensland*, Cat. No. 6201.3.

**Table 12 UNEMPLOYMENT RATES<sup>a</sup> AND OCCUPATION OF LAST FULL-TIME JOB: QUEENSLAND (%)**

Occupational Group	As At November									
	1986	1987	1988	1989	1990	1991	1992	1993	1994	
Managers and Administrators	*	*	*1.2	*1.5	*1.9	*1.6	*2.4	2.5	*1.8	
Professionals	*	*	*1.7	*1.5	*1.1	1.7	*1.7	2.7	*0.9	
Para-Professionals	*	*	*1.0	*2.5	*2.3	3.7	*2.9	4.0	*1.8	
Tradespersons	6.1	6.1	3.6	2.0	6.1	6.9	7.0	5.7	4.7	
Clerks	3.2	2.5	2.7	3.2	3.0	3.5	4.3	3.6	2.9	
Salespersons and Personal Service Workers	5.0	5.4	5.1	3.4	6.0	5.5	5.2	6.0	5.1	
Plant and Machine Operators and Drivers	5.0	7.0	5.7	4.9	6.7	7.6	7.0	8.4	5.6	
Labourers and Related Workers	11.5	10.5	6.8	7.2	11.3	11.4	11.3	11.2	8.5	
Total Persons Worked Full-Time in Last 2 Years	5.2	5.3	3.9	3.6	5.4	5.7	5.7	5.9	4.4	
Queensland Average	8.8	8.6	6.8	6.1	8.2	8.9	10.1	10.0	8.3	

a - persons who had worked full-time for 2 weeks or more in the last 2 years

\* - not statistically significant

Source: ABS, *The Labour Force, Queensland*, Cat. No. 6201.3.

## 11. UNEMPLOYMENT BY INDUSTRY

In Queensland, the aggregate unemployment rate also hides important differences in unemployment rates by industry.

In November 1994, of the total number of unemployed persons who had worked full-time for at least two weeks or more in the last two years: 17.8 per cent were in retailing; 16.4 per cent were in construction; 13.9 per cent were in manufacturing; 9.3 per cent were in wholesale trade; 5.0 per cent were in agriculture and forestry; 13.0 per cent were in health and community service; 0.3 per cent were in cultural and recreational service; and 33.2 per cent were in all other industries (see Table 13).

In Queensland, the industries with the highest unemployment rates were construction, manufacturing, and wholesale and retail trade (see Table 14).

In November 1994, the unemployment rate for unemployed persons who had worked full-time for two weeks or more in the last two years was: 7.2 per cent for construction; 6.6 per cent for wholesale trade; 5.2 per cent for retail trade; 4.9 per cent for manufacturing, 3.8 per cent for agriculture, forestry and fishing; 2.0 per cent for health and community services; and 0.7 per cent for the cultural and recreational service industry.

The reliability of some of these unemployment rates was questionable. This was because in the case of agriculture, forestry and fishing, health and community services, and cultural and recreational services, the sample was too small to have provided reliable results. There was also a definitional change in 1993 which affected the comparability over time of industries such as community services, recreational, personal and other services and "other" industries.

Unemployment rates by industry exhibited a large amount of fluctuation. This was partly because of different cyclical factors and partly because some industries, such as retail and wholesale trades and construction, had high rates of labour turnover. The high unemployment rate for manufacturing was probably a reflection of long term structural change occurring in the Queensland economy.

**Table 13 UNEMPLOYED PERSONS<sup>a</sup> AND INDUSTRY OF LAST FULL-TIME JOB: QUEENSLAND ('000)**

Industry	As At November		
	1986	1990	1994
Agriculture, Forestry and Fishing	3.3	5.6	*3.4
Manufacturing	10.6	12.6	9.4
Construction	10.3	11.2	11.1
Wholesale and Retail Trade	14.0	19.7	
Wholesale Trade <sup>b</sup>			6.3
Retail Trade <sup>b</sup>			12.1
Health and Community Services <sup>b</sup>			2.6
Community Services	5.8	6.3	
Recreational, Personal and Other Services	5.6	8.1	
Cultural and Recreational Services <sup>b</sup>			0.2
Other Industries <sup>b</sup>	12.0	11.9	22.5
Persons worked full-time for 2 weeks or more in last 2 yrs	61.6	75.2	67.6
Total Unemployed in Queensland	107.6	118.7	133.5

a - persons who had worked full-time for 2 weeks or more in the last 2 years

b - classification introduced or changed in 1993

\* - not statistically significant

Source: ABS, *The Labour Force, Queensland*, Cat. No. 6201.3.

**Table 14 UNEMPLOYMENT RATES<sup>a</sup> AND INDUSTRY OF LAST FULL-TIME JOB: QUEENSLAND (%)**

Industry	As At November									
	1986	1987	1988	1989	1990	1991	1992	1993	1994	
Agriculture, Forestry and Fishing	3.5	5.8	*3.2	*2.8	5.8	7.6	8.9	6.7	*3.8	
Manufacturing	11.0	8.3	4.0	5.0	9.5	8.7	8.9	6.1	7.2	
Construction										
Wholesale and Retail Trade	5.3	4.8	4.2	4.1	6.1	6.0	5.3	5.5		
Wholesale Trade <sup>b</sup>									6.6	
Retail Trade <sup>b</sup>									5.2	
Health and Community Services <sup>b</sup>	3.0	3.3	1.9	1.8	2.6	2.9	2.4	3.1	*2.0	
Community Services	6.3	8.0	7.3	3.7	6.6	5.7	7.1	11.5		
Recreational, Personal and Other Services	4.0	3.6	2.8	2.8	3.6	4.3	4.4	11.6	*0.7	
Cultural and Recreational Services								4.8		
Other Industries <sup>b</sup>								5.2	3.6	
Other Industries										

a - of persons who had worked full-time for 2 weeks or more in the last 2 years

b - classification introduced or changed in 1993

\* - not statistically significant

Source: ABS, *The Labour Force, Queensland*, Cat. No. 6201.3.

## 12. UNEMPLOYMENT BY REGION

In Queensland there were significant disparities in unemployment rates by region. The Queensland labour market is composed of a number of geographical labour markets whose experience of unemployment varied from the State average and from other Queensland regions. The question that needs to be asked is: does Queensland have a regional unemployment problem? What can be said about the location of unemployment in Queensland?

Two recent studies have looked at these issues. A March 1994 Queensland Treasury Study examined, for the period between February 1991 and November 1993, trends in regional employment growth by industry and occupation. The study found no consistent trend in growth rates by region, for industry or occupation. No region saw growth in all industries. However, several regions such as the Brisbane, Darling Downs and South-West, and Far-North regions recorded positive growth in a number of industries. These regions also experienced positive employment growth in most occupations.<sup>29</sup>

The study pointed to the difficulties in using raw data because of the small sample size involved at that level of disaggregation and because of the sensitivity of the results to the time period chosen for investigation.<sup>30</sup>

A study by John Mangan of the Queensland Government Statistician's Office of the Queensland labour market also looked at regional unemployment in Queensland. Its period of investigation was between 1988 and 1993. It found that regional unemployment rates varied considerably over time and that there was:

*little in the way of systematic patterns in the distribution of male or female unemployment throughout the state.*<sup>31</sup>

The study also pointed out that many of the fluctuations in unemployment rates were caused by fluctuations in labour force participation rates.

Table 15 contains statistics on the number of unemployed persons by region in Queensland. An examination of these statistics reveals that in January 1995, of the 146 500 unemployed in Queensland:

- 59 100 (or 40 per cent of the total) were in the Brisbane Statistical Division; and
- 87 400 (or 60 per cent of the total) were in the balance of Queensland.

However, when the South and East Moreton, and the North and West Moreton figures

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<sup>29</sup> Queensland Treasury, 'Trends in Employment in Queensland', *Queensland Economic Review*, March Quarter 1994, pp.36-39.

<sup>30</sup> Queensland Treasury, p.36.

<sup>31</sup> John Mangan, *The Queensland Labour Market: An Overview*, Government Statistician's Office, August 1994.

are added to the Brisbane region's figures to get a total for the South-East corner of Queensland, of the 146 500 unemployed in Queensland:

- 89 500 (or 61 per cent of the total) were in South-East Queensland; and
- 57 000 (or 39 per cent of the total) were in the balance of Queensland.

The South-East corner contained most of Queensland's unemployed because it contained most of Queensland's population.

Although the number of unemployed by region is a good indicator of the geographical location of unemployment in Queensland, the unemployment rate by region is a better indicator of its local severity.

An examination of the regional unemployment rate figures in Table 16 confirms Mangan's findings that there has been much fluctuation in regional unemployment rates and it is difficult to discern any overall pattern to regional unemployment.

In January 1988, the Far North had the highest regional unemployment rate. The ranking for that year, on the basis of highest to lowest unemployment rate, was:

Far North (14.2 per cent); Wide-Bay Burnett (12.8 per cent); North and West Moreton (11.5 per cent); Northern and North West (11.3 per cent); Mackay-Fitzroy-Central-West (11.0 per cent); Brisbane (10.3 per cent); South and East Moreton (8.8 per cent) and Darling Downs-South West (8.1 per cent). The State's unemployment rate for that year was 10.6 per cent.

In January 1995, the Wide-Bay Burnett and the Mackay-Fitzroy-Central West regions had the highest unemployment rates. The ranking for that year was:

Wide-Bay Burnett and Mackay-Fitzroy-Central West (14.0 per cent); South and East Moreton (10.9 per cent); Northern-North West (10.7 per cent); North and West Moreton (9.8 per cent); Brisbane (7.9 per cent); and Darling Downs-South West and Far North (6.6 per cent). The State average for that year was 9.2 per cent.

In January 1995, Wide-Bay Burnett and the Mackay-Fitzroy-Central West regions had an unemployment rate which was 4.8 percentage points above the state average.

Between 1988 and 1995, the regions which had the greatest percentage fall in their unemployment rates, in order of magnitude, were: Far North, Brisbane, Darling Downs - South West, North and West Moreton and Northern - North West. In order of magnitude, the regions which had the greatest percentage rise in their unemployment rate were: Mackay-Fitzroy-Central West; South and East Moreton and Wide Bay Burnett.

Between 1988 and 1995, the Brisbane region's unemployment rate fell by more than the State's average, and the Brisbane region generally had a lower unemployment rate than the balance of Queensland.

**Table 15 UNEMPLOYED PERSONS BY REGION: QUEENSLAND ('000)<sup>a</sup>**

REGION	1988	1989	1990	1991	1992	1993	1994	1995	1985-95 Change
<b>BRISBANE</b>	59.7	49.0	44.4	66.5	66.5	80.3	73.3	59.1	-1.0
Brisbane City Inner Ring	21.9	14.9	12.3	18.0	16.5	19.3	20.6	16.5	-24.7
Brisbane City Outer Ring	13.6	14.6	14.6	19.9	19.8	21.9	18.2	15.7	15.4
South and East BSD	10.9	8.0	8.3	14.4	16.4	20.4	15.6	9.4	-13.8
Balance	13.3	11.5	9.1	14.2	13.8	18.7	18.9	17.5	31.6
North and West BSD									
Balance									
<b>BALANCE OF QLD</b>	73.8	61.3	59.7	75.1	95.4	96.1	95.2	87.4	18.4
South and East Moreton	10.8	8.7	8.4	18.0	22.4	19.5	17.9	18.1	67.6
North and West Moreton	9.5	8.6	11.1	14.7	15.1	13.2	16.6	12.3	29.5
Wide-Bay Burnett	9.9	8.3	7.8	7.3	12.0	12.6	13.5	13.2	33.3
Darling Downs-South West	7.4	5.7	6.6	6.2	7.0	14.5	10.2	7.9	6.8
Mackay-Fitzroy-Central	14.6	14.0	12.4	9.1	17.7	13.3	17.5	18.6	27.4
West	10.3	9.2	7.5	12.1	10.3	11.5	10.2	9.4	-8.7
Northern-North West	11.2	6.7	5.9	7.7	10.9	11.4	9.3	8.0	-28.6
Far North									
<b>QUEENSLAND</b>	133.5	110.3	104.1	141.6	161.9	176.3	168.6	146.5	9.7

a - As at January of each year.

(BSD) - Brisbane Statistical Division

Source: ABS, *The Labour Force, Queensland*, Cat. No. 6201.3.

**Table 16 UNEMPLOYMENT RATES BY REGION: QUEENSLAND (%)<sup>a</sup>**

REGION	1988	1989	1990	1991	1992	1993	1994	1995	1985-95 Change
<b>BRISBANE (BSD)</b>	10.3	8.0	6.8	10.0	10.0	11.1	10.0	7.9	-23.3
Brisbane City Inner Ring	12.4	8.5	6.5	9.3	8.7	10.2	10.6	8.8	-29.0
Brisbane City Outer Ring	6.9	7.2	6.8	9.9	9.9	10.1	8.1	6.7	-2.9
South and East BSD	11.2	7.5	7.6	11.3	12.3	15.7	12.1	7.8	-30.4
Balance	12.1	9.0	6.7	10.0	9.5	10.2	10.3	8.6	-28.9
North and West BSD									
Balance									
<b>BALANCE OF QLD</b>	10.9	8.5	8.0	9.8	11.8	12.0	11.6	10.3	-5.5
South and East Moreton	8.8	6.6	5.7	12.8	13.2	13.6	11.3	10.9	23.9
North and West Moreton	11.5	9.2	11.2	12.8	14.5	11.8	14.7	9.8	-14.8
Wide-Bay Burnett	12.8	11.4	10.1	9.0	13.1	14.0	14.2	14.0	9.4
Darling Downs-South West	8.1	5.2	7.0	6.2	6.7	13.6	8.7	6.6	-18.5
Mackay-Fitzroy-Central	11.0	10.3	8.3	6.5	13.1	9.2	12.6	14.0	27.3
West	11.3	10.0	7.5	10.9	9.8	11.3	10.7	10.7	-5.3
Northern-North West	14.2	8.0	7.3	10.0	11.0	11.1	8.7	6.6	-53.5
Far North									
<b>QUEENSLAND</b>	10.6	8.3	7.5	9.9	11.0	11.6	10.8	9.2	-13.2

a - As at January of each year.

(BSD) - Brisbane Statistical Division

Source: ABS, *The Labour Force, Queensland*, Cat. No. 6201.3.



### 13. UNEMPLOYMENT BY ELECTORATE

The previous section examined unemployment rates in Queensland by Australian Bureau of Statistics, Labour Force Region. These regions were defined according to the Australian Bureau of Statistics, *Australian Standard Geographical Classification*<sup>32</sup>.

The problem with these statistics was that the level of aggregation was too high to get a meaningful indicator of the locational dimension of unemployment in Queensland. Another way of looking at the spatial distribution of unemployment in Queensland is to examine it by electorate using data from the August 1991 Census.

The censal statistics are based on a full population count rather than on a sample of the population. Thus, they are more accurate than the ABS Labour Force survey data; especially at high levels of disaggregation.

One advantage of looking at unemployment rates by electorate, is that the electorate statistics may give a more meaningful indication of the political aspects of unemployment than a classification by ABS labour force region. On the other hand, electorate boundaries are frequently altered as a result of electoral redistribution, which makes comparisons over time difficult. Several factors influence electoral redistribution, including legislated requirements and submissions from members of the public and organisations such as political parties.

A ranking of Queensland electorates by unemployment rate is contained in Table 17. It puts the spatial distribution of unemployment in sharp focus. In August 1991, the electorate of Woodridge had the highest unemployment rate in Queensland. Its unemployment rate of 20.7 per cent was almost twice the State average of 11.3 per cent. The electorate of Hervey Bay at 20.5 per cent came a close second.

The electorates with the top ten unemployment rates were: Woodridge (20.7 per cent); Hervey Bay (20.5 per cent); Maroochydore (18.2 per cent); Caloundra (17.8 per cent); Inala (17.7 per cent); Noosa (17.6 per cent); Burleigh (17.5 per cent); Waterford (16.6 per cent); Burnett (16.5 per cent); and Caboolture (16.4 per cent) and Bundaberg (16.4 per cent). South Brisbane at 16.3 per cent and Redcliffe at 16.2 per cent had unemployment rates close to those of Caboolture and Bundaberg. These were very high unemployment rates considering that the State unemployment rate was 11.3 per cent.

The mix of electorates in the top ten is interesting. They comprise the electorates of Woodridge, Inala and Waterford with the dissimilar electorates of Hervey Bay, Burleigh, Maroochydore, Caloundra, Noosa and Caboolture. The different types of electorates suggest differences in the causes of unemployment and in the characteristics of the unemployed within those electorates.

The electorates with the ten lowest unemployment rates were: Everton (6.2 per cent); Ferny Grove (6.3 per cent); Moggill (6.4 per cent); Mount Ommaney (6.6 per cent); Callide (6.6 per cent); Ashgrove (6.6 per cent); Charters Towers (6.7 per cent); Gregory (7.1 per cent); Kurwongbah (7.3 per cent); Western Downs (7.6 per cent) and Chermside (7.6 per cent).

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<sup>32</sup> ABS, *Australian Standard Geographical Classification*, Cat. No. 1216.0.

Ranking electorates by the number of unemployed persons in Table 18 revealed that the electorates with the ten highest numbers of unemployed persons were: Woodridge; South Brisbane; Cairns; Inala; Surfers Paradise; Maroochydore; Noosa; Brisbane Central; Waterford and Merrimac. The number of unemployed in these electorates ranged from 3 000 persons in Woodridge to just under 2 400 persons in Merrimac.

By contrast, the electorates which had the ten lowest numbers of unemployed persons were: Charters Towers; Gregory; Callide; Everton; Ashgrove; Moggill; Chermanside; Mount Ommaney; Ferny Grove and Warrego. The number of unemployed in these electorates ranged from 906 in Charters Towers to 1 186 in Warrego.

To what extent were the high unemployment rates in the "coastal" electorates the result of "voluntary" unemployment? This question is difficult to answer without further analysis. It may be that these electorates had high rates of population growth which had put pressure on jobs. The types of jobs in these electorates may also have exacerbated unemployment as tourism-related industries are associated with a higher proportion of part-time and seasonal work than other industries. There could also have been specific demographic factors such as a greater proportion of older persons who were close to retirement and either chose not to find employment or had greater difficulty in getting employment than other groups, or alternatively, these electorates may have contained a greater proportion of younger persons who tend to have higher rates of unemployment than other groups.

**Table 17 QUEENSLAND STATE ELECTORATES RANKED BY  
UNEMPLOYMENT RATE: AUGUST 1991 CENSUS**

Rank	Electorate	Unemployment		Rank	Electorate	Unemployment	
		Rate	Multiple*			Rate	Multiple*
1	Woodridge	20.7	1.8	47	Indooroopilly	10.1	0.9
2	Hervey Bay	20.5	1.8	47	Mount Coot-tha	10.1	0.9
3	Maroochydore	18.2	1.6	47	Ipswich	10.1	0.9
4	Caloundra	17.8	1.6	47	Yeronga	10.1	0.9
5	Inala	17.7	1.6	51	Redlands	10.0	0.9
6	Noosa	17.6	1.6	51	Beaudesert	10.0	0.9
7	Burleigh	17.5	1.5	53	Thuringowa	9.9	0.9
8	Waterford	16.6	1.5	53	Hinchinbrook	9.9	0.9
9	Burnett	16.5	1.5	53	Ipswich West	9.9	0.9
10	Caboolture	16.4	1.4	56	Cleveland	9.8	0.9
10	Bundaberg	16.4	1.4	56	Kallangur	9.8	0.9
12	South Brisbane	16.3	1.4	58	Bulimba	9.6	0.9
13	Redcliffe	16.2	1.4	58	Nudgee	9.6	0.9
14	Mooloolah	15.6	1.4	60	Clayfield	9.5	0.8
15	Gympie	15.5	1.4	60	Crows Nest	9.5	0.8
15	Currumbin	15.5	1.4	62	Mansfield	9.3	0.8
17	Maryborough	15.3	1.4	62	Capalaba	9.3	0.8
18	Broadwater	15.2	1.3	64	Sandgate	9.2	0.8
19	Merrimac	15.1	1.3	64	Greenslopes	9.2	0.8
20	Southport	14.7	1.3	66	Chatsworth	9.1	0.8
21	Tablelands	14.5	1.3	67	Kedron	9.0	0.8
21	Cairns	14.5	1.3	67	Warrego	9.0	0.8
23	Nicklin	14.1	1.2	69	Sunnybank	8.9	0.8
24	Mackay	13.9	1.2	70	Mulgrave	8.8	0.8
24	Barambah	13.9	1.2	70	Cook	8.8	0.8
26	Brisbane	13.5	1.2	72	Mirani	8.7	0.8
27	Central	13.1	1.2	73	Mount Isa	8.5	0.8
28	Bundamba	13.0	1.2	74	Cunningham	8.4	0.7
29	Surfers	12.6	1.1	75	Springwood	8.2	0.7
30	Paradise	12.2	1.1	76	Aspley	8.1	0.7
30	Murrumba	12.2	1.1	77	Fitzroy	7.8	0.7
32	Townsville	12.1	1.1	78	Burdekin	7.7	0.7
33	Gladstone	12.0	1.1	79	Chermside	7.6	0.7
34	Albert	11.9	1.1	79	Western Downs	7.6	0.7
35	Logan	11.5	1.0	81	Kurwongbah	7.3	0.6
36	Nerang	11.4	1.0	82	Gregory	7.1	0.6
37	Rockhampton	11.2	1.0	83	Charters Towers	6.7	0.6
38	Toowoomba	10.8	1.0	84	Ashgrove	6.6	0.6
38	Nth	10.8	1.0	84	Callide	6.6	0.6
38	Barron River	10.8	1.0	84	Mount	6.6	0.6
41	Mount Gravatt	10.7	0.9	87	Ommaney	6.4	0.6
41	Lockyer	10.7	0.9	88	Moggill	6.3	0.6
43	Toowoomba	10.4	0.9	89	Ferny Grove	6.2	0.5
43	Sth	10.4	0.9		Everton		
45	Warwick	10.3	0.9			11.3	1.0
45	Keppel	10.3	0.9		Queensland		
	Archerfield						
	Whitsunday						
	Mundingburra						
	Lytton						

\* - multiple of Queensland average



Nth								
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Source: ABS, *1991 Census of Population and Housing*, Cat. No. 2720.0.

## 14. UNEMPLOYMENT BY LOCAL LABOUR MARKET - THE DEET ESTIMATES

This section examines unemployment rates at the Local Labour Market level using unemployment rate estimates calculated by the Department of Employment, Education and Training (DEET).

The Department provides annually, unemployment rate estimates at a very high level of disaggregation. The DEET estimates are disaggregated down to the level of Local Labour Market and Statistical Local Areas (SLAs).<sup>33</sup> SLAs consist of legal local authority areas, or suburbs in the case of large local authorities such as Brisbane.

The DEET figures are a mix of the recipients of Job Search (JSA) and Newstart (NSA) Allowances, monthly ABS Labour Force Survey Unemployment figures, censal figures, and annual ABS resident population estimates.

The procedure used by DEET to calculate the unemployment rate at the SLA level is complex. Firstly, the recipients of Job Search and Newstart Allowances by postcode are allocated to Statistical Local Areas using a postcode to SLA conversion.<sup>34</sup>

At the regional and state level the SLA totals are made to correspond by gender, marital status and age to the ABS Labour Force Survey's unemployment rate totals.

This is because the Job Search and Newstart Allowance figures differ from the ABS unemployment estimates. In the case of the latter, a person can be counted as unemployed even if that person is not receiving any allowance (or unemployment benefit). DEET then works back adjusting the SLA data so that when aggregated for a specific demographic group, the resulting totals agree with the ABS Labour Force Survey's state and regional totals.

Because of the estimation required, DEET warns that the smaller the population, the greater the likelihood of error in the unemployment rate estimate.<sup>35</sup>

The DEET figures aggregate the SLA data into data on Local Labour Markets (LLMs). Those are a mix of DEET organisational boundaries and Natural Labour Markets (NLMs). NLMs are defined as:

*...regions within which it could reasonably be expected that people would travel for employment purposes.*<sup>36</sup>

As a general rule towns over one hundred kilometres apart are considered to be in different NLMs.

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<sup>33</sup> Department of Employment, Education and Training, *Small Area Labour Markets*, June Quarter, 1994.

<sup>34</sup> DEET, pp.145-146.

<sup>35</sup> DEET, p.145.

<sup>36</sup> DEET, p.146.

In non-metropolitan areas a Local Labour Market is more likely to be a Natural Labour Market, however, in large metropolitan areas such as Brisbane, LLMs are more likely to be defined by a mix of Natural Labour Market and DEET organisational boundaries. This is because in large metropolitan areas people are more likely to travel large distances to work.

DEET also aggregate their Local Labour Market statistics into regional estimates, although in many instances a DEET region is equivalent to a single Local Labour Market.<sup>37</sup>

Ranking the DEET Local Labour Markets by unemployment rate (Table 19) revealed that in the June Quarter 1994, the Local Labour Markets with the ten highest unemployment rates were: Coolangatta (19.6 per cent); Burke (17.8 per cent); Hervey Bay (16.8 per cent); Noosa (14.9 per cent); Bundaberg (14.8 per cent); Caloundra (14.3 per cent); Maroochydore (13.6 per cent); Eacham (13.6 per cent); Redcliffe (13.5 per cent); Palm Beach (13.0 per cent) and Beenleigh (13.0 per cent). In the June Quarter 1994, the State unemployment rate figure was 9.5 per cent. Because of the small numbers involved, care should be taken in interpreting the figures for Burke - it had 141 unemployed persons out of a labour force of only 791.

The Local Labour Markets with the ten lowest unemployment rates were: Bulloo (2.0 per cent); Barcoo (2.6 per cent); Quilpie (2.9 per cent); McKinlay (3.0 per cent); Taroom (3.3 per cent); Broadsound (3.9 per cent); Goondiwindi (4.0 per cent); Nebo (4.1 per cent); Gayndah (4.2 per cent); Monto (4.2 per cent) and Cook (4.9 per cent).

A ranking of DEET unemployment rates by region (see Table 20) reveals that the regions with the ten highest unemployment rates were: Coolangatta (19.6 per cent); Bundaberg (14.2 per cent) (includes the Eidsvold, Bundaberg and Monto LLMs); Sunshine Coast (13.9 per cent) (includes the Maroochydore and Caloundra LLMs); Nambour (13.9 per cent) (includes the Noosa and Nambour LLMs); Redcliffe (13.5 per cent); Maryborough (13.1 per cent) (includes the Gayndah, Maryborough and Hervey Bay LLMs); Beenleigh (13.0 per cent); Palm Beach (13.0 per cent); Caboolture (13.0 per cent) and Tablelands (12.1 per cent) (includes the Mareeba, Etheridge and Eacham LLMs). The Redcliffe, Beenleigh, Palm Beach and Caboolture regions were the same as their respective Local Labour Markets.

The regions with the ten lowest unemployment rates were: Indooroopilly (5.9 per cent), Central West (6.1 per cent), North Brisbane (6.3 per cent); Warwick (6.4 per cent); Mount Gravatt (6.5 per cent); Toowoomba (6.7 per cent); Fortitude Valley (7.3 per cent); Nerang (7.8 per cent); Nundah (7.8 per cent); Mount Isa (8.0 per cent) and Bayside (8.0 per cent).

DEET does not define Coolangatta as a separate region. It includes it as part of the Tweed Region which straddles the Queensland-New South Wales border. The Tweed Region comprises the Coolangatta and the Tweed (NSW) Local Labour Markets.

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<sup>37</sup> DEET, p.147.

**Table 19 DEET LOCAL LABOUR MARKET RANKED BY UNEMPLOYMENT RATE: JUNE QUARTER 1994**

Local Labour Market	Unemployment		Labour Force	Rank	Local Labour Market	Unemployment		Labour Force
	Rate	Number				Rate	Number	
Coolangatta	19.6	429	2 188	43	Townsville (West)	8.1	2 297	28 224
Burke	17.8	141	791	44	Banana	7.9	516	6 563
Hervey Bay	16.8	2 325	13 804	45	Nundah	7.8	3 853	49 117
Noosa	14.9	2 238	15 067	45	Nerang	7.8	2 472	31 695
Bundaberg	14.8	4 649	31 393	47	Kilcoy	7.7	108	1 394
Caloundra	14.3	3 618	25 217	48	Chinchilla	7.6	527	6 915
Maroochydore	13.6	4 814	35 367	49	Flinders	7.5	122	1 621
Eacham	13.6	645	4 747	49	Mount Isa	7.5	913	12 231
Redcliffe	13.5	3 462	25 587	49	Redlands	7.5	2 806	37 399
Palm Beach	13.0	3 564	27 518	52	Charleville	7.4	244	3 308
Beenleigh	13.0	1 795	13 842	53	Fortitude Valley	7.3	4 291	66 993
Gladstone	12.7	2 291	17 997	54	Blackall	6.9	61	885
Caboolture	12.5	5 390	43 240	55	Toowoomba	6.8	5 650	83 568
Mackay	12.4	4 309	34 708	56	North Brisbane	6.5	3 242	49 927
Nambour	12.3	1 049	8 530	56	Mount Gravatt	6.5	2 093	55 084
Rockhampton	12.1	4 829	39 870	58	Warwick	6.4	760	11 787
Mareeba	12.1	1 685	13 903	58	Cardwell	6.4	179	2 798
Gympie	11.8	1 819	15 410	58	Emerald	6.4	886	13 922
Gold Coast North	11.2	9 269	82 925	61	Winton	6.3	61	972
Underwood/Woodridge	11.2	5 982	53 441	62	Longreach	6.2	192	3 119
Maryborough	11.1	1 486	13 423	64	Balonne	6.2	206	3 345
Whitsunday	10.7	5 516	51 403	65	Tambo	6.1	19	313
South East	10.5	171	1 629	65	Strathpine	6.0	2 487	41 323
Brisbane	10.5	71	674	67	Diamantina	6.0	11	182
Paroo	10.3	28	271	68	Indooroopilly	5.9	2 739	46 173
Eidsvold	10.0	105	1 051	69	Etheridge	5.6	57	1 012
Boulia	10.0	45	450	70	Roma	5.3	424	8 044
Carpentaria	9.8	3 354	34 389	71	Belyando	5.2	261	5 025
(South)	9.8	1 632	16 599	72	Cook	4.9	262	5 366
Carpentaria	9.8	416	3 634	72	Monto	4.2	66	1 555
Townsville (East)	9.7	6 437	66 211	74	Gayndah	4.2	121	2 868
Brisbane CBD	9.7	8 339	85 794	75	Nebo	4.1	46	1 120
Torres Strait	9.5	6 839	72 362	76	Goondiwindi	4.0	191	4 769
South West	9.3	1 130	12 185	77	Broadsound	3.9	143	3 712
Brisbane	9.0	434	4 842	78	Taroom	3.3	65	1 947
Ipswich	9.0	1 163	12 850	79	McKinlay	3.0	20	665
Cairns	8.7	2 266	26 068	80	Quilpie	2.9	30	1 027
Kingaroy	8.6	441	5 141	81	Barcoo	2.6	14	544
Hinchinbrook	8.3	385	4 631		Bulloo	2.0	13	657
Innisfail	8.3	3 127	37 718		Queensland	9.5	149 800	1 569 058
Wynnum	8.2	33	401					
Stanthorpe								
Charters Towers								
Browns Plains								
Aramac								

Source: DEET, *Small Area Labour Markets - Australia*, June Quarter, 1994.

**Table 20 DEET REGION RANKED BY UNEMPLOYMENT RATE:  
JUNE QUARTER 1994**

<b>Rank</b>	<b>Region</b>	<b>Unemployment Rate</b>	<b>Number of Unemployed</b>	<b>Labour Force</b>
1	Coolangatta <sup>a</sup>	19.6	429	2 188
2	Bundaberg	14.2	4 786	33 622
3	Sunshine Coast	13.9	8 432	60 584
3	Nambour	13.9	3 287	23 597
5	Redcliffe	13.5	3 462	25 587
6	Maryborough	13.1	4 087	31 290
7	Beenleigh	13.0	1 795	13 842
7	Palm Beach	13.0	3 564	27 518
9	Caboolture	12.5	5 390	43 240
10	Tablelands	12.1	2 387	19 662
11	Mackay	11.9	5 841	49 251
12	Gladstone	11.4	2 807	24 560
12	Rockhampton	11.4	4 972	43 582
14	Gold Coast North	11.2	9 269	82 925
15	South East	10.7	5 516	51 403
16	Brisbane	10.5	3 057	28 989
17	Gympie	10.0	9 109	91 159
18	Logan	9.8	1 632	16 599
19	Brisbane CBD	9.8	416	3 634
20	Torres Strait	9.7	8 339	85 791
20	Ipswich	9.7	6 437	66 211
22	South West	9.5	3 861	40 641
23	Brisbane	9.1	8 309	91 028
24	Townsville	8.1	2 909	35 864
25	Far North	8.0	5 072	63 467
25	Queensland	8.0	1 218	15 191
27	Thuringowa	7.8	3 853	49 117
27	Bayside	7.8	2 472	31 695
29	Mount Isa	7.3	4 921	66 993
30	Nundah	6.7	7 143	107 408
31	Nerang	6.5	2 093	55 084
32	Fortitude Valley	6.4	1 598	25 042
33	Toowoomba	6.3	5 729	91 250
34	Mount Gravatt	6.1	1 508	24 868
35	Warwick	5.9	2 739	46 173
	North Brisbane			
	Central West	9.5	149 800	1 569 058
	Indooroopilly			
	Queensland			

a - Local Labour Market

Source: DEET, *Small Area Labour Markets - Australia*, June Quarter, 1994.

Coolangatta was included as a separate region in this paper in order to separate the Queensland from the New South Wales figures.

The DEET figures confirm the Hervey Bay area as having an above average rate of unemployment. They also confirm the electorate statistics in that they reveal that high unemployment rates seem to correspond to the coastal areas of Queensland. As these are generally areas where there has been an above average increase in population, what these figures might be revealing are high rates of unemployment resulting from problems which those areas had in absorbing extra persons into the labour force.



## 15. INTERSTATE COMPARISONS: 1985-1995

This section examines Queensland's trend unemployment rate in relation to the other states. The period examined is between January 1985 and January 1995. Interstate unemployment rates are examined in order to determine what Queensland's unemployment rate was in relation to other states and whether it had changed over this period.

Table 21 contains unemployment rate statistics by state. An examination of the statistics contained in this Table reveals that between 1985 and 1995, there was a close similarity in the cyclical movement of each state's unemployment rate. Generally, state unemployment rates rose and fell together. For example, for most states, unemployment rates fell between 1985 and 1990, rose between 1990 and 1993, and fell between 1993 and 1995.

The similarity of cyclical fluctuations in unemployment rates across states can be explained by the impact that broad economic factors had on the national economy and on each state. Such factors included changes in the Federal Government's macroeconomic policies, interest rate changes, inflation rate movements, international economic conditions, etc.

However, although state unemployment rates tended to move in a similar manner, they did not move identically. This was partly because the impact of national economic factors was felt differently by each state, and partly because of different internal developments in each state. As these small differences accumulated over time, discernible trends became apparent.

Between 1985 and 1995, Queensland's unemployment rate improved in relation to the other states. In January 1985, Queensland had the highest state unemployment rate in Australia. On the basis of highest to lowest unemployment rates, the ranking for that year was: Queensland (10.1 per cent); South Australia (9.3 per cent); New South Wales and Tasmania (8.8 per cent); Western Australia (8.4 per cent); and Victoria (7.3 per cent).

By January 1995, Queensland's unemployment rate ranking had fallen to fifth, with only Western Australia having a lower unemployment rate than Queensland. The state unemployment rate ranking was: Tasmania (11.3 per cent); South Australia (10.1 per cent); Victoria (9.9 per cent); New South Wales (8.7 per cent); Queensland (8.6 per cent); and Western Australia (7.5 per cent).

Between 1985 and 1995, in percentage terms, Queensland's unemployment rate fell by 14.9 per cent, Western Australia's by 10.7 per cent and New South Wales' by 1.1 per cent. South Australia's rose by 8.6 per cent, Tasmania's by 28.4 per cent and Victoria's by 35.6 per cent.

From having the highest state unemployment rate in Australia, Queensland fell to having the second lowest.



The extent to which Queensland's unemployment rate improved in relation to the other states can also be seen by comparing the Queensland unemployment rate with the unemployment rate for Australia. For each year between 1985 and 1992, the Queensland unemployment rate was greater than the unemployment rate for Australia. From 1993 to 1995, the Queensland unemployment rate was less than the unemployment rate for Australia (see Table 21).

When compared to the states of Victoria and New South Wales, since 1992 Queensland's unemployment rate was below the figure for Victoria, and since 1993, slightly below the figure for New South Wales. In 1994 and 1995 the difference between the Queensland and New South Wales unemployment rates was only 0.1 of a percentage point. Before 1992 and 1993, Queensland always had an unemployment rate figure greater than Victoria and New South Wales respectively.

The relative improvement in Queensland's unemployment rate occurred because compared to the other states and Australia, Queensland's employment grew by more than its labour force. Between 1985 and 1995, Queensland's labour force increased by 42.4 per cent. This increase was greater than that of any of the other states (see Table 22).

Over the same period, the number of persons employed in Queensland increased by 44.7 per cent. In percentage terms, more jobs were generated in Queensland than in any of the other states (see Table 23).

Because in relation to the other states, Queensland's percentage employment growth was greater than its percentage labour force growth, this allowed Queensland's unemployment rate to fall by a greater percentage.

The growth in Queensland's labour force occurred partly because of a growth in its population, fuelled largely by net interstate migration, and partly because of a rise in its labour force participation rate.

Between 1984 and 1994, Queensland's population grew by 26.6 per cent. This was greater than the population growth of any of the other states (see Table 24).

Between 1985 and 1995, Queensland's trend labour force participation rate rose from 59.4 per cent to 64.0 per cent; an increase of 7.7 per cent. This was the greatest percentage increase for any state in Australia; and was exceeded only by the Northern Territory's figure of 15.0 per cent (see Table 25).

In order for the unemployment rate not to have risen, not only did jobs have to increase to keep up with population changes, they also had to keep up with the extra proportion of the population that was now in the labour force seeking work.

**Table 22 PERSONS IN THE LABOUR FORCE (TREND SERIES): INTERSTATE COMPARISON, 1985-1995**

<b>State/Territory</b>	<b>Jan 1985 ('000)</b>	<b>Jan 1995 ('000)</b>	<b>Percentage Change (%)</b>
New South Wales	2 490.9	2 970.6	19.3
Victoria	1 893.6	2 209.8	16.7
Queensland	1 129.7	1 608.7	42.4
South Australia	633.9	714.7	12.7
Western Australia	664.9	883.0	32.9
Tasmania	194.7	221.6	13.8
Northern Territory	65.9	92.6	40.5
Australian Capital Territory	124.7	166.0	33.1
Australia	7 197.4	8 875.5	23.3

Source: ABS, *The Labour Force Australia*, Cat. No. 6202.0.

**Table 23 PERSONS EMPLOYED (TREND SERIES): INTERSTATE COMPARISON, 1985-1995**

<b>State/Territory</b>	<b>Jan 1985 ('000)</b>	<b>Jan 1995 ('000)</b>	<b>Percentage Change (%)</b>
New South Wales	2 270.8	2 712.1	19.4
Victoria	1 755.7	1 990.5	13.4
Queensland	1 016.0	1 470.6	44.7
South Australia	575.0	642.8	11.8
Western Australia	608.6	816.7	34.2
Tasmania	177.5	196.5	10.7
Northern Territory	61.6	85.7	39.1
Australian Capital Territory	118.8	154.0	29.6
Australia	6 580.9	8 077.2	22.7

Source: ABS, *The Labour Force Australia*, Cat. No. 6201.0.

**Table 24 ESTIMATED RESIDENT POPULATION: INTERSTATE COMPARISON, 1984-1994**

State/Territory	June 1984 ('000)	June 1994 ('000)	Percentage Change (%)
New South Wales	5 402.7	6 051.4	12.0
Victoria	4 076.5	4 476.1	9.8
Queensland	2 523.9	3 196.9	26.7
South Australia	1 360.0	1 469.9	8.1
Western Australia	1 391.2	1 701.9	22.3
Tasmania	437.8	472.4	7.9
Northern Territory	142.2	171.4	20.5
Australian Capital Territory	245.1	300.9	22.7
Australia	15 579.4	17 843.3	14.5

Source: ABS, *Australian Demographic Statistics*, Cat. No. 3101.0.

**Table 25 LABOUR FORCE PARTICIPATION RATE (TREND SERIES): INTERSTATE COMPARISON, 1985-1995**

State/Territory	Jan 1985 (%)	Jan 1995 (%)	Percentage Change (%)
New South Wales	60.1	62.2	3.5
Victoria	60.4	62.5	3.5
Queensland	59.4	64.0	7.7
South Australia	59.9	61.2	2.2
Western Australia	63.0	66.5	5.6
Tasmania	58.7	60.4	2.9
Northern Territory	66.1	76.0	15.0
Australian Capital Territory	71.3	72.4	1.5
Australia	60.5	63.2	4.5

Source: ABS, *The Labour Force Australia*, Cat. No. 6202.0.

The net effect of the high population growth on the Queensland unemployment rate

is difficult to evaluate. On the one hand, high levels of interstate migration can increase the supply of labour and thus tend to worsen the unemployment rate.

On the other hand, high levels of interstate migration can reduce unemployment rates because of their effects on the demand for labour. In this case, interstate migrants bring with them their savings, proceeds of their house sale, redundancy or superannuation payment, old-age pension or unemployment benefit. When spent in the state of destination, this creates jobs and thus reduces unemployment.

An empirical study by the Queensland Government Statistician's Office has concluded that:

*The economic benefit of migration may prove significant but they almost certainly lag behind the absorption costs it brings. The current wave of migration has placed considerable pressure on the Queensland labour market, despite the impressive growth in that market and has helped to maintain unemployment rates in Queensland close to the Australian average.<sup>38</sup>*

Was this increase in employment growth biased in favour of full-time or part-time work? Table 26 records the growth of full-time employment for each state. As can be seen from the Table, Queensland had the highest percentage increase in full-time employment for all the states. However, the figures in brackets reveal that in Queensland full-time employment as a percentage of total employment fell from 82.4 per cent in 1985 to 75.3 per cent in 1995. This represented an 8.6 per cent fall in the proportion of full-time to total employment.

All states, however, showed a shift in favour of part-time employment. The shift in favour of part-time work was even more marked in the Northern Territory, Tasmania, Western Australia and Victoria than it was in Queensland. This was despite Queensland's economic growth being biased in favour of tourism and service sector industries which tended to favour part-time over full-time employment. However, the shift in favour of part-time work in New South Wales, South Australia and the Australian Capital Territory was less pronounced than was the case for Queensland.

This suggests that there was an overstatement in the improvement of Queensland's unemployment rate relative to that of New South Wales or South Australia - unless one wishes to claim that the creation of one extra part-time job was equivalent to one extra full-time job. On the other hand, it also suggests that Queensland's unemployment rate position with regards to Victoria, Western Australia, and Tasmania improved by more than the aggregate figures would suggest.

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<sup>38</sup> Queensland Government Statistician's Office, *The Queensland Labour Market: An Overview*, August 1994, p.31.

**Table 26 PERSONS EMPLOYED - FULL-TIME (TREND SERIES): INTERSTATE COMPARISONS, 1985-1995**

State	Jan 1985		Jan 1995		Change	
	('000)	%	('000)	%	%	%
New South Wales	1 893.1	(83.4)	2 082.8	(76.8)	10.0	(-7.9)
Victoria	1 447.6	(82.5)	1 490.9	(74.9)	3.0	(-9.2)
Queensland	837.5	(82.4)	1 107.4	(75.3)	32.2	(-8.6)
South Australia	456.9	(79.5)	472.6	(73.5)	3.4	(-7.6)
Western Australia	492.1	(80.9)	599.4	(73.4)	21.8	(-9.3)
Tasmania	144.2	(81.2)	144.7	(73.6)	0.3	(-9.4)
Northern Territory	54.2	(88.0)	67.8	(79.1)	25.1	(-10.1)
Australian Capital Territory	97.0	(81.7)	116.6	(75.7)	20.2	(-7.3)
Australia	5 422.7	(82.4)	6 084.4	(75.3)	12.2	(-8.6)

Note: Figures in brackets represent full-time employed persons as a percentage of all employed persons.

Source: ABS, *The Labour Force, Australia*, Cat. No. 6202.0.



## 16. CONCLUSIONS

This paper has examined unemployment rates in Queensland for the period January 1985 to January 1995.

Its major findings are summarised below.

1. Between 1985 and 1995, a significant percentage of the Queensland workforce was without employment.
2. The unemployment statistics were likely to have underestimated the actual level of unemployment because the definition of unemployment was unduly restrictive.
3. Although Queensland's unemployment rate fell between 1985 and 1995, the median duration of unemployment in Queensland increased as did the percentage of the unemployed who were defined as long-term unemployed.
4. Full-time employment as a percentage of total employment fell over the period.
5. Males fared worse than females:
  - their job growth was less than that for females;
  - their traditional area of full-time employment grew the least;
  - their unemployment rate increased to a level above that for females;
  - their labour force participation rate fell;
  - their unemployment duration was higher than in the case of females; and
  - they had a greater incidence of long-term unemployment.
6. However, females had higher rates of hidden unemployment than males and formed a greater proportion of discouraged job seekers.
7. Many groups in Queensland had higher unemployment rates than others, such as:
  - persons aged between 15-19 and 20-24;
  - persons with low levels of educational attainment;
  - unskilled and semi-skilled workers such as labourers, plant and machine operators, salespersons and tradespersons;

- workers in the construction, manufacturing and wholesale and retail trade industries;
  - workers in particular labour force regions such as Wide-Bay Burnett, Mackay Fitzroy and Central West, and South and East Moreton;
  - workers in particular electorates such as Woodridge, Hervey Bay, Maroochydore, Caloundra, Inala, Noosa, Burleigh, Waterford, Burnett, Caboolture, and Bundaberg;
  - workers in particular Local Labour Markets such as Coolangatta, Burke, Hervey Bay, Noosa, Bundaberg, Caloundra, Maroochydore, Eacham, Redcliffe, Palm Beach and Beenleigh; and
  - workers in particular Department of Employment, Education and Training Regions such as Coolangatta, Bundaberg, Sunshine Coast, Nambour, Redcliffe, Maryborough, Beenleigh, Palm Beach, Caboolture and Tablelands.
8. However, between 1985 and 1995, out of all the states, Queensland had
- the largest percentage increase in population;
  - the largest percentage increase in labour force participation rates;
  - the largest percentage increase in the labour force;
  - the largest percentage increase in overall employment;
  - the largest percentage increase in part-time employment;
  - an above average increase in full-time employment; and
  - the largest percentage reduction in its unemployment rate.
9. Whereas, in 1985, Queensland had the highest state unemployment rate in Australia, by 1995, its unemployment rate was the second lowest, with only Western Australia having a lower state unemployment rate than Queensland.
10. Thus, although Queensland's unemployment rate has improved in relation to other states, within Queensland there still remain significant disparities in unemployment rates between various groups.

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