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Illawarra labour force trends

by Daniel Montoya

1. Introduction

This e-brief, which is part of a series relating to all NSW regions, sets out key labour force trends for the residents of the Illawarra region. Data has been sourced from the Australian Bureau of Statistics' (ABS) monthly [Labour Force Survey](#). The ABS divides NSW into 28 regions; 15 in Greater Sydney and 13 in Regional NSW.

Covered are four key labour force indicators:

- Employment (full-time and part-time);
- The participation rate;
- The unemployment rate; and
- The youth unemployment rate.

A map of the Illawarra region is included at the end of the e-brief. The map also shows the NSW electorates located wholly or partly within the region. The e-brief finishes with a short section on labour force definitions and methodological notes.

2. Labour force trends

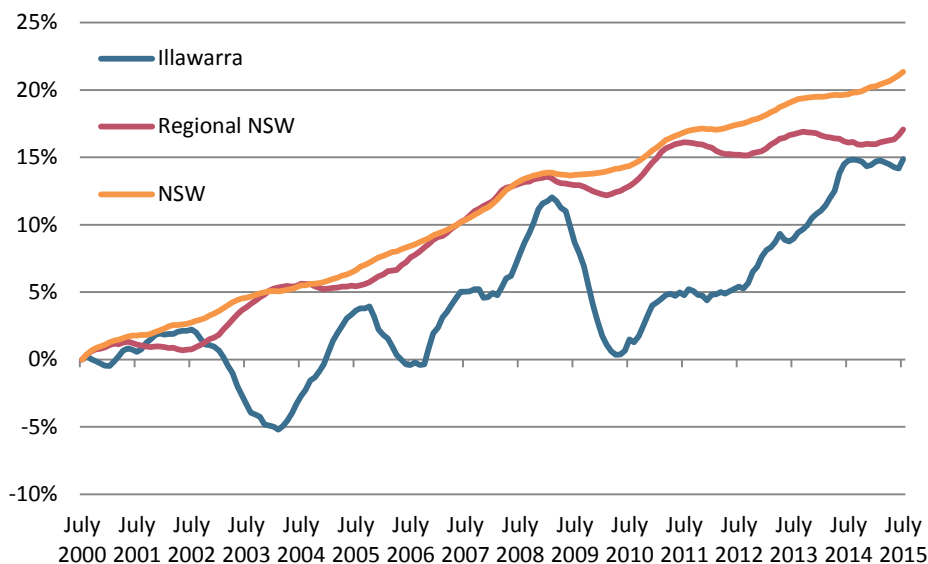
In July 2015, Illawarra figures for all four labour force indicators were worse than NSW figures: annual employment growth and the participation rate were lower; and the total and youth unemployment rates were higher. Compared to Regional NSW, employment growth and the participation rate were worse in the Illawarra.

Headline figures (July 2015)

Indicators	Illawarra	Regional NSW	NSW
Employment	134,700	1,197,000	3,664,000
2014-15 employment growth	0.1%	1.0%	1.7%
Participation rate	58.6%	58.9%	63.3%
Unemployment rate	6.7%	7.3%	5.9%
Youth unemployment rate	14.1%	15.1%	12.7%

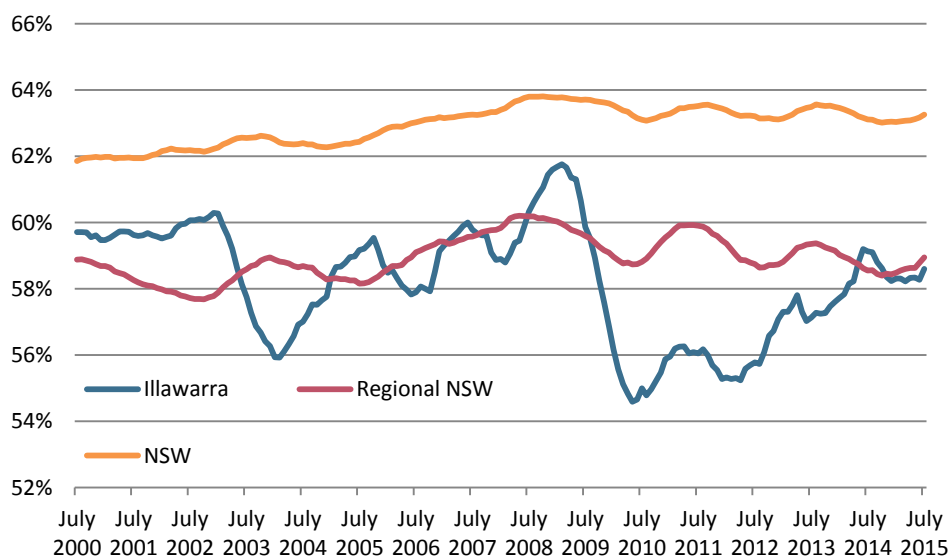
Between July 2000 and July 2015, the total number of employed people in the Illawarra grew from 116,400 to 134,700 (+14.9%). Regional NSW (+17.1%) and NSW (+21.4%) both grew by a larger proportion. Most of the Illawarra employment growth was due to part-time employment growth, from 31,200 to 48,700. Full-time employment only increased from 85,200 to 86,000. Between July 2014 and July 2015, total employment grew by 0.1% in the Illawarra, 1.0% in Regional NSW and 1.7% in NSW.

Cumulative employment growth (July 2000 to July 2015)



After reaching a high of 61.8% in February 2009 the Illawarra participation rate fell to a 15 year low of 54.6% in May 2010, most probably due to the Global Financial Crisis. The participation rate has generally risen since then to reach 58.6% in July 2015. At this time, the Regional NSW rate was 58.9% and the NSW rate was 63.3%. In July 2015, the 2-year average participation rates were 58.2% (Illawarra), 58.8% (Regional NSW) and 63.2% (NSW).

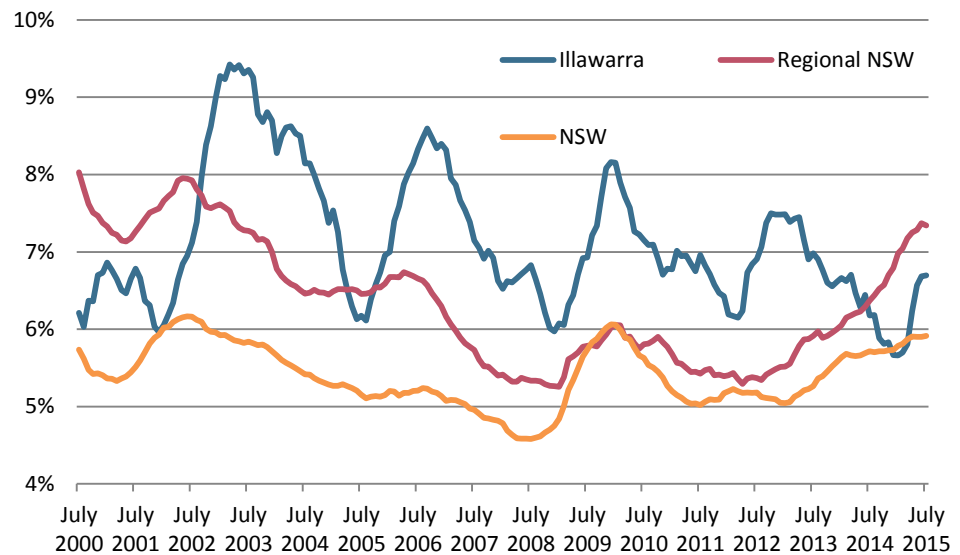
Participation rate (July 2000 to July 2015)



Illawarra labour force trends

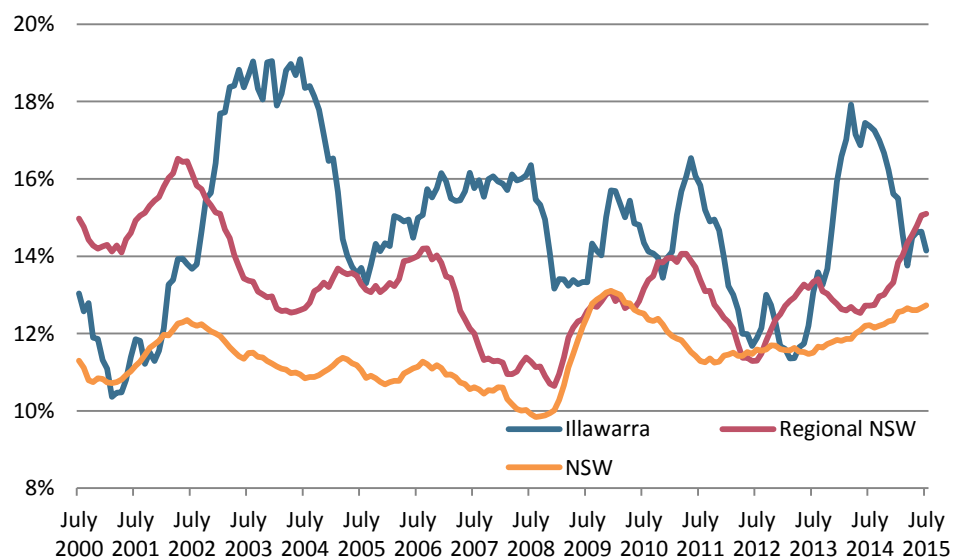
In July 2015, the Illawarra unemployment rate was 6.7%. This was higher than the NSW rate (5.9%) but lower than the Regional NSW rate (7.3%). The 2-year average unemployment rate for the Illawarra was 6.3%; it was 6.5% for Regional NSW and 5.7% for NSW. Between July 2000 and July 2015, the Illawarra unemployment rate has generally exceeded the Regional NSW rate. The current Illawarra rate is much lower than the highest value it has reached in the last 15 years of 9.4% in March 2003.

Unemployment rate (July 2000 to July 2015)



Over the last 15 years, the Illawarra youth unemployment rate has fluctuated considerably between a low of 10.4% in February 2001 and a high of 19.1% in June 2004. In the last 2 years, the rate spiked at 17.9% in March 2014 before falling to 14.1% in July 2015. At this time, the Regional NSW rate was 15.1% and the NSW rate was 12.7%. The Illawarra had a 2-year average youth unemployment rate of 15.7%, which is higher than Regional NSW (13.4%) and NSW (12.2%).

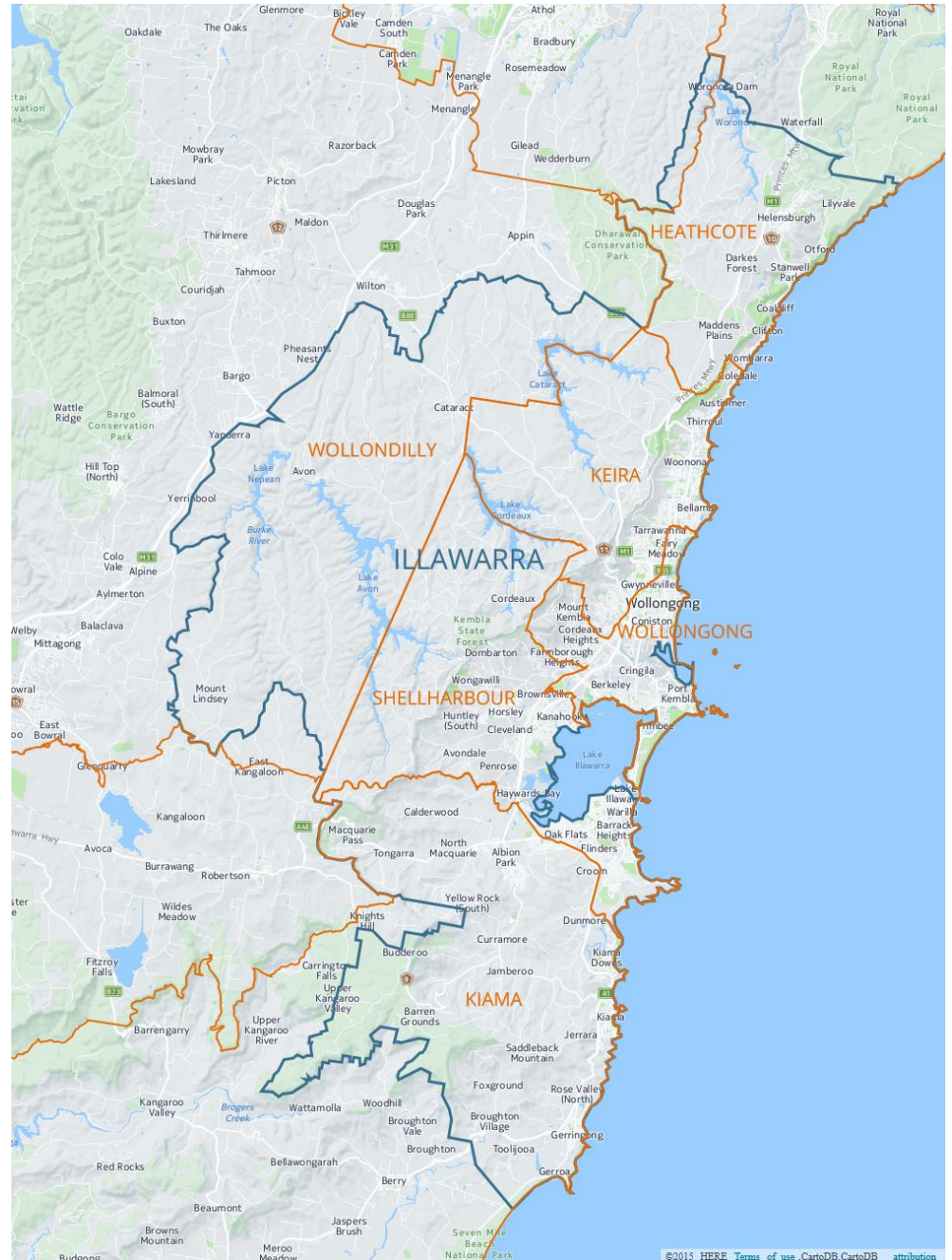
Youth unemployment rate (July 2000 to July 2015)



3. The Illawarra region and NSW electorates

Six electorates are located either wholly or partly within the Illawarra region, based on their population at the 2011 Census¹: Heathcote (13%); Keira (100%); Kiama (57%); Shellharbour (100%); Wollondilly (0.02%); and Wollongong (100%).

Illawarra region and NSW electorates



4. Definitions and methodological notes

A number of methodological notes merit mention. These notes are set out in more detail at the beginning of the 2014 Research Service publication, [*NSW regional labour force trends by labour force indicator*](#).

Illawarra labour force trends

- The data presented in this e-brief applies to an area's *resident labour force* (i.e. those persons who reside in an area) as opposed to its *workforce* i.e. those persons who work in an area.
- The ABS [Labour Force Survey](#) covers about 0.32% of the Australian population aged 15 years or over. Its primary purpose is to provide labour force estimates for the nation and, secondarily, for each State and Territory. Due to the small sample size involved, regional data should therefore be interpreted with caution.
- While labour force data is normally subject to seasonal adjustment, this only applies to National and State level data. The regional data in this publication is original, non-seasonally adjusted data; for comparative purposes, the State level data in this publication is also original, non-seasonally adjusted data.²
- Using the [recommended](#) ABS methodology for regional labour force indicators, all the data presented are 12-month averages.
- Youth unemployment is a complex issue. It is worth noting therefore that the youth unemployment rate only paints part of the picture, generally being held to represent an overestimate of youth unemployment.

Definitions

Full-time employed	Employed persons who usually worked 35 hours or more a week (in all jobs) and those who, although usually working fewer than 35 hours a week, worked 35 hours or more during the Labour Force Survey week.
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Labour force	The total number of employed and unemployed persons.
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Participation rate	The labour force expressed as a percentage of the civilian population in the same age group.
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Part-time employed	Employed persons who usually worked fewer than 35 hours a week (in all jobs) and either did so during the Labour Force Survey week or were not at work during the reference week.
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Unemployed	Persons aged 15 years and over who were not employed during the week of the Labour Force Survey, and: <ul style="list-style-type: none">• 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 were available for work in the reference week; or• were waiting to start a new job within four weeks from the end of the reference week and could have started in the reference week if the job had been available then.
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Unemployment rate	The number of unemployed persons expressed as a percentage of the labour force.
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Youth population	Persons aged 15 to 24
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Related Research Service publications:

- [Western Sydney: an economic profile](#) (2015)
- [NSW Economic Update Winter 2015](#) (2015)
- [Labour force trends in Regional NSW](#) (2014)
- [NSW regional labour force trends by labour force indicator](#) (2014)
- [The Illawarra: an economic profile](#) (2011)

¹ The top right corner of this map shows that a small part of the Campbelltown electorate is located in the Illawarra region. The electoral boundaries as included in this map are the official boundaries from the [Electoral Commission NSW](#). However, the only way to calculate what proportion of an electorate's population is contained within an ABS region is to use an approximation of the electoral boundary based on the ABS statistical geography. This is the only methodology by which Census data can be generated for a NSW electorate.

² Seasonally adjusted employment figures, participation rates and unemployment rates for NSW can be found in the Research Service publication, [NSW Economic Update Winter 2015](#)

Information about Research Publications can be found on the Internet at the:
[NSW Parliament's Website](#)

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