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Potential workers

Potential labour supply of people who are not working, including wanting to work, availability for work, job attachment and job search.

Reference period February 2023

Released 30/06/2023

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Key statistics

In February 2023, there were 21.2 million people in the usually resident civilian population who were aged 15 years or over, of whom:

- 13.8 million were employed.
- 1.8 million were not working but wanted to work (potential workers).

- 1.0 million were available to start work immediately (in the week before the survey interview)
- 5.6 million did not want to work or were permanently not able to work (not potential workers).

More information from the annual Participation, Job Search and Mobility (PJSM) survey is available in these topic-based releases:

- <u>Job mobility (/statistics/labour/jobs/job-mobility/latest-release)</u>
- <u>Underemployed workers (/statistics/labour/employment-and-unemployment/underemployed-workers/latest-release)</u>

Microdata from the PJSM survey for 2015 to 2023 is available in DataLab
(/statistics/microdata-tablebuilder/datalab) as a supplementary file to the Longitudinal
Labour Force (/statistics/microdata-tablebuilder/available-microdata-tablebuilder/longitudinal-labour-force-australia). For more information, refer to

Microdata and TableBuilder: Participation, Job Search and Mobility (/statistics/microdata-tablebuilder/available-microdata-tablebuilder/participation-job-search-and-mobility-australia)

Potential workers and marginal attachment to the labour force

Since 2021, a simpler approach has been used for presenting statistics on unused labour supply. This Potential workers release of PJSM data presents statistics on all people who are not employed (i.e. regardless of their classification in the monthly Labour Force Survey as unemployed or not in the labour force), and the extent to which they may be regarded as "Potential workers" based on their circumstances and activities.

Historically, PJSM content has been presented using the marginal attachment framework and the characteristics of people "not participating in the labour force" were based on the criteria used to derive unemployment (i.e. job search activity and/or availability).

While the new approach to presenting statistics for potential workers differs slightly from the traditional marginal attachment framework, and presents some population groups that do not entirely overlap with some of the marginally attached groups, there is still a strong alignment

between them. Statistics within the traditional marginal attachment framework are also still available.

People who want to work

In February 2023, there were 21.2 million people in the usually resident civilian population who were aged 15 years or over, of whom:

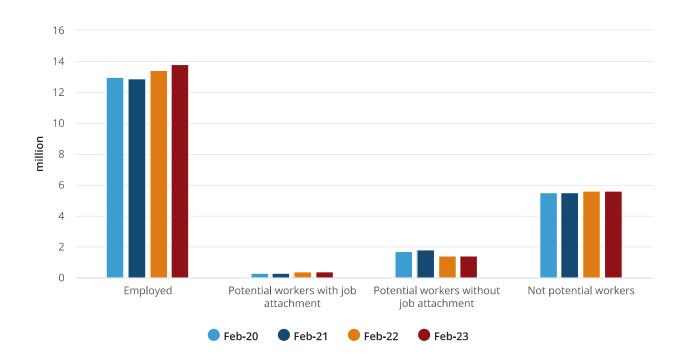
- 13.8 million were employed.
- 1.8 million were not working but wanted to work (potential workers).
- 5.6 million did not want to work or were permanently not able to work (not potential workers).

Of the 1.8 million potential workers:

- 0.4 million were attached to a job that they were about to start or were away from a job that they could return to.
- 1.4 million were without a job.

Between February 2022 and February 2023, the number of potential workers without job attachment remained at 1.4 million. Over the same period, employment rose from 13.4 to 13.8 million. For more information on the rise in employment, refer to <u>Job mobility</u> (/statistics/labour/jobs/job-mobility/latest-release).

Chart 1: Employment and potential workers

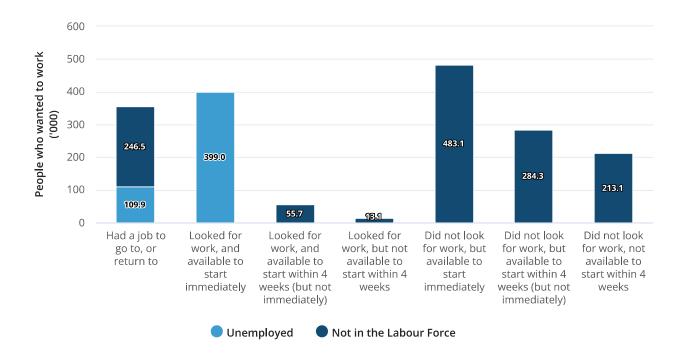


Of the 1.8 million potential workers:

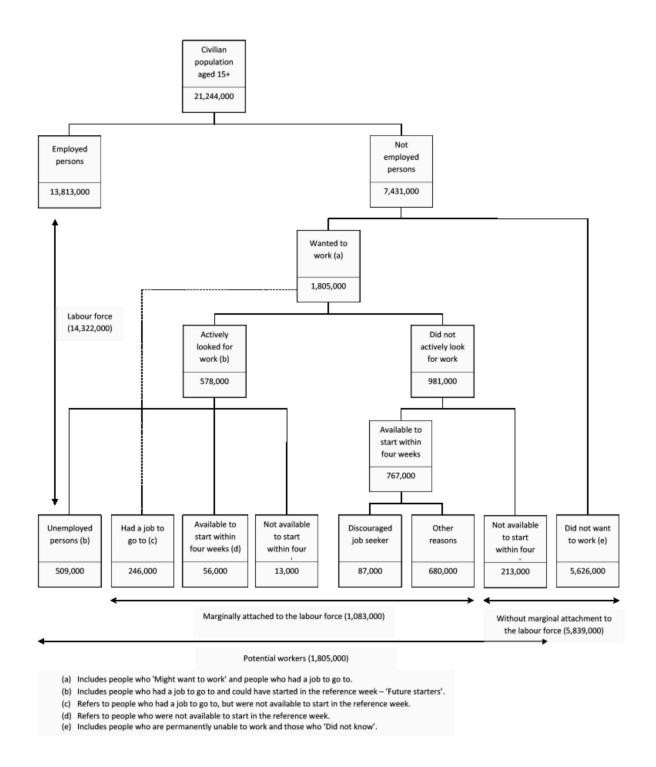
- 467,800 looked for work.
- 356,400 had a job to go to, or return to (potential workers with job attachment).
- 980,500 did not look for work.

Over three-quarters of those who wanted to work, but did not look for work, were available to start in the previous week or within the next four weeks.

Chart 2: People who wanted to work



Marginal attachment framework

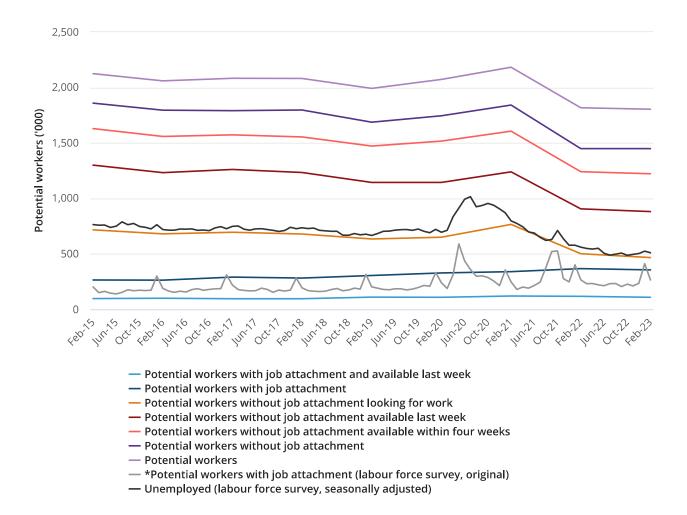


The number of unemployed people is an important measure for monitoring the labour market. Unemployment is necessarily strictly defined to reflect an economic measure of the immediately active and available labour supply, at a specific point in time.

However, there are additional ways to look at the potential workforce - either as potential workers now or potential workers in the short to medium-term. Note that in this context, the potential workforce reflects people within the usually resident population in Australia in February 2023, and does not account for potential workers from other countries (including former or future residents of Australia, who may work in the Australian labour market in the future).

In February 2023, there were 1.8 million people who were potential workers. This was 12% of the 15.6 million people in the 'potential labour force' (i.e. those who were either employed or were potential workers). Of these, 508,900 were classified as unemployed.

Chart 3: Potential workers



*Note: the monthly series of Potential workers with job attachment from the labour force survey provided above (grey line) is not as comprehensively measured as the annual surveys of PJSM, which asks additional questions to determine a greater extent of job attachment. Although it is not as complete, the monthly series does provide some additional context to the unusual movements that happened in the months between the annual surveys that would otherwise be hidden.

State and territory

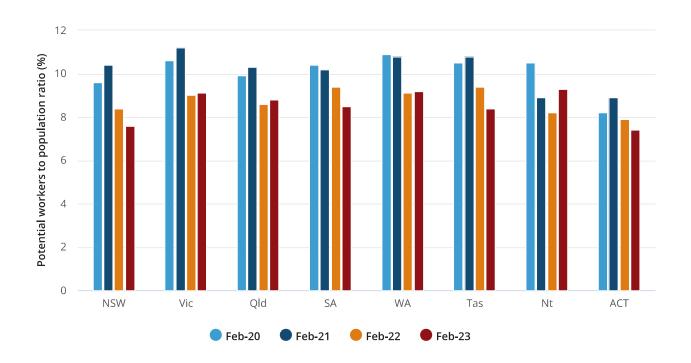
The states or territories with the lowest potential workers to population ratios in February 2023 were:

- Australian Capital Territory 7.4%.
- New South Wales 7.6%.
- Tasmania 8.4%.

The states or territories with the greatest fall or rise in potential workers to population ratios between 2022 and 2023 were:

- Northern Territory up 1.1 percentage points (from 8.2% to 9.3%).
- Tasmania down 1.0 points (from 9.4% to 8.4%).
- South Australia down 0.9 points (from 9.4% to 8.5%).

Chart 4: Potential workers by state and territory

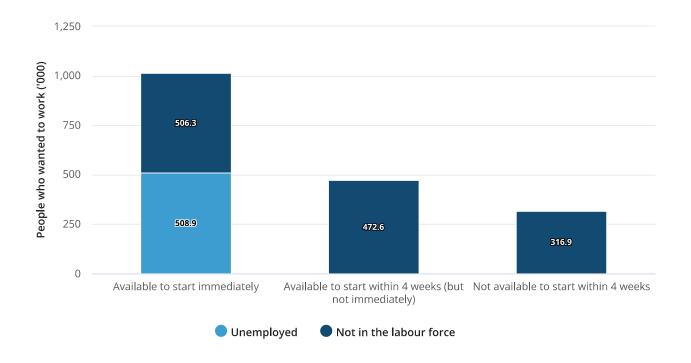


Availability for work

Not all potential workers are available to start work immediately. Of the 1.8 million people in February 2023 who wanted to work:

- 1.0 million were available to start work in the previous week.
- 472,600 were available to start work within four weeks (but not last week).
- 316,900 were not available to start work within four weeks.

Chart 5: People who wanted to work and availability for work



The main reasons people who wanted to work were not available to start within four weeks were:

- Caring for children 69,000 (22% of those who were not available within four weeks).
- Own long-term health condition or disability 55,500 (18%).
- Studying, or returning to studies 53,500 (17%).
- Own short-term health condition or injury 24,000 (8%).
- Caring for ill or elderly person/relative 21,600 (7%).

Not looking for work

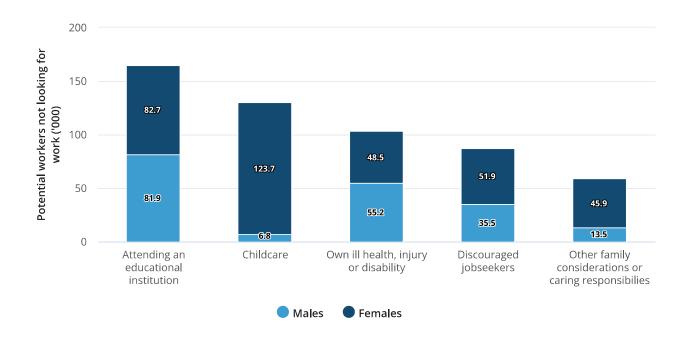
People who were unavailable for work in the short to medium-term may not begin looking for work until it is closer to the time when they will be able to work. Of those who were not available within four weeks:

- 42,900 looked for work in the last 12 months.
- 274,000 did not look for work in the last 12 months.

There were 767,500 people who wanted to work, were available to start either immediately or within four weeks, but did not actively look for work. The main reasons they did not actively look for work last week were:

- Attending an educational institution 164,600.
- Childcare 130,500.
- <u>Discouraged job seekers (/methodologies/participation-job-search-and-mobility-australia-methodology/feb-2023#glossary)</u> 87,400.

Chart 6: Main reason people who were available to start work within four weeks were not looking for work



Difficulties finding work

In February 2023, of the 508,900 unemployed people, 82% reported having difficulty finding work, down from 84% in February 2022.

The main difficulty for job seekers in February 2023 was 'own ill health or disability'.

Chart 7a: Main difficulty in finding work (part 1 - most common difficulties)

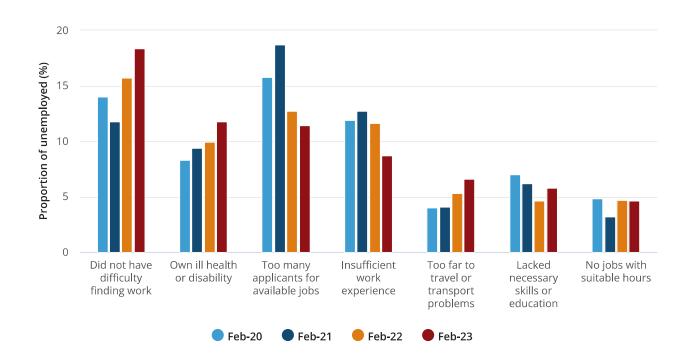
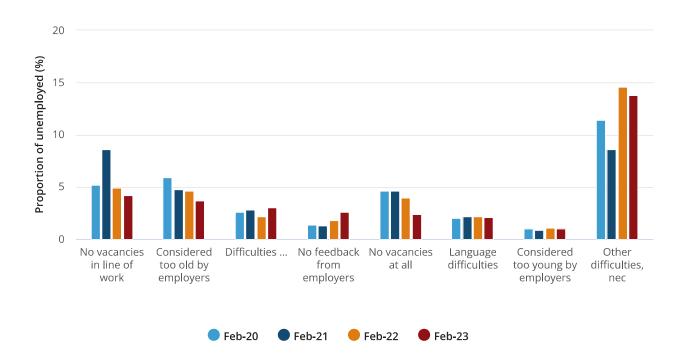


Chart 7b: Main difficulty in finding work (part 2 - least common difficulties)



Other difficulties, nec - includes multiple difficulties not elsewhere classified

People who don't want to work

In February 2023, there were 5.6 million people aged 15 years or over who did not want to work, or were permanently unable to work. The main activities of people who did not want to work were:

- Retired 3.0 million (61% of people who did not want to work).
- Home duties 518,100 (10%).
- Attending an educational institution 474,000 (10%).
- Own long-term health condition or disability 301,200 (6%).

There were 691,100 people who were permanently unable to work.

Data downloads

Potential workers

业 Download all (8.37 MB)

Table 1. Potential workers and discouraged job seekers

<u>↓ Download XLSX</u>

[447.21 KB]

Table 2. Characteristics of discouraged job seekers and other potential workers

↓ Download XLSX

[3.72 MB]

Table 3. Duration since last job and main activity of discouraged job seekers and other potential workers

▶ Download XLSX

[3.54 MB]

Table 4. Main reason for not actively looking for work of persons who wanted to work and were available

▶ Download XLSX

[483.86 KB]

Table 4a. Reasons did not actively look for work

▶ Download XLSX

[<u>1.54 MB</u>]

Table 4a is an alternative version of Table 4 with additional detail around the specific childcare reasons for why people are not looking for work. The new table layout is very similar to Table 5 of Barriers and Incentives to Labour Force Participation and is an example of how we might redevelop the outputs of PJSM in the future and look for ways to improve coherence with the Barriers and Incentives release.

Job search experience

业 Download all (7.75 MB)

Table 5. Job search experience of unemployed persons

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[973 KB]

Table 6. Characteristics of successful and unsuccessful job search experience (updated 5 July 2023)

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[1.14 MB]

Table 7. Number of job offers while looking for work

▶ Download XLSX

[2.5 MB]

Table 8. Main difficulty and duration of job search of unemployed persons

<u>▶</u> Download XLSX

[2.69 MB]

Table 9. Main difficulty in finding work by age of unemployed persons

<u>▶</u> Download XLSX

[1.83 MB]

Relative standard errors, Tables 1 to 9

▶ Download ZIP

[13.15 MB]

Post release changes

5 July 2023:

 References to "jobactive Australia" were replaced with "Workforce Australia" in the data item "All steps taken to find work or more hours in the last 12 months" in Table 6. There were no changes to the data, and the questions asked in the February 2023 survey were already updated to ask about engagement with Workforce Australia providers, not jobactive.

Previous catalogue number

This release uses ABS catalogue number 6228.0*.

Data from this release was previously published in:

- <u>Participation, Job Search and Mobility</u> (https://www.abs.gov.au/statistics/labour/employment-and-unemployment/participation-job-search-and-mobility-australia) (6226.0**), 2015-2020.
- <u>Persons Not In the Labour Force, Underemployed Workers and Job Search Experience</u> (https://www.abs.gov.au/AUSSTATS/abs@.nsf/ProductsbyCatalogue/BBB46A2E9C441282CA257DF40079A913?OpenDocument) (6226.0.55.001), 2014.
- Persons Not In the Labour Force
 (https://www.abs.gov.au/AUSSTATS/abs@.nsf/second+level+view?
 ReadForm&prodno=6220.0&viewtitle=Persons%20Not%20in%20the%20Labour%20Force,%
 20Australia~September%202013~Latest~26/03/2014&&tabname=Past%20Future%20Issues
 &prodno=6220.0&issue=September%202013&num=&view=&) (6220.0), 1975-2013.
- Job Search Experience (https://www.abs.gov.au/AUSSTATS/abs@.nsf/second+level+view? ReadForm&prodno=6222.0&viewtitle=Job%20Search%20Experience,%20Australia~July%202 013~Latest~05/02/2014&&tabname=Past%20Future%20Issues&prodno=6222.0&issue=July %202013&num=&view=&) (6222.0), 1976-2013.
- <u>Labour Force Experience (https://www.abs.gov.au/AUSSTATS/abs@.nsf/second+level+view? ReadForm&prodno=6206.0&viewtitle=Labour%20Force%20Experience,%20Australia~Feb%2 02011~Latest~31/08/2011&&tabname=Past%20Future%20Issues&prodno=6206.0&issue=Fe b%202011&num=&view=&) (6206.0), 1968-2011.</u>
- <u>Successful and Unsuccessful Job Search Experience</u>
 (https://www.abs.gov.au/AUSSTATS/abs@.nsf/second+level+view?

 ReadForm&prodno=6245.0&viewtitle=Successful%20and%20Unsuccessful%20Job%20Searc
 <u>h%20Experience,%20Australia~Jul%202000~Latest~06/06/2001&&tabname=Past%20Future</u>
 %20Issues&prodno=6245.0&issue=Jul%202000&num=&view=&) (6245.0), 1982-2000.
- * Note: Catalogue number 6228.0 was previously used for <u>Survey of Persons Registered with the CES as Unemployed (Preliminary), Mar 1977 (https://www.abs.gov.au/ausstats/abs@.nsf/mf/6228.0)</u>.
- ** Note: Catalogue number 6226.0 was previously used for <u>School Leavers</u>, <u>1970 to 1974: their Employment Status and Education Experience (https://archive.org/details/62260-1975-05)</u>, May 1975.

Methodology

Participation, Job Search and Mobility, Australia methodology, February 2023