

Labour Account – Module 6

Presentation Outline

1. First Step: Definition of the model and of the identity equations
2. Second Step: Harmonization of definitions and classifications in source statistics, achievement of full coverage

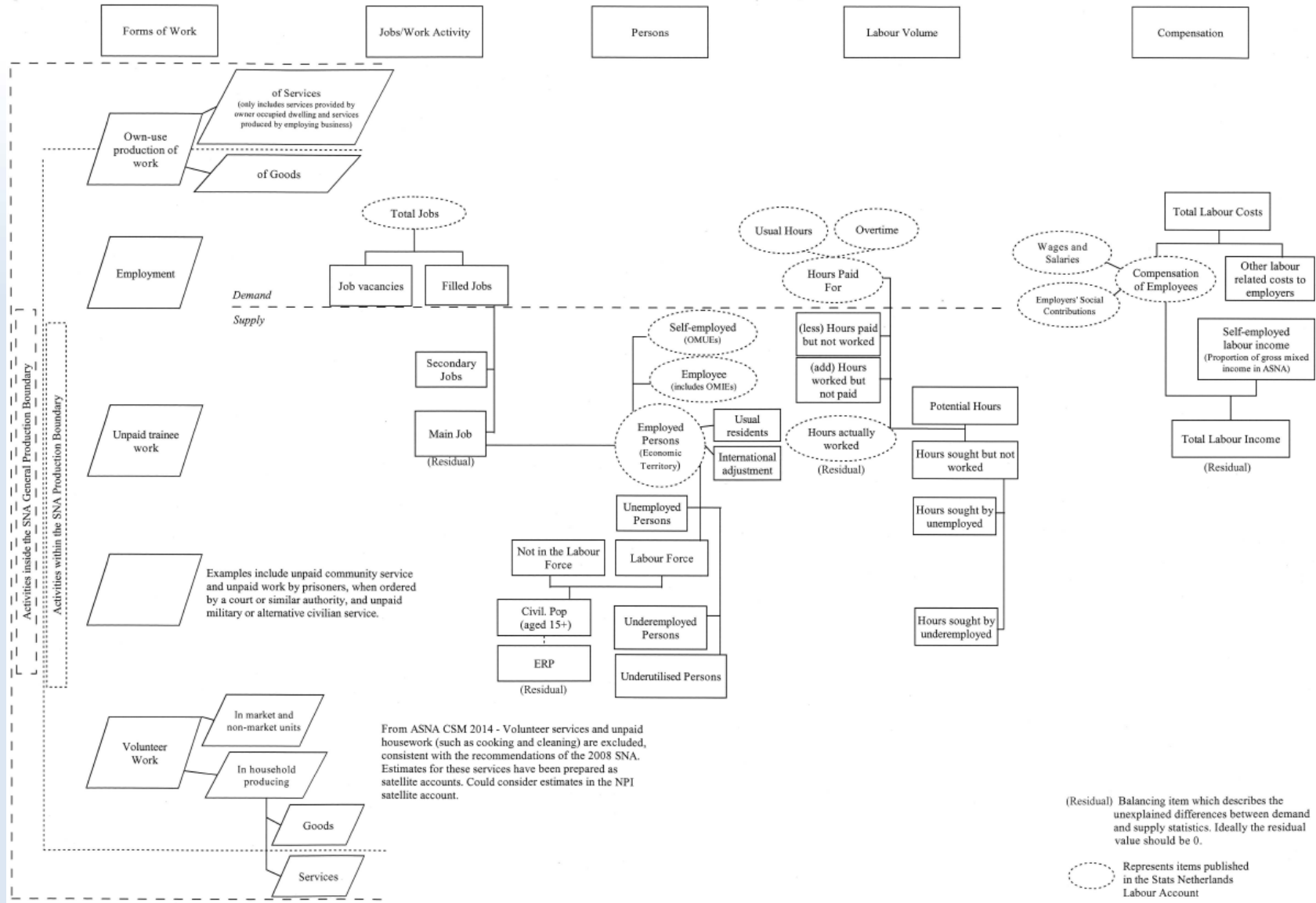
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- Handout – conceptual diagram

Conceptual framework for Australian Labour Account System





FORMS OF WORK

Forms of Work

- Own use production of work
- Employment
- Unpaid trainee work
- Other work activities
- Volunteer Work

Jobs/Work Activity

- Job Vacancies
- Filled Jobs
- Secondary Jobs
- Main Jobs

What is the concept of a job?

The 2008 SNA does not explicitly define a job.

Rather, it observes the agreement between an employee and the employer defines a job, and each self-employed person has a job (2008 SNA, 19.30).

In application, a self-employed person is both the employer and employee. A job is a position held by a person that involves work, duties or responsibilities; it may or may not provide returns of compensation or benefits to the individual.

- Production related tasks are constrained to economic activity within the 2008 SNA production boundary, and jobs are created and maintained by institutional units (Type of Activity Units within Enterprise Groups in the Australian context).
- The Australian Labour Account includes all jobs created and maintained by institutional units (that is, households, legal entities and social entities) resident in Australia's economic territory, involving economic activity within the Australian application of the 2008 SNA production boundary.

- Estimates of movements in the number of jobs in the economy provide a measure of labour market performance and capacity



Table 7.2: Jobs included in and excluded from the Australian Labour Account

Jobs in scope	Jobs out of scope
Paid employment with formal work agreements – i.e. an employer/employee relationship.	Positions which are purely voluntary and no remuneration is received, either in cash or in kind.
Owner managers of businesses – i.e. self-employed persons.	Activities relating to the production of unpaid domestic services.
Unpaid contributions of labour to a family business or farm – i.e. contributing family workers.	Activities and positions outside of Australia's economic territory.
Activities relating to the production of goods for own consumption.	Activities relating to unreported illegal transactions.

Labour Account main job

Labour Account main job is the main activity carried out by an employed person. In the Australian context, this is the job in which most hours are usually worked. An employed person can only have one main job.

Labour Account secondary job

Labour Account secondary job is any job held by an employed person, other than their main job. A person can have multiple secondary jobs.

Job Vacancies

A job vacancy is an unfilled job that an employer intends to fill either immediately or in the near future. A job vacancy is considered to exist if an employer has taken concrete steps to find a suitable person to carry out a specific set of tasks and would have recruited (entered into a job contract with) such a person if she/he had been available.

Measures of job vacancies exclude:

- jobs not available for immediate filling;
- jobs for which no recruitment action has been taken;
- jobs of less than one day's duration;
- jobs only available to be filled by internal applicants within an organisation;
- jobs to be filled by employees returning from paid or unpaid leave, or after industrial disputes;
- vacancies for work to be carried out by contractors; and
- jobs for which a person has been appointed but has not yet commenced duty.


Total Jobs

Total Jobs is the sum of Filled Jobs plus Job Vacancies.



PERSONS

- Employed Persons
 - Self employed (OMUEs)
 - Employees
 - Contributing family workers
- Underemployed
- Unemployed



The number of jobs in the economy exceeds the number of persons employed...

...because some employed persons have more than one job in the same period.


Employed Person



Persons in **employment** are those of working age who, during a short reference period, were engaged in any activity to produce goods or provide services for pay or profit.

Nineteenth International Conference of Labour Statisticians (ICLS) 2013

But we want the Labour Account
production boundary



We adjust the employed persons estimate from the Labour Force Survey to align with SNA production and residency concepts.

These include calculating estimates for:

- permanent defence force personnel;
- employed persons under 15 years of age (child workers);
- non-residents employed in Australia by Australian businesses; and
- Australian residents living in Australia employed by overseas companies/business entities.

- We do include estimates for unemployed and underutilised but these estimates at this stage do not have the expanded SNA coverage and are currently consistent with the published LFS.

VOLUMES

- Hours Usually Worked
- Hours Actually Worked
- Hours Sought

Figure 9.2: Usual hours worked and actual hours worked

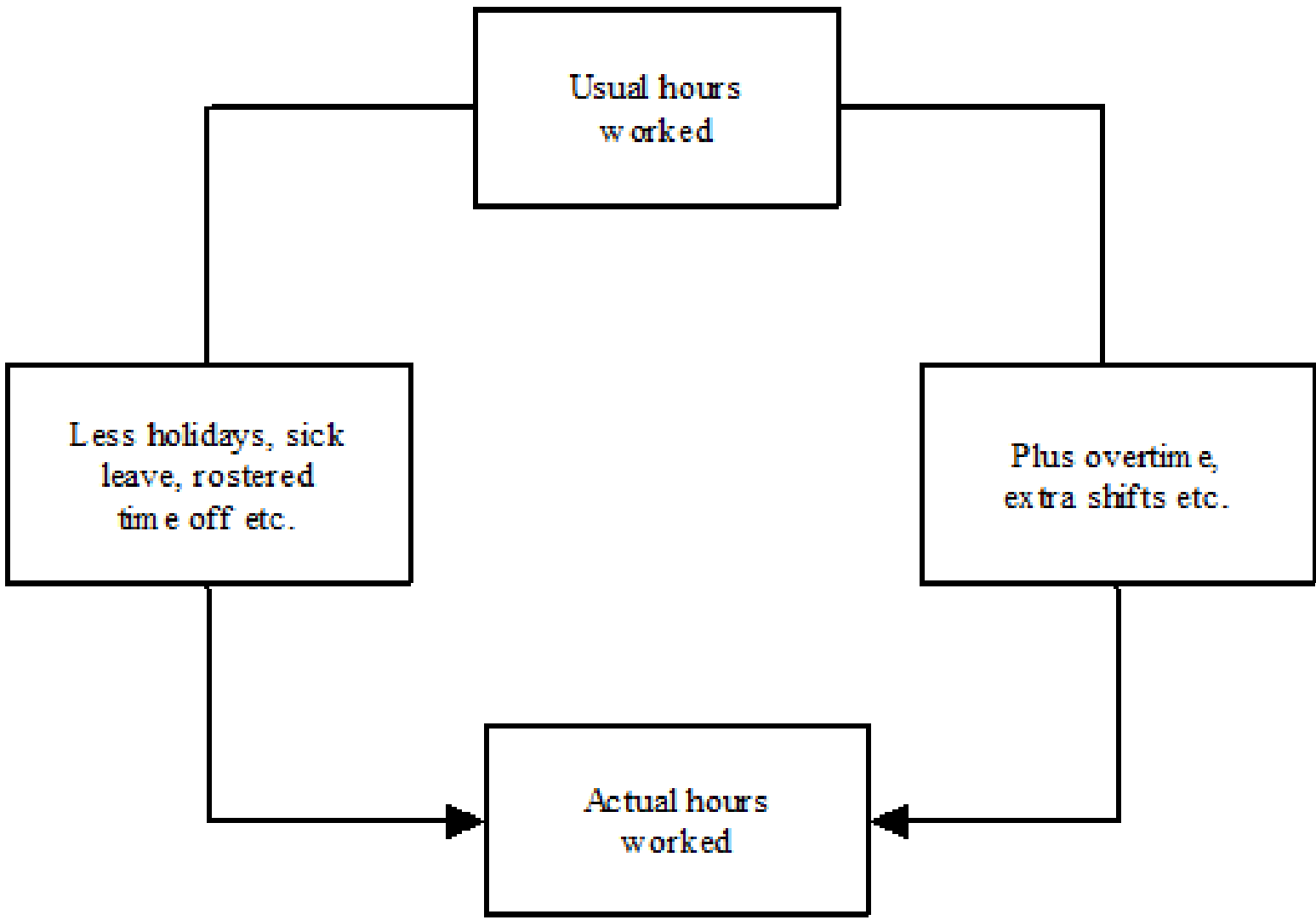
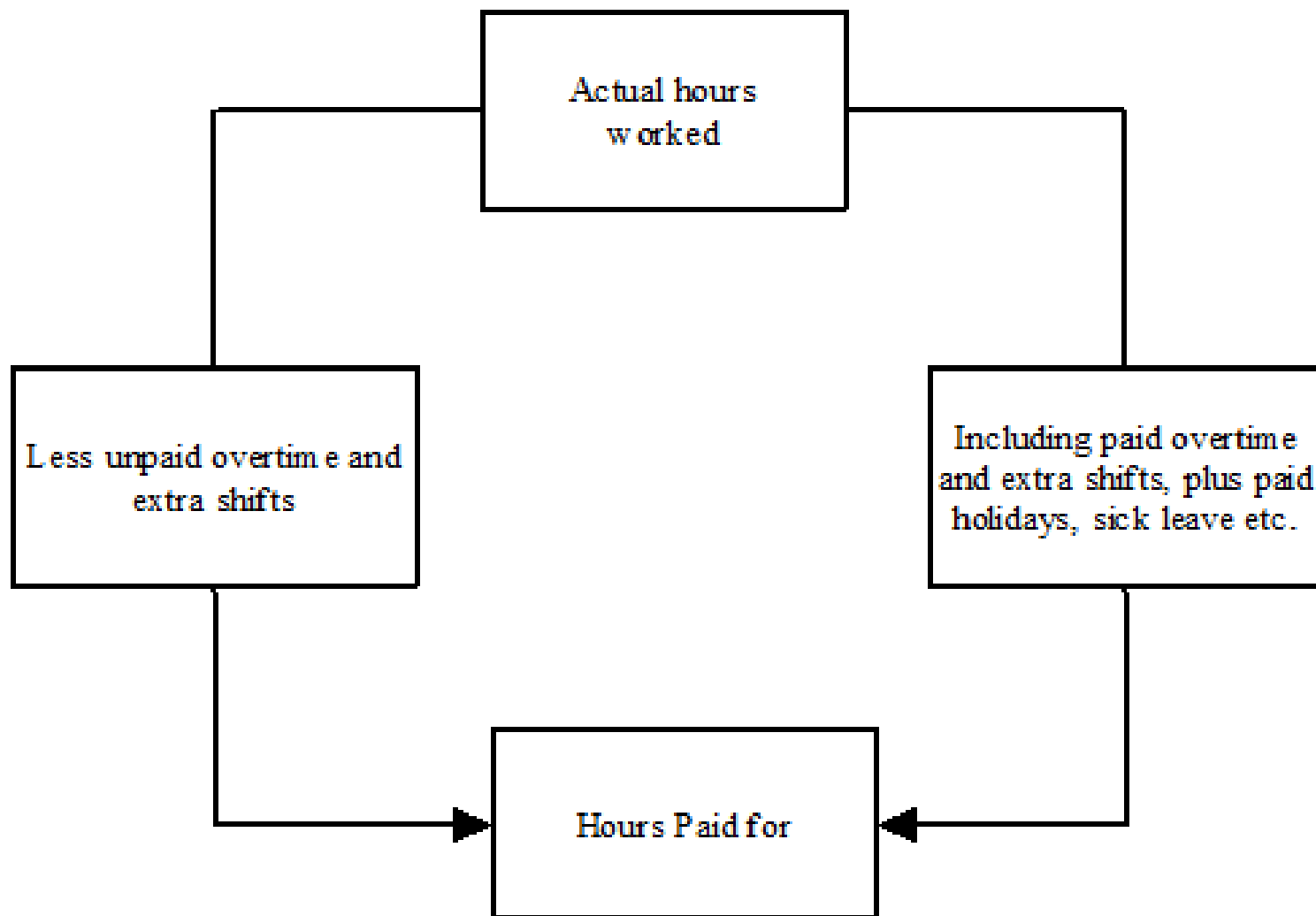


Figure 9.4: Actual hours worked and hours paid for



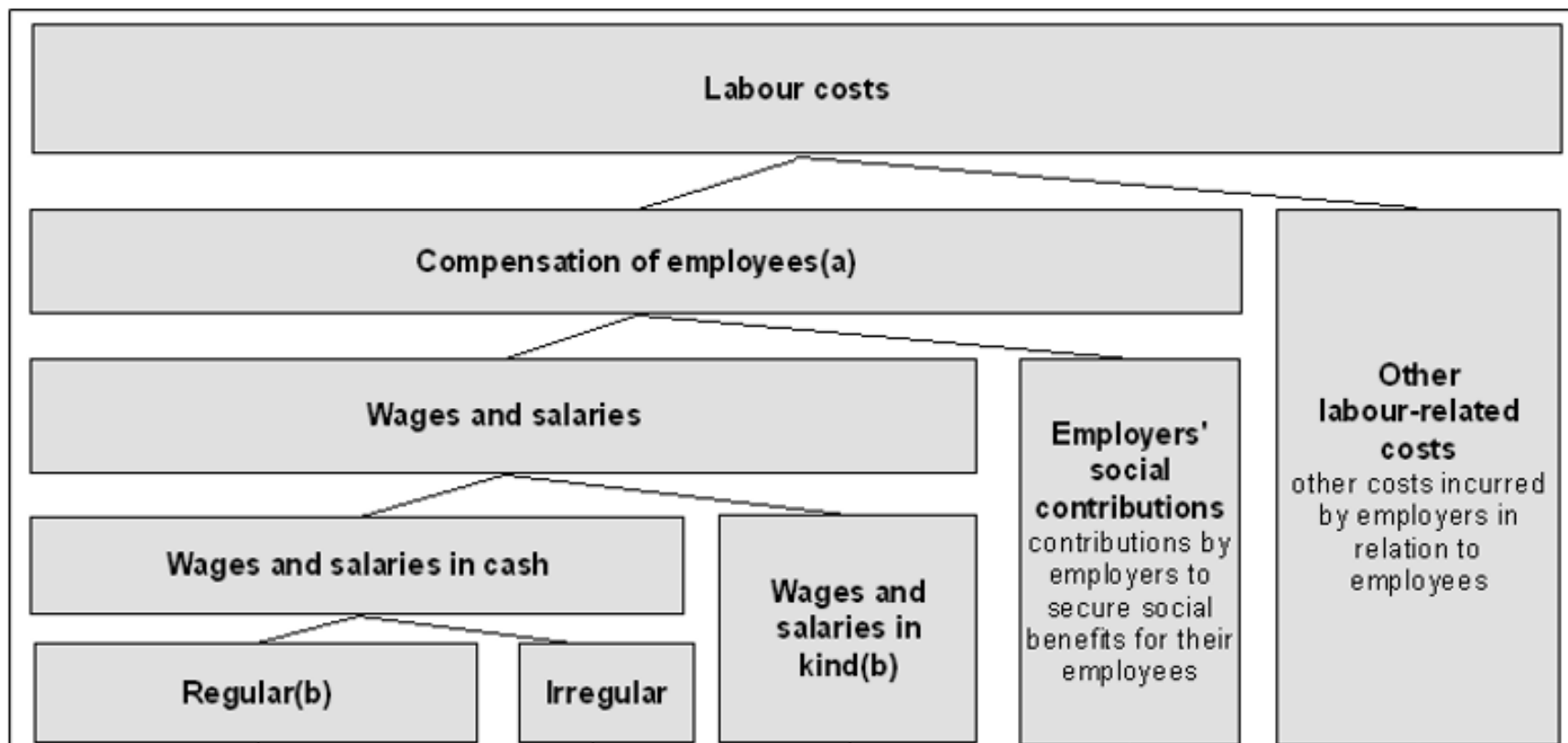


PAYMENTS

- Total Labour Costs
- Wages and Salaries
- Employer Social Contribution
- Self-employed labour income



Figure 10.2: Australian conceptual framework for measures of employee remuneration





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- At this point you have to know your concepts, potential data sources for those concepts and really understand the scope and coverage.
- Then you start looking at how you can fill those gaps

