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Hunter Valley 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 Hunter Valley 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 Hunter Valley 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

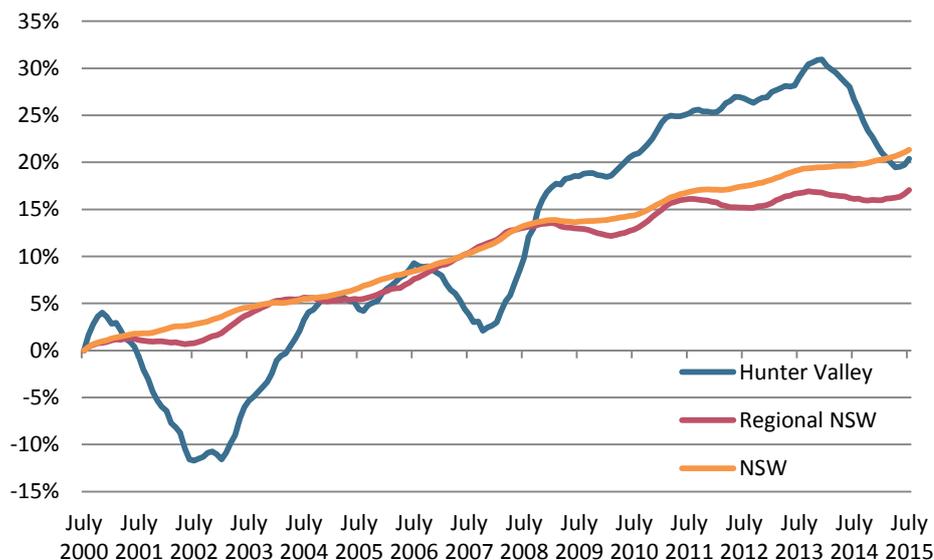
In July 2015, the Hunter Valley had the highest regional youth unemployment rate in the State and the second highest unemployment rate. Employment shrank by 6.1% between July 2014 and July 2015.

Headline figures (July 2015)

Indicators	Hunter Valley	Regional NSW	NSW
Employment	115,700	1,197,000	3,664,000
2014-15 employment growth	-6.1%	1.0%	1.7%
Participation rate	61.1%	58.9%	63.3%
Unemployment rate	10.1%	7.3%	5.9%
Youth unemployment rate	20.6%	15.1%	12.7%

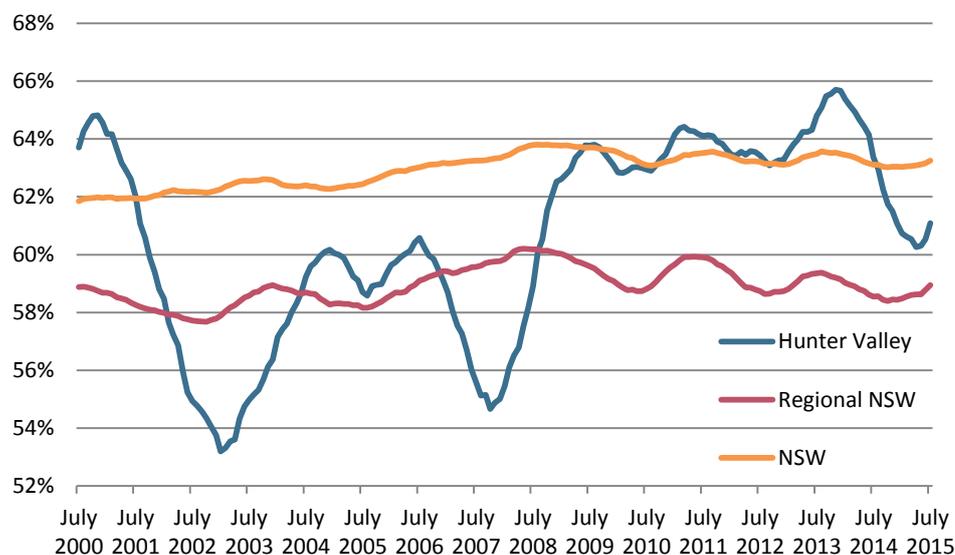
Between July 2000 and July 2015, Hunter Valley employment increased by 20.4%, from 94,800 to 115,700; Regional NSW grew by 17.1% and NSW grew by 21.4%. However, total employment in the Hunter Valley has shrunk considerably since reaching a high of 128,600 in December 2013, most probably due to job losses in the coal mining industry. Since then, full-time employment fell from 89,000 to 77,300 while part-time employment fell from 39,600 to 38,400. In the last year, employment shrank in the Hunter Valley by 6.1% but grew by 1.0% in Regional NSW and 1.7% in NSW.

Cumulative employment growth (July 2000 to July 2015)



Over the last 15 years, the Hunter Valley participation rate has fluctuated between a low of 53.2% in January 2003 and a high of 65.7% in November 2013. In July 2015, the participation rate stood at 61.1%, above the Regional NSW rate of 58.9% and below the NSW rate of 63.3%. The 2-year average participation rates were 63.0% (Hunter Valley), 58.8% (Regional NSW) and 63.2% (NSW).

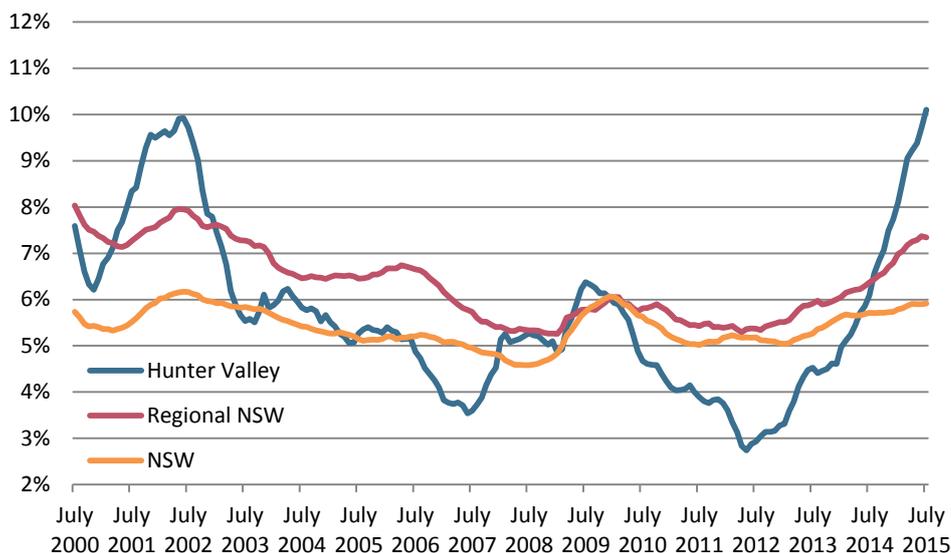
Participation rate (July 2000 to July 2015)



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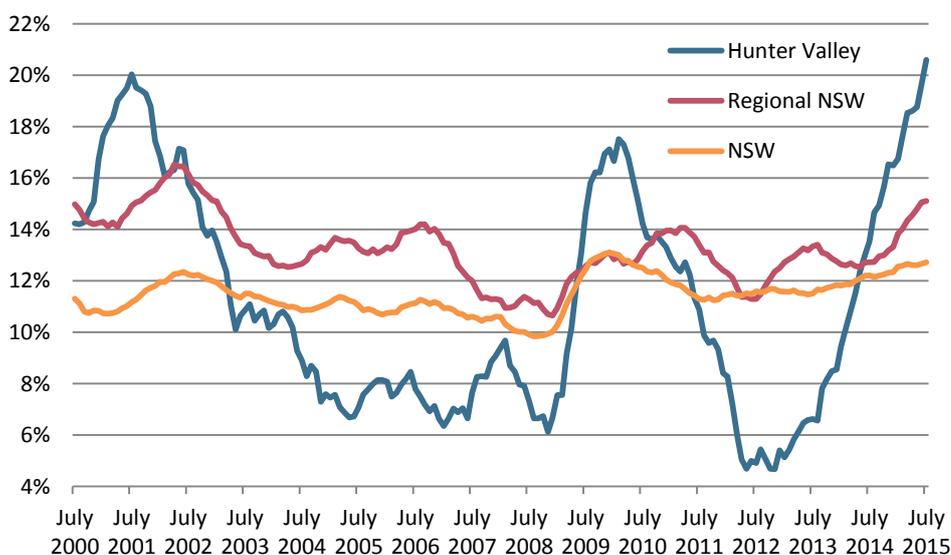
Since reaching a 15-year low of 2.7% in May 2012 the Hunter Valley unemployment rate has risen sharply, reaching a 15-year high of 10.1% in July 2015. This was much higher than the Regional NSW (7.3%) and NSW (5.9%) rates. It was also the second highest regional rate in NSW. The 2-year average unemployment rate for the Hunter Valley was 6.7%; it was 6.5% for Regional NSW and 5.7% for NSW.

Unemployment rate (July 2000 to July 2015)



In July 2015, the Hunter Valley youth unemployment rate reached 20.6%, a 15-year high for the Hunter Valley and the highest regional rate in NSW. This marks a significant change since November 2012, when the rate hit a 15-year low of 4.7%. At this time, the Regional NSW rate was 15.1% and the NSW rate was 12.7%. The Hunter Valley had a 2-year average youth unemployment rate of 13.7%, which is higher than Regional NSW (13.4%) and NSW (12.2%).

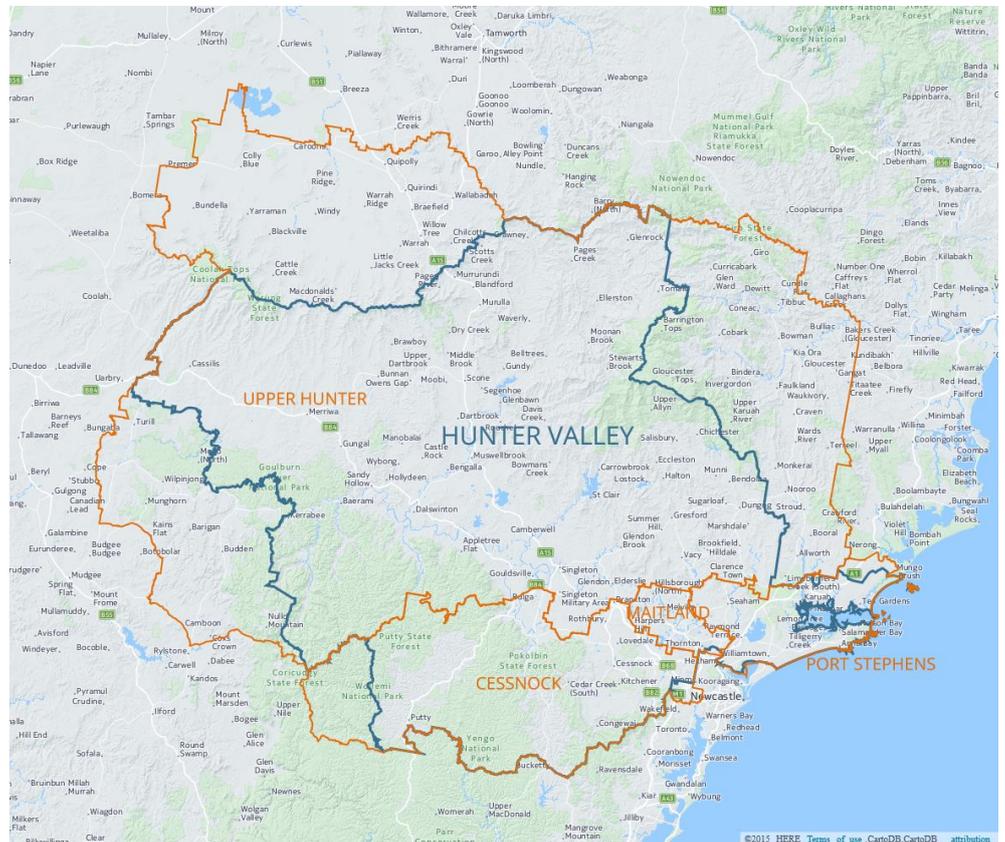
Youth unemployment rate (July 2000 to July 2015)



3. The Hunter Valley region and NSW electorates

Four electorates are located either wholly or partly within the Hunter Valley region, based on their population at the 2011 Census¹: Cessnock (76%); Maitland (95%); Ports Stephens (100%); and the Upper Hunter (81%).

Hunter Valley 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](#):

- 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

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- 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.

Labour force The total number of employed and unemployed persons.

Participation rate The labour force expressed as a percentage of the civilian population in the same age group.

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.

Unemployed Persons aged 15 years and over who were not employed during the week of the Labour Force Survey, and:

- 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.

Unemployment rate The number of unemployed persons expressed as a percentage of the labour force.

Youth population Persons aged 15 to 24

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 Hunter Region: an economic profile](#) (2011)

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- ¹ The electoral boundaries as included in this map are the official boundaries from the [Electoral Commission NSW](#). 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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