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## Newcastle & Lake Macquarie 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 Newcastle & Lake Macquarie 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 Newcastle & Lake Macquarie 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

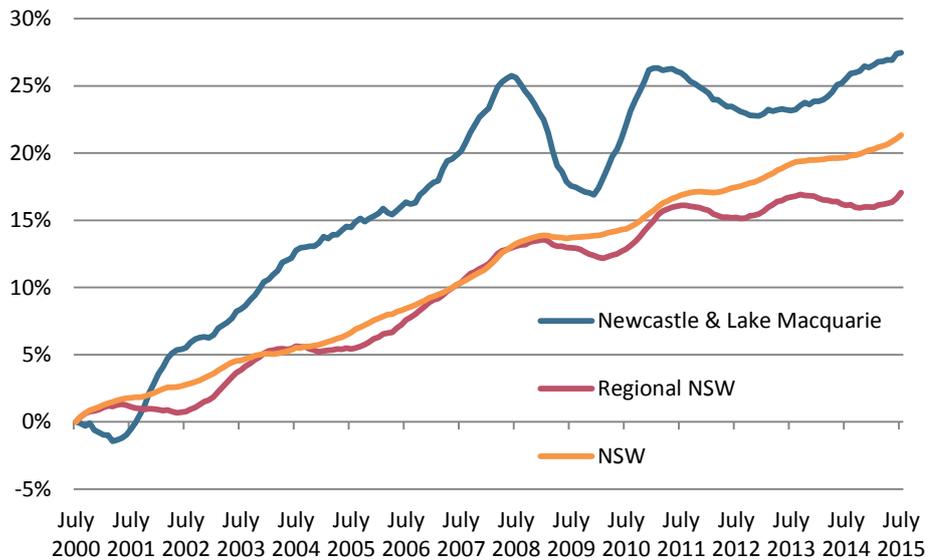
In July 2015, the Newcastle & Lake Macquarie region had an unemployment rate marginally higher than Regional NSW and an equivalent youth unemployment rate. 2014-15 employment growth in the region outstripped Regional NSW and NSW.

#### Headline figures (July 2015)

| Indicators                | Newcastle & Lake Macquarie | Regional NSW | NSW       |
|---------------------------|----------------------------|--------------|-----------|
| Employment                | 174,500                    | 1,197,000    | 3,664,000 |
| 2014-15 employment growth | 1.9%                       | 1.0%         | 1.7%      |
| Participation rate        | 61.8%                      | 58.9%        | 63.3%     |
| Unemployment rate         | 7.7%                       | 7.3%         | 5.9%      |
| Youth unemployment rate   | 15.1%                      | 15.1%        | 12.7%     |

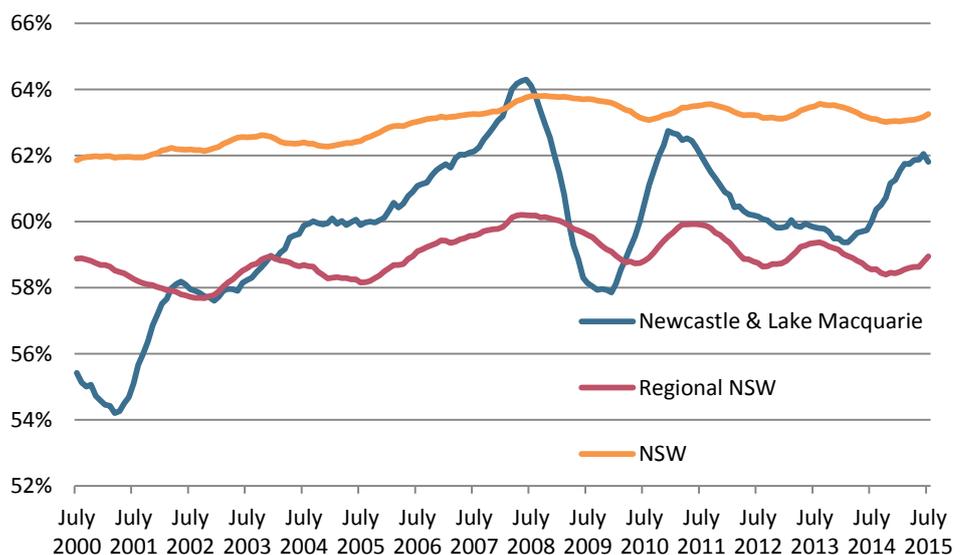
Between July 2000 and July 2015, employment in Newcastle & Lake Macquarie grew by 27.5%, from 132,800 to 174,500; Regional NSW grew by 17.1% and NSW grew by 21.4%. Full-time employment has not recovered since the fall in employment between June 2008 and December 2009: it fell from 119,100 to 110,600 in December 2009 and reached 114,800 in July 2015. In the last year, total employment grew by 1.9% in Newcastle & Lake Macquarie, 1.0% in Regional NSW and 1.7% in NSW.

**Cumulative employment growth (July 2000 to July 2015)**



The Newcastle & Lake Macquarie participation rate reached a high of 64.3% in June 2008 before declining to 57.9% in December 2009, most probably due to the Global Financial Crisis. The participation rate has recovered somewhat since then, reaching 61.8% in July 2015. At this time, the Regional NSW rate was 58.9% and the NSW rate was 63.3%. The 2-year average participation rates were 60.5% (Newcastle & Lake Macquarie), 58.8% (Regional NSW) and 63.2% (NSW).

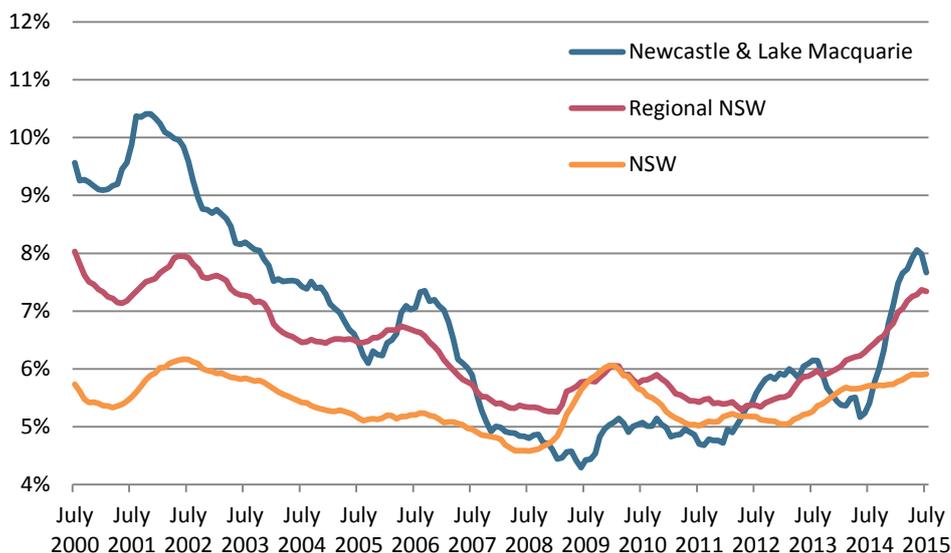
**Participation rate (July 2000 to July 2015)**



## Newcastle & Lake Macquarie labour force trends

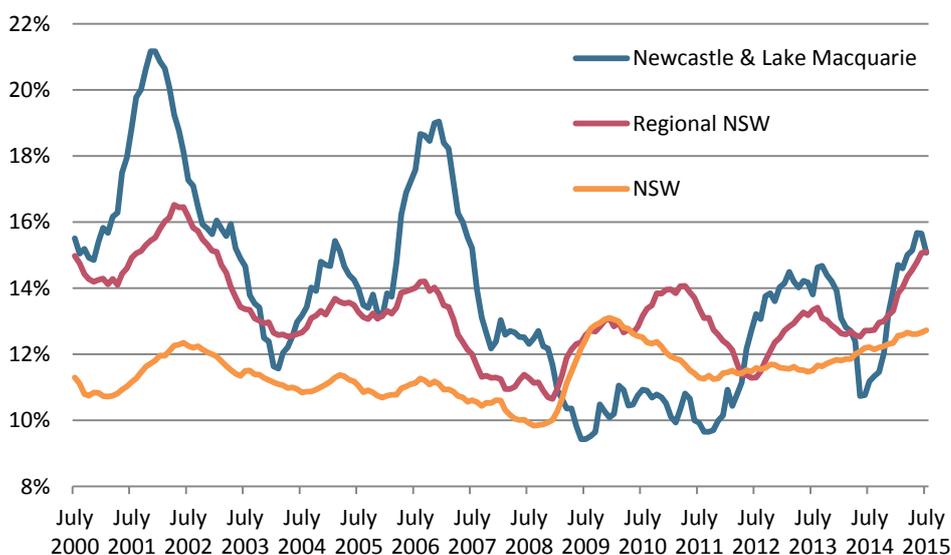
In July 2015, the Newcastle & Lake Macquarie unemployment rate was 7.7%; it was 7.3% in Regional NSW and 5.9% in NSW. In the 6 months leading up to July 2015 the Newcastle & Lake Macquarie unemployment rate reached a level not seen since late 2004. The 2-year average unemployment rate for Newcastle & Lake Macquarie was 6.4%; it was 6.5% for Regional NSW and 5.7% for NSW.

### Unemployment rate (July 2000 to July 2015)



Over the last 15 years, the youth unemployment rate has fluctuated considerably in Newcastle & Lake Macquarie between a high of 21.2% in December 2001 and a low of 9.4% in July 2009. It reached 15.1% in July 2015, the same as the Regional NSW rate and higher than the NSW rate (12.7%). Newcastle & Lake Macquarie had a 2-year average youth unemployment rate of 13.5%, which is higher than Regional NSW (13.4%) and NSW (12.2%).

### Youth unemployment rate (July 2000 to July 2015)



### 3. The Newcastle & Lake Macquarie region and NSW electorates

Seven electorates are located either wholly or partly within the Hunter Valley region, based on their population at the 2011 Census<sup>1</sup>: Cessnock (24%); Charlestown (100%); Lake Macquarie (100%); Maitland (5%); Newcastle (100%); Swansea (58%); and Wallsend (100%).

#### Newcastle & Lake Macquarie 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.<sup>2</sup>
- 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

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|                           |  |
|---------------------------|--|
| <b>Full-time employed</b> | 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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|---------------------|--|
| <b>Labour force</b> | The total number of employed and unemployed persons. |
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|---------------------------|--|
| <b>Participation rate</b> | The labour force expressed as a percentage of the civilian population in the same age group. |
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|---------------------------|---|
| <b>Part-time employed</b> | 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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|                   |   |
|-------------------|---|
| <b>Unemployed</b> | 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"><li>• 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</li><li>• 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.</li></ul> |
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|--------------------------|---|
| <b>Unemployment rate</b> | The number of unemployed persons expressed as a percentage of the labour force. |
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|-------------------------|-----------------------|
| <b>Youth population</b> | 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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<sup>1</sup> 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.

<sup>2</sup> 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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