

**SENATE EMPLOYMENT, WORKPLACE RELATIONS AND EDUCATION  
LEGISLATION COMMITTEE**

**2006-2007 BUDGET SENATE ESTIMATES HEARING  
29<sup>TH</sup> AND 30<sup>TH</sup> MAY 2006  
EMPLOYMENT AND WORKPLACE RELATIONS PORTFOLIO**

**QUESTIONS ON NOTICE**

**Outcome 3: Increased workforce participation**

**Output Group 3.2: Labour market strategies**

**Output 3.2.1: Labour market analysis**

**Question Number: W059-07**

**Question:**

Senator Wong asked in writing:

The ABS recently released Labour Force statistics for April 2006, the first full month of operation of *WorkChoices*. From March 2006 to April 2006, the number of employed persons fell by 3,200 and the number of unemployed persons increased by 9,700. The unemployment rate increased by 0.1 percentage points, with female unemployment increasing by 0.3 percentage points to 5.4 per cent. The participation rate decreased slightly to 64.3 per cent. How do you reconcile these numbers with continued statements by the Prime Minister and the Minister for Employment and Workplace Relations that *WorkChoices* will increase employment and participation?

**Answer:**

It is important not to place too much emphasis on individual monthly movements in the ABS seasonally adjusted labour force estimates, as month-to-month movements in the data exhibit variability and, in any event, this is too short a timeframe to evaluate the impact of *WorkChoices*.

**However, between April and May 2006, employment rose strongly, by 56 000, while the unemployment rate fell by 0.2 percentage points to 4.9 per cent and the participation rose by 0.1 percentage points to 64.5 per cent.**