



COMMONWEALTH BUREAU OF CENSUS AND STATISTICS.

Canberra A.C.T.

PLEASE QUOTE THIS NUMBER IN REPLY.

4th June, 1940.

CHANGES IN EMPLOYMENT AND UNEMPLOYMENT.
SINCE THE OUTBREAK OF WAR.

The following statement summarises the changes in the employment and unemployment position in the six States between August, 1939 and April, 1940.

In interpreting these changes the following considerations should be kept in view:-

- (a) There is an unavoidable element of estimation in some of the figures used.
- (b) The figures showing changes in employment are in general more comprehensive and dependable than those showing changes in unemployment.
- (c) Employment can, and frequently does, increase without a corresponding decrease in unemployment. This has been particularly important in the period from August to April, since expanding requirements for labour have been met in part from additions to the total supply of wage or salary earners.
- (d) Normal seasonal variations affect the comparison of the position in August, 1939 with that of April, 1940.
- (e) Allowance must be made for the effect of enlistments upon -
 - (i) the number of wage or salary earners available for employment in normal activities;
 - (ii) the changes in unemployment indicated by the Trade Union percentages and the Labour Exchange registrations.
- (f) Because of the policy of selective recruiting by reference to the List of Reserved Occupations, the effect of enlistments upon the figures recorded for different fields of employment may, at least for some time, be unequal.

TOTAL EMPLOYMENT.

AUSTRALIA. The estimated total number of wage or salary earners in employment in normal activities in August was 2,087,000 and in April 2,148,000, an increase of 61,000 or 2.9 per cent. Total employment increased progressively month by month from August to March, except for the sharp seasonal rise from 2,150,000 in November to 2,189,000 in December, and the drop to 2,152,000 in January. The total reached 2,163,000 in March, representing an increase of 76,000, or 3.6 per cent. over August. Whilst the normal seasonal recovery from the winter to the summer months operated in the earlier part of the period, there is much evidence to suggest that other factors were responsible for the greater part of the increase. The net decrease from March to April is again partly to be accounted for in most States by the seasonal factor. Another important factor accounting for the net decrease from March to April, however, was the coal strike, which affected normal employment adversely in a number of industries apart from the Coal industry itself. It should be noted that the figures of employment include about 890 mine-workers on strike in New South Wales in February and about 14,000 in March and April (see Table N.III).

The increase in employment shown in Table A.I. is all the more noteworthy since, in general, enlistments are not included in the figures. From data confidentially supplied it is estimated that, from the outbreak of war until the end of April, about 51,000 men enlisted in the various Defence Services. Assuming that at least 90 per cent. of the enlistments, i.e. about 46,000, were of men in the wage or salary earning class, and that relatively few of these are included in the figures of Table A.I., the total increase in all employment (including Defence Services as well as normal economic activities) from August to April can be estimated roughly at about 108,000 or nearly 5.2 per cent. of the numbers employed in August.

It is not possible to estimate from existing data how far these jobs have been filled respectively from (a) registered unemployed, (b) unregistered unemployed (largely skilled and semi-skilled men who usually do not take advantage of the services of the Labour Exchanges), (c) a net flow of women and girls into industry, (d) acceleration in the rate of school-leaving by boys, (e) self-employers in certain vocations affected adversely by the

/war

war (e.g. import trades, building trades, etc.), (f) normal natural increase of the wage or salary earning group available for employment (approximately 24,000 in the period from August to April).

THE STATES. Proportionately to the numbers estimated to be in employment in August, the increases in the States were very unequal. March and April, however, are months of low seasonal employment for Queensland and months of high seasonal employment for Tasmania (March being respectively the trough and peak month of employment for the two States), and the striking decline in employment in the former and increase in employment in the latter are due chiefly to seasonal factors.

The distribution, by States, of the increase in employment from August to April in normal activities and, by State of enlistment, of enlistments of salary or wage earners (assuming nine-tenths of all enlistments in all States were of wage or salary earners) from August to the dates mentioned was approximately as follows:

State	Employment (to Mid- April 1940)	Enlistments to 30th April, or 15th May, 1940) #	Approximate Total Increases
New South Wales ..	+ 16,800	+ 13,400 ¹	+ 30,200
Victoria	+ 51,400	+ 14,000	+ 65,400
Queensland	- 18,200 #	+ 7,000	- 11,200
South Australia ..	+ 4,200	+ 4,500	+ 8,700
Western Australia ..	- 60	+ 4,700	+ 4,640
Tasmania	+ 7,100 #	+ 2,600	+ 9,700
Northern Territory ..	-	+ 200	+ 200
<u>AUSTRALIA:</u>	+ 61,240	+ 46,400	+ 107,640

A.I.F. to 30th April, Garrison Battalion and Militia called up for full time duty to 6th May, R.A.A.F. to 4th May, R.A.Navy to 15th May.

* Including Australian Capital Territory.

Decrease predominantly due to seasonal factors and Coal Strike in March-April.

Increase largely due to seasonal factors.

In August, 1939, approximately 80 per cent. of estimated total employment in normal activities was in the private field and 20 per cent. in the governmental field (including Government business undertakings, public works, etc.). Of the net increase of 76,000 from August to March, about 69,700 additional persons were directly employed by private employers and

about 6,300 additional persons were directly employed by public authorities. The net increase in total employment from August to April, however, was 61,000. Of this net increase, about 54,200 additional persons were directly employed by private employers and about 6,800 additional persons were directly employed by public authorities. The net decrease in employment from March to April for Australia as a whole was therefore entirely in the private field which was more directly affected by seasonal factors and the coal strike.

The main features in the absorption of additional numbers since August in both private and governmental fields are outlined below. It should be kept in mind that men enlisted for war service are in general not included in the figures either for private employment or for governmental employment; nor are part-time relief workers included in the latter.

PRIVATE EMPLOYMENT.

Of the net increase from mid-August to mid-March of about 69,700 in direct employment by private employers throughout Australia (i.e. before the coal strike had begun to affect employment seriously), it is estimated that the net increase in manufacturing amounted to about 44,000 or 63 per cent., (although Government factories account for about 1,100 of this increase), and in retail trade to about 3,280, or 4.7 per cent. Of the net increase from mid-August to mid-April of about 54,200 in direct employment by private employers throughout Australia, it is estimated that the net increase in manufacturing amounted to about 42,000, or 78 per cent., (Government factories accounting for about 1,300 of this increase), and in retail trade to about 4,020, or 7.4 per cent. The balance of each increase, viz. 22,420 from mid-August to mid-March and, 8,180 from mid-August to mid-April, is a net figure for remaining fields of employment.

It is not possible to measure the extent of the increases and decreases in these remaining fields for Australia as a whole. Some indication may be obtained by examining the general direction of changes in all fields in New South Wales. Manufacturing employment in New South Wales shows a net increase of 16,000 from mid-August to mid-March and of 12,000 from mid-August to mid-April. In the field of retail trade (including restaurants) there was a net increase of 1,380 from mid-August to mid-March and of 350 from

/mid

mid-August to mid-April. Most of the balance of the net increase in the private field, viz., 15,700 from mid-August to mid-March and 5,950 from mid-August to mid-April, is accounted for by increases in offices and commerce, transport, wholesale trade, amusements and other miscellaneous activities, less decreases in building and construction, coal and other mining, and rural industries affected by normal seasonal variation. As mentioned earlier, the figures for coal mining include the numbers on strike during the latter part of March and during April.

The net increase of 12,000 to April in manufacturing employment in New South Wales was accounted for principally by increases in metal working and engineering, food and drink, textiles, chemicals, paints, etc., and clothing. There were smaller increases in skins and leather, rubber, paper and printing, and other miscellaneous fields, and slight decreases in heat, light and power and in lime and cement works.

EMPLOYMENT BY PUBLIC AUTHORITIES.

The figures of employment by Public Authorities (Tables A.V., N.V., N.VI., V.II., Q.II., S.II., W.II. and T.II) exclude persons enlisted for war service and part-time relief workers.

Since the numbers of employees of the Commonwealth Government are the only Public Authority employment figures available in Victoria for April, a complete figure for all Public Authority employment in that State is not shown in Table V.II. An estimate for Victoria, however, is used in compiling the April figure for Australia in Table A.I.

From mid-August to mid-April total employment by Public Authorities in Australia increased from 413,580 to 420,390, i.e. by 6,810. This was a net increase. Direct employment by the Commonwealth Government increased by about 10,100 and by the State Governments by about 3,300. Direct employment by Semi-Governmental bodies decreased, however, by about 1,950 and employment by Local Government authorities by 4,650.

The following table shows the increases or decreases in the four types of Public Authority employment in each State:

/DIRECT

DIRECT EMPLOYMENT BY PUBLIC AUTHORITIES.

Changes from August, 1939 to April, 1940.

State	Commonwealth Government	State Government	Semi-Government	Local Government
New South Wales ..	+ 2,801	+ 2,856 [♂]	- 1,850	- 1,619
Victoria ..	+ 5,764	+ 2,167 [*]	- 67 [*]	- 41 [*]
Queensland ..	+ 630	- 1,083	- 113	- 1,965
South Australia ..	+ 497	- 502	- 351	- 747
Western Australia	+ 216	- 546	+ 2	- 211
Tasmania ..	+ 164	+ 421	+ 440	- 56
TOTAL:	+ 10,072	+ 3,313	- 1,939	- 4,639

[♂] Including Commonwealth Defence Works under State supervision.

^{*} Approximate.

In Table N.VI. particulars are included for New South Wales of the numbers of State and Semi-governmental employees engaged on works financed from (a) revenue sources and (b) loan expenditure. The figures in this Table exclude part-time relief workers. From August to April direct State Government employment on revenue account increased from 86,195 to 87,555, or by 1,360, and on loan account (principal departments) it decreased from 8,041 to 5,954, or by 2,087. Semi-governmental employment on revenue account decreased from 6,267 to 6,099, or by 168, and on loan account (Metropolitan Water Sewerage and Drainage Board and Hunter District Water Board) decreased from 6,337 to 4,642, or by 1,695. Total employment on revenue account for State Government and Semi-governmental authorities together increased from 92,462 to 93,654, or by 1,192, and total employment on loan account (principal bodies only) decreased from 14,378 to 10,596, or by 3,782.

CHANGES IN UNEMPLOYMENT.

Neither quarterly percentages of unemployment in reporting trade unions nor unemployment registrations of the State Labour Exchanges afford a measure of total unemployment (see Supplementary Notes to Tables A.VIII, and A.IX.). Quite apart from the fact that they do not include unemployed persons who do not register, the registration figures shown in Table A.X. are not strictly comparable between States, partly because of differences in conditions and methods of registration in the several States, and partly because the figures refer variously to adult males, males, persons or other

combinations of sex and age. The inclusion of those engaged on part-time relief work or working for sustenance is necessary in order to achieve a greater degree of comparability. Full-time relief workers are not included.

The net decreases in unemployment indicated by the movement of the trade union percentages and the numbers of registrations reflect in part the improvement in employment in normal activities, and in part the effect of enlistments for war service. But they do not indicate how far unemployment as a whole has been reduced by the absorption of workers into industry and war service.

TRADE UNION UNEMPLOYMENT. Table A.VIII. shows the unemployment percentages for the reporting unions in the States and Australia. From the September Quarter of 1939 to the March Quarter of 1940, (i.e. from mid-August to mid-February), the percentage for Australia decreased from 10.4 to 8.1. The number of unemployed in the membership of the reporting unions decreased from 49,954 to 39,373, or by 10,581, while the membership itself increased from 479,103 to 484,907, or by 5,804.

In New South Wales the percentage decreased from 12.1 to 10.2; in Victoria from 11.2 to 6.5; in Queensland there was no change from 5.8; in South Australia the percentage decreased from 9.4 to 8.5; in Western Australia from 8.2 to 6.9; and in Tasmania from 8.3 to 4.8. The magnitudes of the percentages for each State cannot be taken even as a rough measure of the relative degree of total unemployment in the several States. Except for Queensland and Western Australia, the direction of change in unemployment among reporting unions was, however, in substantial conformity with the direction of change in estimated total employment in normal activities.

Table A.IX. shows the Trade Union unemployment percentages in the principal industrial groups. Substantial decreases in unemployment among the trade unionists concerned occurred in I. Wood, Furniture etc., II. Engineering, Metal Works, etc., III. Food, Drink, Tobacco etc., IV. Clothing, Hats, Boots, etc., VIII. Mining, Quarrying, etc; less substantial decreases occurred in V. Books, Printing etc. and VI. Other Manufacturing; and an increase occurred in VII. Building.

UNEMPLOYMENT REGISTRATIONS. Table A.X. shows the numbers of unemployed registered at the State Labour Exchanges. Total registrations decreased from 114,593 in

/August

August to 103,479 in April, i.e. by 11,114. This was a net decrease. Registrations decreased in New South Wales from 52,851 to 50,813, i.e. by 2,038; decreased in Victoria from 21,938 to 11,467, i.e. by 10,471; increased in Queensland from 22,406 to 29,451, i.e. by 7,045; decreased in South Australia from 8,859 to 6,060, i.e. by 2,799; decreased in Western Australia (for which the figures may contain some duplication), from about 6,170 to about 5,317, i.e. by about 853; and decreased in Tasmania from 2,369 to about 700, i.e. by about 1,669. The direction of change from August onwards in the unemployment registrations was in substantial conformity with the direction of change in estimated total employment in normal activities in each State. The considerable increase in registrations in Queensland, and the relatively big decrease in registrations in Tasmania, are to be attributed largely to seasonal influences. In all States there was an increase in the number of registrations in April over March, the increase being 5,132 in New South Wales but only slight in other States.

Unemployment Registrations by Localities: Tables N.VII., V.III., Q.III., S.III., W.III., and T.III show unemployment registrations by principal localities. The table below shows for each State the changes in the numbers of registrations at (a) Metropolitan Exchanges, (b) Exchanges in the principal provincial towns, and (c) Exchanges in the rest of the State.

UNEMPLOYMENT REGISTRATIONS BY LOCALITIES

Changes from August, 1939 to April, 1940.

State	Metro- politan	Provincial Towns	Rest of State	Whole State
New South Wales	- 3,339	Broken Hill, Lithgow, Maitland, Newcastle, Wollongong. + 2,821	- 1,520	- 2,038
Victoria ..	- 6,200	Ballarat, Bendigo Geelong, Mildura, Warrnambool, Wonthaggi. - 1,103	- 3,168	-10,471
Queensland ..	- 865	Ipswich, Rockhampton Townsville - 500	+ 8,410	+ 7,045
South Australia	- 2,107	Moonta, Kadina, Murray Bridge, Gawler, Port Pirie, Mt. Gambier. - 291	- 401	- 2,799
Western Australia*	- 239	Fremantle, Goldfields - 155	- 8	- 402
Tasmania ..	- 483	Launceston - 190	- 975	- 1,648
TOTAL:	-13,233	+ 582	+ 2,338	-10,313

* State Labour Exchange only, i.e. excluding numbers on Relief Work and Subsistence Record Card Index of Department of Employment. This decrease does not correspond to the decrease of 11,114 referred to in the text because for Western Australia the changes by localities apply only to the registrations at the Labour Exchange Proper.

Thus there was a substantial reduction (over 13,000) in unemployment registrations in metropolitan areas from August to April. Relatively to the numbers on the registers in metropolitan areas in August, the decrease in Melbourne (from 12,083 to 5,883) was more marked than the decrease in Sydney (from 30,392 to 27,053). As between August and March the decrease in Melbourne was from 12,083 to 5,860 and in Sydney from 30,392 to 25,918.

There was a net reduction for Australia in the principal provincial towns (allowing for the increase in Queensland) from August to March, but it was only about one-fifth of the reduction in metropolitan areas. Between August and April registrations in principal provincial towns show an increase. The increases in registrations in metropolitan and provincial centres from March to April, particularly in New South Wales (Sydney 1,135, Newcastle 2,882, Wollongong 902), were chiefly due to the coal strike. In areas outside the metropolitan and the principal provincial towns there was a net increase from August to March of about 6,800 and from August to April of about 2,300. This net increase in each case is accounted for solely by the increased registrations in Queensland, and is to be attributed almost entirely to the normal seasonal inactivity in rural areas in the early part of the year. The same seasonal factor explains the increase in registrations at the Labour Exchanges in Queensland provincial towns up to March and the decrease up to April. With improving seasonal conditions for employment in Queensland between the end of January and the end of April, total registrations decreased by 6,350. They may be expected to decrease still more as the winter months are approached.

Unemployment Registrations according to Trade or Occupation:

Tables V.IV., Q.IV., S.IV., and T.IV. show for Victoria, Queensland, South Australia and Tasmania respectively, Labour Exchange unemployment registrations classified according to trade or occupation. The limited significance of the figures in these tables should be kept in mind. In the first place they are classified only into broad categories of usual industry, trade or occupation, and the classification must frequently be based on the unsupported claims of the persons registering. The majority of those who register are classed as general labourers. The proportions of the total represented by general labourers in recent months were - Victoria

/(metropolitan)

(metropolitan) 54 per cent., Queensland 63 per cent., South Australia 84 per cent., Tasmania 90 per cent. (The proportion for New South Wales was probably 80 per cent. and for Western Australia 75 per cent.). The classifications at present used in the table for persons other than general labourers do not give a comprehensive view of the trends in unemployment among persons of particular skills. Even if a purely occupational classification common to all States were adopted, the figures would still be of doubtful utility for this purpose, since large numbers of skilled and semi-skilled workers apparently do not register for employment at the Exchanges.

The conclusions to be drawn from the figures given in Tables V.IV., Q.IV., S.IV., and T.IV. may be summarised as follows:

Between August and April there was a considerable decrease in the registrations of general labourers in Victoria, South Australia and Tasmania, and a considerable increase in Queensland. Registrations of persons whose usual occupation is associated with shipping (including wharf labour) decreased in Victoria and Tasmania. No registrations of men of this class were made in South Australia, and they are not shown for Queensland. Registrations of persons whose usual occupation is in agricultural, pastoral and other rural pursuits decreased in Victoria, South Australia and Tasmania, but increased considerably in Queensland.

For persons whose usual occupations are associated with the following industries, trades or services, the movement in registrations was as follows:

Wood, furniture, saw-mills, timber works etc.: Decreases in Victoria, South Australia and Tasmania (not shown for Queensland).

Engineering, metals etc.: Considerable decrease in Victoria, decreases in South Australia and Tasmania, and slight increase in Queensland.

Food, drink, tobacco: Decreases in Victoria and Tasmania, increase in Queensland. No registrations in South Australia.

Clothing, hats, boots, etc.: Considerable decrease in Victoria, decreases in Queensland, South Australia and Tasmania.

Books, printing, book-binding: Decrease in Victoria, increase in Queensland, no change in South Australia, and no registrations in Tasmania.

Other manufacturing: Decrease in Victoria, increase in Queensland, no

/registrations

registrations in South Australia and no change in Tasmania.

Mining: Considerable decrease in Victoria, decreases in Queensland and Tasmania, no registrations in South Australia.

Land Transport (other than railways and tramways): Increase in Victoria, decrease in Queensland and Tasmania, no registrations in South Australia.

Domestic, hotels, etc.: Decreases in Victoria, Queensland and Tasmania, no registrations in South Australia.

Commonwealth Bureau of Census and Statistics

CANBERRA. A.C.T.

4th June, 1940.